

**DANAPHA PHARMACEUTICAL
JOINT STOCK COMPANY**

REVIEWED INTERIM FINANCIAL STATEMENTS

For the six-month period ended 30 June 2025

DANAPHA PHARMACEUTICAL JOINT STOCK COMPANY

Address: 253 Dung Si Thanh Khe Street, Thanh Khe Ward, Da Nang City, Vietnam

CONTENTS

	Page(s)
THE GENERAL DIRECTOR'S REPORT	1 - 2
REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION	3 - 4
REVIEWED INTERIM FINANCIAL STATEMENTS	
Interim balance sheet	5 - 6
Interim income statement	7
Interim cash-flow statement	8 - 9
Notes to the interim financial statements	10 - 45

DANAPHA PHARMACEUTICAL JOINT STOCK COMPANY

Address: 253 Dung Si Thanh Khe Street, Thanh Khe Ward, Da Nang City, Vietnam

THE GENERAL DIRECTOR'S REPORT

The General Director of Danapha Pharmaceutical Joint Stock Company (hereinafter referred to as "the Company") hereby presents its report and the accompanying reviewed interim financial statements of the Company for the six-month period ended 30 June 2025.

Members of the Board of Directors, the Supervisory Committee and the General Director during the period and on the date of this report include:

Board of Directors

<u>Full name</u>	<u>Position</u>	
Mr. Bojinov Stefan Georgiev	Chairman	
Mr. Dobrev Sasho Hristov	Member	
Mr. Le Thang Binh	Member	
Mr. Do Minh Hieu	Member	
Ms. Nguyen Thuy Dung	Member	Dismissed on 31 July 2025
Mr. Pham Thai Lang	Member	Dismissed on 31 July 2025
Ms. Nguyen Thanh Thao	Dependent Member	
Ms. Nguyen Thi Thuy	Member	
Ms. Ha Lan Anh	Member	Appointed on 31 July 2025
Ms. Do Thi Thuy	Dependent Member	Appointed on 31 July 2025

Supervisory Committee

<u>Full name</u>	<u>Position</u>
Mr. Ngo Xuan Tung	Head
Ms. Nguyen Thi Yen Nhi	Member
Ms. Luu Quynh Mai	Member

The General Director

<u>Full name</u>	<u>Position</u>
Mr. Le Thang Binh	The General Director

LEGAL REPRESENTATIVE

The legal representative of the Company during the period and on the date of this report is Mr. Le Thang Binh, The General Director.

RESPONSIBILITY OF THE GENERAL DIRECTOR

The Company's General Director is responsible for preparing the interim financial statements of each period which give a true and fair view of the interim financial position of the Company and the results of its operations and its cash flows. In preparing these interim financial statements, the General Director is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting principles have been followed, subject to any departures that need to be disclosed and explained in the interim financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business; and
- Design and implement the internal control system effectively for a fair preparation and presentation of the interim financial statements so as to mitigate error or fraud.

The General Director is responsible for ensuring that proper interim accounting records are kept, which disclose, with reasonable accuracy at any time, the interim financial position of the Company and ensure that

THE GENERAL DIRECTOR'S REPORT (CONTINUED)

the interim financial statements comply with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to the preparation and presentation of the interim financial statements. The General Director is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The General Director confirms that the Company has complied with the above requirements in preparing these interim financial statements.

AUDITOR

The accompanying interim financial statements were audited by ECOVIS AFA VIETNAM Auditing – Appraisal and Consulting Company Limited (Head office: No. 142 Xo Viet Nghe Tinh Street, Hoa Cuong Ward, Danang City, Vietnam; Telephone: (84) 0236.363.3333; Fax: (84) 0236.363.3338; Website: www.ecovis.com/vietnam/audit).

STATEMENT BY THE GENERAL DIRECTOR

In the General Director's opinion, the accompanying interim financial statements give a true and fair view of the interim financial position of the Company as at 30 June 2025 and the results of its interim operations and its interim cash flows for the six-month accounting period then ended in accordance with the Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to the preparation and presentation of the interim financial statements.



Le Thang Binh

The General Director

Danang City, 14 August 2025

No.: 347/2025/BCSX-E.AFA

**REVIEW OF INTERIM FINANCIAL INFORMATION PERFORMED
BY THE INDEPENDENT AUDITOR OF THE ENTITY**

**To: Shareholders
Board of Directors and The General Director
DANAPHA PHARMACEUTICAL JOINT STOCK COMPANY**

We have reviewed the accompanying interim financial statements of Danapha Pharmaceutical Joint Stock Company (hereinafter referred to as "the Company") prepared on 14 August 2025 as set out from page 5 to page 45, which comprise the interim balance sheet as at 30 June 2025, and the interim income statement, and interim cash-flow statement for the six-month period then ended, and notes to the interim financial statements.

The General Director's Responsibility

The General Director is responsible for the preparation and fair presentation of these interim financial statements in accordance with Vietnamese Accounting Standards, and Vietnamese Corporate Accounting System and relevant legislation as to the preparation and presentation of interim financial statements and for such internal control as Management determines is necessary to enable the preparation and presentation of the interim financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on these interim financial statements based on our review. We conducted our review in accordance with the Vietnamese Standards on Review Engagements 2410- Review of Interim Financial Information Performed by Independent Auditor of the Entity.

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

**REVIEW OF INTERIM FINANCIAL INFORMATION PERFORMED
BY THE INDEPENDENT AUDITOR OF THE ENTITY (CONTINUED)**

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements do not give a true and fair view, in all material respects, of the interim financial position of the Company as at 30 June 2025, and of its interim financial performance and its interim cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standards and Vietnamese Corporate Accounting System and relevant legislation as to the preparation and presentation of interim financial statements.



Kim Van Viet
Audit Director

Audit Practice Registration Certificate
1486-2023-240-1

Authorized person

ECOVIS AFA VIETNAM Auditing – Appraisal and Consulting Company Limited
Danang City, 14 August 2025

DANAPHA PHARMACEUTICAL JOINT STOCK COMPANY

Address: 253 Dung Si Thanh Khe Street, Thanh Khe Ward, Da Nang City, Vietnam

Form B 01a - DN(Issued under the Circular No. 200/2014/TT-BTC
dated 22 December 2014 by Ministry of Finance)**INTERIM BALANCE SHEET**

As at 30 June 2025

Unit: VND

ASSETS	Code	Notes	As at 30 Jun. 2025	As at 01 Jan. 2025
A. CURRENT ASSETS	100		672,391,441,761	567,183,521,744
I. Cash and cash equivalents	110	4.1	78,000,993,863	74,551,503,101
1. Cash	111		23,770,971,863	6,421,503,101
2. Cash equivalents	112		54,230,022,000	68,130,000,000
II. Current financial investments	120		-	-
III. Current account receivables	130		450,281,440,285	370,586,037,274
1. Trade receivables	131	4.2	336,447,348,505	285,800,283,743
2. Advances to suppliers	132	4.3	118,586,570,019	85,313,525,015
3. Other current receivables	136	4.4	6,537,255,587	8,710,229,512
4. Provision for doubtful debts	137	4.5	(11,289,733,826)	(9,238,000,996)
IV. Inventories	140	4.6	102,371,198,228	82,431,552,930
1. Inventories	141		106,083,389,046	85,178,338,807
2. Provision for decline in value of inventories	149		(3,712,190,818)	(2,746,785,877)
V. Other current assets	150		41,737,809,385	39,614,428,439
1. Current prepayments	151	4.7	4,930,808,235	4,096,158,216
2. Value added tax deductible	152		35,173,290,067	35,518,270,223
3. Tax and other receivables from the state budget	153	4.14	1,633,711,083	-
B. NON-CURRENT ASSETS	200		1,224,112,228,250	1,028,947,132,194
I. Non-current account receivables	210		-	-
II. Fixed assets	220		103,138,326,472	109,735,148,960
1. Tangible fixed assets	221	4.9	67,426,626,384	73,558,173,316
Cost	222		374,523,982,868	372,656,925,020
Accumulated depreciation	223		(307,097,356,484)	(299,098,751,704)
2. Intangible fixed assets	227	4.10	35,711,700,088	36,176,975,644
Cost	228		48,689,386,013	48,689,386,013
Accumulated amortisation	229		(12,977,685,925)	(12,512,410,369)
III. Investment property	230		-	-
IV. Non-current assets in progress	240		1,098,546,482,258	895,865,756,597
1. Non-current work in progress	241		-	-
2. Construction in progress	242	4.11	1,098,546,482,258	895,865,756,597
V. Non-current financial investments	250	4.8	6,800,000,000	6,800,000,000
1. Investments in associates, joint-ventures	252		8,820,000,000	8,820,000,000
2. Investment in other entities	253		6,800,000,000	6,800,000,000
3. Provision for non-current investments	254		(8,820,000,000)	(8,820,000,000)
VI. Other non-current assets	260		15,627,419,520	16,546,226,637
1. Non-current prepayments	261	4.7	15,627,419,520	16,546,226,637
2. Other non-current assets	268		-	-
TOTAL	270		1,896,503,670,011	1,596,130,653,938

The accompanying notes are an integral part of these separate financial statements

DANAPHA PHARMACEUTICAL JOINT STOCK COMPANY

Address: 253 Dung Si Thanh Khe Street, Thanh Khe Ward, Da Nang City, Vietnam

Form B 01a - DN(Issued under the Circular No. 200/2014/TT-BTC
dated 22 December 2014 by Ministry of Finance)**INTERIM BALANCE SHEET (CONTINUED)**

As at 30 June 2025

Unit: VND

RESOURCES	Code	Notes	As at 30 Jun. 2025	As at 01 Jan. 2025
C. LIABILITIES	300		1,106,887,821,257	831,060,707,262
I. Current liabilities	310		422,599,497,082	400,253,160,464
1. Trade payables	311	4.12	140,555,229,366	134,809,304,654
2. Advances from customers	312	4.13	1,912,099,003	2,139,512,912
3. Taxes and amounts payable to the state budget	313	4.14	3,574,941,933	21,566,854,993
4. Payables to employees	314	4.15	13,766,862,604	35,159,921,599
5. Accrued expenses	315	4.16	31,877,927,855	23,215,125,298
6. Other current payables	319	4.17	28,401,174,837	18,585,851,377
Current loans and obligations under finance				
7. leases	320	4.19	201,132,373,968	163,379,303,653
8. Bonus and welfare fund	322		1,378,887,516	1,397,285,978
II. Non-current liabilities	330		684,288,324,175	430,807,546,798
1. Other non-current payables	331	4.12	241,156,688,392	104,477,372,808
Non-current loans and obligations under finance				
2. leases	338	4.19	438,906,607,990	326,330,173,990
3. Deferred income tax liabilities	341	4.18	4,225,027,793	-
D. OWNER'S EQUITY	400		789,615,848,754	765,069,946,676
I. Equity	410	4.20	789,473,295,234	764,927,393,156
1. Owner's contributed capital	411		209,380,000,000	209,380,000,000
Ordinary shares carrying voting rights	411a		209,380,000,000	209,380,000,000
Preference shares	411b		-	-
2. Share premiums	412		181,169,607,584	181,169,607,584
3. Investment and development fund	418		374,134,185,572	304,136,126,279
4. Retained earnings	421		24,789,502,078	70,241,659,293
Beginning accumulated retained earnings	421a		243,600,000	243,600,000
Retained earnings of the current period	421b		24,545,902,078	69,998,059,293
II. Other capital and funds	430		142,553,520	142,553,520
1. Subsidised funds	431		142,553,520	142,553,520
2. Subsidised funds for fixed asset acquisition	432		-	-
TOTAL	440		1,896,503,670,011	1,596,130,653,938



Le Thang Binh
General Director

Danang City, 14 August 2025

Tran Tien Dung
Chief Financial Officer
Cum Chief Accountant

Nguyen Thi Thu Hang
Preparer

DANAPHA PHARMACEUTICAL JOINT STOCK COMPANY

Address: 253 Dung Si Thanh Khe Street, Thanh Khe Ward, Da Nang City, Vietnam

Form B 02a - DN(Issued under the Circular No. 200/2014/TT-BTC
dated 22 December 2014 by Ministry of Finance)**INTERIM INCOME STATEMENT**

For the six-month period ended 30 June 2025

Unit: VND

ITEMS	Code	Notes	Current period	Previous period
1. Revenue	01	5.1	295,997,578,093	284,649,365,973
2. Revenue deductions	02	5.2	1,378,070,622	329,575,416
3. Net revenue	10		294,619,507,471	284,319,790,557
4. Cost of sales	11	5.3	133,278,850,454	138,553,153,405
5. Gross profit	20		161,340,657,017	145,766,637,152
6. Financial income	21	5.4	3,749,071,061	4,038,716,271
7. Financial expense	22	5.5	32,263,428,528	13,549,638,934
<i>Of which, interest expense</i>	23		3,914,351,333	4,262,018,083
9. Selling expense	25	5.6	49,553,716,091	42,875,946,096
10. General and administration expense	26	5.7	53,223,190,595	42,958,098,685
11. Operating profit/(loss)	30		30,049,392,864	50,421,669,708
12. Other income	31	5.8	106,363,848	242,296,094
13. Other expense	32	5.9	67,791,615	354,136,953
14. Net other income/(loss)	40		38,572,233	(111,840,859)
15. Accounting profit/(loss) before tax	50		30,087,965,097	50,309,828,849
16. Current corporate income tax expense	51	5.11	1,317,035,226	12,426,694,652
17. Deferred corporate income tax expense	52	5.12	4,225,027,793	-
18. Net profit/(loss) after tax	60		24,545,902,078	37,883,134,197
19. Basic earnings per share	70	4.20	1,172	1,809
20. Diluted earnings per share	71	4.20	1,172	1,809



Le Thang Binh
General Director

Danang City, 14 August 2025

Tran Tien Dung
Chief Financial Officer
Cum Chief Accountant

Nguyen Thi Thu Hang
Preparer

INTERIM CASH FLOW STATEMENT

(Indirect method)

For the six-month period ended 30 June 2025

Unit: VND

ITEMS	Cote	Notes	Current period	Previous period
I. CASH FLOWS FROM OPERATING ACTIVITIES				
1. Net profit /(loss) before taxes	01		30,087,965,097	50,309,828,849
2. Adjustment for:				
Depreciation and amortisation	02		8,463,880,336	9,417,323,952
Provisions	03		3,017,137,771	(479,792,992)
Foreign exchange gains/losses from revaluation of foreign currency monetary items	04		28,007,403,556	9,172,976,551
Gains/losses from investment	05		(650,433,261)	(95,215,663)
Interest expense	06		3,914,351,333	4,262,018,083
3. Operating profit /(loss) before adjustments to working capital	08		72,840,304,832	72,587,138,780
Increase or decrease in accounts receivable	09		(25,579,783,667)	(9,978,746,120)
Increase or decrease in inventories	10		(20,905,050,239)	11,615,731,913
Increase or decrease in accounts payable (excluding interest expense and CIT payable)	11		(16,311,899,954)	(3,081,216,513)
Increase or decrease prepaid expenses	12		84,157,098	(3,210,336,911)
Interest paid	14		(3,813,370,620)	(4,361,755,382)
Corporate income tax paid	15		(23,595,305,924)	(3,286,501,266)
Other cash outflows from operating activities	17		(18,398,462)	(17,461,846)
Net cash from operating activities	20		(17,299,346,936)	60,266,852,656
II. CASH FLOWS FROM INVESTING ACTIVITIES				
1. Acquisition and construction of fixed assets and other long-term assets	21		(100,444,250,212)	(128,179,125,335)
2. Proceeds from disposals of fixed assets and other long-term asset	22		-	20,909,091
3. Interest and dividends received	27		887,849,329	97,977,805
Net cash from investing activities	30		(99,556,400,883)	(128,060,238,439)

INTERIM CASH FLOW STATEMENT (CONTINUED)

(Indirect method)

For the six-month period ended 30 June 2025

Unit: VND

ITEMS	Cote	Notes	Current period	Previous period
III. CASH FLOWS FROM FINANCING ACTIVITIES				
1. Proceeds from borrowings	33	6.1	290,739,684,078	180,276,037,211
2. Repayment of borrowings	34	6.2	(172,547,679,763)	(163,140,416,919)
Net cash from financing activities	40		118,192,004,315	17,135,620,292
NET INCREASE/(DECREASE) IN CASH	50		1,336,256,496	(50,657,765,492)
Cash and cash equivalents at beginning of period	60		74,551,503,101	59,453,049,234
Impact of exchange rate fluctuation	61		2,113,234,266	218,521,741
CASH AND CASH EQUIVALENTS AT END OF PERIOD	70		78,000,993,863	9,013,805,483



Le Thanh Binh
General Director

Danang City, 14 August 2025

Tran Tien Dung
Chief Financial Officer
Cum Chief Accountant

Nguyen Thi Thu Hang
Preparer

NOTES TO THE INTERIM FINANCIAL STATEMENTS**1. CORPORATE INFORMATION****1.1. Structure of ownership**

Danapha Pharmaceutical Joint Stock Company (hereinafter referred to as “the Company”) has been incorporated in accordance with the Business Registration Certificate No. 0400102091 dated 20 December 2006 granted by Danang City’s Department of Planning and Investment and other amended certificates thereafter with the latest one dated 9 March 2023.

The charter capital as stipulated in the Business Registration Certificate is VND 209,380,000,000.

On 14 December 2021, the Company was formally licensed to trade securities on Hanoi Securities Trading Centre under Decision No. 703/QĐ-SGDHN dated 14 December 2021. On 12 December 2021, The company's shares are officially traded on the UPCOM market according to the Notification No. 3654/TB-SGDHN dated 15 December 2021.

The Company’s registered head office is at 253 Dung Si Thanh Khe Street, Thanh Khe Ward, Da Nang City, Vietnam.

The number of employees as at 30 June 2025 was 477 (31 December 2024: 453).

1.2. Business field

Manufacturing and trading pharmaceutical, chemical, and medicinal materials.

1.3. Operating industry and principal activities

Under the Business Registration Certificate, the Company’s business activities comprise:

- Manufacture of pharmaceuticals, medicinal chemical and botanical product;
- Real estate activities with own or leased property;
- Retail sale of pharmaceutical and medical goods, cosmetic and toilet articles in specialized stores. Details: Retail sale of pharmaceutical and medical goods, cosmetics, and personal hygiene products;
- Manufacture of soap and detergents, cleaning and polishing preparations;
- Manufacture of other food products n.e.c. Details: Production of food and beverages;
- Wholesale of other household products. Details: Wholesale of medicines;
- Wholesale of food. Details: Wholesale of dietary supplements;
- Wholesale of other specialized goods not classified elsewhere. Details: Wholesale of pharmaceuticals, medicinal plants, packaging;
- Retail sales via mail and order houses or via Internet. Details: Retail of dietary supplements;
- Retail of food in specialized stores. Details: Retail of dietary supplements;
- Other professional, scientific, and technological activities not classified elsewhere. Details: Research and transfer of product formulas.

1.4. Normal operating cycle

The Company’s normal operating cycle is carried out for a time period of 12 months.

1.5. The Company’s structure

As at 30 June 2025, the Company’s associates were as follows:

NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)

Name	Address	Voting rights	Percent capital	Percent interest
Associates:				
Davina Pharmaceutical Joint Stock Company	253 Dung Si Thanh Khe Street, Thanh Khe Ward, Da Nang City.	49%	49%	49%

The Company's dependent units as at 30 June 2025 were as follows:

Name	Address
Branch of Danapha Pharmaceutical Joint Stock Company in Hanoi	No. 9, Lane 87 Nguyen Van Troi, Ward, Thanh Xuan Ward, Hanoi City.
Danapha Pharmaceutical Joint Stock Company – Vinh Phuc Branch	No. 43, Lot S6, Ha Tien pagoda Urban Area, Vinh Phuc Ward, Phu Tho Province.
Branch of Danapha Pharmaceutical Joint Stock Company in Thanh Hoa	Lot 141, LK3, MBQH121/UB-CN, Hac Thanh Ward, Thanh Hoa Province.
Branch of Danapha Pharmaceutical Joint Stock Company in Khanh Hoa	Lot 27-28, Street No. 8, Le Hong Phong New Urban Area - Venesia, Nam Nha Trang Ward, Khanh Hoa Province.
Branch of Danapha Pharmaceutical Joint Stock Company in Ho Chi Minh	15th Floor, Room 1508, Vincom Center Building, No. 72 Le Thanh Ton Street, Sai Gon Ward, Ho Chi Minh City.
Branch of Danapha Pharmaceutical Joint Stock Company in Can Tho	A3-22 Street No. 10, Nam Long Residential Area, Zone 2, Cai Rang Ward, Can Tho City.

2. BASIS OF PREPARATION**2.1. Accounting standards, accounting system**

The accompanying interim financial statements, expressed in Vietnamese Dong ("VND"), are prepared in accordance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and prevailing accounting regulations in Vietnam.

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

2.2. Forms of accounting records

The form of accounting records applied in the Company is the General Journal.

2.3. Accounting period

The Company's financial year is from 01 January to 31 December.

These interim financial statements are prepared for the six-month period ended on 30 June 2024.

2.4. Reporting and functional currency

The Company maintains its accounting records in VND.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)

3. SIGNIFICANT ACCOUNTING POLICIES

3.1. Foreign currencies

Transactions in foreign currencies are recorded, on initial recognition, in the reporting currency, by applying to the foreign currency amount the spot exchange rate between the reporting currency and the foreign currency at the date of the transaction. The exchange differences arising on the settlement of monetary items are recognised in profit or loss in the period in which they arise. At the end of the reporting period, monetary items excluding advances to suppliers, prepaid expenses, and unearned revenues, which are denominated in foreign currency, are reported using the closing rate and resultant exchange differences resulting from the reporting after offset are recognised in profit or loss in the period in which they arise.

3.2. Use of estimates

The preparation of the interim financial statements requires management to make estimates and assumptions that impact the carrying value of certain assets and liabilities, contingent assets and liabilities reported in the notes as well as revenues and expenses for the six-month accounting period ended 30 June 2025. Although these estimates are based on management's best knowledge of all relevant information available at the date when the interim financial statements are prepared, this does not prevent actual figures differing from estimates.

3.3. Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, cash at bank, cash in transit and current investments for a period not exceeding 3 months or highly liquid investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

3.4. Financial investments

Held to maturity investments

Held to maturity investments comprise term deposits, preference bonds, shares - which include an obligation for the issuer to repurchase them at a point in time in the future - held to maturity loans to earn periodical profits and other held to maturity investments.

If there is any certain evidence that part or all the investments are irrecoverable, impairment losses are recognised as a finance expense in the current period.

Equity investments in other entities

Investments in associates

Investments are classified as investments in associates when the Company directly or indirectly holds from 20% to under 50% of the voting shares of the investee without any other agreement.

Investments in associates are accounted for under the equity method. Under the equity method, on initial recognition the investment in an associate is recognised at cost. In case of investments of non-monetary assets, the cost of investments is recognised at the fair values of the assets as incurred.

Dividends for the period after the acquisition date are recognised as finance income when the shareholder's right to receive payment is established.



NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)

Other investments

Investments classified as other investments are investments other than investments in subsidiaries, investments in associates or investments on joint ventures.

Other investments are accounted for under the cost method which comprise purchase prices plus (+) acquisition related costs (if any). In case of investments of non-monetary assets, the cost of investments is recognised at the fair values of the assets as incurred.

Recognition principles of provision for investment impairment loss

Provision for investment impairment loss is made when there is any certain evidence that there will be an impairment in the value of these investments at the reporting date.

The difference between the required balance and the existing balance of provision for investment impairment loss is recognised as financial expenses in the income statement.

3.5. Account receivables

Recognition method

Account receivables are stated at the carrying amounts of trade receivables and other receivables less provisions for doubtful debts.

Provision for doubtful debts

As of the date of preparing the interim financial statements, provision for doubtful debt is recognised for past-due accounts receivable and for accounts receivable where circumstances indicate that they might not be recoverable when due at the level as guided in prevailing regulations. The determination of the overdue period of a doubtful receivable to be provisioned is based on the principal repayment period according to the original sale contract, excluding the debt extension between the parties.

The difference between the required balance and the existing balance of provision for doubtful debts is recorded as a general and administrative expense in the income statement.

3.6. Inventories

Inventory measurement

Inventories are measured at the lower of cost and net realisable value.

The costs of inventories shall comprise all costs of purchase, costs of conversion, and other costs incurred in bringing inventories to their present location and condition. Cost in the case of finished goods and work in progress includes raw materials, direct labour and attributable manufacturing overheads.

The costs of purchase comprise the purchase price, non-reimbursable taxes and duties, and transport, handling and other costs directly attributable to the purchase. Trade discounts and sales rebates on substandard and obsolete goods purchased are deducted from the costs of purchase.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Method of accounting for inventories

Inventories are measured using the weighted average method and are recorded under the perpetual inventory method.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)

Provision for decline in value of inventories

As of the date of preparing the interim financial statements, provision is recognised for obsolete, slow-moving and defective inventory items and an excess of the cost of inventories over their net realisable value.

The difference between the required balance and the existing balance of the provision for a decline in value of inventories is included in cost of sales in the income statement.

Inventories are written down to net realizable value on an item-by-item basis. For services being rendered, provision is made in respect of each service for which a separate selling price will be charged.

3.7. Tangible fixed asset

Tangible fixed assets are measured at cost less accumulated depreciation.

Tangible fixed asset recognition

Tangible fixed assets are initially recognised at their cost. The cost of purchased tangible fixed assets comprises the purchase price and any directly attributable costs of bringing the assets to their present location and working condition for their intended use. Accessories added to fixed assets when purchased are recognised separately at their fair value and deducted from the historical cost of the respective tangible fixed assets.

Depreciation and amortisation

The costs of fixed assets are depreciated on a straight-line method over their estimated useful lives.

The estimated useful lives are as follows:

	<u>The first six months of 2025.</u>
▪ Buildings, structures	5 – 25 years
▪ Machinery and equipment	3 – 10 years
▪ Motor vehicles	6 – 10 years

3.8. Intangible fixed assets

Intangible fixed assets are measured at cost less accumulated amortisation.

Intangible fixed asset recognition

The cost of an intangible fixed asset comprises the total amount of expense incurred by the Company to acquire an asset at the time the asset is put into operation for its intended use.

Accounting principles for intangible fixed assets

Land use rights

Land use rights are stated at their costs less accumulated amortisation.

Indefinite land use rights are not amortised.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)

3.9. Leases

Leases classification

Leases are classified as finance leases when the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

3.10. Construction in progress

Properties in the course of construction for production, rental or administrative purposes, or for purposes not yet determined, are carried at cost. Cost includes professional fees, and for qualifying assets, borrowing costs dealt with in accordance with the Group's accounting policy. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

3.11. Prepayments

Prepayments are classified as current and non-current based on their original term. Prepayments mainly comprise costs of tools and supplies and repair expenses, etc., which are amortised over the period for which they are paid or the period in which economic benefits are generated in relation to these expenses.

The following expenses are recognised as prepayments and amortised to the interim income statement:

- Prepaid land, infrastructure and fixed asset rentals are amortised over the period of lease;
- Other prepaid expenses: Based on the nature and volume of each expense, the company selects appropriate methods and criteria for allocation during the period when the expected economic benefits are generated.

3.12. Liabilities

Liabilities are classified into trade payables and other payables based on the following rules: Trade payables represent those arising from purchase and sale related transactions of goods, services or assets and the seller is independent of the buyer; the remaining payables are classified as other payables.

Liabilities are also classified according to the maturity date, the remaining term from the date of the financial statements, original currency, and each creditor.

Liabilities are recognised at no less than the payment obligation.

3.13. Borrowing costs

Capitalisation of borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets until the assets are put into use or sale.

Investment income earned on temporary investment of borrowings is deducted from the cost of the respective assets.

All other borrowing costs are recognised as an expense in the interim income statement when incurred.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)

3.14. Accrued expenses

Accrued expenses represent expenses that will be paid in the future for goods or services received but not yet paid due to lack of invoices or accounting documents. These expenses are recognised as operating expenses of the reporting period.

The company's accrued expenses include loan interest and sales commission expenses. Estimated loan interest expenses are calculated based on the outstanding loan balance and the interest rates specified in the credit agreements. Sales commission expenses are determined according to the sales policy applicable during each actual period.

3.15. Owners' equity

The owners' contributed equity

The owners' contributed equity is recognised when contributed.

Share premiums

Share premiums are recognised as the difference between the issue price and the par value of shares, and the difference between the re-purchase price and the re-issue price of treasury shares.

Treasury shares

Treasury shares are recognised at purchased cost and presented in the interim balance sheet as a deduction from equity.

Dividends

Dividends are recognised as a liability at the date of declaring dividends.

Retained earnings

Net profit after income tax can be distributed to shareholders after the distribution is approved the General annual meeting of shareholders and reserves are created in accordance with the Charter and legal regulations in Vietnam

3.16. Revenue and other income

Revenue from selling goods

Revenue from selling goods is measured at the fair value of the consideration received or receivable. In most cases, revenue is recognised when transferring the risks and rewards of ownership to the buyer.

Revenue involving the rendering of services

Revenue of a transaction involving the rendering of services is recognised when the outcome of this transaction can be estimated reliably. When a transaction involving the rendering of services is attributable to several periods, each period's revenue is recognised by reference to the stage of completion at the end of the reporting period.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)

Interest income

Interest income is recognised on an accrual basis by reference to the principal outstanding and at the interest rate applicable.

Disposal and sale of investments

Revenue from selling current and non-current investments is recognised in the income statement when the Company has transferred the majority of risks and benefits associated with the ownership to the buyer. The majority of risks and benefits associated with the ownership are transferred to the buyer when the transaction is completed (for listed securities) or when completing the asset sale contract (for unlisted securities).

Disposal and sale of fixed assets

Income from disposal and sale of fixed assets is the excess of the proceeds from the disposal and sale of the fixed assets over the carrying amount of the fixed assets disposal expenses.

3.17. Deductions

Deductions include trade discounts, allowances and sale returns.

Deductions arising in the reporting period from consumption of products, goods and services are recognised as decreases in revenue in that period; Deductions arising after the end of the reporting period but prior to issuing the financial statements for the reporting period are recognised as decreases in revenue of the reporting period; Deductions arising after the end of the reporting period and after issuing the financial statements for the reporting period are recognised as decreases in revenue of the next period.

3.18. Cost of sales

Cost of sales and services provided represents total costs of finished products, goods, services, which are sold in the period in accordance with the matching principle. Abnormal amounts of production costs of inventories are recognised immediately in cost of sales.

3.19. Finance expense

Finance expenses represent all expenses incurred in the reporting period which mainly include borrowing costs and losses from exchange rates.

3.20. Selling expense and general and administrative expense

Selling expenses represent expenses incurred during the process of selling products, goods and rendering services, which include expenses relating to product exhibition, advertisement, sales commissions, storage, packaging and shipping etc.

General and administrative expenses represent common expenses, which include payroll costs for office employees (salaries, wages, allowances, etc.); social insurance, health insurance, trade union fees and unemployment insurance; stationery expenses, material expenses, utility services (electricity expenses, water expenses, phone, fax, warranty assets expenses, etc.); sundry expenses (entertainment, customer conference, etc.).

3.21. Taxation

Corporate income tax

Current corporate income tax expense

Current corporate tax expense is determined on the basis of taxable income and the rate of corporate income tax (CIT) of the current year at 20%.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)

Value added tax

The goods sold and services rendered by the Company are subject to value added tax at the following rates:

- Applying a tax rate of 5% for medicinal drugs;
- Other activities: are applicable in accordance with the prevailing regulations.

Other taxes

Other taxes are applicable in accordance with the prevailing tax laws in Vietnam.

The tax reports of the Company will be inspected by the Tax Department. Application of the laws and regulations on tax to different transactions can be interpreted by many ways; therefore, the tax amounts presented in the interim financial statements can be amended in accordance with the Tax Department's final assessment.

Deferred corporate income tax expense

Deferred corporate tax expense is determined on the basis of the deductible temporary differences, taxable temporary differences and the estimated CIT rate that will be applied for the years that assets and liabilities will be recovered. The tax rates used will be the tax rates (and tax laws) that are in effect at the financial year end.

Deferred tax liability is recognised for all taxable temporary differences, unless:

- The deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the transaction, affects neither the accounting profit nor taxable profit (tax loss).
- All taxable temporary differences associated with investments in subsidiaries, branches and associates, and interests in joint ventures when the parent, investor or venturer is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised, unless:

- The deferred tax asset arises from the initial recognition of an asset or liability in a transaction which at the time of transaction, affects neither accounting profit nor taxable profit (tax loss).
- The deferred tax assets for all deductible temporary differences associated with investments in subsidiaries, branches and associates, and interests in joint ventures are only recognised when it is probable that the temporary difference will reverse in the foreseeable future; and taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of a deferred tax asset shall be reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilised. Any such reduction shall be reverted to the extent it becomes probable that sufficient taxable profit will be available.

Current and deferred tax are recognised as income or an expense and included in profit or loss for the year except to the extent that the tax arises from a transaction or event which is recognised, in the same or a different period, directly in equity.

Deferred tax assets and deferred tax liabilities are only offset if, and only if, the Company has a legally enforceable right to set off current tax assets against current tax liabilities and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority and the

NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)

Company intends to settle current tax liabilities and assets on a net basis or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

3.22. Earnings per share

Basic earnings per share are calculated by dividing the net profit attributable to ordinary shareholders (after adjusted for bonus and welfare funds), by the weighted average number of ordinary shares outstanding during the period, excluding ordinary shares bought back by the Company and held as treasury shares.

3.23. Diluted earnings per share

Diluted earnings per share are calculated by dividing the net profit attributable to ordinary shareholders (after adjusted for bonus and welfare funds), by the weighted average number of ordinary shares outstanding during the period and total ordinary shares that would be issued on the conversion, excluding ordinary shares bought back by the Company and held as treasury shares.

3.24. Segement reporting

A segment is a distinguishable component of the Company that is engaged either in producing or providing related products or services (business segment), or in producing or providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

Refer to section 7 in Notes to the interim financial Statements.

3.25. Related parties

Related parties are individuals or entities that have the ability, directly or indirectly through one or more intermediaries, to control the Company or are controlled by, or are subject to common control with the Company. Associates, individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the Company, key management personnel, including directors and officers of the Company and close family members or associates of such individuals are also considered to be related parties.

4. ADDITIONAL INFORMATION FOR ITEMS SHOWN IN THE INTERIM BALANCE SHEET**4.1. Cash and cash equivalents**

	Foreign currencies	As at 30 Jun. 2025 VND	Foreign currencies	As at 01 Jan. 2025 VND
Cash in hand		468,960,853		1,781,081,365
+ VND		420,772,893		1,734,173,340
+ USD	1,857.67 #	48,187,960	1,857.67 #	46,908,025
Cash at banks		23,302,011,010		4,640,421,736
+ VND		23,273,316,369		4,540,467,695
+ USD	624.38 #	16,147,382	600.71 #	15,162,125
+ EUR	417.20 #	12,547,259	3,245.89 #	84,791,916
Deposits with term less than 3 months		54,230,022,000		68,130,000,000
+ VND		-		68,130,000,000
+ EUR	1,800,000.00 #	54,230,022,000		-
Total		78,000,993,863		74,551,503,101

NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)

4.2. Current trade receivables

	As at 30 Jun. 2025 VND	As at 01 Jan. 2025 VND
Danhson - BG Ltd	171,466,386,431	139,271,250,466
Kim Do Pharmacy Co., LTD	11,451,952,666	11,816,693,420
Danhson Trading VN Ltd	19,582,220,000	22,944,135,962
Dong Thap Mental Hospital	3,658,021,200	4,459,307,500
Nghe An Pharmaceutical and Medical Supplies JSC	932,640,645	2,247,412,340
Hung Yen Pharmaceutical JSC	1,301,430,732	568,327,157
Nam Dinh Mental Hospital	462,050,000	114,660,000
Others	127,592,646,831	104,378,496,898
Total	336,447,348,505	285,800,283,743
In which: Trade Receivables from related parties - Refer to Notes 8	191,074,939,764	139,271,250,466

4.3. Current advances to suppliers

	As at 30 Jun. 2025 VND	As at 01 Jan. 2025 VND
Joy - Maitreya Int'l Ltd	16,186,543,200	16,186,543,200
Bao Nguyen Chau Group JSC	30,398,368,217	28,569,780,317
Branch Phuong Dong Trading and Construction Joint Stock Company in Da Nang	18,246,172,491	-
Others	53,755,486,111	40,557,201,498
Total	118,586,570,019	85,313,525,015

4.4. Other receivables

	As at 30 Jun. 2025 VND		As at 01 Jan. 2025 VND	
	Value	Provision	Value	Provision
Advance	5,859,041,031	-	7,805,811,731	-
Deposits	312,165,453	-	300,142,181	-
Accrued interest	40,259,494	-	277,675,562	-
Other receivables	325,789,609	15,212,183	326,600,038	15,212,183
Total	6,537,255,587	15,212,183	8,710,229,512	15,212,183

DANAPHA PHARMACEUTICAL JOINT STOCK COMPANY

Address: 253 Dung Si Thanh Khe Street, Thanh Khe Ward, Da Nang City, Vietnam

NOTES TO INTERIM THE FINANCIAL STATEMENTS (CONTINUED)

4.5. Doubtful debts

	As at 30 Jun. 2025		As at 01 Jan. 2025	
	VND		VND	
	Cost	Recoverable amount	Cost	Recoverable amount
Overdue trade receivables or overdue amounts loaned and other receivables not yet due but uncollectible		32,537,378,912	21,247,645,086	33,526,637,842
Total		32,537,378,912	21,247,645,086	24,288,636,846

Overdue trade receivables and overdue amounts loaned are analysed by debtor as follows:

	As at 30 Jun. 2025			As at 01 Jan. 2025		
	VND			VND		
	Cost	Recoverable amount	Overdue days	Cost	Recoverable amount	Overdue days
State Pharmaceutical Company Limited -Quang Ngai Medical Supplies	109,122,583	-	Over 3 years	109,122,583	-	Over 3 years
Phuong Anh Pharmacy	79,843,635	-	Over 3 years	79,843,635	-	Over 3 years
Tieu Can Regional General Hospital	172,083,400	120,458,380	From 6 months to 1 year			
Tieu Can Regional General Hospital	170,631,300	85,315,650	From 1 to 2 years	170,631,300	119,441,910	From 6 months to 1 year
Dong Thap Mental Hospital	695,012,000	486,508,400	From 6 months to 1 year	1,051,614,400	736,130,080	From 6 months to 1 year
Dong Thap Mental Hospital	455,538,000	227,769,000	From 1 to 2 years	2,239,071,100	1,119,535,550	From 1 to 2 years
Others	30,855,147,994	20,327,593,656		29,876,354,824	22,313,529,306	
Total	32,537,378,912	21,247,645,086		33,526,637,842	24,288,636,846	

NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)

4.6. Inventories

	As at 30 Jun. 2025		As at 01 Jan. 2025	
	VND		VND	
	Cost	Provison	Cost	Provison
Raw materials	69,682,575,986	2,603,958,291	56,064,365,136	1,534,096,863
Tools	283,546,768	-	267,675,817	-
Work in progress	8,799,617,389	-	6,806,789,849	-
Finished goods	27,317,648,903	1,108,232,527	22,015,482,983	1,212,689,014
Merchandise	-	-	24,025,022	-
Total	106,083,389,046	3,712,190,818	85,178,338,807	2,746,785,877

Slow moving and obsolescent inventories at the period- end amounted to VND 3,712,190,818.

Inventories pledged as security for liabilities at the period- end amounted to VND 32,924,003,149.

4.7. Prepayments

	As at	As at
	30 Jun. 2025	01 Jan. 2025
	VND	VND
Current:		
Office rental expenses	1,657,760,317	113,524,000
Tools waiting for allocation	1,234,534,671	975,000,795
Insurance expense	105,423,473	71,521,229
Others	1,933,089,774	2,936,112,192
Total	4,930,808,235	4,096,158,216
Non-current:		
Land rental in Tan Tao industrial park	12,117,188,160	12,277,151,040
Assets repairing expense	551,083,824	723,571,800
Others	2,959,147,536	3,545,503,797
Total	15,627,419,520	16,546,226,637

DANAPHA PHARMACEUTICAL JOINT STOCK COMPANY

Address: 253 Dung Si Thanh Khe Street, Thanh Khe Ward, Da Nang City, Vietnam

NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)

4.8. Financial investments

Other investments are detailed as follows:

	As at 30 Jun. 2025			As at 01 Jan. 2025		
	Cost	Provision	Fair value	Cost	Provision	Fair value
	VND			VND		
Investments in associates:						
Davina Pharmaceutical Joint Stock Company	8,820,000,000	8,820,000,000		8,820,000,000	8,820,000,000	
Total	8,820,000,000	8,820,000,000		8,820,000,000	8,820,000,000	
	Current period			Previous period		

The situation of affiliate company activities in the period:

Davina Pharmaceutical Joint Stock Company	Business operations suffered losses	Business operations suffered losses
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According to the Minutes of the Extraordinary General Meeting of Shareholders 2025 No. 02/2025/BB-DHDCD dated 31 July 2025, the Company has approved the policy to transfer all shares of Davina Pharmaceutical Company to interested partners and investors.

	As at 30 Jun. 2025			As at 01 Jan. 2025		
	Cost	Provision	Fair value	Cost	Provision	Fair value
	VND			VND		
Investments in other entities:						
Danang Pharmaceutical Medical Equipment JSC	6,800,000,000	-	7,967,982,000	6,800,000,000	-	8,908,307,100
Total	6,800,000,000	-	7,967,982,000	6,800,000,000	-	8,908,307,100

The company has determined the fair value of the investment in Danang Pharmaceutical Medical Equipment JSC based on the listed price on the stock exchange and the number of shares the company currently holds. The fair value as at 30 June 2025 and 01 January 2025 of Danang Pharmaceutical Medical Equipment JSC is determined based on the number of shares held and the closing price on the UPCOM trading platform on the respective dates. As at 30 June 2025: Number of shares held: 1,154,780 shares; Closing price: 6,900 VND/share. As at 31 December 2024: Number of shares held: 1,099,791 shares; Closing price: 8,100 VND/share.

DANAPHA PHARMACEUTICAL JOINT STOCK COMPANY

Address: 253 Dung Si Thanh Khe Street, Thanh Khe Ward, Da Nang City, Vietnam

NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)

4.9. Tangible fixed assets

Items	Buildings, structures VND	Machinery and equipment VND	Motor vehicles VND	Total VND
Cost:				
As at 01 Jan. 2025	144,571,793,790	214,287,317,983	13,797,813,247	372,656,925,020
Purchase	-	951,945,545	915,112,303	1,867,057,848
As at 30 Jun.2025	144,571,793,790	215,239,263,528	14,712,925,550	374,523,982,868
Accumulated depreciation:				
As at 01 Jan. 2025	101,887,662,101	186,481,517,435	10,729,572,168	299,098,751,704
Depreciation	3,230,618,298	4,443,880,135	324,106,347	7,998,604,780
As at 30 Jun.2025	105,118,280,399	190,925,397,570	11,053,678,515	307,097,356,484
Net book value:				
As at 01 Jan. 2025	42,684,131,689	27,805,800,548	3,068,241,079	73,558,173,316
As at 30 Jun.2025	39,453,513,391	24,313,865,958	3,659,247,035	67,426,626,384

The amount of period-end net book value of tangible fixed assets totalling VND 27,064,894,111 was pledged/mortgaged as loan security.

The historical cost of tangible fixed assets fully depreciated but still in use at the end of the period totalled VND 195,734,733,906.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)

4.10. Intangible fixed assets

Items	Land use rights VND	Total VND
Cost:		
As at 01 Jan. 2025	48,689,386,013	48,689,386,013
Purchase	-	-
As at 30 Jun.2025	48,689,386,013	48,689,386,013
Accumulated depreciation:		
As at 01 Jan. 2025	12,512,410,369	12,512,410,369
Depreciation	465,275,556	465,275,556
As at 30 Jun.2025	12,977,685,925	12,977,685,925
Net book value:		
As at 01 Jan. 2025	36,176,975,644	36,176,975,644
As at 30 Jun.2025	35,711,700,088	35,711,700,088

The land use rights in Nam Long Residential Area, part of Nam Can Tho Urban Area, Hung Thanh Ward, Cai Rang Ward, Can Tho City, on land parcel number 1244, map sheet number 07, with an area of 114 m², are certified by the Certificate of Land Use Right, Ownership of Residential House, and Attached Assets on Land number CG 823962 issued by the Department of Natural Resources and Environment of Can Tho City on 19 May 2017. The land is designated for residential purposes in urban areas, with a long-term duration of use. The land use rights are currently mortgaged to secure a short-term loan at Vietnam Technological and Commercial Joint Stock Bank - Da Nang Branch.

The land use rights at Lot A24, Nguyen Van Linh Extended Road, Hai Chau Ward, Da Nang City, on land parcel number 1, map sheet A24, with an area of 616.8 m², are certified by the Certificate of Land Use Right, Ownership of Residential House, and Attached Assets on Land number BE 572297 issued by the People's Committee of Da Nang City on 21 July 2011. The land is designated for production and business purposes, with a duration of 50 years starting from 21 July 2011. This land use right is mortgaged as collateral for a loan from the Development Investment Fund Da Nang City.

The land use rights in Nam Ngan Ward, Thanh Hoa City, Thanh Hoa Province, on land parcel number 282, map sheet number 49, with an area of 240 m², are certified by the Certificate of Land Use Right, Ownership of Residential House, and Attached Assets on Land number CG 188553 issued by the Department of Natural Resources and Environment of Thanh Hoa Province on 14 February 2017. The land is designated for residential purposes in urban areas, with a long-term duration of use. The land use rights are currently mortgaged to secure a short-term loan at Commercial Bank for Foreign Trade of Vietnam – Danang Branch.

The amount of period-end net book value of intangible fixed assets totalling VND 35,711,700,088 was pledged/mortgaged as loan security.

There are no intangible fixed assets fully depreciated but still in use at the end of the period.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)

4.11. Construction in progress

	As at 30 Jun. 2025 VND	As at 01 Jan. 2025 VND
Pharmaceutical Manufacturing Plant and High-Tech Research and Development Center	1,041,656,731,011	863,658,650,305
Office and Tourist Apartment Complex (Danapha Tower)	55,543,984,026	30,861,339,071
Other construction	1,345,767,221	1,345,767,221
Total	1,098,546,482,258	895,865,756,597

4.12. Current trade payables

	As at 30 Jun. 2025 VND		As at 01 Jan. 2025 VND	
	Value	Payable value	Value	Payable value
Current:				
Danhson - BG Ltd	70,541,634,400	70,541,634,400	54,463,717,100	54,463,717,100
METECNO Viet Nam Limited Company	6,448,318,928	6,448,318,928	16,528,524,840	16,528,524,840
Others	63,565,276,038	63,565,276,038	63,817,062,714	63,817,062,714
Total	140,555,229,366	140,555,229,366	134,809,304,654	134,809,304,654
Non-current:				
Danhson - BG Ltd	241,156,688,392	241,156,688,392	104,477,372,808	104,477,372,808
Total	241,156,688,392	241,156,688,392	104,477,372,808	104,477,372,808
In which: Trade payables to related parties – Refer to Note 8	311,698,322,792	311,698,322,792	158,941,089,908	158,941,089,908

4.13. Current advances from customers

	As at 30 Jun. 2025 VND	As at 01 Jan. 2025 VND
Tu Hung Pharmaceutical Company Limited	1,521,450,000	1,738,800,000
Công ty TNHH MTV Siêu thị Đức Hạnh	200,000,000	200,000,000
International Corporate Agents Limited - Haxby Corporation	106,802,773	106,802,773
Others	83,846,230	93,910,139
Total	1,912,099,003	2,139,512,912

NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)

4.14. Tax and amounts receivable from/payable to the state budget

	As at 30 Jun. 2025 VND		Movement VND		As at 01 Jan. 2025 VND
	Receivables	Payable	Payable	Paid/ Deducted	Payable
VAT on domestic goods	-	-	11,409,708,902	11,409,708,902	-
VAT on imported goods	-	-	11,400,902,431	11,400,902,431	-
Export, import tax	-	-	143,624,420	143,624,420	-
CIT	1,633,711,083	-	1,317,035,226	23,595,305,924	20,644,559,615
PIT	-	430,163,262	11,483,194,597	11,975,326,713	922,295,378
Land rentals	-	3,144,778,671	3,513,583,719	368,805,048	-
License tax	-	-	9,000,000	9,000,000	-
Other taxes	-	-	47,132,698	47,132,698	-
Total	1,633,711,083	3,574,941,933	39,324,181,993	58,949,806,136	21,566,854,993

4.15. Payables to employees

	As at 30 Jun. 2025 VND	As at 01 Jan. 2025 VND
Salaries and bonuses payables to employees	13,766,862,604	35,159,921,599
Total	13,766,862,604	35,159,921,599

4.16. Current accrued expenses

	As at 30 Jun. 2025 VND	As at 01 Jan. 2025 VND
Interest payable	324,080,383	223,099,670
Advance sales expenses	30,383,284,201	16,780,864,603
Consulting and appraisal costs	-	5,608,300,500
Others	1,170,563,271	602,860,525
Total	31,877,927,855	23,215,125,298

In which, Interest paid to related parties - Refer to Notes 8 - 5,608,300,500

NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)

4.17. Other current payables

	As at 30 Jun. 2025 VND	As at 01 Jan. 2025 VND
Trade Union fees	53,375,112	51,660,504
Dividends payable	10,090,920	10,090,920
Interest payable	27,988,856,832	18,158,612,018
Others	348,851,973	365,487,935
Total	28,401,174,837	18,585,851,377
In which, Interest paid to related parties - Refer to Notes 8	27,988,856,832	18,158,612,018

4.18. Deferred income tax liabilities

	As at 30 Jun. 2025 VND	As at 01 Jan. 2025 VND
Deferred income tax liabilities:		
Income tax rate used to calculate deferred income tax liabilities	20%	20%
Deferred tax liabilities relating to the taxable temporary differences	4,871,288,225	-
Offset against deferred tax assets	(646,260,432)	-
Total	4,225,027,793	-

DANAPHA PHARMACEUTICAL JOINT STOCK COMPANY

Address: 253 Dung Si Thanh Khe Street, Thanh Khe Ward, Da Nang City, Vietnam

NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)

4.19. Loans and finance lease liabilities

	As at 30 Jun. 2025		Movement in the period		As at 01 Jan. 2025	
	VND		VND		VND	
	Value	Payable value	Increase	Decrease	Value	Payable value
Current:						
Joint Stock Commercial Bank for Foreign Trade of Vietnam - Da Nang Branch (1)	43,202,066,388	43,202,066,388	43,202,066,388	44,930,245,596	44,930,245,596	44,930,245,596
Vietnam Joint Stock Commercial Bank for Industry and Trade - Da Nang Branch (2)	86,162,245,380	86,162,245,380	99,137,621,490	72,086,188,724	59,110,812,614	59,110,812,614
Vietnam Technological and Commercial Joint Stock Bank - Da Nang Branch (3)	8,161,539,595	8,161,539,595	8,161,539,595	4,176,823,200	4,176,823,200	4,176,823,200
Joint Stock Commercial Bank for Investment and Development of Vietnam (4)	13,235,964,982	13,235,964,982	13,235,964,982	21,356,755,539	21,356,755,539	21,356,755,539
Vietnam Bank for Agriculture and Rural Development - Da Nang Branch (5)	44,853,357,623	44,853,357,623	44,853,357,623	29,997,666,704	29,997,666,704	29,997,666,704
Current portion of non-current loans:						
Danang Development and Investment Fund (9)	5,517,200,000	5,517,200,000	1,710,200,000	-	3,807,000,000	3,807,000,000
Total	201,132,373,968	201,132,373,968	210,300,750,078	172,547,679,763	163,379,303,653	163,379,303,653
Non-current						
Danhson - BG Ltd (EUR) (6)	236,632,500,000	236,632,500,000	32,137,500,000	-	204,495,000,000	204,495,000,000
Ms. Pham Huong Giang (7)	68,649,999,990	68,649,999,990	57,350,000,000	-	11,299,999,990	11,299,999,990
Ms. Nguyen Phuong Vy (8)	59,141,308,000	59,141,308,000	-	-	59,141,308,000	59,141,308,000
Danang Development and Investment Fund (9)	74,482,800,000	74,482,800,000	24,799,134,000	1,710,200,000	51,393,866,000	51,393,866,000
Total	438,906,607,990	438,906,607,990	114,286,634,000	1,710,200,000	326,330,173,990	326,330,173,990
In which, long-term loan to related parties – Refer to Note 8	364,423,807,990	364,423,807,990	89,487,500,000	-	274,936,307,990	274,936,307,990

DANAPHA PHARMACEUTICAL JOINT STOCK COMPANY

Address: 253 Dung Si Thanh Khe Street, Thanh Khe Ward, Da Nang City, Vietnam

NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)

- (1) Short-term loan from Joint Stock Commercial Bank for Foreign Trade of Vietnam – Danang Branch (Vietcombank – Danang Branch) under Credit Contract No. 48/2025/CTD/VCB-KHDN dated 13 March 2023. The purpose of the loan is to supplement working capital for business operations, with a credit limit of 50,000,000,000 VND. The loan is secured by the Company's machinery and equipment, inventories, land use rights at the Song Hac new urban area project – Thanh Hoa, and the bank account balance of Mr. Nguyen Quoc Thang.
- (2) Short-term loan at Vietnam Joint Stock Commercial Bank for Industry and Trade - Da Nang Branch under Contract No. 24000000954/2024-HDCVHM/NHCT480-DANAPHA dated 10 October 2024 to supplement working capital for pharmaceutical production and related products with a total loan balance of VND 150,000,000,000. The loan is secured by company-owned raw materials and machinery and equipment, interest rates specified in each promissory note.
- (3) Short-term loan from Vietnam Technological and Commercial Joint Stock Bank – Danang under Credit Agreement No. DNG20171436/HDTD, signed on 30 September 2017, and its amendment dated 18 February 2025 to supplement working capital for the production and business of pharmaceutical products, with a credit limit of 110,000,000,000 VND. The loan is secured by land use rights and assets attached to the land in Can Tho under Mortgage Contract No. DNG202013286338/HBTC, inventories at the Can Tho branch under Mortgage Contract No. DNG202013286338/HBTC, and fixed assets under Mortgage Contract No. DNG202113291809/HBTC.
- (4) Short-term loan from the Joint Stock Commercial Bank for Investment and Development of Vietnam – Hai Van Branch under Credit Contract No. 01/2024/256857/HBTD signed on 16 January 2024, with a credit extension amendment dated 04 January 2025 to supplement working capital, provide guarantees, and open Letters of Credit (L/C), with a credit limit of 25,000,000,000 VND. The interest rate is specified in each Promissory Note. The loan is secured by the Company's machinery and equipment under Mortgage Agreement No. 01/2024/256857/TC/HBDD.
- (5) Short-term loan from Vietnam Bank for Agriculture and Rural Development – Danang Branch (Agribank – Danang Branch) under Credit Contract No. 2000-LAV-202400779, signed on 20 September 2024, and its amendment dated 19 March 2025 to pay for business expenses, guarantees, and to open Letters of Credit (L/C), with a credit limit of 45,000,000,000 VND. The interest rate is as specified in each Promissory Note. The loan is secured by the pure water and distilled water production systems under Mortgage Contract No. 2000-LCL-202500084.
- (6) Long-term loan for DANHSON-BG LTD under Loan contract No. 01/2022/DNP-DS dated 1 May 2022 with a term of 5 years from 1 May 2022 to 1 May 2027 for the purpose of purchasing machinery and equipment for the Project Pharmaceutical Manufacturing Plant and High-Tech Research and Development Center with a credit limit of EUR 7,500,000 and an interest rate of 3.5%. The company will repay the principal in full on 1 May 2027.
- (7) Long-term loan from Ms. Pham Huong Giang under Contract dated 19 September 2024, with a maximum loan term of 10 years from the date of receipt of the loan, loan amount: VND 135,000,000,000 and Contract dated 17 March 2025, with a maximum loan term of 10 years from the date of receipt of the loan, loan amount: VND 90,000,000,000. The purpose of the loan is to serve the Pharmaceutical Manufacturing Plant and High-Tech Research and Development Center project, and to serve the Company's production and business operations. The loan interest rate is 6.3%/year for the first year. The principal will be repaid after 5 years from the loan date or repaid in multiple installments within the loan term as agreed. The loan contract dated 19

DANAPHA PHARMACEUTICAL JOINT STOCK COMPANY

Address: 253 Dung Si Thanh Khe Street, Thanh Khe Ward, Da Nang City, Vietnam

NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)

September 2024, has been terminated according to the loan reconciliation and loan agreement termination record dated 30 November 2024. However, the company is still obligated to pay interest and principal as outlined in the signed loan contract.

- (8) Long-term loan from Ms. Nguyen Phuong Vy under Contract dated 19 September 2024, with a maximum loan term of 10 years from the date of receipt of the loan, loan amount: VND 120,000,000,000 and Contract dated 17 March 2025, with a maximum loan term of 10 years from the date of receipt of the loan, loan amount: VND 15,000,000,000. The purpose of the loan is to serve for the Pharmaceutical Manufacturing Plant and High-Tech Research and Development Center project, and to serve the Company's production and business operations. The loan interest rate is 6.3%/year for the first year. The principal will be repaid after 5 years from the loan date or repaid in multiple installments within the loan term as agreed. The loan contract dated 19 September 2024, has been terminated according to the loan reconciliation and loan agreement termination record dated 30 November 2024. However, the company is still obligated to pay interest and principal as outlined in the signed loan contract.
- (9) Loan from the Development Investment Fund under Credit contract No. 14/2024/HDTD, dated 29 May 2024, and Amendment No. 14/2025/HDTD, with a loan amount of 80,000,000,000 VND and a loan term of 96 months. The purpose of the loan is to finance the investment costs for the project of a Pharmaceutical Manufacturing Plant and High-Tech Research and Development Center. The interest rate is 6.5% per annum, as per Decision No. 552/QĐTPT-TĐ dated 24 December 2024, the interest rate has been adjusted to 5.6% per annum. The loan is secured by future-formed assets, including the entire construction works of the Pharmaceutical Manufacturing Plant and High-Tech Research and Development Center project, and Land Use Rights Certificate No. 06 at Danang High-Tech Park.

DANAPHA PHARMACEUTICAL JOINT STOCK COMPANY

Address: 253 Dung Si Thanh Khe Street, Thanh Khe Ward, Da Nang City, Vietnam

NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)**4.20. Owners' equity****4.20.1. Changes in owners' equity**

	Items of owners' equity				Total VND
	Owners' contributed capital VND	Capital surplus VND	Investment and development fund VND	Retained earnings VND	
As at 01 Jan. 2024	209,380,000,000	181,169,607,584	242,728,087,074	76,808,239,205	710,085,933,863
Previous period's profits	-	-	-	37,883,134,197	37,883,134,197
Distributed Investment and development fund	-	-	61,408,039,205	(61,408,039,205)	-
Distributed bonus and welfare fund	-	-	-	(500,000,000)	(500,000,000)
As at 30 Jun. 2024	209,380,000,000	181,169,607,584	304,136,126,279	52,783,334,197	747,469,068,060
Profit in the last 6 months of the previous year	-	-	-	17,458,325,096	17,458,325,096
As at 01 Jan. 2024	209,380,000,000	181,169,607,584	304,136,126,279	70,241,659,293	764,927,393,156
Current period's profits	-	-	-	24,545,902,078	24,545,902,078
Distributed Investment and development fund (*)	-	-	69,998,059,293	(69,998,059,293)	-
As at 30 Jun. 2025	209,380,000,000	181,169,607,584	374,134,185,572	24,789,502,078	789,473,295,234

(*) The Company distributed profits of year 2024 in accordance with the Resolution of General Meeting of Shareholders 2024 No. 01/2025/NQ-DHDCD dated 28 March 2025.

NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)

4.20.2. Details of owners' equity

	As at 30 Jun. 2025 VND	As at 01 Jan. 2025 VND
DANHSON VN Limited Company	148,604,730,000	148,604,730,000
Vietnam Pharmaceutical Corporation - JSC	55,381,670,000	55,381,670,000
Other shareholders	5,393,600,000	5,393,600,000
	209,380,000,000	209,380,000,000

4.20.3. Capital transactions with owners

	Current period VND	Previous period VND
Beginning balance	209,380,000,000	209,380,000,000
Capital contribution in the year	-	-
Capital redemption in the year	-	-
Ending balance	209,380,000,000	209,380,000,000

4.20.4. Corporate funds

	As at 30 Jun. 2025	As at 01 Jan. 2025
Number of shares registered for issue	20,938,000	20,938,000
Number of shares sold to public	20,938,000	20,938,000
- Ordinary shares	20,938,000	20,938,000
- Preference shares (Classified as owners' equity)	-	-
Number of shares repurchased (Treasury shares)	-	-
- Ordinary shares	-	-
- Preference shares (Classified as owners' equity)	-	-
Number of shares outstanding	20,938,000	20,938,000
- Ordinary shares	20,938,000	20,938,000
- Preference shares (Classified as owners' equity)	-	-

Par value per outstanding share: VND 10,000 per share

NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)

5.7. General and administrative expense

	Current period VND	Previous period VND
Staff expenses	26,627,680,189	24,998,127,294
Raw materials, tools and instruments	4,225,460,201	2,191,403,030
Depreciation expense	3,225,395,179	3,505,604,711
Service expense	6,214,574,256	4,690,996,780
Provision expenses for bad debts	2,051,732,830	1,014,448,320
Other expenses	10,878,347,940	6,557,518,550
Total	53,223,190,595	42,958,098,685

5.8. Other income

	Current period VND	Previous period VND
Income from disposal of fixed assets	-	20,909,091
Income from compensation	-	186,050,604
Others	106,363,848	35,336,399
Total	106,363,848	242,296,094

5.9. Other expense

	Current period VND	Previous period VND
Penalties	18,237,052	298,614,876
Others	49,554,563	55,522,077
Total	67,791,615	354,136,953

5.10. Production and business costs by element

	Current period VND	Previous period VND
Material expense	121,432,373,249	109,164,083,101
Employee expense	52,083,911,911	50,058,638,665
Depreciation expense	8,463,880,336	9,417,323,952
Service expense	11,082,213,301	12,109,847,177
Other expenses	47,228,035,379	31,236,635,246
Total	240,290,414,176	211,986,528,141

NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)

5.11. Current corporate income tax expense

	Current period VND	Previous period VND
Accounting profit before tax for the period	30,087,965,097	50,309,828,849
Add: Adjustments according to CIT law	4,755,436,405	11,814,610,707
- Gains on exchange rate differences due to revaluation at the end of the previous year's period	-	5,642,403,970
- Losses on exchange rate differences due to revaluation at the end of the current year's period	-	3,111,948,759
- Remuneration The Board of Directors does not directly participate in management	514,409,043	484,880,003
- Expenses not deductible for tax purposes	4,241,027,362	2,575,377,976
Less: Adjustments according to CIT law	28,331,574,550	-
- Gains on exchange rate differences due to revaluation at the end of the current year's period	24,356,441,125	-
- Losses on exchange rate differences due to revaluation at the end of the previous year's period	1,409,779,425	-
- Expenses not deductible for tax purposes in previous year that are deductible when calculating corporate income tax in the current period	2,565,354,000	-
Total taxable income	6,511,826,952	62,124,439,556
Corporate income tax	20%	20%
Current corporate income tax expense	1,317,035,226	12,426,694,652
In which:		
CIT expenses are calculated on annual taxable income current period	1,302,365,390	12,424,887,911
Adjust previous years' corporate income tax expenses to this period's current income tax expenses	14,669,836	1,806,741

5.12. Deferred corporate income tax expense

	Current period VND	Previous period VND
Deferred corporate income tax expense arising from temporary taxable difference	4,871,288,225	-
Deferred corporate income tax income arising from temporary deductible differences	(646,260,432)	-
Deferred corporate income tax expense	4,225,027,793	-

NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)

6. ADDITIONAL INFORMATION FOR ITEMS SHOWN IN THE INTERIM CASH FLOW STATEMENT

6.1. Cash receipts from loans in the period

	Current period VND	Previous period VND
Cash receipts from loans under normal contracts	290,739,684,078	180,276,037,211
Total	290,739,684,078	180,276,037,211

6.2. Cash repayments of principal amounts borrowed

	Current period VND	Previous period VND
Cash repayment of principal amounts under normal contracts	172,547,679,763	163,140,416,919
Total	172,547,679,763	163,140,416,919

7. SEGMENT REPORTING

For management purposes, the Company divides its operations nationwide into key departments according to geographical regions as follows:

- Headquarters
- Sales Department
- Ho Chi Minh City Branch
- Ha Noi Branch
- Thanh Hoa Branch
- Khanh Hoa Branch
- Vinh Phuc Branch
- Can Tho Branch

DANAPHA PHARMACEUTICAL JOINT STOCK COMPANY

Address: 253 Dung Si Thanh Khe Street, Thanh Khe Ward, Da Nang City, Vietnam

NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)

For the financial period ended 30 June 2025:

	Headquarters VND	Sales Department VND	Ho Chi Minh VND	Ha Noi VND	Thanh Hoa VND	Vinh Phuc VND	Khanh Hoa VND	Can Tho VND	Total VND
Revenue	112,883,296,303	22,774,756,628	47,775,378,808	37,414,828,847	22,635,968,593	11,573,850,076	11,992,378,968	28,947,119,870	295,997,578,093
+ External	112,883,296,303	22,774,756,628	47,775,378,808	37,414,828,847	22,635,968,593	11,573,850,076	11,992,378,968	28,947,119,870	295,997,578,093
+ Inter-segment	-	-	-	-	-	-	-	-	-
Deductions	964,764,723	2,366,019	34,304,362	38,830,239	30,919,509	4,000,000	17,935,714	284,950,056	1,378,070,622
Net revenue	111,918,531,580	22,772,390,609	47,741,074,446	37,375,998,608	22,605,049,084	11,569,850,076	11,974,443,254	28,662,169,814	294,619,507,471
Cost of sales	70,077,486,028	8,626,853,532	16,053,632,691	11,824,473,361	8,078,817,289	3,584,746,217	4,196,640,472	10,836,200,864	133,278,850,454
Gross profit	41,841,045,552	14,145,537,077	31,687,441,755	25,551,525,247	14,526,231,795	7,985,103,859	7,777,802,782	17,825,968,950	161,340,657,017

	Headquarters VND	Sales Department VND	Ho Chi Minh VND	Ha Noi VND	Thanh Hoa VND	Vinh Phuc VND	Khanh Hoa VND	Can Tho VND	Total VND
As at 30 Jun. 2025									
Segment assets	231,534,087,079	16,570,250,421	32,458,733,689	24,850,791,806	14,943,956,121	9,098,085,640	11,551,714,505	29,397,545,484	370,405,164,745
Unallocated assets									1,526,098,505,266
Total Assets									1,896,503,670,011
Segment liabilities	3,357,260,397	4,081,416,317	8,447,096,728	6,367,065,178	3,801,839,800	1,821,671,000	1,919,105,000	3,994,572,438	33,790,026,858
Unallocated liabilities									1,073,097,794,399
Total liabilities									1,106,887,821,257

	Headquarters VND	Sales Department VND	Ho Chi Minh VND	Ha Noi VND	Thanh Hoa VND	Vinh Phuc VND	Khanh Hoa VND	Can Tho VND	Total VND
The first six months of 2025.									
Cost of purchasing assets	100,444,250,212	-	-	-	-	-	-	-	100,444,250,212
Depreciation expense	6,935,689,966	-	1,348,473,510	-	-	-	125,656,860	54,060,000	8,463,880,336

DANAPHA PHARMACEUTICAL JOINT STOCK COMPANY

Address: 253 Dung Si Thanh Khe Street, Thanh Khe Ward, Da Nang City, Vietnam

NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)

For the financial period ended 30 June 2024:

	Headquarters VND	Sales Department VND	Ho Chi Minh VND	Ha Noi VND	Thanh Hoa VND	Vinh Phuc VND	Khanh Hoa VND	Can Tho VND	Total VND
Revenue	136,658,562,829	14,639,857,333	42,005,357,999	26,442,689,893	18,721,884,816	8,937,706,258	9,688,250,154	27,555,056,691	284,649,365,973
+ External	136,658,562,829	14,639,857,333	42,005,357,999	26,442,689,893	18,721,884,816	8,937,706,258	9,688,250,154	27,555,056,691	284,649,365,973
+ Inter-segment	-	-	-	-	-	-	-	-	-
Deductions	47,563,290	19,985,714	47,756,190	162,024,404	46,899,429	2,489,657	2,856,732	-	329,575,416
Net revenue	136,610,999,539	14,619,871,619	41,957,601,809	26,280,665,489	18,674,985,387	8,935,216,601	9,685,393,422	27,555,056,691	284,319,790,557
Cost of sales	76,150,653,440	6,742,945,835	19,354,196,184	10,884,878,385	5,893,508,348	3,681,966,631	3,654,507,059	12,190,497,523	138,553,153,405
Gross profit	60,460,346,099	7,876,925,784	22,603,405,625	15,395,787,104	12,781,477,039	5,253,249,970	6,030,886,363	15,364,559,168	145,766,637,152

	Headquarters VND	Sales Department VND	Ho Chi Minh VND	Ha Noi VND	Thanh Hoa VND	Vinh Phuc VND	Khanh Hoa VND	Can Tho VND	Total VND
As at 01 Jan. 2025									
Segment assets	203,669,242,110	11,517,925,138	29,973,824,329	17,919,115,483	11,790,933,136	9,591,792,662	9,733,737,208	23,506,231,937	317,702,802,003
Unallocated assets									1,278,427,851,935
Total assets									1,596,130,653,938
Segment liabilities	8,493,849,806	2,325,409,118	4,139,220,328	3,371,590,965	1,799,358,000	1,367,272,780	1,437,751,681	2,420,185,532	25,354,638,210
Unallocated liabilities									805,706,069,052
Total liabilities									831,060,707,262

	Headquarters VND	Sales Department VND	Ho Chi Minh VND	Ha Noi VND	Thanh Hoa VND	Vinh Phuc VND	Khanh Hoa VND	Can Tho VND	Total VND
The first six months of 2024									
Cost of purchasing assets	128,179,125,335	-	-	-	-	-	-	-	128,179,125,335
Depreciation expense	7,904,166,054	-	1,316,382,276	76,377,396	-	-	66,338,226	54,060,000	9,417,323,952

NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)

8. RELATED PARTIES

<u>List of related parties</u>	<u>Relationship</u>
1. Danhsan VN Limited Company	Parent Company
2. Vietnam Pharmaceutical Corporation - JSC	Investment company
3. Danhsan - BG Ltd	Same key management personnel
4. Danhsan Trading VN Ltd	Same key management personnel (Related parties since 13 February 2025)
5. Ms. Nguyen Phuong Vy	Related person of the Parent Company
6. Ms. Pham Huong Giang	Related person of the Parent Company
7. Board of Directors and management	Key management personnel

At the date of preparation of the interim balance sheet, the balances of receivables, payables and loans with related parties are as follows:

	As at 30 Jun. 2025 VND	As at 01 Jan. 2025 VND
Trade receivables		
Danhsan VN Ltd	26,333,333	-
Danhsan - BG Ltd	171,466,386,431	139,271,250,466
Danhsan Trading VN Ltd	19,582,220,000	-
Total - Refer to Note 4.2	191,074,939,764	139,271,250,466
	As at 30 Jun. 2025 VND	As at 01 Jan. 2025 VND
Trade payables		
Danhsan - BG Ltd	311,698,322,792	158,941,089,908
Total - Refer to Note 4.12	311,698,322,792	158,941,089,908
	As at 30 Jun. 2025 VND	As at 01 Jan. 2025 VND
Long-term loan :		
Danhsan - BG Ltd	236,632,500,000	204,495,000,000
Ms. Pham Huong Giang	68,649,999,990	11,299,999,990
Ms. Nguyen Phuong Vy	59,141,308,000	59,141,308,000
Total- Refer to Note 4.19	364,423,807,990	274,936,307,990

NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)

	As at 30 Jun. 2025 VND	As at 01 Jan. 2025 VND
Interest on loans payable:		
Danhson - BG Ltd	24,417,177,647	17,551,786,491
Ms. Pham Huong Giang	1,177,849,727	60,635,343
Ms. Nguyen Phuong Vy	2,393,829,458	546,190,184
Total- Refer to Note 4.17	27,988,856,832	18,158,612,018

	As at 30 Jun. 2025 VND	As at 01 Jan. 2025 VND
Accrual expenses		
Danhson - BG Ltd	-	5,608,300,500
Total- Refer to Note 4.16	-	5,608,300,500

During the period, the Company has had related party transactions as follows:

	Current period VND	Previous period VND
Sales of goods		
Danhson VN Ltd	23,939,394	-
Danhson - BG Ltd	59,723,587,519	79,401,149,184
Danhson Trading VN Ltd	41,169,325,942	-
Total - Refer to Note 5.1	100,916,852,855	79,401,149,184

	Current period VND	Previous period VND
Purchase of goods:		
Vietnam Pharmaceutical Corporation - JSC	105,407,191	1,101,629,062
- Trademark usage fee	105,407,191	55,914,776
- Research services	-	1,022,857,143
- Other services	-	22,857,143
Danhson - BG Ltd	135,650,301,150	-
Danhson Trading VN Ltd	31,727,960	-
Total	135,787,436,301	1,101,629,062

NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)

	Current period VND	Previous period VND
Ms. Pham Huong Giang		
Loan- Refer to note 4.19	57,350,000,000	-
Interest expense	1,117,214,384	-
	Current period VND	Previous period VND
Ms. Nguyen Phuong Vy		
Interest expense	1,847,639,274	-

Remunerations of the Management Board and Supervisory Board:

Full name	Position		Current period VND	Previous period VND
Mr. Bojinov Stefan Georgiev	Chairman of the BODs		750,000,000	750,000,000
Mr. Nguyen Quoc Thang	Member of the BODs	(Dismissed on 29 March 2024)	-	39,999,999
Mr. Dobrev Sasho Hristov	Member of the BODs		375,000,000	375,000,000
Mr. Dinh Xuan Han	Member of the BODs	(Dismissed on 29 March 2024)	-	39,999,999
Mr. Le Van Son	Member of the BODs	(Dismissed on 29 March 2024)	-	39,999,999
Mr. Le Thang Binh	Member of the BODs		461,538,462	461,538,462
Ms. Pham Huong Giang	Member of the BODs	(Dismissed on 29 March 2024)	-	39,999,999
Mr. Do Minh Hieu	Member of the BODs	(Appointed on 29 March 2024)	91,365,096	44,884,251
Ms. Nguyen Thuy Dung	Member of the BODs	(Dismissed on 31 July 2025)	53,333,332	39,999,999
Mr. Pham Thai Lang	Independent Member of the BODs	(Dismissed on 31 July 2025)	68,484,847	39,999,999
Ms. Nguyen Thanh Thao	Independent Member of the BODs	(Appointed on 29 March 2024)	79,999,998	39,999,999
Ms. Nguyen Thi Thuy	Member of the BODs	(Appointed on 29 March 2024)	79,999,998	39,999,999
Mr. Ngo Xuan Tung	Head of Supervisory Committee		106,006,524	104,924,898
Mr. Nguyen Van Khai	Member of Supervisory Committee	(Dismissed on 05 July 2024)	-	40,000,002
Ms. Nguyen Thi Yen Nhi	Member of Supervisory Committee		36,635,340	36,816,798
Ms. Luu Quynh Mai	Member of Supervisory Committee	(Appointed on 05 July 2024)	40,000,002	-

Salaries, bonuses and other incomes of the General Directors, Management Board

Name	Position	Current period VND	Previous period VND
Mr. Bojinov Stefan Georgiev	Chairman of the BODs	120,000,000	120,000,000
Mr. Dobrev Sasho Hristov	Member of the BODs	180,000,000	180,000,000
Mr. Le Thang Binh	General Director	952,800,000	952,800,000

NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONTINUED)

9. COMMITMENT UNDER OPERATING LEASES

The Company leases land under operating lease contracts, the land lease term is according to lease contracts, with rent recorded during the period:

	Current period VND	Previous period VND
Operating rental costs recorded during the period	1,697,332,824	1,697,332,824

As at 30 June 2025, the Company has outstanding commitments under non-cancellable operating leases that fall due as follows:

	As at 30 Jun. 2025	As at 01 Jan. 2025
Within one year	3,394,665,647	432,235,618
Later than one year but within five years	6,151,366,670	1,355,455,592
Later than five years	4,602,901,281	4,772,333,230
Total	14,148,933,598	6,560,024,440

The payments for lease activities mentioned above include:

Total rental and infrastructure usage fees at Hoa Khanh Industrial Park, Da Nang City under Lease Agreement No. 51/HĐTLĐ with an amount of VND 28,238,658 per month. The lease agreement is signed for a term of 40 years from 1 November 2003 to 1 November 2043.

Total rental fees for land at 253 Dung Si Thanh Khe, Thanh Khe Ward, according to the Decision to extend the lease period No. 246/QĐ-UBND dated 20 January 2025 with an amount of 254,650,146 VND per month. The extension period to 11 January 2028.

10. EVENTS AFTER THE END OF THE REPORTING PERIOD

Based on Appendix IV on the unusual disclosure of the company No. 759/DAN dated 10 July 2025, Danapha Joint Stock Company announced that it currently does not meet the conditions for a public company as stipulated in Point a, Clause 1, Article 32 of Securities Law No. 54/2019/QH14, which was amended and supplemented in Clause 1, Article 11 of Law No. 56/2024/QH15.

Besides the above event, there were no significant events arising after the end of the reporting period to the date of the interim financial statements.



Le Thanh Binh
General Director

Danang City, 14 August 2025

Tran Tien Dung
Chief Financial Officer
Cum Chief Accountant

Nguyen Thi Thu Hang
Preparer