

## **REPORT**

### **Annual in 2025**

#### **I. General Information**

##### **1. General information**

- Trading name: DAPHARCO
- Business Registration Certificate No. 0400101404
- Charter capital: 161,163,830,000 VND
- Address: 02 Phan Dinh Phung, Hai Chau Ward, Da Nang City
- Phone number: (0236) 3822247 - 3810735
- Website: www.dapharco.com.vn
- Stock code : DDN (UPCoM)

##### **2. Establishment and development process**

###### **- Formation and development process:**

+ Company establishment: Da Nang Pharmaceutical - Medical Equipment Joint Stock Company, formerly known as Da Nang Pharmaceutical Company, was established in early 1984. After Da Nang City separated the boundaries under the central government, the Pharmaceutical Company was merged (01/01/1998).

+ The equitization from the SOE of Da Nang Pharmaceutical Company under Decision No. 195/2004/QD-UB, dated 08/12/2004 of the People's Committee of Da Nang City on "approving the equitization plan to transform Da Nang Pharmaceutical Company into Da Nang Pharmaceutical - Medical Equipment Joint Stock Company", the Joint Stock Company officially operates from 01/4/2005.

+ Registration of a public company under the Securities Law at the end of 2007

+ Listing: UPCI - 24/6/2009

###### **- Other events:**

+ Issuing 2,000,000 shares, raising the charter capital from VND 8,000,000,000 to VND 28,000,000,000 by the end of 2007. The State Capital Investment and Trading Corporation holds 36.43%.

+ Issuing 2,040,000 shares, raising the charter capital from VND 28,000,000,000 to VND 50,400,000,000 in the third quarter of 2014. The State Capital Investment and Trading Corporation holds 36.43%.

+ In April 2015, the Annual General Meeting of Shareholders in 2015 and summarized the company's 5 years of operation. At the same time, the Board of Directors and the Supervisory Board for the term 2015-2020 were elected

- + In November 2015, the State Capital Investment Corporation - SCIC (holding 36.43%) divested all capital in the company. Individual investors have bought all of SCIC's shares to divest from the company.
- + Issuance of 3,753,896 shares to increase charter capital from VND 50,400,000,000 to VND 87,938,960,000 – Registration of capital increase in the first quarter of 2017, additional transaction of new shares issued on 30/3/2017.
- + Issuance of 1,318,766 shares to increase charter capital from VND 87,938,960,000 to VND 101,126,620,000 – Registration of capital increase in the fourth quarter of 2018, transaction of additional shares issued on 05/9/2018.
- + On 03/5/2019, the Annual General Meeting of Shareholders approved the change of the organizational structure of the company from the Model: General Meeting of Shareholders, Board of Directors, Supervisory Board, General Director to Model: General Meeting of Shareholders, Board of Directors, General Director, Internal Audit Board of the Board of Directors (without Supervisory Board).
- + Issuance of 2,021,812 shares from dividend in 2018 and bonus shares to increase charter capital from VND 101,126,620,000 to VND 121,344,740,000 - Registration of capital increase in the third quarter of 2019, transaction of additional shares newly issued from August 22, 2019.
- + Issuance of 1,819,841 shares from dividends in 2020, increasing charter capital from VND 121,344,740.00 to VND 139,543,150,000 – Registration of capital increase in the fourth quarter of 2021, additional transactions of newly issued shares from January 19, 2022.
- + Issuance of 1,395,013 shares from dividends in 2021, raising charter capital from VND 139,543,150,000 to VND 153,493,280,000 – Registration of capital increase in the fourth quarter of 2022, additional transactions of newly issued shares from 23/08/2022.
- + Issuance of 767,055 shares from dividends in 2024, increasing charter capital from VND 153,493,280,000 to VND 161,163,830,000 – Registration of capital increase in the third quarter of 2025, additional transaction of newly issued shares from August 12, 2025.

### **3. Business lines and geographical areas**

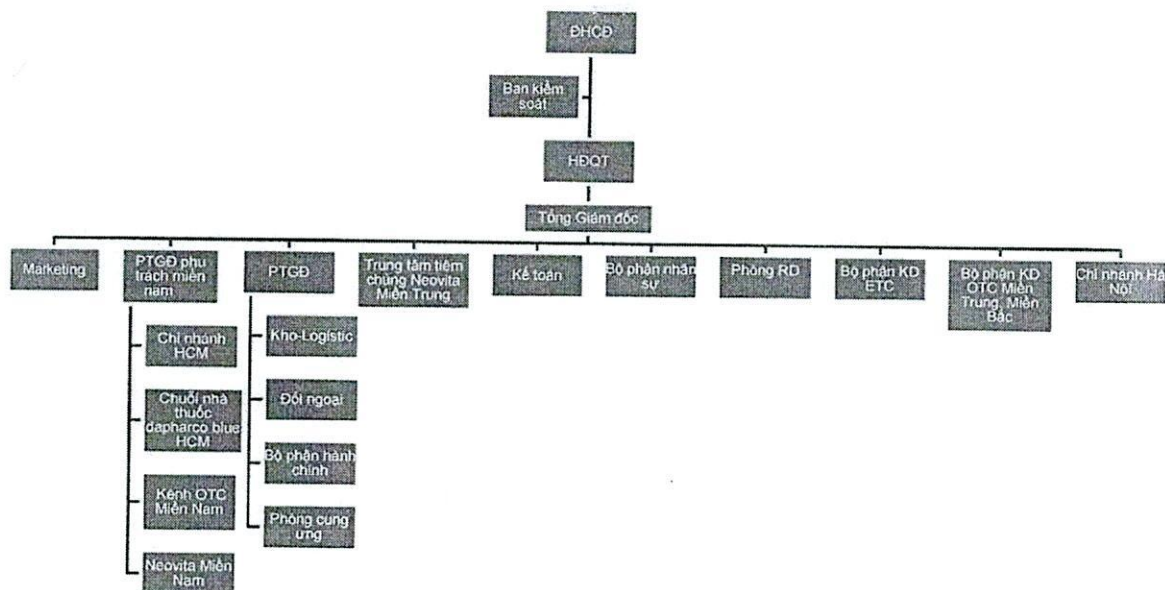
- Main business scope: Trading - import and export of pharmaceuticals, medicinal materials, chemicals, medical equipment - science and technology, nutritional food and disease prevention, preventive medicine, vaccination centers.
- Main business areas: Da Nang, Quang Nam, Ho Chi Minh City and Hanoi

### **4. Information on the governance model, business organization and management apparatus**

- Governance model: The corporate governance model includes the General Meeting of Shareholders; the Supervisory Board of the General Meeting of Shareholders; Board of Directors; Board of Directors.

Structure of the management apparatus:





Subsidiaries, associated companies: No

## 5. Development orientation

- Digital transformation: Continue to invest heavily in information technology infrastructure to promote growth.
- Improve customer experience: Drastically change customer service, putting customers at the center.
- Invest in people: Continue to develop high-quality human resources, train the next team.
- Invest in products: Persist in the goal of developing and improving product quality.
- Optimize operations: Adjust and cut unnecessary procedures to reduce product costs.

## 6. Risks

The world economy and Vietnam had a lower growth rate than expected due to a decline in aggregate demand; inflation has cooled down but remains high; tightening monetary policy, geopolitical instability, natural disasters, climate change... are increasing.

With the fierce competition of enterprises operating in the same industry, along with the change of the Ministry of Health's policy on the mechanism for bidding drugs for medical examination and treatment facilities, which has been affecting the production and business activities of the Company, revenue – especially supply revenue for medical examination and treatment facilities and distribution systems has decreased significantly told.

## II. Operation situation in the year

### 1. Production and business activities

- Results of production and business activities in the year:

Net revenue from sales and service provision: VND 1,068 billion

Total profit before tax : 5.3 billion VND

Basic profit/share : 254 VND

- Implementation compared to the plan:

Criteria	Unit of calculation	Compare to the 2025 plan			Comparison to 2024		
		Implementation	Plan	Rate (%)	Year 2025	Year 2024	Rate (%)
Total Revenue	Billion VND	1,069.5	1,200.0	89%	1,069.5	1,392.7	-23%

Criteria	Unit of calculation	Compare to the 2025 plan			Comparison to 2024		
		Implementation	Plan	Rate (%)	Year 2025	Year 2024	Rate (%)
Profit before tax	Billion VND	5.3	10.5	50%	5.3	9.7	-45%

Profit before corporate income tax in 2025 will decrease by 45% compared to 2024 because in 2024 the Company recorded income from the liquidation of unused accounts and in 2025 the Company recorded a loss from the investment in the NeoVita Vaccination Center and Medical Services system in Ho Chi Minh City.

## 2. Organization and personnel

- List of the Board of Directors as of 31/12/2025:

### Full Name Position

Mr. Nguyen Luong Tam	General Director
Mr. Nguyen Trung	Deputy General Director
Mr. Nguyen Ba Hai	Deputy General Director
Mrs. Tran Thi Anh Minh	Chief Accountant

- Resume:

### Mr. Nguyen Luong Tam – General Director

Date of birth : 20/05/1985.

Nationality : Vietnamese

Qualifications: Bachelor of Accounting.

Work experience:

- From 2009 to 2014: Head of Audit Team of Deloitte Vietnam – Hanoi Office;
- From 7/2014 to 6/2019: Head of Audit Department of Deloitte Vietnam – Hanoi Office;
- From 7/2019 to 1/2022: Head of the Internal Audit Department cum Head of the Supervisory Board of FPT Telecommunications Joint Stock Company;
- From 8/2021 to 1/2022: Deputy Chief Financial Officer of FPT Telecom Joint Stock Company;
- From 04/2022 to 02/2023: Member of the Supervisory Board of Dapharco;
- From 02/2023 to 04/2025: Chairman of the Board of Directors of Dapharco;
- From 04/2025 to present: General Director, Member of the Board of Directors of Dapharco.
- Voting share ownership ratio: 0.31%.

### Mr. Nguyen Trung – Deputy General Director

Date of birth : 28/12/1973.

Nationality : Vietnamese

Qualifications: Level I Specialist Pharmacist, Bachelor of Business Administration.

Work experience:

- From 04/1996 to 11/1999: Salesman of Quang Nam – Da Nang Pharmaceutical Company.
- From 12/1999 to 09/2001: Market Officer of Da Nang City Pharmaceutical Company



- From 10/2001 to 05/2005: Studied as a university pharmacist (4-year concentration program at Hue University of Medical Technology and Pharmacy.
- From 06/2005 to 05/2011: Secretary of the Board of Directors, cum Specialist of Dapharco Sales – Import and Export Department
- From 06/2011 to 10/2018: Secretary of the Board of Directors (Company Secretary), cum Assistant General Director, Specialist of Dapharco Import and Export Sales Department
- From 11/2018 to 12/2019: Assistant General Director, cum Deputy Head of Sales – Import and Export Department of Dapharco.
- From 01/2020 to 7/2021: Assistant General Director, cum Director of Supply – Import and Export Department of Dapharco
- From 08/2021 to now: Deputy General Director, cum Head of Supply - Import Export Department
- Voting share ownership ratio: 0.13%.

**Mr. Nguyen Ba Hai – Deputy General Director**

Date of birth : 14/11/1974.

Nationality : Vietnamese

Qualifications: Bachelor of Economics, High School Pharmacist

Work experience:

- From 04/1999 to 12/2003: Accountant of Ho Chi Minh City Branch
- From 01/2004 to 12/2015: Deputy Director of Ho Chi Minh City Branch
- From 01/2016 to 14/10/2024 : Director of Ho Chi Minh City Branch
- From 15/10/2024 to now: Deputy General Director cum Director of Ho Chi Minh City Branch at Da Nang Pharmaceutical - Medical Equipment Joint Stock Company.
- Voting share ownership ratio: 0.15%.

**Mrs. Tran Thi Anh Minh - Chief Accountant**

Date of Birth : 23/02/1976

Nationality : Vietnamese

Qualifications: Bachelor of Economics

Work experience:

- From 11/1998 to 3/2005, an employee of the accounting and finance department of Da Nang Pharmaceutical Company
- From 04/2005 to 9/2012, an employee of the financial accounting department of Da Nang Pharmaceutical and Medical Equipment Joint Stock Company
- 10/2012 to present: Chief Accountant of Da Nang Pharmaceutical – Medical Equipment Joint Stock Company
- Voting share ownership ratio: 0.13%
- **Number of officers and employees. Summary of policies and changes in policies for employees:** See Section 6.6 Part II of the report.

**3. Investment situation and implementation of projects**

**a) Large investments: No**

**b) Subsidiaries and associated companies: No****4. Financial situation****a) Financial situation**

Criteria	Year 2024 (VND)	Year 2025 (VND)	% increase and decrease
Total Asset Value	1,172,762,265,057	1,020,637,626,984	-13.0%
Net Revenue	1,392,658,709,594	1,067,919,174,793	-23.3%
Profit from business activities	2,708,778,457	1,952,807,186	-27.9%
Other Profits	6,954,488,570	3,394,528,525	-51.2%
Profit before tax	9,663,267,027	5,347,335,711	-44.7%
Profit after tax	7,624,152,377	4,085,916,083	-46.4%
Dividend/charter capital payout ratio	5%	0%	-100.0%

**b) Major financial indicators**

Criteria	Year 2024	Year 2025
<i>1. Solvency criteria</i>		
+ Short-term payment ratio (times):	1.12	1.15
+ Quick payment coefficient (times):	0.94	1.00
<i>2. Indicators on capital structure</i>		
+ Debt/Total Assets Ratio:	0.83	0.80
+ Debt/Equity Ratio:	4.76	3.93
<i>3. Indicators of operational capacity</i>		
+ Inventory turnover (times):	9.32	6.74
+ Turnover of total assets	1.47	0.97
<i>4. Profitability indicators</i>		
+ Profit After Tax/Net Revenue Ratio (%)	0.5%	0.4%
+ Profit After Tax/Equity Ratio bq (%)	3.8%	2.0%
+ Profit after tax/Total assets bq (%)	0.8%	0.4%
+ Profit from business activities/Net revenue ratio (%)	0.2%	0.2%

**5. Shareholder structure, change of owner's investment capital (31/12/2025)****a) Shares:**

- Total number of shares outstanding : 16,116,383 shares
- CP Type : Common Shares
- Number of freely transferable shares : 16,116,383 shares
- Number of shares restricted from transferability : No

**b) Shareholder structure:**

Shareholder Structure	Quantity	Ownership Shares	Rate (%)
+ Major shareholders	4	12,096,694	75.1%
+ Minority shareholders	1,122	4,019,689	24.9%



Shareholder Structure	Quantity	Ownership Shares	Rate (%)
+ Institutional shareholders	8	9,931,931	61.6%
+ Individual shareholders	1,118	6,184,452	38.4%
+ Domestic shareholders	1,122	16,082,709	99.8%
+ Foreign shareholders	4	33,674	0.2%
+ State shareholders	0	0	0%
+ Other shareholders	1,126	16,116,383	100%

- Profit distribution in 2024:

According to the Resolution of the General Meeting of Shareholders No. 10/2025/NQ-ĐHĐHD dated 18/04/2025, the Company announces the distribution of profits in 2024 as follows:

+ The number of additional shares issued corresponding to the additional charter capital: 767,055 shares;

+ Form of issuance: Issuance of shares to pay dividends in 2024 at the rate of 5% (for every 100 shares, receive 5 more shares);

+ The Company has completed the issuance of shares to pay dividends according to the information disclosure report No. 850/BC-CT dated 23/06/2025 and the additional transaction of newly issued shares from 12/08/2025.

- Treasury stock trading: No

c) Other securities: No

## **6. Environmental and social impact reporting of the company**

### *6.1. Impact on the environment:*

Total direct and indirect greenhouse gas (GHG) emissions: No

Initiatives and measures to reduce greenhouse gas emissions : *No*

### *6.2. Management of raw materials:*

a) Total amount of raw materials used for the production and packaging of the organization's main products and services in the year: 30,000 kg

b) Report on the percentage of recycled raw materials used for the production of the organization's main products and services: No

### *6.3. Energy consumption:*

a) Direct and indirect energy consumption: 332,376 KW/h of electricity

b) Energy saved through energy efficiency initiatives: No

c) Reports on energy-saving initiatives (provision of energy-saving products and services or use of renewable energy); report the results of these initiatives: No

### *6.4. Water consumption: (water consumption of business activities in the year)*

a) Water supply and water consumption:

\* Supply: City's domestic water - Da Nang City Water Supply Company

\* Water consumption: 5,088 m<sup>3</sup>

b) Percentage and total amount of recycled and reused water: No

### *6.5. Compliance with the law on environmental protection*

a) Number of times sanctioned for violations due to non-compliance with environmental laws and regulations: No

b) Total amount of money due to sanctioned violations due to non-compliance with environmental laws and regulations: No

#### 6.6. Policies related to employees

a) Number of employees, average salary for employees.

- Average number of employees: 200 people

- Average salary/employee/month: 13,400,000 VND

b) Labor policies to ensure the health, safety and welfare of employees/

- The company implements the working regime 5.5 days/week, 08 hours/day. The organization of overtime ensures the time according to the Labor Law and is entitled to overtime wages in accordance with the provisions of the State Law.

- Regulations on paying salaries and bonuses publicly, fairly according to work and dedication to the company. Pay salaries on time,

- Fully implement the signing of labor contracts for all employees, periodically consider salary increase for employees once a year,

- Pay all types of insurance in full and on time as prescribed, buy accident insurance for employees working with high risks, annually carry out health checks for all employees,

- Organizing the 2024 Employee Conference in accordance with the State's regulations,

c) Labor training activities

- Average training hours per year, by employee and by employee classification.

\* Average training hours per year for sales employees: 16 hours

\* Average training hours per year for production workers: 24 hours

\* Average training hours per year for office employees: 20 hours

- Skills development and continuous learning programs to support employees to ensure employment and career development: Regularly pay attention to training to improve professional qualifications for employees to better serve production and business management.

#### 6.7. Reports related to responsibilities to local communities.

Community investment and other community development activities, including financial assistance to serve the community:

- The company has distributed 1000 family medicine cabinets including medicines, medical supplies and necessities free of charge to people in flooded areas in Da Nang, Quang Nam and Cao Bang.

- The company has implemented the program of Medical Examination – Drug Distribution – Gift Giving in Song Kon Commune, Dong Giang District, Quang Nam Province with a total budget of 158 million VND.

6.7. Reports related to green capital market activities under the guidance of the SSC: No.

### III. Report and evaluation of the Board of Directors :

#### 1. *Evaluation of production and business results*

In 2025, business operations will continue to face many difficulties and challenges due to increasing geopolitical uncertainties, food security, natural disasters, and climate change. However, during the past year, with great efforts and determination in sticking to the set goals, the Board of Directors and the Company's Board of Directors have implemented many



solutions to effectively implement the Resolution of the General Meeting of Shareholders in 2025.

The company has ensured 100% of employees have jobs, stabilize and increase income for employees, ensure dividends as planned; Implement the payment to the state budget for amounts related to the employee regime such as social insurance, health insurance, etc. fully and on time; Timely supply of adequate medicines and medical equipment for medical examination and treatment needs in Da Nang City and the Central Region; Ensuring the quality of drugs supplied; Properly organize the distribution of proprietary and exclusive products.

*- The progress the company has made :*

- + There have been positive results of the operation of the ETC channel including revenue growth and efficiency.
- + Import consignment services continue to maintain growth and are a reputable import-export partner in the pharmaceutical sector in Vietnam.
- + The Ecotherapy project achieved revenue growth of 2.7 times compared to 2024, creating a premise for setting higher goals in the coming time.
- + The optimization of capital use brings high efficiency to financial activities.
- + Maintain good operation according to ISO 9001-2015, ISO 9001-13485 standards throughout the company's system.
- + The company continues to be voted as the Top 10 prestigious medical equipment and healthcare companies in Vietnam 2025 and for 10 consecutive years from 2016 to 2025, it is in the top 10 prestigious pharmaceutical and medical equipment companies in Vietnam.
- + The company's brand is increasingly known by domestic and foreign partners and interested consumers; Many partners have strengthened links in buying and selling, agents; Promptly supply enough medicines and medical supplies for medical examination and treatment needs in Da Nang City and the Central-Central Highlands; Ensuring the quality of drugs supplied; Properly organize the distribution of proprietary and exclusive products.
- + Actively participate in community contribution activities such as medical examination and treatment for the poor, support for flood-affected people in the northern and central provinces.

## **2. Financial situation**

a) Asset situation:

**Total Assets at the beginning of the period : 1,172,762,265,057 VND**

*In which:*

Short-term TS : 1,080,165,522,864 VND

Long-term TS : 92,596,742,193 VND

**Total Assets at the end of the period : 1,020,637,626,984 VND**

*In which:*

Short-term TS : 932,212,268,849 VND

Long-term TS : 88,425,358,135 VND

*- Analysis of the asset situation, fluctuations in the asset situation:*

Total assets decreased by 152,124,638,073 VND, of which: short-term assets decreased by 147,953,254,015 VND, long-term assets decreased: 4,171,384,058 VND.

+ **Short-term assets decreased compared to the beginning of the year : 147,953,254,015 VND mainly due to:**

\* Short-term receivables decreased : 94,706,265,947 VND

\* Reduced inventory : 45,525,882,455 VND

Inventories decreased mainly due to the decrease in the value of goods on the way of import entrustment activities at 31/12/2025 compared to 01/01/2025. Short-term receivables are mainly receivables of import trust activities, which decrease in proportion to payments to foreign suppliers.

**b) Situation of liabilities:**

**- The current debt situation, large fluctuations in debts.**

Short-term liabilities accounted for 99.7% of total liabilities, mainly Short-term Seller Payables, Short-term Prepaid Buyers, Employee Payables, and Bank Short-term Loans. Liabilities to short-term sellers account for 75% of the total capital (approximately equivalent to the ratio of short-term receivables ~71%), this is a characteristic of the trading and entrustment business of the import of Pharmaceuticals – Medical Equipment, However, short-term debts rotate continuously on time.

***Short-term debt compared to the beginning of the year decreased by 155,746,846,783 VND, mainly due to :***

\* Payables to short-term sellers decreased by VND 130,561,797,272;

\* Short-term loans from banks decreased by VND 15,365,268,555.

The decrease in seller payables was mainly due to the decrease in foreign supplier liabilities of import entrustment activities and commercial business activities, corresponding to the decrease in customer receivables.

Taking advantage of the policies of the Government and the Bank in regulating interest rates to support businesses in difficult times, the Company has proactively increased short-term loans to optimize the efficiency of business and financial activities and still ensure the safety of the balance of payments when 100% of loans are paid on time.

**- Analysis of bad liabilities, the impact of the difference in exchange rates on the company's production and business results, and the impact of interest differentials.**

+ In the year, there are no bad debts. The debts payable are all paid on time, according to the agreement.

+ During the year, the fluctuation of foreign exchange rates does not greatly affect the company's efficiency because the company has taken remedial measures with an appropriate selling price structure.

+ Loan interest rates at the end of 2025 tend to increase gradually, so the company has proactively adjusted the short-term loan balance to serve both business activities and financial investment activities, improving the efficiency of the Company.

***3. Improvements in organizational structure, policies and management :***

- Continue to restructure the business segment, ensure uniform management, increase operational efficiency;

- Supplementing and amending a number of management regulations, strengthening the Company's internal management,

***4. Development plan in the following year:***

- Continue to maintain and improve the value and contribution rate of the ETC channel and import consignment services.



- Expanding ETC contracting services in the southern market, expanding ETC service partners in the central region
- Promote international cooperation to register high-quality drug products, as well as medical supplies for circulation in Vietnam.
- Developing Ecotherapy projects including expanding market share, selling points and brand recognition.
- Strong restructuring of the NeoVita project:
  - + NeoVita Ho Chi Minh City officially terminated its operation
  - + NeoVita Da Nang focuses on optimizing operations and improving efficiency.
- Consider investing in ISO 22716 as well as CGMP compliant factory projects in cosmetics at an appropriate time on the basis of careful assessment of the market situation as well as current regulations

***Explanation of the Board of Directors to the audit opinion:*** No

***5. Assessment report related to the company's environmental and social responsibility:***

The company has well implemented its commitments to environmental and social responsibility.

a. Assessment related to environmental indicators (water consumption, energy, emissions, etc.): The Company has many regulations and measures to use water and energy for the right purpose and economically. At the same time, always pay attention to the treatment of emissions in accordance with the provisions of the law.

b/ Assessment related to employee issues; The company has well implemented policies for employees.

c. Assessment related to the responsibility of the enterprise to the local community: The company always supports local policies; Fully contribute to mandatory obligations and always voluntarily contribute many other amounts to local activities

**IV. Evaluation of the Board of Directors on the Company's activities**

**1. Evaluation of the Board of Directors on the Company's operations**

Business activities in 2025 will continue to face many difficulties and challenges with geopolitical instability, food security, natural disasters, climate change, etc. are increasing. However, in the past year, with efforts and determination to stick to the set goals, the Board of Directors and the Board of Directors of the Company have had effective solutions to implement the Resolution of the General Meeting of Shareholders in 2025.

**2. Evaluation of the Board of Directors on the operation of the Board of Directors of the company:**

According to the assessment of the Board of Directors, the Board of Directors has made many efforts in performing the assigned tasks in 2025, strictly complying with current legal regulations and the Company's operating regulations. The Company's organization, control, and management system is maintained and improved. Information and reports on the Company's activities shall be sent to the Board of Directors in a timely manner and in accordance with regulations.

**3. Plans and orientations of the Board of Directors:**

**Key tasks in 2026:**

- The Board of Directors shall, based on its functions and tasks, complete and promulgate necessary regulations to strengthen the governance and administration of the Company.
- Flexibly adjust the Company's business strategy in accordance with the situation.
- Improve the management system in an advanced direction, continue to improve the financial management capacity, ensure the safety and efficiency of the Company's finances to meet the strength for the management of the Company in accordance with the scope of powers and tasks of the Board of Directors specified in the Charter of organization and operation of the Company.
- Ensure the strict implementation of functions according to the decentralization framework, key processes and regulations that have been issued. All activities must follow plans, regulations, regulations, and above all, compliance and discipline.
- Focus resources on the Company's proprietary products.
- Maximizing the application of information technology in production and business activities and digitalization in corporate governance.
- Improve integrity and thoroughly apply benefit sharing throughout the system.
- Strengthen training, promote personnel from within, take people as the center of development.

## **V. Corporate Governance**

### **1. Board of Directors**

#### ***a) Members and structure of the Board of Directors:***

<b>Full Name</b>	<b>Percentage of shares with voting rights (%)</b>	<b>Operated/non-university TV</b>	<b>SL titles held in other TCs</b>	<b>Notes</b>
Do Thanh Trung	10,7	Non-Executive	- Chairman of the Board of Directors, General Director of Megram Joint Stock Company; - Member of the Board of Directors, General Director of Lam Dong Food Joint Stock Company (Ladofood);	Chairman of the Board of Directors
Nguyen Luong Tam	0,31	Executive	- Member of the Board of Directors of Lam Dong Food Joint Stock Company.	GENERAL DIRECTOR, MEMBER OF THE BOARD OF DIRECTORS



Dinh Thi Mong Van	00	Non-Executive	- Deputy General Director of Megram Joint Stock Company - Chairman of the Board of Directors of Lam Dong Food Joint Stock Company	Board of Directors TV
Hoang Trung Dung	00	Independence	0	Board of Directors TV
Vu Thien Tiep	6,2	Non-Executive	0	Board of Directors TV

**b) Subcommittees of the Board of Directors:** Finance Subcommittee; Subcommittee on Human Resources for Internal Affairs and Legal Affairs; Internal Audit Subcommittee.

**c) Activities of the Board of Directors:**

*The Board of Directors approved a number of main contents as follows:*

+ Approved the contents of the General Meeting of Shareholders and successfully held the Annual General Meeting of Shareholders in 2025.

+ Adjust the organizational chart, change the company's management personnel.

+ Unify policies, adjust the Decentralization Framework to improve the operational efficiency of the apparatus...

*The Board of Directors directed:*

- Directing the management of enterprises and production and business tasks, ensuring that the Company's operations are safe and efficient, complying with state laws, Resolutions of the General Meeting of Shareholders and Resolutions of the Board of Directors.

- Continue to direct and supervise the implementation of the restructuring of the Company's organizational model; Implementing business restructuring; Implementing the revised decentralization framework and key processes; Evaluate and adjust the operation of the company system in accordance with the socio-economic situation.

- Evaluate and adjust the system of processes and working regulations, direct standardization in order to strengthen the supervision of the implementation of these processes and regulations in all aspects of the Company's activities.

Anonymous	Number of Resolutions/Decisions	Date	Contents	Pass Rate
1	01/2025/NQ-HDQT	17/2/2025	NQ held the 2025 Annual General Meeting of Shareholders	100%
2	02/2025/-QD-HDQT	3/3/2025	approval for investment in the project: Drug and medical equipment factory (03 floors) at Lot C2-7, Street No. 15, Hoa Cam Industrial Park, Hoa Tho Tay Ward, Cam Le District, Da Nang	100%

Anonymous	Number of Resolutions/Decisions	Date	Contents	Pass Rate
3	11/2025/NQ-HDQT	18/4/2025	Election of Chairman of the Board of Directors for the term 2025-2030	100%
4	13/2025/NQ-HDQT	18/4/2025	Appointment of General Director - Legal Representative	100%
5	14/2025/NQ-HDQT	22/4/2025	Adjustment of the Company's organizational chart	100%
6	15/2025/QD-HDQT	22/4/2025	Adjustment of the approval decentralization framework for the Board of Directors and General Director	100%
7	17/2025/QD-HDQT	7/5/2025	Decision on approving the plan to issue shares to pay dividends in 2024	100%
8	18/2025/QD-HDQT	21/5/2025	Adjusting the plan to issue shares to pay dividends in 2024	100%
9	19/2025/NQ-HDQT	29/5/2025	Last registration date for existing shareholders to exercise the right to receive dividends in 2024 in shares	100%
10	22/2025/QD-HDQT	23/6/2025	Approval of the results of the issuance of shares to pay dividends from undistributed profits until the end of 2024 of the Company	100%
11	23/2025/NQ-HDQT	26/6/2025	Selection of auditors for financial statements in 2025	100%
12	24/2025/NQ-HDQT	27/6/2025	Amendment to the charter of Da Nang Pharmaceutical - TBYT Joint Stock Company	100%
13	31/2025/NQ-HDQT	28/10/2025	Organizing the collection of shareholders' opinions in writing	100%
14	37/2025/NQ-HDQT	9/12/2025	NQ etc amendment of the charter	100%

**d) Activities of non-executive members of the Board of Directors:** The company has 02 non-executive members of the Board of Directors who fully participate in and grasp the cabinet meetings of the Board of Directors as well as the entire operation and governance of the Company, and implement the regime of written reporting as prescribed.

**e) Activities of subcommittees in the Board of Directors:**

The sub-committees of the Board of Directors work according to the charter, statutes and regulations of the Company. The Subcommittees have contacted and worked with the executive board, relevant departments to collect information, evaluate the implementation of the resolutions of the Board of Directors and the General Meeting of Shareholders as well as the compliance and risk management of the Company.

- The Finance Subcommittee shall appraise and monitor and evaluate the budget plan and financial plan for the Company;



- The Internal Affairs and Legal Personnel Subcommittee assesses the objectives in human resource management and internal affairs of the Company;
- The Internal Audit Subcommittee has contacted and worked with stakeholders such as the Independent Audit Firm reviewing and auditing financial statements, the Executive Board and professional departments to supervise implementation plans and exchange directions to handle arising problems.

*f) List of members of the Board of Directors with certificates of training in corporate governance: No.*

## **2. Control Board:**

### *a) Members and structure of the Control Board:*

Anonymous	Member of the Supervisory Board	Position	Start date as a member of the Supervisory Board	Qualifications
1	Ms. Nguyen Thi Yen	Head of the Supervisory Board	18/4/2025	Bachelor of Accounting
2	Ms. Pham Thi Minh Ngoc	Members	18/4/2025	Master of Business Administration
3	Ms. Nguyen Thi Thanh Thuy	Members	18/4/2025	Master of Accounting

### *b) Meetings of the Control Board*

Anonymous	Member of the Supervisory Board	Number of meetings attended	Meeting Attendance Rate	Voting Rate	Reasons for not attending the meeting
1	Ms. Nguyen Thi Yen	2/2	100%	100%	-
2	Ms. Pham Thi Minh Ngoc	2/2	100%	100%	-
3	Ms. Nguyen Thi Thanh Thuy	2/2	100%	100%	-

## **3. Supervisory activities of the Supervisory Board of the Board of Directors, the Executive Board and shareholders:**

- Supervise the compliance with the company's charter and the Resolution of the General Meeting of Shareholders when the Board of Directors and the Board of Directors and management members implement it. Inspect and supervise the management and implementation of production and business activities at branches and units.
- Examine quarterly, semi-annual and annual financial statements in order to assess the reasonableness and accuracy of financial figures.
- Examining reports of the Executive Board on the governance and implementation of production and business plans, investment plans of the Executive Board on a monthly, quarterly and annual basis.
- Checking and controlling compliance with the Company's processes and regulations.

**4. Coordination between the Supervisory Board for the activities of the Board of Directors, the Executive Board and other managers:**

- During the inspection, the Supervisory Board participates in periodic meetings, strategic and planning meetings of the company, works with the Executive Board to grasp the actual business and management situation, exchange solutions to improve the efficiency of inspection and control, etc hedging risks.

**5. Other activities of the Control Board (if any): No**

**6. Transactions, remuneration and benefits of the Board of Directors, the Board of Directors and the Supervisory Board**

**a) Salaries, bonuses, remunerations and benefits:**

- Salary, bonus, remuneration of the Board of Directors, Supervisory Board, Board of Directors:

STT	Name	Position	Duration	Remuneration
<b>A</b>	<b>BOARD</b>			<b>144,000,000</b>
1	Do Thanh Trung	Chairman of the Board of Directors	From 18/04-31/12/2025	33,000,000
2	Nguyen Luong Tam	Member of the Board of Directors	From 01/01-31/12/2025	27,000,000
3	Dinh Thi Mong Van	Member of the Board of Directors	From 01/01-31/12/2025	24,000,000
4	Nguyen Trung	Member of the Board of Directors	From 01/01-01/12/2025	22,000,000
5	Hoang Trung Dung	Independent Board of Directors TV	From 01/01-31/12/2025	24,000,000
6	Vu Thien Tiep	Independent Board of Directors TV	From 01/12-31/12/2025	2,000,000
7	Pham Thi Minh Ngoc	Secretary of the Board of Directors / Person in charge of corporate governance	From 01/12-31/12/2025	12,000,000
<b>B</b>	<b>SUPERVISORY BOARD</b>			<b>42,000,000</b>
1	Nguyen Thi Yen	Head of Department	From 01/01-31/12/2025	18,000,000
2	Pham Thi Minh Ngoc	Members	From 01/01-31/12/2025	12,000,000
3	Nguyen Thi Thanh Thuy	Members	From 01/01-31/12/2025	12,000,000
	<b>TOTAL</b>			<b>186,000,000</b>

**\* Income of the Board of Directors (\*):**

STT	Name	Position	Duration	Income
<b>A</b>	<b>BOARD OF DIRECTORS</b>			<b>4,199,391,268</b>
1	Nguyen Luong Tam	General Director – Member of the	From 01/01-31/12/2025	2,072,817,453



		Board of Directors		
2	Nguyen Trung	Deputy General Director	From 01/01-31/12/2025	913,305,063
3	Nguyen Ba Hai	Deputy General Director	From 01/01-31/12/2025	1,213,268,752

(\*) Includes the 2024 business result bonus spent in 2025.

**b) Trading of stocks of insiders and related persons:**

Anonymous	Transaction Executor	Relationship with Insiders	Number of shares owned at the beginning of the period		Number of shares owned at the end of the period		Reasons for increase and decrease (buying, selling, converting, bonus...)
			Number of shares	Rate	Number of shares	Rate	
1	Do Thanh Trung	Chairman of the Board of Directors	981.645	6,09	1.333.745	8.28%	Buy Stocks

**c) Contracts or transactions with internal shareholders:**

ST T	Name of organization/individual	Relationship with the company	NSH Certificate number, date of issue, place of issue	Head Office Address/Contact Address	Number of Resolutions/Decisions of the General Meeting of Shareholders/ Board of Directors... (if any, specifying the date of promulgation)	Contents, quantity, total value of transactions	Notes
1	Megram Corporation	Parent Company	0105284398, issued for the first time on April 27, 2011, Hanoi Department of Planning and Investment	17th Floor, 319 Corporation Building, No. 63 Le Van Luong Street, Thanh Xuan Ward, Hanoi City	Resolution No. 26/2024/NQ-HDQT dated 13/08/2024 (authorizing the Chairman of the Board of Directors to approve/delegate the Board of Directors to sign and execute contracts for the purchase and sale of goods and services with related persons	1 transaction of training cost allocation fee, total value of VND 14,857,066	+ The value does not exceed 5% of the total value of the company's assets on the latest financial statements under the authority of the Chairman of the Board of Directors to

					with a value of not more than 5% of the total value of the Company's assets on the latest financial statements).		approve or delegate the Board of Directors.
2	Elmich Corporation	Subsidiaries of Megram Joint Stock Company	0700525789 issued by the Department of Planning and Investment of Ha Nam Province for the first time on 18/3/2011	An My Industrial Cluster - Don Xa Commune, Binh My Commune, Ninh Binh Province	+ Resolution No. 26/2024/NQ-HDQT dated 13/08/2024 (authorizing the Chairman of the Board of Directors to approve/delegate the Board of Directors to sign and execute contracts/transactions for borrowing and lending with related parties with each transaction not exceeding 10% of the total value of assets on the latest financial statements and total transactions not exceeding 15% of the total value of the Company's assets on the latest financial statements).  Resolution No. 26/2024/NQ-HDQT dated 13/08/2024 (authorizing the Chairman of the Board of Directors to	+ Loan transactions: the total loan value is 126 billion VND. The principal value of loans recovered in the period was VND 152.2 billion. Corresponding loan financial revenue: VND 4,213,599,995 .	+ Each transaction does not exceed 10% of the total value of assets on the latest financial statements and the total number of transactions does not exceed 15% of the total value of the Company's assets on the latest financial statements.



					approve/delegate the Board of Directors to sign and execute contracts for the purchase and sale of goods and services with related persons with a value of not more than 5% of the total value of the Company's assets on the latest financial statements).		
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*d) The implementation of regulations on corporate governance:* In general, the current governance model and management structure are reasonable, meeting the management needs of the Board of Directors, the executive of the Board of Directors, and the organization of production and business activities at the Company's affiliated units.

## **VI. Financial statements**

### **1. Audit opinion**

The Company's financial statements for 2025 are audited by AASC Auditing Firm Co., Ltd. with the following audit opinions:

**In our opinion, the Financial Statements have honestly and reasonably reflected, on material aspects of the financial situation of Da Nang Pharmaceutical - Medical Equipment Joint Stock Company as at December 31, 2025, as well as the results of business operations and cash flows for the financial year ending on the same date. in accordance with Accounting Standards, Vietnam's corporate accounting regime and legal regulations related to the preparation and presentation of financial statements.**

### **2. Audited financial statements:**

Audited annual financial statements include: Balance sheet; Report on business results; Cash flow statements; Explanation of financial statements in accordance with the law on accounting and auditing.

Address for disclosure of audited financial statements in 2025: <https://dapharco.com.vn/bao-cao-tai-chinh>

**ĐÀ NANG PHARMACEUTICAL –  
MEDICAL JOINT STOCK COMPANY  
CHAIRMAN OF THE BOARD OF  
DIRECTORS**



**ĐO THANH TRUNG**