

PHARBACO CENTRAL PHARMACEUTICAL JSC NO.1

**THE FINANCIAL STATEMENTS**

**THE FOURTH QUARTER OF 2025**



## STATEMENT OF THE BOARD OF MANAGEMENT

We, the members of the Board of Management of Central Pharmaceutical Joint Stock Company No.1 - Pharbaco (hereinafter referred to as the "Company") submits this report together with the Company's financial statements for the accounting period from October 1, 2025 to December 31, 2025.

### Board of Directors and Board of Management

The members of the Boards of Directors, Board of Management of the Company who held office for the accounting period from October 1, 2025 to December 31, 2025 and to the date of this report are as follows:

#### *Board of Directors*

Mr. Nguyen Dinh Tuan	Chairman (appointed on 10 April 2025)
Mr. Vu Hong Khoa	Chairman (dismissed on 10 April 2025)
Mr. To Thanh Hung	Member
Ms. Nguyen Thi Thu Ha	Member
Ms. Luu Quynh Mai	Member

#### *Board of Management*

Mr. To Thanh Hung	Chief Executive Officer
Ms. Nguyen Thi Thu Ha	Deputy Permanent Chief Executive Officer
Ms. Ha Thi Thanh Hoa	Deputy Chief Executive Officer
Mr. Nguyen Van Quang	Deputy Chief Executive Officer

### Responsibilities of the Board of Management

The Board of Management of the Company is responsible for preparing the financial statements, which give a true and fair view of the financial position of the Company during the period, and its financial performance and its cash flows in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting. In preparing these financial statements, the Board of Management is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting principles have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business; and
- Design and implement an effective internal control system for the purpose of properly preparing and presenting the financial statements so as to minimize errors and frauds.

## STATEMENT OF THE BOARD OF MANAGEMENT

*(Continued)*

The Board of Management is responsible for ensuring that proper accounting records are kept, which disclose, with reasonable accuracy at any time, the financial position of the Company and that the financial statements comply with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting. The Board of Management is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of frauds and other irregularities.

"The Board of Management confirms that the Company has complied with the above requirements in preparing these financial statements."

*For on behalf of Board of Management*

PHARBACO CENTRAL PHARMACEUTICAL JSC NO.1



Nguyen Thi Thu Ha

Deputy Permanent Chief Executive Officer

*(The Power of Attorney No. 04/2025/UQ-PHARBACO dated July 30, 2025)*

Hanoi, January 19, 2026

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**BALANCE SHEET**  
*As of December 31, 2025*

Unit: VND

ASSETS	Codes	Notes	31/12/2025	01/01/2025
<b>A CURRENT ASSETS</b>	100	-	530,364,630,925	774,562,266,777
<b>I Cash and cash equivalents</b>	110	V.1.	73,645,964,732	225,963,280,635
1 Cash	111		73,645,964,732	225,963,280,635
2 Cash equivalents	112		-	-
<b>II Short-term financial investments</b>	120	V.	-	-
1 Held-to-maturity investments	123		-	-
<b>III Short-term receivables</b>	130		122,444,330,928	206,421,208,484
1 Short-term trade receivables	131	V.3.	148,472,973,519	211,124,937,554
2 Short-term advances to suppliers	132	V.4.	31,695,238,368	50,699,678,408
3 Other short-term receivables	136	V.5.	18,254,546,001	5,184,498,356
4 Provision for short-term doubtful debts	137		(75,978,426,960)	(60,587,905,834)
<b>IV Inventories</b>	140		177,770,546,628	181,198,323,077
1 Inventories	141	V.7.	177,998,196,539	181,307,079,046
2 Provision for devaluation of inventories	149		(227,649,911)	(108,755,969)
<b>V Other short-term assets</b>	150		156,503,788,637	160,979,454,581
1 Short-term prepayments	151	V.11.	3,059,567,645	3,635,354,640
2 Value added tax deductibles	152		153,415,491,765	157,344,099,941
3 Taxes and other receivables from the State	153	V.14.	28,729,227	-
<b>B NON-CURRENT ASSETS</b>	200		2,598,472,878,126	2,385,131,662,017
<b>I Long-term receivables</b>	210		297,411,409,918	156,854,697,592
1 Other long-term receivables	216	V.5.	297,411,409,918	156,854,697,592
<b>II Fixed assets</b>	220		129,335,326,101	135,410,988,399
1 Tangible fixed assets	221	V.8.	81,353,884,829	87,482,750,362
- Cost	222		565,173,247,071	559,317,096,007
- Accumulated depreciation	223		(483,819,362,242)	(471,834,345,645)
2 Intangible assets	227	V.9.	47,981,441,272	47,928,238,037
- Cost	228		65,287,979,082	57,227,979,082
- Accumulated depreciation	229		(17,306,537,810)	(9,299,741,045)
<b>IV Long-term assets in progress</b>	240	V.10.	2,166,148,134,829	2,062,672,315,160
1 Long-term construction in progress	242		2,166,148,134,829	2,062,672,315,160
<b>V Long-term financial investments</b>	250	V.	-	22,382,363,369
1 Investments in subsidiaries	251		-	22,500,000,000
2 Investments in joint-ventures, associates	252		1,176,000,000	1,176,000,000
3 Provision for impairment of long-term	254		(1,176,000,000)	(1,293,636,631)
<b>VI Other long-term assets</b>	260		5,578,007,278	7,811,297,497
1 Long-term prepayments	261	V.11.	5,578,007,278	7,811,297,497
<b>TOTAL ASSETS (270=100+200)</b>	270		3,128,837,509,051	3,159,693,928,794

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**BALANCE SHEET**  
*As of December 31, 2025*

(continued)

Unit: VND

RESOURCES	Codes	Notes	31/12/2025	01/01/2025
<b>C LIABILITIES</b>	300		1,834,170,482,459	1,897,597,085,356
<b>I Current liabilities</b>	310		1,215,855,465,563	976,318,468,468
1 Short-term trade payables	311	V.12.	167,941,990,881	174,563,722,890
2 Short-term advances from customers	312	V.13.	167,807,450,609	149,576,264,685
3 Taxes and amounts payable to the State budget	313	V.14.	7,956,881,808	4,890,201,326
4 Payables to employees	314		10,889,898,013	14,713,709,889
5 Short-term accrued expenses	315	V.15.	45,702,993,439	5,099,275,741
6 Other current payables	319	V.16.	5,307,071,719	6,026,920,376
7 Short-term loans and obligations under finance	320	V.17.	809,694,620,865	620,893,815,332
8 Bonus and welfare funds	322		554,558,229	554,558,229
<b>II Long-term liabilities</b>	330		618,315,016,896	921,278,616,888
1 Other long-term payables	337	V.16.	1,924,000,000	1,720,600,000
2 Long-term loans and obligations under finance	338	V.17.	616,391,016,896	919,558,016,888
<b>D EQUITY</b>	400		1,294,667,026,592	1,262,096,843,438
<b>I Owner's equity</b>	410	V.18.	1,294,667,026,592	1,262,096,843,438
1 Owner's contributed capital	411		1,166,984,480,000	1,132,999,020,000
- Ordinary shares carrying voting rights	411a		1,166,984,480,000	1,132,999,020,000
2 Share premium	412		25,731,363,636	25,731,363,636
3 Investment and development fund	418		38,505,239,661	38,505,239,661
4 Retained earnings	421		63,445,943,295	64,861,220,141
- Retained earnings accumulated to the prior year end	421a		30,875,760,141	43,170,811,129
- Retained earnings of the current year	421b		32,570,183,154	21,690,409,012
<b>II Other resources and funds</b>	430			
<b>TOTAL RESOURCES (440=300+400)</b>	440		3,128,837,509,051	3,159,693,928,794

Hanoi, January 19, 2026

PHARBACO CENTRAL PHARMACEUTICAL JSC NO.1

Preparer



Tran Thi Bich Loan

Chief Accountant



Nguyen Duc Canh

Deputy Permanent Chief Executive Officer



Nguyen Thi Thu Ha

(The Power of Attorney No. 04/2025/UQ-  
PHARBACO dated July 30, 2025)

INCOME STATEMENT		4th QUARTER				ACCUMULATED FROM THE BEGINNING OF THE YEAR			
Items	Cod es	Notes	Current year	Previous year	Current year	Previous year	Current year	Previous year	
1. Gross revenue from goods sold and services	01	VI.1.	280,167,166,694	324,544,884,982	1,079,086,125,565	1,066,796,488,421			
2. Deductions	02		-	1,701,142,857	1,382,570,738	1,701,142,857			
3. Net revenue from goods sold and services rendered (10=01-02)	10		280,167,166,694	322,843,742,125	1,077,703,554,827	1,065,095,345,564			
4. Cost of sales	11	VI.2.	228,038,792,873	258,147,517,106	892,051,483,598	855,335,074,533			
5. Gross profit from goods sold and services rendered (20=10-11)	20		52,128,373,821	64,696,225,019	185,652,071,229	209,760,271,031			
6. Financial income	21	VI.3.	249,032,001	3,343,030,160	2,467,393,893	2,971,385,535			
7. Financial expenses	22	VI.4.	17,817,354,915	18,281,210,987	44,074,179,491	43,286,219,148			
<i>In which: Interest expense</i>	23		8,820,077,018	10,163,975,949	38,356,959,161	36,548,872,295			
8. Selling expenses	25	VI.7.	1,003,484,254	1,155,299,399	4,534,869,518	4,890,899,552			
9. General and administration expenses	26	VI.7.	23,390,992,389	36,215,673,173	104,226,249,579	134,333,939,917			
10. Operating profit	30		10,165,574,264	12,387,071,620	35,284,166,534	30,220,597,949			
{30=20+(21-22)-(25+26)}									
11. Other income	31	VI.5.	3,600,226,005	1,731,028	5,964,723,204	88,007,744			
12. Other expenses	32	VI.6.	24,913,700	174,728,767	302,140,397	2,149,867,791			
13. Profit from other activities (40= 31-32)	40		3,575,312,305	(172,997,739)	5,662,582,807	(2,061,860,047)			
14. Accounting profit before tax (50=30+40)	50		13,740,886,569	12,214,073,881	40,946,749,341	28,158,737,902			



**CASH FLOW STATEMENT**

(By indirect method)

*The Fourth Quarter of 2025*

Unit: VND

Items	Code s	Accumulated from the beginning of the year to the end of the fourth quarter of 2025	Accumulated from the beginning of the year to the end of the fourth quarter of 2024
<b>I. Cash flows from operating activities</b>			
1. <i>Profit before tax</i>	01	40,946,749,341	28,158,737,902
2. <i>Adjustments for:</i>			
- Depreciation and amortisation of fixed assets and investment properties	02	27,670,491,762	30,760,611,578
- Provisions	03	15,391,778,437	32,497,312,115
- Foreign exchange (gain)/ loss arising from translating foreign currency items	04	7,751,875,433	3,569,878,279
- (Gain)/loss from investing activities	05	(2,326,785,519)	(725,154,173)
- Interest expense	06	38,356,959,161	36,548,872,295
3. <i>Operating profit before movements in working capital</i>	08	127,791,068,615	130,810,257,996
- Increase, decrease in receivables	09	(68,058,458,536)	27,635,727,604
- Increase, decrease in inventories	10	3,308,882,507	99,753,356,877
- Increase, decrease in payables (excluding accrued loan interest and corporate income tax payable)	11	10,145,155,494	31,144,713,530
- Increase, decrease in prepaid expenses	12	2,809,077,214	2,885,185,384
- Interest paid	14	(8,330,731,230)	(35,445,937,712)
- Corporate income tax paid	15	(5,295,876,770)	(11,500,000,000)
<i>Net cash generated by/(used in) operating activities</i>	20	62,369,117,294	245,283,303,679
<b>II. Cash flows from investing activities</b>			
1. Acquisition and construction of fixed assets and other long-term assets	21	(125,070,649,133)	(129,901,725,729)
2. Proceeds from sale, disposal of fixed assets and other long-term assets	22	2,272,727,273	100,000,000
3. Cash outflow for lending, buying debt instruments of other entities	23	-	-
4. Cash recovered from lending, selling debt instruments of other entities	24	-	-
5. Money spent on investment in other entities	25	-	-
6. Proceeds from capital investments in other entities	26	22,500,000,000	-
7. Interest earned, dividends and profits received	27	29,282,082	643,096,433
<i>Net cash generated by/(used in) investing activities</i>	30	(100,268,639,778)	(129,158,629,296)

**CASH FLOW STATEMENT**

(By indirect method)

*The Fourth Quarter of 2025*

*(Continued)*

**II Cash flows from financing activities**

1. Proceeds from share issue and owners' contributed capital	31		
2. Proceeds from borrowings	33	789,464,477,399	618,699,723,699
3. Repayment of borrowings	34	(903,830,671,858)	(712,530,578,467)
4. Repayment of obligations under finance leases	35	-	-
5. Dividends and profits paid	36	(43,029,573)	(12,875,000)
<i>Net cash generated by/(used in) financing activities</i>	<b>40</b>	<i>(114,409,224,032)</i>	<i>(93,843,729,768)</i>
Net increase/(decrease) in cash (50=20+30+40)	<b>50</b>	(152,308,746,516)	22,280,944,615
Cash and cash equivalents at the beginning of the period	<b>60</b>	225,963,280,635	203,682,450,696
Effects of changes in foreign exchange rates	<b>61</b>	(8,569,387)	(114,676)
Cash and cash equivalents at the end of the period	<b>70</b>	73,645,964,732	225,963,280,635
(70 = 50+60+61)			

Hanoi, January 19, 2026

PHARBACO CENTRAL PHARMACEUTICAL JSC NO.1

Preparer

Chief Accountant

Deputy Permanent Chief Executive Officer



Tran Thi Bich Loan



Nguyen Duc Canh



Nguyễn Thị Thu Hà  
(The Power of Attorney No. 04/2025/UQ-  
PHARBACO dated July 30, 2025)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

*(These notes are an integral part of and should be read in conjunction with the accompanying financial statement)*

### I. Characteristics of business operations

#### 1. Form of capital ownership

Pharbaco Central Pharmaceutical Joint Stock Company No. 1 (hereinafter referred to as the "Company") was formerly Central Pharmaceutical Factory No. 1, under the Vietnam Pharmaceutical Enterprises Union (now the Vietnam Pharmaceutical Corporation). It was established pursuant to Decision No. 401/BYT-QĐ dated April 22, 1993, issued by the Minister of Health. Central Pharmaceutical Factory No. 1 was converted into Pharbaco Central Pharmaceutical Joint Stock Company No. 1 pursuant to Decision No. 286/QĐ-BYT dated January 25, 2007, and Decision No. 2311/QĐ-BYT dated June 27, 2007, issued by the Minister of Health. The Company has been operating under Business Registration Certificate No. 0103018671 since July 25, 2007. The Company has undergone 22 amendments to its Business Registration Certificate (now referred to as the Enterprise Registration Certificate).

According to Enterprise Registration Certificate No. 0100109032, amended for the 22nd time on September 16, 2025, the Company's charter capital is 1,166,984,480.000 VND (*One trillion, one hundred sixty-six billion, nine hundred eighty-four million, four hundred eighty thousand Vietnamese dong*) and the legal representative of the Company is Mr. To Thanh Hung, General Director.

The Company has registered for trading common shares on the UPCOM Stock Exchange since November 18, 2019, pursuant to Decision No. 767/QĐ-SGDHN issued by the Hanoi Stock Exchange. The Company's stock code is PBC, with a total of 116,698,448 outstanding shares.

#### 2. Business areas

The Company operates in the pharmaceutical manufacturing and trading sector.

#### 3. Business activities

- Manufacturing pharmaceuticals, chemical drugs, and medicinal herbs;
- For conditional business sectors, the Company operates only when meeting the legal requirements:

**Head Office:** No. 160 Ton Duc Thang, O Cho Dua Ward, Ha Noi City, Viet Nam.

#### 4. Normal production and business cycle

The normal production and business cycle of the Company is carried out within a period of no more than 12 months.

#### 5. The Company's structure

##### *List of Directly Controlled Subsidiaries*

The Company only invests in one subsidiary, Viet My Advanced Pharmaceutical Joint Stock Company (formerly Noi Bai Trading and Warehousing Joint Stock Company), headquartered in Thach Loi Village, Noi Bai Commune, Ha noi City. The main business activity of this subsidiary is warehouse and goods storage services. On July 21, 2025, the Company's Board of Directors met and issued Resolution No. 10/2025/NQ-HDQT on divesting all capital from Viet My High-Tech Pharmaceutical Joint Stock Company, with a total value of VND 22,500,000,000 (Twenty-two billion five hundred million VND) corresponding to 2,250,000 shares, with an ownership ratio of 75% at the time of divestment. On October 8, 2025, the share transfer was completed, and both parties signed a contract termination agreement No. 02/2025/TLHD.

##### *List of Associated Companies*

The Company only invests in one associated company, Pharbaco central hospital No1 Joint Stock Company, headquartered at 160 Ton Duc Thang Street, O Cho Dua Ward, Ha noi City. The main business activity of this associated company is operating general, specialized, and dental clinics. As of the end of the accounting period, the Company's investment stake in the associated company is 44%, with the same proportion of voting rights and ownership as the capital contribution.

Pharbaco central hospital No1 Joint Stock Company was dissolved according to Resolution No. 01/2021/QĐ-DHDCĐ dated April 22, 2021. However, no notification regarding the termination of operations has been received from the Hanoi Department of Planning and Investment as of the present time.

### II. Accounting period, currency used in accounting

#### 1. Accounting period

The financial year of the Corporation begins on January 1 and ends on December 31 of each year.

#### 2. Currency used in accounting

The currency used in accounting is Vietnamese Dong ("VND"), accounting is based on the original cost principle, in accordance with Vietnamese Accounting Standards, corporate accounting regimes and legal regulations related to the preparation and presentation of the financial statements.

#### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

*(These notes are an integral part of and should be read in conjunction with the accompanying financial statement)*

#### III. Accounting Standards And System Applied

##### 1. Accounting Standards And System Applied

The Company applies Vietnamese Accounting Standards and the Accounting regime for enterprises promulgated under the Circular No. 200/2014/TT-BTC dated 22 December 2014 by Ministry of Finance guiding the accounting regime for enterprises and Circular No. 53/2016/TT-BTC dated 21 March 2016 by Ministry of Finance amending and supplementing some articles of Circular No. 200/2014/TT-BTC.

##### 2. Statement on Compliance with Accounting Standards and Accounting Regime

The Company's financial statements are prepared and presented in compliance with the requirements of Vietnamese Accounting Standards and the current Vietnamese Enterprise Accounting Regime and legal regulations related to the preparation and presentation of the financial statements.

#### IV. Summary Of Significant Accounting Policies

##### 1. Basis for preparing the financial statements

The Company prepares its financial statements on the historical cost basis and in accordance with Vietnamese accounting standards. These financial statements are not intended to present the financial position, results of operations and cash flows for the corresponding period in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

##### 2. Financial instruments

In particular, Circular No. 210/2009/TT-BTC dated November 6, 2009 of the Ministry of Finance guiding the application of International Accounting Standards on financial statement presentation and disclosure of information for financial instruments has not been applied by the Company in presenting these financial statements.

##### 3. Types of exchange rates applied in accounting

The exchange rate for converting transactions arising during the period in foreign currency is the exchange rate of the commercial bank where the Company regularly conducts transactions at the time of occurrence.

The exchange rate when revaluing foreign currency items at the time of preparing the separate financial statements is the exchange rate announced by the commercial bank where the company opens an account at the time of preparing the financial statements. In which:

- The exchange rate when revaluing foreign currency items classified as assets is the buying rate of the commercial bank where the Company opens a foreign currency account at the time of preparing the financial statements.
- The exchange rate when re-evaluating foreign currency items classified as liabilities is the selling rate of the commercial bank where the Company regularly conducts transactions at the time of preparing the financial statements.

##### 4. Estimates

The preparation of the financial statements in conformity with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial year (reporting period). Although these accounting estimates are based on the management's best knowledge, actual results may differ from those estimates.

##### 5. Cash and cash equivalents

Cash and cash equivalents include cash on hand, demand deposits and term deposits of no more than 3 months, short-term investments with a maturity of no more than 3 months from the date of investment, which can be easily converted into a certain amount of cash and are not subject to the risk of conversion into cash at the reporting date. The determination of cash equivalents is guaranteed in accordance with the provisions of Vietnamese Accounting Standard No. 24 "Cash Flow Statement"

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

*(These notes are an integral part of and should be read in conjunction with the accompanying financial statement)*

### 6. Financial investments

#### *Held-to-maturity investments*

Held-to-maturity investments comprise investments that the Company has the positive intent or ability to hold to maturity, including term deposits (commercial bills), bonds, preference shares which the issuer shall redeem at a certain date in the future, loans held to maturity to earn periodic interest and other held-to-maturity investments.

Held-to-maturity investments are recognized on the date of acquisition and are initially measured at cost, including the purchase price and any transaction costs. Interest income from investments held to maturity after the acquisition date is recognized in the Income Statement on an accrual basis. Interest earned before the Company holds the investment is deducted from the cost at the acquisition date.

Held-to-maturity investments are measured at cost less allowance for doubtful debts.

When there is strong evidence that part or all of an investment may not be recovered and the amount of loss can be reliably determined, the loss is recorded in financial expenses in the period and directly reduces the investment value.

#### *Investments in subsidiaries, investments in associates*

##### *Investments in subsidiaries*

A subsidiary is an entity over which the Company has control. Control is achieved where the Company has the power to govern the financial and operating policies of an investee enterprise so as to obtain benefits from its activities

##### *Investments in associates*

An associate is an entity over which the Company has significant influence and that is neither a subsidiary nor an interest in joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but not control or joint control over those policies.

Investments in subsidiaries and associates are initially recorded at cost, including the purchase price or capital contribution plus costs directly related to the investment. In case of investment in non-monetary assets, the cost of the investment is recorded at the fair value of the non-monetary assets at the time of arising.

Dividends and profits from periods prior to the purchase of the investment are recorded as a reduction in the value of the investment itself. Dividends and profits from periods subsequent to the purchase of the investment are recorded as revenue. Dividends received in the form of shares are only recorded as the number of shares increased, not the value of the shares received.

##### *Method of making provision for investment depreciation*

Provision for losses on investments in subsidiaries and associates is made at the time of preparing the consolidated financial statements. When investments in subsidiaries and associates have decreased compared to the original price, the Company makes provisions as follows:

- For investments in subsidiaries and associates whose shares are listed on the market or whose fair value is reliably determined, provisions are made based on the market value of the shares.

- For investments whose fair value cannot be determined at the reporting date, provisions are made at an amount equal to the difference between the actual capital contributions of the parties at the subsidiaries and associated companies and the actual equity multiplied by the Company's capital contribution ratio compared to the total actual capital contributions of the parties at the subsidiaries and associated companies.

Increase or decrease in the provision for investment losses in subsidiaries and associates that must be set up at the closing date of the consolidated financial statements is recorded in financial expenses.

### 7. Receivables

Receivables represent the amounts recoverable from customers or other debtors and are stated at book value less provision for doubtful debts.

The classification of receivables is carried out according to the following principles:

- Trade receivables reflect commercial receivables arising from purchase and sale transactions between the Company.
- Other receivables reflect non-commercial receivables not related to purchase and sale transactions.

Provision for doubtful debts is made for overdue receivables stated in economic contracts, contractual commitments or debt repayment commitments that the enterprise has repeatedly requested but has not yet recovered, or receivables that the debtor is unlikely to be able to pay due to liquidation, bankruptcy or similar difficulties.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

*(These notes are an integral part of and should be read in conjunction with the accompanying financial statement)*

Increases and decreases in the balance of the provision for doubtful debts that must be set up at the closing date of the consolidated financial statements are recorded in business management expenses.

**8. Inventories**

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition.

Net realizable value is the estimated selling price of inventories in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

Inventory valuation method: specific cost

Inventory accounting method: Perpetual declaration

Method of setting up inventory price reduction reserve: Inventory price reduction reserve is set up for each inventory item whose original cost is greater than its net realizable value. Increases and decreases in the inventory price reduction reserve balance required to be set up at the closing date of the separate financial statements are recorded in the cost of goods sold.

**9. Principles of recording and depreciation methods of fixed assets**

**9.1 Principles of recognition and depreciation methods of tangible fixed assets**

Tangible fixed assets are recorded at original cost, reflected on the Balance Sheet according to the indicators of original cost, accumulated depreciation and residual value.

The original cost of purchased tangible fixed assets includes the purchase price (minus trade discounts or rebates), taxes and costs directly related to bringing the asset into a ready-to-use state.

The original cost of self-constructed or self-made tangible fixed assets includes the actual cost of the self-constructed or self-made tangible fixed assets and the cost of installation and trial operation.

Expenses incurred after the initial recognition of tangible fixed assets are recorded as an increase in the original cost of the asset when these expenses certainly increase future economic benefits. Expenses incurred that do not satisfy the above conditions are recorded by the Company as production and business expenses in the period.

The Company applies the straight-line depreciation method for tangible fixed assets. Tangible fixed asset accounting is classified according to groups of assets with the same nature and purpose of use in the Company's production and business activities, including:

<i>Type of fixed asset</i>	<i>Year</i>
Buildings and structures	06 - 30
Machinery and equipment	03 - 15
Motor vehicles	06 - 10
Office equipment	05 - 10

**9.2 Principles of recognition and depreciation methods of intangible fixed assets**

Intangible fixed assets are recorded at original cost, reflected on the Balance Sheet according to the indicators of original cost, accumulated depreciation and residual value.

The original cost of intangible fixed assets includes all costs incurred by the Company to acquire the fixed assets up to the time the asset is ready for use. Expenses related to intangible fixed assets incurred after initial recognition are recognized as production and business expenses in the period, unless these expenses are associated with a specific intangible fixed asset and increase the economic benefits from these assets.

When fixed assets are sold for liquidation, their original cost and accumulated depreciation are written off and any gain or loss arising from their disposal is recognized as income or expense for the period.

The Company's intangible assets are computer software, virtual servers and drug formula.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

*(These notes are an integral part of and should be read in conjunction with the accompanying financial statement)*

***Software program***

Costs relating to computer software programs that are not an integral part of the related hardware are capitalized. The cost of computer software is the total cost incurred by the Company up to the date the software is put into use.

<i>Type of fixed asset</i>	<i>Year</i>
Computer software	8 - 10
Virtual servers	03
Drug formula	20

**10. Principles for recording construction in progress costs**

The Company's construction in progress costs include the construction costs of the EU GMP standard pharmaceutical factory project. These costs include construction costs, services and other related costs in accordance with the Company's accounting policy.

**11. Prepayments**

Prepaid expenses include actual expenses that have been incurred but are related to the results of production and business activities of many accounting periods. Prepaid expenses are costs of tools and equipment issued for use awaiting allocation, repair costs and other prepaid expenses.

Tools and equipment: Tools and equipment put into use are allocated to expenses using the straight-line method over a period of 03 months to 36 months.

Fixed asset repair costs: One-time asset repair costs of large value are allocated to expenses using the straight-line method over a period of no more than 36 months.

Other prepaid expenses: Other prepaid expenses incurred once with large value are allocated to expenses by the straight-line method over a period of no more than 36 months.

**12. Payables**

Liabilities are amounts payable to suppliers and others. Liabilities include trade and other payables. Liabilities are not recorded as less than the obligation to pay.

The classification of payables is carried out according to the following principles:

- Trade payables include commercial payables arising from transactions of purchasing goods, services, assets and the seller is an independent entity from the buyer.

- Other payables include non-commercial payables not related to the purchase, sale or provision of goods or services.

Payables are monitored in detail by each subject and payment term. Foreign currency payables are re-evaluated by the Company at the end of the period or year at the selling exchange rate of the Joint Stock Commercial Bank for Foreign Trade of Vietnam

**13. Loan recognition principles**

Loans are recorded on the basis of bank documents, contracts and loan agreements. Loans are monitored by subject and term.

**14. Principles of recognition and capitalization of borrowing costs**

Borrowing costs include interest and other costs incurred in connection with borrowing.

Borrowing costs are recognized as production and business expenses in the year when incurred, unless capitalized in accordance with the provisions of the Accounting Standard "Borrowing costs". Accordingly, borrowing costs directly related to the purchase, construction or production of assets that require a relatively long time to complete and put into use or business are added to the original cost of the asset until such time as the asset is put into use or business. Income arising from temporary investment of loans is recorded as a reduction in the original cost of the related assets. For separate loans for the construction of fixed assets, investment real estate, interest is capitalized even when the construction period is less than 12 months.

#### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

(These notes are an integral part of and should be read in conjunction with the accompanying financial statement)

##### 15. Principle of recording accrued expenses

The Company's accrued expenses include pre-deducted interest expenses, auditing expenses... which are actual expenses that have arisen in the reporting period but have not been paid due to lack of invoices or insufficient accounting records and documents, recorded in the production and business expenses of the reporting period and payables that have not arisen due to lack of recorded goods and services but are calculated in advance into the production and business expenses of this period to ensure that when they actually arise, they do not cause sudden changes in production and business expenses.

The provision for production and business expenses in the period must be calculated strictly and there must be reasonable and reliable evidence of the expenses that must be provisioned in the period, to ensure that the amount of expenses payable recorded in this account matches the actual expenses incurred.

##### 16. Principle of equity recognition

Owner's equity is recorded according to the actual capital contributed by shareholders.

Share premium is recorded at the larger difference between the actual issue price and the par value of shares when issuing shares.

Undistributed profit after tax is the profit from the business's operations after deducting the current year's corporate income tax expense.

Profit after corporate income tax is distributed to shareholders after setting aside funds in accordance with the Company's Charter and legal regulations and approved by the General Meeting of Shareholders.

The distribution of profits to shareholders takes into account non-monetary items in undistributed profits after tax that may affect cash flow and the ability to pay dividends such as interest from revaluation of contributed assets, interest from revaluation of monetary items, financial instruments and other non-monetary items.

Dividends are recognized as liabilities when approved by the General Meeting of Shareholders.

##### 17. Principles and methods of revenue and income recognition

The Company's revenue includes revenue from sales of materials, semi-finished products (injections, pills, etc.), revenue from providing services (entrusted import-export services; office rental, warehouse rental) and interest revenue from bank deposits.

###### *Revenue from sales of goods and finished products*

Revenue from the sale of goods and finished products is recognized when all five (5) following conditions are simultaneously satisfied:

- The Company has transferred to the buyer the significant risks and rewards of ownership of the products or goods;
- The Company no longer holds the right to manage the goods as the owner of the goods or the right to control the goods;
- Revenue is determined with relative certainty. When the contract stipulates that the buyer has the right to return the purchased products or goods under specific conditions, revenue is only recognized when those specific conditions no longer exist and the buyer is not entitled to return the products or goods (except in cases where the customer has the right to return the goods in exchange for other goods or services);
- The Company has obtained or will obtain economic benefits associated with the transaction; and
- Identify the costs associated with a sales transaction.

###### *Service revenue*

Revenue from a service transaction is recognized when the outcome of the transaction can be reliably measured. In cases where a service transaction involves multiple periods, revenue is recognized in a period based on the results of the work completed at the closing date of the financial statements of that period. The outcome of a service transaction is determined when all four (4) of the following conditions are satisfied:

- Revenue is measured reliably: When a contract provides that the buyer has the right to return the purchased services under specific conditions, revenue is recognized only when those specific conditions no longer exist and the buyer has no right to return the services provided;
- It is possible to obtain economic benefits from the transaction of providing that service;
- Determine the portion of work completed at the closing date of financial statements; and
- Identify the costs incurred for the transaction and the costs to complete the transaction to provide that service.

###### *Interest Revenue*

Interest is recognized on an accrual basis, determined on the deposit account balance and the actual interest rate for each period.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

*(These notes are an integral part of and should be read in conjunction with the accompanying financial statement)*

Advances from customers are not recognized as revenue during the year.

The Company's other income includes income from liquidation of fixed assets and other income.

**18. Principles of financial cost accounting**

Financial expenses recorded in the separate income statement are total financial expenses incurred during the period, not offset against financial revenue, including interest expenses and exchange rate differences.

**19. Other accounting principles and methods**

**19.1 Tax obligations**

*Value Added Tax (VAT)*

The Company applies VAT declaration and calculation according to the guidance of current tax laws.

*Corporate income tax*

Corporate income tax represents the sum of current and deferred tax liabilities.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years (including losses carried forward, if any) and it further excludes items that are not taxable or deductible.

The company applies a corporate income tax rate of 20% on taxable income.

The determination of the Company's corporate income tax is based on current tax regulations. However, these regulations are subject to change from time to time and the final determination of corporate income tax depends on the results of the examination by the competent tax authority.

*Other taxes*

Other taxes and fees must be declared and paid by the enterprise to the local tax authorities according to current tax laws in Vietnam.

**V. INFORMATION SUPPLEMENTING THE ITEMS IN THE BALANCE SHEET**

**1. CASH AND CASH EQUIVALENTS**

	31/12/2025 VND	01/01/2025 VND
<b>Cash</b>	<b>73,645,964,732</b>	<b>225,963,280,635</b>
<i>Cash on hand</i>	<i>3,985,149,921</i>	<i>223,031,265</i>
Cash on hand VND	3,802,532,690	46,198,512
Cash on hand USD	182,617,231	176,832,753
<i>Bank demand deposits</i>	<i>69,660,814,811</i>	<i>225,740,249,370</i>
Bank demand deposits VND	66,215,298,007	223,029,185,844
Bank demand deposits USD	3,418,043,037	2,686,900,833
Bank demand deposits EUR	27,473,767	24,162,693
<b>Cash equivalents</b>		
<b>Total</b>	<b>73,645,964,732</b>	<b>225,963,280,635</b>

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

*(These notes are an integral part of and should be read in conjunction with the accompanying financial statement)*

**2. Financial investments**

*a) Equity investments in other entities*

	31/12/2025		01/01/2025	
	VND	VND	VND	VND
	Cost	Provision	Carrying amount	Cost
a1) Investment in subsidiary				
Viet My Advanced Pharmaceutical Joint Stock Company	0	-	-	22,500,000,000
	-	-	-	(117,636,631)
				22,382,363,369
				(117,636,631)
a2) Investments in joint-ventures, associates				
Pharabaco central hospital No1 Joint Stock Company	1,176,000,000	(1,176,000,000)	-	1,176,000,000
	1,176,000,000	(1,176,000,000)	-	(1,176,000,000)
				1,176,000,000
<b>Total</b>	<b>1,176,000,000</b>	<b>(1,176,000,000)</b>	<b>-</b>	<b>23,676,000,000</b>
				(1,293,636,631)
				22,382,363,369

**Summary of Operations of Subsidiary and Associated Company**

Viet My Advanced Pharmaceutical Joint Stock Company (formerly Noi Bai Trading and Warehousing Joint Stock Company) operates in the field of warehouse and goods storage, as per the Enterprise Registration Certificate, 9th amendment, dated January 25, 2021. On July 21, 2025, the Company's Board of Directors met and issued Resolution No. 10/2025/NQ-HDQT on divesting all capital from Viet My High-Tech Pharmaceutical Joint Stock Company, with a total value of VND 22,500,000,000 (Twenty-two billion five hundred million VND) corresponding to 2,250,000 shares, with an ownership ratio of 75% at the time of divestment. On October 8, 2025, the share transfer was completed, and both parties signed a contract termination agreement No. 02/2025/TLHD.

Pharabaco central hospital No1 Joint Stock Company operates under Enterprise Registration Certificate No. 0108606011, first registered on January 29, 2019. The company engages in the operation of general, specialized, and dental clinics. On April 22, 2021, the General Meeting of Shareholders of Pharabaco central hospital No1 Joint Stock Company passed Resolution No. 01/2021/QĐ-DHĐCD regarding the dissolution of the company. As a result, the company has made a 100% provision for the value of its investment in Pharabaco central hospital No1 Joint Stock Company.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

(These notes are an integral part of and should be read in conjunction with the accompanying financial statement)

3. Short-term trade receivables

	31/12/2025		01/01/2025	
	VND	Cost	VND	Provision
<i>Short-term</i>				
Appollo Oil JSC	48,554,676,661	(48,554,676,661)	48,554,676,661	(33,988,273,662)
Vina Australia Trading JSC	2,247,629,300	-	-	-
Thien Y Pharmaceutical And Trading Company Limited	1,076,519,997	-	11,076,519,997	-
Phuong Phuc Pharmaceutical Chemical Company Limited	3,459,577,193		2,927,575,506	
Others	93,134,570,368	(8,052,231,306)	148,566,165,390	(7,228,113,179)
<b>Total</b>	<b>148,472,973,519</b>	<b>(56,606,907,967)</b>	<b>211,124,937,554</b>	<b>(41,216,386,841)</b>

4. Short-term advances to suppliers

	31/12/2025		01/01/2025	
	VND	VND	VND	VND
<i>Short-term</i>				
Appollo Oil JSC	6,635,605		8,066,635,605	
Yoosung Filling System Co., Ltd.	-		6,598,252,000	
Qui Long Refrigeration Electrical Engineering Technology Co., Ltd	15,379,324,500		15,481,044,300	
Others	16,309,278,263		20,553,746,503	
<b>Total</b>	<b>31,695,238,368</b>		<b>50,699,678,408</b>	

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

(These notes are an integral part of and should be read in conjunction with the accompanying financial statement)

5. Other receivables

	31/12/2025		01/01/2025	
	VND	Cost	VND	Cost
<i>a) Short-term</i>				
Short - term collateral, deposits	2,652,386,727	-	898,286,197	-
<i>Vietnam Maritime Commercial Joint Stock Bank - Thanh Xuan Branch</i>	170,684,826	-	218,943,598	-
<i>Saigon Thuong Tin Commercial Joint Stock Bank - Ha Dong Branch</i>	500,000,000	-	500,000,000	-
<i>Joint Stock Commercial Bank for Investment and Development of Vietnam</i>	1,800,000,000			
<i>- Long Bien Branch</i>				
<i>Others</i>	181,701,901	-	179,342,599	-
Other receivables	15,194,880,217	-	3,762,551,122	-
<i>Accrued interest</i>	54,995,342	-	30,219,178	-
<i>Social insurance arrears</i>	55,840,579	-	47,739,618	-
<i>Others</i>	15,084,044,296	-	3,684,592,326	-
Receivable from employees	367,013,900	-	483,395,880	-
<i>Mr. Le Phu Duc</i>	35,000,000	-	70,000,000	-
<i>Ms. Do Thi Bich Hue</i>	50,000,000	-	50,000,000	-
<i>Mr. Nguyen Quoc Dat</i>	50,000,000	-	50,000,000	-
<i>Others</i>	232,013,900	-	313,395,880	-
Debit balance of account 3388	40,265,157	-	40,265,157	-
<i>b) Long-term</i>	297,411,409,918	(19,371,518,993)	156,854,697,592	(19,371,518,993)
<i>BV Pharma Joint Stock Company</i>	19,371,518,993	(19,371,518,993)	19,371,518,993	(19,371,518,993)
<i>Hai Ha Waterway Transport Company Limited</i>			137,443,287,674	
<i>Pharbaco Thai Binh Pharmaceutical Joint Stock Company</i>	200,000,000,000			
<i>Huy Tuan Investment and Construction Company Limited</i>	78,000,000,000			
Long - term collateral, deposits	39,890,925		39,890,925	
<b>Total</b>	<b>315,665,955,919</b>	<b>(19,371,518,993)</b>	<b>162,039,195,948</b>	<b>(19,371,518,993)</b>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

(These notes are an integral part of and should be read in conjunction with the accompanying financial statement)

6. Bad debts

	31/12/2025		01/01/2025	
	VND	Recoverable amount	VND	Recoverable amount
Cost		Cost		
Total value of receivables that are overdue or not yet due but are unlikely to be recovered				
<i>Receivables from customers</i>				
Appollo Oil JSC	48,554,676,661		33,988,273,662	
Huong Que Trading Investment Joint	2,565,085,530		2,565,085,530	
Tien Thanh Trading and Pharmaceutical Limited Company	1,814,538,915		1,814,538,915	
Tuyen Quang Tuberculosis and Lung Disease Hospital	6,082,005	-	6,082,005	
Pharbaco Central Hospital No1 Joint Stock Company	177,803,010	-	177,803,010	
Thanh Phuong Pharmaceutical Trading Company Limited	1,400,000,001		980,000,001	109
Hien - Vi Pharmaceuticals Company Limited	1,237,324,369		866,127,058	G 1
Phuc Sinh Pharmaceutical Company Limited	713,493,422		713,493,422	'H
Winvet Vietnam Joint Stock Company	69,135,074		48,394,552	PI
Viet Nhat International Commerce And General Services Limited Company	40,600,980		28,420,686	UC
Phuc Lam Company Limited	28,168,000		28,168,000	
BV Pharma Joint Stock Company	19,371,518,993		19,371,518,993	
<b>Total</b>	<b>75,978,426,960</b>	-	<b>60,587,905,834</b>	-

7. Inventories

	31/12/2025		01/01/2025	
	VND	Cost	VND	Provision
	Cost	Provision	Cost	Provision
Goods in transit	75,882,000	-	293,996,260	-
Raw materials	108,621,001,914	(97,809,079)	116,595,122,061	(100,876,303)
Tools and supplies	1,779,124,290		2,210,998,157	
Work in progress	28,797,595,775		21,929,047,964	
Finished goods	16,872,643,168	(129,840,832)	37,952,402,131	(7,879,666)
Merchandise	21,851,949,392		2,325,512,473	
<b>Total</b>	<b>177,998,196,539</b>	<b>(227,649,911)</b>	<b>181,307,079,046</b>	<b>(108,755,969)</b>

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

*(These notes are an integral part of and should be read in conjunction with the accompanying financial statement)*

**Increases, decreases in tangible fixed assets**

Cost	Items	Buildings and structures	Machinery and equipment	Motor vehicles	Office equipment	Total	Unit: VND
Balance as at January 1, 2025		126,732,541,191	413,526,075,065	14,893,321,615	4,165,158,136	559,317,096,007	
Additions		-	13,534,829,464			13,534,829,464	
Other increases		-	30,000,000		75,875,000	105,875,000	
Other discounts				(7,678,678,400)	(105,875,000)	(7,784,553,400)	
Balance as at December 31, 2025		126,732,541,191	427,090,904,529	7,214,643,215	4,135,158,136	565,173,247,071	
Accumulated depreciation							
Balance as at January 1, 2025		91,863,641,635	365,467,027,175	12,469,698,846	2,033,977,989	471,834,345,645	
Charge for the period		3,831,830,456	14,157,190,150	1,031,982,475	642,691,916	19,663,694,997	
Disposals				(7,678,678,400)	(7,678,678,400)	(7,678,678,400)	
Balance as at December 31, 2025		95,695,472,091	379,624,217,325	5,823,002,921	2,676,669,905	483,819,362,242	
Net book value							
As at January 1, 2025		34,868,899,556	48,059,047,890	2,423,622,769	2,131,180,147	87,482,750,362	
As at December 31, 2025		31,037,069,100	47,466,687,204	1,391,640,294	1,458,488,231	81,353,884,829	

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

*(These notes are an integral part of and should be read in conjunction with the accompanying financial statement)*

9. Increases, decreases in intangible assets

Items	Computer software, virtual servers and drug formula	Total	Unit: VND
Original price of intangible fixed assets			
Balance as of 01/01/2025	57,227,979,082	57,227,979,082	
Additions	8,060,000,000	8,060,000,000	
Balance as of 31/12/2025	65,287,979,082	65,287,979,082	
Accumulated amortisation			
Balance as of 01/01/2025	9,299,741,045	9,299,741,045	
Charge for the period	8,006,796,765	8,006,796,765	
Balance as of 31/12/2025	17,306,537,810	17,306,537,810	
Net book value			
Balance as of 01/01/2025	47,928,238,037	47,928,238,037	
Balance as of 31/12/2025	47,981,441,272	47,981,441,272	

10. Long-term in progress assets

	31/12/2025	01/01/2025	
	VND	VND	
<i>Long-term construction in progress</i>			
The GMP-EU standard pharmaceutical manufacturing plant project in two phases (*)	2,166,148,134,829	2,062,672,315,160	
+ PMU1	1,498,149,659,441	1,432,868,660,346	
+PMU2	667,998,475,388	629,803,654,814	
<b>Total</b>	<b>2,166,148,134,829</b>	<b>2,062,672,315,160</b>	

(\*) This is the project for a pharmaceutical manufacturing plant meeting EU GMP standards, located in Thach Loi Village, Noi Bai Commune, Ha noi City.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

(These notes are an integral part of and should be read in conjunction with the accompanying financial statement)

11. Prepayments

	31/12/2025 VND	01/01/2025 VND
<i>a) Short-term</i>	<i>3,059,567,645</i>	<i>3,635,354,640</i>
Tools and dies issued for consumption;	1,259,937,133	1,811,936,450
Others	1,799,630,512	1,823,418,190
<i>b) Long-term</i>	<i>5,578,007,278</i>	<i>7,811,297,497</i>
Tools and dies issued for consumption;	2,070,866,114	1,247,323,773
Others	3,507,141,164	6,563,973,724
<b>Total</b>	<b><u>8,637,574,923</u></b>	<b><u>11,446,652,137</u></b>

12. Short-term trade payables

	31/12/2025 VND		01/01/2025 VND	
	Amount	Amount able to be paid off	Amount	Amount able to be paid off
<i>Ngân hạn</i>				
Truking Technology Limited	21,317,891,400	21,317,891,400	15,461,708,700	15,461,708,700
Tien Tuan Pharmaceutical Machinery Co.Ltd	3,995,142,016	3,995,142,016	3,945,394,516	3,945,394,516
Yunnan Baiyao Group Co, LTD	556,528,323	556,528,323	490,588,590	490,588,590
Apec Import Export Trade Joint Stock Company	36,756,720	36,756,720	36,756,720	36,756,720
Others	142,035,672,422	142,035,672,422	154,629,274,364	154,629,274,364
<b>Total</b>	<b><u>167,941,990,881</u></b>	<b><u>167,941,990,881</u></b>	<b><u>174,563,722,890</u></b>	<b><u>174,563,722,890</u></b>

13. Short-term advances from customers

	31/12/2025 VND	01/01/2025 VND
Viet Anh Medical Equipment And Pharmaceutical Joint Stock Company	17,173,428,164	13,853,016,361
Vina Australia Trading Joint Stock Company	4,467,400,000	2,467,400,000
Helios Pharmaceutical Company Limited	4,734,620,088	2,697,114,240
An Duc Pharmaceutical Company Limited	11,904,861,772	7,149,199,151
Euphar Pharmaceutical Joint Stock Company	1,345,003,185	2,272,000,000
HMH Medical Pharmaceutical Co.,Ltd	7,401,076,134	16,682,180,840
Toan Phuc Pharmaceutical Chemical Company Limited	2,489,990,342	2,729,259,671
Others	118,291,070,924	101,726,094,422
<b>Total</b>	<b><u>167,807,450,609</u></b>	<b><u>149,576,264,685</u></b>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

(These notes are an integral part of and should be read in conjunction with the accompanying financial statement)

14. Taxes and amounts payable to the State budget

	01/01/2025	Amount payable during the year	Amount actually paid	31/12/2025 Đơn vị tính: VND
<i>a) Payables</i>				
Corporate income tax	4,876,192,391	8,376,566,187	5,295,876,770	7,956,881,808
Personal income tax	14,008,935		14,008,935	-
<b>Total</b>	<b>4,890,201,326</b>	<b>8,376,566,187</b>	<b>5,309,885,705</b>	<b>7,956,881,808</b>
<i>b) Receivables</i>				
Value Added Tax	-	53,263,869,508	53,263,869,508	-
Value Added Tax on imported goods	-	15,449,126,427	15,449,126,427	-
Import tax	-	1,720,950,427	1,720,950,427	-
Business license tax	-	5,000,000	5,000,000	-
Personal income tax	-	832,128,225	853,716,925	21,588,700
Land tax, land lease fees	-	11,308,153,276	11,315,293,803	7,140,527
Other fees, charges, and payable amounts	-	165,874,001	165,874,001	-
<b>Total</b>	<b>-</b>	<b>82,745,101,864</b>	<b>82,773,831,091</b>	<b>28,729,227</b>

15. Short-term accrued expenses

	31/12/2025	01/01/2025
	VND	VND
Rent cost	10,739,400,633	92,505,000
Audit fees	450,000,000	270,000,000
Interest expenses	33,803,524,768	3,777,296,837
Other expenses	710,068,038	1,051,978,904
<b>Total</b>	<b>45,702,993,439</b>	<b>5,099,275,741</b>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

(These notes are an integral part of and should be read in conjunction with the accompanying financial statement)

16. Other payables

	31/12/2025 VND	01/01/2025 VND
<i>a) Current payables</i>	<i>5,307,071,719</i>	<i>6,026,920,376</i>
Trade union fund	244,904,373	856,081,701
Short-term deposits received	921,020,000	1,174,020,000
Other payables	4,141,147,346	3,996,818,675
<i>Dividend payment to shareholders</i>	<i>861,643,575</i>	<i>904,673,148</i>
<i>Viet-Tiep Friendship Hospital</i>	<i>21,622,000</i>	<i>21,622,000</i>
<i>Others</i>	<i>3,257,881,771</i>	<i>3,070,523,527</i>
<i>b) Long-term payables</i>	<i>1,924,000,000</i>	<i>1,720,600,000</i>
Long-term deposits received	1,924,000,000	1,720,600,000
<i>Van Lang High School</i>	<i>1,140,000,000</i>	<i>1,140,000,000</i>
<i>Viet Land Corporation</i>	<i>500,000,000</i>	<i>500,000,000</i>
<i>Phuong Linh Import Export and Trading Company Limited</i>	<i>216,000,000</i>	<i>-</i>
<i>Others</i>	<i>68,000,000</i>	<i>80,600,000</i>
<b>Total</b>	<b><u>7,231,071,719</u></b>	<b><u>7,747,520,376</u></b>

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

(These notes are an integral part of and should be read in conjunction with the accompanying financial statement)

## 17. Loans and obligations under finance leases

	31/12/2025		During the period		01/01/2025 VND
	Amount VND	Amount able to be paid off	Increases	Decreases	
<b>a) Short-term</b>					
<b>Short-term loans</b>					
Bank loan (VND)	<b>485,413,400,087</b>	<b>485,413,400,087</b>	<b>789,464,477,399</b>	<b>762,703,327,581</b>	<b>458,652,250,269</b>
Joint Stock Commercial Bank for Investment and Development of Vietnam - Long Bien Branch (1)	485,413,400,087	485,413,400,087	789,464,477,399	762,703,327,581	458,652,250,269
	392,981,046,787	392,981,046,787	659,630,676,036	675,383,019,539	408,733,390,290
<i>Tienphong commercial Joint Stock Bank- Hoan Kiem Branch (2)</i>	92,432,353,300	92,432,353,300	129,833,801,363	87,320,308,042	49,918,859,979
<i>Current portion of long-term loans</i>					
Joint Stock Commercial Bank for Investment and Development of Vietnam - Long Bien Branch	<b>324,281,220,778</b>	<b>324,281,220,778</b>	<b>303,166,999,992</b>	<b>141,127,344,277</b>	<b>162,241,565,063</b>
	279,982,122,120	279,982,122,120	262,167,000,000	102,740,877,880	120,556,000,000
Tienphong commercial Joint Stock Bank- Hoan Kiem Branch	44,299,098,658	44,299,098,658	40,999,999,992	38,386,466,397	41,685,565,063

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

*(These notes are an integral part of and should be read in conjunction with the accompanying financial statement)*

<i>b) Long-term</i>	<i>616,391,016,896</i>	<i>616,391,016,896</i>	<i>303,166,999,992</i>	<i>919,558,016,888</i>	<i>919,558,016,888</i>
Joint Stock Commercial Bank for Investment and Development of Vietnam	490,533,874,004	490,533,874,004	262,167,000,000	752,700,874,004	752,700,874,004
- Long Bien Branch (3)					
Tienphong commercial Joint Stock Bank - Hoan Kiem Branch (4)	125,857,142,892	125,857,142,892	40,999,999,992	166,857,142,884	166,857,142,884
<b>Total</b>	<b>1,426,085,637,761</b>	<b>1,426,085,637,761</b>	<b>1,092,631,477,391</b>	<b>1,206,997,671,850</b>	<b>1,540,451,832,220</b>

(1) Credit Agreement No. 01/2025/1809635/HDTD dated October 22, 2025 with Joint Stock Commercial Bank for Investment and Development of Vietnam- Long Bien Branch, with a credit limit of 400 billion VND. The credit limit is valid for 12 months from the signing date until October 15, 2026. The loan term is determined for each specific credit agreement. The interest rate is defined in each credit agreement according to the bank's interest rate policy at the time. The loan is intended to supplement the Company's working capital (including loans, issuing guarantees, opening LCs) to support the Company's production and business activities.

(2) Credit contract No. 04/2025/HDTD/HGM dated January 13, 2025 with Tien Phong Commercial Joint Stock Bank - Hoan Kiem Branch with a credit limit of VND 100 billion. The credit limit is granted for 12 months from the date of signing the contract. The loan term is determined according to each specific credit contract. The interest rate is determined according to each specific credit contract according to the bank's interest rate regime from time to time. The purpose of the loan is to supplement working capital for the Company's production and business activities.

(3) These are the loan agreements with Joint Stock Commercial Bank for Investment and Development of Vietnam- Long Bien Branch, as follows:

- Credit Agreement No. 01/2021/1809635/HDTD dated January 11, 2021, with a credit limit of 400 billion VND. The loan term is 96 months, starting from the day following the first disbursement. The interest rate is determined according to the bank's regulations at the time of disbursement. The loan purpose is to issue LCs for legitimate and reasonable costs to proceed with Phase II of the GMP-EU standard pharmaceutical manufacturing plant project (PMU2). Collateral is the entire property formed from the loan and self-capital at the Phase 2 investment project (PMU2).

- Credit Agreement No. 02/2022/1809635/HDTD dated September 29, 2022, with a credit limit of 450 billion VND. The loan term is 72 months, starting from the day following the first disbursement. The interest rate is determined according to the bank's regulations at the time of disbursement. The loan purpose is to repay the self-capital that was invested in Phase I of the GMP-EU standard pharmaceutical manufacturing plant project (PMU1).

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

*(These notes are an integral part of and should be read in conjunction with the accompanying financial statement)*

- Credit Agreement No. 03/2022/1809635/HDTD dated August 30, 2022, with a maximum credit limit of 247 billion VND, but not exceeding the actual principal balance of the loan at Saigon Thuong Tin Commercial Joint Stock Bank - Ha Dong Branch at the time of disbursement by BIDV. The loan term follows the existing repayment schedule of the loan at Saigon Thuong Tin Commercial Joint Stock Bank - Ha Dong Branch but does not exceed July 8, 2026. The interest rate is determined according to the bank's regulations at the time of disbursement. The loan purpose is to early repay the entire outstanding principal of the loan financing Phase I of the GMP-EU standard pharmaceutical manufacturing plant project (PMU1) at Saigon Thuong Tin Commercial Joint Stock Bank - Ha Dong Branch. Collateral includes the entire property formed from the loan and self-capital at the Phase I investment project (PMU1), as well as other assets currently mortgaged at Saigon Thuong Tin Commercial Joint Stock Bank - Ha Dong Branch.

(4) These are the loan agreements with Tien Phong Commercial Joint Stock Bank - Hoan Kiem Branch, as follows:

- Long-term loan agreement No. 18/2021/HDTD/HGM/03 dated April 28, 2021, with a loan amount of 27 billion VND. The loan term is a maximum of 84 months from the first disbursement date. The interest rate is defined in each debt acknowledgment document from the customer. The loan is intended for the payment of investment costs for the rooftop solar power project on the customer's factory roof in Thach Loi Village, Soc Son, Hanoi. Collateral is specified in the Mortgage Agreement No. 18/2021/HDBD/HGM/04 dated April 28, 2021.

- Loan agreement No. 31/2023/HDTD/HGM/01 dated March 14, 2023, with a loan amount of 198 billion VND. The loan term is 84 months from the first disbursement date. The interest rate is defined in each debt acknowledgment document from the customer. The loan is intended to supplement the Company's medium-term capital. The collateral for this loan is specified in the individual mortgage agreements signed between the Company and the bank.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

(These notes are an integral part of and should be read in conjunction with the accompanying financial statement)

18. Equity

a) Movement in owner's equity

Items	Owner's contributed capital	Share premium	Retained earnings	Total	Unit: VND
Balance as at January 1, 2024	1,132,999,020,000	25,731,363,636	43,170,811,129	1,201,901,194,765	
Capital increase during the year	-	-	-	-	
Profit from the previous year	-	-	21,690,409,012	21,690,409,012	
Distribution of funds	-	-	-	-	
Dividend distribution	-	-	-	-	
Balance as at December 31, 2024	1,132,999,020,000	25,731,363,636	64,861,220,141	1,223,591,603,777	
Capital increase during the year	33,985,460,000	-	-	33,985,460,000	
Profit for the current year	-	-	32,570,183,154	32,570,183,154	
Distribution of funds	-	-	(33,985,460,000)	(33,985,460,000)	
Dividend distribution	-	-	-	-	
Balance as at December 31, 2025	1,166,984,480,000	25,731,363,636	63,445,943,295	1,256,161,786,931	

b) Details of owner's investment capital

	31/12/2025	01/01/2025
	VND	VND
Vietnam Pharmaceutical Corporation	60,469,060,000	58,707,830,000
Reliv Pharma Company Limited	14,643,840,000	14,217,330,000
Hai Ha Waterway Transport Company Limited	424,360,000,000	412,000,000,000
Hai Minh Hung Transportation Construction Investment Company Limited	68,186,000,000	139,420,660,000
Dai Hai Ha Petro Company Limited	159,135,000,000	154,500,000,000
Phap Van Agriculture Material Joint Stock Company	212,180,000,000	206,000,000,000
Others	228,010,580,000	148,153,200,000
<b>Total</b>	<b>1,166,984,480,000</b>	<b>1,132,999,020,000</b>

c) Capital transactions with owners and distribution of dividends, profit sharing

	Kỳ này VND	Kỳ trước VND
<b>Owner's contributed capital</b>		
Capital contribution at the beginning of the year	1,132,999,020,000	1,132,999,020,000
Capital increase during the year	33,985,460,000	-
Capital decrease during the year	-	-
Capital contribution at the end of the year	1,166,984,480,000	1,132,999,020,000
<b>Dividends and profits distributed</b>		

d) Shares

	31/12/2025	01/01/2025
	Shares	Shares
Number of shares registered for issuance	116,698,448	113,299,902
Number of shares issued to the public	116,698,448	113,299,902
- <i>Ordinary shares</i>	116,698,448	113,299,902
Number of outstanding shares in circulation	116,698,448	113,299,902
- <i>Ordinary shares</i>	116,698,448	113,299,902

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

(These notes are an integral part of and should be read in conjunction with the accompanying financial statement)

Par value of outstanding shares: 10,000 VND per share

f) Company's funds

Item	01/01/2025			31/12/2025	Unit: VND
		Increase during the	Decrease during the		
Development investment fund	38,505,239,661	-	-	38,505,239,661	
<b>Total</b>	<b>38,505,239,661</b>	<b>-</b>	<b>-</b>	<b>38,505,239,661</b>	

\* The purpose of setting up and using the company's funds.

- The company's development investment fund is established from the portion of profit after corporate income tax and is used to supplement the company's charter capital through investments to expand production and business scale or to deepen the business's investment. It complies with the provisions of the company's charter.

19. Off balance sheet items

	31/12/2025	01/01/2025
<i>Foreign currencies</i>		
USD	138,078.01	113,410.70
Cash on hand	7,003.00	7,003.00
Bank demand deposits	131,075.01	106,407.70
EUR	905.27	925.30
Bank demand deposits	905.27	925.30

VI. Information supplementing the items in the income statement

1. Gross revenue from goods sold and services rendered

	From 01/10/2025 to 31/12/2025	From 01/10/2024 to 31/12/2024	Cumulative from the beginning of the year to the end of the fourth quarter of 2025	Cumulative from the beginning of the year to the end of the fourth quarter of 2024
	VND	VND	VND	VND
<i>a) Revenue</i>				
Revenue from sales of goods and	89,755,903,761	91,310,121,420	323,734,311,124	299,405,006,779
Sales of finished products	187,863,841,016	231,122,427,963	747,000,355,964	759,026,269,562
Service revenue	2,547,421,917	2,112,335,599	8,351,458,477	8,365,212,080
<b>Total</b>	<b>280,167,166,694</b>	<b>324,544,884,982</b>	<b>1,079,086,125,565</b>	<b>1,066,796,488,421</b>

2. Cost of sales

	From 01/10/2025 to 31/12/2025	From 01/10/2024 to 31/12/2024	Cumulative from the beginning of the year to the end of the fourth quarter of 2025	Cumulative from the beginning of the year to the end of the fourth quarter of 2024
	VND	VND	VND	VND
<i>Cost of merchandise sold</i>				
Cost of merchandise sold	85,809,542,469	87,099,872,363	317,108,882,751	292,555,984,425
Cost of finished goods sold	139,861,168,535	170,374,479,216	568,740,988,912	557,680,850,583
Cost of service	-	-	-	-
Damaged goods handling	4,940,659,904	646,924,326	6,082,717,993	12,843,899,129
Provision for inventory devaluation	141,310,216	26,241,201	2,855,194,565	2,779,649,112
Reversal of inventory write-down provis	(2,713,888,251)	-	(2,736,300,623)	(10,525,308,716)
<b>Total</b>	<b>228,038,792,873</b>	<b>258,147,517,106</b>	<b>892,051,483,598</b>	<b>855,335,074,533</b>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

(These notes are an integral part of and should be read in conjunction with the accompanying financial statement)

3. Financial income

	From 01/10/2025 to 31/12/2025	From 01/10/2024 to 31/12/2024	Cumulative from the beginning of the year to the end of the fourth quarter of 2025	Cumulative from the beginning of the year to the end of the fourth quarter of 2024
	VND	VND	VND	VND
Bank and loan interest	28,467,563	249,536,648	54,058,246	654,258,650
Exchange rate differences arising during the period	220,564,438	3,093,493,512	2,413,335,647	2,317,126,885
<b>Total</b>	<b>249,032,001</b>	<b>3,343,030,160</b>	<b>2,467,393,893</b>	<b>2,971,385,535</b>

4. Financial expenses

	From 01/10/2025 to 31/12/2025	From 01/10/2024 to 31/12/2024	Cumulative from the beginning of the year to the end of the fourth quarter of 2025	Cumulative from the beginning of the year to the end of the fourth quarter of 2024
	VND	VND	VND	VND
Interest expense	8,820,077,018	10,163,975,949	38,356,959,161	36,548,872,295
Exchange rate difference loss arising during the period	1,253,971,851	1,677,519,135	(2,026,085,716)	3,139,553,407
Exchange rate difference revaluation at end of period	7,743,306,046	6,439,715,903	7,743,306,046	3,569,763,603
Provision for financial investment losses				28,029,843
<b>Total</b>	<b>17,817,354,915</b>	<b>18,281,210,987</b>	<b>44,074,179,491</b>	<b>43,286,219,148</b>

5. Other income

	From 01/10/2025 to 31/12/2025	From 01/10/2024 to 31/12/2024	Cumulative from the beginning of the year to the end of the fourth quarter of 2025	Cumulative from the beginning of the year to the end of the fourth quarter of 2024
	VND	VND	VND	VND
Sale, disposal of fixed assets;		-	2,272,727,273	75,000,000
Other income	3,600,226,005	1,731,028	3,691,995,931	13,007,744
<b>Total</b>	<b>3,600,226,005</b>	<b>1,731,028</b>	<b>5,964,723,204</b>	<b>88,007,744</b>

6. Other expenses

	From 01/10/2025 to 31/12/2025	From 01/10/2024 to 31/12/2024	Cumulative from the beginning of the year to the end of the fourth quarter of 2025	Cumulative from the beginning of the year to the end of the fourth quarter of 2024
	VND	VND	VND	VND
Pay administrative fines and late tax payment		51,448,508	10,726,595	54,515,363
Remuneration paid to the Board of Directors		120,000,000	180,000,000	300,000,000
Carrying amount of fixed assets and sale, disposal of fixed assets;		-		4,104,477
Other expenses	24,913,700	3,280,259	111,413,802	1,791,247,951
<b>Total</b>	<b>24,913,700</b>	<b>174,728,767</b>	<b>302,140,397</b>	<b>2,149,867,791</b>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

(These notes are an integral part of and should be read in conjunction with the accompanying financial statement)

7. Selling expenses and general and administration expenses

	From 01/10/2025 to 31/12/2025	From 01/10/2024 to 31/12/2024	Cumulative from the beginning of the year to the end of the fourth quarter of 2025	Cumulative from the beginning of the year to the end of the fourth quarter of 2024
	VND	VND	VND	VND
<i>a) Selling expenses</i>	<b>1,003,484,254</b>	<b>1,155,299,399</b>	<b>4,534,869,518</b>	<b>4,890,899,552</b>
Employee costs	372,034,700	544,477,538	2,092,510,518	2,376,110,663
Cost of materials and packaging	15,747,510	17,138,458	35,069,960	54,985,520
Cost of tools and supplies	-	3,250,000	4,733,636	6,968,667
Fixed asset depreciation costs	4,647,186	4,647,187	18,588,744	18,588,745
Outsourcing service costs	390,509,272	313,685,074	1,316,150,734	1,344,332,062
Other cash expenses	220,545,586	272,101,142	1,067,815,926	1,089,913,895
<i>b) General and administration expenses</i>	<b>23,390,992,389</b>	<b>36,215,673,173</b>	<b>104,226,249,579</b>	<b>134,333,939,917</b>
Management staff costs	8,158,654,996	11,137,098,820	44,369,614,354	47,372,722,828
Management material costs	674,702,162	585,191,029	2,344,364,866	2,887,292,487
Office supplies costs	781,121,451	631,888,395	2,387,752,613	2,684,118,998
Fixed asset depreciation costs	1,681,478,590	1,808,632,486	6,962,046,156	7,735,552,303
Taxes, fees and charges	9,116,720,348	3,709,391,197	17,259,953,607	14,982,816,005
Provision	(144,095,147)	12,918,375,650	15,272,884,495	40,214,941,876
Outsourcing service costs	1,844,545,370	2,797,025,445	8,599,746,999	11,350,160,600
Other cash expenses	1,277,864,619	2,628,070,151	7,029,886,489	7,106,334,820
<b>Total</b>	<b>24,394,476,643</b>	<b>37,370,972,572</b>	<b>108,761,119,097</b>	<b>139,224,839,469</b>

VII. Additional information for items presented in the statement of cash flows

1. Actual amounts of borrowings received during the year

	Cumulative from the beginning of the year to the end of the fourth quarter of 2025	Cumulative from the beginning of the year to the end of the fourth quarter of 2024
	VND	VND
Proceeds from borrowings under normal contracts:		
<b>Total</b>	<b>789,464,477,399</b>	<b>618,699,723,699</b>

2. Actual amounts of principal paid during the year

	Cumulative from the beginning of the year to the end of the fourth quarter of 2025	Cumulative from the beginning of the year to the end of the fourth quarter of 2024
	VND	VND
Repayment of borrowings under normal contracts		
<b>Total</b>	<b>903,830,671,858</b>	<b>712,530,578,467</b>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

(These notes are an integral part of and should be read in conjunction with the accompanying financial statement)

VII Other information

Comparative information

The data is taken from the audited Separate Financial Statements by International Auditing Company Limited for the fiscal year ending December 31, 2024, and The Separate Financial Statements for the fourth Quarter of 2024 prepared by Pharbaco central pharmaceutical

Hanoi, January 19, 2026

PHARBACO CENTRAL PHARMACEUTICAL JSC NO.1

Preparer

Chief Accountant



Tran Thi Bich Loan



Nguyen Duc Canh

Deputy Permanent Chief Executive Officer

