

No: 14/2025/DLVN-CBTT

Phutho, July 18<sup>th</sup>, 2025

**PERIODIC DISCLOSURE OF FINANCIAL STATEMENTS**  
**Respectfully to: Hanoi Stock Exchange**

Pursuant to Clause 3, Article 14 of Circular No. 96/2020/TT-BTC dated November 16<sup>th</sup>, 2020, issued by the Ministry of Finance providing guidelines on disclosure of information on securities market, Viet Nam Medicinal Materials Joint Stock Company hereby discloses the Financial Statement for Quarter II of 2025 to the Hanoi Stock Exchange as follow:

1. Organization name : Viet Nam Medicinal Materials Joint Stock Company
- Stock code : DVM
- Address : Area 8, Phu Ninh Commune, Phu Ninh District, Phu Tho Province, Vietnam
- Tel : (84-24) 3984 1255
- Email : headoffice@vietmec.vn
- Website : <https://duoclieuvietnam.com.vn>
2. Content of information disclosure:
  - The Financial Statement for Quarter II of 2025:
    - ☒ Separated Financial Statements (Listed organization without subsidiaries and superior accounting unit that has affiliated units);
    - ☐ Consolidated Financial Statements (Listed organization with subsidiaries);
    - ☐ General Financial Statements (Listed organization has affiliated units with separate accounting apparatus);
  - Circumstances requiring explanation of reasons:
  - + The audit organization issues an opinion other than an unqualified opinion on the Financial Statements (for the reviewed/audited Financial Statements):
    - ☐ Yes ☒ No
  - Explanation document in case of "Yes":
    - ☐ Yes ☐ No
  - + Profit after taxes in the reporting period has a difference of at least 5% between the pre-audit and post-audit, is changed from negative to positive or vice versa (for the reviewed/audited Financial Statements):
    - ☐ Yes ☒ No
  - Explanation document in case of "Yes":
    - ☐ Yes ☐ No



- + Profit after enterprise income tax as mentioned in the income statement of the disclosing period increases/decreases by at least 10% compared with the profit after enterprise income tax as disclosed in the same period of the last year:

☒ Yes

☐ No

Explanation document in case of "Yes":

☒ Yes

☐ No

- + Profit after taxes of the period is negative, is changed from positive in the previous period to negative in the current period or vice versa:

☐ Yes

☒ No

Explanation document in case of "Yes":

☐ Yes

☐ No

This information was published on the Company's website on July 18<sup>th</sup> 2025, as in the link: <https://duoclieuvietnam.com.vn/>

We hereby certify that the information provided is true and accurate and we bear the full responsibility to the law for the content of the disclosed information.

**Attach:**

- Financial Statement for Quarter II of 2025;
- Explanation document.

**Recipients:**

- As above.
- Archives: VT, PC.

**REPRESENTATIVE OF VIETNAM MEDICINAL  
MATERIALS JOINT STOCK COMPANY  
LEGAL REPRESENTATIVE/ PERSON IN  
CHARGE OF INFORMATION DISCLOSURE**



**TỔNG GIÁM ĐỐC**  
*Vũ Thành Trung*

**VIETNAM MEDICINAL MATERIALS JOINT STOCK COMPANY**

**FINANCIAL STATEMENTS FOR THE SECOND QUARTER OF 2025**

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**BALANCE SHEET**

As of June 30, 2025

ASSETS	Code	Note	Closing balance (30/06/2025) VND	Opening balance (01/01/2025) VND
<b>A. SHORT-TERM ASSETS</b>	<b>100</b>		<b>955,058,665,703</b>	<b>940,864,723,951</b>
<b>I. Cash and cash equivalents</b>	<b>110</b>	<b>4.1</b>	<b>124,154,187,717</b>	<b>85,716,381,492</b>
1. Cash	111		88,316,630,705	50,049,634,000
2. Cash equivalents	112		35,837,557,012	35,666,747,492
<b>II. Short-term investments</b>	<b>120</b>		<b>98,553,330,078</b>	<b>118,906,968,745</b>
1. Held-to-maturity investments	123	4.2	98,553,330,078	118,906,968,745
<b>III. Short-term receivables</b>	<b>130</b>		<b>490,044,668,566</b>	<b>497,612,779,269</b>
1. Short-term trade receivables	131	4.3	441,485,901,412	434,649,297,670
2. Short-term advances to suppliers	132	4.4	53,171,641,653	57,012,618,899
3. Other short-term receivables	136	4.5	2,032,590,111	8,647,804,687
4. Short-term allowance for doubtful debts	137	4.6	(6,645,464,610)	(2,696,941,987)
<b>IV. Inventories</b>	<b>140</b>	<b>4.7</b>	<b>241,022,161,798</b>	<b>238,256,494,183</b>
1. Inventories	141		241,022,161,798	238,256,494,183
<b>V. Other short-term assets</b>	<b>150</b>		<b>1,284,317,544</b>	<b>372,100,262</b>
1. Short-term prepaid expenses	151	4.8	1,284,317,544	372,100,262
<b>B. LONG-TERM ASSETS</b>	<b>200</b>		<b>679,539,444,548</b>	<b>693,705,321,666</b>
<b>I. Long-term receivables</b>	<b>210</b>		<b>93,581,145,306</b>	<b>93,577,326,528</b>
1. Other long-term receivables	216	4.5	93,581,145,306	93,577,326,528
<b>II. Fixed assets</b>	<b>220</b>		<b>357,567,987,743</b>	<b>369,926,562,095</b>
1. Tangible fixed assets	221	4.9	130,533,384,745	137,783,362,447
- Cost	222		211,272,476,678	210,955,566,678
- Accumulated depreciation	223		(80,739,091,933)	(73,172,204,231)
2. Finance lease assets	224	4.10	20,712,713,267	25,151,899,997
- Cost	225		42,326,474,802	42,326,474,802
- Accumulated depreciation	226		(21,613,761,535)	(17,174,574,805)
3. Intangible fixed assets	227	4.11	206,321,889,731	206,991,299,651
- Cost	228		210,320,174,528	210,320,174,528
- Accumulated amortisation	229		(3,998,284,797)	(3,328,874,877)
<b>III. Investment properties</b>	<b>230</b>		-	-
<b>IV. Long-term assets in progress</b>	<b>240</b>		<b>207,748,851,127</b>	<b>207,741,675,127</b>
1. Construction in progress	242	4.12	207,748,851,127	207,741,675,127
<b>V. Long-term financial investments</b>	<b>250</b>	<b>4.13</b>	<b>20,000,000,000</b>	<b>20,000,000,000</b>
1. Investments in joint-ventures, associates	252		20,000,000,000	20,000,000,000
<b>VI. Other long-term assets</b>	<b>260</b>		<b>641,460,372</b>	<b>2,459,757,916</b>
1. Long-term prepaid expenses	261	4.8	641,460,372	2,459,757,916
<b>TOTAL</b> (270 = 100 + 200)	<b>ASSETS</b> <b>270</b>		<b>1,634,598,110,251</b>	<b>1,634,570,045,617</b>

**BALANCE SHEET (continued)**

As of June 30, 2025

RESOURCES	Code	Note	Closing balance (30/06/2025) VND	Opening balance (01/01/2025) VND
<b>C. LIABILITIES</b>	<b>300</b>		<b>871,470,068,978</b>	<b>898,023,038,490</b>
<b>I. Short-term liabilities</b>	<b>310</b>		<b>851,791,479,966</b>	<b>869,787,379,806</b>
1. Short-term trade payables	311	4.14	106,467,898,729	92,564,402,663
2. Short-term advances from customers	312	4.15	180,024,745	67,689,020
3. Taxes and amounts payable to the State budget	313	4.16	11,968,900,603	5,735,111,838
4. Payables to employees	314		2,565,728,840	2,981,715,656
5. Short-term accrued expenses	315	4.17	920,794,173	961,039,745
6. Short-term unearned revenue	318	4.18	1,850,174,642	2,791,437,590
7. Other short-term payables	319	4.19	70,961,539,888	20,119,620,050
8. Short-term borrowings and finance lease liabilities	320	4.20	654,001,094,351	740,666,281,550
9. Bonus and welfare fund	322		2,875,323,995	3,900,081,694
<b>II. Long-term liabilities</b>	<b>330</b>		<b>19,678,589,012</b>	<b>28,235,658,684</b>
1. Other long-term payables	337	4.19	1,950,912,900	2,349,412,900
2. Long-term borrowings and finance lease liabilities	338	4.20	17,727,676,112	25,886,245,784
<b>D. EQUITY</b>	<b>400</b>		<b>763,128,041,273</b>	<b>736,547,007,127</b>
<b>I. Owner's equity</b>	<b>410</b>	4.21	<b>763,128,041,273</b>	<b>736,547,007,127</b>
1. Owner's contributed capital	411		427,799,160,000	427,799,160,000
- Ordinary shares with voting rights	411a		427,799,160,000	427,799,160,000
2. Share premium	412		159,200,000,000	159,200,000,000
3. Investment and development fund	418		47,352,804,805	44,680,804,805
4. Retained earnings	421		128,776,076,468	104,867,042,322
- Retained earnings/(losses) accumulated to the prior year end	421a		101,660,642,322	56,992,157,666
- Retained earnings/(losses) of the current year	421b		27,115,434,146	47,874,884,656
<b>II. Other resources and funds</b>	<b>430</b>		-	-
<b>TOTAL RESOURCES (440=300+400)</b>	<b>440</b>		<b>1,634,598,110,251</b>	<b>1,634,570,045,617</b>

Prepared by  
NGOC NGOC ANH

Chief Accountant  
NGUYEN THI HUONG

General Director  
VU THANH TRUNG  
Phu Tho, Vietnam  
July 18, 2025



## REPORT ON BUSINESS RESULTS

As of June 30, 2025

No.	QUOTA	Code	Commentary	Q2/2025	From 01/01 to 30/06/2025	Q2/2024	From 01/01 to 30/06/2024
1	Revenue from sales of merchandise and services	01	5.1	378,014,440,189	697,812,119,453	322,546,860,483	716,375,768,776
2	Revenue deductions	02	5.2	-	14,070,000	-	-
3	Net revenue from sales and service provision (10 = 01 - 02)	10		378,014,440,189	697,798,049,453	322,546,860,483	716,375,768,776
4	Cost of goods sold	11	5.3	337,107,870,851	621,992,258,075	291,202,730,484	655,787,695,432
5	Gross profit on sales and service provision (20 = 10 - 11)	20		40,906,569,338	75,805,791,378	31,344,129,999	60,588,073,344
6	Financial income	21	5.4	744,505,764	1,588,536,042	1,238,320,762	2,510,675,766
7	Financial expenses	22	5.5	11,277,007,679	21,872,848,974	11,019,872,322	22,698,117,374
	In which: Interest expense	23		11,277,007,679	21,872,848,974	11,019,872,322	22,697,764,813
8	Selling expenses	25	5.6	1,794,407,076	4,287,241,513	3,075,858,028	6,291,369,424
9	Administration expenses	26	5.7	11,216,521,580	18,318,672,052	5,680,450,564	11,948,924,378
10	Net profit from business {30 = 20 + (21 - 22) - (25 + 26)}	30		17,363,138,767	32,915,564,881	12,806,269,847	22,160,337,934
11	Other income	31	5.8	27,287,530	111,922,435	526,240,201	656,775,039
12	Other expenses	32	5.9	580,544,838	2,175,753,681	227,963,201	427,432,984
13	Other Gain (Loss) (40 = 31 - 32)	40		(553,257,308)	(2,063,831,246)	298,277,000	229,342,055
14	Total profit (Loss) accounting before tax(50=30+40)	50		16,809,881,459	30,851,733,635	13,104,546,847	22,389,679,989
15.	Non-deductible expenses			1,714,526,188	2,416,717,032		
15	Current income tax expenses	51	5.10	1,990,561,947	3,736,299,489	1,468,370,246	2,814,314,803

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Zone 8, Phu Ninh Commune, Phu Ninh District, Phu Tho Province

16	Deferred income tax expenses	52	-	-	-	-
17	Profit after corporate income tax (60 = 50 - 51 - 52)	60	14,819,319,512	27,115,434,146	11,636,176,601	19,575,365,186
18	Basic earnings per share	70	5.11	346	326	549
19	Diluted earnings per share	71	5.11	346.44	326	229



Prepared by  
NGOC NGOC ANH



Chief Accountant  
NGUYEN THI HUONG



General Director  
VU THANH TRUNG  
Phu Tho, Vietnam  
July 18, 2025



## CASH FLOW STATEMENT

As of June 30, 2025

(by direct method)

ITEMS	Note	Code	Current period	Prior period
			VND	VND
<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>				
1. Proceeds from goods sold, services rendered and other	01		726,605,420,556	700,068,083,498
2. Expenditures paid to suppliers	02		(628,675,313,303)	(663,303,123,148)
3. Expenditures paid to employees	03		(14,262,292,224)	(10,883,142,184)
4. Interest paid	04		(21,525,104,517)	(24,240,660,390)
5. Corporate income tax paid	05			(321,533,514)
6. Other cash inflows from operating activities	06		55,995,102,198	2,430,801,413
7. Other cash outflows on operating activities	07		(26,252,886,187)	(94,960,639,423)
<b>Net cash flows from operating activities</b>	<b>20</b>		<b>91,884,926,523</b>	<b>(91,210,213,748)</b>
<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>				
1. Acquisition and construction of fixed assets and other long-term assets	21		(7,176,000)	41,406,583,822
Proceeds from sale, disposal of fixed assets and other long-term assets	22			-
2. Cash outflow for lending, buying debt instruments of other entities	23		(35,000,000,000)	-
3. Cash recovered from lending, selling debt instruments of other entities	24		55,354,773,790	-
Equity investments in other entities	25		-	-
Cash recovered from equity investment in other entities	26			-
4. Interest earned, dividends and profits received	27		175,890,237	2,265,246,936
<b>Net cash flows from investing activities</b>	<b>30</b>		<b>20,523,488,027</b>	<b>43,671,830,758</b>
<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>				
1. Proceeds from borrowings	33		606,515,200,638	596,903,911,005
2. Repayment of borrowings	34		(713,847,094,761)	(571,006,864,041)
3. Repayment of obligations under finance leases	35		(2,476,271,214)	(12,869,175,327)
Dividends and profits paid	36			
<b>Net cash flows from financing activities</b>	<b>40</b>		<b>(109,808,165,337)</b>	<b>13,027,871,637</b>
<b>Net increase/(decrease) in cash for the period (50=20+30+40)</b>	<b>50</b>		<b>2,600,249,213</b>	<b>(34,510,511,353)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>60</b>		<b>85,716,381,492</b>	<b>104,847,984,669</b>
<b>Effects of changes in foreign exchange rates</b>	<b>61</b>			<b>(352,561)</b>
<b>Cash and cash equivalents at the end of the period (70=50+60+61)</b>	<b>70</b>		<b>88,316,630,705</b>	<b>70,337,473,316</b>

Prepared by  
NGOC NGOC ANH

Chief Accountant  
NGUYEN THI HUONG

General Director  
VU THANH TRUNG  
Phu Tho, Vietnam  
July 18, 2025



**NOTES TO FINANCIAL STATEMENTS***As of June 30, 2025*

These notes are an integral part of, and should be read in conjunction with, the accompanying financial statements.

**1. CHARACTERISTICS OF THE COMPANY'S OPERATION****1.1. Forms of capital ownership**

The Company's charter capital is VND 427,799,160,000 (In words: Four hundred twenty-seven billion seven hundred ninety-nine million one hundred sixty thousand Vietnamese Dong). The total number of shares is 42,779,916 shares.

The list of shareholders [owners] as of 30/06/2025 is as follows:

No	Name of shareholder	Amount of capital contribution	Number of shares	Ratio
		VND	Shares	%
1.	Mr. Vu Thanh Trung	85,800,000,000	8,580,000	20.06%
3.	Other shareholders	341,999,160,000	34,199,916	79.94%
		<b>427,799,160,000</b>	<b>42,779,916</b>	<b>100.00%</b>

**1.2. Business sector**

The Company's primary business sector is Manufacturing and wholesale of medicinal herbs

**1.3. Business lines**

During the year, the Company's main business activities included: Agency, brokerage, and auction of goods (Details: Goods sales agency; Goods purchase and sale brokerage); Wholesale of agricultural, forestry raw materials (excluding wood, bamboo, and rattan) and live animals (excluding those prohibited by the State); Wholesale of food products (Details: Trading of functional foods; Wholesale of sugar, milk and dairy products, confectionery, and processed products from grains, flour, starch); Wholesale of beverages; Wholesale of other household goods (Details: Wholesale of medical instruments; Wholesale of perfumes, cosmetics, and hygiene preparations; Wholesale of pharmaceuticals (not operating at the main office); Wholesale of medicinal herbs, traditional oriental medicine, and medicines from medicinal herbs); Wholesale of other machinery, equipment, and parts (Details: Wholesale of medical machinery and equipment); Other specialized wholesale not elsewhere classified (Details: Wholesale of industrial chemicals such as: essential oils, pigments, fragrances and flavorings, soda, industrial salts; Wholesale of pharmaceuticals (Western medicine, vaccines, medical



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

biological products)); Cultivation of spices, medicinal plants, and perennial aromatic plants; Cultivation of other perennial crops; Propagation and care of annual crop seeds; Crop farming services; Animal husbandry services; Post-harvest services; Seed processing for propagation; Organization of trade promotion and exhibition (excluding press conferences); Other remaining business support service activities not elsewhere classified (Details: Import and export of goods traded by the company); Other education not elsewhere classified; Educational support services; Real estate business, land use rights owned, used, or leased (Details: Real estate business); Consulting, brokerage, and auction of real estate, auction of land use rights (Details: Real estate consulting and brokerage); Scientific research and technological development in the field of natural sciences; Scientific research and technological development in the field of engineering and technology; Scientific research and technological development in the field of agricultural sciences; Advertising (excluding tobacco advertising); Other professional, scientific, and technological activities not elsewhere classified (Details: Technology transfer consulting); Retail sale of food, foodstuffs, beverages, tobacco, and pipe tobacco with a significant proportion in general merchandise stores; Retail sale of beverages in specialized stores; Processing of milk and dairy products; Manufacture of other chemical products not elsewhere classified (Details: Production of natural essential oils); Manufacture of pharmaceuticals, medicinal chemicals, and botanical products (Details: Pharmaceutical manufacturing; Production of raw materials for Western medicine; Production of vaccines and medical biological products (Biological preparations for human use)); Freight transport by road; Warehousing and storage of goods (excluding real estate business); Retail sale of pharmaceuticals, medical instruments, cosmetics, and sanitary articles in specialized stores (Details: Retail establishments for traditional oriental medicine, and medicines from medicinal herbs; Retail sale of medical instruments, cosmetics, and sanitary articles in specialized stores).

**1.4. Normal Business Cycle**

The Company's normal production and business cycle does not exceed 12 months.

**1.5. Business structure**

Name	Place of incorporation and operation	Proportion of ownership interest (%)	Proportion of voting power held (%)	Principal activities
<i>Joint-ventures, associates</i>				
VIBFA Joint Stock Company	Ha Noi	40.00%	40.00%	product distribution

**Dependent units without legal entity status which has independent accounting scheme**

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

Unit name	Address
Headquarters of Viet Nam Medicinal Materials Joint Stock Company	Area 8, Phu Ninh commune, Phu Ninh district, Phu Tho province
Branch of Viet Nam Medicinal Materials Joint Stock Company in Hanoi	No. 139, Hong Tien Street, Bo De Ward, Long Bien District, Hanoi City
Branch of Viet Nam Medicinal Materials Joint Stock Company in Hai Phong	No. SB.02 Cau Rao 2 Urban Area, Vinh Niem Ward, Le Chan District, Hai Phong City
Branch of Viet Nam Medicinal Materials Joint Stock Company in Ho Chi Minh	D9-04, D9 street, Manhattan Vinhomes Grand Park townhouse area, Long Binh ward, Thu Duc City, Ho Chi Minh City

**1.6. Statement of Comparability of Information on Financial Statements**

The figures presented in the Financial Statements for the fiscal year ended December 31, 2025 are comparable to the corresponding figures of the previous year.

**2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS AND ACCOUNTING PERIOD****2.1. Basis for preparation of financial statements**

The accompanying financial statements are presented in Vietnamese Dong (VND), on a historical cost basis, and in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System, and other relevant legal regulations concerning the preparation and presentation of financial statements.

The accompanying financial statements are not intended to reflect the financial position, results of operations, and cash flows in accordance with generally accepted accounting principles and practices in countries other than Vietnam.

**2.2. Going concern assumption**

There are no events that cause significant doubt about the Company's ability to continue as a going concern, and the Company has no intention or compulsion to cease operations, or to significantly curtail the scale of its operations.

**2.3. Fiscal Year**

The Company's fiscal year begins on January 01 and ends on December 31 annually.



### 3. SUMMARY OF MAJOR ACCOUNTING POLICIES

#### 3.1. Accounting Estimation

The preparation of financial statements in compliance with accounting standards, the accounting regime of Vietnamese enterprises and legal regulations related to the preparation and presentation of financial statements requires the Board of Directors to make estimates and assumptions affecting the reporting data on debts, assets and the presentation of liabilities and potential assets at the date of the financial statements as well as reporting figures on revenue and expenses throughout the financial year. Although the accounting estimates are made with all the knowledge of the Board of Directors, the actual figures incurred may differ from the estimates and assumptions set.

#### 3.2. Transactions in foreign currencies

Operations arising in currencies other than the Company's accounting currency (USD) shall be accounted at the actual exchange rate on the date of business occurrence according to the following principles:

- Operations giving rise to receivables shall be accounted at the purchase rate of the commercial bank where the Company designates the customer to pay;
- Operations giving rise to payables shall be accounted according to the selling rate of the commercial bank where the Company is expected to transact; and
- Asset procurement transactions or expenses immediately paid in foreign currencies (not through accounts payable) shall be accounted at the purchase rate of the commercial bank where the enterprise makes the payment.

The exchange rate used for revaluation of the balance of monetary items of foreign currency origin at the end of the fiscal year is determined according to the following principles:

- Monetary items are classified as assets that are accounted at the purchase rate of the commercial bank where the Company regularly conducts transactions; and
- Monetary items classified as liabilities shall be accounted according to the selling rate of the commercial bank where the Company regularly conducts transactions.

All actual exchange differences arising during the year and differences from the revaluation of foreign currency monetary balances at the end of the period are recognized in the statement of profit or loss.

#### 3.3. Cash and cash equivalents

Cash and cash equivalents include cash on hand, demand deposits, short-term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

#### 3.4. Financial investments

##### Held-to-maturity Investments

Held-to-maturity investments include those investments that the Company has the intention and ability to hold until maturity. Held-to-maturity Investments include: Term bank deposits (including treasury bills and promissory notes), bonds, preference shares that the issuer is required to repurchase at a certain time in the future, loans held to maturity for the purpose of earning periodic interest, and other investments held to maturity.



Held-to-maturity investments are recorded from the date of acquisition and are initially measured at cost, including the purchase price and any transaction costs incurred in connection with the purchase of the investments. 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 is deducted from the cost at the time of purchase.

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

Provision for doubtful receivables of investments held to maturity is made in accordance with current accounting regulations.

### **Investment in associates**

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

The Company initially recognizes investments in subsidiaries, joint ventures, and associates at cost. The Company recognizes in the Statement of Profit or Loss the share of the investee's cumulative net profit arising after the investment date. Other amounts received by the Company, other than shared profits, are considered a recovery of investments and are recognized as a reduction of the investment cost.

Investments in subsidiaries, joint ventures, and associates are presented in the Balance Sheet at cost less impairment provisions (if any). Impairment provisions for investments are made when there is conclusive evidence indicating a decline in the value of these investments at the end of the accounting period.

### **3.5. Receivables**

Receivables represent the amounts recoverable from customers or other parties. Receivables are presented at its carrying amount less allowance for doubtful receivables.

Provision for doubtful receivables is made for each doubtful receivables based on the aging analysis of overdue debts or the estimated potential loss, or for receivables where the debtor is unlikely to pay due to liquidation, bankruptcy, or similar difficulties.

### **3.6. Inventories**

Inventories are measured at the lower of original cost and net realizable value. The original cost of inventories includes direct materials, direct labor and, where applicable, those overheads incurred in bringing the inventories to their present location and condition.

The original cost of inventories are valued using the First-In, First-Out (FIFO) method

Net realizable value is determined as the estimated selling price less the estimated costs of completing the product and the costs to be incurred in marketing, selling and distribution.



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

The Company's inventory impairment provision was made in accordance with current accounting regulations. Accordingly, the Company was allowed to make provisions for obsolete, damaged, or substandard inventories and in cases where the original cost of inventories was higher than their net realizable value at the end of the accounting period.

**3.7. Tangible fixed assets**

Fixed tangible fixed assets are stated at original cost less accumulated depreciation.

The original cost of tangible fixed assets comprises the purchase price and any other costs directly attributable to bringing the assets to working condition for their intended use.

The original cost of self-made or self-constructed tangible fixed assets includes construction costs, actual production costs incurred plus installation and commissioning costs. (Not applicable)

	<b>Current year</b> [Years]	<b>Last year</b> [Years]
Buildings and structures	05 – 25	05 – 25
Machinery and Equipment	03 – 10	03 – 10
Means of transport and transmission	04 – 07	04 – 07
Management equipment and equipment	04 – 06	04 – 06
Other tangible fixed assets	03 – 15	03 – 15

**3.8. Leased assets**

The Company recognized finance leased assets as its own assets at the fair value of the leased asset at the inception of the lease or at the present value of the minimum lease payments, whichever is lower. The corresponding liability to the lessor was recorded on the Balance Sheet as a finance lease liability. Lease payments were split into finance charges and principal repayment to achieve a constant periodic rate of interest on the remaining balance of the lease. Finance lease costs were recognized in the income statement, unless they were directly attributable to qualifying assets, in which case they were capitalized in accordance with the Company's policy on borrowing costs (see below).

A lease is classified as an operating lease when the lessor retains a majority of the rewards and is subject to the risks of ownership of the asset. Operating lease costs were recognized in the Income Statement on a straight-line basis over the lease term. Any upfront payments received or receivable to facilitate the execution of an operating lease were also recognized on a straight-line basis over the lease term.

Finance leased assets were depreciated over their estimated useful lives in the same manner as the Company's own assets. However, if it was not reasonably certain that the lessee will obtain ownership of the asset at the end of the lease term, the leased asset was depreciated over the shorter of the lease term or the asset's useful life:

	<b>Years</b> [Years]
Machinery and Equipment	05 - 10

**3.9. Intangible fixed assets**

Intangible fixed are stated at cost less accumulated depreciation

The cost of intangible fixed assets includes all costs incurred by the Company to acquire the fixed assets up to the time the assets are ready for use. Expenditures relating to intangible fixed assets incurred after initial recognition are recognized as expenses in the period in which they are incurred, unless they are associated with a specific intangible fixed asset and result in an increase in the economic benefits derived from the asset.

When intangible fixed assets are sold or disposed of, their cost and accumulated depreciation are eliminated from the accounts and any gain or loss resulting from their disposal is recognized as income or expense in the year.

Intangible fixed assets of Company include:

**Land use rights**

Land use rights are all actual costs the Company has incurred that are directly related to the land used, including: Amounts paid for the right to use land, compensation costs, site clearance costs, land leveling costs, registration fees, etc.

The Company's land use rights are amortized as follows: Land use rights are granted by the State with collection of land use levy: Depreciation is made using the straight-line method over the land lease term (581 months), land use rights with indefinite term are not amortized.

**Software Programs**

Costs relating to computer software programs that are not an integral part of the related hardware are capitalized. The original cost of computer software is the total cost that Company spent as of the time the software is put into use. Computer software is amortized using the straight-line method over a period of 3 years

**3.10. Construction-in-progress costs**

Assets under construction for production, rental, administrative purposes or for any other purpose are stated at their original cost. This cost includes costs necessary to form the asset in accordance with the Company's accounting policy.

**3.11. Business cooperation contract****Jointly controlled assets**

The Company recognizes in its Financial Statements business cooperation contracts in the form of jointly controlled assets as follows:

- The Company's share in jointly controlled assets is classified according to the nature of the assets.
- The Company's own separately incurred liabilities.



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

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- The portion of the liability arising jointly with other joint venture partners from the operations of the joint venture.
- Income from the sale or use of the portion of products/services shared from joint ventures, together with the portion of expenses incurred and shared from the joint venture's operations.
- The expenses of Company incurred capital contributions to joint ventures.

Fixed assets and investment properties contributed to business cooperation contracts without transferring ownership to the joint ownership of the joint venture parties are not derecognized. In the case where the Company received contributed assets to a joint venture, these are monitored as assets held in custody and were not recorded as an increase in assets and business capital.

Fixed assets and investment real estate contributed as capital to a business cooperation contract with ownership transfer and in the process of construction of jointly controlled assets are recorded as a decrease in assets in the accounting books and the asset value is recorded in the cost of unfinished basic construction. Upon completion and handover for use of the jointly controlled assets, based on the value of the assets allocated, the Company recognizes an increase in its own assets in accordance with their intended use.

**Jointly Controlled Operations**

The Company recognizes the following items in its Financial Statements for business cooperation contracts in the form of jointly controlled operations:

- The value of the property currently under the Company's ownership
- Liabilities borne by the Company
- Revenue shared from the sale of goods or or provision of services of the joint venture;

Expenses borne by the Company.

**3.12. Prepaid expenses**

Prepaid expenses include actual expenses that have been incurred but are related to the business performance of many accounting periods. Prepaid expenses of Company includes the following costs:

**Pre-operating costs**

Pre-operating costs include training, advertising and promotion costs prior to Company officially commenced its production and operations. These costs were allocated to expenses using the straight-line method over 36 months since Company had commenced its production and operations.

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

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**Tools and Equipment**

Tools and equipment put into use are allocated to expenses using the straight-line method with an allocation period not exceeding 36 months

**Costs for fixed assets repair**

Significant one-off fixed asset repair costs are amortized to expenses using the straight-line method over 36 months.

**Prepaid land lease**

Prepaid land lease represents the land rental fees paid in advance for the land the Company is currently using. Prepaid land rental is allocated to expenses using the straight-line method over the lease term.

**3.13. Payables and accrued expenses**

Payables and accrued expenses are recognized for the amounts to be paid in the future for goods and services received. Accrued expenses are recorded based on reasonable estimates of the amounts payable.

Classification of payables as trade payables, accrued expenses, and other payables is based on the following principles:

- Trade payables reflect commercial payables arising from transactions of purchasing goods, services, assets and the seller is an independent entity from the Company.
- Payable expenses reflect amounts payable for goods and services received from sellers or provided to buyers but not yet paid due to lack of invoices or insufficient accounting records and documents, and amounts payable to employees for leave wages, production and business expenses that must be accrued in advance. When such expenses arise, if there is a difference with the amount deducted, the accountant will record additional expenses or reduce the expenses corresponding to the difference.
- Other payables reflect non-commercial payables unrelated to transactions of purchasing, selling, and providing goods and services.

**3.14. Borrowings and finance lease liabilities**

Borrowings were tracked for each lender, each loan agreement, and the repayment term of the loans. In the case of foreign currency borrowings, detailed tracking was maintained in the original currency.

**3.15. Borrowing costs**



Borrowing costs are recognized as an expense in the period in which they are incurred, except when they are capitalized in accordance with Vietnamese Accounting Standard No. 16 "Borrowing Costs". Accordingly, borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use or sale are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Income arising from temporary investment of loans is recorded as a reduction in the original cost of related assets. For separate loans for the construction of fixed assets or investment real estate, interest is capitalized even if the construction period is less than 12 months.

**3.16. Unearned revenue**

Unearned revenue is revenue received in advance for one or more accounting periods, consisting primarily of prepayments from customers for rentals of assets for multiple periods. The Company recognizes unearned revenue corresponding to the portion of the obligation that the Company shall have to perform in the future. When the revenue recognition conditions are met, unearned revenue shall be recorded in the income statement in the year corresponding to the portion that satisfies the revenue recognition conditions.

**3.17. Owner's equity**

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

**3.18. Profit Distribution**

Profit after corporate income tax is distributed to shareholders after setting aside funds according to the Company's Charter as well as 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 might affect cash flow and the ability to pay dividends such as interest on revaluation of contributed assets, interest on revaluation of monetary items, financial instruments and other non-monetary items.

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

**3.19. Revenue and income recognition****Revenue from sales of goods and finished products**

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

- The company has transferred most of the risks and benefits associated with ownership of the product or goods to the buyer.
- 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 relatively reliably.

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

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- The company has received or will receive economic benefits from the sales transaction.
- The costs related to the sales transaction can be determined.

**Revenue from providing services**

Revenue from service transactions is recognized when the outcome of such transactions can be reliably estimated. When services are performed over multiple periods, revenue is recognized in the period in which the services are rendered, based on the stage of completion of the transaction at the end of the reporting period. The outcome of a service transaction is determined when all of the following conditions are satisfied:

- Revenue is determined relatively reliably.
- It is possible to obtain economic benefits from the service provision transaction.
- Determined the completed works as of the end of the fiscal year
- The costs incurred for the transaction and the costs to complete the service provision transaction can be determined

**Processing revenue**

Revenue from processing activities for materials and goods is the actual processing fee earned, excluding the value of the materials and goods received for processing.

**Interest**

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

**3.20. Cost of goods sold, and services rendered**

Cost of goods sold includes the cost of products, goods and services provided during the year and is recorded in accordance with revenue consumed during the year. For direct material costs that exceed normal levels, labor costs, and fixed general production costs that are not allocated to the value of products in stock, accountants must immediately calculate it into cost of goods sold (after deducting compensation, if any) even when the products and goods have not been determined to be consumed.

**3.21. Selling expenses**

Selling costs reflect costs incurred in the process of selling goods, and providing services. This mainly includes sales department staff salary expenses, sales promotion, product introduction, advertising and sales commission costs.

**3.22. Administration expenses**

Administration expenses reflect actual costs incurred in the general management process of the Company, mainly including costs for salaries of management staff; social insurance, health insurance, union fees, unemployment insurance of management staff; office materials costs; depreciation costs; provision costs; outsourced services and other costs.



**3.23. Tax**

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

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

Deferred income tax is calculated on the differences between the carrying amount and the tax base of assets or liabilities in the financial statements and is recorded under the Balance Sheet method. Deferred income tax liabilities are recognized for all taxable temporary differences, while deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilized.

Deferred income tax is determined using the tax rates that are expected to apply to the period when the asset is realized or the liability is settled. Deferred income tax is recognized in the Statement of Profit or Loss, except when it relates to items recognized directly in equity, in which case the deferred income tax is also recognized in equity.

Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same taxable entity and the same taxation authority and the Company intends to settle its current tax liabilities on a net basis

The determination of the Company's income tax is based on current tax regulations. However, these regulations 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 are applied according to current tax laws in Vietnam.

**3.24. Financial instruments****Initial recognition**

*Financial assets* At the date of initial recognition, financial assets are recorded at cost plus that are directly attributable to the acquisition of the financial assets. The Company's financial assets include cash, cash equivalents, trade receivables, other receivables, deposits, financial investments and derivative financial instruments.

*Financial liabilities* At the date of initial recognition, financial liabilities are recorded at cost plus that are directly attributable to the issuance of the financial liabilities. The Company's financial liabilities include trade payables, other payables, accrued expenses, finance lease liabilities, borrowings, and derivative financial instruments

**Re-evaluate after initial recognition**

## NOTES TO THE FINANCIAL STATEMENTS (continued)

Currently, there are no regulations on the revaluation of financial instruments after initial recognition.

### 3.25. Stakeholders

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence.

In considering related party relationships, the substance of the relationship is given more emphasis than the legal form.

## 4. ADDITIONAL INFORMATION FOR THE ITEMS PRESENTED ON THE BALANCE SHEET

### 4.1. Cash and cash equivalents

	Closing balance (30/06/2025) VND	Opening balance (01/01/2025) VND
Cash	6,168,000,462	4,806,201,036
Demand deposits in banks	82,148,630,243	45,243,432,964
Cash equivalents	35,837,557,012	35,666,747,492
	<u>124,154,187,717</u>	<u>85,716,381,492</u>

### 4.2. Held to maturity investments

	Closing balance (30/06/2025)		Opening balance (01/01/2025)	
	Cost VND	Book value VND	Cost VND	Book value VND
Short-term	98,553,330,078	98,553,330,078	118,906,968,745	118,906,968,745
Term deposits	98,553,330,078	98,553,330,078	118,906,968,745	118,906,968,745
Long-term		0	0	0
	98,553,330,078	98,553,330,078	118,906,968,745	118,906,968,745

(i) Deposits at commercial banks and foreign bank branches in Vietnam with a term of 03 to 06 months, interest rates from 1.5%/year to 4.8%/year.

### 4.3. Short-term receivables from customers

	Closing balance (30/06/2025) VND	Opening balance (01/01/2025) VND
Traditional Medicine Hospital (Ho Chi Minh City)	91,056,000	949,443,600
VITAMEC Joint Stock Company	4,401,827,982	26,122,076,635
CENTRAL PHARMACEUTICAL JOINT STOCK COMPANY 5	11,492,439,607	39,073,907,418
EUPHAR PHARMACEUTICAL JOINT STOCK COMPANY	8,060,656,290	8,060,656,290
UNESFA Joint Stock Company	48,477,052,112	42,660,512,694
CENTRAL PHARMACEUTICAL JOINT STOCK COMPANY 9		40,958,721,906
BAC LIEU PHARMACEUTICAL JOINT STOCK COMPANY 333	49,233,153,685	45,876,419,693
EXPO Joint Stock Company	24,696,098,918	39,501,416,797
ROMAS Joint Stock Company	62,793,799,656	53,779,839,068
Phu Tho Provincial General Hospital	19,692,021,636	15,825,677,084
Hanoi Pharmaceutical Joint Stock Company		
Other trade receivables	162,779,401,889	115,656,318,888
	<u>441,485,901,412</u>	<u>434,649,297,670</u>



## NOTES TO THE FINANCIAL STATEMENTS (continued)

## 4.4. Current advances to suppliers

	Closing balance (30/06/2025) VND	Opening balance (01/01/2025) VND
Saigonfa Joint Stock Company	-	3,738,385,509
B.PHARMA Co., Ltd.	48,565,345,525	48,565,345,525
Ecopha Joint Stock Company	-	-
Duy Phu Tho Pearl One Member Co., Ltd.	2,405,906,860	2,405,906,860
Other Advances to Suppliers	2,200,389,268	2,302,981,005
	<b>53,171,641,653</b>	<b>57,012,618,899</b>

(i) According to contracts No. VM10 between Vietnam Pharmaceutical Joint Stock Company (buyer) and B.Pharm Co., Ltd. (seller) signed on 10/05/2021 on the purchase and sale of machinery and equipment to serve the production of products.

## 4.5. Other receivables

## 4.5.1. Other short-term receivables

	Closing balance (30/06/2025)		Opening balance (01/01/2025)	
	Value VND	Allowance VND	Value VND	Allowance VND
Advance	-	-	-	-
Deposits (Collateral)	-	-	2,450,745	-
Interest receivable on deposits	1,302,516,570	-	788,731,065	-
	730,073,541	-	856,622,877	-
VAT on finance lease assets	-	-	-	-
Value of finance lease assets sold	-	-	7,000,000,000	-
Other receivables	-	-	-	-
	<b>2,032,590,111</b>	<b>-</b>	<b>8,647,804,687</b>	<b>-</b>

## 4.5.2. Other non-current receivables

	Closing balance (30/06/2025)		Opening balance (01/01/2025)	
	Value VND	Allowance VND	Value VND	Allowance VND
Deposits and mortgages	2,260,895,306	-	2,257,076,528	-
Govamec Central Medicinal Materials Joint Stock Company (i)	40,665,250,000	-	40,665,250,000	-
Tuyen Quang Biotechnology Joint Stock Company (ii)	40,655,000,000	-	40,655,000,000	-
Minh Khang Pharmaceutical & Medicinal Materials Joint Stock	10,000,000,000	-	10,000,000,000	-
Total	<b>93,581,145,306</b>	<b>-</b>	<b>93,577,326,528</b>	<b>-</b>

(i) Receivable from Business Cooperation Contract No. 26/2023/HĐHT/VIETMEC-GOVAMEC dated November 26, 2023, between Viet Nam Medicinal Materials Joint Stock Company and Govamec Central Medicinal Herbs Joint Stock Company, regarding the investment cooperation for the project "Investment and support for the development of precious medicinal herb cultivation areas in Sapa Town, Lao Cai Province." The capital contribution for cooperation is VND 81,330,500,000, accounting for 35% of the total project investment. The profit-sharing method is based on after-tax profit.

(ii) Receivable from Business Cooperation Contract No. 25/2023/HĐHT/VM-SHTQ dated October 25, 2023, between Viet Nam Medicinal Materials Joint Stock Company and Tuyen Quang Biotechnology Joint Stock Company, regarding the investment cooperation for the project "Investment and support for the development of precious medicinal herb cultivation areas in Na Hang District, Tuyen Quang Province." The capital

contribution for cooperation is VND 81,310,000,000, accounting for 35% of the total project investment. The profit-sharing method is based on after-tax profit.

(iii) Pursuant to Business Cooperation Contract No. 0312/2024/HDDT/DLVN.MK for the project "Investment and support for the development of precious medicinal herb cultivation areas" in Bac Ai District, Ninh Thuan Province, signed on December 03, 2024, between Viet Nam Medicinal Materials Joint Stock Company(VIETMEC) (Party A) and Minh Khang Pharmaceutical & Medicinal Herbs Joint Stock Company (Party B):

- General Objective: To form a value chain system for the development of precious medicinal herbs; to foster awareness of medicinal herb cultivation according to the value chain and conserve medicinal herb genetic resources, ensuring quality management processes and standards; and to combine sustainable forest protection and development.
- Project Location: Sub-locations distributed in Phuoc Tien, Phuoc Tan, Phuoc Binh, Phuoc Hoa communes. These areas will be invested in and rehabilitated for the production of precious medicinal herbs within the project.
- Project Implementation Period: 25 years from the date of acceptance of the completed work for use (investment implementation period: January 2025; estimated date for putting the work into use: December 2025).
- Total Investment Capital: VND 250,000,000,000 (Two hundred and fifty billion Vietnamese Dong).
- Capital Contribution Ratio: Party A invests VND 50,000,000,000 (Fifty billion Vietnamese Dong), corresponding to 27% of the total project; Party B invests VND 132,000,000,000 (One hundred and thirty-two billion Vietnamese Dong), corresponding to 73% of the total project capital contribution.



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NOTES TO THE FINANCIAL STATEMENTS (continued)

4.6. Bad debts

	Closing balance (30/06/2025)			Opening balance (01/01/2025)		
	Overdue	Cost VND		Recoverable amount VND	Overdue	Cost VND
Recoverable amount VND						
Bad debts of other Companies or Individuals						
Quang Nam Medical College General Hospital	Less than 3 years	916,989,150		(916,989,150)	Less than 3 years	916,989,150
Bim Son General Hospital	Less than 3 years	375,879,000		(375,879,000)	Less than 3 years	375,879,000
Nghe An Traditional Medicine Hospital	Less than 3 years	355,894,560		(355,894,560)	Less than 3 years	-
Quang Nam General Hospital	Less than 3 years	344,764,930		(344,764,930)	Less than 3 years	(344,764,930)
Huong Khe District General Hospital	Less than 3 years	306,218,650		(306,218,650)	Less than 3 years	(306,218,650)
Ha Nam Provincial General Hospital	Less than 3 years	241,548,930		(241,548,930)	Less than 3 years	-
Phu Tho Regional General Hospital	Less than 3 years	209,251,117		(209,251,117)	Less than 3 years	-
Vung Tau Hospital	Less than 3 years	135,909,383		(135,909,383)	Less than 3 years	(109,249,350)
Duy Tien Town Medical Center	Less than 3 years	109,249,350		(109,249,350)	Less than 3 years	-
EUPHAR PHARMACEUTICAL JOINT STOCK COMPANY	Less than 3 years	2,418,196,887		(2,418,196,887)	Less than 3 years	-
Duc Tho District General Hospital	Less than 3 years	96,233,130		(96,233,130)	Less than 3 years	-
Son La Provincial General Hospital	Less than 3 years	85,463,001		(85,463,001)	Less than 3 years	-
	Less than 3 years	80,979,360		(80,979,360)	Less than 3 years	(80,979,360)
Son La Provincial General Hospital	Less than 3 years	76,271,580		(76,271,580)	Less than 3 years	(53,390,106)
Cua Lo Town Medical Center	Less than 3 years	74,272,905		(74,272,905)	Less than 3 years	-
Thang Hoa General Hospital Joint Stock Company	Less than 3 years	64,609,875		(64,609,875)	Less than 3 years	64,609,875
Thang Hoa General Hospital Joint Stock Company	Less than 3 years	53,408,250		(53,408,250)	Less than 3 years	-
Ha Noi Dong Van General Hospital - Hung Hung Medical Joint Stock Company Branch	Less than 3 years	50,112,180		(50,112,180)	Less than 3 years	-
Phu Tho Mental Hospital	Less than 3 years	49,256,760		(49,256,760)	Less than 3 years	-
DakRong District Medical Center	Less than 3 years	48,405,000		(48,405,000)	Less than 3 years	(48,405,000)
Son Tay General Hospital	Less than 3 years	47,136,928		(47,136,928)	Less than 3 years	-
(Pharmacy) Cao Bang Traditional Medicine and Rehabilitation General Hospital	Less than 3 years	43,757,280		(43,757,280)	Less than 3 years	-
(Pharmacy) Cao Bang Traditional Medicine and Rehabilitation General Hospital	Less than 3 years	43,742,510		(43,742,510)	Less than 3 years	43,742,510
Anh Quat General Hospital Co., Ltd.	Less than 3 years	13,828,500		(13,828,500)	Less than 3 years	(13,828,500)
Song Thuong Bac Giang General Hospital Co., Ltd.	Less than 3 years	11,108,475		(11,108,475)	Less than 3 years	(203,733,600)
Thu Duc City Hospital	More than 6 months	392,976,919		(392,976,919)	More than 6 months	(135,151,956)
Other entities		6,645,464,610		(6,645,464,610)		2,696,941,987
						(2,696,941,987)

## NOTES TO THE FINANCIAL STATEMENTS (continued)

## 4.7. Inventories

	Closing balance (30/06/2025)		Opening balance (01/01/2025)	
	Value VND	Allowance VND	Value VND	Allowance VND
Raw materials	110,862,620,632	-	114,612,902,897	-
Tools and supplies	-	-	-	-
Work in progress	9,571,812,335	-	9,227,046,875	-
Finished goods	107,414,857,301	-	84,864,073,866	-
Merchandise	13,172,871,530	-	29,552,470,545	-
Goods on consignment	-	-	-	-
	241,022,161,798	-	238,256,494,183	-

## 4.8. Other current and non-current prepaid expenses

## 4.8.1. Current prepaid expenses

	Closing balance (30/06/2025) VND	Opening balance (01/01/2025) VND
Tools and equipment for use	-	714,587
Cost of buying insurance	145,117,902	136,109,163
Other items (specify in detail if of great value)	1,139,199,642	235,276,512
	<u>1,284,317,544</u>	<u>372,100,262</u>

## 4.8.2. Non-current prepaid expense

	Closing balance (30/06/2025) VND	Opening balance (01/01/2025) VND
Cost of establishing a business	362,378,930	1,091,620,763
Cost of buying insurance	-	59,794,564
	219,081,442	371,821,477
Other amounts (please detail if of great value)	60,000,000	936,521,112
	<u>641,460,372</u>	<u>2,459,757,916</u>



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NOTES TO THE FINANCIAL STATEMENTS (continued)

4.9. Increase and decrease in tangible fixed assets

INCREASES, DECREASES IN TANGIBLE FIXED ASSETS

	Buildings and structures VND	Machinery and equipment VND	Motor vehicles VND	Office equipment VND	Garden business VND	Others VND	Total VND
<b>COST</b>							
Opening balance	107,066,114,168	76,927,478,487	10,495,018,300	8,647,549,804	-	7,819,405,919	210,955,566,678
Increase in the period	-	-	-	-	-	316,910,000	316,910,000
- <i>Transfer from construction in progress</i>	-	-	-	-	-	-	-
- <i>Purchase in the period</i>	-	-	-	-	-	-	-
Decrease in the period	-	-	-	-	-	-	-
- <i>Liquidation or transfer</i>	-	-	-	-	-	-	-
- <i>Other decreases</i>	-	-	-	-	-	-	-
Closing balance	107,066,114,168	76,927,478,487	10,495,018,300	8,647,549,804	-	8,136,315,919	211,272,476,678
<b>ACCUMULATED DEPRECIATION</b>							
Opening balance	27,049,576,481	33,037,197,777	5,046,811,430	5,053,066,630	-	2,985,551,913	73,172,204,231
Increase in the period	2,358,278,337	3,544,940,852	803,173,888	479,095,752	-	381,398,873	7,566,887,702
- <i>Depreciation charged</i>	2,358,278,337	3,544,940,852	803,173,888	479,095,752	-	381,398,873	7,566,887,702
Decrease in the period	-	-	-	-	-	-	-
- <i>Liquidation or transfer</i>	-	-	-	-	-	-	-
- <i>Other decreases</i>	-	-	-	-	-	-	-
Closing balance	29,407,854,818	40,127,079,481	6,653,159,206	6,011,258,134	-	3,748,349,659	80,739,091,933
<b>NET BOOK VALUE</b>							
- Opening balance	80,016,537,687	43,890,280,710	5,448,206,870	3,594,483,174	-	4,833,854,006	137,783,362,447
- Closing balance	77,658,259,350	36,800,399,006	3,841,859,094	2,636,291,670	-	4,387,966,260	130,533,384,745
Cost of tangible fixed assets that have been fully depreciated but are still in use:							
- Opening balance	3,605,548,427	2,250,790,500	372,932,845	39,090,909	-	769,970,681	7,038,333,362
- Closing balance	3,605,548,427	2,250,790,500	372,932,845	39,090,909	-	769,970,681	7,038,333,362
Net book value at the end of the period of tangible fixed assets used to mortgage or pledge to secure the loan:							
- Opening balance	80,016,537,687	43,890,280,710	5,448,206,870	-	-	-	129,355,025,267
- Closing balance	77,658,259,350	36,800,399,006	3,841,859,094	-	-	-	118,300,517,450

## NOTES TO THE FINANCIAL STATEMENTS (continued)

## 4.10. Leased fixed assets

	Machinery and equipment VND	Total VND
<b>COST</b>		
Opening balance	42,326,474,802	42,326,474,802
Increase in the period	-	-
- <i>Finance lease assets in the</i>	-	-
Decrease in the period	-	-
- <i>Return finance lease assets</i>	-	-
Closing balance	42,326,474,802	42,326,474,802
<b>ACCUMULATED DEPRECIATION</b>		
Opening balance	17,174,574,805	17,174,574,805
Increase in the period	4,439,186,730	4,439,186,730
- <i>Depreciation charged</i>	4,439,186,730	4,439,186,730
Decrease in the period	-	-
- <i>Return finance lease assets</i>	-	-
Closing balance	21,613,761,535	21,613,761,535
<b>NET BOOK VALUE</b>		
- Opening balance	25,151,899,997	25,151,899,997
- Closing balance	20,712,713,267	20,712,713,267

## 4.11. Intangible fixed assets

	Land use rights VND	Others VND	Total VND
<b>COST</b>			
Opening balance	210,141,494,528	178,680,000	210,320,174,528
Increase in the period	-	-	-
- <i>Purchase in the period</i>	-	-	-
Decrease in the period	-	-	-
Closing balance	210,141,494,528	178,680,000	210,320,174,528
<b>ACCUMULATED DEPRECIATION</b>			
Opening balance	3,161,669,472	167,205,405	3,328,874,877
Increase in the period	627,469,884	41,940,036	669,409,920
- <i>Depreciation charged</i>	627,469,884	41,940,036	669,409,920
Decrease in the period	-	-	-
Closing balance	3,789,139,356	209,145,441	3,998,284,797
<b>NET BOOK VALUE</b>			
- Opening balance	206,979,825,056	11,474,595	206,991,299,651
- Closing balance	206,352,355,172	(30,465,441)	206,321,889,731



## NOTES TO THE FINANCIAL STATEMENTS (continued)

## 4.12. Construction in progress costs

	Closing balance (30/06/2025)	Opening balance (01/01/2025)
	VND	VND
Machinery and equipment for cancer treatment drug manufacturing plant system	79,275,269,136	79,275,269,136
Machinery and equipment for research and testing system	9,408,670,786	9,408,670,786
Machinery and equipment for research and testing system	602,742,536	602,742,536
Land acquisition costs for the Project of Conservation Center for Precious Medicinal Herbs Genetic Resources and Development of Medicinal Herbs under Forest Canopy (i)	88,000,000,000	88,000,000,000
IPO project investment costs	13,982,407,027	13,982,407,027
Land leveling costs at Phu Tho Factory	6,954,850,000	6,954,850,000
Land acquisition costs for the project to expand the scale and landscape of Phu Tho Factory	-	-
Other investment costs	9,524,911,642	9,517,735,642
	-	-
	207,748,851,127	207,741,675,127

(i) Pursuant to Resolution No. 05A/2022/NQ-HĐQT/DLVN dated May 13, 2022, of the Board of Directors of Viet Nam Medicinal Materials Joint Stock Company, approving the Project to establish a Center for the conservation of precious medicinal herb genetic resources and the development of medicinal herbs under forest cover in Yen Son Commune, Thanh Son District, Phu Tho Province, the Company purchased 02 land lots with a total area of 571,000 m<sup>2</sup> in Yen Son Commune, Thanh Son District, Phu Tho Province, at a transfer price of VND 88,000,000,000. Purpose of use: RTs (Forest Land); Usage period: Until 2054. The Company is currently in the process of converting the land use period to 50 years.

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NOTES TO THE FINANCIAL STATEMENTS (continued)

4.13. Long-term financial investment

	Closing balance		Opening balance	
	Cost VND	Allowance VND	Cost VND	Fair value VND
<i>Investments in subsidiaries</i>	-	-	-	-
<i>Investments in joint ventures, associates</i>	20,000,000,000	-	20,000,000,000	-
DEF Processing Joint Stock Company	20,000,000,000	-	20,000,000,000	(i)
<i>Investments in others entities</i>	-	-	-	-
	20,000,000,000	-	20,000,000,000	-

(i) The Company has not determined the fair value of unquoted investments due to the lack of specific guidelines on fair value measurement.



## NOTES TO THE FINANCIAL STATEMENTS (continued)

## 4.14. Short-term trade payables

	Closing balance		Opening balance	
	Amount VND	Amount able to be paid off VND	Amount VND	Amount able to be paid off VND
Hai Minh Pharmaceutical Co., Ltd.	2,687,697,268	2,687,697,268	2,687,697,268	2,687,697,268
Benovas Pharmaceutical JSC - Hanoi Branch	4,030,926,039	4,030,926,039	4,054,183,839	4,054,183,839
VENZOR Joint Stock Company	14,070,552,209	14,070,552,209	15,235,699,387	15,235,699,387
Pham Thi Duong	3,384,671,852	3,384,671,852	3,248,491,802	3,248,491,802
Nhat Minh Pharmaceutical Joint Stock Company	524,603,000	524,603,000	10,496,455,900	10,496,455,900
Fisamec Central JSC	10,266,216,058	10,266,216,058	4,350,691,776	4,350,691,776
Other entities	71,503,232,303	71,503,232,303	52,491,182,691	52,491,182,691
	<b>106,467,898,729</b>	<b>106,467,898,729</b>	<b>92,564,402,663</b>	<b>92,564,402,663</b>

## 4.15. Short-term advances from customers

	Closing balance (30/06/2025) VND	Opening balance (01/01/2025) VND
Central Pharmaceutical Joint Stock Company I	-	-
CENTRAL PHARMACEUTICAL JOINT STOCK COMPANY 5	-	-
Other entities	180,024,745	67,689,020
	<b>180,024,745</b>	<b>67,689,020</b>

## 4.16. Taxes and Other Amounts Receivable from, and Payable to, the State

	Opening balance		Movement in the period		Closing balance	
	Taxes Payable VND	Taxes Receivable VND	Amount payable VND	Paid VND	Taxes Payable VND	Taxes Receivable VND
VAT on domestic sales	204,525,487	-	35,758,991,538	33,495,937,859	2,467,579,166	-
Value added tax on imports	-	-	-	-	-	-
Import and export tax	-	-	-	-	-	-
Corporate income tax	5,032,923,043	-	3,736,299,489	-	8,769,222,532	-
Personal income tax	497,663,308	-	1,029,383,249	794,947,652	732,098,905	-
Land and housing tax	-	-	1,141,375	1,141,375	-	-
Fees, charges and other payables	-	-	9,000,000	9,000,000	-	-
	<b>5,735,111,838</b>	<b>-</b>	<b>40,534,815,651</b>	<b>34,301,026,886</b>	<b>11,968,900,603</b>	<b>-</b>

Notes: The Company is eligible for a corporate income tax incentive on income generated from new investment projects in areas with difficult socio-economic conditions. This incentive applies a tax rate of 17% for 10 years from the first year the Company generates taxable income from the new investment project. Furthermore, the Company is exempt from corporate income tax for 2 years and receives a 50% reduction in corporate income tax for the subsequent 4 years on taxable income arising from the new investment project in areas with difficult socio-economic conditions. Fiscal year 2025 is the 6th year with income generated from the new investment project.

## NOTES TO THE FINANCIAL STATEMENTS (continued)

## 4.17. Short-term accrued expenses

	Closing balance (30/06/2025) VND	Opening balance (01/01/2025) VND
Bank loan interest expense	920,794,173	961,039,745
Bond interest expense	-	-
	<u>920,794,173</u>	<u>961,039,745</u>

## 4.18. Short-term unearned revenue

	Closing balance (30/06/2025) VND	Opening balance (01/01/2025) VND
Unearned revenue from finance lease asset sales	1,850,174,642	2,791,437,590
Other unearned revenue	-	-
	<u>1,850,174,642</u>	<u>2,791,437,590</u>

## 4.19. Other payables

## 4.19.1. Other short-term payables

	Closing balance (30/06/2025) VND	Opening balance (01/01/2025) VND
Union funds	952,044,041	119,620,050
Social insurance	-	-
Health Insurance	-	-
Unemployment insurance	-	-
Phu Tho Provincial State Treasury	-	-
Board of Directors' remuneration payable	-	-
Other payables and remittances	70,009,495,847	20,000,000,000
	<u>70,961,539,888</u>	<u>20,119,620,050</u>

## 4.19.2. Other long-term payables

	Closing balance (30/06/2025) VND	Opening balance (01/01/2025) VND
Payable for collections of share purchase funds from employees	734,542,000	1,133,042,000
Other payables and remittances	1,216,370,900	1,216,370,900
	<u>1,950,912,900</u>	<u>2,349,412,900</u>



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NOTES TO THE FINANCIAL STATEMENTS (continued)

4.20. Loans and Finance Leases

4.20.1. Short-term borrowings and finance lease

	Opening balance (01/01/2025)		In the period		Closing balance (30/06/2025)	
	Amount VND	Amount able to be paid off VND	Increases VND	Decreases VND	Amount VND	Amount able to be paid off VND
<i>Short-term loans</i>	723,090,443,226	723,090,443,226	621,499,609,104	708,164,796,303	636,425,256,027	636,425,256,027
Vietnam Prosperity Joint Stock Commercial Bank (VPBank) (1)	67,701,620,318	67,701,620,318	97,014,120,391	93,457,645,518	71,258,095,191	71,258,095,191
Vietnam Joint Stock Commercial Bank for Industry and Trade (VietinBank) (2)	39,991,700,891	39,991,700,891	40,774,255,708	40,821,700,891	39,944,255,708	39,944,255,708
Joint Stock Commercial Bank for Investment and Development of Vietnam (BIDV) (3)	355,660,950,296	355,660,950,296	180,500,749,365	301,818,487,295	234,343,212,366	234,343,212,366
Vietnam Prosperity and Development Joint Stock Commercial Bank (PGBank) (4)	8,000,000,000	8,000,000,000	8,000,000,000	8,000,000,000	8,000,000,000	8,000,000,000
Indovina Bank Limited (5)	56,795,646,257	56,795,646,257	57,608,433,515	56,795,646,257	57,608,433,515	57,608,433,515
GENFIVE COMPANY LIMITED (6)	-	-	2,000,000,000	1,500,000,000	500,000,000	500,000,000
Sinopac Bank (7)	44,873,196,206	44,873,196,206	-	44,873,196,206	-	-
Woori Bank Vietnam Limited (8)	39,883,104,425	39,883,104,425	39,756,641,132	43,883,104,425	35,756,641,132	35,756,641,132
Hong Leong Bank Vietnam Limited (9)	29,301,270,498	29,301,270,498	-	29,301,270,498	-	-
Huanan Bank Vietnam Limited (10)	72,981,599,774	72,981,599,774	46,912,233,944	79,936,977,918	39,956,855,800	39,956,855,800
Ho Chi Minh City Development Joint Stock Commercial Bank (HDBank) (11)	7,901,354,561	7,901,354,561	10,350,254,262	6,376,767,295	11,874,841,528	11,874,841,528
SHINHAN BANK VIETNAM (12)	-	-	69,875,732,979	-	69,875,732,979	69,875,732,979
ELECTRICITY FINANCE JOINT STOCK COMPANY (13)	-	-	1,000,000,000	-	1,000,000,000	1,000,000,000
MIARE ASSET FINANCE COMPANY LIMITED (14)	-	-	5,000,000,000	-	5,000,000,000	5,000,000,000
Sacombank Joint Stock Commercial Bank (15)	-	-	35,210,000,000	-	35,210,000,000	35,210,000,000
Sacombank Joint Stock Commercial Bank (15)	-	-	27,437,187,808	1,400,000,000	26,037,187,808	26,037,187,808
Long-term loans due within one year	10,923,076,920	10,923,076,920	5,461,538,460	5,461,538,460	10,923,076,920	10,923,076,920
Long-term finance lease due within one year	6,652,761,404	6,652,761,404	2,476,271,214	2,476,271,214	6,652,761,404	6,652,761,404
Bonds due	-	-	-	-	-	-
<b>Current loans and finance lease</b>	<b>740,666,281,550</b>	<b>740,666,281,550</b>	<b>629,437,418,778</b>	<b>716,702,605,977</b>	<b>654,001,094,351</b>	<b>654,001,094,351</b>



**Additional information for current loans:**

(1) Firstly, they were current loans at Vietnam Prosperity Joint Stock Commercial Bank - Thang Long Branch according to Credit Limit Contract No. CLC-27890-01 signed on October 1, 2024, credit limit: 190,000,000,000 VND, credit term 12 months. The loan was for the purpose of supplementing working capital, issuing guarantees, issuing LCs, issuing guarantees (bidding, contract performance, guarantees, advances, payment guarantees) to serve the business activities of pharmaceuticals, medical equipment and functional foods. Loan terms and interest rates were specified in each debt agreement. The loan was secured by:

- Certificate of House ownership and other assets attached to land No DP 999201, number recorded in the certificate issuance book: VP 02700 issued by Hanoi Land Registration Office on August 13, 2024 at Address: TB-25, Business Villa Area, An Khanh Commune, Hoai Duc District, Hanoi City; with a value of 24,971,274,252 corresponding to an area of 297m<sup>2</sup>
- Certificate of House ownership and other assets attached to land No CO 250935, number recorded in the certificate issuance book: VP 2872 DO issued by Viet Tri City People's Committee on May 9, 2019; October 19, 2020; Land plot No. 122 Map sheet No. 14 Address: Zone 9, Gia Cam ward, Viet Tri city, Phu Tho province, with an area of 91.4m<sup>2</sup>, with the value of: 2,700,555,000
- Certificate of Land and House ownership and other assets attached to land No CX 432394, number recorded in the certificate issuance book: CT16020 issued by the Department of Natural Resources and Environment of Hai Phong City

Secondly, they were current loans at Vietnam Prosperity Joint Stock Commercial Bank - Thang Long Branch according to Credit Limit Contract No. 020823-2751778-01-SME signed on August 07, 2023, credit limit: 100,000,000,000 VND, credit term 12 months. The loan was for the purpose of supplementing working capital, issuing guarantees, issuing LC to serve the business activities of pharmaceuticals, medical equipment and functional foods. Loan terms and interest rates were specified in each debt agreement. The loan was secured by:

- Certificate of Land Use Right and assets attached to land No CX 432394, number recorded in the certificate issuance book: CT16020 issued by the Hai Phong Department of Natural Resources and Environment on January 13, 2021 at SB.02 of Vinhoms Marina urban area, Hai Phong city of Mr. Vu Thanh Trung (General Director of the Company);
  - 01 Honda City car, license plate: 19A-383-66, chassis number: RLHGN2685MY003704, machine number: L15ZC1005499 of the Company;
  - The Company's term deposit contracts at Vietnam Prosperity Joint Stock Commercial Bank - Thang Long Branch.
- (2) Loan Agreement No. 01/2024-HDCVHM/NHCT224-VIETMEC dated August 23, 2024 between Vietnam Joint Stock Commercial Bank for Industry and Trade - Luu Xa Branch for the purpose of supplementing working capital for production and business activities. The loan term was 12 months, the interest rate was specified in each debt agreement, the loan was secured by the Land Use Rights and all other assets attached to the land at plot number 10 on map sheet number 39, address: No. 324 Minh Khai Street, Group 30A, Minh Khai Ward, Hai Ba Trung District, Hanoi City, area 102.6m<sup>2</sup> according to Certificate of house ownership and other assets attached to land No. DB513041, number recorded in the certificate issuance book: CS-HBT 14117 Issued by the Hanoi Department of Natural Resources and Environment on February 17, 2022, with value at the time of mortgage: 37,570,000,000.



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

- (3) They were current loans at the Joint Stock Commercial Bank For Investment And Development of Vietnam - Hanoi Branch under credit limit contract No. 01/2023/3990765/HDTD signed on August 8, 2023 for the purpose of supplementing working capital, guaranteeing, opening L/C to serve production and business activities. Credit limit was 450,000,000,000 VND. Loan terms and interest rates were specified in each debt agreement. This The loan was secured by:
- Real estate at Land plot No. 1(6), map sheet No. 03, address at Group 10, Bo De ward, Long Bien district, Hanoi city, area of 142.0 m2 recorded in the certificate of land use rights, house ownership rights and other assets attached to land No. CN 999011, number recorded in the certificate issuance book: CT-DA 01480 Issued by the Hanoi Department of Natural Resources and Environment on July 25, 2018, to Viet Nam Medicinal Materials Joint Stock Company;
  - Real estate at Land plot No. 1(7), map sheet No. 03, address at Group 10, Bo De ward, Long Bien district, Hanoi city, area of 136.0 m2 recorded in the certificate of land use rights, house ownership rights and other assets attached to land No. CN 999012, number recorded in the certificate issuance book: CT-DA 01481 Issued by the Hanoi Department of Natural Resources and Environment on July 25, 2018, to Viet Nam Medicinal Materials Joint Stock Company;
  - Real estate at Land No. 15, map sheet No. 03, address at Group 10, Bo De ward, Long Bien district, Hanoi city, area of 175,8m2 recorded in the certificate of land use rights, house ownership rights and other assets attached to land No. CD 858870, number recorded in the certificate issuance book: CT-DA 00883 Issued by the Hanoi Department of Natural Resources and Environment on September 15, 2016, to Viet Nam Medicinal Materials Joint Stock Company;
  - Real estate at Land plot No. 124, map sheet No. 111, address at Bieu Khe hamlet, Thuy Lam Commune, Dong Anh District, Hanoi city, area of 300.0 m2 recorded in the certificate of land use rights, house ownership rights and other assets attached to land No. DD 710372, number recorded in the certificate issuance book: CS 66506 Issued by the Hanoi Department of Natural Resources and Environment on November 18, 2021, to Mr. Vu Thanh Trung (The Company General Director);
  - Real estate at Land No. 30, map sheet No. 03-84/PA-CL, address at Sap Mai Hamlet, Vong La Commune, Dong Anh District, Hanoi city, area of 80.0,m2 recorded in the certificate of land use rights, house ownership rights and other assets attached to land No. DD 888523, number recorded in the certificate issuance book: CS 66297 Issued by the Hanoi Department of Natural Resources and Environment on November 17, 2021, to Mr. Vu Thanh Trung (The Company General Director);
  - Certificate of land Use Rights and and other assets attached to land at address AD09-76, Vinhomes Riverside Ecological Urban Area, area 304.0 m2, recorded in the certificate of land use rights, house ownership rights and other assets attached to land No. CN 742082, number recorded in the certificate issuance book: DA 24966 Issued by the Hanoi Department of Natural Resources and Environment on June 01, 2018, of the third party;
  - Term deposit contract of the Company, Mr. Vu Thanh Trung (General Director of the Company) and the Third Party;
- (4) The overdraft limit contract number 04 71/2024/HDHMT/PGD dated July 31, 2024 between Prosperity and Growth Commercial Joint Stock Bank and Viet Nam Medicinal Materials Joint Stock Company with overdraft limit: 8,000,000,000 VND, term of 6 months corresponding to interest rate of 12.4%/year for the purpose of performing payment services on payment accounts serving production and business activities.
- (5) The current loan at Indovina Bank according to each debt commitment paper with the limit: 100,000,000,000 VND, loan term not exceeding 8 months for the purpose of financing working capital,



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

issuing and guaranteeing and opening Letters of Credit of the Borrower. This loan was secured by the following collateral:

- Land use rights for plot number 451, map sheet number 33 at address Trung Chanh commune, Hoc Mon district, Ho Chi Minh city according to "Certificate of land use rights, house ownership rights and other assets attached to land" No BE 711913, number recorded in the certificate issuance book: CH 00740 issued by the People's Committee of Hoc Mon District, Ho Chi Minh City on November 11, 2011, transferred to Mr. Vu Hoang Anh and confirmed by the Branch of the Hoc Mon District Land Registration Office on January 27, 2022, with a value of 56,602,000,000 VND (In words: Fifty-six billion six hundred and two million dong) according to the Minutes of collateral valuation dated August 14, 2024, established by the Land Use Rights Mortgage Contract notarized number 011517, book number 08/2024 TP/CC-SCC/HĐGD dated August 20, 2024, appendices, contracts amending and supplementing the Mortgage Contract and other related documents
  - Property rights of Viet Nam Medicinal Materials Joint Stock Company arise from the Housing Sale and Purchase Contract No. D9-04/VHGP/HĐMBNO dated August 7, 2020 signed between the Buyer, Ms. Bui Thi My Duyen, and the Seller, Green City Development Joint Stock Company (hereinafter referred to as "Investor"); The document transferring the Commercial Housing Sale and Purchase Contract signed between the Transferor, Ms. Bui Thi My Duyen, and the Transferee, Ms. Nguyen Thi Hai, was certified by the notary of Chau A Notary Office, Ho Chi Minh City on October 27, 2020, notarization number -26120, book number 10 TP/CC-SCC/HĐGD, Confirmation of the Investor on November 17, 2020; The document of assignment of the Housing Sale and Purchase Contract between the Transferor, Ms. Nguyen Thi Hai, and the Transferee, Viet Nam Medicinal Materials Joint Stock Company, was certified by the Notary Public of Chau A Notary Office, Ho Chi Minh City on July 11, 2022. Notarization number 015956, book number 7/2022 TP/CC-SCC/HĐGD, Confirmation of the Investor on July 26, 2022. The value was 17,617,000,000. Deposits at Indovina Bank Hanoi Branch.
- (6) The current loans at Vietnam Technological And Commercial Joint Stock Bank under credit contract No. DDA20231309798/HDTD dated October 24, 2023 for the purpose of supplementing working capital for purchasing raw materials/medicines and medical equipment and financing international payment activities. Credit limit was 80 VND. Loan terms and interest rates were specified in each debt agreement. The loan was secured by: Residential House Sale and Purchase Agreement No. D9-04/VHGP/HĐMBNO signed on August 7, 2020; Commercial House Sale and Purchase Agreement Transfer Contract certified under No. 026120, Book No. 20 TP/CC-SCC/HĐGD dated October 22, 2020; and Commercial House Sale and Purchase Agreement Transfer Contract certified under No. 015956, Book No. 7/2022 TP/CC-SCC/HĐGD dated July 11, 2022, for Commercial House No. D09-04, Long Binh Ward, District 9, Hanoi City, Vinhomes Grand Park Project.
- (7) Current loans at Sinopac Bank - Ho Chi Minh City Branch under short-term credit contract No. 221035 dated October 17, 2022 and amendment to short-term credit contract No. 221035-SDBS1 dated November 6, 2023 on extending the credit period to October 31, 2024 and the credit limit is 4,000,000 USD or equivalent amounts in Vietnamese Dong for the purpose of supplementing working capital for purchasing raw materials/medicines and medical equipment and financing international payment activities. The loan term and interest rate were specified in each debt agreement. This loan was secured by the Company's term deposit contract at Sinopac Bank, Ho Chi Minh City Branch.

(8)



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

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- (9) The current loans at Woori Bank Vietnam Limited - Hoan Kiem branch under credit contract No. VN123002314-001/2023-HĐCVHM/WBVN101 dated March 31, 2023 for the purpose of supplementing working capital for purchasing raw materials/medicines and medical equipment and financing international payment activities. The credit limit was 40 billion VND. The loan term and interest rate were specified in each debt agreement. This loan was secured by the Company's term deposit contract at Woori Bank Vietnam Limited - Hoan Kiem branch
- (10) The current loans at Hong Leong Bank Vietnam Limited - Hanoi Branch under credit contract No. HN/2023/04/BCB/HDTD dated May 05, 2023 for the purpose of supplementing working capital for purchasing raw materials/medicines and medical equipment and financing international payment activities. The credit limit was 70 billion VND. The loan term and interest rate were specified in each debt agreement. This loan was secured by the Company's term deposit contract at Hong Leong Bank Vietnam Limited - Hanoi Branch.
- (11) The current loans at Hua Nan Commercial Bank, Ltd - Ho Chi Minh City Branch under credit contract No. HNHCMCFL-S/76/2023 dated October 23, 2023 for the purpose of supplementing working capital for purchasing raw materials/medicines and medical equipment and financing international payment activities. The credit limit was 3,000,000 USD. The loan term and interest rate were specified in each debt agreement. This loan was secured by the Company's term deposit contract at Hua Nan Commercial Bank, Ltd - Ho Chi Minh City Branch.
- (12) Credit limit contract No. 27016/24MB/HDTD dated September 11, 2024 between Ho Chi Minh City Development joint Stock Commercial Bank, Ba Dinh branch with credit limit of: 30,000,000,000 (Thirty billion VND) with a loan term of 12 months for the purpose of supplementing working capital to pay salaries to employees through HDBank.
- (13) The current loans at SHINHAN BANK - Hoan Kiem Branch under credit contract No. 810600093565 dated March 14, 2025 for the purpose of supplementing the company's working capital. The credit limit was 70 billion VND. The loan term and interest rate were specified in each debt agreement. This loan was secured by the Company's term deposit contract at SHINHAN BANK - Hoan Kiem Branch.
- (14) Current loans at SACOMBANK – Tu Liem Branch under credit contract No. 202528062698 dated June 13, 2025 for the purpose of supplementing the company's working capital. The credit limit is 319 billion VND. The loan term and interest rate specified in each debt contract, this loan is secured by 08 real estate properties and 02 term deposit contracts of the Company at SACOMBANK – Tu Liem Branch.
- (15) Current loans at TPBANK – Thang Long Branch under credit contract No. 428/2025/HDTD/KDO dated May 26, 2025 for the purpose of supplementing the company's working capital. The credit limit is 150 billion VND. The loan term and interest rate specified in each debt acceptance contract, this loan is secured by unsecured cash on the Company's revenue at TPBANK – Thang Long Branch
-

## NOTES TO THE FINANCIAL STATEMENTS (continued)

## 4.20.2. Long-term borrowing and finance lease

	Opening balance (01/01/2025)		In the period		Closing balance (30/06/2025)	
	Amount	Amount able to be paid off	Increases	Decreases	Amount	Amount able to be paid off
	VND	VND	VND	VND	VND	VND
<b>Non-current loans</b>						
Joint Stock Commercial Bank for Investment and Development of Vietnam (BIDV) (1)	34,113,632,573	34,113,632,573	-	5,682,298,458	28,431,334,115	28,431,334,115
	32,680,345,902	32,680,345,902	-	5,461,538,460	27,218,807,442	27,218,807,442
	1,433,286,671	1,433,286,671		220,759,998	1,212,526,673	1,212,526,673
Vietnam Prosperity Joint Stock Commercial Bank (VPBank) (2)	9,348,451,535	9,348,451,535	2,476,271,214	4,952,542,428	6,872,180,321	6,872,180,321
<b>Non-current finance lease</b>						
Chailease International Financial Leasing One Member Company Limited (3)	9,348,451,535	9348451535,	2476271214,	4952542428,	6872180321,	6872180321,
	43,462,084,108	43,462,084,108	2,476,271,214	10,634,840,886	35,303,514,436	35,303,514,436
<b>In which:</b>						
Amount due within 12 months:	17,575,838,324	17,575,838,324			17,575,838,324	17,575,838,324
Non-current loans	10,923,076,920	10,923,076,920	5,461,538,460	5,461,538,460	10,923,076,920	10,923,076,920
Non-current finance lease	6,652,761,404	6,652,761,404	10,923,076,920	2,476,271,214	6,652,761,404	6,652,761,404
Bonds issued	-	-	-	-	-	-
<b>Non-current loans and finance lease</b>	25,886,245,784	25,886,245,784			17,727,676,112	17,727,676,112



**Additional information for non-current loans:**

(1) Non- current loans at the Joint Stock Commercial Bank For Investment And Development Of Vietnam - Hanoi Branch under the Credit Limit Contract No. 02/2020/3990765/HDTD signed on December 15, 2020 for the purpose of paying reasonable investment costs for the GMP-WHO Phase 2 Pharmaceutical and Medical Products Factory project in Zone 8, Phu Ninh Commune, Phu Ninh District, Phu Tho Province. Loan term was 84 months, loan interest rate was equal to personal savings interest rate payable after 24-month term plus 3%/year and adjusted every 6 months. The loan was secured by:

- All shares and all rights arising from the number of shares owned, including: the right to receive dividends in cash or in shares, the right to buy additional shares issued at a preferential price and other benefits, the total number of guaranteed shares was 950,000 shares of Mr. Vu Thanh Trung (General Director of the company);
- All machinery and equipment formed in the future of the Project "Investment in GMP-WHO Phase 2 Pharmaceutical and Medical Products Factory project in Zone 8, Phu Ninh commune, Phu Ninh district, Phu Tho province" of Viet Nam Medicinal Materials Joint Stock Company;

(2) Non- current loans at Vietnam Prosperity Joint Stock Commercial Bank - Thang Long Branch:

- According to loan contract No. 140720-2751778-01-SME signed on July 15, 2020 for the purpose of partial payment for the purchase of 01 car. Loan term was 78 months, loan interest rate at the time of disbursement was 8.8%/year and adjusted periodically at the beginning of each quarter. The loan was secured by the Company's Vinfast brand car, model number Lux SA, BSX 30G-444.36;
- According to loan contract No. CLC-7758-01 signed on July 15, 2020 for the purpose of partial payment for the purchase of 01 car. Loan term was 60 months, loan interest rate at the time of disbursement was 9.8%/year and adjusted periodically at the beginning of each quarter. The loan was secured by the Company's Kia brand car, model number CARNIVAL KA4 23.5 AFH7, license plate No 30K-718.25;

(3) The financial leasing debts of Chailease International Leasing Company Limited - Hanoi branch under the following contracts:

- Finance lease contract No. C241001312 dated October 9, 2024. Lease term 36 months, rental interest rate 9.5%/year;
- Finance lease contract No. C211235212 dated December 28, 2021. Lease term 42 months, rental interest rate 12.17%/year;

## NOTES TO THE FINANCIAL STATEMENTS (continued)

## 4.20.3. Schedule for paying long-term loans:

	Closing balance (30/06/2025)	Opening balance (01/01/2025)
	VND	VND
On demand or within one year	10,923,076,920	10,923,076,920
In the second year	11,715,578,738	11,364,596,916
In the third to fifth year inclusive	5,792,678,457	11,825,958,737
After five years	-	-
	<b>28,431,334,115</b>	<b>34,113,632,573</b>
Less: Amount due for settlement within 12 months (shown)	<b>10,923,076,920</b>	<b>10,923,076,920</b>
Amount due for settlement after 12 months	<b>17,508,257,195</b>	<b>23,190,555,653</b>

## 4.20.4. Schedule for paying financial leasing debts:

	Minimum lease payments		Present value of minimum lease payments	
	Closing balance	Opening balance	Closing balance	Opening balance
	VND	VND	VND	VND
Amounts payable under finance leases:				
- Within one year	6,652,761,404	6,652,761,404	6,652,761,404	6,652,761,404
- In the second to fifth year inclusive	219,418,917	2,695,690,131	219,418,917	2,695,690,131
	<b>6,872,180,321</b>	<b>9,348,451,535</b>	<b>6,872,180,321</b>	<b>9,348,451,535</b>
Less: Future finance charges			6,872,180,321	9,348,451,535
Present value of lease obligations			6,652,761,404	6,652,761,404
Less: Amount due for settlement within 12 months			<b>219,418,917</b>	<b>2,695,690,131</b>
Amount due for settlement after 12 months				



## NOTES TO THE FINANCIAL STATEMENTS (continued)

## 4.21. Owner's Equity

## 4.21.1. Reconciliation table of changes in equity

	Owner's contributed capital	Share premium	Investment and development fund	Retained earnings	Total
	VND	VND	VND	VND	VND
Prior year's opening balance	356,500,000,000	159,200,000,000	12,607,975,389	160,364,147,082	688,672,122,471
Increase in the year	71,299,160,000	-	32,072,829,416	47,874,884,656	79,947,714,072
- Profit distribution	71,299,160,000	-	32,072,829,416	-	71,299,160,000
- Profit for the year	-	-	-	47,874,884,656	47,874,884,656
	-	-	-	-	32,072,829,416
Decrease in prior year	-	-	-	(103,371,989,416)	(103,371,989,416)
- Appropriation to development investment fund	-	-	-	(32,072,829,416)	(32,072,829,416)
- Deduction to bonus and welfare fund	-	-	-	-	-
	-	-	-	(71,299,160,000)	(71,299,160,000)
Prior year's closing balance	427,799,160,000	159,200,000,000	44,680,804,805	104,867,042,322	736,547,007,127
Current period's opening balance	427,799,160,000	159,200,000,000	44,680,804,805	101,660,642,322	736,547,007,127
Increase in the period	-	-	2,672,000,000	-	2,672,000,000
- Profit for the period	-	-	-	27,115,434,146	27,115,434,146
Decrease in the period	-	-	-	-	-
- Appropriation to development investment fund	-	-	-	-	-
- Deduction to bonus and welfare fund	-	-	-	-	-
Current period's closing balance	427,799,160,000	159,200,000,000	47,352,804,805	128,776,076,468	763,128,041,273

## NOTES TO THE FINANCIAL STATEMENTS (continued)

## 4.32.1. Details of the owner's contributed capital

No	Name of shareholder	Amount of capital contribution	Number of shares	Ratio
		VND	Shares	%
1.	Mr. Vu Thanh Trung	85,596,720,000	8,559,672	20.01%
3.	Other shareholders	342,202,440,000	34,220,244	79.99%
		<u>427,799,160,000</u>	<u>42,779,916</u>	<u>100.00%</u>

## 4.21.2. Capital transactions with owners and distribution of dividends, profit sharing

	Current period VND	Prior period VND
Owner's invested equity	-	-
Capital contribution at the beginning of the period	427,799,160,000	427,799,160,000
Contributed capital increased during the period	-	-
Contributed capital decreased during the period	-	-
Capital contribution at the end of the period	427,799,160,000	427,799,160,000
Dividends and distributed profits	-	-

## 4.21.3. Stocks

	Closing balance (30/06/2025) VND	Opening balance (01/01/2025) VND
- Number of shares registered for issuance	42,779,916	42,779,916
- Number of shares issued to the public	42,779,916	42,779,916
+ Ordinary shares	42,779,916	42,779,916
+ Preference shares	-	-
- Number of shares repurchased	-	-
+ Ordinary shares	-	-
+ Preference shares	-	-
- Number of outstanding shares in circulation	42,779,916	42,779,916
+ Ordinary shares	42,779,916	42,779,916
+ Preference shares	-	-
An ordinary share has par value of 10,000 VND/share	10,000	VND/share



## NOTES TO THE FINANCIAL STATEMENTS (continued)

## 4.21.4. Profit Distribution

	Current period	Prior period
	VND	VND
Undistributed profit at the beginning of the period	104,867,042,322	160,364,147,082
Profit from business activities in the period	27,115,434,146	47,874,884,656
Other adjustments to increase profit	-	-
Other items adjusted to increase profits	-	-
Dividends or distributed profits to funds during the period	131,982,476,468	208,239,031,738
Distribution of funds and dividends, including:	(3,206,400,000)	(103,371,989,416)
- <i>Dividends this period</i>		(71,299,160,000)
- <i>Appropriation for development investment fund</i>	(3,206,400,000)	(32,072,829,416)
- <i>Appropriation for bonus and welfare funds</i>		-
Remaining undistributed profit	128,776,076,468	104,867,042,322

## 5. ADDITIONAL INFORMATION FOR ITEMS PRESENTED IN THE INCOME STATEMENT

## 5.1. Revenue from sales of merchandise and services

	Current period	Prior period
	VND	VND
Revenue from sale of goods	139,529,395,355	179,212,923,757
Revenue from sales of finished products	238,485,044,834	143,333,936,726
Revenue from services rendered	-	-
	378,014,440,189	322,546,860,483

## 5.2. Revenue deductions

## 5.3. Cost of goods sold

	Current period	Prior period
	VND	VND
Cost of finished goods sold	122,194,369,346	171,840,119,211
Cost of merchandise sold	214,913,501,505	119,362,611,273
Cost of services rendered		
	337,107,870,851	291,202,730,484

## 5.4. Financial income

	Current period	Prior period
	VND	VND
Bank and loan interest	744,505,764	1,238,320,762
Exchange rate difference interest incurred during the period	-	
	744,505,764	1,238,320,762

## NOTES TO THE FINANCIAL STATEMENTS (continued)

## 5.5. Financial expenses

	Current period VND	Prior period VND
Interest expense	11,277,007,679	11,019,872,322
Exchange rate difference losses incurred during the period		
	<b>11,277,007,679</b>	<b>11,019,872,322</b>

## 5.6. Selling expenses

	Current period VND	Prior period VND
Staff costs	963,398,741	2,129,752,336
The cost of raw materials, packaging	168,208,692	21,931,030
The cost of tools and equipment	6,533,655	30,763,902
Depreciation expense of fixed assets	315,976,784	342,479,386
Cost of outsourced services	250,826,701	410,332,574
Others	89,462,503	140,598,800
	<b>1,794,407,076</b>	<b>3,075,858,028</b>

## 5.7. Administration expenses

	Current period VND	Prior period VND
Management staff costs	4,356,364,468	3,105,291,197
Cost of materials management	129,849	34,073,073
Cost of tools, instruments and supplies	233,931,201	116,903,082
Fixed asset depreciation expense	518,427,766	536,050,709
Taxes, charges and fees	3,637,659	11,963,108
Cost of outsourced services	1,130,546,547	1,024,713,113
Others	4,973,484,090	851,456,282
	<b>11,216,521,580</b>	<b>5,680,450,564</b>

## 5.8. Other income

	Quý 2/2025 VND	Quý 2/2024 VND
Thu nhập từ thanh lý tài sản cố định	-	-
Thu nhập từ các khoản phạt	-	-
Thu nhập khác	27,287,530	526,240,201
	<b>27,287,530</b>	<b>526,240,201</b>

## 5.9. Other expenses

	Current period VND	Prior period VND
Cost of liquidating fixed assets	-	-
Fines for administrative violations and late payment	-	-
Other costs	580,544,838	227,963,201
	<b>580,544,838</b>	<b>227,963,201</b>



**NOTES TO THE FINANCIAL STATEMENTS (continued)****5.10. Current income tax expenses**

	Current period VND	Prior period VND
Corporate income tax expense based on taxable profit in the current year (i)	1,990,561,947	1,468,370,246
<b>Total current corporate income tax expense</b>	<b>1,990,561,947</b>	<b>1,468,370,246</b>

(i) Current income tax expenses in the year are calculated as follows:

	Current period VND	Prior period VND
<b>Profit/(Loss) before tax</b>	<b>16,809,881,459</b>	<b>13,104,546,847</b>
- Adjustments increase	-	-
<i>+) Expenses are not deductible</i>	-	-
- Adjustments decrease	-	-
<i>+) Other amounts</i>	-	-
<b>Profits subject to corporate income tax</b>	<b>16,809,881,459</b>	<b>13,104,546,847</b>
Income from business activities entitled to a preferential tax rate	7,123,543,651	10,022,079,330
Income from business activities subject to a tax rate of 20%	9,686,337,808	3,082,467,515
<b>Estimated corporate income tax payable</b>		
Corporate income tax expenses from business activities are preferential (10% tax rate).	637,136,948	851,876,743
Corporate income tax expenses from business activities are	1,353,424,999	616,493,503
<b>Corporate income tax expense based on taxable profit in the current year</b>	<b>1,990,561,947</b>	<b>1,468,370,246</b>

**5.11. Basic and diluted earnings per share****Basic earnings per share and Diluted earnings per share**

	Current period	Prior period
<b>a) Basic earnings per share</b>		
Accounting profit after corporate income tax (VND)	14,819,319,512	11,636,176,601
Increasing or decreasing adjustments to accounting profit to determine	-	-
Profit or loss attributable to ordinary shareholders (VND)	14,819,319,512	11,636,176,601
<i>Average ordinary shares in circulation for the year (shares)</i>	<i>42,779,916</i>	<i>35,650,000</i>
<b>Basic earnings per share (VND/Share)</b>	<b>346.00</b>	<b>326.00</b>
<b>b) Diluted earnings per share</b>		
<i>Number of additional shares expected to be issued (shares)</i>	<i>-</i>	<i>-</i>
<b>Diluted earnings per share (VND/Share)</b>	<b>346.44</b>	<b>326.40</b>

The Company's diluted earnings per share metric was affected because the Company carried out a profit distribution in accordance with Resolution No. 01/2024/NQ-DHĐCĐ/DLVN dated May 31, 2024, passed by the General Meeting of Shareholders of Viet Nam Medicinal Materials Joint Stock Company.

**NOTES TO THE FINANCIAL STATEMENTS (continued)****5.12. Production and business expenses by elements**

	Current period VND	Prior period VND
Raw materials and consumables	47,631,460,115	85,416,898,641
Labour	12,393,737,879	2,311,672,201
Cost of tools, instruments and supplies	1,180,085,162	232,526,659
Depreciation and amortisation	3,591,028,537	6,485,415,510
Taxes, charges and fees	1,509,920,243	-
Cost of outsourced services	3,813,122,196	3,489,551,476
Others	8,169,318,865	5,234,327,214
	<b>78,288,672,997</b>	<b>103,170,391,701</b>

**6. ADDITIONAL INFORMATION FOR ITEMS PRESENTED IN THE CASH FLOW STATEMENT****6.1. Proceeds from borrowings during the year:**

	Current period VND	Prior period VND
Proceeds from borrowings under normal contracts	606,515,200,638	583,814,111,262
	<b>606,515,200,638</b>	<b>583,814,111,262</b>

**6.2. Principal repayments during the year:**

	Current period VND	Prior period VND
Repayment of borrowings under normal contracts	716,323,365,975	574,144,899,179
Principal repayment on common bonds	-	-
	<b>716,323,365,975</b>	<b>574,144,899,179</b>

**FINANCIAL INSTRUMENTS****6.3. Capital Risk Management**

The Company managed the capital to ensure that it would be able to continue as a going concern while maximizing the return to its owners [shareholders] through the optimization of the debt and equity balance.

*Financial Leverage Ratio*

The Company's financial leverage ratio at the end of the accounting period was as follows:

	Current period VND	Prior period VND
Borrowings	671,728,770,463	743,317,137,923
Less: Cash and cash equivalents	124,154,187,717	70,337,473,316
Net debt	547,574,582,746	672,979,664,607
Equity	763,128,041,273	708,327,277,031
Net debt to equity ratio	<b>0.72</b>	<b>0.95</b>



**NOTES TO THE FINANCIAL STATEMENTS (continued)****6.4. Significant accounting policies**

Details of the significant accounting policies and methods applied by the Company (including the criteria for recognition, the basis for determining value and the basis for recording income and expenses) for each type of financial asset and financial liability.

**6.5. Types of financial instruments**

	Carrying amounts (i)	
	Closing balance (30/06/2025)	Opening balance (01/01/2025)
	VND	VND
<b>Financial assets</b>		
Cash and cash equivalents	124,154,187,717	85,716,381,492
Trade and other receivables	543,745,101,439	539,571,370,872
Loan receivables	-	-
Short-term financial investments	98,553,330,078	118,906,968,745
Long-term financial investments	20,000,000,000	20,000,000,000
	<b>786,452,619,234</b>	<b>764,194,721,109</b>
	Carrying amounts (i)	
	Closing balance (30/06/2025)	Opening balance (01/01/2025)
	VND	VND
<b>Financial liabilities</b>		
Trade payables, Other payables	179,380,351,517	115,033,435,613
Accrued expenses	920,794,173	961,039,745
Borrowings and lease	671,728,770,463	766,552,527,334
	<b>852,029,916,153</b>	<b>882,547,002,692</b>

(i) The Book value is recorded at net value, i.e., after deducting provisions

The Company did not yet assessed the fair value of the financial assets and financial liabilities as at the balance sheet date because Circular No. 210/2009/TT-BTC issued by the Ministry of Finance on November 6, 2009 ("Circular 210") as well as current regulations had not provided specific guidance on determining the fair value of financial assets and financial liabilities. Circular 210 required the application of International Financial Reporting Standards on the presentation of financial statements and disclosure of information for financial instruments but did not provide equivalent guidance for the measurement and recognition of financial instruments including the application of fair value, in order to be consistent with International Financial Reporting Standards.

**6.6. Financial risk management objectives**

The Company established a risk management system to identify and assess the risks to which the Company was exposed, and to establish policies and procedures to control risks at an acceptable level. The risk management system was reviewed periodically to reflect changes in market conditions and the Company's operations.

Financial risks include market risk (including exchange rate risk, interest rate risk and price risk), credit risk and liquidity risk.

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

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**Market risk**

The Company's business operations would be primarily exposed to risks from changes in exchange rates, interest rates and prices. The Company did not hedge these risks due to the lack of an active market for trading these financial instruments.

*Exchange rate risk management*

The Company conducted a number of transactions denominated in foreign currencies, which would expose the Company to risks of exchange rate fluctuations.

*Interest risk management*

The Company was exposed to interest rate risks arising from interest-bearing loans it had entered. This risk would be managed by the Company by maintaining an appropriate level of borrowings and analyzing the competitive market situation to obtain favorable interest rates for the Company from appropriate lending sources.

*Good price risk management*

The company purchased raw materials and goods from domestic and foreign suppliers to serve production and business activities. Therefore, the Company would bear the risk of changes in selling prices of raw materials and goods.

**Credit risk**

Credit risk occurred when a customer or counterparty fails to meet its contractual obligations, resulting in financial losses to the Company. The Company had a suitable credit policy and regularly monitors the situation to assess whether the Company was exposed to credit risk. The Company did not have any significant credit risk exposure to customers or counterparties because the receivables arose from a large number of customers operating in diverse industries and distributed across different geographical areas.

**Liquidity risk management**

The purpose of liquidity risk management was to ensure adequate funds were available to meet current and future financial obligations. Liquidity was also managed by the Company to ensure that the excess of maturing liabilities over maturing assets in any period was kept to manageable levels relative to the amount of funds that the Company believes could be generated within that period. It was the Company's policy to regularly monitor current and expected liquidity requirements to ensure that the Company maintained adequate levels of cash reserves, borrowings and committed capital from owners to meet its current and non-current liquidity requirements.

The tables below detail the remaining contractual maturities for non-derivative financial assets and financial liabilities and their agreed repayment terms. The tables have been drawn up based on the undiscounted cash flows of financial assets and undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The disclosure of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as liquidity was managed on a net asset and liability basis.



## NOTES TO THE FINANCIAL STATEMENTS (continued)

## TYPES OF FINANCIAL INSTRUMENTS

	Carrying amounts		Fair value	
	Closing balance VND	Opening balance VND	Closing balance VND	Opening balance VND
<b>Financial assets</b>				
Cash and cash equivalents	124,154,187,717	85,716,381,492	124,154,187,717	85,716,381,492
Trade and other receivables	530,454,172,219	539,571,370,872	530,454,172,219	539,571,370,872
Short-term financial	98,553,330,078	118,906,968,745	98,553,330,078	118,906,968,745
Long-term financial	20,000,000,000	20,000,000,000	20,000,000,000	20,000,000,000
	<b>773,161,690,014</b>	<b>764,194,721,109</b>	<b>773,161,690,014</b>	<b>764,194,721,109</b>
	Carrying amounts		Fair value	
	Closing balance VND	Opening balance VND	Closing balance VND	Opening balance VND
<b>Financial liabilities</b>				
Trade payables, Other payables	179,380,351,517	115,033,435,613	179,380,351,517	115,033,435,613
Accrued expenses	920,794,173	961,039,745	920,794,173	961,039,745
Borrowings and lease	671,728,770,463	766,552,527,334	671,728,770,463	766,552,527,334
	<b>852,029,916,153</b>	<b>882,547,002,692</b>	<b>852,029,916,153</b>	<b>882,547,002,692</b>

## LIQUIDITY RISK – AT THE BEGINNING OF THE PERIOD

	Less than 1 year VND	From 1 - 5 years VND	More than 5 years VND	Total VND
<b>Opening balance</b>				
Cash and cash equivalents	85,716,381,492	-	-	85,716,381,492
Trade and other receivables	445,994,044,344	93,577,326,528	-	539,571,370,872
Short-term financial investments	118,906,968,745	-	-	118,906,968,745
Long-term financial investments	-	-	20,000,000,000	20,000,000,000
	<b>650,617,394,581</b>	<b>93,577,326,528</b>	<b>20,000,000,000</b>	<b>764,194,721,109</b>
	Less than 1 year VND	From 1 - 5 years VND	After 05 years VND	Total VND
<b>Opening balance</b>				
Trade payables, Other payables	112,684,022,713	-	-	112,684,022,713
Accrued expenses	961,039,745	-	-	961,039,745
Borrowings and lease	740,666,281,550	25,886,245,784	2,349,412,900	768,901,940,234
	<b>854,311,344,008</b>	<b>25,886,245,784</b>	<b>2,349,412,900</b>	<b>882,547,002,692</b>

## LIQUIDITY RISK – AT THE END OF THE PERIOD

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

	Less than 1 year VND	From 1 - 5 years VND	More than 5 years VND	Total VND
<b>Closing balance</b>				
Cash and cash equivalents	124,154,187,717	-	-	124,154,187,717
Trade and other receivables	436,873,026,913	93,581,145,306	-	530,454,172,219
Short-term financial investments	98,553,330,078	-	-	98,553,330,078
Long-term financial investments	-	-	20,000,000,000	20,000,000,000
	<b>659,580,544,708</b>	<b>93,581,145,306</b>	<b>20,000,000,000</b>	<b>773,161,690,014</b>
	Less than 1 year VND	From 1 - 5 years VND	After 05 years VND	Total VND
<b>Closing balance</b>				
Trade payables, Other payables	177,429,438,617	1,950,912,900	-	179,380,351,517
Accrued expenses	920,794,173	-	-	920,794,173
Borrowings and lease	654,001,094,351	17,727,676,112	-	671,728,770,463
	<b>832,351,327,141</b>	<b>19,678,589,012</b>	<b>-</b>	<b>852,029,916,153</b>

The Board of Management assessed the liquidity risk at a low level. The Board of Management believed that the Company would be able to generate sufficient funds to meet the financial obligations as and when they fall due.

## **7. OTHER INFORMATION**

### **7.1. Events occurring after the End of the Financial Year**

The Board of Management of the Company affirmed that, in their opinion, and considering all material aspects, no unusual events occurred subsequent to the end of the financial year that affected the financial position and operations of the Company requiring adjustment to or disclosure in these Financial Statements.

### **7.2. Transactions and balances with stakeholders**

The Company's Stakeholders include: key management members, individuals related to key management members and other stakeholders.

#### **7.2.1. Transactions and balances with key management members and individuals related to key management members.**

Key management members include: The members of the Board of Directors/Board of Members and Board of Executive (The Board of Management, Chief Financial Officer, Chief Accountant). Individuals related to key management members are close family members of key management members.

*Transactions with key management members and individuals related to key management members.*



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

The Company did not incur any transactions regarding the sale of goods and the provision of services to key management personnel and parties related to key management personnel.

***Balances with key management members and individuals related to key management members.***

As at the end of the financial year, the Company had no outstanding balances with key management personnel and parties related to key management personnel.

**7.2.2. Transactions and balances with other stakeholders**

The other Company's Stakeholders include: subsidiaries, associates, jointly controlled entities, individuals owning, directly or indirectly, voting power in the Company and close members of their families, enterprises controlled by key management personnel and individuals owning, directly or indirectly, voting power in the Company and close members of their families.

***List of other stakeholders***

<b>Other related parties</b>	<b>Location</b>	<b>Relationship</b>
VIBFA Joint Stock Company	Hanoi	Affiliated company

***Transactions with other stakeholders***

In Q2.2025, the company did not have any transactions with the stakeholder.

***Balance of receivables/(payables) with other stakeholders***

The Company had no receivable or payable balances with related parties in Q2.2025

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

**7.3. Information on ongoing operations**

In the second quarter of 2025, there were no activities or events that significantly affected the Company's ability to continue as a going concern. Therefore, the Financial Statements were prepared on the basis of the assumption that the Company will continue to operate.



Prepared by  
**NGOC NGOC ANH**



Chief Accountant  
**NGUYEN THI HUONG**



General Director  
**VU THANH TRUNG**  
Hanoi, Vietnam

July 18, 2025