

CODUPHA CENTRAL PHARMACEUTICAL COMPANY JSC

262L Le Van Sy Street, Ward Nhieu Loc, Ho Chi Minh City



ANNUAL REPORT 2025

Ho Chi Minh City, March 30, 2025



I. General Information

1. Overview Information

- Transaction Name: **CODUPHA CENTRAL PHARMACEUTICAL COMPANY JSC**
- Business Registration Certificate Number: **0300483319**
- Charter Capital: **182.700.000.000 đồng VN**
- Owner's Investment Capital: **182.700.000.000 đồng VN**
- Address: 262L Le Van Sy Street, Ward Nhieu Loc, Ho Chi Minh City
- Telephone: 028.38.651909
- Fax number: 028.38650750
- Website: codupha.com.vn
- Stock code: CDP

2/ Formation and development process:

The Central Pharmaceutical Company No. 2 was established immediately after the country's reunification on April 30, 1975, under the name "General Warehouse of Pharmaceuticals." Its primary functions and responsibilities included the distribution of finished pharmaceutical products, raw materials for drug production, chemicals, and medical equipment for the healthcare system in the Southern region.

In 1976, the General Warehouse of Pharmaceuticals was divided into two companies: the Medical Equipment and Laboratory Chemical Company, and the Level 1 Pharmaceutical Company. The latter was named Codupha (an abbreviation from the French: La Compagnie Du Pharmaceutique). Codupha was one of two state-owned pharmaceutical companies with the function of distributing finished pharmaceutical products, raw materials for drug production, chemicals, and medical equipment for the Southern region.

In 1985, Level 1 Pharmaceutical Company changed its name to Central Pharmaceutical Company 2 and kept the trading name Codupha.

In 1993, based on Decree No. 388 – HDBT dated May 7, 1992, issued by the Council of Ministers, the Ministry of Health issued Decision No. 409/BYT-QĐ to establish a state-owned enterprise: Central Pharmaceutical Company No. 2 under the Vietnam Pharmaceutical Enterprises Union, now known as the Vietnam Pharmaceutical Corporation (Vinapharm), under the supervision of the Ministry of Health. Codupha was granted import license No. 1.19.1.012 GP on November 5, 1993.

In 1994, Codupha established a branch in Hanoi. Over the past 20 years of development, the Codupha Hanoi branch has been providing pharmaceuticals and medical products to almost all provinces and cities in the Northern region.

In 1997, Codupha established a branch in Can Tho City. Currently, the Codupha Can Tho branch supplies pharmaceuticals and medical products to almost all provinces and cities in the Mekong Delta region.

In 2002, Codupha invested in building a pharmaceutical manufacturing plant in the Lao People's Democratic Republic, adhering to the Good Manufacturing Practice (GMP) standards set by the World Health Organization (WHO).

In 2007, Codupha established a branch in Buon Ma Thuot City, Dak Lak Province. The branch is responsible for distributing pharmaceuticals and medical products to pharmacies and hospital systems in the Central Highlands and Central region ...

In 2008, Codupha established a branch in Vinh City, Nghe An Province, to distribute pharmaceuticals and medical products to pharmacies and hospital systems in the North Central Coast region.

In 2009, Codupha established two new branches in Hai Phong to improve the distribution of medical products in the Northern region. Additionally, the Quang Ngai branch was expanded to better serve the distribution of pharmaceuticals and medical products in the Central region.

In 2010, based on Decree No. 25/2010/NĐ-CP dated March 19, 2010, issued by the Government regarding the conversion of state-owned enterprises into single-member limited liability companies owned by the State, Central Pharmaceutical Company No. 2 was officially renamed Central Pharmaceutical One-Member Limited Liability Company No. 2 according to Decision No. 046/QĐ-TCT dated June 29, 2010, by the Vietnam Pharmaceutical Corporation. The trade name remains Codupha. The company operates under Business Registration Certificate No. 0300483319 issued by the Department of Planning & Investment on August 18, 2010.

In 2012, the company established a representative office in An Giang, specializing in medical equipment and other devices.

In 2014, Codupha established the Codupha Central Branch in Da Nang, replacing the Codupha Quang Ngai branch due to its inefficiency (which was dissolved at the beginning of 2014).

On September 10, 2015, Central Pharmaceutical One-Member Limited Liability Company No. 2 successfully held its initial public offering (IPO) at the Ho Chi Minh City Stock Exchange. The number of shares offered for auction was 2,696,950 shares, and the same number of shares were successfully sold. The highest successful bid was 50,000 VND per share, the lowest successful bid was 10,000 VND per share, and the average successful bid price was 12,976 VND per share. Ngày 22/12/2015, Công ty tổ chức thành công Đại hội đồng cổ đông thành lập Công ty Cổ phần.

On January 2, 2016, the company officially transitioned into a joint-stock company under Business Registration Certificate No. 0300483319, issued by the Department of Planning and Investment of Ho Chi Minh City. This was the 8th amendment of the registration, with a charter capital of 182,700,000,000 VND (one hundred eighty-two billion seven hundred million VND).

3/ Business Sectors and Geographical Scope:

According to Business Registration Certificate No. 0300483319, initially issued by the Department of Planning and Investment of Ho Chi Minh City on August 18, 2010, with the 13th amendment registered on November 6, 2023, and the third amended company charter

approved on April 25, 2024, the business sectors of Central Pharmaceutical Joint Stock Company Codupha are as follows:

- **Pharmaceutical Raw Materials:** Business activities include the trade of raw materials and excipients for the production of preventive and curative drugs, packaging, and other medical products, essential oils, and fragrances. Additionally, it involves various chemicals and testing and inspection chemicals serving the healthcare industry.
- Wholesale rubber, Production of wooden packaging
- Trading in nutritional products for medical purposes. Trading in functional foods and animal and vegetable oils
- Various Goods: trading in a range of products, including:
 - Pharmaceuticals, modern and traditional medicine, common medical equipment, cosmetics, and hygiene products
 - Cotton, gauze, sunglasses, prescription glasses, and other household medical items
 - Vaccines and medical biological products
 - Disinfectant products for household and medical use
 - Machinery, equipment, and electrical appliances such as refrigerators, freezers, washing machines, dryers, air conditioners, ventilation and cooling equipment, odor ionizers, and air filtration devices
- **Medical and Pharmaceutical Machinery:** Trading in medical and pharmaceutical machinery and equipment. Wholesale of measuring instruments, machinery, equipment, and electrical, mechanical, and refrigeration parts and accessories ..
- **Manufacturing Medical Equipment:** Production of medical, dental, orthopedic, and rehabilitation devices and instruments (excluding mechanical processing, waste recycling, and electroplating at the headquarters).
- **Other Business Sectors:** Various other business activities as specified in the Business Registration Certificate ..

4/ -Business area: Nationwide and export.

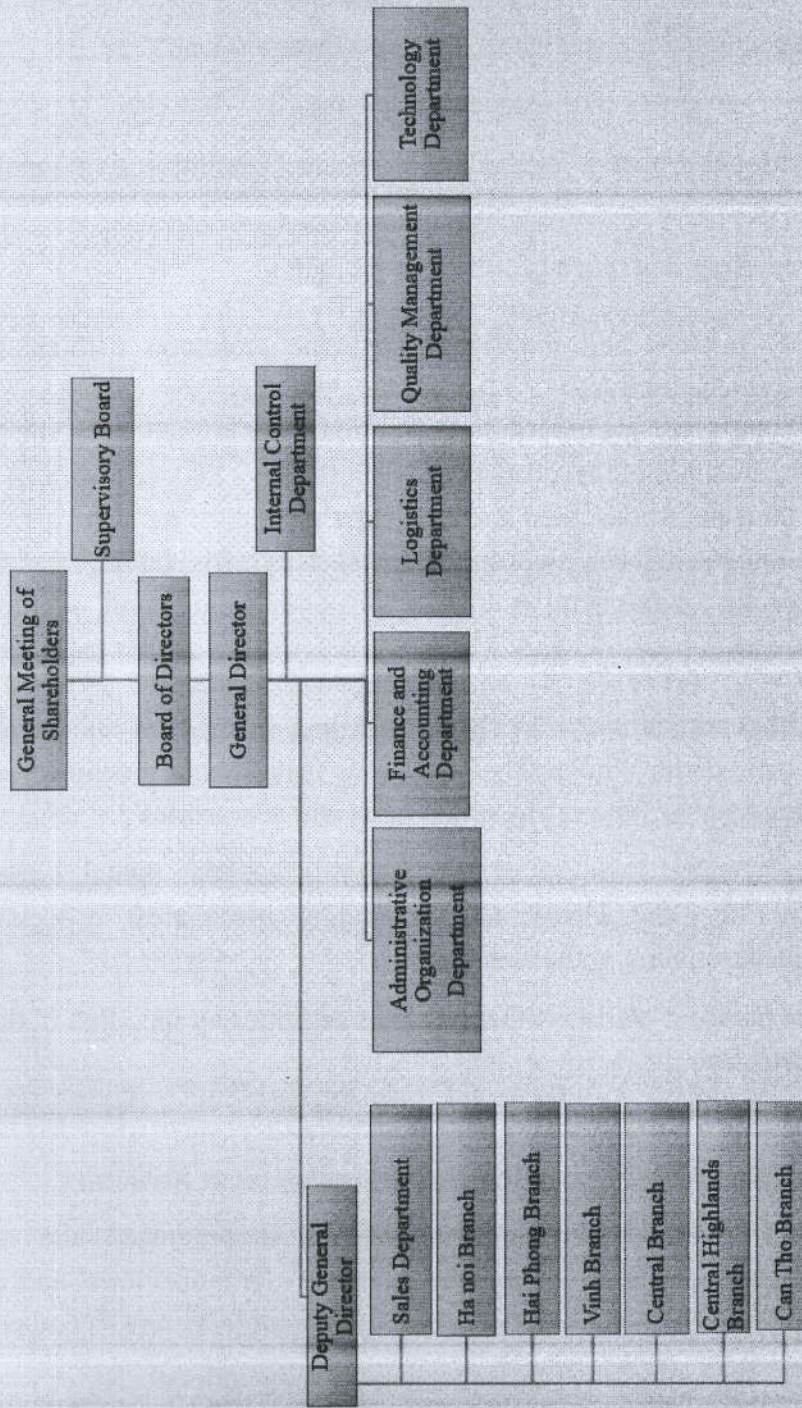
5. Governance Model, Business Organization, and Management Structure

Central Pharmaceutical Joint Stock Company Codupha is organized and operates in compliance with the Law on Enterprises and the company's organizational and operational charter, which was approved by the General Meeting of Shareholders on December 22, 2015.

* The third amendment to the company's organizational and operational charter was approved by the General Meeting of Shareholders on April 25, 2024.

- Governance Model.

ORGANIZATIONAL STRUCTURE CHART OF CODUPHA CENTRAL PHARMACEUTICAL JOINT STOCK COMPANY



- Management Structure:

❖ General Meeting of Shareholders

The General Meeting of Shareholders comprises all shareholders with voting rights and is the highest decision-making authority in the company. The Annual General Meeting of Shareholders makes decisions on issues as regulated by law and the company's charter, particularly the approval of annual financial statements and the development orientation of the company.

❖ Board of Directors

The Board of Directors is the management body of the company and has full authority, in the name of the company, to make decisions and exercise the rights and obligations of the company that do not fall under the authority of the General Meeting of Shareholders.

The number of members on the Board of Directors is five (05). The term of office for a Board member is five (05) years; Board members can be re-elected for an unlimited number of terms.

❖ Supervisory Board

The Supervisory Board is elected by the General Meeting of Shareholders and is responsible for supervising the activities of the Board of Directors and the General Director in managing and operating the company. The Supervisory Board is accountable to the General Meeting of Shareholders for carrying out the duties assigned to it.

The Supervisory Board evaluates the annual financial statements and examines specific financial issues when deemed necessary or as decided by the General Meeting of Shareholders or at the request of major shareholders. The Supervisory Board reports to the General Meeting of Shareholders on the accuracy, truthfulness, and legality of the documents, accounting records, financial statements, and the operations of the internal control system.

The term of office for a Supervisory Board member is not more than five (05) years, and members can be re-elected for an unlimited number of terms.

❖ General Director

The Board of Directors shall appoint a member of the Board or another individual as the General Director and shall enter into a contract stipulating the salary, remuneration, benefits, and other terms related to the employment.

The term of the General Director is five (5) years and may be reappointed for an unlimited number of terms. The appointment may be terminated based on the provisions of the employment contract. The General Director shall not be an individual prohibited by law from holding this position.

The General Director is accountable to the Board of Directors and the General Meeting of Shareholders for performing the assigned duties and exercising the granted powers, and must report to these bodies upon request.

❖ Deputy General Directors:

The Deputy General Directors are appointed, dismissed, or removed by the Board of Directors or signed under a contract. The term of appointment or contract for a Deputy General Director shall not exceed five (5) years and may be renewed or extended. The Deputy General Directors assist the Chairman of the Board of Directors and the General Director as assigned and authorized. Any authorization related to signing contracts or using the Company's seal must be documented in writing.

❖ **Chief Accountant**

The Chief Accountant of the Company is appointed, dismissed, removed, or contracted by the Board of Directors. The term of appointment or contract with the Chief Accountant shall not exceed five (5) years and may be renewed or extended. The Chief Accountant assists the Chairman of the Board of Directors and the General Director in organizing the financial, accounting, and statistical activities of the Company. The rights and responsibilities of the Chief Accountant are stipulated in the signed employment contract and in accordance with the provisions of the law.

❖ **Finance and Accounting Department**

❖ **Function**

Provide advice to the General Director on financial and accounting management in accordance with the current regulations of the State; perform financial, accounting, statistical, and bookkeeping tasks; implement and monitor compliance with policies, principles, and regulations on financial and accounting management in strict accordance with the law of the State.

❖ **Tasks:**

- Perform financial and accounting tasks in strict accordance with current legal regulations.
- Develop and provide guidance for the effective implementation of financial management regulations for the company and its affiliated branches.
- Identify and balance financial resources to ensure adequate and reasonable capital for all company operations.
- Organize and implement accounting operations in compliance with the accounting regulations set by the State, ensuring alignment with the company's actual circumstances. Fully prepare and submit explanatory financial statements to tax authorities and relevant State management agencies.
- Verify the legal accuracy of all records and documents related to the financial and accounting operations of the company and external entities.
- Assess and evaluate matters related to financial operations.
- Directly or collaborate with relevant functional departments to develop strategies for financial operations. Organize and monitor the implementation of plans and targets related to economics and finance. Conduct evaluations and analyses, proposing timely and reasonable solutions to ensure the efficiency of all company activities.
- Directly manage accounts receivable, monitor and recover debts. Establish receivables standards and implement effective measures for debt recovery.

- Compile and report statistics on revenue and expenses in accordance with regulations to the General Director, Deputy General Directors, and relevant functional departments. Develop cost plans, submit for approval, manage expenses, and finalize the company's overall expenditures. Advise and propose recommendations to the General Director to ensure financial resources and reasonable costs for the company's business operations.
- Collaborate with the Administrative and Human Resources Department in organizing bidding and auctions for procurement, new construction, or large-scale repairs of the company's office equipment and working systems.
- Take responsibility for working with and resolving issues involving relevant authorities regarding taxes, fees, and other matters related to the company's business activities.
- Participate in the Company's Asset Liquidation Council; collaborate with the Administrative and Human Resources Department to conduct periodic inventory, assessment, and depreciation of the company's fixed assets.
- Collaborate with specialized departments in the process of contract liquidation.
- Prepare periodic and ad-hoc statistical reports.
- Standardize the management of all forms and documents to ensure compliance with State regulations in business operations.
- Efficiently manage the company's capital sources, accounts receivable, development investment funds, welfare funds, reward funds, financial reserves, and unemployment reserves in a clear and accurate manner, ensuring compliance with the regulations and policies set by the State.
- Advise the General Director on selecting an auditing firm and take the lead in coordinating with functional departments to implement auditing tasks in accordance with regulations.
- Develop, provide guidance on, and monitor the implementation of the company's promotional regulations in compliance with current financial regulations.
- Collaborate with the Sales Department and the Import-Export Department to manage promotional programs in compliance with the company's regulations; establish reasonable inventory norms. Proactively disseminate legal documents related to the specialized field of the Finance and Accounting Department to other departments, branches, stores, and agents of the company.
- Collaborate with functional departments, branches, agents, and the company's stores to develop, refine, and effectively implement standard operating procedures (SOPs) in GDP, GSP, GPP, ISO, and related activities, thereby enhancing the efficiency of the company's business operations.

❖ **The Sales Department:**

- **Functions:**

Advise the General Director on strategies for the distribution of goods and services, as well as business management.

Advise the Board of General Directors on developing business strategies and sales marketing plans. Organize and implement import-export plans, as well as marketing and sales activities.

- **Tasks:**

Business Management: Participate in developing business strategies and collaborate in their implementation. Prepare reports as required; consolidate data and reports as directed by the General Director and the authorized Deputy General Director.

Develop pharmaceutical business strategies, propose methods and measures to effectively fulfill the unit's business tasks.

Create and implement marketing and sales plans: Conduct research, surveys, analysis, and assessments of the business market to identify its potential and evaluate its market influences.

Search for, exploit, and expand business markets. Gather comprehensive information about the market, products, pricing, customers, and competitors. Propose and determine the selling price of goods, along with marketing and sales costs, commissions, and discounts. Organize training sessions on marketing and sales skills for sales staff.

Propose and implement sales and profit targets for affiliated departments.

Effectively organize and implement bidding activities for goods in the treatment sector.

Research and develop new business products to support growth and innovation

Import and export goods management: Monitor and manage import-export documentation and permits. Perform tasks related to receiving and dispatching goods at the southern border checkpoints.

Customer Service and Distribution: Develop and refine the Call Center department to ensure excellent customer care and efficient telephone sales; Collaborate in the creation and establishment of a distribution system, including company branches, agents, and stores; Manage, monitor, and push forward the implementation of domestic sales contracts, processing contracts, and bidding contracts; Issue sales invoices for imported goods and domestically purchased goods; Directly distribute goods to the company's wholesale and retail stores, as well as pharmaceutical centers in the city's districts.

Monitor Product Quality:

Perform sample testing for certain raw materials and finished products imported or distributed by the company; Track information related to substandard drugs; Develop and implement procedures for handling non-compliant goods, file product complaints, and establish drug recall procedures; Collaborate with the Logistics Department to conduct periodic quality inspections of goods; Ensure compliance with current pharmaceutical regulations during inspections.

❖ **Administrative and Organization Department:**

- **Functions:**

The Administrative and Organization Department functions as an advisory body to the General Director in several areas, including: Organizational tasks, personnel management, payroll, and training; Document handling, including clerical work and archiving; General administrative management; Internal political security, protection of company assets, maintaining public order, military self-defense, and fire prevention and control; Implementation of safety policies, occupational protection, workplace hygiene, and other labor-related regulations as per State laws; Asset management, construction, and repair of company office buildings and warehouses, Warehouse business management; Provision of working equipment and other services to support business activities, Inspections and audits; Coordination of commendation, reward, and disciplinary processes, Media, public relations, and external affairs.

The Administrative and Organization Department serves as the primary point of contact with internal and external entities, facilitating the receipt and transfer of documents and materials related to the company's operations.

- **Tasks:**

Organizational and personnel work: Advise and implement the decisions of the General Director regarding organizational work and personnel affairs; manage and monitor all employee records within the organization; fully implement the directives of the General Director in training and retraining professional qualifications, and political theory for the company's staff and employees; establish standards and regulations for training and retraining programs for staff and employees; monitor and report on the implementation of the General Director's decisions in this area.

Labor and Salary Work: Advise and implement labor and salary management for the company's staff and employees in accordance with current regulations; advise on and execute procedures related to insurance policies; develop internal labor rules in compliance with the current Labor Law; disseminate and implement state policies and regulations concerning the rights and obligations of employees; direct the implementation and inspection of self-defense military tasks and fire prevention and firefighting within the organization. Ensure the safety of people and assets of the company.

Emulation and Commendation Work: Advise on the development and implementation of the company's emulation and commendation initiatives based on the provisions of the Law on Emulation and Commendation.

Internal Political Protection Work: Advise the General Director on the implementation of internal political protection efforts, ensuring the political quality of the staff and employees in accordance with Party regulations.

Administrative and Managerial Work: Receive and register incoming documents and materials; present and forward documents to relevant departments based on the directives of the General Director; receive, register, and replicate outgoing documents (as per the recipients). Verify (document format, signing authority), stamp, and promptly issue

documents; manage and use official seals for stamping; report on clerical work in accordance with current regulations.

Archival Work: Archive all "Incoming Correspondence" and "Outgoing Correspondence"; coordinate with the clerical office and the company's units to identify documents and records that need to be collected and archived; carry out the collection of archival documents and records; prepare statistical reports on archival work in accordance with regulations.

Occupational Safety and Labor Protection Work: Conduct occupational safety and labor protection training for employees; provide guidance, supervise implementation, and coordinate inspections on occupational health and safety practices as well as labor protection efforts.

❖ **Warehouse and Logistics Department:**

- **Function:** Advise the General Director on tasks related to the import, export, storage, management, and preservation of the company's goods in compliance with GSP (Good Storage Practice) standards.

- **Tasks:**

Receive documentation and invoices from the Sales Department and affiliated companies or enterprises to carry out import, export, storage, and preservation of all the company's goods, ensuring compliance and safety.

Prepare monthly reports on near-expiry goods and slow-moving inventory for submission to the General Director and related departments.

Compile statistics on processed goods and send them to the Sales Department and the General Director.

Develop and execute contracts for hiring loading and unloading services.

Manage and ensure safety regarding personnel, goods, warehouses, and equipment used for fire prevention and firefighting, as well as the preservation and management of goods in storage.

Coordinate with functional departments, branches, agents, and company stores to improve and implement standard operating procedures in activities such as GDP (Good Distribution Practice), GSP (Good Storage Practice), GPP (Good Pharmacy Practice), ISO, etc., to enhance the company's business efficiency.

❖ **Branches and Representative Offices:**

The company established the Codupha Central Region Branch to replace the Codupha Quang Ngai Branch, maintaining a total of 06 active branches and one representative office, including:

The Codupha Central Pharmaceutical Joint Stock Company Hanoi Branch:

- **Business Registration Number (BRN):** 0300483319 - 008, initially issued on June 21, 2006, amended for the 16th time on May 16, 2024.
- **Address:** 16ÔC2/NO, Nam Trung Yen Area, Yen Hoa Ward, Hanoi City.
- **Phone:** (04) 35406068
- **Fax:** (04) 38584368-385588246

The Codupha Central Pharmaceutical Joint Stock Company Hai Phong Branch:

- **Business Registration Number (BRN):** 0300483319 - 014, initially issued on June 2, 2009, amended for the 9th time on May 25, 2024.
- **Address:** 18/11B Tran Van Giang, Hai An Ward, Hai Phong City.
- **Phone:** (0225) 3569367
- **Fax:** (0225) 3569575

The Codupha Central Pharmaceutical Joint Stock Company Vinh City Branch:

- **Business Registration Number (BRN):** 0300483319 - 012, initially issued on November 7, 2007, amended for the 6th time on May 20, 2024.
- **Address:** 182 Thang Long, Hamlet 14, Vinh Hung Ward, Nghe An Province.
- **Phone:** 0238 3 595 277
- **Fax:** 0238 3 595 278

The Codupha Central Pharmaceutical Joint Stock Company Miền Trung Branch:

- **Business Registration Number (BRN):** 0300483319 - 016, initially issued on June 5, 2014, amended for the 5th time on May 15, 2024.
- **Address:** Street No. 2, Hoa Khanh Industrial Zone, Lien Chieu Ward, Da Nang City.
- **Phone:** 0236.3759456 - 0236.3759468; 0236.3759455
- **Fax:** 0236.3759125

The Codupha Central Pharmaceutical Joint Stock Company Tây Nguyên Branch:

- **Business Registration Number (BRN):** 0300483319 - 011, initially issued on September 27, 2010, amended for the 30th time on May 15, 2024.
- **Address:** 24 Nguyen Trac, Buon Ma Thuot Ward, Dak Lak Province.
- **Phone:** (0500) 3843446
- **Fax:** (0500) 3843447

The Codupha Central Pharmaceutical Joint Stock Company Can Tho Branch:

- **Business Registration Number (BRN):** 0300483319 - 009, initially issued on September 10, 2010, amended for the 4th time on January 25, 2019.
- **Address:** 132 A Nguyen Van Cu Extended, Tan An Ward, Can Tho City.
- **Phone:** 0292.3899099
- **Fax:** 0292.3899011

Representative Office of Codupha Central Pharmaceutical Joint Stock Company - An Giang:

- **Business Registration Number (BRN):** 0300483319 - 015, initially issued on September 14, 2012, amended for the 2nd time on May 14, 2014.
- **Address:** 57 Tran Hung Dao, Long Xuyen Ward, An Giang Province.
- **Phone:** 0763.955.909
- **Fax:** 0763.856.222

Subsidiaries and Associated Companies:

a. List of Subsidiaries:

- **Codupha Laos Pharmaceutical Co., Ltd.:**
 - **Address:** No. 253 Vieng Chaluen Road, Saysetta District, Vientiane Capital, Laos
 - **Capital contributed by the company as of December 31, 2017:** USD 843,300
 - **Ownership percentage held by the company:** 93.7%

b. List of Associated Companies:

- **Alfreasa Codupha Vietnam Medical Co., Ltd.:**
 - **Address:** 262L Le Van Sy Street, Ward Nhieu Loc, Ho Chi Minh City
 - **Capital contributed by the company as of December 31, 2017:** USD 180,000
 - **Ownership percentage held by the company:** 30%

c. List of Other Investments:

- Tuyen Quang Pharmaceutical and Trade Services Joint Stock Company
- Kingdom Indochina Joint Stock Company
- Indochina Urban Development Joint Stock Company

6. Development Orientation:

- The Company's Primary Goals: To become a leading professional distributor.

Development Strategy: The company focuses its intelligence and efforts on overcoming challenges, seizing opportunities, renewing awareness, restructuring its organization, maximizing the use of available capital, boldly investing in equipment and personnel, and applying advanced technology to transform Codupha into a comprehensively strong and thriving enterprise in its core business areas.

Products: Continuously diversify products and services. Prioritize developing traditional markets where market share has been established, as well as products with high technological and technical characteristics.

Market: Strengthen marketing activities and bidding processes to promote the company's brand and products in the market. Implement quality policies effectively to maintain and grow

the brand and market share. Utilize all resources to enhance foreign relations, joint ventures, and partnerships with international counterparts to access global markets.

Science and Technology: Promote initiatives for technical innovation and technology renewal to generate greater profits. Regularly update, research, and apply global advancements in science and technology.

Investment: Invest in the development and completion of the company's branch network. Continue investing in advanced, modern, and industry-specific equipment that reflects technological renewal. Through investment, acquire modern equipment and facilities aligned with global scientific and technical advancements while also training a skilled workforce to meet the company's development needs.

Finance: Strictly manage expenses, ensure effective use of capital, enhance financial capacity, and guarantee continuous, stable, and sustainable development.

Human Resources: Effectively implement policies and benefits for employees, continuously attract talent with effective utilization policies, and further train management staff and professionals to improve their expertise, skills, and work performance.

Development Orientation:

- **Orientation for Industries and Products:** Achieve strong, sustainable growth by focusing on the development of core business areas, creating a competitive advantage in traditional products and services that have already established a market presence.

Deeply innovate corporate governance; establish and promote the company's brand and corporate culture.

Concentrate resources on developing core business areas and expanding into new services and business models. Continue investing in specialized equipment, applying scientific and technological advancements, and promoting initiatives for technical improvement and technological innovation to generate greater profits.

Train and develop a team of employees with excellent professional knowledge, vision to meet job requirements, as well as strong political will and good moral character.

Collaborate with Party organizations and unions to take good care of the material well-being of the company's employees, practice thrift, combat wastefulness, and prevent corruption to make the company increasingly stronger compared to before.

- The sustainable development goals (environmental, social, and community) and the main short- and medium-term programs of the Company: Improving service processes, upgrading infrastructure, and creating a friendly working environment with mutual cooperation and benefit.

The company will proactively rearrange its operational organizational model to align with the structure of a joint-stock company, in order to meet the requirements of production and business activities in the coming years.

The company will review the entire human resources apparatus, consolidate the organization, restructure the management and operations system to match the new model with a streamlined approach; Recruit personnel who have sufficient professional qualifications, competency, and enthusiasm for work that aligns with the company's current and future operations, particularly rejuvenating the workforce while integrating some staff and employees with expertise, capacity, and experience.

The company will innovate the corporate governance methods by implementing specific delegation to each level of management, linking responsibility with benefits—those who achieve high efficiency will receive higher salaries and be promoted to hold more significant responsibilities in the management system. Conversely, there will be measures in place to address ineffective performance or tasks that do not meet the assigned plan

The company will implement an organizational structure for the management apparatus with streamlined functional structures for each department. Additionally, the company will rearrange the personnel in each department to both meet the requirements of business activities and optimize the efficiency of the operational model.

The company will ensure the material and spiritual well-being of its staff. Salary and bonus policies will be fair, transparent, and tied to performance and work quality, with the aim of motivating staff to be creative in their work.

The company will strictly comply with the Charter of the joint-stock company

- Risks: (Specify the risks that may affect production and business operations or the achievement of the company's objectives, including environmental risks): Changes in government policies, bank loan interest rates, exchange rate fluctuations, etc

II. Yearly Operations

Production and business operation status

- Business performance results for the year: (Based on consolidated data)

Unit: million VND

STT	Indicators.	Year 2024	Year 2025	Percentage %
I/	Financial Information			
1	Total Assets	2,134,674	2,414,098	98.78%
2	Liabilities	1.917.466	2.186.401	97.96%
3	Owners' Equity	217,208	227,698	99.30%
4	Authorized Capital	182,700	182,700	100.0%

- The situation of implementation compared to the plan: (According to consolidated data)

Unit: million VND

II/	Business Indicators	Plan 2025	Execution 2025	Execution 2024	Percentage % Execution/ Plan 2025	Percentage % Execution/ 2025/2024
A	B	1	2	3	4=2/1	5=2/3
1	Actual Revenue	3,300,000	3,285,275	3,208,80	99.6%	102.4%
2	Pre-tax Profit	34,370	40,840	27,207	118.8%	150.1%
3	Post-tax Profit	26,660	35,392	19,069	132.8%	185.6%
4	Dividend Payout Ratio (%)	9%	9%	9%	100.0%	100.0%

• On June 25, 2025, the Company announced Disclosure No. 667/CDP/2025 confirming that it had completed the transfer of all shares of Codupha Laos.

• On March 5, 2026, the Company announced Disclosure No. 178/CDP/2026 regarding Decision No. 392/QĐ-BTC dated March 4, 2026, issued by the Ministry of Finance, on the termination of the validity of the Company's overseas investment registration certificate of Codupha Central Pharmaceutical Joint Stock Company.

• Accordingly, Codupha Laos had completed the divestment of its entire subsidiary as of December 31, 2025. Therefore, in 2026 the Company no longer prepares consolidated financial reports.

- The situation of implementation compared to the plan: (According to Separate data.)

Unit: million VND

II/	Business Indicators	Plan 2025	Execution 2025	Execution 2024	Percentage % Execution/ Plan 2025	Percentage % Execution/ 2025/2024	Plan 2026	Plan 2026/ Execution 2025
A	B	1	2	3	4=2/1	5=2/3	6	7=6/2
1	Actual Revenue	3,300,000	3,285,275	3,208,679	99.6%	102.4%	3,450,000	105.0%
2	Pre-tax Profit	36,000	36,184	32,750	100.5%	110.5%	39,738	109.8%
3	Post-tax Profit	28,640	30,736	24,629	107.3%	124.8%	31,238	101.6%

2. Organization and Human resource

- List of the Executive Board (Term 2021–2026)

STT	Full Name.	Position	Notes.
A. Board of Directors			
1	Mr. Le Van Son	Chairman of the Board of Directors	Resigned on October 1, 2025
2	Mr. Bui Huu Hin	Chairman of the Board of Directors	Executive Member - Appointed on October 1, 2025 - Representative of the capital contribution of Vietnam Pharmaceutical Corporation at the Company."
3	Mrs. Ha Lan Anh	Member	Non-executive member - Representative of the capital contribution of Vietnam Pharmaceutical Corporation at the company.
4	Mrs. Lu Thi Khanh Tran	Member	Non-executive member
5	Mrs. Pham Thi Mai Huong	Member	Executive Member - Appointed on November 27, 2025 - Representative of the capital contribution of Vietnam Pharmaceutical Corporation at the company. - Legal Representative of the Company as of April 24, 2025
6	Mr. Pham Thu Trieu	Member	Non-executive member
B. Executive Board.			
1	Mr. Bui Huu Hien	General Director	Resigned on April 18, 2025
2.	Mrs. Pham Thi Mai Huong	General Director	Appointed on April 18, 2025

STT	Full Name.	Position	Notes.
3	Mrs. Đinh Thị Khôi	Deputy General Director	Resigned on March 1, 2025
4	Mrs. Nguyễn Thị Thủy Hương	Deputy General Director	Appointed on June 2, 2025
5	Mr. Nguyễn Triệu Ngọc Thuận	Chief Accountant	Resigned on August 8, 2025
6	Mr. Phạm Chi Trúc	Chief Accountant	Appointed on August 8, 2025
C. Supervisory Board.			
1	Nguyễn Thị Hằng	Head of the Supervisory Board	
2	Nguyễn Thanh Thanh Bình	Member	
3	Trương Chí Thiện	Member	

A - Board of Directors

1. Chairman of the Board of Directors

- Name : **Bui Huu Hien**
- Gender : Male
- Date of Birth : July 25, 1971
- Nationality : Vietnam
- Hometown : Đông Tháp
- Permanent Address : 27/111 Điện Biên Phủ, Ward 15, Binh Thanh District, Ho Chi Minh City
- Educational Level : 12/12
- Professional Qualifications : General practitioner.
- Current Position at the Company : Chairman of the Company's Board of Directors;
- Positions Held in Other Organizations : None
- Legal Violations : None
- Debts Owed to the Company : None
- Related Interests with the Company : None
- Number of Shares Owned : 6,900 shares (accounting for 0.04% of the charter capital).
- Number of shares representing ownership of the capital contribution by : 4,814,500 shares (equivalent to 26.35% of the charter capital).

Vietnam Pharmaceutical
Corporation – JSC.

- Percentage of securities ownership of related persons : None

2. Thành viên HĐQT

- Name : **Pham Thi Mai Huong**
- Gender : Female
- Date of Birth : December 31, 1985.
- Place of Birth : Ho Chi Minh City
- Nationality : Viet Nam
- Ethnicity : Kinh
- Hometown :
- Permanent Address : 204 Chien Thang Street, Ward 9, Phu Nhuan District
- Educational Level : 12/12
- Professional Qualifications : Bachelor of Pharmacy
- Current Position at the Company : Member of the Board of Directors and General Director of the Company.
- Positions Held in Other Organizations : None
- Legal Violations : None
- Debts Owed to the Company : None
- Related Interests with the Company : None
- Number of Shares Owned : None
- Number of shares representing ownership of the capital contribution by Vietnam Pharmaceutical Corporation – JSC. : 43,654,000 shares (equivalent to 20.00% of the charter capital).
- Percentage of securities ownership of related persons. : None

3. Thành viên HĐQT

- Name : **Hà Lan Anh**
- Gender : Female
- Date of Birth : February 14, 1982.
- Place of Birth : Tuyen Quang Province
- Nationality : Viet Nam
- Ethnicity : Kinh
- Hometown : Tuyen Quang
- Permanent Address : Golden Field Building, 24 Nguyen Co Thach, Cau Dien Ward, Nam Tu Liem District, Hanoi.
- Educational Level : 12/12

- Professional Qualifications : Master of Laws
- Current Position at the Company : Member of the Board of Directors of Central Pharmaceutical Joint Stock Company Codupha.
- Positions Held in Other Organizations : Member of the Supervisory Board at Central Pharmaceutical Joint Stock Company No. 3.
Member of the Supervisory Board at Central Pharmaceutical Joint Stock Company CPC1.
- Legal Violations : None
- Debts Owed to the Company : None
- Related Interests with the Company : None
- Number of Shares Owned : None
- Number of shares representing ownership of the capital contribution by Vietnam Pharmaceutical Corporation – JSC. : 3,654,000 shares (equivalent to 20.00% of the charter capital).
- Percentage of securities ownership of related persons: : None

4. Thành viên HĐQT

- Name : **Phạm Thứ Triệu**
- Gender : Male
- Date of Birth : October 11, 1979.
- Place of Birth : Quang Ngai Province
- Nationality : Viet Nam
- Ethnicity : Kinh
- Hometown : Quang Ngai
- Permanent Address : 4/19 Pham Huy Thong Street, Ward 7, Go Vap District, Ho Chi Minh City.
- Educational Level : 12/12
- Professional Qualifications : University of Accounting – Auditing
- Current Position at the Company : Member of the Board of Directors of Central Pharmaceutical Joint Stock Company Codupha.
- Positions Held in Other Organizations : Member of the Board of Directors and General Director of Ben Tre Pharmaceutical Joint Stock Company.
- Legal Violations : None
- Debts Owed to the Company : None
- Related Interests with the Company : None
- Number of Shares Owned : None
- Number of shares representing ownership of the capital contribution by Ben Tre Pharmaceutical Joint Stock Company. : 3,470,000 shares (equivalent to 18.99% of the charter capital).

5. Thành viên HĐQT

- | | |
|--------------------------------------|--|
| - Name | : Lữ Khánh Trân |
| - Gender | : Female |
| - Date of Birth | : August 31, 1979 |
| - Place of Birth | : Thanh Hoa Province |
| - Nationality | : Viet Nam |
| - Hometown | : Thanh Haa |
| - Permanent Address | : Apartment P2007, H1 Building, 60 Nguyen Duc Canh Street, Tương Mai Ward, Hoang Mai District, Hanoi |
| - Educational Level | : 12/12 |
| - Professional Qualifications | : Bachelor of Economics, majoring in Accounting. |
| - Current Position at the Company | : - Member of the Board of Directors of Central Pharmaceutical Joint Stock Company Codupha.
- Member of the Board of Directors of Central Pharmaceutical Joint Stock Company No. 3.
- Member of the Board of Directors of Mekophar Chemical Pharmaceutical Joint Stock Company.
- Member of the Board of Directors of Sanofi-Synthelabo Vietnam Joint Stock Company |
| - Legal Violations | : None |
| - Debts Owed to the Company | : None |
| - Related Interests with the Company | : None |

B - Executive Board:

- | | |
|--------|-----------------------------|
| - Name | : Pham Thi Mai Hường |
|--------|-----------------------------|

The profile has been presented in Section A.2.

1. Deputy General Director:

- | | |
|---|--|
| - Name | : Nguyen Thi thuy Hường |
| - Gender | : Female |
| - Date of Birth | : July 15, 1990. |
| - Place of Birth | : Tinh An Commune, Quang Ngai Province |
| - Nationality | : Viet Nam |
| - Ethnicity | : Kinh |
| - Hometown | : Quang Ngai |
| - Permanent Address | : Mp4.5.14 Mizuki Park, Binh Hung Commune, Binh Chanh District, Ho Chi Minh City |
| - Educational Background | : 12/12 |
| - Professional Qualifications | : University Pharmacist |
| - Current Position at the Company | : Deputy General Director of the Company. |
| - Positions Held in Other Organizations | : None |
| - Legal Violations | : None |

- Debts Owed to the Company : None
- Related Benefits to the Company : None
- Number of Shares Owned : None
- Number of shares representing ownership : None
- Percentage of securities ownership of related persons : None

2. Chief Accountant

- Name: : Pham Chi Truc
- Gender : Male
- Date of Birth : April 12, 1975.
- Place of Birth : Ho Chi Minh City
- Nationality : Viet Nam
- Ethnicity : Kinh
- Hometown : Ho Chi Minh City
- Permanent Address : 185/37/10 Nguyen Van Cu Street, Cho Quan Ward, Ho Chi Minh City.
- Educational Background : 12/12
- Professional Qualifications : Bachelor of Finance and Accounting
- Current Position at the Company : Chief Accountant at Central Pharmaceutical Joint Stock Company Codupha.
- Positions Held in Other Organizations : None
- Legal Violations : None
- Debts Owed to the Company : None
- Related Benefits to the Company : None
- Related Benefits to the Company : None
- Number of Shares Owned : None
- Number of Representative Shares Owned: None

C - Supervisory Board

1. Chairwoman of the Supervisory Board

- Name: Nguyen Thi Hang
- Gender: Female
- Date of Birth: November 18, 1975
- Place of Birth: Thanh Loc Commune, Can Loc District, Ha Tinh Province
- Nationality: Vietnam
- Ethnicity: Kinh

- Hometown: Ha Tinh
- Permanent Address: No. 9 Alley 24, Lane 132, Cau Giay Street, Hanoi
- Educational Background: 12/12
- Professional Qualification: Master's Degree
- Current Position in the Company: Deputy Head of Finance-Accounting Department, Vietnam Pharmaceutical Corporation – JSC
- Positions Held in Other Organizations: None
- Legal Violations: None
- Debts Owed to the Company: None
- Related Benefits to the Company: None
- Number of Shares Owned: None
- Number of Representative Shares Owned: None

2. Member of the Supervisory Board

- Name: Nguyen Thanh Thanh Binh
- Gender: Female
- Date of Birth: September 13, 1991
- Place of Birth: Hanoi
- Nationality: Vietnam
- Ethnicity: Kinh
- Hometown: Hanoi
- Permanent Address: 8C8, National Economics University Campus, Dong Tam Ward, Hai Ba Trung District, Hanoi
- Educational Background: 12/12
- Professional Qualification: Bachelor's Degree in Finance and Accounting
- Current Position in the Organization: Member of the Supervisory Board, Codupha Pharmaceutical Joint Stock Company
- Positions Held in Other Organizations: Specialist at Vietnam Pharmaceutical Corporation - JSC
- Legal Violations: None
- Debts Owed to the Company: None
- Related Benefits to the Company: None
- Number of Shares Owned: None
- Number of Representative Shares Owned: None
- Securities Ownership Ratio of Related Persons: None

3. Member of the Supervisory Board

- Name: Truong Chi Thien
- Gender: Male
- Date of Birth: August 21, 1971

- Place of Birth: Ho Chi Minh City
- Nationality: Vietnam
- Ethnicity: Kinh
- Hometown: Thua Thien Hue
- Permanent Address: 44/D1 Ngo Tat To, Ward 19, Binh Thanh District
- Educational Background: University
- Professional Qualification: Pharmacist
- Current Position: Deputy Head of Business Department
- Positions Held in Other Organizations: None
- Legal Violations: None
- Debts Owed to the Company: None
- Related Benefits to the Company: None
- Number of Shares Owned: 6,800 shares (0.037% of charter capital)
- Number of Representative Shares Owned: None
- Securities Ownership Ratio of Related Persons: None
- Changes in the Executive Board: None

⌘ Number of Employees:

No.	Category	Number of People	Percentage (%)
I	By Gender	369	100%
1	Male	215	58%
2	Female	154	42%
II	By Professional Level		
1	Postgraduate	7	2%
2	University	190	51%
3	College	48	13%
4	Secondary School	70	19%
5	Certified Workers	27	7%
6	General Laborers	27	7%

Summary of Policies and Changes in Policies for Employees:

3. Investment Status and Project Implementation:

a) Major Investments: No investments were made in 2025.

b) Subsidiaries and Affiliates:

+ Subsidiary: Codupha-Lao Co., Ltd

On June 25, 2025, pursuant to Information Disclosure No. 667/CDP/2025, the Company completed the transfer of all shares, equivalent to 93.7% of the charter capital of the Company

in Codupha – Laos Pharmaceutical Co., Ltd. (“Codupha-Laos”). On August 15, 2025, the Ministry of Industry and Commerce of Laos issued a Letter of Confirmation acknowledging that the Company had officially terminated its investment in Codupha-Laos. On March 4, 2026, the Company received Decision No. 392/QD-BTC from the Ministry of Finance regarding the termination of the validity of Investment License No. 2166/GP related to this investment.

Accordingly, Codupha-Laos had completed the divestment of all capital in its subsidiary as of December 31, 2025.

+ Affiliate: Alfresa Codupha Vietnam Co., Ltd

Indicator	2024 (Million VND)	2025 (Million VND)	% Increase/Decrease in 2025 Compared to 2024
1. Total Asset Value	38,099	20,917	54.9 %
2. Owner's Equity	15,246	13,755	90.2 %
3. Net Revenue	69,034	65,707	95.2 %
4. Profit Before Tax	-2,216	-1,489	Loss
5. Profit After Tax	-2,295	-1,489	Loss

4. Financial Situation According to the Consolidated Report (Including Codupha Laos):

a) Financial Status

(Unit: Million VND)

Indicator	2024	2025	% Increase/Decrease in 2025 Compared to 2024
1. Total Asset Value	2,134,674	2,414,098	113.1%
2. Owner's Equity	217,208	227,698	104.8%
3. Net Revenue	3,208,680	3,285,276	102.4%
4. Net Profit from Business Operations	27,688	40,615	146.7%
5. Other Profit	-481	225	
6. Profit Before Tax	27,207	40,840	150.1%
7. Profit After Tax	19,070	35,392	185.6%

Indicator	2024	2025	% Increase/Decrease in 2025 Compared to 2024
8. Dividend Payout Ratio (%)	9%	9%	100.0%

b) Key Financial Indicators:

No.	Indicator	Unit	1/1/2024	31/12/2024
A	Liquidity			
1	Quick Ratio (Short-term assets - Inventory) / Short-term liabilities	Times	0.56	0.59
2	Current Ratio (Short-term assets / Short-term liabilities)	Times	1.02	1.03
B	Asset and Capital Structure			
1	Short-term Assets / Total Assets	%	90.59%	92.22%
2	Long-term Assets / Total Assets	%	9.41%	7.78%
3	Total Liabilities / Total Capital	%	89.82%	90.57%
4	Owner's Equity / Total Capital	%	10.18%	9.43%
C	Debt Ratios			
1	Total Liabilities / Owner's Equity	Times	8.83	9.60
2	Accounts Receivable / Short-term Assets	Times	0.52	0.55
D	Performance Efficiency Indicators			
1	Net Profit After Tax / Total Assets (ROA)	%	0.89%	1.47%
2	Net Profit After Tax / Net Revenue (ROS)	%	0.59%	1.08%
3	Net Profit After Tax / Owner's Equity (ROE)	%	8.78%	15.54%
4	Operating Profit / Net Revenue	%	0.86%	1.24%

5. Shareholder Structure and Changes in Owner's Investment Capital:

a) Shares:

No.	Category	Number of Shareholders	Number of Shares	Restricted Shares		% of Contributed Charter Capital
				Number of Shareholders	Number of Shares	
I	Domestic Shareholders	657	18,208,800	125	322,900	99.66%
1	Organizations	2	15,592,500			85.63%
2	Individuals	655	2,616,300	124	291,300	14.37%
II	Foreign Shareholders	0	0			

No.	Category	Number of Shareholders	Number of Shares	Restricted Shares		% of Contributed Charter Capital
				Number of Shareholders	Number of Shares	
III	Treasury Shares	1	61,200		31,600	0.33%
	Total	642	18,270,000			100%

b) Shareholder Structure Holding Over 5% of Equity as of December 31, 2025:

No.	Shareholder Name	ID/Business License No.	Address	Shares Owned (cp)	Ownership Ratio (%)
1	Vietnam Pharmaceutical Corporation – JSC (Vinapharm)	0100109385	12 Ngo Tat To, Van Mieu, Dong Da, Hanoi	12,122,500	66.35%
2	Ben Tre Pharmaceutical JSC	1300382591	6A3 National Highway 60, Phu Tan, Ben Tre City	3,470,000	18.99%
Total				15,592,500	85.34%

c) Changes in Owner's Investment Capital: None

d) Treasury Stock Transactions: None

e) Other Securities: None

6. Report on Environmental and Social Impacts by the Company: The company consistently provides a favorable working environment, ensures stable employment for workers, and complies with regulations and laws established by the State.

6.1. Management of Raw Materials

6.2. Energy Consumption:

a) Direct and indirect energy consumption: **5,661,776,342 VND**

b) Energy savings achieved through initiatives for efficient energy use

c) Reports on energy-saving initiatives

6.3. Water Consumption: 459,311,356 VND

a) Sources and volume of water usage

b) Percentage and total volume of recycled and reused water

6.4. Compliance with Environmental Protection Laws:

- a) Number of violations and penalties for non-compliance with environmental laws and regulations: None
- b) Total penalties for non-compliance with environmental laws and regulations: **0 VND**

6.5. Policies Related to Employees:

- a) Number of employees and average salary:

- Number of employees: **369 people**
- Average salary: **12,000,000 VND**

- b) Labor policies to ensure health, safety, and welfare of employees:

- Annual company-organized vacations for employees (at least once a year)
- Periodic health checks at hospitals or city health centers
- Full compliance with holidays and Tet vacations as per State regulations
- Provision of complete protective gear and necessary equipment for work

- c) Employee training activities:

- Annual training on fire prevention and workplace safety
- Additional training registered based on the needs of functional departments
- Average annual training hours per employee and per employee category: **34 hours**
- Continuous skill development programs and learning opportunities to support employees in securing employment and career growth

6.6. Reports on Responsibilities to Local Communities:

Community investment and development activities, including financial support for the community: Participation in local initiatives and superior union movements to care for Tet celebrations, organizing charitable medical check-ups and treatments, etc.

6.7. Report on Green Capital Market Activities as guided by the State Securities Commission: *Note:* Section 6 in Part II of this Appendix can be compiled separately into a Sustainability Report, in which items 6.1, 6.2, and 6.3 are not mandatory for enterprises operating in the fields of financial services, banking, securities, or insurance.

III. Report and Evaluation by the Executive Board:

1. Assessment of Production and Business Performance:

1.1. Consolidated Business Results for 2025 (including Codupha Laos)

Unit: Million VND

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No.	Indicator	2025 Target	2025 Actual	% Achieved
1	Revenue from Goods and Services	3,300,000	3,285,275	99.6%
2	Profit Before Tax	34,370	40,840	118.8%
3	Profit After Tax	26,660	35,392	132.4%

1.2. Aggregated Business Results for 2025

Unit: Million VND

No.	Indicator	2025 Target	2025 Actual	% Achieved
1	Revenue from Goods and Services	3,300,000	3,285,275	99.6%
2	Profit Before Tax	36,000	36,185	100.5%
3	Profit After Tax	28,640	30,736	107.3%
4	Welfare Fund	5,000	5,000	100%
5	Bonus Fund (due to completion and exceeding planned profit targets)	5%*Net Profit After Tax (NPAT) + 10% of surplus profit	From NPAT: 5%*NPAT with an amount of 1,537 (Million VND)	
6	Rewards for BOD, Supervisory Board (SB), General Directorate, Chief Accountant, Governance Supervisor, Secretary to the BOD *In case of meeting and exceeding planned pre-tax profit	At least 3 months' remuneration/person		
	- Members of BOD, Supervisory Board:			
	• Members of the BOD and Head of the Supervisory Board		03 months' remuneration/person,	100%
			03 months' remuneration/person,	100%
	• Members of the Supervisory Board		03 months' remuneration/person	100%

No.	Indicator	2025 Target	2025 Actual	% Achieved
	- Governance Supervisor, Secretary to BOD	At least 1.5 months' salary /person	1.5 months'salary /person,	100%
7	Cash Dividend Rate for 2024	9%	9%	100%
8	Average Monthly Employee Income	12	12	100%

- **Pre-Tax Profit per AGM Plan:** Pre-tax profit for the standalone company report in 2025 was **36,184 million VND**, reaching **100.5% of the annual plan**.
- **Post-Tax Profit per AGM Plan:** Post-tax profit for the standalone company report in 2025 was **30,736 million VND**, achieving **107.3% of the annual plan**.

2. ASSESSMENT OF THE PERFORMANCE OF THE GENERAL DIRECTORATE'S PLAN IN 2025

2.1. Fulfillment of Business Targets:

- In 2025, amid the pharmaceutical market continuing to face impacts from tightened legal regulations, drug bidding, price management, and distribution standards, Codupha Central Pharmaceutical Joint Stock Company still maintained stable, safe, and efficient operations. The sales revenue and pre-tax profit targets assigned by the 2025 General Meeting of Shareholders were successfully achieved thanks to the efforts of the company's leadership and employees.
- Business management was enhanced. The Board of Directors regularly inspected and took active measures to resolve inventory, slow-moving goods, bad debts, and doubtful receivables.
- Thanks to proactive management, closely following market developments, and optimizing sales activities, the company sustained reasonable revenue growth, ensured business efficiency, and upheld its reputation with partners, customers, and state regulatory agencies.
- The company closely monitored exchange rate fluctuations and studied the application of hedging tools (such as forward contracts and domestic LCs) suitable to its scale and actual needs, in order to minimize adverse impacts on costs and business performance.
- Certain selling and administrative expenses at the company and its branches were strictly inspected and supervised in business operations to reduce costs.

2.2. Development of New Product Sources:

The sourcing of goods received significant attention, particularly imported Group 1 items and domestically manufactured products invited for hospital bids. Product diversification efforts extended to health supplements, consumables, testing chemicals, and medical devices.

2.3. Nationwide Sales Policy Implementation:

- **Sales to Treatment Facilities:** High alignment between the company and branches in providing and exchanging information on drug bidding activities, medical devices, consumables, testing chemicals, etc., across the country.
- **OTC Sales Activities:** Regularly implemented sales programs, promotions, and post-sales customer care initiatives at branches, and recruited new personnel to meet demands while training employees on sales skills and product knowledge.

2.4. Investment in Infrastructure to Complete the Distribution System:

- Regularly upgraded equipment and transportation means to support the preservation and distribution of goods at headquarters and branches.
- Minor office and warehouse repairs were carried out at the company's headquarters and at Codupha Tây Nguyên, Codupha Vinh branches, among others.

2.5. Human Resources:

In 2025, the company's workforce reorganized departments in a more efficient manner to enhance business performance. At the same time, a few staff members were recruited to replace positions as needed, with priority given to strengthening the direct sales force.

3. ORIENTATION AND BUSINESS PLAN FOR 2026:

3.1. General Situation for 2026:

- In 2026, the pharmaceutical business (drugs, medical supplies, medical equipment, etc.) continues to face many difficulties and challenges. Although healthcare facilities have resumed strong operations, the constant changes in pharmaceutical law, drug bidding regulations, and health insurance policies, along with low-price hospital bidding processes, have created significant obstacles.
- Developing and sourcing competitive products in 2026 is also extremely challenging. Efforts to expand new supply sources from domestic and international manufacturers and suppliers remain limited. Nevertheless, the management team has made strong efforts to maximize sourcing opportunities and enrich the company's product portfolio.
- Bank lending interest rates in 2026 show a clear upward trend with strong volatility. In particular, from late 2025 to Q1/2026, banks adjusted rates from 6% up to 9–10%, with further increases expected.
- The company is also under pressure from rising transportation costs and exchange rate fluctuations, which have driven up input prices for goods.

3.2. Business Target Plan for 2026:

Codupha Pharmaceutical Joint Stock Company sets out the business targets for 2026 to be submitted to the General Meeting of Shareholders as follows:

Business Target	Unit	2025 Target (KH)	2025 Actual (TH)	2026 Target (KH)
1. Net Revenue	Million VND	3,300,000	3,285,275	3,450,000
2. Profit Before Tax	Million VND	36,000	36,184	39,738
3. Dividend Payout Ratio	%	9%	9%	9%

To achieve the above plan, the executive management has developed implementation solutions.

3.2.1 Increasing Profitability

- **Focus on strategic product portfolio:** Review the entire product portfolio, prioritize investment in high-margin brands, while reducing or eliminating investment in low-margin or slow-moving products.
- **Control discounts and promotions:** Establish clear discount and promotion policies to ensure they serve strategic objectives without eroding profit margins.
- **Improve capital turnover:** Reduce inventory and receivables to lower capital and storage costs, thereby enhancing profitability.
- **Control operating expenses:** Conduct a comprehensive review of costs, applying zero-based budgeting for indirect expenses to ensure efficient use of every expenditure.
- **Optimize financial structure – interest rates and exchange rates:**
 - Select banks offering the most competitive interest rates, while negotiating larger credit limits to exert downward pressure on borrowing costs.
 - Restructure debt: manage cash flow weekly and monthly, shorten loan terms from 6 months to 3 months to reduce interest expenses.
 - Centralize cash flow management and hedge against exchange rate risks: for imports, consider signing forward foreign currency contracts to protect profit margins.

3.2.2 Increasing Revenue

- **Expand modern distribution channels:** Strengthen presence in major pharmacy chains, pharmaceutical e-commerce platforms, and specialized hospitals.
- **Invest in new, trending product portfolios:** Focus on OTC, healthcare, and high-margin dietary supplements; simultaneously boost ETC products (diabetes, cardiovascular, hypertension, antibiotics...) with strong growth potential.
- **Enhance value-added services:** Increase customer “partnership value” through services, support, and after-sales policies.
- **Strengthen cooperation with manufacturers:** Promote transfer of new brands or exclusive distribution rights to create long-term competitive advantages.
- **Expand domestic cooperation:** Partner with local manufacturers to temporarily replace imported products at risk of supply disruption, reducing stock-out risks.

3.3.3 Customer Retention & Loyalty

- **Enhance customer service:** Ensure order accuracy, on-time delivery, and fast response via hotline/CRM systems, creating flexible competitive advantages compared to large distributors.
- **Develop loyalty programs:** Establish customer tiers (Diamond, Gold, Silver...) with tailored incentives (discounts, marketing support, gifts); monitor customer satisfaction (NPS) and implement regular improvement actions.

3.3.4 Digital Transformation & Data

- **Implement ERP and BI Dashboard:** Develop dashboards to manage P&L by channel and branch, inventory metrics, DSO, and credit limits; build cost management reports by department and branch.
- **Early risk alerts for supply chain:** Apply inventory and demand forecasting systems, establish early warning mechanisms to proactively plan procurement and manage inventory in real time. This reduces expired product losses and provides a foundation for early warning of receivables risks, protecting state shareholder capital.

3.3.5 Human Resource Management with Goals and KPIs

- **Deploy performance evaluation metrics (KPIs):** Link KPIs directly to business results and cost management efficiency at the individual level. Build a corporate culture of transparency, integrity, and customer orientation.
- **Establish transparent evaluation and reward mechanisms:** Base recognition on actual performance, encouraging initiative, creativity, and personal accountability.
- **Build and promote core values and corporate culture:** Aim for a professional, transparent, cooperative, and efficient work environment, enhancing organizational productivity and internal cohesion.
- **Review and strengthen internal regulations:** Ensure compliance with the Enterprise Law and newly issued tax laws (VAT, CIT), optimizing tax obligations and ensuring legal safety in business operations.

IV. Assessment of the Board of Directors on the Supervision of the Company's Executive Management Activities

The Board of Directors directed and supervised the activities of the Executive Board, promptly resolving issues within its authority. Through monitoring, evaluation, and requiring the Executive Board to provide regular and ad-hoc reports, the Board of Directors assessed that the Executive Board had carried out its assigned tasks in compliance with current laws, the Company's Charter, resolutions of the General Meeting of Shareholders, and resolutions and decisions of the Board of Directors, specifically:

- Successfully organized the Annual General Meeting of Shareholders 2025 on April 18, 2025, and the Extraordinary General Meeting of Shareholders 2025 on November 27, 2025.
- The Executive Board submitted regular reports at Board of Directors' meetings or ad-hoc reports upon request when issues under the authority of the Board or the Chairman arose, promptly proposing solutions and recommendations to facilitate the activities of the General Executive Board.

- Took stronger actions in risk management, strengthened and completed regulations on inventory and debt management, gradually addressed existing shortcomings, and focused on enhancing corporate governance capacity.
- Fully and transparently disclosed information in a timely manner in accordance with regulations of the Stock Exchange and the State Securities Commission. Periodically disclosed information on the organization of the Annual General Meeting of Shareholders 2025, quarterly and annual financial statements, and corporate governance reports.
- Despite many difficulties and challenges, with determination, effort, and close guidance from the Board of Directors, the General Director and management staff successfully steered the Company to achieve the planned revenue and profit targets approved by the Annual General Meeting of Shareholders 2025.

V. Board of Directors' Orientation on Key Business Tasks for 2026

The Board of Directors identifies 2026 as a challenging year, requiring enhanced capacity and proactive adaptation to market fluctuations so that the Company can strive to achieve its business objectives and safeguard shareholder interests. The Board has set out the following key tasks:

5.1 Continue to improve the company's distribution system, renovate and upgrade the Lê Minh Xuân warehouse and branches to ensure product standards; procure additional equipment and transportation vehicles for the company-wide system.

5.2 Review and comprehensively evaluate the product portfolio and business areas; focus on developing high-performing products and services, gradually phasing out or narrowing low-efficiency activities. Strengthen efforts to identify and develop core products, diversify offerings, expand customer distribution channels, and increase revenue.

5.3 Enhance financial management to ensure cash flow balance and liquidity. Strictly control receivables, inventory, production costs, operating expenses, and logistics costs to improve capital efficiency.

5.4 Develop and refine regulations and management processes to align with the company's current operations.

5.5 Prioritize training and improving professional expertise and management capacity for staff. Refine KPI evaluation mechanisms and performance-based incentives to retain and maximize high-quality human resources.

Ho Chi Minh City, March 30, 2026



PHAM THI MAI HƯƠNG