

**PHARBACO CENTRAL
PHARMACEUTICAL JOINT STOCK
COMPANY NO1**

Reviewed consolidated financial statements
for the fiscal period
from January 1, 2025 to June 30, 2025



CONTENT

	Page
COMPANY INFORMATION	2
REPORT OF BOARD OF MANAGEMENT	3
REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL STATEMENTS	4 - 5
INTERIM CONSOLIDATED BALANCE SHEET	6 - 7
INTERIM CONSOLIDATED INCOME STATEMENT	8
INTERIM CONSOLIDATED CASH FLOWS STATEMENT	9 - 10
NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS	11 - 37

PHARBACO CENTRAL PHARMACEUTICAL JOINT STOCK COMPANY NO.1

COMPANY INFORMATION

GENERAL INFORMATION ABOUT THE COMPANY

Pharbaco Central Pharmaceutical Joint Stock Company No.1 (hereinafter referred to as "the Company") was formerly the Central Pharmaceutical Enterprise No.1 under the Union of Vietnamese Pharmaceutical Enterprises (now the Vietnam Pharmaceutical Corporation), established under Decision No. 401/BYT-QĐ dated April 22, 1993 by the Minister of Health. The Central Pharmaceutical Enterprise No.1 was converted into Pharbaco Central Pharmaceutical Joint Stock Company No.1 under Decision No. 286/QĐ-BYT dated January 25, 2007 and Decision No. 2311/QĐ-BYT dated June 27, 2007 by the Minister of Health, and has been operating under Business Registration Certificate No. 0103018671, first issued on July 25, 2007. During its operation, the Company has amended its Enterprise Registration Certificate 19 times, with the most recent amendment being the 21th, issued on November 7, 2025.

The Company was approved to trade its shares on the UPCOM market at the Hanoi Stock Exchange under Decision No. 767/QĐ-SGDHN dated November 18, 2019, with the stock code PBC.

BOARD OF DIRECTORS

Members of the Board of Directors during the year and to the date of this report include:

- Mr. Nguyen Dinh Tuan	Chairman	<i>Appointed on April 10, 2025</i>
- Mr. Vu Hong Khoa	Chairman	<i>Dismissed on April 10, 2025</i>
- Mr. To Thanh Hung	Member	
- Ms. Nguyen Thi Thu Ha	Member	
- Ms. Luu Quynh Mai	Member	

BOARD OF MANAGEMENT

The members of the Board of Management who have managed the Company's operations during the year and up to the date of this report include

- Mr. To Thanh Hung	General Director
- Ms. Nguyen Thi Thu Ha	Standing Deputy General Director
- Ms. Ha Thi Thanh Hoa	Deputy General Director
- Mr. Nguyen Van Quang	Deputy General Director

BOARD OF SUPERVISORS

The members of the Board of supervisors during the period and as of the date of this report include:

- Ms. Khong Thi Huong Lan	Chief of Board
- Ms. Phung Thi Nga	Member
- Ms. Tang Thi Dieu Linh	Member

LEGAL REPRESENTATIVE

The legal representative of the Company during the year and at the date of this report is Mr. To Thanh Hung - Title: General Director.

Ms. Nguyen Thi Thu Ha - Title: Standing Deputy General Director – has been authorized by Mr. To Thanh Hung to sign the interim consolidated financial statements for the fiscal period from January 1, 2025, to June 30, 2025, under the Power of Attorney No. 01/2021/UQ-PHARBACO dated January 7, 2021.

BUSINESS REGISTRATION OFFICE

The Company's head office is located at No. 160 Ton Duc Thang Street, O Cho Dua Ward, Hanoi City.

AUDITOR

BDO Audit Services Company Limited has reviewed the interim consolidated financial statements of the Company for the fiscal period from January 1, 2025, to June 30, 2025.

PHARBACO CENTRAL PHARMACEUTICAL JOINT STOCK COMPANY NO.1

REPORT OF THE BOARD OF MANAGEMENT

On the interim consolidated financial statements for the fiscal period from January 01, 2025 to June 30, 2025

The Board of General Management of Pharbaco Central Pharmaceutical Joint Stock Company No.1 (hereinafter referred to as "the Company") presents this report together with the interim consolidated financial statements for the fiscal period from January 1, 2025, to June 30, 2025, which have been reviewed.

RESPONSIBILITIES OF THE BOARD OF MANAGEMENT

The Board of Management is responsible for the preparation of the interim consolidated financial statements of the Company which give a true and fair view of the interim consolidated financial position of the Company as at June 30, 2025 as well as the interim consolidated results of its operation and interim consolidated cash flows for the fiscal period from January 1, 2025 to June 30, 2025 in accordance with Vietnamese Accounting Standards, Vietnamese Accounting Policies for Enterprises and prevailing legal regulations relating to the preparation and presentation of interim separate financial statements.

In preparing these interim consolidated financial statements, the Board of Management is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State applicable accounting standards that have been followed, material misstatements (if any) that have been disclosed and explained in the interim consolidated financial statements;
- Prepare the interim consolidated financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue its business.

The Board of Management is responsible for ensuring that proper accounting records are maintained, which disclose, with reasonable accuracy at any time, the interim consolidated financial position of the Corporation and ensuring that the accompanying interim consolidated financial statements comply with Vietnamese Accounting Standards, Vietnamese Accounting Policies for Enterprises and prevailing legal regulations. The Board of Management is also responsible for safeguarding assets of the Corporation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

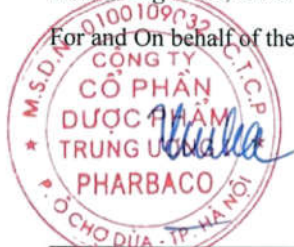
The Board of Management confirms that the Company has complied with the above requirements in preparing the accompanying interim consolidated financial statements.

APPROVAL OF INTERIM CONSOLIDATED FINANCIAL STATEMENTS

The Board of Management approves the accompanying interim consolidated financial statements for the fiscal period from January 01, 2025 to June 30, 2025 which are set out from page 06 to page 37. In our opinion, these interim consolidated financial statements give a true and fair view, in material respects, of the interim consolidated financial position of the Company as at June 30, 2025 of the Company, the interim consolidated results of its operation and interim consolidated cash flows for the fiscal period from January 1, 2025 to June 30, 2025 in accordance with Vietnamese Accounting Standards, Vietnamese Accounting Policies for Enterprises and prevailing legal regulations on preparation and presentation of interim consolidated financial statements.

Hanoi, August 29, 2025

For and On behalf of the Board of Management,



Standing Deputy General Director

Nguyen Thi Thu Ha

No: BC/BDO/2025. ~~643~~

Hanoi, August 29, 2025

REVIEW OF INTERIM FINANCIAL INFORMATION REPORT

*On the interim consolidated financial statements of Pharbaco Central Pharmaceutical Joint Stock Company No.1
for the fiscal period from January 01, 2025 to June 30, 2025*

**To: SHAREHOLDERS, BOARD OF DIRECTORS AND BOARD OF MANAGEMENT
PHARBACO CENTRAL PHARMACEUTICAL JOINT STOCK COMPANY NO.1**

We have reviewed the accompanying interim consolidated financial statements of Pharbaco Central Pharmaceutical Joint Stock Company No.1 (hereinafter referred to as "the Company"), prepared on August 29, 2025, from page 06 to 37, including the interim consolidated balance sheet as at June 30, 2025, the interim consolidated income statement, the interim consolidated cash flow statement for the fiscal period from January 1, 2025 to June 30, 2025 and the notes to the interim consolidated financial statement.

The Board of Management's Responsibilities

The Board of Management of the Company is responsible for the true and fair preparation and fair presentation of the Company's interim consolidated financial statements in accordance with Vietnamese Accounting Standards, Vietnamese Accounting Policies for Enterprises and other relevant legal regulations to the preparation and presentation of interim consolidated financial statements, and for such internal control as the Board of Management determines to be necessary to enable the presentation of interim consolidated financial statements are free from material misstatements, whether due to fraud or errors.

Auditor's Responsibilities

Our responsibility is to express a conclusion on the interim consolidated financial statements based on the result of our review. We conducted our review in accordance with Vietnamese Standard on Review Engagements No. 2410 – Review of Interim Financial Information conducted by the entity's independent auditor.

A review of the interim financial information consists of making inquiries, primarily of the Company's people responsible for financial and accounting matters, and applying analytical and other related review procedures. A review is substantially less in scope than an audit conducted in accordance with Vietnamese Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Auditors's conclusion

Based on our review, we don't recognize any problem which cause us to believe that the accompanying interim consolidated financial statements do not give a true and fair view, in all material respects, of Pharbaco Central Pharmaceutical Joint Stock Company No.1's interim consolidated financial position as at June 30, 2025, interim consolidated results of operations and interim separate cash flows for the fiscal period from January 01, 2025 to June 30, 2025 in accordance with the Vietnamese Accounting Standards, the Vietnamese Accounting Policies for Enterprises and other legal regulations related to the preparation and presentation of the interim separate financial statements.



Other matters

Comparative figures are presented based on the interim consolidated financial statements for the financial year ended December 31, 2024, and the interim consolidated financial statements for the financial period from January 1, 2024, to June 30, 2024, which were audited and reviewed by another auditor and audit firm with an unqualified opinion and a disclaimer of opinion, respectively.

BDO AUDIT SERVICES CO., LTD



Nguyen Huong Giang- Deputy Director

Audit Practicing Registration Certificate No. 5118-2021-038-1

**PHARBACO CENTRAL PHARMACEUTICAL JOINT STOCK
COMPANY NO.1**

B01a-DN/HN

INTERIM CONSOLIDATED BALANCE SHEET

As at June 30, 2025

Unit: VND

ASSETS	Code	Note	Closing balance	Opening balance
A - CURRENT ASSETS	100		587,121,870,756	777,700,050,219
I. Cash and cash equivalents	110	V.1	3,945,154,699	228,457,616,692
1. Cash	111		3,945,154,699	228,457,616,692
II. Current financial investments	120		-	-
III. Current receivables	130		172,450,565,419	206,668,011,494
1. Current trade receivables	131	V.3	173,797,416,231	211,124,937,554
2. Current advances to suppliers	132	V.4	59,944,498,550	50,768,678,408
3. Short-term loans receivable	135	V.5	-	-
4. Other current receivables	136	V.5.1	14,687,077,598	5,184,498,356
5. Provision for current doubtful debts	137	V.6	(75,978,426,960)	(60,410,102,824)
IV. Inventories	140	V.7	247,073,238,222	181,198,323,077
1. Inventories	141		249,873,466,168	181,307,079,046
2. Provision for devaluation of inventories	149		(2,800,227,946)	(108,755,969)
V. Other current assets	150		163,652,912,416	161,376,098,956
1. Current prepaid expenses	151	V.8.1	4,434,859,009	3,635,354,640
2. Value-added tax deductible	152		159,142,709,361	157,740,744,316
3. Tax and other receivables from the State	153	V.14.2	75,344,046	-
B - NON-CURRENT ASSETS	200		2,641,330,075,984	2,389,916,323,016
I. Non-current receivables	210		357,411,409,918	156,854,697,592
1. Other non-current receivables	216	V.5.2	357,411,409,918	156,854,697,592
II. Fixed assets	220		134,613,264,042	135,410,988,399
1. Tangible fixed assets	221	V.11	84,359,830,402	87,482,750,362
<i>Historical cost</i>	222		567,732,472,721	559,317,096,007
<i>Accumulated depreciation</i>	223		(483,372,642,319)	(471,834,345,645)
2. Intangible fixed assets	227	V.9	50,253,433,640	47,928,238,037
<i>Historical cost</i>	228		65,287,979,082	57,227,979,082
<i>Accumulated amortization</i>	229		(15,034,545,442)	(9,299,741,045)
III. Non-current asset-in-progress	240		2,143,721,763,082	2,089,555,485,887
1. Construction-in-progress	242	V.12.2	2,143,721,763,082	2,089,555,485,887
IV. Long-term financial investments	250		283,853,641	283,853,641
1. Investment in associate companies and joint - ventures	252	V.2.1	283,853,641	283,853,641
V. Investment in associate companies and joint - ventures	260		5,299,785,301	7,811,297,497
1. Non-current prepaid expenses	261	V.8.2	5,299,785,301	7,811,297,497
TOTAL ASSETS	270		3,228,451,946,740	3,167,616,373,235

**PHARBACO CENTRAL PHARMACEUTICAL JOINT STOCK
COMPANY NO.1**

B01a-DN/HN

INTERIM CONSOLIDATED BALANCE SHEET *(continued)*

As at June 30, 2025

RESOURCES	Code	Note	Closing balance	Opening balance
C - LIABILITIES	300		1,955,108,075,172	1,897,891,373,284
I. Current liabilities	310		1,192,354,439,251	976,318,468,468
1. Current trade payables	311	V.12	226,860,464,272	174,563,722,890
2. Current advances from customers	312	V.13.1	209,054,993,470	149,576,264,685
3. Statutory obligations	313	V.14.1	639,978,206	4,890,201,326
4. Payables to employees	314		12,854,606,563	14,713,709,889
5. Current accrued expenses	315	V.15	16,720,584,124	5,099,275,741
6. Current unearned revenue	318		-	-
7. Other current payables	319	V.16.1	5,061,670,611	6,026,920,376
8. Short-term loans and finance lease liabilities	320	V.17.1	720,607,583,776	620,893,815,332
9. Bonus and welfare funds	322		554,558,229	554,558,229
II. Non-current liabilities	330		762,753,635,921	921,572,904,816
1. Other non-current payables	337	V.16.2	2,209,600,000	1,720,600,000
2. Long-term loans and finance lease liabilities	338	V.17.2	760,280,016,892	919,558,016,888
3. Deferred income tax liabilities	341	#REF!	264,019,029	294,287,928
D - OWNERS' EQUITY	400		1,273,343,871,568	1,269,724,999,951
I. Owners' equity	410	V.18	1,273,343,871,568	1,269,724,999,951
1. Contributions of owners	411		1,132,999,020,000	1,132,999,020,000
- Common shares with voting rights	411a		1,132,999,020,000	1,132,999,020,000
- Preference shares	411b		-	-
2. Share premium	412		25,731,363,636	25,731,363,636
3. Development and Investment fund	418		38,505,239,661	38,505,239,661
4. Retained earnings	421		68,656,279,987	65,028,588,865
- Accumulated retained earnings to the end of previous period	421a		65,028,588,865	43,343,785,822
- Current period retained earnings	421b		3,627,691,122	21,684,803,043
5. Non-controlling interests	429		7,451,968,284	7,460,787,789
TOTAL RESOURCES	440		3,228,451,946,740	3,167,616,373,235

Preparer

Chief Accountant

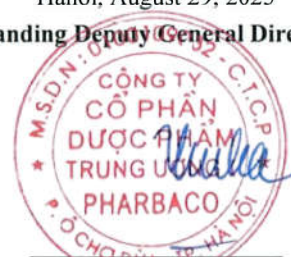
Hanoi, August 29, 2025
Standing Deputy General Director



Tran Thi Bich Loan



Nguyen Duc Canh



Nguyen Thi Thu Ha

**PHARBACO CENTRAL PHARMACEUTICAL JOINT STOCK
COMPANY NO.1**

B02a-DN/HN

INTERIM CONSOLIDATED INCOME STATEMENT

For the financial period from January 1, 2025 to June 30, 2025

Unit: VND

ITEMS	Code	Note	Current period	Previous period
1. Revenue from sale of goods and services	01	VI.1	510,348,635,753	502,020,466,067
2. Revenue deductions	02	VI.2	1,203,647,429	-
3. Net revenue from sale of goods and services	10		509,144,988,324	502,020,466,067
4. Cost of goods sold	11	VI.3	424,213,949,710	400,654,426,920
5. Gross profit from sale of goods and services	20		84,931,038,614	101,366,039,147
6. Financial income	21	VI.4	744,442,631	1,219,169,087
7. Financial expenses	22	VI.5	22,655,432,918	21,851,976,264
<i>In which: interest expenses</i>	23		<i>19,202,710,312</i>	<i>17,605,520,345</i>
8. Share of profit (loss) from associates and joint ventures	24		-	-
9. Selling expenses	25	VI.6	2,536,472,456	2,492,917,184
10. General and administrative expenses	26	VI.7	55,651,554,053	55,234,301,615
11. Net profit from operating activities	30		4,832,021,818	23,006,013,171
12. Other income	31		91,469,746	85,706,702
13. Other expenses	32		275,226,261	964,126,551
14. Profit before tax	40		(183,756,515)	(878,419,849)
15. Total profit before tax	50		4,648,265,303	22,127,593,322
16. Current corporate income tax	51	VI.9	1,059,662,585	4,641,771,034
17. Deferred corporate income tax expense	52	VI.10	(30,268,899)	-
18. Net profit after corporate income tax	60		3,618,871,617	17,485,822,288
19. Profit after tax attributable to owners of the parent	61		3,627,691,122	17,494,739,712
20. Profit after tax attributable to non-controlling interests	62		(8,819,505)	(8,917,424)
21. Basic earnings per share	70	VI.9	32.02	154.41
22. Diluted earnings per share	71	VI.10	32.02	154.41

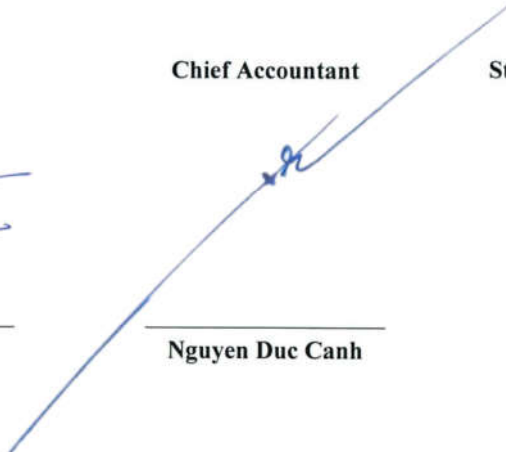
Preparer

Chief Accountant

Hanoi, August 29, 2025
Standing Deputy General Director



Tran Thi Bich Loan



Nguyen Duc Canh



Nguyen Thi Thu Ha

**PHARBACO CENTRAL PHARMACEUTICAL JOINT STOCK
COMPANY NO.1**

B03a-DN/HN

INTERIM CONSOLIDATED CASH FLOWS STATEMENT

(Indirect method)

For the financial period from January 1, 2025 to June 30, 2025

Unit: VND

ITEMS	Code	Note	Current period	Previous period
I. Cash flows from operating activities				
1. Profit before tax	01		4,648,265,303	22,127,593,322
2. Adjusted for:				
- Depreciation of fixed assets and investment properties	02		17,273,101,071	15,004,217,588
- Provisions	03		18,259,796,113	2,906,829,077
- Foreign exchange (gains)/losses from revaluation of monetary items denominated in foreign	04		2,363,780,338	4,202,647,441
- Gains/(losses) from investment activities	05		(22,113,780)	(469,109,021)
- Interest expenses	06		19,202,710,312	17,605,520,345
3. Operating profit before changes in working capital	08		61,725,539,357	61,377,698,752
- (Increase)/decrease in receivables	09		(199,445,757,978)	(227,106,808,282)
- (Increase)/ decrease in inventories	10		(68,566,387,122)	45,338,359,235
- Increase/(decrease) in payables	11		93,747,064,049	85,301,470,619
- (Increase)/ decrease in prepaid expenses	12		1,712,007,827	3,344,985,170
- ncrease/(decrease) in trading securities	13		-	-
- Interest paid	14		(7,138,940,229)	(12,218,509,443)
- Corporate income tax paid	15		(5,295,876,770)	(11,500,000,000)
- Other receipts from operating activities	16		-	-
- Other payments for operating activities	17		-	-
Net cash flows from operating activities	20		(123,262,350,866)	(55,462,803,949)
II. Cash flows from investing activities				
1. Acquisition of fixed assets and other non-current assets	21		(41,680,876,112)	(73,398,281,582)
2. Proceed from disposal of fixed assets and other non-current assets	22		-	100,000,000
3. Loans to other entities and payment for purchase of debt instruments of other entities	23		-	-
4. Collections from loans and proceeds from sale of debt instruments of other entities	24		-	-
5. Payment for investments in other entities	25		-	-
6. Proceed from sale of investments in other entities	26		-	-
7. Cash received from interest on loans, dividends,	27		21,864,465	417,231,829
Net cash flows from investing activities	30		(41,659,011,647)	(72,881,049,753)

INTERIM CONSOLIDATED CASH FLOWS STATEMENT (continued)

(Indirect method)

For the financial period from January 1, 2025 to June 30, 2025

ITEMS	Code	Note	Current period	Previous period
III. Cash flows from financing activities				
1. Proceeds from issuance of shares and capital contributions from owners	31		-	
2. Drawdown of borrowings	33		385,649,101,625	232,464,780,350
3. Repayment of borrowings principal	34		(445,213,333,177)	(294,303,181,239)
4. Dividend, profit distributed to shareholders	36		(43,029,573)	(12,875,000)
<i>Net cash flows from financing activities</i>	40		(59,607,261,125)	(61,851,275,889)
Net cash flows during the period	50		(224,528,623,638)	(190,195,129,591)
Cash and cash equivalents at the beginning of the period	60	V.1	228,457,616,692	206,216,639,888
Impacts of foreign exchange differences	61		16,161,645	119,560,664
Cash and cash equivalents at the end of the period	70	V.1	3,945,154,699	16,141,070,961

Preparer

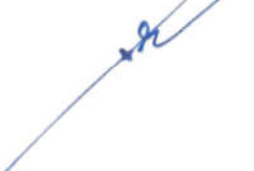
Chief Accountant

Hanoi, August 29, 2025

Standing Deputy General Director



Tran Thi Bich Loan



Nguyen Duc Canh



Nguyen Thi Thu Ha

I. GENERATION INFORMATION**1. Ownership structure**

Pharbaco Central Pharmaceutical Joint Stock Company No.1 (hereinafter referred to as "the Company") was formerly the Central Pharmaceutical Enterprise No.1 under the Union of Vietnamese Pharmaceutical Enterprises (now the Vietnam Pharmaceutical Corporation), established under Decision No. 401/BYT-QĐ dated April 22, 1993 by the Minister of Health. The Central Pharmaceutical Enterprise No.1 was converted into Pharbaco Central Pharmaceutical Joint Stock Company No.1 under Decision No. 286/QĐ-BYT dated January 25, 2007 and Decision No. 2311/QĐ-BYT dated June 27, 2007 by the Minister of Health, and has been operating under Business Registration Certificate No. 0103018671, first issued on July 25, 2007. During its operation, the Company has amended its Enterprise Registration Certificate 19 times, with the most recent amendment being the 21th, issued on July 10, 2025.

The company was approved to trade its shares on the UPCOM market at the Hanoi Stock Exchange under Decision No. 767/QĐ-SGDHN dated November 18, 2019, with the stock code PBC.

The Company's head office is located at No. 160 Ton Duc Thang Street, O Cho Dua Ward, Hanoi City, Vietnam.

2. Business sector

- The Company's line of business is the manufacture and trading of pharmaceuticals.

3. Business activities***The Company's main business activities during the period***

- The Company's main business activities during the period are the manufacturing of pharmaceuticals, chemical drugs, and medicinal herbs.

4. Normal operating cycle

The normal operating cycle of the Corporation is generally no more than 12 months.

5. Operating characteristics of business during the period that affect the interim consolidated financial statement

During the period, there were no events on the legal environment, market developments, business characteristics, management, finance, mergers, divisions, separations, scale changes, etc has an impact on the Company's interim consolidated financial statements.

6. Company structure

As at June 30, 2025, the Company had the following subsidiaries and associates as follow:

Name	Address	Business sector	Ownership interest (%)	Voting right rate (%)
<i>Subsidiaries</i>				
- Viet My Advanced Pharmaceutical Joint Stock Company	Hanoi	Wholesale and storage of goods	75.00%	75.00%
<i>Associates</i>				
- Pharbaco Central Hospital No.1 Joint Stock Company	Hanoi	General clinic, specialized clinics, and dentistry	44.00%	44.00%

7. Employees

The total number of employees of the Company as at June 30, 2025 is 605 people (As at December 31, 2024 it is 599 people).

8. Declaration on comparability of information on interim consolidated financial statements

Comparative information presented is based on data from reviewed interim consolidated financial statements for the fiscal period from 01 January 2024 to 30 June 2024 and the audited consolidated financial statements for the fiscal year ended 31 December 2024, which were reviewed and audited.

II. ACCOUNTING PERIOD AND ACCOUNTING CURRENCY

1. **Accounting period:** The Company's accounting period starts on January 01 and ends on December 31 of the calendar year.

2. **Accounting currency**

The accounting currency is Vietnam dong (VND).

III. APPLICABLE ACCOUNTING SYSTEM AND ACCOUNTING STANDARDS

1. **Basis of preparing interim consolidated financial statements and accounting systems**

The Company applies the Vietnamese Accounting System for Enterprises issued together with Circular No. 200/2014/TT-BTC dated December 22, 2014 ("Circular 200"), Circular No. 53/2016/TT-BTC dated March 21, 2016, which amends and supplements certain provisions of Circular 200 of the Ministry of Finance providing guidance on the Vietnamese Accounting System for Enterprises, and Circular No. 202/2014/TT-BTC dated December 22, 2014, providing guidance on the preparation and presentation of consolidated financial statements.

The consolidated financial statements are prepared on the historical cost basis and in accordance with Vietnamese Accounting Standards. The accompanying consolidated financial statements are not intended to present the consolidated financial position, consolidated results of operations, or consolidated cash flows in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

2. **Declaration on compliance with Accounting Standards and Accounting System**

The Board of Management has prepared and presented the Corporation's interim consolidated financial statements in accordance with Vietnamese Accounting Standards, Vietnamese Accounting Policies for Enterprises and other prevailing legal regulations regarding the preparation and presentation of interim consolidated financial statements.

IV. SIGNIFICANT ACCOUNTING POLICIES

1. **Applicable exchange rates**

The commercial bank whose exchange rate is selected by the Company for accounting purposes is Joint Stock Commercial Bank for Foreign Trade of Vietnam (Vietcombank).

Exchange rates applied when recognizing transactions

- Actual transaction exchange rate at the date of the transaction:

Shall be used to convert into the accounting currency for transaction recorded increase: Revenue, Other income, Operating expenses, Other expenses, Assets, Owners' equity, Receivable, Cash, Advances to suppliers, Payables, Advances from customers.

In case of sale of goods or rendering of services related to unearned revenue or receipts in advance from customers: Revenue, income corresponding to the amount received in advance shall be applied at the actual transaction exchange rate at the time of advances received.

In case of asset procurement related to advance transactions to suppliers: The value of assets corresponding to the advance amount shall be applied the actual transaction exchange rates at the time of advances to the suppliers.

- Actual exchange rate by specific identification:

Shall be used to convert into the accounting currency for transactions recorded decrease: Receivables, Advances from customers due to the transfer of products, goods, fixed assets, services, accepted volume, Collaterals, Prepaid expenses, Payables, Advances to suppliers for products, goods, fixed assets, services received, accepted volume.

In case in the period, the Company incurred many receivables or payables in foreign currencies with the same object, the specific identification posting rate for each object is determined on the basis of mobile weighted average for transaction with such object.

- Weighted average moving exchange rate:

Shall be used to convert into the currency recorded in the accounting books on the Credit side of cash accounts when making payments in foreign currency.

Exchange rates applied for end-of-period revaluation

For foreign currency denominated monetary items classified as assets, the exchange rates applied for revaluation are VND 25,930/USD and VND 30,127.79/EUR, which are the foreign currency buying rates of Vietcombank at June 30, 2025. For foreign currency deposits held at banks, the actual exchange rate applied for revaluation is the buying rate of the respective bank where the Company maintains the foreign currency account.

For foreign currency denominated monetary items classified as liabilities, the exchange rates applied for revaluation are VND 26,300/USD and VND 31,429.94/EUR, which are the foreign currency selling rates of Vietcombank as of June 30, 2025.

2. Basis of consolidation of interim consolidated financial statements

The consolidated financial statements are prepared on the basis of consolidating the financial statements of the parent company and its subsidiaries over which the Company has control as of June 30, 2025, in accordance with Vietnamese Accounting Standards.

Subsidiaries are fully consolidated from the acquisition date, which is the date the Company obtains control over the subsidiary, and continue to be consolidated until the date the Company ceases to have control over the subsidiary.

The financial statements of the parent company and its subsidiaries used for consolidation are prepared for the same accounting period and consistently apply the same accounting policies. Where necessary, the financial statements of subsidiaries are adjusted to ensure consistency with the accounting policies applied by the Company. All intra-group transactions, balances, and unrealized gains or losses arising from intra-group transactions are fully eliminated in the consolidated financial statements.

Non-controlling interests comprise the value of the non-controlling shareholders' interests at the acquisition date and the share of non-controlling interests in changes in total equity since the acquisition date. Losses attributable to non-controlling interests in excess of their interest in the subsidiary's equity are deducted from the Company's interest, unless the non-controlling shareholders have a binding obligation and are able to cover those losses.

The non-controlling interests at the acquisition date are determined based on the non-controlling shareholders' proportion of the total fair value of recognized assets, liabilities, and contingent liabilities.

3. Recognition of cash and cash equivalents

Cash and cash equivalents comprise cash on hand, deposits on demand, deposits (with term no more than 03 months), cash in transit and short-term investments with maturity of no more than 3 months that can be easily transferred to cash without any risks in transferring at the date of the report. The identification of cash and cash equivalents is in accordance with Vietnamese Accounting Standard No. 24 "Cash Flow Statements".

4. Recognition of financial investments

a. Held-to-maturity investments

Held-to-maturity investments are investments that the Board of Management intends and has the ability to hold until maturity.

Held-to-maturity investments are initially recognized at cost. After initial recognition, if no provision for doubtful debts has been established according to other regulations, these investments are recorded at their recoverable amount. Any impairment losses on these investments, if they arise, are accounted for as financial expenses in the income statement and directly deducted from the investment's carrying amount.

b. Investments in associates

Associates are all entities over which the Company has significant influence but not control, typically expressed through holding between 20% and 50% of the voting rights in those entities.

Investments in joint ventures and associates in the consolidated financial statements are accounted for using the equity method. Under this method, investments in joint ventures and associates are initially recognized at cost. Subsequently, the carrying amount of the investment is adjusted to reflect the investor's share of the investee's profit or loss after the date of investment. The investor's share of the investee's profit or loss is recognized in the investor's statement of profit or loss. Distributions received from the investee reduce the carrying amount of the investment. Adjustments to the carrying amount are also made when the investor's interest changes due to items recognized directly in the investee's equity, such as revaluation of property, plant and equipment, or foreign exchange differences arising from the translation of financial statements.

c) Investment in the equity instruments of other entities

Investments in the equity of other entities are initially recognized at cost. After initial recognition, these investments are carried at cost less any provision for impairment. A provision for impairment is made when the investee incurs a loss, except where such loss was anticipated by the Company at the time of the investment decision. The provision for impairment is recognized in the statement of profit or loss for the year.

5. Recognition of receivables

Receivables are amounts that can be collected from customers or other entities. Receivables are stated at carrying amount less provisions for doubtful debts.

The classification of receivables as trade receivables, other receivables is according to following principles:

- Trade receivables: Comprises trade receivables arising from purchase and sale transactions between the Company and customers that are independent of the Company.
- Other receivables: Comprise receivables that are non-trade in nature and not related to purchase and sale transactions (such as receivables for interest on deposits, loan interest, dividends, profit distributions; amounts paid on behalf of third parties that are recoverable; receivables for asset lending, etc.).

Monitoring of receivables

Receivables shall be recorded specifically to original terms and remaining recovery terms as at the reporting date, original currencies and each object. At the financial statements' preparation date, receivables which have remaining recovery terms of no more than 12 months or a business cycle are classified as current receivables, receivables which have remaining recovery terms of over 12 months or a business cycle are classified as non-current receivables.

Receivables are recognized at an amount not exceeding their recoverable value.

Provisioning method for doubtful debts

- Provision for doubtful debts represents the amounts of outstanding receivables at the balance sheet date that the Corporation expected to be non-recoverable. Increases and decreases to the provision balances are charged as general and administrative expenses on the income statement. Provision for doubtful debts is made for each receivable, based on the overdue time to pay the principal according to the original commitment (other than the debt extension between the parties), or the expected loss.



6. Recognition of Inventories

Inventories are determined based on the lower of cost and net realizable value. The determination is made in accordance with Accounting Standard No. 02 – “Inventories”, specifically: The costs of inventory comprise of all costs of purchase, costs of conversion and other costs incurred bringing the inventory to their present location and condition. Net realizable value is present, as determined by the estimated selling price minus (-) the estimated cost to complete the product and the estimated costs necessary for consumption..

Inventory valuation method: Specific identification method.

Method of inventory accounting: Perpetual inventory count.

Method of determining work-in-progress at period end:

Method for determining ending work-in-progress costs: Work in progress at period-end is determined based on the quantity of unfinished production at each stage multiplied by the production cost per unit incurred during the period.

Method of making provision for inventory devaluation: Provision for inventory devaluation is made for the portion of value expected to be lost due to declines in value (such as price reductions, damage, deterioration, obsolescence, etc.) that may occur to raw materials, finished goods, and merchandise owned by the Company, based on reasonable evidence of impairment as at the end of the financial period. Increases or decreases in the provision balance are recognized in cost of goods sold during the period.

7. Recognition of fixed assets and depreciation/ amortization**For tangible fixed assets**

Fixed assets are stated at historical cost less accumulated depreciation.

The historical cost of tangible fixed asset comprises of its purchase price and any directly attributable costs to bring the tangible fixed assets into work condition for its intended use. The identification of the historical cost of each category of tangible fixed assets is in accordance with Vietnamese Accounting Standard No. 03 "Tangible fixed assets".

Expenditures incurred after the initial recognition (costs of upgrading, renovation, maintenance and etc.) are recognized as operating expenses in the period. Where it can be clearly demonstrated that these expenses increase the expected future economic benefits of the use of fixed assets that exceed the standard operating level initially assessed, these expenses are capitalized as additional costs of the fixed assets.

When a tangible fixed asset is sold or disposed of, its historical cost and accumulated depreciation are removed from the balance sheet, and any gain or loss resulted from the disposal of the asset is included in the income statement.

Depreciation of tangible fixed assets is calculated on a straight-line method over their estimated useful lives.

<u>Fixed assets</u>	<u>Useful life</u>
Buildings, structures	06 - 28 years
Machinery, equipment	03 - 15 years
Means of transport, transmission	06 - 10 years
Management equipment	05 - 10 years

For intangible fixed assets

Intangible fixed assets are measured at historical cost less accumulated amortization.

Computer software

The historical cost of computer software is determined as the total actual costs incurred by the Company to acquire the software programs, in cases where the software is a separable component from the related hardware, or in the design of semiconductor integrated circuit layouts in accordance with intellectual property laws. Software programs are amortized on a straight-line basis over their estimated useful lives.

Pharmaceutical formulation includes all costs incurred to acquire the formulation for the Company to register with the Drug Administration and produce the medicine at the Company.

Intangible assets are amortized using the straight-line method over their estimated useful lives as follows:

<u>Fixed assets</u>	<u>Useful life</u>
Computer software	08 - 10 years
Virtual Server	03 years
Pharmaceutical formulation	20 years

Other regulations on the management, use, and depreciation of fixed assets

Other regulations on the management, use, and depreciation of fixed assets are implemented by the Company in accordance with Circular No. 45/2013/TT-BTC dated April 25, 2013, issued by the Minister of Finance, Circular No. 147/2016/TT-BTC dated October 13, 2016, amending and supplementing certain provisions of Circular No. 45/2013/TT-BTC, and Circular No. 28/2017/TT-BTC dated April 12, 2017, issued by the Ministry of Finance, amending and supplementing certain provisions of Circular No. 147/2016/TT-BTC.

8. Accounting Principles for Business Cooperation Contracts

Business Cooperation Contract (BCC) is a contractual agreement between two or more parties to jointly conduct an economic activity without forming an independent legal entity. This activity may be jointly controlled by the contributing parties under a joint venture arrangement, or controlled by one of the participating parties.

In the case of receiving cash or assets contributed by other parties to a Business Cooperation Contract (BCC), the amount shall be recorded as a liability. In the case of contributing cash or assets to a BCC, the amount shall be recorded as a receivable. The entity shall account for the BCC under the form of jointly controlled operations.

The parties to the joint venture shall maintain accounting records and reflect them in their own financial statements for the following items:

- Joint venture capital contributions and assets under the control of the contributing party;;
- Liabilities to be borne;
- Revenue shared from the sale of goods or provision of services of the joint venture;
- Expenses to be borne.

9. Recognition of taxes

a) Current corporate income tax

Current corporate income tax expense is determined based on taxable income and the corporate income tax rate applicable for the current year (20%).

b) Other taxes

Other taxes are applied in accordance with applicable tax laws in Vietnam.

Tax reports of the Company is subject to the examination of tax agency. Due to the various explanation of tax law and regulations application for different transactions, tax amount in the Financial Statements will be adjusted according to final decision of the tax agency.

10. Recognition of prepaid expenses

Prepaid expenses are expenses which have actually incurred yet they are related to operation results of several accounting periods.

Prepaid expenses mainly include the value of tools and equipment, advertising costs, consulting fees, interest expenses, and other costs incurred during the Company's business operations that are expected to bring future economic benefits. Interest expenses are allocated to the statement of profit or loss based on the ratio of actual revenue to total revenue from the Project. The remaining prepaid expenses are allocated to the statement of profit or loss on a straight-line basis, based on the estimated period of use or cost recovery period of the Company.

Prepaid expense shall be recorded in details of maturity. As at reporting date, prepaid expenses which have maturity no more than 12 months or a business cycle since the date of prepayment are classified as current prepaid expenses, expenses which have maturity over 12 months or over a business cycle since the date of prepayment are classified as non-current prepaid expenses.

11. Recognition of liabilities

Liabilities are stated at historical cost. The classification of payables as trade payables and other payables is made according to the following principles:

- **Trade payables:** Include commercial payables arisen from the purchases of goods, services or assets.
- **Other payables:** Including payables of non-commercial, unrelated to transactions of purchase, sale, provision of goods and services (such as: Interest payable, dividends and profit payable, financial investment expenses payable; payable on behalf of a third party; payment of social insurance and health insurance premiums, unemployment insurance, union funds, etc.).

Monitoring of payables

Payables are monitored in detail by original maturity, remaining maturity at the reporting date, currency, and by each counterparty. At the date of preparing the financial statements, payables with remaining maturities not exceeding 12 months or one operating cycle are classified as current payables, while those with remaining maturities over 12 months or more than one operating cycle are recognized as non-current payables.

Payables are recognized at no less than the amount payable.

12. Recognition of loans and finance lease liabilities

Loans and finance lease liabilities shall be specially recorded to each object, terms, original currencies. As at the financial statement's preparation date, loans and finance lease liabilities that have remaining repayment terms of less than 12 months or a business cycle are classified as short-term loans and finance lease liabilities, ones that have remaining repayment terms of over 12 months or a business cycle are classified as long-term loans and finance lease liabilities.

13. Recognition of borrowing costs and capitalization

Recognition of borrowing costs

Borrowing costs comprise interest expenses and other costs directly attributable to the acquisition of borrowings (such as appraisal fees, audit fees, and loan documentation fees, etc.).

Borrowing costs are recognized as finance expenses in the period in which they are incurred, except for cases of capitalization in accordance with Vietnamese Accounting Standard No. 16 'Borrowing Costs'.

Capitalization of borrowing costs

Borrowing costs arising from specific borrowings that are directly attributable to the acquisition, construction, or production of a qualifying asset are capitalized as part of the cost of that asset, after deducting any income earned from the temporary investment of such borrowings. Borrowing costs are capitalized when it is probable that the asset will generate future economic benefits and the borrowing costs can be measured reliably.

Capitalization of borrowing costs should be ceased when the necessarily activities to bring the qualifying asset to its intended use or sale are complete. Borrowing costs then incurred are recognized as financial expenses during the year.

During the year, the company capitalized VND 43.909.437.080 (previous year: VND 93.104.863.339) of borrowing costs into construction in progress.

013
C6
CH N
<IE
B
/G

14. Recognition of accrued expenses

Accrued expenses include amounts payable for goods and services received from suppliers during the period but not yet paid due to the absence of invoices or insufficient accounting documents, and are recognized in the reporting period based on the terms specified in the respective contracts.

Basis for determining accrued expenses

- *Accrued interest expenses:* Based on the principal balance, overdue debt (for late payment interest), maturity and applicable interest rate.
- *Accrued operating expenses not yet supported by documents:* Based on documents to determine debt obligations and costs that may incurred.

15. Recognition of owners' equity

a) Recognition of owners' contributed capital and share premium

Owners' contributed capital is recognized at the actual capital contributed by shareholders. Shareholders' contributions are recorded at the actual proceeds from share issuance, but are presented separately under two items: owners' contributed capital and share premium.

Common shares are stated at par value. The proceeds from the issuance of shares in excess of par value are recognized as share premiums. Expenses directly attributable to the issue of shares, excluding tax effects, are recognized as a reduction in share premiums.

b) Recognition of development investment fund

According to the Company's Charter, the appropriation and use of the Development Investment Fund are as follows:

- Purpose of use: To invest in the expansion of production and business scale or in the Company's intensive development
- Authority to decide on appropriation and use of the fund: The General Meeting of Shareholders.

c) Recognition of retained earnings

Retained earnings reflect the business results (profit, loss) after corporate income tax and profit sharing situation or dealing with loss of the Corporation. Retained earnings shall be recorded in detail to the operational results of each fiscal year (previous year, current year) and to each profit sharing content (funds distribution, additional investment capital of the owners, dividends, profits for shareholders and investors).

16. Recognition of revenue

Revenue from sales of finished products

Revenue from the sale of goods and finished products, including pharmaceuticals and pharmaceutical raw materials, is recognized in the statement of profit or loss when the significant risks and rewards of ownership of the products or goods have been transferred to the buyer. Revenue is not recognized if there are material uncertainties relating to the collectability of receivables or the possibility of goods being returned. Revenue from the sale of finished products is recognized on a net basis after deducting trade discounts and sales reductions as stated on the sales invoice.

Revenue from rendering of services

Service revenue is recognized in the statement of profit or loss based on the stage of completion of the transaction at the end of the financial year. The stage of completion is assessed by reference to the work performed. Revenue is not recognized if there are material uncertainties regarding the collectability of receivables.

When the outcome of a construction contract cannot be estimated reliably, revenue is recognized only to the extent of contract costs incurred that are likely to be recoverable

Rental Revenue

Rental revenue is recognized when the outcome of the transaction can be measured reliably. Rental revenue is recognized in accordance with the lease agreement and is recorded in the Statement of Profit or Loss on a straight-line basis over the lease term.

If the outcome of the lease contract cannot be measured reliably, revenue is recognized only to the extent that recoverable costs previously incurred are expected to be recovered.

Financial income

Financial income includes: interest from deposits and loans; dividends and profit shares; and income from the disposal of financial investments.

Interest from deposits and loans: Recognized based on the period and the actual interest rate for each term, unless the collectibility of the interest is uncertain.

17. Recognition of cost of goods sold

Cost of goods sold is recognized according to the matching principle between revenue and expenses.

To ensure the prudence principle, costs exceeding the normal level of inventory are recognized immediately as expenses in the period (after deducting any compensation, if applicable), including: direct material costs consumed beyond the normal level, labor costs, fixed manufacturing overhead not allocated to the cost of goods produced for inventory, inventory losses, shrinkage, and other losses.

Deductions from cost of goods sold include: Reversal of provision for decline in value of inventories.

18. Selling expenses and general and administrative expenses

Selling expenses: are actual expenses incurred in the process of selling products, goods, and providing services, including salary, depreciation, costs of offering, introducing products, advertising products, and selling commissions. goods, warranty costs for products and goods (except for construction and installation activities).

The company did not incur any deductions from selling expenses during the period.

General and administrative expenses: These are general management expenses, including salaries and wages of administrative staff (salary, wages, allowances, etc.); social insurance, health insurance, trade union fees, and unemployment insurance for administrative staff; office supplies, tools, and depreciation of fixed assets used for administrative purposes; land rent, business license tax; provisions for doubtful debts; outsourced services (electricity, water, telephone, fax, asset insurance, fire insurance, etc.); and other monetary expenses (hospitality, customer conferences, etc.).

The Company did not incur any reversals of general and administrative expenses during the period.

19. Segment information

The segment report is part of the interim consolidated financial statements, providing information about the types of products and services in different geographical areas, referred to as segment information.

A business segment is a distinguishable part that engages in the production or provision of products and services, and has risks and economic benefits different from those of other business segments.

A geographical segment is a distinguishable part that engages in the production or provision of products and services within a specific economic environment and has risks and economic benefits different from those of business segments in other economic environments.

The Company's Executive Board believes that the Company operates in the following segments: sale of finished products, goods, and other services, all operating within a single geographical area, Vietnam. Segment reporting is prepared based on business lines.

Segment reporting is presented in Note VII.3.

PHARBACO CENTRAL PHARMACEUTICAL JOINT STOCK COMPANY NO.1

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

B09a-DN/HN

For the fiscal period from January 01, 2025 to June 30, 2025

20. Related parties

A party is considered as related if it can control the other parties or has significant influence on the other party in making financial and operating decisions. Parties are also considered related if they are subject to common control or common significant influence. Related parties can be companies or individuals, including close members of the family of the individual considered to be related.

In considering related party relationships, the substance of the relationship is focused on than the legal form.

Transactions and balances with related parties during the period were presented in Note VII.2.

21. Other Accounting Policies and Methods

Construction in Progress

Construction in progress includes investment expenditures for the formation of fixed assets (such as costs of purchasing fixed assets and capital construction investments) and expenses for the repair of fixed assets that are not yet completed as of the financial year-end. Construction in progress is recognized at historical cost. Fixed assets formed upon completion of construction are depreciated in the same manner as other fixed assets, starting from the time they are ready for use.

V. ADDITIONAL INFORMATION FOR ITEMS ON THE INTERIM CONSOLIDATED BALANCE SHEET

1. Cash and cash equivalents

	<u>Closing balance</u>	<u>Opening balance</u>
Cash on hand	2,703,334,102	2,716,021,955
Cash at bank	1,241,820,597	225,741,594,737
Total	<u>3,945,154,699</u>	<u>228,457,616,692</u>

PHARBACO CENTRAL PHARMACEUTICAL JOINT STOCK COMPANY NO.1
NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the financial period from January 1, 2025 to June 30, 2025

2. Financial investments

2.1 Investments in associates and joint ventures

	Closing balance		Fair value (*)	Opening balance		Fair value (*)
	Cost	Carrying amount under the equity method		Cost	Carrying amount under the equity method	
Pharbaco – Central Hospital I Joint Stock Company (*)	1,176,000,000	283,853,641	-	1,176,000,000	283,853,641	-
Cộng	1,176,000,000	283,853,641	-	1,176,000,000	283,853,641	-

(*) The company has not engaged in transactions or have not registered for trading on the stock exchange; therefore, the company has not been able to determine the fair value of the investments in these companies as of June 30, 2025. The investments are presented at cost.

Detailed information on subsidiaries and associates, including business activities, voting rights, and ownership interests, is presented in Part I, Section 5 of these interim consolidated financial statements' Notes.

Transactions between the Company and its associates are presented in Part VIII, Section 2 – Related Party Transactions of these interim consolidated financial statements' Notes.

PHARBACO CENTRAL PHARMACEUTICAL JOINT STOCK COMPANY NO.1

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

B09a-DN/HN

For the fiscal period from January 01, 2025 to June 30, 2025

3. Current trade receivables

3.1 Current trade receivables

	<u>Closing balance</u>	<u>Opening balance</u>
<i>Trade receivables from third parties</i>	<i>173,619,613,221</i>	<i>193,971,062,602</i>
APPOLLO OIL Joint Stock Company	48,554,676,661	48,554,676,661
Toan Phuc Pharmaceutical Chemical Company Limited	9,583,144,624	16,618,087,652
HMH Medical Pharmaceutical Company Limited	19,818,189,967	15,255,652,496
Pharbaco Thai Binh Pharmaceutical Joint Stock Company	3,420,208,640	866,034,246
Others	92,243,393,329	112,676,611,547
<i>Trade receivables from related parties</i>	<i>177,803,010</i>	<i>17,153,874,952</i>
(Details are disclosed in Note VII.2)		
Total	173,797,416,231	211,124,937,554

4. Current advances to suppliers

	<u>Closing balance</u>	<u>Opening balance</u>
<i>Current advances to suppliers from third parties</i>	<i>51,271,947,050</i>	<i>49,895,400,348</i>
APPOLLO OIL Joint Stock Company	6,635,605	8,066,635,605
Qui Long Refrigeration Electrical Engineering Technology	15,481,044,300	15,481,044,300
Yoosung Filling System Co., Ltd.	-	6,598,252,000
Armephaco Joint Stock Company	8,166,282,109	540,158,372
Nomura Trading Co., Ltd	5,484,879,000	-
Others	22,133,106,036	19,209,310,071
<i>Current advances to suppliers from related parties</i>	<i>8,672,551,500</i>	<i>873,278,060</i>
(Details are disclosed in Note VII.2)		
Total	59,944,498,550	50,768,678,408

5. Other receivables

5.1 Other current receivables

	<u>Closing balance</u>		<u>Opening balance</u>	
	<u>Value</u>	<u>Provision</u>	<u>Value</u>	<u>Provision</u>
<i>Other receivables from third parties</i>	<i>14,687,077,598</i>	-	<i>5,184,498,356</i>	-
Advance	367,013,900	-	483,395,880	-
Deposit, mortgages	892,108,457	-	898,286,197	-
Phuc Thinh Finance Investment Joint Stock Company	13,297,859,990	-	3,682,387,226	-
Others	130,095,251	-	120,429,053	-
<i>Other receivables from related</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
Total	14,687,077,598	-	5,184,498,356	-

5.2 Other non-current receivables

	<u>Closing balance</u>		<u>Opening balance</u>	
	<u>Value</u>	<u>Provision</u>	<u>Value</u>	<u>Provision</u>
<i>Other receivables from third parties</i>	<i>357,411,409,918</i>	<i>19,371,518,993</i>	<i>19,411,409,918</i>	<i>19,371,518,993</i>
Deposits	39,890,925	-	39,890,925	-
BV Pharma Joint Stock Company	19,371,518,993	19,371,518,993	19,371,518,993	19,371,518,993
Pharbaco Thai Binh Pharmaceutical Joint Stock Company (1)	200,000,000,000	-	-	-
Huy Tuan Investment and Construction Company Limited (2)	138,000,000,000	-	-	-
<i>Other receivables from third parties</i>	<i>-</i>	<i>-</i>	<i>137,443,287,674</i>	<i>-</i>
(Details are disclosed in Note VII.2)				
Total	357,411,409,918	19,371,518,993	156,854,697,592	19,371,518,993

(1) Capital contribution under Investment Cooperation Contract No. 01/2025/PBC-TB dated February 25, 2025 with Pharbaco Thai Binh Pharmaceutical Joint Stock Company to jointly invest in the construction of a pharmaceutical manufacturing plant according to GMP standards at Lot CN01, An Ninh Industrial Cluster, Tien Hai District, Thai Binh Province. The cooperation term is ten (10) years. The two parties will share post-tax profits in proportion to their capital contribution based on the audited final investment report when the project is completed and begins production generating revenue and profit.

(2) Capital contribution under Investment Cooperation Contract No. 06/PBC-HT dated June 26, 2025 with Huy Tuan Investment and Construction Co., Ltd. to jointly invest in the construction of a factory producing electrical equipment and electronic components of Huy Tuan at Yen My Town, Yen My District, Hung Yen Province. The cooperation term is ten (10) years. The two parties will share post-tax profits in proportion to their capital contribution based on the audited final investment report when the project is completed and begins production generating revenue and profit.

6. Doubtful debt

a. Receivables and loans that are overdue or not yet overdue but are difficult to recover.

	Closing balance			Opening balance		
	Value	Provision	Recoverable value	Value	Provision	Recoverable value
Current Trade receivables						
APPOLLO OIL Corporation	48,554,676,661	48,554,676,661	-	48,554,676,661	33,988,273,662	14,566,402,999
BV Pharma Joint Stock Company	19,371,518,993	19,371,518,993	-	19,371,518,993	19,371,518,993	-
Huong Que Trading Investment Joint Stock Company	2,565,085,530	2,565,085,530	-	2,565,085,530	2,565,085,530	-
Tien Thanh Trading and Pharmaceutical Company Limited	1,814,538,915	1,814,538,915	-	1,814,538,915	1,814,538,915	-
Others	3,674,755,861	3,672,606,861	2,149,000	3,496,952,851	2,670,685,724	826,267,127
Total	75,980,575,960	75,978,426,960	2,149,000	75,802,772,950	60,410,102,824	15,392,670,126

b. The company's assessment of recoverability of overdue receivables

The company has assessed and provided allowance for overdue receivables and receivables with low recoverability in a prudent manner.

c. Details of increases and decreases in allowance for doubtful accounts

	Current period	Previous period
Opening balance	60,410,102,824	20,195,160,948
Additional provisions made during the period	15,568,324,136	40,214,941,876
Closing balance	75,978,426,960	60,410,102,824

7. Inventories

	Closing balance		Opening balance	
	Value	Provision	Value	Provision
Goods in transit	250,075,990	-	293,996,260	-
Raw materials	174,457,027,673	-	116,595,122,061	-
Tools and supplies	2,266,086,237	-	2,210,998,157	-
Work in progress	21,596,300,188	-	21,929,047,964	-
Finished goods	38,976,767,309	-	37,952,402,131	-
Goods	12,327,208,771	-	2,325,512,473	-
Total	249,873,466,168	-	181,307,079,046	-

PHARBACO CENTRAL PHARMACEUTICAL JOINT STOCK COMPANY NO.1

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

B09a-DN/HN

For the fiscal period from January 01, 2025 to June 30, 2025

Details of increases and decreases in provision for inventory devaluation:

	Current period	Previous period
Provision for inventory devaluation at beginning of period	108,755,969	7,854,415,573
Add: Provision made during the period	2,691,471,977	-
Less: Provision utilized and reversed during the period	-	(7,745,659,604)
Provision for inventory devaluation at end of period	<u>2,800,227,946</u>	<u>108,755,969</u>

8. Prepaid expenses

8.1 Current prepaid expenses

	Closing balance	Opening balance
Tools and supplies	1,462,702,663	1,811,936,450
Others	2,972,156,346	1,823,418,190
Total	<u>4,434,859,009</u>	<u>3,635,354,640</u>

8.2 Non - Current prepaid expenses

	Closing balance	Opening balance
Tools and supplies	1,183,677,197	1,247,323,773
Repair and maintenance expenses	3,023,954,939	5,622,889,461
Others	1,092,153,165	941,084,263
Total	<u>5,299,785,301</u>	<u>7,811,297,497</u>

9. Increase and decrease in intangible fixed assets

	Computer software	Virtual Server	Pharmaceutical formulation	Total
HISTORICAL COST				
Opening balance	14,560,550,514	867,428,568	41,800,000,000	57,227,979,082
Increase during the period	-	-	9,960,000,000	9,960,000,000
Decrease during the period	-	-	(1,900,000,000)	(1,900,000,000)
Closing balance	<u>14,560,550,514</u>	<u>867,428,568</u>	<u>49,860,000,000</u>	<u>65,287,979,082</u>
ACCUMULATED AMORTIZATION				
Opening balance	6,821,004,078	867,428,568	1,611,308,399	9,299,741,045
Amortization for the period	893,024,589	-	4,916,491,278	5,809,515,867
Other decreases	-	-	(74,711,470)	(74,711,470)
Closing balance	<u>7,714,028,667</u>	<u>867,428,568</u>	<u>6,453,088,207</u>	<u>15,034,545,442</u>
CARRYING AMOUNT				
Opening balance	7,739,546,436	-	40,188,691,601	47,928,238,037
Closing balance	<u>6,846,521,847</u>	<u>-</u>	<u>43,406,911,793</u>	<u>50,253,433,640</u>

In Which:

The historical cost of the company's intangible fixed assets, fully depreciated but still in use as of 30/06/2025, amounted to VND 1,139,020,068 (as at 31/12/2024: VND 1,139,020,068).

PHARBACO CENTRAL PHARMACEUTICAL JOINT STOCK COMPANY NO.1

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the financial period from January 1, 2025 to June 30, 2025

10. Increase and decrease in tangible fixed assets

	Buildings, structures	Machinery and equipment	Means of transport and transmission	Management equipment	Total
HISTORICAL COST					
Opening balance	126,732,541,191	413,556,075,065	14,893,321,615	4,135,158,136	559,317,096,007
Purchase during the year	-	8,415,376,714	-	-	8,415,376,714
Other increase/ decrease	-	-	-	-	-
Closing balance	126,732,541,191	421,971,451,779	14,893,321,615	4,135,158,136	567,732,472,721
ACCUMULATED DEPRECIATION					
Opening balance	91,863,641,635	365,497,027,175	12,469,698,846	2,003,977,989	471,834,345,645
Depreciation for the period	2,248,823,195	8,467,067,927	515,991,238	306,414,314	11,538,296,674
Other increase/ decrease	-	-	-	-	-
Closing balance	94,112,464,830	373,964,095,102	12,985,690,084	2,310,392,303	483,372,642,319
CARRYING AMOUNT					
Opening balance	34,868,899,556	48,059,047,890	2,423,622,769	2,131,180,147	87,482,750,362
Closing balance	32,620,076,361	48,007,356,677	1,907,631,531	1,824,765,833	84,359,830,402

In which:

The historical cost of tangible fixed assets as of 30/06/2025 that are fully depreciated but still in use amounted to VND 394,526,073,646 (as at 31/12/2024: VND 345,034,871,171).

The carrying amount of tangible fixed assets as of 30/06/2025 pledged, mortgaged, or used as collateral for loans was VND 29,568,929,464 (as at 31/12/2024: VND 39,004,293,231).

PHARBACO CENTRAL PHARMACEUTICAL JOINT STOCK COMPANY NO.1

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

B09a-DN/HN

For the fiscal period from January 01, 2025 to June 30, 2025

11. Construction-in-progress

	Closing balance	Opening balance
Construction project of a pharmaceutical production plant meeting GMP EU standards in 2 phases	2,116,838,592,355	2,062,672,315,160
In which:		
PMU1	1,459,877,103,926	1,432,868,660,346
PMU2	656,961,488,429	629,803,654,814
Noi Bai Cargo Handling and Transportation Center Project	26,883,170,727	26,883,170,727
Total	2,143,721,763,082	2,089,555,485,887

Assets of the EU GMP standard pharmaceutical factory construction project are being used as collateral for the Company's bank loans *(Details see Note V.17)*.

12. Current trade payables

	Closing balance		Opening balance	
	<i>Value</i>	<i>Repayable amount</i>	<i>Value</i>	<i>Repayable amount</i>
Payables to third-party suppliers	226,860,464,272	226,860,464,272	174,563,722,890	174,563,722,890
Truking Technology Limited	21,255,660,000	21,255,660,000	20,650,318,200	20,650,318,200
VRT Pharmaceutical one member Company Limited	8,481,617,287	8,481,617,287	18,586,912,614	18,586,912,614
VIDIPHA Central Pharmaceutical Joint Stock Company	19,845,356,000	19,845,356,000	13,782,735,750	13,782,735,750
Armephaco Joint Stock Company	11,580,658,723	11,580,658,723	10,714,618,200	10,714,618,200
150 Cophavina Pharmaceutical One member Company Limited	10,553,538,639	10,553,538,639	-	-
Sinobright Pharma Co., Limited	1,357,080,000	1,357,080,000	10,986,930,000	10,986,930,000
Pharbaco Thai Binh Pharmaceutical Joint Stock Company	9,611,440,543	9,611,440,543	96,818,998	96,818,998
Others	144,175,113,080	144,175,113,080	99,745,389,128	99,745,389,128
Trade payables to related parties	-	-	-	-
Total	226,860,464,272	226,860,464,272	174,563,722,890	174,563,722,890

13. Current advance from customers

13.1 Current advance from customers

	Closing balance	Opening balance
Current advance from third-party customers	209,054,993,470	149,576,264,685
HMH Medical Pharmaceutical Company Limited	18,020,930,712	16,682,180,840
Viet Anh Medical equipment and Pharmaceutical Joint Stock	17,544,495,316	13,853,016,361
Minh Son Phaco Pharmacy Joint Stock Company	20,233,476,740	14,228,974,240
Pharbaco Thai Binh Pharmaceutical Joint Stock Company	15,328,826,579	5,634,820,563
Truong Phuc Business Company Limited	25,400,000,000	-
Others	112,527,264,123	99,177,272,681
Current advance from related-party customers	-	-
Total	209,054,993,470	149,576,264,685

PHARBACO CENTRAL PHARMACEUTICAL JOINT STOCK COMPANY NO.1

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

B09a-DN/HN

For the fiscal period from January 01, 2025 to June 30, 2025

14. Taxes and other payables to State Budget

14.1 Taxes payable

	Opening balance	Amount payable for the period	Amount paid during the	Closing balance
Import and export tax	-	1,673,097,053	1,673,097,053	-
Corporate income tax	4,876,192,391	1,059,662,585	5,295,876,770	639,978,206
Personal income tax	14,008,935	417,607,125	431,616,060	-
Other taxes	-	5,000,000	5,000,000	-
Fees, charges and other payables	-	10,726,595	10,726,595	-
Total	4,890,201,326	3,166,093,358	7,416,316,478	639,978,206

14.2 Taxes receivable

	Opening balance	Amounts receivable	Amount collected/offset	Closing balance
VAT on imported goods	-	8,236,641,606	8,218,656,966	17,984,640
Personal income tax	-	43,528,700	-	43,528,700
Other taxes	-	9,640,938,896	9,627,108,191	13,830,706
Total	-	17,921,109,202	17,845,765,157	75,344,046

15. Current accrued expenses

	Closing balance	Opening balance
Interest expenses	15,841,066,920	3,777,296,837
Others	879,517,204	1,321,978,904
Total	16,720,584,124	5,099,275,741

16. Other payables

16.1 Other current payables

Other payables to third parties

	Closing balance	Opening balance
Health insurance	24,680,128	-
Trade Union fee	247,222,781	856,081,701
Current deposits and mortgage received	657,020,000	1,174,020,000
Dividends and profits payable	556,612,381	574,895,619
BRV Healthcare Company Limited	2,000,000,000	2,000,000,000
Others	1,576,135,321	1,421,923,056
Other payables to related parties	-	-
Total	5,061,670,611	6,026,920,376

16.2 Other non-current payables

Other payables to third parties

	Closing balance	Opening balance
Non-current deposits and mortgage received	2,209,600,000	1,720,600,000
Other payables to related parties	-	-
Total	2,209,600,000	1,720,600,000

PHARBACO CENTRAL PHARMACEUTICAL JOINT STOCK COMPANY NO.1
NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS *(continued)*
For the financial period from January 1, 2025 to June 30, 2025

17. Borrowings and finance lease liabilities	Opening balance		During the period		Closing balance	
	<i>Value</i>	<i>Payable amount</i>	<i>Increase</i>	<i>Decrease</i>	<i>Value</i>	<i>Payable amount</i>
17.1 Short-term borrowings and finance lease liabilities						
Short-term loans						
Joint Stock Commercial bank for Investment and Development of Tien Phong Commercial Joint Stock Bank – Hoan Kiem branch (ii)	458,652,250,269	458,652,250,269	385,649,101,625	371,655,319,776	472,646,032,118	472,646,032,118
	408,733,390,290	408,733,390,290	319,484,595,379	339,479,401,808	388,738,583,861	388,738,583,861
	49,918,859,979	49,918,859,979	66,164,506,246	32,175,917,968	83,907,448,257	83,907,448,257
Current portion of long-term loans						
Joint Stock Commercial bank for Investment and Development of Tien Phong Commercial Joint Stock Bank – Hoan Kiem branch (iv)	162,241,565,063	162,241,565,063	159,277,999,996	73,558,013,401	247,961,551,658	203,556,000,000
	120,556,000,000	120,556,000,000	138,778,000,000	55,778,000,000	203,556,000,000	203,556,000,000
	41,685,565,063	41,685,565,063	20,499,999,996	17,780,013,401	44,405,551,658	44,405,551,658
Total	620,893,815,332	620,893,815,332	544,927,101,621	445,213,333,177	720,607,583,776	676,202,032,118
17.2 Long-term loans						
Joint Stock Commercial bank for Investment and Development of Tien Phong Commercial Joint Stock Bank – Hoan Kiem branch (iv)	752,700,874,004	752,700,874,004	-	138,778,000,000	613,922,874,004	613,922,874,004
	166,857,142,884	166,857,142,884	-	20,499,999,996	146,357,142,888	146,357,142,888
Total	919,558,016,888	919,558,016,888		159,277,999,996	760,280,016,892	760,280,016,892

PHARBACO CENTRAL PHARMACEUTICAL JOINT STOCK COMPANY NO.1
NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS *(continued)*
For the financial period from January 1, 2025 to June 30, 2025

Details of Short-term loans:

- (i) Loan from Vietnam Joint Stock Commercial Bank for Investment and Development of Vietnam – Long Bien Branch under the credit limit agreement No. 02/2024/1809635/HDTD dated November 25, 2024, with a maximum credit limit of VND 420,000,000,000. The purpose of the loan is to supplement working capital (including lending, issuing guarantees, and opening letters of credit) to support the Company's production and business activities. The credit limit is valid from the signing date of the agreement until October 30, 2025. The term of each individual loan under the credit limit shall not exceed 6 months. The interest rate of each loan is determined in the respective credit agreement according to the Bank's prevailing interest rate at the relevant period. Loan collateral according to specific signed mortgage contracts
- (ii) Loan from Tien Phong Commercial Joint Stock Bank – Hoan Kiem Branch under the credit limit agreement No. 04/2025/HDTD dated January 13, 2025, with a credit limit of VND 100,000,000,000. The purpose of the loan is to supplement working capital for the Company's pharmaceutical production and business operations. The credit limit is valid for 12 months from the signing date of the agreement, and the term of each individual loan under this limit shall not exceed 9 months. The interest rate is flexible and specified in each debt acknowledgment document. The loan is secured by assets under specific mortgage contracts, as well as guarantee agreements executed before, during, and after the effective date of the agreement, including all relevant amendments, supplements, or replacements.

Details of Long-term loans:

- (iii) Long-term loans from Vietnam Joint Stock Commercial Bank for Investment and Development (BIDV) – Long Bien Branch are granted under the following specific loan agreements:
- Credit limit agreement No. 01/2021/1809635/HDTD, signed on January 11, 2021, with a maximum loan amount of VND 400 billion. The loan term is 96 months from the day following the first disbursement. The interest rate is applied according to the Bank's regulations at the time of disbursement. The loan is intended for issuing letters of credit and paying reasonable costs to implement Phase II of the GMP-EU standard pharmaceutical manufacturing plant project (PMU2). Collateral includes all assets formed from the loan capital and equity capital of the Phase II investment project (PMU2).
 - Credit limit agreement No. 02/2022/1809635/HDTD, signed on September 29, 2022, with a maximum loan amount of VND 450 billion. The loan term is 72 months from the day following the first disbursement. The interest rate is a floating rate applied according to the Bank's regulations at the time of disbursement and is adjusted every six months. The loan purpose is to repay equity capital contributed to Phase I of the GMP-EU standard pharmaceutical packaging factory project (PMU1).
 - Credit limit agreement No. 03/2022/1809635/HDTD, signed on August 30, 2022, with a maximum loan amount of VND 247 billion, not exceeding the actual outstanding principal of the loan at Saigon Thuong Tin Commercial Joint Stock Bank (Sacombank) – Ha Dong Branch at the time of disbursement by BIDV. The loan term follows the current repayment schedule of this loan at Sacombank – Ha Dong Branch, but shall not exceed the remaining term of the loan at Sacombank as of July 8, 2026. The applicable interest rate is a floating rate according to the Bank's regulations at the time of disbursement, adjusted every six months. The loan purpose is to repay in full the outstanding principal of the Phase I GMP-EU pharmaceutical manufacturing plant project loan (PMU1) at Sacombank – Ha Dong Branch in advance. Collateral includes all assets formed from loan capital, equity capital in the Phase I investment project (PMU1), and other assets currently mortgaged at Sacombank – Ha Dong Branch.

PHARBACO CENTRAL PHARMACEUTICAL JOINT STOCK COMPANY NO.1
NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS *(continued)*
For the financial period from January 1, 2025 to June 30, 2025

(iv) Long-term loans from Tien Phong Commercial Joint Stock Bank – Hoan Kiem Branch are granted under the following specific loan agreements:

- Long-term loan agreement No. 18/2021/HDTD/HGM/03, dated April 28, 2021, with a loan amount of VND 27 billion. The loan term is a maximum of 84 months from the date of the first disbursement. The interest rate is applied according to the regulations specified in each debt acknowledgment document. The loan purpose is to pay investment costs for a rooftop solar power project on the factory roof in Thach Loi village, Soc Son district, Hanoi. The loan is secured under Property Mortgage Contract No. 18/2021/HDBD/HGM/04, dated April 28, 2021.
- Loan agreement No. 31/2023/HDTD/HGM/01, signed on March 14, 2023, with a loan amount of VND 198 billion. The loan term is 84 months from the date of the first disbursement. The interest rate is specified in each debt acknowledgment document. The loan purpose is to supplement the Company's medium-term capital. The loan is secured in accordance with the provisions of the mortgage contract between the Company and the Bank.

18. Owner's equity

18.1 Changes in owners' equity

	Owner's equity	Capital surplus	Investment and development fund	Retained earnings	Non-controlling Interests	Total
Opening balance	1,132,999,020,000	25,731,363,636	38,505,239,661	43,343,785,822	7,470,131,070	1,248,049,540,189
Increase in capital during the prior year	-	-	-	-	-	-
Profit (loss) from prior year	-	-	-	21,684,803,043	(9,343,281)	21,675,459,762
Other increase	-	-	-	-	-	-
Other decrease	-	-	-	-	-	-
Closing balance of prior year	1,132,999,020,000	25,731,363,636	38,505,239,661	65,028,588,865	7,460,787,789	1,269,724,999,951
Increase in capital during the year	-	-	-	-	-	-
Profit (loss) during the year	-	-	-	3,627,691,122	(8,819,505)	3,618,871,617
Other decrease	-	-	-	-	-	-
Appropriation of funds	-	-	-	-	-	-
Other decrease	-	-	-	-	-	-
Closing balance	1,132,999,020,000	25,731,363,636	38,505,239,661	68,656,279,987	7,451,968,284	1,273,343,871,568

PHARBACO CENTRAL PHARMACEUTICAL JOINT STOCK COMPANY NO.1

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

B09a-DN/HN

For the fiscal period from January 01, 2025 to June 30, 2025

18.2 Details of owners' contributed capital

	<u>Closing balance</u>	<u>Opening balance</u>
Vietnam Pharmaceutical corporation	58,707,830,000	58,707,830,000
Hai Ha Waterway Transport company limited	412,000,000,000	412,000,000,000
Hai Minh Hung Transportation Construction Investment company limited	139,420,660,000	139,420,660,000
Dai Hai Ha Petro company limited	154,500,000,000	154,500,000,000
Phap Van Agriculture Material joint stock company	206,000,000,000	206,000,000,000
Others	162,370,530,000	162,370,530,000
Total	1,132,999,020,000	1,132,999,020,000

18.3 Transactions with owners and distribution of dividends and profits

	<u>Current period</u>	<u>Previous period</u>
Owners' contributed capital	1,132,999,020,000	1,132,999,020,000
+ Beginning balance of the period	-	-
+ Increase during the period	1,132,999,020,000	1,132,999,020,000
+ Closing balance of the period	-	-
Dividends and profits distributed		
Shares	<u>Closing balance</u>	<u>Opening balance</u>
Authorized shares	113,299,902	113,299,902
Issued shares	113,299,902	113,299,902
- Common shares	-	-
Repurchased shares	113,299,902	113,299,902
Shares in circulation	113,299,902	113,299,902
- Common shares		
Par value of outstanding shares: 10.000 VND/ Share		

18.4 Company's funds

Purpose of appropriating funds

Development Investment Fund: Used for investing in the expansion of future business activities, such as capital contributions to other enterprises, acquisition of fixed assets, construction of new facilities, research and development, training, and improving the working environment.

19. Various foreign currencies

Details of the quantity of each type of foreign currency held by the Corporation in their original currencies are as follows:

<u>Foreign currency</u>	<u>Closing balance</u>	<u>Opening balance</u>
USD	14,411.76	113,410.70
EUR	920.34	925.30

PHARBACO CENTRAL PHARMACEUTICAL JOINT STOCK COMPANY NO.1

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

B09a-DN/HN

For the fiscal period from January 01, 2025 to June 30, 2025

VI. ADDITIONAL INFORMATION FOR ITEMS IN THE INTERIM CONSOLIDATED CASH FLOW STATEMENT

1. Revenue from sales of goods and rendering of services

	<u>Current period</u>	<u>Previous period</u>
Revenue from sales of goods	142,745,592,865	147,236,726,097
Revenue from sales of finished products	363,611,592,175	350,556,350,633
Revenue from service rendered	3,991,450,713	4,227,389,337
Total	510,348,635,753	502,020,466,067
In which:		
Revenue from third parties	510,348,635,753	500,197,774,871
Revenue from related parties	-	1,822,691,196
<i>(Details are disclosed at Note VII.2)</i>		
Total	510,348,635,753	502,020,466,067

2. Revenue deductions

	<u>Current period</u>	<u>Previous period</u>
Sales returns	1,203,647,429	-
Total	1,203,647,429	-

3. Cost of goods sold

	<u>Current period</u>	<u>Previous period</u>
Cost of sales – goods and materials	136,998,918,070	145,765,736,239
Cost of sales – finished goods	283,381,501,574	251,531,370,234
Damaged goods handling	1,142,058,089	8,375,538,603
Provision for inventory write-down	2,713,884,349	2,753,407,911
Reversal of inventory write-down provision	(22,412,372)	(7,771,626,067)
Total	424,213,949,710	400,654,426,920

4. Financial income

	<u>Current period</u>	<u>Previous period</u>
Interest income from deposits and loans	22,113,780	398,207,847
Realized foreign exchange gains	722,328,851	820,961,240
Total	744,442,631	1,219,169,087

5. Financial expenses

	<u>Current period</u>	<u>Previous period</u>
Interests expenses	19,202,710,312	17,605,520,345
Realized foreign exchange losses	1,072,780,623	4,246,455,919
Unrealized foreign exchange losses	2,379,941,983	-
Total	22,655,432,918	21,851,976,264

PHARBACO CENTRAL PHARMACEUTICAL JOINT STOCK COMPANY NO.1
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

B09a-DN/HN

For the fiscal period from January 01, 2025 to June 30, 2025

6. Selling expenses

	<u>Current period</u>	<u>Previous period</u>
Staff expenses	1,203,148,277	1,231,779,426
Materials and packing materials	12,574,103	33,411,553
Fixed asset depreciation	9,294,372	9,294,372
Outside services expenses	666,981,397	707,390,779
Other monetary expenses	644,474,307	511,041,054
Total	<u>2,536,472,456</u>	<u>2,492,917,184</u>

7. General and administrative expenses

	<u>Current period</u>	<u>Previous period</u>
Staff expenses	24,509,629,234	24,258,931,887
Office supply expenses	2,218,628,408	3,059,386,216
Fixed asset depreciation	3,505,069,806	4,015,461,233
Provision expenses	15,390,521,126	7,925,047,233
Outside services expenses	4,692,476,414	5,943,583,738
Other monetary expenses	5,335,229,065	10,031,891,308
Total	<u>55,651,554,053</u>	<u>55,234,301,615</u>

8. Production and operating costs

	<u>Current period</u>	<u>Previous period</u>
Labor costs	54,271,844,177	53,459,686,167
Raw material expenses	231,770,128,424	226,095,564,940
Depreciation of fixed assets	17,273,101,071	15,004,217,588
Provision expenses	18,108,451,619	7,925,047,233
Outside services expenses	7,249,206,174	13,917,085,176
Other monetary expenses	20,368,452,190	10,865,847,378
Total	<u>349,041,183,655</u>	<u>327,267,448,482</u>

9. Current corporate income tax

	<u>Current period</u>	<u>Previous period</u>
Current corporate income tax expense calculated on taxable income for the current year	1,059,662,585	4,641,771,034
Total	<u>1,059,662,585</u>	<u>4,641,771,034</u>

10. Basic earning per share

Basic earnings per share is calculated by dividing the profit or loss after tax attributable to ordinary shareholders of the Corporation by the weighted average number of ordinary shares outstanding during the period.

The Company uses the following information to calculate basic earnings per share:

	<u>Current period</u>	<u>Previous period</u>
Accounting profit after corporate income tax	3,618,871,617	17,485,822,288
Adjustments to increase or decrease accounting profit to determine profit attributable to common stockholders:	3,627,691,122	17,494,739,712
Bonus and welfare fund deductions during the period (*)	-	-
Average outstanding common shares during the period	113,299,902	113,299,902
Basic earnings per share	<u>32.02</u>	<u>154.41</u>

PHARBACO CENTRAL PHARMACEUTICAL JOINT STOCK COMPANY NO.1

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

B09a-DN/HN

For the fiscal period from January 01, 2025 to June 30, 2025

(*): During the period, the Company has not estimated the welfare bonus fund for the first 6 months of 2025 because the Company's charter does not stipulate it. At the same time, the General Meeting of Shareholders has not decided to distribute the Company's after-tax profit.

Average outstanding common shares during the period are determined as follows:

	Current period	Previous period
Average common shares outstanding at the beginning of the period	113,299,902	113,299,902
Average number of additional shares issued and outstanding during the period	-	-
Less: Average number of treasury shares repurchased during the period	-	-
Average common shares outstanding during the period	113,299,902	113,299,902

11. Diluted earnings per share

This indicator reflects diluted earnings per share, taking into account the impact of potential instruments that may be converted into shares in the future and dilute the value of existing shares.

Diluted earnings per share is determined as follows:

	Current period	Previous period
Accounting profit after corporate income tax	3,618,871,617	17,485,822,288
Profit attributable to the Company's common shareholders	3,627,691,122	17,494,739,712
Amount appropriated to the bonus and welfare fund during the period	-	-
Weighted average number of common shares outstanding during the period	113,299,902	113,299,902
Diluted earnings per share	32	154

VII. OTHER INFORMATION

1. Subsequent events after interim consolidated balance sheet date

The Board of Management of the Company affirms that, in their opinion, on material aspects, no extraordinary events have occurred after the accounting books were closed that would impact the financial position or operations of the Corporation, necessitating adjustments or disclosures in the interim consolidated financial statements for the financial period from January 1, 2025, to June 30, 2025.

2. Transactions with related parties

2.1 List of Related Parties

The list of the Company's related parties with balances and major transactions during the period includes:

Related parties	Relationship
Vietnam Pharmaceutical Corporation	Major shareholder
Hai Ha Waterway Transport Company Limited	Major shareholder
Hai Minh Hung Transportation Construction Investment company	Major shareholder
Dai Hai Ha Petro Company Limited	Major shareholder
Phap Van Agriculture Material Joint Stock Company	Major shareholder
Pharbaco Central Hospital No.1 Joint Stock Company	Associate
Viet My Advanced Pharmaceutical Joint Stock Company	Subsidiary
Vietnam Industrial Infrastructure Investment Joint Stock Company	Mr. Nguyen Dinh Tuan is the Chairman of the Company's Board of Directors.
Mr. Nguyen Dinh Tuan	Chairman of the Board of Directors from 10/04/2025, Member of the Board of Directors until 10/04/2025
Mr. Vu Hong Khoa	Chairman of the Board of Directors until 10/04/2025

PHARBACO CENTRAL PHARMACEUTICAL JOINT STOCK COMPANY NO.1

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

B09a-DN/HN

For the fiscal period from January 01, 2025 to June 30, 2025

Related parties	Relationship
Mr. To Thanh Hung	Member of the Board of Directors cum General Director
Ms. Nguyen Thi Thu Ha	Member of the Board of Directors cum Standing Deputy General Director
Ms. Luu Quynh Mai	Member of the Board of Directors
Ms. Ha Thi Thanh Hoa	Deputy General Director
Mr. Nguyen Van Quang	Deputy General Director
Ms. Khong Thi Huong Lan	Head of the Board of Supervisors
Ms. Phung Thi Nga	Member of the Board of Supervisors

2.2 Transactions with related parties

a. Income of key management members

	Current period	Previous period
Board of Directors, Board of Management	1,410,000,000	1,410,000,000
Mr. Nguyen Dinh Tuan	60,000,000	60,000,000
Mr. Vu Hong Khoa	30,000,000	60,000,000
Mr. To Thanh Hung	420,000,000	395,000,000
Ms. Nguyen Thi Thu Ha	290,000,000	265,000,000
Ms. Luu Quynh Mai	10,000,000	10,000,000
Ms. Ha Thi Thanh Hoa	300,000,000	290,000,000
Mr. Nguyen Van Quang	300,000,000	330,000,000
Board of Supervisors	612,000,000	608,808,800
Ms. Khong Thi Huong Lan	114,000,000	112,581,300
Ms. Phung Thi Nga	204,000,000	172,777,500
Ms. Tang Thi Dieu Linh	294,000,000	323,450,000
Total	2,022,000,000	2,018,808,800

b. Transactions with related parties

During the period, the Company had the following major transactions with related parties:

	Current period	Previous period
Rendering of services		
Hai Minh Hung Transportation Construction Investment Company Limited	-	911,515,500
Vietnam Pharmaceutical Corporation	-	911,175,696
Total		1,822,691,196

As at the end of the reporting period, the balances of receivables and payables with related parties are as follows:

	Closing balance	Opening balance
Current receivables from customers (detailed disclosure for item V.3)		
Pharbaco Central Hospital No.1 Joint Stock Company	177,803,010	177,803,010
Hai Minh Hung Transportation Construction Investment Company limited	-	16,976,071,942
Total	177,803,010	17,153,874,952
Other non-current receivables (detailed in Note V.5)		
Hai Ha Waterway Transport Company Limited	-	137,443,287,674
Total		137,443,287,674

Pricing Policy for Transactions Between the Company and Related Parties

Purchases of goods and services from related parties are conducted at market prices.

Receivables are unsecured and will be settled in cash. No allowance for doubtful debts has been recognized for receivables from related parties.

PHARBACO CENTRAL PHARMACEUTICAL JOINT STOCK COMPANY NO.1
NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)

For the financial period from January 1, 2025 to June 30, 2025

3. Segment Profit and Loss Report	Sale of goods and	Sale of finished goods	Other services	Total
REVENUE				
Total revenue	142,745,592,865	363,611,592,175	3,991,450,713	510,348,635,753
Revenue deductions	-	1,203,647,429	-	1,203,647,429
Net Revenue	142,745,592,865	362,407,944,746	3,991,450,713	509,144,988,324
Operating Expenses				
Cost of goods sold	136,998,918,070	287,215,031,640	-	424,213,949,710
Selling Expenses	709,456,711	1,807,177,924	19,837,821	2,536,472,456
Operating Segment Results	5,037,218,084	73,385,735,182	3,971,612,892	82,394,566,158
Unallocated Expenses		-		55,651,554,053
Profit from operating activities				26,743,012,105
Financial income				744,442,631
Financial expenses				22,655,432,918
Other income				91,469,746
Other expenses				275,226,261
Profit before tax				4,648,265,303
Current corporate income tax				1,059,662,585
Deferred corporate income tax expense				(30,268,899)
Profit during the year				3,618,871,617

4. Comparative information

The figures comparing the indicators on the interim consolidated balance sheet are the figures on the audited consolidated financial statements for the fiscal year ending December 31, 2024. The figures comparing the indicators on the interim consolidated business performance report are the figures from the audited interim consolidated financial statements for the accounting period from January 1, 2024 to June 30, 2024.

Hanoi, August 29, 2025

Preparer

Chief Accountant

Standing Deputy General Director



Tran Thi Bich Loan



Nguyen Duc Canh



Nguyen Thi Thu Ha

