

**PHONG PHU PHARMACEUTICAL JOINT  
STOCK COMPANY**

No.: 05/2025/PP-TCK

(Re: Explanation of the Difference in net profit after  
tax in the Q1/2025 Financial Statements)

**SOCIALIST REPUBLIC OF VIETNAM**

Independence – Freedom – Happiness

Hanoi, April 22<sup>nd</sup>, 2025

To:

- STATE SECURITIES COMMISSION OF VIETNAM
- HANOI STOCK EXCHANGE

Phong Phu Pharmaceutical Joint Stock Company hereby provides an explanation regarding the difference in net profit after corporate income tax reported in the Q1/2025 financial statements for the operating period from January 1, 2025 to March 31, 2025, as follows:

1. Separate Financial Statements for the period from January 1, 2025 to March 31, 2025:
  - Net profit after tax for Q1/2025: VND 4,877,854,919
  - Net profit after tax for Q1/2024: VND 2,951,686,183
  - Increase : VND 1,926,168,736
  - Increase rate : 65.26%
2. Consolidated Financial Statements for the period from January 1, 2025 to March 31, 2025:
  - Net profit after tax for Q1/2025: VND 4,525,865,657
  - Net profit after tax for Q1/2024: VND 2,613,284,762
  - Increase : VND 1,912,580,895
  - Increase rate : 73.19 %

The increase in profit for this period is mainly due to the Company's continuous efforts to enhance employees' sense of responsibility, effectively control operating costs, and implement efficient cost management, specifically:

+ Q1/2025 sales revenue increased by 8.6% in the separate financial statements and 13.5% in the consolidated financial statements compared to Q1/2024, while the cost of goods sale per revenue decreased, resulting in reduced production costs.

+ Selling expenses decreased by 19.9% in the separate financial statements. However, selling expenses increased by 3.1% in the consolidated statements due to the expansion of the sales system. The increase in selling expenses was still lower than the increase in sales revenue during the reporting period.

+ General and administration expenses in Q1/2025 decreased in both the separate and consolidated financial statements compared to the same period of the previous year.

Due to the above reasons, Net profit after tax in the Q1/2025 separate and consolidated financial statements was higher than in Q1/2024.

Through this letter, Phong Phu Pharmaceutical Joint Stock Company reports and explains to the authorities.

Sincerely,

Recipients:

- As addressed;
- Office archived.

**PHONG PHU PHARMACEUTICAL JOINT  
STOCK COMPANY  
GENERAL DIRECTOR**



*Khải Nhã Ngôn*