

No: 17/2025/CBTT-DLVN

Phutho, August 14<sup>th</sup>, 2025

**PERIODIC DISCLOSURE OF FINANCIAL STATEMENTS**

**Respectfully to: Hanoi Stock Exchange**

Pursuant to Clause 1, Article 10 of Circular No. 96/2020/TT-BTC dated November 16<sup>th</sup>, 2020, issued by the Ministry of Finance providing guidelines on disclosure of information on securities market, Viet Nam Medicinal Materials Joint Stock Company hereby discloses the Audited Financial Statement the Semi – Annual of 2025 to the Hanoi Stock Exchange as follow:

1. Organization name : Viet Nam Medicinal Materials Joint Stock Company
  - Stock code : DVM
  - Address : Area 8, Phu Ninh Commune, Phu Tho Province, Vietnam
  - Tel : (84-24) 3984 1255
  - Email : headoffice@vietmec.vn
  - Website : <https://duoclieuvietnam.com.vn>
2. Content of information disclosure:
  - The Audited Financial Statement the Semi – Annual of 2025:
    - ☒ Separated Financial Statements (Listed organization without subsidiaries and superior accounting unit that has affiliated units);
    - ☐ Consolidated Financial Statements (Listed organization with subsidiaries);
    - ☐ General Financial Statements (Listed organization has affiliated units with separate accounting apparatus);
  - Circumstances requiring explanation of reasons:
  - + The audit organization issues an opinion other than an unqualified opinion on the Financial Statements (for audited financial statements the Semi – Annual of 2025):
    - ☒ Yes ☐ No

Explanation document in case of "Yes":

  - ☒ Yes ☐ No

- + Profit after taxes in the reporting period has a difference of at least 5% between the pre-audit and post-audit, is changed from negative to positive or vice versa (for the audited Financial Statements the Semi – Annual of 2025):
  - ☒ Yes ☐ No

Explanation document in case of "Yes":

  - ☒ Yes ☐ No



- + Profit after enterprise income tax as mentioned in the income statement of the disclosing period increases/decreases by at least 10% compared with the profit after enterprise income tax as disclosed in the same period of the last year:

☒ Yes

☐ No

Explanation document in case of "Yes":

☒ Yes

☐ No

- + Profit after taxes of the period is negative, is changed from positive in the previous period to negative in the current period or vice versa:

☐ Yes

☒ No

Explanation document in case of "Yes":

☐ Yes

☐ No

This information was published on the Company's website on August 14<sup>th</sup> 2025, as in the link: <https://duoclieuvietnam.com.vn/>

3. Reporting on transactions that are worth at least 35% of the total assets on 6 month in 2025: None

We hereby certify that the information provided is true and accurate and we bear the full responsibility to the law for the content of the disclosed information.

**Attach:**

- Financial Statement the Semi – Annual of 2025;
- Explanation document.

**Recipients:**

- As above.
- Archives: VT, PC.

**REPRESENTATIVE OF VIETNAM MEDICINAL  
MATERIALS JOINT STOCK COMPANY  
PERSON IN CHARGE OF INFORMATION**

**DISCLOSURE**



**DUONG THI THAI**



**VIET NAM MEDICINAL MATERIALS JOINT  
STOCK COMPANY**

Reviewed Interim financial statements  
for the six-month period ended 30 June 2025



## CONTENTS

	Pages
STATEMENT OF THE BOARD OF GENERAL DIRECTORS	1 – 2
REPORT ON REVIEW OF INTERIM FINANCIAL STATEMENTS	3 – 4
REVIEWED INTERIM FINANCIAL STATEMENTS	
Interim balance sheet	5 – 6
Interim statement of income	7
Interim statement of cash flow	8
Notes to the interim financial statements	09 – 53

## **STATEMENT OF THE BOARD OF GENERAL DIRECTORS**

The Board of General Director of Viet Nam Medicinal Materials Joint Stock Company (hereinafter referred to as "the Company") presents this report together with the reviewed interim financial statements for the six-month period ended 30 June 2025.

### **GENERAL INFORMATION**

Viet Nam Medicinal Materials Joint Stock Company (hereinafter referred to as "the Company") is a Joint Stock Company established and operating in Vietnam under the Certificate of Business Registration No.0105196582 for the first time on 16th March 2011, and the 27th amendment dated 20th September 2024 issued by the Phu Tho Department of Planning and Investment..

Viet Nam Medicinal Materials Joint Stock Company is located at: Area 8, Phu Ninh Commune, Phu Tho Province, Viet Nam.

### **MEMBERS OF BOARD OF DIRECTORS, BOARD OF SUPERVISION, BOARD OF GENERAL DIRECTOR AND CHIEF ACCOUNTANT**

Members of Board of Directors, Board of General Director and Board of Supervision of the Company who held office during the period and to the date of this report are as follows:

#### **Board of Directors**

<b>Full name</b>	<b>Duty</b>	<b>Date of appointment/dismissal</b>
Mr. Nguyen Van Cai	Chairman	
Mr. Vu Thanh Trung	Member	
Ms. Nguyen Thi Ha	Independent members	
Ms. Duong Thi Thai	In charge of administration	Appointed on 01/07/2025
Mr. Nguyen Vu Phu	In charge of administration	Dismissed on 01/07/2025

#### **Board of Supervision**

<b>Full name</b>	<b>Duty</b>	<b>Date of appointment/dismissal</b>
Mr. Nguyen Chi Hieu	Head of BOS	Appointed on 16/06/2025
Ms Nguyen Diep Khanh Linh	Head of BOS	Dismissed on 16/06/2025
Mr. Bui Cong Tuan	Member	
Ms. Dang Thi Khanh Ngan	Member	

#### **Board of Directors**

<b>Full name</b>	<b>Duty</b>	<b>Date of appointment/dismissal</b>
Mr. Vu Thanh Trung	General Director	
Mr. Nguyen Van Cai	Deputy General Director	
Ms. Nguyen Thi Huong	Chief Accountant	Appointed on 24/06/2025
Mr. Nguyen Manh Thang	Chief Accountant	Dismissed on 24/06/2025

#### **Legal representative**

The legal representative of the Company during the period and at the date of this report is Mr. Vu Thanh Trung – General Director.

### **EVENTS ARISING AFTER THE END OF THE YEAR**

There have been no significant events since the end of the accounting period that would require adjustment to, or disclosure in the notes to the interim financial statements.

### **AUDITOR**

International Auditing and Valuation Company Limited has been appointed as the auditor to review the interim financial statements for the six-month period ended 30 June 2025 of the Company.

## **STATEMENT OF THE BOARD OF GENERAL DIRECTORS (continued)**

### **DISCLOSURE OF THE BOARD OF GENERAL DIRECTOR'S RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS**

The Company's Board of General Directors is responsible for preparing the interim financial statements that give a true and fair view of the Company's financial position, business performance, and cash flows for the period. In preparing these interim financial statements, the Board of General Directors 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 material departures disclosed and explained in the interim financial statements;
- Prepare the interim financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business; and
- Design and implement an effective system of internal control for the purpose of preparing and presenting a fair interim financial statements in order to limit risks and frauds.

The Board of General Director is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the interim financial position of the Company and to ensure that the accounting records comply with the applied accounting system. It 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 relating to preparing this interim financial statements.

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

### **APPROVAL OF THE FINANCIAL STATEMENTS**

The Board of Management accompanying interim financial statements. Interim financial statements give a true and fair view of the interim financial position of the Company as at 30 June 2025, and of the interim results of its operations and its interim cash flows for the six-month period then ended in accordance with the Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the interim financial statements.

### **COMMITMENT ON INFORMATION DISCLOSURE**

The Board of General Director commits that: The Company complied with Decree 155/2020/ND-CP dated 31 December 2020 elaborating some articles of the Law on Securities and the Company does not violate the obligation to disclose information under Circular No. 96/2020/TT-BTC dated 16 November 2020 of the Ministry of Finance guiding some articles on disclosure of information on the Securities market, as amended and supplemented by Circular No. 68/2024/TT-BTC dated 18 September 2024 on amendments and supplements to certain articles of the circulars regulating securities transactions on the securities trading system; clearing and settlement of securities transactions; securities company operations; and information disclosure on the securities market.

For and on behalf of the Board of General Director,



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**Vu Thanh Trung**  
General Director  
Phu Tho, 14 August 2025

No: 30067/2025/BCSX/IAV

## **REPORT ON REVIEW OF INTERIM FINANCIAL STATEMENTS**

**To: Shareholders**  
**Board of Directors, Board of Supervision and The Board of General Director**  
**Viet Nam Medicinal Materials Joint Stock Company**

We have reviewed the accompanying interim financial statements of Viet Nam Medicinal Materials Joint Stock Company (hereinafter referred to as the "Company") which were prepared on 14 August 2025 as set out on page 05 to 53, including the interim Balance Sheet as at 30 June 2025, the interim Income Statement and the interim Cash Flow Statement for the 6-month period then ended and the Notes thereto.

### **Responsibilities of the Board of General Director**

The Board of Management of the Company is responsible for preparing and presenting the interim financial statements in a true and fair view in conformity with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and related legal regulations on the preparation and presentation of the interim financial statements and for such internal control as the Board of Management determines is necessary to enable the preparation and presentation of the interim financial statements that are free from material misstatements, whether due to fraud or error.

### **Responsibility of Auditors**

Our responsibility is to express a conclusion on this interim financial information based on the result of our review. We conducted our review in accordance with Vietnamese Standard on Review Engagements 2410 (VSRE 2410) – Review of interim financial information performed by the independent auditor of the entity.

A review of the interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and 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 REPORT INTERIM FINANCIAL INFORMATION (Continue)

### Auditor's 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 Vietnam Medicinal Materials Joint Stock Company's interim financial position as at 30 June 2025, as well as the interim income statement and interim cash flows statement for the six-month period then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relevant to the preparation and presentation of the interim financial statements.



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**NGUYEN HUU HOAN**

**Director**

Audit Practising Registration Certificate

No. 2417-2023-283-1

**INTERNATIONAL AUDITING AND VALUATION**

**COMPANY LIMITED**

Hanoi, 14 August 2025

# INTERIM BALANCE SHEET

As at 30 June 2025

ASSETS	Code	Note	Ending Balance VND	Beginning Balance VND
<b>A/ SHORT-TERM ASSETS</b>	<b>100</b>		<b>948,423,504,811</b>	<b>940,864,723,951</b>
<b>I/ Cash and cash equivalents</b>	<b>110</b>	<b>4.1</b>	<b>124,167,487,717</b>	<b>85,716,381,492</b>
1. Cash	111		88,329,930,705	50,049,634,000
2. Cash equivalents	112		35,837,557,012	35,666,747,492
<b>II/ Short-term financial investments</b>	<b>120</b>		<b>98,553,330,078</b>	<b>118,906,968,745</b>
1. Held-to-maturity investments	123	<b>4.2</b>	98,553,330,078	118,906,968,745
<b>III/ Short-term receivables</b>	<b>130</b>		<b>484,392,727,941</b>	<b>497,612,779,269</b>
1. Short-term trade receivables	131	<b>4.3</b>	441,485,901,412	434,649,297,670
2. Short-term advances to suppliers	132	<b>4.4</b>	53,158,341,653	57,012,618,899
3. Other short-term receivables	136	<b>4.5</b>	2,036,408,889	8,647,804,687
4. Short-term allowance for doubtful debts	137	<b>4.6</b>	(12,287,924,013)	(2,696,941,987)
<b>IV/ Inventories</b>	<b>140</b>	<b>4.7</b>	<b>241,022,161,798</b>	<b>238,256,494,183</b>
1. Inventories	141		241,022,161,798	238,256,494,183
<b>V/ Other short-term assets</b>	<b>150</b>		<b>287,797,277</b>	<b>372,100,262</b>
1. Short-term prepaid expenses	151	<b>4.8</b>	287,797,277	372,100,262
<b>B/ LONG-TERM ASSETS</b>	<b>200</b>		<b>680,519,992,140</b>	<b>693,705,321,666</b>
<b>I/ Long-term receivables</b>	<b>210</b>		<b>93,577,326,528</b>	<b>93,577,326,528</b>
1. <b>Other long-term receivables</b>	<b>216</b>	<b>4.5</b>	<b>93,577,326,528</b>	<b>93,577,326,528</b>
<b>II/ Fixed assets</b>	<b>220</b>		<b>357,269,308,586</b>	<b>369,926,562,095</b>
1. Tangible fixed assets	221	<b>4.9</b>	130,234,705,588	137,783,362,447
- Cost	222		210,955,566,678	210,955,566,678
- Accumulated depreciation	223		(80,720,861,090)	(73,172,204,231)
2. Finance lease assets	224	<b>4.10</b>	20,712,713,267	25,151,899,997
- Cost	225		42,326,474,802	42,326,474,802
- Accumulated depreciation	226		(21,613,761,535)	(17,174,574,805)
3. Intangible fixed assets	227	<b>4.11</b>	206,321,889,731	206,991,299,651
- Cost	228		210,320,174,528	210,320,174,528
- Accumulated amortisation	229		(3,998,284,797)	(3,328,874,877)
<b>III/ Investment properties</b>	<b>230</b>		-	-
<b>IV/ Long-term assets in progress</b>	<b>240</b>		<b>207,748,851,127</b>	<b>207,741,675,127</b>
1. Construction in progress	242	<b>4.12</b>	207,748,851,127	207,741,675,127
<b>V/ Long-term financial investments</b>	<b>250</b>	<b>4.2</b>	<b>20,000,000,000</b>	<b>20,000,000,000</b>
1. Investments in joint-ventures, associates	252		20,000,000,000	20,000,000,000
<b>VI/ Other long-term assets</b>	<b>260</b>		<b>1,924,505,899</b>	<b>2,459,757,916</b>
1. Long-term prepaid expenses	261	<b>4.8</b>	1,924,505,899	2,459,757,916
<b>TOTAL ASSETS</b> (270 = 100 + 200)	<b>270</b>		<b>1,628,943,496,951</b>	<b>1,634,570,045,617</b>

**INTERIM BALANCE SHEET (continued)**

As at 30 June 2025

RESOURCES	Code	Note	Ending Balance VND	Beginning Balance VND
<b>C/ LIABILITIES</b>	<b>300</b>		<b>871,068,090,723</b>	<b>898,023,038,490</b>
<b>I/ Short-term liabilities</b>	<b>310</b>		<b>851,380,005,864</b>	<b>869,787,379,806</b>
1. Short-term trade payables	311	4.13	106,467,898,729	92,564,402,663
2. Short-term advances from customers	312	4.14	180,024,745	67,689,020
3. Taxes and amounts payable to the State budget	313	4.18	11,454,120,332	5,735,111,838
4. Payables to employees	314		2,565,728,840	2,981,715,656
5. Short-term accrued expenses	315	4.16	999,349,198	961,039,745
6. Short-term unearned revenue	318	4.17	1,884,421,633	2,791,437,590
7. Other short-term payables	319	4.15	70,952,044,041	20,119,620,050
8. Short-term borrowings and finance lease liabilities	320	4.19	654,001,094,351	740,666,281,550
9. Bonus and welfare fund	322		2,875,323,995	3,900,081,694
<b>II/ Long-term liabilities</b>	<b>330</b>		<b>19,688,084,859</b>	<b>28,235,658,684</b>
1. Other long-term payables	337	4.15	1,960,408,747	2,349,412,900
2. Long-term borrowings and finance lease liabilities	338	4.19	17,727,676,112	25,886,245,784
<b>D/ EQUITY</b>	<b>400</b>	4.20	<b>757,875,406,228</b>	<b>736,547,007,127</b>
<b>I/ Owner's equity</b>	<b>410</b>		<b>757,875,406,228</b>	<b>736,547,007,127</b>
1. Owner's contributed capital	411		427,799,160,000	427,799,160,000
- Ordinary shares with voting rights	411a		427,799,160,000	427,799,160,000
2. Share premium	412		159,200,000,000	159,200,000,000
3. Investment and development fund	418		47,352,804,805	44,680,804,805
4. Retained earnings	421		123,523,441,423	104,867,042,322
- Retained earnings/(losses) accumulated to the prior year end	421a		101,660,642,322	56,992,157,666
- Retained earnings/(losses) of the current year	421b		21,862,799,101	47,874,884,656
<b>II/ Other resources and funds</b>	<b>430</b>		-	-
<b>TOTAL RESOURCES</b> (440 = 300 + 400)	<b>440</b>		<b>1,628,943,496,951</b>	<b>1,634,570,045,617</b>

Preparer  
Do Thi Hue

Chief Accountant  
Nguyen Thi Huong



General Director  
Vu Thanh Trung  
Phu Tho, Viet Nam  
14 August 2025

# INTERIM STATEMENT OF INCOME

For the six-month period ended 30 June 2025

ITEMS	Code	Note	Current period	Previous period
1. Gross revenue from goods sold and services rendered	01	5.1	697,812,119,453	716,375,768,776
2. Deductions	02	5.2	14,070,000	-
3. Net revenue from goods sold and services rendered (10=01-02)	10		697,798,049,453	716,375,768,776
4. Cost of goods sold and services rendered	11	5.3	622,004,411,972	655,787,695,432
5. Gross profit/ (losses) from goods sold and services rendered (20=10-11)	20		75,793,637,481	60,588,073,344
6. Financial income	21	5.4	1,588,536,042	2,510,675,766
7. Financial expenses	22	5.5	21,951,403,999	22,698,117,374
- In which: Interest expense	23		21,951,403,999	22,697,764,813
8. Selling expenses	25	5.6	4,287,241,513	6,291,369,424
9. General and administration expenses	26	5.7	23,961,131,455	11,948,924,378
10. Net operating profit/ (losses) (30=20+(21-22)-(25+26))	30		27,182,396,556	22,160,337,934
11. Other income	31	5.8	111,922,435	656,775,039
12. Other expenses	32	5.9	2,210,000,672	427,432,984
13. Other profit/ (losses) (40=31-32)	40		(2,098,078,237)	229,342,055
14. Accounting profit/ (losses) before tax (50=30+40)	50		25,084,318,319	22,389,679,989
15. Current corporate income tax expense	51	5.10	3,221,519,218	2,814,314,803
16. Deferred corporate tax (income)/expense	52		-	-
17. Net profit/ (losses) after corporate income tax (60=50-51-52)	60		21,862,799,101	19,575,365,186
18. Basic earnings per share (*)	70	5.11	511	549
19. Diluted earnings per share (*)	71	5.11	511	229

*[Signature]*

Preparer  
Do Thi Hue

*[Signature]*

Chief Accountant  
Nguyen Thi Huong



General Director  
Vu Thanh Trung  
Phu Tho, Viet Nam  
14 August 2025

## INTERIM STATEMENT OF CASH FLOWS

For the six-month period ended 30 June 2025

(Direct method)

ITEMS	Code	Note	Current period	Previous period
<b>I/ Cash flows from operating activities</b>				
1. Proceeds from sales of goods and service provisions and other sales	01		726.602.706.962	700.068.083.498
2. Payments for suppliers of goods and services	02		(629.173.830.384)	(663.303.123.148)
3. Payments for employees	03		(14.262.292.224)	(10.883.142.184)
4. Interest paid	04		(21.525.104.517)	(24.240.660.390)
5. Corporate income tax paid	05		-	(321.533.514)
6. Other receipts from operating activities	06		77.011.027.560	2.430.801.413
7. Other payments for operating activities	07		(26.798.857.505)	(94.960.639.423)
<b>Net cash flows from operating activities</b>	<b>20</b>		<b>111.853.649.892</b>	<b>(91.210.213.748)</b>
<b>II/ Cash flows from investing activities</b>				
1. Purchases and construction of fixed assets and other long-term assets	21		(7.176.000)	-
2. Loans given and purchases of debt instruments of other entities	23		(35.000.000.000)	41.406.583.822
3. Recovery of loan given and disposals of debt instruments of other entities	24		55.356.005.790	-
4. Interest, dividends and profits recieved	27		1.072.383.414	2.265.246.936
<b>Net cash flows from investing activities</b>	<b>30</b>		<b>21.421.213.204</b>	<b>43.671.830.758</b>
<b>III/ Cash flows from financing activities</b>				
1. Proceeds from borrowings	33	6.1	621.499.609.104	596.903.911.005
2. Repayments of borrowings	34	6.2	(713.847.094.761)	(571.006.864.041)
3. Repayment of finance lease liabilities	35		(2.476.271.214)	(12.869.175.327)
<b>Net cash flows from financing activities</b>	<b>40</b>		<b>(94.823.756.871)</b>	<b>13.027.871.637</b>
<b>Net cash flows in the period</b>	<b>50</b>		<b>38.451.106.225</b>	<b>(34.510.511.353)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>60</b>		<b>85.716.381.492</b>	<b>104.847.984.669</b>
Effects of fluctuations in foreign exchange	61		-	(352.561)
<b>Cash and cash equivalents at the end of the period</b>	<b>70</b>		<b>124.167.487.717</b>	<b>70.337.120.755</b>



Preparer  
Do Thi Hue



Chief Accountant  
Nguyen Thi Huong



General Director  
Vu Thanh Trung  
Phu Tho, Viet Nam  
14 August 2025

## NOTES TO THE INTERIM FINANCIAL STATEMENTS

*For the six-month period ended 30 June 2025*

These notes form an integral part of and should be read in conjunction with the accompanying interim financial statements.

### 1. CORPORATE INFORMATION

#### 1.1. Structure of ownership

Viet Nam Medicinal Materials Joint Stock Company (hereinafter referred to as "the Company") is a Joint Stock Company established and operating in Vietnam under the Certificate of Business Registration No.0105196582 for the first time on 16th March 2011, and the 27th amendment dated 20th September 2024 issued by the Phu Tho Department of Planning and Investment.

The Company's charter capital is 427,799,160,000 VND (In words: Four hundred twenty- seven billion, seven hundred ninety-nine million, one hundred sixty thousand VND). The total number of shares is 42,779,916 shares.

The total number of the Company's employees as at 30 June 2025: 153 (31 December 2024 was 212).

#### 1.2. Business area

The Company's main business area are the production and wholesale of medicinal herbs.

#### 1.3. Principal business activities

During the year, the Company's main business activities are Brokerage, auction goods (Details: Sales agent for goods; Brokerage for buying and selling goods); Wholesale of raw agricultural and forestry products (excluding wood, bamboo, rattan) and live animals (excluding those prohibited by the government); Wholesale of food products (Details: Trading in functional foods; Wholesale of sugar, milk and dairy products, confectionery, and products made from cereals, flour, starch); Wholesale of beverages; Wholesale of other household goods (Details: Wholesale of medical equipment; Wholesale of perfumes, cosmetics, and hygiene products; Wholesale of medicines (not operating at the main office); Wholesale of medicinal herbs, traditional medicines, and herbal medicines); Wholesale of machinery, equipment, and other spare parts (Details: Wholesale of medical machinery and equipment); Wholesale of other specialized goods not yet classified (Details: Wholesale of industrial chemicals such as essential oils, dyes, perfumes, and flavoring agents, soda, industrial salts; Wholesale of pharmaceuticals (modern medicines, vaccines, medical biological products); Cultivation of spices, medicinal plants, and aromatic plants; Cultivation of other perennial plants; Breeding and care of annual plant seeds; Agricultural services; Animal husbandry services; Post-harvest services; Seed processing for propagation.

Organization of trade promotion and introduction (excluding press conferences); Other business support services not yet classified (Details: Import and export of goods traded by the company); Other education services not yet classified; Educational support services; Real estate business, land use rights owned, leased, or rented (Details: Real estate business); Consulting, brokerage, and auctioning real estate, land use rights (Details: Real estate consulting and brokerage); Scientific research and technological development in natural sciences; Scientific research and technological development in engineering and technology; Scientific research and technological development in agricultural sciences; Advertising (excluding tobacco advertising); Other professional, scientific, and technological activities not yet classified (Details: Technology transfer consulting); Retail of

foodstuffs, beverages, tobacco, and other tobacco products in large stores; Retail of beverages in specialized stores; Production of dairy products and dairy derivatives; Manufacturing of other chemical products not yet classified (Details: Manufacturing of natural essential oils); Manufacture of pharmaceutical products, chemicals, and medicinal materials (Details: Pharmaceutical production; Manufacturing of raw materials for modern medicine; Production of vaccines and medical biological products (Biological preparations for human use); Road freight transport; Warehousing and goods storage (excluding real estate business); Retail of medicines, medical equipment, cosmetics, and hygiene products in specialized stores (Details: Retail of traditional medicines, herbal products; Retail of medical equipment, cosmetics, and hygiene products in specialized stores).

**1.4. Normal production and business cycle**

The Company's normal production and business cycle is carried out for a time period of 12 months.

**1.5. Nature of operations during the period affecting the interim financial statements**

There were no significant activities during the six-month period ended June 30, 2025, that materially affected the Company's interim financial statement indicators.

**1.6. The Company's structure**

**Joint ventures and associates**

Company	Address	Percentage of ownership %	Percentage of voting rights %	Principle activities
VIBFA Joint Stock Company	Ha Noi	40%	40%	Distribution of products

**Dependent accounting units without legal entity status**

Units	Address
Branch of Viet Nam Medicinal Materials Joint Stock Company in Ha Noi	No. 139, Hong Tien Street, Bo De Ward, Hanoi City, Vietnam
Branch of Viet Nam Medicinal Materials	No. SB.02, Cau Rao 2 Urban Area, Le Chan Ward, D9-04, D9 Street, Mahanttan Townhouse Area, Vinhomes Grand Park, Long Binh Ward, Ho Chi Minh City, Vietnam
Branch of Viet Nam Medicinal Materials Joint Stock Company in Ho Chi Minh	

**1.7. Disclosure of information comparability in the interim financial statements**

The figures presented in the interim financial statements for the six-month period ended 30 June 2025 are comparable to the corresponding figures of the previous period..

**2. ACCOUNTING CONVENTION FOR INTERIM FINANCIAL STATEMENTS AND ACCOUNTING PERIOD**

**2.1. Accounting convention**

The accompanying financial statements, expressed in Vietnamese Dong (VND), are prepared under the historical cost convention and in accordance with Vietnamese Accounting Standards, accounting

regime for enterprises and legal regulations relating to preparing and representing interim financial statement.

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. Going concern**

There have been no events that cast significant doubt on its ability to continue as a going concern. The company neither intends nor is forced to cease operations, or significantly scale back its operations.

## **2.3. Financial year**

The Company's financial year begins on 01 January and ends on 31 December.

# **3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

## **3.1. Estimates**

The preparation of interim financial statements in conformity with Vietnamese Accounting Enterprise Standards and legal regulations relating to interim financial statements requires The Board of Management to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the interim financial statements and the reported amounts of revenues and expenses during the financial year. Although these accounting estimates are based on The Board of Management's best knowledge, actual results may differ from those estimates.

## **3.2. Transactions in foreign currencies**

Transactions arising in currencies other than the Company's accounting currency (USD) are accounted for at the actual exchange rate on the date of the transaction according to the following principles:

- Operations giving rise to receivables are accounted for at the buying exchange rate of the commercial bank where the Company appoints customers to pay;
- Operations giving rise to payables are accounted for at the selling exchange rate of the commercial bank where the Company plans to transact; and
- For purchases of assets or expenses to be paid immediately in foreign currency (not using accounts payable): purchasing foreign exchange rate of commercial banks where the company makes the payment.

Foreign exchange rate used to reassess the balance of monetary items denominated in foreign currencies at the end of the accounting period are determined according to the following principles:

- For monetary items denominated in foreign currencies are classified as other assets: purchasing foreign exchange rate of the Bank company regularly traded; and
- For monetary items denominated in foreign currencies are classified as liabilities: selling foreign exchange rate of Bank company regularly traded.

All actual exchange rate differences arising during the period and differences due to reassessment of foreign currency balances at the end of the period are accounted for in the results of operations.

**3.3. Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand, demand deposits and short-term, highly liquid investments that 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 investments that the Company has the positive intent or ability to hold to maturity, including term deposits (commercial bills), bonds, preference shares which the issuer shall redeem at a certain date in the future, loans held to maturity to earn periodic interest and other held-to-maturity investments.

Held-to-maturity investments are recognised on a trade date basis and are initially measured at acquisition price plus directly attributable transaction costs. Post-acquisition interest income from held-to-maturity investments is recognised in the income statement on accrual basis. Pre-acquisition interest is deducted from the cost of such investments at the acquisition date.

Held-to-maturity investments are measured at cost less allowance for doubtful debts.

Allowance for doubtful debts relating to held-to-maturity investments is made in accordance with prevailing accounting regulations.

**Investments in associates**

An associate is any company in which the Company has significant influence but not control, generally evidenced by holding between 20% and 50% of the voting rights of that company.

Investments in associates are initially recognized at cost, including purchase price and any directly attributable investment-related expenses. Subsequently, the General Director reviews all investments to determine any necessary provision at the end of the accounting period.

**3.5. Receivables**

Receivables represent the amounts recoverable from customers or other debtors and are stated at book value less allowance for doubtful debts.

Allowance for doubtful debts is made for receivables that are overdue for six months or more, or when the debtor is in dissolution, in bankruptcy, or is experiencing similar difficulties and so may be unable to repay the debt.

**3.6. Inventories**

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition.

G Cost is calculated using the weighted average method.

Net realisable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in marketing, selling and distribution.

The evaluation of necessary allowance for inventory obsolescence follows current prevailing accounting regulations which allow provisions to be made for obsolete, damaged, or sub-standard inventories and for those which have costs higher than net realisable values as at the statement of financial position date.

### 3.7. Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation.

The costs of purchased tangible fixed assets comprise their purchase prices and any directly attributable costs of bringing the assets to their working conditions and locations for their intended use. The costs of tangible fixed assets formed from construction investment by contractual mode or self-construction or self-generating process are the settled costs of the invested construction projects in accordance with the prevailing State's regulations on investment and construction management, directly-related expenses and registration fee (if any). In the event the construction project has been completed and put into use but the settled costs thereof have not been approved, the cost of tangible fixed assets is recognised at the estimated cost based on the actual cost incurred. The estimated cost will be adjusted according to the settled costs approved by competent authorities.

#### Depreciation

Depreciation is calculated on a straight-line basis over their estimated useful lives complying with Circular No. 45/2013/TT-BTC dated 25/4/2013 which is amended and supplemented a number of articles by Circular No. 147/2016/TT-BTC dated October 13, 2016 and 28/2017/TTBTC dated April 12, 2017 guiding the management regime, use and depreciation of fixed assets. The estimated useful lives of each asset class are as follows:

	Current year	Previous year
Buildings and structures	05 – 25	05 – 25
Machineries and equipments	03 – 10	03 – 10
Motor vehicles	04 – 07	04 – 07
Office equipment	04 – 06	04 – 06
Others	03 – 15	03 - 15

### 3.8. Leasing

Assets held under finance leases are recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company's general policy on borrowing costs (see below).

Leases where substantially all the rewards and risks of ownership of assets remain with the leasing company are accounted for as operating leases. Rentals payable under operating leases are charged to the income statement on a straight-line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are also spread on a straight-line basis over the lease term.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives, as follows:

	<u>Years</u>
Machineries and equipments	05 - 10

### 3.9. Intangible assets

Intangible fixed assets are stated at cost less accumulated amortisation.

The cost of intangible fixed assets comprises all the expenses incurred to obtain this asset put into use. Costs incurred after the initial recognition are recognized to increase the cost of intangible fixed assets if these costs certainly increase economic benefits in the future due to using this asset.

Depreciation is calculated on a straight-line basis over their estimated useful lives complying with Circular No. 45/2013/TT-BTC dated 25/4/2013 which is amended and supplemented a number of articles by Circular No. 147/2016/TT-BTC dated October 13, 2016 and 28/2017/TTBTC dated April 12, 2017 guiding the management regime, use and depreciation of fixed assets. The estimated useful lives of each asset class are as follows:

Land use rights with definite terms are amortized over their remaining useful lives. Land use rights with indefinite terms are recorded at historical cost and are not amortized.

Computer software is amortized over a period of 2 to 4 years.

When intangible fixed assets are sold or retired, their cost and accumulated amortisation are removed from the statement of financial position and any profit or loss resulting from its disposal is included in the income or expense in the year.

### 3.10. Construction in progress

Properties in the course of construction for production, rental or administrative purposes, or for other purposes, are carried at cost. Cost includes costs that are necessary to form the assets in accordance with the Company's accounting policy. Depreciation of these assets, on the same basis as other assets, commences when the assets are ready for their intended use.

### 3.11. Business Cooperation Contract

#### **Jointly controlled assets**

The company recognized in the financial statements of the business cooperation contract in the form of assets as follows:

- The Company's share in jointly controlled assets is classified according to the nature of the assets.
- The appropriate liabilities incurred by the Company.
- The generally liabilities arising have divided with each other parties of the joint ventures from the operation of the joint venture.
- Income from the sale or use of the product / service is divided from the joint venture and with the incurred costs from operations divided by the joint venture.
- Expenses incurred by the Company related to joint ventures.

The fixed assets, real estate which contribute to the capital of the business cooperation contracts and have no transfer of ownership to joint ownership of the joint ventures are not decreased the

assets. If the Company receives contributed assets to the joint venture shall be monitored as assets on behave of keeping, not recorded as an increase in asset and capital.

The fixed assets, real estate which contributed to capital of the business cooperation contract with the transfer of ownership and is in the process of construction of the jointly controlled assets are decreased the assets in the accounting books and record in cost of construction in progress. After jointly controlled assets are completed and put into use, based on the value of assets is divided, the Company record an increase its assets matching its using purposes.

***Jointly controlled business***

The Company recognized in the financial statements of the business cooperation contract in the form of business activities under the joint control as follows:

- The value of assets that the company owns.
  - The incurred liabilities that the Company have to pay.
  - Revenue from selling goods or supplying service of joint venture.
- Incurred expenses..

**3.12. Prepaid expenses**

Prepaid expenses are expenses which have already been paid but relate to results of operations of multiple accounting periods. Prepaid expenses of the Company include the following expenses:

***Pre-operating expenses***

Pre-operating expenses include training costs, advertising and promotion before the company started its operations. These costs are amortized to expense under the straight-line method in 36 months since the company started its operations.

***Tools and equipment***

The tools and equipment have been put into use and are amortized to expense under the straight-line method to time allocation not too 36 months.

***Repair costs of fixed assets***

Repair costs of fixed assets incurred once to have a large value are amortized to expense under the straight-line method in 36 months.

***Prepaid land rental***

Prepaid land rental represents an amount paid for the land which the company is using. Prepaid land rental is amortized on a straight-line basis to the lease term respectively.

**3.13. Accounts payable and accrued expenses**

Payables and accrued expenses are recognized as the amount of money to be paid in the future related to the goods and services received. Payable expenses are recognized based on a reasonable estimate of the payable.

Payables are classified as payable to suppliers, accrued expenses, and other payables according to the following principles:

- Payables to suppliers reflect the trade payables arising from commercial transactions between the Company and the seller, which is an independent entity of the Company, including the number of payables on imports through trustees.
- Accrued expenses reflect the payables for goods and services received from the seller or provided for the buyer, for which no invoices have yet been received from suppliers. Those

payables also reflect the number of payables to employees on vacation wages, production, and business costs that must accrue.

- Other payables reflect non-commercial receivables, not related to the purchase and sale transactions.

### 3.14. Borrowings and finance lease liabilities

Borrowings are tracked according to each object, each contract and the repayment term. In case of borrowings in foreign currency, detailed tracking is done in the original currency.

### 3.15. Borrowing costs

Borrowing costs are recognised in the income statement in the year when incurred unless they are capitalised in accordance with Vietnamese Accounting Standard No. 16 "Borrowing costs". Accordingly, borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the cost of those assets. For specific borrowings for the purpose of construction of fixed assets and investment properties, borrowing costs are capitalised even when the construction period is under 12 months.

### 3.16. Unearned revenue

Unearned revenue is defined as revenue that is received ahead of schedule for one or more accounting periods. This primarily consists of client prepayments for lengthy asset rentals. The Company records unearned revenues corresponding to the obligations that the Company will have to perform in the future. When the conditions for revenue recognition are satisfied, unearned revenue will be shown in the statement of income for the year that corresponds to the portion that satisfies the requirements for revenue recognition.

### 3.17. Owner's equity

Capital is recorded according to the amount actually invested by shareholders.

### 3.18. Distribution of net profits

Profit after tax is distributed to shareholders after an appropriation of funds under the Charter of the Company as same as the law and is approved by the General Meeting of Shareholders.

The distribution of profits to shareholders is considered to non-cash items in undistributed profit may affect cash flow and ability to pay dividends as profit from revaluation of assets contributed as capital, interest due to the revaluation of monetary items, the financial instruments and other non-cash items.

Dividends are recognized as liabilities when approved by the General Meeting of Shareholders [or Dividends are recorded as a payable at the shareholder's rights date].

The Company makes appropriations to the following funds

#### **Bonus and Welfare Fund**

The Bonus and Welfare Fund is appropriated from the Company's profit after corporate income tax in accordance with the plan proposed by the Board of Directors and approved by the General Meeting of Shareholders. The fund is presented as a payable on the balance sheet. It is used for employee

rewards, material incentives, public welfare needs, and for improving and enhancing employees' material and spiritual well-being.

#### **Development Investment Fund**

The Development Investment Fund is appropriated from the Company's profit after corporate income tax in accordance with the plan proposed by the Board of Directors and approved by the General Meeting of Shareholders. The fund is presented as a payable on the balance sheet and is used for expanding production and business scale or for in-depth investments in the enterprise.

### **3.19. Revenue and earnings**

#### **Revenue from sales of finished goods and merchandise goods**

Revenue from sales of finished goods and merchandise goods is recorded when simultaneously satisfy the following conditions:

- The Company has transferred to the buyer the significant risks and rewards of ownership of the goods.
- The Company retains neither continuing managerial involvement to the degree usually associated with; ownership nor effective control over the goods sold.
- The amount of revenue can be measured reliably.
- It is probable that the economic benefits associated with the transaction will flow to the Company; and.
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

#### **Revenue from service rendered**

Revenue of a transaction involving the rendering of services is recognised when the outcome of such transactions can be measured reliably. Where a transaction involving the rendering of services is attributable to several periods, revenue is recognised in each period by reference to the percentage of completion of the transaction at the balance sheet date of that period. The outcome of a transaction can be measured reliably when all four (4) following conditions are satisfied:

- The amount of revenue can be measured reliably.
- It is probable that the economic benefits associated with the transaction will flow to the Company.
- The percentage of completion of the transaction at the balance sheet date can be measured reliably; and.
- The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

#### **Revenues from sales of processing service**

Sale from processing service are recorded when the processed goods are completed and are accepted by customers. Sale from processing service will not be recorded in case that there are material uncertain factors related to payments or additional costs.

#### **Financial income**

##### **Interest**

Interest is recognized on an accrual basis, are determined on the balance of cash in bank and the actual interest rate for each period.

**3.20. Cost of goods sold and service rendered**

Cost of goods sold includes the cost of products, goods and service rendered during the year and is recorded in accordance with revenue during the year. The cost of direct raw materials consumed in excess of normal levels, labor costs, and fixed general production costs that are not allocated to the value of warehoused products must be immediately calculated into the cost of goods sold (after minus compensation, if any) even when the products and goods have not been determined to be consumed.

**3.21. Financial expenses**

Finance expenses represent expenses arising from financial activities during the financial year, mainly including: provision for diminution in value of trading securities; provision for impairment of investments in other entities; the time value of money on discounted provisions; borrowing costs; losses on the sale of foreign currencies; and foreign exchange losses.

**3.22. Selling expenses**

Selling expenses reflect the actual expenses in the process of sales of goods and services rendered. Mainly includes sales staff salaries, sales promotion expenses, product introduction expenses, advertising expenses and sales commissions.

**3.23. General and administration expenses**

General and administration expenses reflect actual expenses incurred during the general management of the Company, mainly including expenses for labour of management department salaries; social insurance, health insurance, trade union fees, unemployment insurance for labour; office equipment expenses; depreciation and amortisation; provision expenses; outside services and other expenses.

**3.24. Taxation**

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years (including loss carried forward, if any) and it further excludes items that are never taxable or deductible.

Deferred tax is recognised on significant differences between carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using statement of financial position liability method. Deferred tax liabilities are generally recognised for all temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which deductible temporary differences can be utilised.

The determination of the tax currently payable is based on the current interpretation of tax regulations. However, these regulations are subject to periodic variation and their ultimate determination depends on the results of the tax authorities' examinations.

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

**3.25. Financial instruments**

**Initial recognition**

Financial assets: At the date of initial recognition, financial assets are recognised at cost plus transaction costs that are directly attributable to the acquisition of the financial assets. [Depending on each company, items to be included or excluded, the listing of financial assets should be thoroughly reviewed and presented consistently with those in Note 52]. Financial assets of the Company comprise cash, cash equivalents, trade and other receivables, deposits, financial investments and derivative financial instruments.

Financial liabilities: At the date of initial recognition financial liabilities are recognised at cost plus transaction costs that are directly attributable to the issue of the financial liabilities. [Depending on each company, items to be included or excluded, the financial liabilities should be thoroughly reviewed and presented consistently with those in Note 52]. Financial liabilities of the Company comprise trade and other payables, accrued expenses, obligations under finance leases, borrowings and derivative financial instruments.

**Subsequent measurement after initial recognition**

Currently, there are no requirements for the subsequent measurement of the financial instruments after initial recognition.

**3.26. Related parties**

The parties are considered to be related if that party has the ability to control or significantly influence the other party in making decisions on financial policies and operations. Parties are considered a related party of the Company in case that party is able to control the company or to cause material effects on the financial decisions.

In considering the relationship of the parties involved, the nature of the relationship is more emphasized than the legal form of the relationship.

**4. ADDITIONAL INFORMATION ON THE PRESENTED SECTIONS ON THE INTERIM STATEMENT OF FINANCIAL POSITION**

**4.1. Cash and cash equivalents**

	Ending Balance VND	Beginning Balance VND
Cash on hand	6,181,300,462	4,806,201,036
Cash at bank	82,148,630,243	45,243,432,964
Cash equivalents	35,837,557,012	35,666,747,492
	<b>124,167,487,717</b>	<b>85,716,381,492</b>

**4.2. Financial Investments**

**4.2.1. Held-to-maturity investments**

	Ending Balance		Beginning Balance	
	Cost VND	Provision VND	Cost VND	Provision VND
<b>Short-term</b>				
Term deposits (*)	98,553,330,078	98,553,330,078	118,906,968,745	118,906,968,745
<b>Long-term</b>				
	<b>98,553,330,078</b>	<b>98,553,330,078</b>	<b>118,906,968,745</b>	<b>118,906,968,745</b>

(\*) Deposits at commercial banks and foreign bank branches in Vietnam with term from 3 to 6 months, interest rates from 1.5% per year to 4.8% per year.

VIET NAM MEDICINAL MATERIALS JOINT STOCK COMPANY  
NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)

From B 09 - DN

4.2.2. Investments in associates, joint-ventures		Ending Balance		Beginning Balance	
		Cost VND	Provision VND	Cost VND	Provision VND
Investments in associates, joint-ventures					
VIBFA Joint Stock Company		20,000,000,000	-	20,000,000,000	(i)
		<u>20,000,000,000</u>	<u>-</u>	<u>20,000,000,000</u>	<u>-</u>

(i) The Company has not determined the fair value of investments that do not have a listed value because there is no specific guidance on determining fair value

4.3. Short-term trade receivables

	Ending Balance VND	Beginning Balance VND
Hanoi Pharmaceutical Joint Stock Company	160,810,269	6,184,307,597
Phu Tho Provincial General Hospital	19,692,021,636	15,825,677,084
Vitamec Joint Stock Company	4,401,827,982	26,122,076,635
DP EUPHAR Joint Stock Company	8,060,656,290	8,060,656,290
Bac Lieu 333 Joint Stock Company	49,233,153,685	45,876,419,693
Expos Joint Stock Company	24,696,098,918	39,501,416,797
Romas Joint Stock Company	62,793,799,656	53,779,839,068
UNESFA Joint Stock Company	48,477,052,112	42,660,512,694
TW9 Joint Stock Company	49,607,583,368	40,958,721,906
Central Joint Stock Company 5	11,492,439,607	39,073,907,418
Other customer receivables	162,870,457,889	116,605,762,488
	<b>441,485,901,412</b>	<b>434,649,297,670</b>

4.4. Short-term advances to suppliers

4.4.1. Short-term advances to suppliers

	Ending Balance VND	Beginning Balance VND
Saigonfa Joint Stock Company	-	3,738,385,509
B.PHARMA CO., LTD (i)	48,565,345,525	48,565,345,525
Duy Phu Tho Pearl One Member Company Limited	2,405,906,860	2,405,906,860
Upfront payments to other sellers	2,187,089,268	2,302,981,005
	<b>53,158,341,653</b>	<b>57,012,618,899</b>

(i) According to contract number VM10 between Vietnam Medicinal Materials Joint Stock Company (the buyer) and B.Pharmalimited Liability Company (the seller), signed on May 10, 2021, regarding the purchase and sale of machinery and equipment for the production of products.

4.5. Other receivables

4.5.1. Other short-term receivables

	Ending Balance		Beginning Balance	
	Value VND	Provision VND	Value VND	Provision VND
Deposits	3,818,778	-	2,450,745	-
Interest receivables	1,302,516,570	-	788,731,065	-
VAT of financial lease assets	730,073,541	-	856,622,877	-
Deposit for purchase of real estate	-	-	7,000,000,000	-
	<b>2,036,408,889</b>	<b>-</b>	<b>8,647,804,687</b>	<b>-</b>

4.5.2. Other long-term receivables

	Ending Balance		Beginning Balance	
	Value VND	Provision VND	Value VND	Provision VND
Deposits	2,257,076,528	-	2,257,076,528	-
Central Govamec				
Pharmaceutical Joint Stock Company (i)	40,665,250,000	-	40,665,250,000	-
Tuyen Quang Biotechnology Joint Stock Company (ii)	40,655,000,000	-	40,655,000,000	-
Minh Khang Pharmaceutical And Herbal Joint Stock Company (iii)	10,000,000,000	-	10,000,000,000	-
	<b>93,577,326,528</b>	<b>-</b>	<b>93,577,326,528</b>	<b>-</b>

(i) Receivables from Investment Cooperation Contract No. 26/2023/HDHT/VIETMEC-GOVAMEC dated November 26, 2023 between Vietnam Pharmaceutical Materials Joint Stock Company and Govamec Central Pharmaceutical Materials Joint Stock Company on investment cooperation for the Investment Project, supporting the development of precious medicinal material areas in Sapa town, Lao Cai province; The capital for participating in the cooperation is VND 81,330,500,000, accounting for 35% of the total investment of the project; Method of dividing profits after tax.

(ii) Receivables from Investment Cooperation Contract No. 25/2023/HDHT/VM-SHTQ dated October 25, 2023 between Vietnam Pharmaceutical Materials Joint Stock Company and Tuyen Quang Biological Joint Stock Company on investment cooperation for the Investment Project, supporting the development of precious medicinal material areas in Na Hang district, Tuyen Quang province; The capital for cooperation is 81,310,000,000 VND, accounting for 35% of the total project investment; Method of dividing profit after tax

(iii) According to the investment cooperation contract no. 0312/2024/HDDT/DLVN.MK for the project "Investment and Support for the Development of Precious Medicinal Plant Cultivation Areas" in Bac Ai District, Ninh Thuan Province, signed on December 3, 2024, between Vietnam Medicinal Materials Joint Stock Company (VIETMEC) (Party A) and Minh Khang Pharmaceutical and Herbal Joint Stock Company (Party B):

- General Objective: Establishing a value chain system for the development of precious medicinal plants; fostering the awareness of cultivating medicinal plants according to the value chain and preserving the genetic resources of medicinal plants while ensuring quality management processes and standards; combining the protection and sustainable development of forests.
- Project Location: The project is allocated across various communes, including Phuoc Tien, Phuoc Tan, Phuoc Binh, and Phuoc Hoa Commune. These areas will be invested in and rehabilitated to produce precious medicinal plants as part of the project.
- Project Implementation Duration: 25 years, starting from the time of acceptance and use of the project (investment implementation time: January 2025; expected operational start: April 2025).
- Total Investment Capital: VND 250,000,000,000 (Two hundred fifty billion VND).
- Capital Contribution Ratio: Party A invests VND 50,000,000,000 (Fifty billion VND), equivalent to 27% of the total project capital; party B invests VND 132,000,000,000 (One hundred thirty-two billion VND), equivalent to 73% of the total project capital.

VIET NAM MEDICINAL MATERIALS JOINT STOCK COMPANY  
NOTES TO THE INTERIM FINANCIAL STATEMENTS

From 09 - DN

4.6. Bad debts	Ending Balance			Beginning Balance		
	Overdue	Cost VND	Provision VND	Overdue	Cost VND	Provision VND
<b>Bad debts of other companies or individuals</b>						
Quang Nam Medical College General Hospital	Over 3 years	916,989,150	(916,989,150)	Over 3 years	916,989,150	(916,989,150)
Bim Son General Hospital	Over 3 years	375,879,000	(375,879,000)		375,879,000	(375,879,000)
Quang Nam General Hospital	Over 3 years	344,894,560	(344,764,930)	Over 3 years	516,108,130	(344,764,930)
Huong Khue District General Hospital	Over 3 years	306,218,650	(306,218,650)	Over 3 years	306,218,650	(306,218,650)
Que Son District Health Center	Over 3 years	221,851,350	(221,851,350)	Over 3 years	221,851,350	(221,851,350)
Thu Duc City Hospital	Over 3 years	203,733,600	(203,733,600)	Over 3 years	203,733,600	(203,733,600)
Other subjects	To 1 - 3 year	16,535,477,267	(9,918,487,333)	To 1 - 3 year	1,845,353,493	(327,505,307)
		<b>18,905,043,577</b>	<b>(12,287,924,013)</b>		<b>4,386,133,373</b>	<b>(2,696,941,987)</b>

These notes form an integral part of the interim financial statements

4.7. Inventories

	Ending Balance		Beginning Balance	
	Cost VND	Provision VND	Cost VND	Provision VND
Raw materials	110,862,620,632	-	114,612,902,897	-
Work in progress	9,571,812,335	-	9,227,046,875	-
Finished goods	107,414,857,301	-	84,864,073,866	-
Merchandises	13,172,871,530	-	29,552,470,545	-
	<b>241,022,161,798</b>	<b>-</b>	<b>238,256,494,183</b>	<b>-</b>

4.8. Prepaid expenses

4.8.1. Short-term prepaid expenses

	Ending Balance VND	Beginning Balance VND
Tools and equipments	-	714,587
Insurance expenses	145,117,902	136,109,163
Others	142,679,375	235,276,512
	<b>287,797,277</b>	<b>372,100,262</b>

4.8.2. Long-term prepaid expenses

	Ending Balance VND	Beginning Balance VND
Tools and equipments	633,348,623	1,091,620,763
Insurance expenses	44,845,924	59,794,564
Land rental	378,515,154	371,821,477
Others	867,796,198	936,521,112
	<b>1,924,505,899</b>	<b>2,459,757,916</b>

VIET NAM MEDICINAL MATERIALS JOINT STOCK COMPANY  
NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)

From B 09 - DN

4.9. Increases, decreases in tangible fixed assets

	Buildings and structures VND	Machineries and equipments VND	Means of transportation VND	Office equipments VND	Others VND	Total VND
<b>COST</b>						
Beginning balance	107,066,114,168	76,927,478,487	10,495,018,300	8,647,549,804	7,819,405,919	210,955,566,678
Increasing during the period	-	-	-	-	-	-
Decreasing during the period	-	-	-	-	-	-
Ending balance	<u>107,066,114,168</u>	<u>76,927,478,487</u>	<u>10,495,018,300</u>	<u>8,647,549,804</u>	<u>7,819,405,919</u>	<u>210,955,566,678</u>
<b>ACCUMULATED DEPRECIATION</b>						
Beginning balance	27,049,576,481	33,037,197,777	5,046,811,430	5,053,066,630	2,985,551,913	73,172,204,231
Increasing during the period	2,358,278,337	3,544,940,852	803,173,888	479,095,752	363,168,030	7,548,656,859
- Depreciation for the period	2,358,278,337	3,544,940,852	803,173,888	479,095,752	363,168,030	7,548,656,859
Decreasing during the period	-	-	-	-	-	-
Ending balance	<u>29,407,854,818</u>	<u>36,582,138,629</u>	<u>5,849,985,318</u>	<u>5,532,162,382</u>	<u>3,348,719,943</u>	<u>80,720,861,090</u>
<b>NET CARRYING AMOUNT</b>						
Beginning balance	<u>80,016,537,687</u>	<u>43,890,280,710</u>	<u>5,448,206,870</u>	<u>3,594,483,174</u>	<u>4,833,854,006</u>	<u>137,783,362,447</u>
Ending balance	<u>77,658,259,350</u>	<u>40,345,339,858</u>	<u>4,645,032,982</u>	<u>3,115,387,422</u>	<u>4,470,685,976</u>	<u>130,234,705,588</u>
<i>The cost of tangible fixed assets fully depreciated but still in use</i>						
Beginning Balance	3,605,548,427	2,250,790,500	372,932,845	39,090,909	769,970,681	7,038,333,362
Ending Balance	<u>9,274,882,618</u>	<u>12,322,440,040</u>	<u>509,060,118</u>	<u>679,001,909</u>	<u>1,319,334,318</u>	<u>24,104,719,003</u>
<i>The residual value of tangible fixed assets pledged or mortgaged as collateral for loans</i>						
Beginning Balance	80,016,537,687	43,890,280,710	5,448,206,870	-	-	129,355,025,267
Ending Balance	<u>80,016,537,687</u>	<u>43,890,280,710</u>	<u>5,448,206,870</u>	<u>-</u>	<u>-</u>	<u>129,355,025,267</u>

These notes form an integral part of the interim financial statements

4.10. Finance lease assets

	Machineries and equipments	Total
	VND	VND
<b>Cost</b>		
Beginning Balance	42,326,474,802	42,326,474,802
Increasing during the period	-	-
Decreasing during the period	-	-
Ending Balance	42,326,474,802	42,326,474,802
<b>ACCUMULATED DEPRECIATION</b>		
Beginning Balance	17,174,574,805	17,174,574,805
Increasing during the period	4,439,186,730	4,439,186,730
- Depreciation for the period	4,439,186,730	4,439,186,730
Decreasing during the period	-	-
Ending Balance	21,613,761,535	21,613,761,535
<b>NET CARRYING AMOUNT</b>		
Beginning Balance	25,151,899,997	25,151,899,997
Ending Balance	20,712,713,267	20,712,713,267

4.11. Intangible fixed assets

	Land use rights	Others	Total
	VND	VND	VND
<b>COST</b>			
Beginning balance	210,141,494,528	178,680,000	210,320,174,528
Increasing during the period	-	-	-
Decreasing during the period	-	-	-
Ending balance	210,141,494,528	178,680,000	210,320,174,528
<b>ACCUMULATED DEPRECIATION</b>			
Beginning balance	3,161,669,472	167,205,405	3,328,874,877
Depreciation for the year	657,935,325	11,474,595	669,409,920
Disposal	-	-	-
Ending balance	3,819,604,797	178,680,000	3,998,284,797
<b>NET CARRYING AMOUNT</b>			
Beginning balance	206,979,825,056	11,474,595	206,991,299,651
Ending balance	206,321,889,731	-	206,321,889,731

4.12. Construction in progress

	Ending Balance VND	Beginning Balance VND
Machinery and equipment of the cancer drug manufacturing plant	79,275,269,136	79,275,269,136
Machinery and equipment of the research and testing system	9,408,670,786	9,408,670,786
Fume extraction system for the 5-storey building at Phu Tho Plant	602,742,536	602,742,536
Land acquisition costs for the Project on Conservation Center for Precious Medicinal Resources and Development of Under-Forest	88,000,000,000	88,000,000,000
IPO project investment costs	13,982,407,027	13,982,407,027
Investment costs for the Pharmacy at Ngo Gia Tu	424,468,000	424,468,000
Land leveling costs at Phu Tho Plant	6,954,850,000	6,954,850,000
Others	9,100,443,642	9,093,267,642
	<b>207,748,851,127</b>	<b>207,741,675,127</b>

(i) According to Resolution No. 05A/2022/NQ-HĐQT/DLVN dated May 13, 2022 of the Board of Directors of Vietnam Pharmaceutical Joint Stock Company on approving the Project to establish a Center for preserving precious medicinal herbs and developing medicinal herbs under the forest in Yen Son commune, Thanh Son district, Phu Tho province, the Company has purchased 02 plots of land with a total area of 571,000 m2 in the commune. Yen Son, Thanh Son district, Phu Tho province with transfer price of 88,000,000,000 VND; Purpose of use: RTs; Usage term: By 2054, the Company is converting the land use term to 50 years.

4.13. Short-term trade payables

	Ending Balance		Beginning Balance	
	Value VND	Amount within payment capacity VND	Value VND	Amount within payment capacity VND
Hai Minh Pharmaceutical Company Limited	2,687,697,268	2,687,697,268	2,687,697,268	2,687,697,268
Benovas Pharmaceutical Joint Stock Company – Hanoi Branch	4,030,926,039	4,030,926,039	4,054,183,839	4,054,183,839
Venzor Joint Stock Company	14,070,552,209	14,070,552,209	15,235,699,387	15,235,699,387
Pham Thi Duong	3,384,671,852	3,384,671,852	3,248,491,802	3,248,491,802
Nhat Minh Pharma Joint Stock Company	524,603,000	524,603,000	10,496,455,900	10,496,455,900
Fisamec Central Joint Stock Company	10,266,216,058	10,266,216,058	4,350,691,776	4,350,691,776
Others	71,503,232,303	71,503,232,303	52,491,182,691	52,491,182,691
	<b>106,467,898,729</b>	<b>106,467,898,729</b>	<b>92,564,402,663</b>	<b>92,564,402,663</b>

**4.14. Short-term advances from customers**

	<b>Ending Balance VND</b>	<b>Beginning Balance VND</b>
VIMED Company Limited	9,999,520	9,999,520
Military Hospital 7B	17,472,000	17,472,000
An Xuan Organic Herb CO., LTD	35,000,000	30,000,000
Le Gia Pharmaceutical and Trading Joint Stock Company	10,000,000	10,000,000
Vinh Phuc Oriental Pharmaceutical Joint Stock Company	58,004,400	-
Nature Viet Nam Pharmaceutical Joint Stock Company	35,901,250	-
Others	13,647,575	217,500
	<b>180,024,745</b>	<b>67,689,020</b>

**4.15. Other payables**

**4.15.1. Other short-term payables**

	<b>Ending Balance VND</b>	<b>Beginning Balance VND</b>
Trade union fund	224,328,550	119,620,050
Social Insurance	570,305,241	-
Health Insurance	101,162,250	-
Unemployment Insurance	56,248,000	-
Pham Thu Trang - Receiving a deposit to sell land	-	20,000,000,000
Short-term received deposits	-	-
Nguyen Thi Bich Thuy - Receiving a deposit to sell land	70,000,000,000	-
	<b>70,952,044,041</b>	<b>20,119,620,050</b>

**4.15.2. Other long-term payables**

	<b>Ending Balance VND</b>	<b>Beginning Balance VND</b>
Payables for the purchase of shares of officials and employees	1,133,042,000	1,133,042,000
Payables for the amount of responsibilities of officials and employees	817,870,900	1,216,370,900
Others	9,495,847	-
	<b>1,960,408,747</b>	<b>2,349,412,900</b>

**4.16. Accrued expenses**

	<b>Ending Balance VND</b>	<b>Beginning Balance VND</b>
Advance deduction of interest expenses	935,079,808	961,039,745
Others	64,269,390	-
	<b>999,349,198</b>	<b>961,039,745</b>

**4.17. Short-term unearned revenue**

	<b>Ending Balance VND</b>	<b>Beginning Balance VND</b>
Rental revenue received in advance from the sale of financial leased assets	1,884,421,633	2,791,437,590
	<b>1,884,421,633</b>	<b>2,791,437,590</b>

VIET NAM MEDICINAL MATERIALS JOINT STOCK COMPANY  
NOTES TO THE FINANCIAL STATEMENTS (continued)

From B 09 - DN

4.18. Taxes and other payables to the State budget

	Ending Balance		Movement in the year		Beginning Balance	
	Receivable VND	Payable VND	Paid VND	Amount payable VND	Receivable VND	Payable VND
VAT on domestic sales	-	2,467,579,166	33,495,937,859	35,758,991,538	-	204,525,487
Import and export tax	-	-	-	-	-	-
Corporate Income Tax	-	8,254,442,261	-	3,221,519,218	-	5,032,923,043
Personal Income Tax	-	732,098,905	794,947,652	1,029,383,249	-	497,663,308
Housing and land tax, land rent	-	-	-	-	-	-
Environmental protection tax	-	-	-	-	-	-
	-	<b>11,454,120,332</b>	<b>34,624,074,494</b>	<b>40,343,082,988</b>	-	<b>5,735,111,838</b>

The Company's tax finalization will be subject to examination by the tax authorities. As the application of tax laws and regulations to various types of transactions may be interpreted in different ways, the amount of tax presented in the interim financial statements may be subject to change as determined by the tax authorities.

**VIET NAM MEDICINAL MATERIALS JOINT STOCK COMPANY**  
**NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)**

From B 09 - DN

	Beginning Balance		In the period		Ending Balance	
	Amount	Amount able to be paid off	Increases	Decreases	Amount	Amount able to be paid off
	VND	VND	VND	VND	VND	VND
<b>4.19. Borrowings and finance lease liabilities</b>						
<b>4.18.1. Short-term borrowings and financial lease liabilities</b>						
<b>Short-term borrowings</b>	<b>723,090,443,226</b>	<b>723,090,443,226</b>	<b>621,499,609,104</b>	<b>708,164,796,303</b>	<b>636,425,256,027</b>	<b>636,425,256,027</b>
Vietnam Prosperity Joint Stock Commercial Bank (1)	67,701,620,318	67,701,620,318	97,014,120,391	93,457,645,518	71,258,095,191	71,258,095,191
Genfive Company Limited (2)	-	-	2,000,000,000	1,500,000,000	500,000,000	500,000,000
Shinhan Bank Vietnam Limited (3)	-	-	69,875,732,979	-	69,875,732,979	69,875,732,979
EVN Finance Joint Stock Company (4)	-	-	1,000,000,000	-	1,000,000,000	1,000,000,000
Mirae Asset Finance Company Limited (5)	-	-	5,000,000,000	-	5,000,000,000	5,000,000,000
Saigon Thuong Tin JSC Bank (6)	-	-	35,210,000,000	-	35,210,000,000	35,210,000,000
Tien Phong JSC Bank (7)	-	-	27,497,187,808	1,400,000,000	26,097,187,808	26,097,187,808
Vietnam Bank for Industry and Trade (8)	39,991,700,891	39,991,700,891	40,774,255,708	40,821,700,891	39,944,255,708	39,944,255,708
JSC Bank for Investment and Development of Viet Nam (9)	355,660,950,296	355,660,950,296	180,500,749,365	301,818,487,295	234,343,212,366	234,343,212,366
Prosperity And Growth Commercial Joint Stock Bank (10)	8,000,000,000	8,000,000,000	8,000,000,000	8,000,000,000	8,000,000,000	8,000,000,000
Indovina Bank Ltd (11)	56,795,646,257	56,795,646,257	57,608,433,515	56,795,646,257	57,608,433,515	57,608,433,515
Bank SinoPac	44,873,196,206	44,873,196,206	-	44,873,196,206	-	-
Hong Leong Bank Vietnam Limited	29,301,270,498	29,301,270,498	-	29,301,270,498	-	-
Woori Bank Vietnam Limited (12)	39,883,104,425	39,883,104,425	39,756,641,132	43,883,104,425	35,756,641,132	35,756,641,132
Huanan Vietnam Limited Bank (13)	72,981,599,774	72,981,599,774	46,912,233,944	79,936,977,918	39,956,855,800	39,956,855,800
Ho Chi Minh City Development Joint Stock Commercial Bank (14)	7,901,354,561	7,901,354,561	10,350,254,262	6,376,767,295	11,874,841,528	11,874,841,528
<b>Current portion of long-term borrowings (see Note 4.18.2)</b>	<b>10,923,076,920</b>	<b>10,923,076,920</b>	<b>5,461,538,460</b>	<b>5,461,538,460</b>	<b>10,923,076,920</b>	<b>10,923,076,920</b>
<b>Current portion of long-term obligations under finance leases (see Note 4.18.2)</b>	<b>6,652,761,404</b>	<b>6,652,761,404</b>	<b>2,476,271,214</b>	<b>2,476,271,214</b>	<b>6,652,761,404</b>	<b>6,652,761,404</b>
<b>Short-term borrowings and finance lease liabilities</b>	<b>740,666,281,550</b>	<b>740,666,281,550</b>	<b>629,437,418,778</b>	<b>716,102,605,977</b>	<b>654,001,094,351</b>	<b>654,001,094,351</b>

These notes form an integral part of the interim financial statements

**Additional information on short-term borrowings:**

- (1) There are short-term loans from Vietnam Prosperity Joint Stock Commercial Bank – Thang Long Branch under the Credit Limit Agreement No. CLC-27890-01 signed on October 1, 2024, with a credit limit of VND 190,000,000,000 and a 12-month credit term. The loan is intended to supplement working capital, issue guarantees, issue Letters of Credit (LC), and provide guarantees (for tendering, contract performance, advances, payment guarantees) for the operation of business in pharmaceuticals, medical equipment, and functional foods. The loan term and interest rate are specified in each debt agreement. The loan is secured by:
  - Ownership of the house and other assets attached to the land with the land number DP 999201, the certificate number VP 02700 issued by the Hanoi Land Registration Office on August 13, 2024, at Address: TB-25, Business Villa Area, An Khanh Commune, Hoai Duc District, Hanoi City; valued at VND 24,971,274,252 corresponding to an area of 297m<sup>2</sup>.
  - Ownership of the house and other assets attached to the land with the land number CO 250935, the certificate number VP 2872 issued by the People's Committee of Viet Tri City on May 9, 2019; October 19, 2020; Plot No. 122, Map No. 14, Address: Zone 9, Gia Cam Ward, Viet Tri City, Phu Tho Province, with an area of 91.4m<sup>2</sup>, valued at VND 2,700,555,000.
  - Ownership of land and ownership of the house and other assets attached to the land with the land number CX 432394, the certificate number CT16020 issued by the Department of Natural Resources and Environment of Hai Phong City.
- (2) Secured Loan Agreement No. L-VAR-963 dated 25 February 2025 with Genfive Company Limited, loan amount: VND 2,000,000,000, loan term: 4 months, interest rate: 19% per annum; pledged asset: office desk and chair set under Pledge Agreement No. PL-VAR-963; the loan is for business development and marketing expenses.
- (3) Credit Agreement No. 810600093565 dated 14 March 2025 with Shinhan Bank Vietnam Limited – Hoan Kiem Branch, for the purpose of supplementing working capital to serve production and business activities. The credit limit is VND 70,000,000,000, the loan term is 12 months, and the interest rate is stipulated in each promissory note. The loan is secured by term deposit accounts, with an additional security measure being the personal guarantee of Mr. Vu Thanh Trung (General Director) with a minimum value of VND 70,000,000,000.
- (4) Credit Agreement No. 0105196582 dated 09 June 2025 with Power Finance Joint Stock Company, loan term: 09 months, interest rate stipulated in each promissory note, purpose of the loan is to supplement working capital for pharmaceutical production and business activities.
- (5) Credit Agreement No. 6629453/HĐTD-MAFC dated 17 June 2025 with Mirae Asset Finance Company Limited, loan amount: VND 5,000,000,000, loan term: 03 months, interest rate: 17% per annum, purpose of the loan is to supplement working capital for pharmaceutical production and business activities.

(6) Credit Line Agreement No. 202528062698 dated 13 June 2025 with Saigon Thuong Tin Commercial Joint Stock Bank – Nam Tu Liem Branch, credit limit: VND 319,000,000,000 (of which the loan limit is VND 189,000,000,000), credit line term: 12 months, interest rate stipulated in each promissory note. The loan is secured by:

- Ownership of house and other assets attached to land No. CD 730816, Certificate Issuance Register No. CT-DA 00411 issued by the People's Committee of Hanoi City on 09 June 2016, Map Sheet No. 7, located at: Land Lot No. AD09-59, Vinhomes Riverside Ecological Urban Area, Phuc Loi Ward, Long Bien District, Hanoi City; valued at VND 24,971,274,252, corresponding to an area of 297 m<sup>2</sup>;
- Ownership of house and other assets attached to land No. CV 516128, Certificate Issuance Register No. CS 19573 issued by the Hanoi City Department of Natural Resources and Environment on 28 May 2020 to Mrs. Bui Thi Thu Trang. On 27 May 2025, transferred to Mr. Vu Thanh Trung, born in 1981, Citizen ID No. 010081000097, permanent address: AD09-59, Vinhomes Riverside, Phuc Loi Ward, Long Bien District, Hanoi City, under Land Use Rights and Assets Transfer Agreement No. 3063 dated 15 May 2025 at Tran Minh Huong Notary Office; file No.: H26.103.25-250517-0089;
- Ownership of house and residential land use rights No. CV 70137150243, original file No. 258/2001 issued by the People's Committee of Hoc Mon District on 06 September 2001;
- Land use rights, ownership of house and other assets attached to land No. DD 888523, Certificate Issuance Register No. CS 66297 issued by the Hanoi City Department of Natural Resources and Environment on 17 November 2021;
- Land use rights, ownership of house and other assets attached to land No. CU 380912, Certificate Issuance Register No. CS 05500 issued by the Nghe An Province Department of Natural Resources and Environment on 10 November 2020;
- Land use rights, ownership of house and other assets attached to land No. CO 150979, Certificate Issuance Register No. CTs 169603 issued by the Da Nang City Department of Natural Resources and Environment on 14 September 2018;
- Land use rights, ownership of house and other assets attached to land No. CL 691912, Certificate Issuance Register No. CS 26799/DA issued by the Ho Chi Minh City Department of Natural Resources and Environment on 13 August 2018 to Mrs. Nguyen Thi Nhu Quynh. On 28 February 2020, transferred to Mr. Vu Thanh Trung, born in 1981, ID No. 013030181, address: 517 A10 Dam Trau Area, Bach Dang Ward, Hai Ba Trung District, Hanoi City, under Agreement No. 002262 dated 20 February 2020 notarized by Mai Viet Cuong Notary Office (File No.: 038041.CN.001);
- House Purchase Agreement No. M2-87/VHGP/HĐMBNO dated 28 August 2020 signed between Green City Development Joint Stock Company and Mrs. Nguyen Thi Thu Thuy, and the Contract Transfer Agreement of House Purchase Agreement between Mrs. Nguyen Thi Thu Thuy – Mr. Pham Khac Phuong and Mr. Vu Thanh Trung, notarized by Dang Van Khanh Notary Office, Ho Chi Minh City, on 20 November 2020, Notarization No.: 022514, Register No.: 04 TP/CC-SCC/HĐGD.

- (7) Credit Line Agreement No. 428/2025/HĐTĐ/KDO dated 26 May 2025 with Tien Phong Commercial Joint Stock Bank – Thang Long Branch, credit limit: VND 150,000,000,000 (of which the loan limit is VND 100,000,000,000), credit line term: 12 months, interest rate stipulated in each promissory note, collateral: guarantee deposit under each debt acknowledgment note.
- (8) The Loan Agreement No. 01/2024-HĐCVHM/NHCT224-VIETMEC signed on August 23, 2024, between Vietnam Joint Stock Commercial Bank for Industry and Trade – Luu Xa Branch is intended to supplement working capital for production and business operations. The loan term is 12 months, and the interest rate is specified in each debt agreement. The loan is secured by the right to use land and all other assets attached to the land at Plot No. 10, Map No. 39, Address: No. 324 Minh Khai Street, Group 30A, Minh Khai Ward, Hai Ba Trung District, Hanoi City, with an area of 102.6m<sup>2</sup> according to the Certificate of Land Use Rights and Other Assets Attached to Land No. DB513041, certificate number CS-HBT 14117 issued by the Department of Natural Resources and Environment of Hanoi City on February 17, 2022, with a value of VND 37,570,000,000 at the time of collateral.
- (9) There are short-term loans from Joint Stock Commercial Bank for Investment and Development of Vietnam – Hanoi Branch under Credit Agreement No. 01/2023/3990765/HĐTĐ signed on August 8, 2023, with the purpose of supplementing working capital, issuing guarantees, and opening Letters of Credit (L/C) for business operations. The credit limit is VND 450,000,000,000. The loan term and interest rate are specified in each debt agreement. This loan is secured by:
- Real estate at Plot No. 1(6), Map No. 03, located at Group 10, Bo De Ward, Long Bien District, Hanoi City, with an area of 142.0m<sup>2</sup>, registered in the land use rights certificate No. CN 999011, certificate number CT-DA 01480 issued by the Department of Natural Resources and Environment of Hanoi City on July 25, 2018, for Vietnam Medicinal Materials Joint Stock Company;
  - Real estate at Plot No. 1(7), Map No. 03, located at Group 10, Bo De Ward, Long Bien District, Hanoi City, with an area of 136.0m<sup>2</sup>, registered in the land use rights certificate No. CN 999012, certificate number CT-DA 01481 issued by the Department of Natural Resources and Environment of Hanoi City on July 25, 2018, for Vietnam Medicinal Materials Joint Stock Company;
  - Real estate at Land Plot No. 15, Map Sheet No. 03, located at Group 10, Bo De Ward, Long Bien District, Hanoi City, with an area of 175.8 m<sup>2</sup>, as recorded in the Certificate of Land Use Rights, Ownership of House and Other Assets Attached to Land No. CĐ 858870, Certificate Issuance Register No. CT-DA 00883, issued by the Hanoi City Department of Natural Resources and Environment on 15 September 2016 to Viet Nam Medicinal Materials Joint Stock Company;
  - Real estate at Land Plot No. 124, Map Sheet No. 111, located at Bieu Khe Hamlet, Thuy Lam Commune, Dong Anh District, Hanoi City, with an area of 300.0 m<sup>2</sup>, as recorded in the Certificate of Land Use Rights, Ownership of House and Other Assets Attached to Land No. ĐĐ 710372, Certificate Issuance Register No. CS 66506, issued by the Hanoi City Department of Natural Resources and Environment on 18 November 2021 to Mr. Vu Trung Thanh (General Director of the Company);

*These notes form an integral part of the interim financial statements*

**VIET NAM MEDICINAL MATERIALS JOINT STOCK COMPANY  
NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)**

From B 09 - DN

- Real estate at Land Plot No. 30, Map Sheet No. 03-84/PA-CL, located at Sap Mai Hamlet, Vong La Commune, Dong Anh District, Hanoi City, with an area of 80.0 m<sup>2</sup>, as recorded in the Certificate of Land Use Rights, Ownership of House and Other Assets Attached to Land No. DD 888523, Certificate Issuance Register No. CS 66297, issued by the Hanoi City Department of Natural Resources and Environment on 17 November 2021 to Mr. Vu Trung Thanh (General Director of the Company);
  - Land use rights and assets attached to land at address AD09-76, Vinhomes Riverside Ecological Urban Area, with an area of 304.0 m<sup>2</sup>, as recorded in the Certificate of Land Use Rights, Ownership of House and Other Assets Attached to Land No. CN 742082, Certificate Issuance Register No. CS 24966, issued by the Hanoi City Department of Natural Resources and Environment on 01 June 2018 to a third party;
  - Term deposit contracts of the Company, Mr. Vu Thanh Trung (General Director of the Company) and a third party;
- (10) This refers to the overdraft agreement No.0471/2025/HĐHMTCP/PGB, between Vietnam Prosperity Joint Stock Commercial Bank and Viet Nam Medicinal Materials Joint Stock Company, with an overdraft limit of VND 8,000,000,000, and a term of 6 months, with an interest rate of 12.4% per year. The purpose of the overdraft is to facilitate payment services on the payment account for business production and operations.
- (11) This refers to short-term loans from Indovina Bank according to each debt commitment agreement with a credit limit of VND 100,000,000,000 and a loan term of no more than 8 months. The loan aims to finance working capital, issue guarantees, and open Letters of Credit for the Borrower. The loan is secured by the following assets:
- The right to use land for Plot No. 451, Map No. 33, located in Trung Chanh Commune, Hoc Mon District, Ho Chi Minh City, according to the "Land Use Rights Certificate, Ownership of Housing and Other Assets Attached to Land" No. BE 711913, certificate number CH 00740 issued by the People's Committee of Hoc Mon District, Ho Chi Minh City on November 11, 2011, transferred to Mr. Vu Hoang Anh, confirmed by the Hoc Mon District Land Registration Office on January 27, 2022, valued at VND 56,602,000,000 (Fifty-six billion six hundred two million VND), as per the asset valuation report dated August 14, 2024, established by the Mortgage Contract No. 011517, Register No. 08/2024 TP/CC-SCC/HDGD dated August 20, 2024, along with annexes, amended mortgage contracts, and other related documents;
  - The asset rights of Viet Nam Medicinal Materials Joint Stock Company arising from the Purchase Contract of Residential Property No. D9-04/VHGP/HDMBNO dated August 7, 2020, signed between the Buyer Ms. Bui Thi My Duyen and the Seller, Vietnam Green City Development Joint Stock Company (the "Investor"). The Transfer Agreement of the Residential Property Purchase Contract between Ms. Bui Thi My Duyen (the transferor) and Ms. Nguyen Thi Hai (the transferee), notarized by the Asia Notary Office in Ho Chi Minh City on October 27, 2020, with notarization No. 26120, Register No. 10 TP/CC-SCC/HDGD, and the Investor's confirmation on November 17, 2020. The Transfer Agreement of the Residential Property Purchase Contract between Ms. Nguyen Thi Hai (the transferor) and Viet Nam Medicinal Materials Joint Stock Company (the transferee), notarized by the Asia Notary Office in Ho Chi Minh City on July 11, 2022, with notarization No. 015956, Register No. 7/2022 TP/CC-SCC/HDGD, with the Investor's confirmation on July 26, 2022, valued at VND 17,617,000,000.
  - Term deposits at Indovina Bank - Hanoi Branch.

*These notes form an integral part of the interim financial statements*

- (12) Short-term loans at Woori Bank Vietnam Limited - Hoan Kiem Branch under the credit limit contract No. VN123002314-001/2023-HDCVHM/WBVN101 dated March 31 for the purpose of supplementing working capital for purchasing raw materials/medicines and medical equipment and financing international payment activities. The credit limit is VND 40 billion. The loan term and interest rate are specified in each debt acknowledgment contract, this loan is secured by the Company's term deposit contract at Woori Bank Vietnam Limited - Hoan Kiem Branch.
- (13) Short-term loans at Hua Nan Commercial Bank, Ltd - Ho Chi Minh Branch under credit contract No. HNHCMCFL-S/76/2023 dated October 23, 2023 for the purpose of supplementing working capital for purchasing raw materials/medicines and medical equipment and financing international payment activities. The credit limit is 3,000,000 USD. The loan term and interest rate are specified in each debt agreement. This loan is secured by the Company's term deposit contract at Hua Nan Commercial Bank, Ltd - Ho Chi Minh City Branch.
- (14) Credit limit contract No. 27016/24MB/HĐTD dated September 11, 2024 between Ho Chi Minh City Development Joint Stock Commercial Bank, Ba Dinh branch with a credit limit of: 30,000,000,000 (Thirty billion VND) with a loan term of 12 months for the purpose of supplementing working capital to pay salaries to officers and employees through HDBank.

**VIET NAM MEDICINAL MATERIALS JOINT STOCK COMPANY**  
**NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)**

From B 09 - DN

**4.18.2. Long-term borrowings and financial lease liabilities**

	Beginning Balance		In the period		Ending Balance	
	Amount	Amount able to be paid off	Increases	Decreases	Amount	Amount able to be paid off
	VND	VND	VND	VND	VND	VND
<b>Bank loans</b>	<b>34,113,632,573</b>	<b>34,113,632,573</b>	-	<b>5,682,298,458</b>	<b>28,431,334,115</b>	<b>28,431,334,115</b>
Joint stock Commercial Bank for Investment and Development of Viet Nam	32,680,345,902	32,680,345,902	-	5,461,538,460	27,218,807,442	27,218,807,442
Vietnam Prosperity Joint Stock Commercial Bank	1,433,286,671	1,433,286,671	-	220,759,998	1,212,526,673	1,212,526,673
<b>Long-term financial lease liabilities</b>	<b>9,348,451,535</b>	<b>9,348,451,535</b>	-	<b>2,476,271,214</b>	<b>6,872,180,321</b>	<b>6,872,180,321</b>
Chaillease International Leasing Company Limited	9,348,451,535	9,348,451,535	-	2,476,271,214	6,872,180,321	6,872,180,321
<b>Long-term loans and finance lease obligations</b>	<b>43,462,084,108</b>	<b>43,462,084,108</b>	-	<b>8,158,569,672</b>	<b>35,303,514,436</b>	<b>35,303,514,436</b>
<b>In particular:</b>	<b>17,575,838,324</b>	<b>17,575,838,324</b>			<b>17,575,838,324</b>	<b>17,575,838,324</b>
<b>Amount due for settlement within 12 months:</b>						
Current portion of long-term borrowings	10,923,076,920	10,923,076,920			10,923,076,920	10,923,076,920
Long-term financial lease liabilities	6,652,761,404	6,652,761,404			6,652,761,404	6,652,761,404
<b>Long-term financial lease liabilities</b>	<b>25,886,245,784</b>	<b>25,886,245,784</b>			<b>17,727,676,112</b>	<b>17,727,676,112</b>

**Additional information on long-term borrowings:**

- (1) These are long-term loans from Vietnam Joint Stock Commercial Bank for Investment and Development – Hanoi Branch under Credit Agreement No. 02/2020/3990765/HĐTD dated December 15, 2020, intended for payment of reasonable costs to invest in the "GMP-WHO Pharmaceutical and Medical Products Manufacturing Plant" project in Phase 2 at Area 8, Phu Ninh Commune, Phu Ninh District, Phu Tho Province. The loan term is 84 months, and the interest rate is based on the personal savings interest rate plus 3% per year after 24 months, adjusted every 6 months. The loan is secured by:
- All the shares and all rights arising from the owned shares, including the right to receive dividends in cash or shares, the right to purchase additional shares at a preferential price, and other rights, with a total of 950,000 shares held by Mr. Vu Thanh Trung (CEO of the company).
  - All machinery and equipment that will be developed in the future for the "Investment in GMP-WHO Pharmaceutical and Medical Products Manufacturing Plant, Phase 2, in Phu Ninh Commune, Phu Tho Province" project of Vietnam Medicinal Materials Joint Stock Company;

*These notes form an integral part of the interim financial statements*

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)**

- (2) These are long-term loans from Vietnam Prosperity Joint Stock Commercial Bank – Thang Long Branch:
- Under loan agreement No. 140720-2751778-01-SME signed on July 15, 2020, aimed at partially paying for the purchase of one car. The loan term is 78 months, with an interest rate of 8.8% per year at the time of disbursement, adjusted quarterly. The loan is secured by a Vinfast car, Lux SA model, license plate 30G-444.36 owned by the Company.
  - Under loan agreement No. CLC-7758-01 signed on November 29, 2023, aimed at partially paying for the purchase of one car. The loan term is 60 months, with an interest rate of 9.8% per year at the time of disbursement, adjusted quarterly. The loan is secured by a Kia car, Carnival KA4 23.5 AFH7 model, license plate 30K-718.25 owned by the Company;
- (3) These are financial lease debts of the Company with Chailease International Finance Leasing Company Limited – Hanoi Branch under the following contracts:
- Financial lease agreement No. C210323912 dated March 18, 2021, with a lease term of 44 months, with a lease interest rate of 9.83% per year.
  - Financial lease agreement No. C210723012 dated July 26, 2021, with a lease term of 42 months, with a lease interest rate of 9.8% per year.
  - Financial lease agreement No. C210725512 dated October 7, 2021, with a lease term of 42 months, with a lease interest rate of 9.83% per year.
  - Financial lease agreement No. C211235212 dated December 28, 2021, with a lease term of 42 months, with a lease interest rate of 12.17% per year.

*These notes form an integral part of the interim financial statements*

VIET NAM MEDICINAL MATERIALS JOINT STOCK COMPANY  
NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)

From B 09 - DN

4.18.3. Long-term finance lease liabilities are repayable according to the following schedule:

	Minimum lease payments		Present value of Minimum lease payments	
	Ending Balance VND	Beginning Balance VND	Ending Balance VND	Beginning Balance VND
Amounts payable under finance leases:				
Within one year	6,652,761,404	6,652,761,404	6,652,761,404	6,652,761,404
In the second to fifth year inclusive	219,418,917	2,695,690,131	219,418,917	2,695,690,131
After five years	-	-	-	-
	<b>6,872,180,321</b>	<b>9,348,451,535</b>	<b>6,872,180,321</b>	<b>9,348,451,535</b>
Less: Future finance charges				
Present value of lease obligations			6,872,180,321	9,348,451,535
Amount due for settlement within 12 months			6,652,761,404	6,652,761,404
<b>Amount due for settlement after 12 months</b>			<b>219,418,917</b>	<b>2,695,690,131</b>

4.18.4. Long-term borrowings are repayable according to the following schedule:

	Ending Balance VND	Beginning Balance VND
On demand or within one year	10,923,076,920	10,923,076,920
In the second year	11,715,578,738	11,364,596,916
In the third to fifth year inclusive	5,792,678,457	11,825,958,737
After five years	-	-
	<b>28,431,334,115</b>	<b>34,113,632,573</b>
Amount due for settlement within 12 months	10,923,076,920	10,923,076,920
<b>Amount due for settlement after 12 months</b>	<b>17,508,257,195</b>	<b>23,190,555,653</b>

These notes form an integral part of the interim financial statements

VIET NAM MEDICINAL MATERIALS JOINT STOCK COMPANY  
NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)

From B 09 - DN

4.20. Owner's equity

	Share capital	Share Premium	Investment development fund	Retained profits	Total
	VND	VND	VND	VND	VND
<b>Previous period's beginning balance</b>	<b>356,500,000,000</b>	<b>159,200,000,000</b>	<b>12,607,975,389</b>	<b>160,364,147,082</b>	<b>688,672,122,471</b>
Increase during the period	71,299,160,000	-	-	-	71,299,160,000
- Increase capital during the period	71,299,160,000	-	-	-	71,299,160,000
- Net profit/(loss) for the period	-	-	-	47,874,884,656	47,874,884,656
- Appropriation of funds	-	-	32,072,829,416	-	32,072,829,416
Decreases during the period	-	-	-	(103,371,989,416)	(103,371,989,416)
- Appropriation of funds	-	-	-	(32,072,829,416)	(32,072,829,416)
- Dividends	-	-	-	(71,299,160,000)	(71,299,160,000)
<b>Previous period's ending balance</b>	<b>427,799,160,000</b>	<b>159,200,000,000</b>	<b>44,680,804,805</b>	<b>104,867,042,322</b>	<b>736,547,007,127</b>
<b>Current period's beginning balance</b>	<b>427,799,160,000</b>	<b>159,200,000,000</b>	<b>44,680,804,805</b>	<b>104,867,042,322</b>	<b>736,547,007,127</b>
Increase during the period	-	-	2,672,000,000	21,862,799,101	24,534,799,101
- Net profit/(loss) for the year	-	-	-	21,862,799,101	21,862,799,101
- Appropriation of funds (i)	-	-	2,672,000,000	-	2,672,000,000
Decreases in the period	-	-	-	(3,206,400,000)	(3,206,400,000)
- Appropriation of funds (i)	-	-	-	(3,206,400,000)	(3,206,400,000)
<b>Current period's ending balance</b>	<b>427,799,160,000</b>	<b>159,200,000,000</b>	<b>47,352,804,805</b>	<b>123,523,441,423</b>	<b>757,875,406,228</b>

These notes form an integral part of the interim financial statements

4.20.1. Details of owner's investment capital

	Ending Balance		Beginning Balance	
	Amount of capital contribution	Ratio	Amount of capital contribution	Ratio
	VND	%	VND	%
Mr Vu Thanh Trung	79,893,720,000	18.68%	85,800,000,000	20.06%
Others	347,905,440,000	81.32%	341,999,160,000	79.94%
	<b>427,799,160,000</b>	<b>100.00%</b>	<b>427,799,160,000</b>	<b>100.00%</b>

4.20.2. Capital transactions with owners and dividend distribution, profit sharing

	Current period VND	Previous period VND
<b>Share capital</b>		
Beginning balance	427,799,160,000	356,500,000,000
Increasing in this year	-	71,299,160,000
Decreasing in this year	-	-
Ending balance	427,799,160,000	427,799,160,000
<b>Dividends</b>	-	-

4.20.3. Shares

	Ending Balance Share	Beginning Balance Share
<b>Authorised shares</b>	<b>42,779,916</b>	<b>42,779,916</b>
<b>Issued shares</b>	<b>42,779,916</b>	<b>42,779,916</b>
- Ordinary shares	42,779,916	42,779,916
<b>Shares in circulation</b>	<b>42,779,916</b>	<b>42,779,916</b>
- Ordinary shares	42,779,916	42,779,916

Par value of outstanding shares: 10.000 VND per share

4.20.4. Profits distribution

	Current period VND	Previous period VND
Undistributed profit at the beginning of the period	104,867,042,322	160,364,147,082
Profit from business activities in the period	21,862,799,101	19,575,365,186
Others adjustments decrease profit in the period	-	-
Others adjustments increase profit in the period	-	-
Dividends or distributed profits to funds during the period	126,729,841,423	179,939,512,268
Distribution of funds and dividends, in which:	(3,206,400,000)	(32,072,829,416)
- Dividends	-	-
- Appropriation from development investment funds	(2,672,000,000)	(32,072,829,416)
- Appropriation of bonus and welfare funds	(534,400,000)	-
<b>Remaining undistributed profit</b>	<b>123,523,441,423</b>	<b>147,866,682,852</b>

5. ADDITIONAL INFORMATION ON THE PRESENTED SECTIONS ON THE INTERIM STATEMENT OF INCOME

5.1. Revenue from goods sold and services rendered

	Current period VND	Previous period VND
Revenue from sales of goods	682,230,850,461	645,492,178,059
Revenue from sales of finished products	11,781,325,552	70,883,590,717
Revenue from provision of outsourcing services	3,799,943,440	-
	<b>697,812,119,453</b>	<b>716,375,768,776</b>

5.2. Deductions

	Current period VND	Previous period VND
Return goods	14,070,000	-
	<b>14,070,000</b>	<b>-</b>

5.3. Cost of goods sold and services rendered

	Current period VND	Previous period VND
Cost of goods sold	613,555,440,674	596,862,865,202
Cost of finished products sold	6,090,398,706	58,924,830,230
Cost of outsourcing services	2,358,572,592	-
	<b>622,004,411,972</b>	<b>655,787,695,432</b>

5.4. Financial income

	Current period VND	Previous period VND
Bank and loan interest	1,588,536,042	2,510,675,766
	<b>1,588,536,042</b>	<b>2,510,675,766</b>

5.5. Financial expenses

	Current period VND	Previous period VND
Interest expenses	21,951,403,999	22,697,764,813
Foreign currency trading expense	-	-
	<b>21,951,403,999</b>	<b>22,698,117,374</b>

5.6. Selling expenses

	Current period VND	Previous period VND
Staff costs	2,884,290,135	4,232,485,813
Material and packaging cost	177,314,450	14,471,060
Office supplies	19,460,498	91,092,491
Fixed asset depreciation	619,305,067	690,489,012
External services expenses	422,781,595	1,011,166,534
Others	164,089,768	251,664,514
	<b>4,287,241,513</b>	<b>6,291,369,424</b>

5.7. General and administration expenses

	Current period VND	Previous period VND
Staff costs	8,572,982,243	6,267,824,870
Material expenses	18,415,273	65,148,306
Office supplies	426,244,978	381,534,290
Fixed asset depreciation	1,041,137,173	1,051,803,950
Taxes, charges and fees	36,816,693	31,392,141
Allowance expenses	9,792,084,442	8,471,121
Allowance expenses (reversal)	(201,102,416)	-
External services expenses	2,067,624,628	2,523,850,923
Others	2,206,928,441	1,618,898,777
	<b>23,961,131,455</b>	<b>11,948,924,378</b>

5.8. Other income

	Current period VND	Previous period VND
Income from penalties	90,367,090	435,204,355
Others	21,555,345	221,570,684
	<b>111,922,435</b>	<b>656,775,039</b>

5.9. Other expenses

	Current period VND	Previous period VND
Penalty expenses	2,139,558,693	176,406,349
Others	70,441,979	251,026,635
	<b>2,210,000,672</b>	<b>427,432,984</b>

5.10. Corporate income tax expense

	Current period VND	Previous period VND
<b>Current corporate income tax expense</b>		
Corporate income tax expense based on taxable profit in the current period (i)	3,221,519,218	2,814,314,803
Adjustments for corporate income tax expense in previous years to the current period	-	-
<b>Total current corporate income tax expense</b>	<b>3,221,519,218</b>	<b>2,814,314,803</b>
(i) The current corporate income tax expense for the year was computed as follows:		
	Current period VND	Previous period VND
<b>Total accounting profit before tax</b>	<b>25,084,318,319</b>	<b>22,389,679,989</b>
<b>Adjustments increase</b>	<b>2,450,964,023</b>	<b>427,432,984</b>
Activities entitled to tax incentives	1,299,094,700	-
Other activities	1,151,869,322	427,432,984
<b>Adjustments decrease</b>	<b>-</b>	<b>-</b>
<b>Profits subject to corporate income tax</b>	<b>27,535,282,342</b>	<b>22,817,112,973</b>
Activities entitled to tax incentives	19,874,236,964	15,209,632,969
Other activities	7,661,045,378	7,607,480,004
<b>Tax rate</b>		
Activities entitled to tax incentives	17%	17%
Other activities	20%	20%
<b>Corporate income tax</b>	<b>4,910,829,360</b>	<b>4,107,133,606</b>
Activities entitled to tax incentives	3,378,620,284	2,585,637,605
Other activities	1,532,209,076	1,521,496,001
<b>Corporate income tax exemption and reduction</b>	<b>1,689,310,142</b>	<b>1,292,818,803</b>
<b>CIT expense calculated on taxable income of the current year</b>	<b>3,221,519,218</b>	<b>2,814,314,803</b>
<b>Total corporate income tax expense</b>	<b>3,221,519,218</b>	<b>2,814,314,803</b>

5.11. Basic earnings per share and Diluted earnings per share

	Current period VND	Previous period VND
Accounting profit after corporate income tax	21,862,799,101	19,575,365,186
Profit attributable to ordinary shareholders	21,862,799,101	19,575,365,186
Average ordinary shares in circulation for the year	42,779,916	35,650,000
<b>Basic earnings per share</b>	<b>511</b>	<b>549</b>
Number of additional shares expected to be issued	-	49,910,000
<b>Diluted earnings per share</b>	<b>511</b>	<b>229</b>

5.12. Production cost by nature

	Current period VND	Previous period VND
Raw material and supplies	42,626,319,724	161,006,553,638
Labour cost	16,891,188,996	15,492,926,422
Tool and equipments expenses	445,705,476	901,558,246
Depreciation of fixed assets	11,987,843,589	12,836,198,817
Taxes, fees and charges	36,816,693	31,392,141
External services expenses	2,831,384,906	8,376,020,653
Others	2,371,018,209	1,878,906,930
	<b>77,190,277,593</b>	<b>200,523,556,847</b>

6. ADDITIONAL INFORMATION ON THE PRESENTED SECTIONS ON THE STATEMENT OF CASH FLOWS

6.1. Actual amounts of borrowings received during the year

	Current period VND	Previous period VND
Proceeds from borrowings under normal contracts	621,499,609,104	596,903,911,005
	<b>621,499,609,104</b>	<b>596,903,911,005</b>

6.2. Actual amounts of principal paid during the year

	Current period VND	Previous period VND
Repayment of borrowings under normal contracts	713,847,094,761	583,876,039,368
	<b>713,847,094,761</b>	<b>583,876,039,368</b>

7. FINANCIAL INSTRUMENTS

7.1. Capital risk management

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to owners [shareholders] through the optimisation of the debt and equity balance.

*Gearing ratio*

The gearing ratio of the Company as at the balance sheet date was as follows:

	Ending Balance VND	Beginning Balance VND
Borrowings	671,728,770,463	766,552,527,334
Less: Cash and cash equivalents	124,167,487,717	85,716,381,492
Net debt	547,561,282,746	680,836,145,842
Equity	757,875,406,228	736,547,007,127
<b>Net debt to equity ratio</b>	<b>0.75</b>	<b>0.95</b>

**7.2. Significant accounting policies**

Details of the significant accounting policies and methods applied by the Company (including the criteria for recognition, the basis of measurement, and the basis of recognition of income and expenses) for each type of financial asset, financial liability, and equity instrument.

**7.3. Categories of financial instruments**

	Carrying amounts (i)	
	Ending Balance VND	Beginning Balance VND
<b>Financial assets</b>		
Cash and cash equivalents	124,167,487,717	85,716,381,492
Trade and other receivables	524,811,712,816	534,177,486,898
Short-term financial investments	98,553,330,078	118,906,968,745
Long-term financial investments	20,000,000,000	20,000,000,000
	<b>767,532,530,611</b>	<b>758,800,837,135</b>

	Carrying amounts (i)	
	Ending Balance VND	Beginning Balance VND
<b>Financial liabilities</b>		
Borrowings and lease	671,728,770,463	766,552,527,334
Trade and other payables	179,380,351,517	115,033,435,613
Accrued expenses	999,349,198	961,039,745
	<b>852,108,471,178</b>	<b>882,547,002,692</b>

(i) The Company has not assessed fair value of its financial assets and liabilities as at the balance sheet date since there is no comprehensive guidance under Circular No. 210/2009/TT-BTC issued by the Ministry of Finance on 06 November 2009 ("Circular 210") and other relevant prevailing regulations to determine fair value of these financial assets and liabilities. While Circular 210 refers to the application of International Financial Reporting Standards ("IFRS") on presentation and disclosures of financial instruments, it did not adopt the equivalent guidance for the recognition and measurement of financial instruments, including application of fair value, in accordance with IFRS.

**7.4. Financial risk management objectives**

The Company has set up risk management system to identify and assess the risks exposed by the Company and designed control policies and procedures to manage those risks at an acceptable level. Risk management system is reviewed on a regular basis to reflect changes in market conditions and the Company's operations.

Financial risks include market risk (including foreign currency risk, interest rate risk and price risk), credit risk and liquidity risk.

## 7.5. Capital Risk Management

### Market risk

The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates, interest rates and prices. The Company does not hedge these risk exposures due to the lack of active market for the trading activities of financial instruments.

### Foreign currency risk management

The Company undertakes certain transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise.

### Interest Rate Risk Management

The Company is exposed to interest rate risk arising from borrowings subject to agreed interest rates. This risk is managed by the Company through maintaining an appropriate mix of fixed- and floating-rate borrowings and analyzing market conditions to obtain competitive interest rates for the Company from suitable lending sources.

### Commodity price risk management

The Company purchases materials, commodities from local and foreign suppliers for business purpose. Therefore, the Company is exposed to the risk of changes in selling prices of materials, commodities.

### Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has a credit policy in place and the exposure to credit risk is monitored on an on-going basis. The Company does not have any significant credit risk exposure to any counterparty because receivables consist of a large number of customers, spread across diverse industries and geographical areas.

### Liquidity risk management

The purpose of liquidity risk management is to ensure the availability of funds to meet present and future financial obligations. Liquidity is also managed by ensuring that the excess of maturing liabilities over maturing assets in any period is kept to manageable levels relative to the amount of funds that the Company believes can generate within that period. The Company policy is to regularly monitor current and expected liquidity requirements to ensure that the Company maintains sufficient reserves of cash, borrowings and adequate committed funding from its owners [shareholders] to meet its liquidity requirements in the short and longer term.

The following table details the Company's remaining contractual maturity for its non-derivative financial assets and financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial assets and undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

	Less than 1 year VND	From 1 - 5 years VND	More than 5 years VND	Total VND
<b>Ending Balance</b>				
Cash and cash equivalents	124,167,487,717	-	-	124,167,487,717
Trade and other receivables	431,234,386,288	93,577,326,528	-	524,811,712,816
Short-term financial investments	98,553,330,078	-	-	98,553,330,078
Long-term financial investments	-	-	20,000,000,000	20,000,000,000
	<b>653,955,204,083</b>	<b>93,577,326,528</b>	<b>20,000,000,000</b>	<b>767,532,530,611</b>

	Less than 1 year VND	From 1 - 5 years VND	More than 5 years VND	Total VND
<b>Ending Balance</b>				
Obligations under finance leases	-	-	-	-
Borrowings and lease	654,001,094,351	17,727,676,112	-	671,728,770,463
Trade and other payables	177,419,942,770	1,960,408,747	-	179,380,351,517
Accrued expenses	999,349,198	-	-	999,349,198
	<b>832,420,386,319</b>	<b>19,688,084,859</b>	<b>-</b>	<b>852,108,471,178</b>

	Less than 1 year VND	From 1 - 5 years VND	More than 5 years VND	Total VND
<b>Beginning Balance</b>				
Cash and cash equivalents	85,716,381,492	-	-	85,716,381,492
Trade and other receivables	440,600,160,370	93,577,326,528	-	534,177,486,898
Short-term financial investments	118,906,968,745	-	-	118,906,968,745
Long-term financial investments	-	-	20,000,000,000	20,000,000,000
	<b>645,223,510,607</b>	<b>93,577,326,528</b>	<b>20,000,000,000</b>	<b>758,800,837,135</b>

	Less than 1 year VND	From 1 - 5 years VND	More than 5 years VND	Total VND
<b>Beginning Balance</b>				
Obligations under finance leases	-	-	-	-
Borrowings and lease	740,666,281,550	25,886,245,784	-	766,552,527,334
Trade and other payables	112,684,022,713	2,349,412,900	-	115,033,435,613
Accrued expensed	961,039,745	-	-	961,039,745
	<b>854,311,344,008</b>	<b>28,235,658,684</b>	<b>-</b>	<b>882,547,002,692</b>

The Board of General Director assessed the liquidity risk at low level. The management believes that the Company will be able to generate sufficient funds to meet its financial obligations as and when they fall due.

**8. OTHER INFORMATION**

**8.1. Commitments and guarantees**

During the year, the Company did not make any commitments or guarantees for any third party.

**8.2. Events arising after the end of the period**

The Board of Management of the Company affirms that, in the identity of the Board of Management, in terms of material aspects, no unusual events occurred after the end of the fiscal year that would affect the financial situation and The Company's activities need to be adjusted or presented in these financial statements.

**8.3. Transactions and balances with related parties**

The related parties with the Company include key management members, the individuals involved with key management members and other related parties.

**8.3.1. Transactions and balances with key management members, the individuals involved with key management members.**

Key management members include members of the Board of Directors, the Board of Supervisors, and the Executive Board (The Board of General Director, Head of BOS, Chief Accountant). Individuals associated with key management members are close members in the family of key management members.

*Income of key management members* (for details refer to page 51)

*Transactions with key members of management and individuals related to key members of management.*

The Company does not have transactions related to sales and provision of services to key management members and individuals related to key management members.

*Balances with key management members and individuals associated with key management members.*

At the end of the year, the Company had no balances with key management members and individuals related to key management members.

**8.3.2. Transactions and balances with other related parties**

Other related parties to the Company include subsidiaries, joint-ventures, associates controlled businesses, individuals with direct or indirect voting rights at the Company and intimately members within their families, businesses run by key management employees and individuals with direct or indirect voting rights of the Company and intimately members of their families.

*List of other related parties*

Other related parties	Location	Relationship
VIBFA Joint Stock Company	Ha Noi	Associated Company

*Transactions with other related parties*

During this fiscal year, the company had transactions with related parties

*Balance of accounts receivable/(payable) with other related parties*

The Company has no receivable or payable balances with related parties as at 30 June 2025.

VIET NAM MEDICINAL MATERIALS JOINT STOCK COMPANY  
NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)

From B 09 - DN

*Income of key management members:*

Remuneration paid to the Company's General Director and General Management during the year was as follows:

	Current period		Previous period	
	Salary VND	Remuneration VND	Salary VND	Remuneration VND
<b>Board of Directors</b>				
Mr. Nguyen Van Cai	-	60,000,000	-	40,000,000
Mr. Tran Binh Duyen	-	-	-	50,000,000
Mr. Vu Thanh Trung	-	48,000,000	-	40,000,000
Ms. Pham Hoang Linh	-	-	-	40,000,000
Ms. Nguyen Thi Ha	-	48,000,000	-	40,000,000
<b>Supervisory Board</b>				
Mr. Nguyen Chi Hieu	-	-	-	-
Ms. Duong Thi Ngoc	-	-	-	10,000,000
Ms. Tran Thi Thanh Tam	-	-	-	10,000,000
Ms. Nguyen Diep Khanh Linh	-	48,000,000	-	20,000,000
Mr. Bui Cong Tuan	-	30,000,000	-	-
Ms. Dang Thi Khanh Ngan	-	30,000,000	-	-
<b>Board of Directors</b>				
Mr. Vu Thanh Trung	678,207,300	-	580,386,174	-
Mr. Tran Binh Duyen	60,000,000	-	759,455,785	-
Ms. Doan Thi Thu Hoai	-	-	754,709,220	-
Mr. Nguyen Van Cai	158,817,500	-	-	-
Mr. Nguyen Manh Thang	261,521,660	-	233,780,049	-
Ms. Nguyen Thi Huong	-	-	-	-
<b>Total</b>	<b>1,158,546,460</b>	<b>264,000,000</b>	<b>2,328,331,228</b>	<b>250,000,000</b>

These notes form an integral part of the interim financial statements

**VIET NAM MEDICINAL MATERIALS JOINT STOCK COMPANY**  
**NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)**

From B 09 - DN

**8.4. Information of Department**

According to Circular 20/2006/TT-BTC dated March 20, 2006 of the Ministry of Finance on guiding the implementation of six (06) accounting standards issued under Decision No. 12/2005/QĐ-BTC dated February 15, 2005 of the Ministry of Finance. The company's management decisions are mainly based on the types of products and services that the company provides, not on the geographical areas where the company provides products and services. Therefore, the Company's main report is by business sector.

**PREVIOUS PERIOD**

Items	Pharmaceutical and medical supplies business	Production and trading of pharmaceutical materials	Others	Total of reportable segments	Total
	VND	VND	VND	VND	VND
Net revenue from external sales	645,492,178,059	70,883,590,717	-	716,375,768,776	716,375,768,776
Net revenue from sales to other segments	-	-	-	-	-
Depreciation and attribution costs	627,786,800,820	68,939,305,788	-	696,726,106,608	696,726,106,608
Profit from business activities	17,705,377,239	1,944,284,929	-	19,649,662,168	19,649,662,168
Total expenses incurred to purchase fixed assets	220,463,913,532	24,209,857,758	-	244,673,771,290	244,673,771,290
Segments' asset	793,092,842,482	625,878,363,875	-	1,418,971,206,357	1,418,971,206,357
Unallocated assets	-	-	-	159,667,682,528	159,667,682,528
<b>Total Assets</b>	<b>793,092,842,482</b>	<b>625,878,363,875</b>	-	<b>1,578,638,888,885</b>	<b>1,578,638,888,884</b>
Liabilities to segments	780,739,843,762	85,735,575,771	-	866,475,419,533	866,475,419,533
Unallocated liabilities	-	-	-	3,915,981,694	3,915,981,694
<b>Total Liabilities</b>	<b>780,739,843,762</b>	<b>85,735,575,771</b>	-	<b>870,391,401,227</b>	<b>870,391,401,227</b>

These notes form an integral part of the interim financial statements



VIET NAM MEDICINAL MATERIALS JOINT STOCK COMPANY  
NOTES TO THE INTERIM FINANCIAL STATEMENTS (continued)

From B 09 - DN

CURRENT PERIOD	Items	Pharmaceutical and medical supplies business VND	Production and trading of pharmaceutical VND	Others VND	Total of reportable segments VND	Total VND
	Net revenue from external sales	682,216,780,461	11,781,325,552	3,799,943,440	697,798,049,453	697,798,049,453
	Net revenue from sales to other segments	-	-	-	-	-
	Depreciation and attribution costs	657,194,410,259	11,349,209,694	3,660,568,986	672,204,188,939	672,204,188,939
	Profit from business activities	25,022,370,202	432,115,858	139,374,454	25,593,860,514	25,593,860,514
	Total expenses incurred to purchase fixed assets	247,801,147,505	4,279,323,046	1,380,250,929	253,460,721,480	253,460,721,480
	Segments asset	1,387,121,295,285	23,954,449,711	7,726,257,426	1,418,802,002,423	1,418,802,002,423
	Unallocated assets	-	-	-	210,141,494,528	210,141,494,528
	<b>Total Assets</b>	<b>-</b>	<b>23,954,449,711</b>	<b>7,726,257,426</b>	<b>1,628,943,496,951</b>	<b>1,628,943,496,951</b>
	Payables to segments	848,806,720,800	14,658,197,504	4,727,848,424	868,192,766,728	868,192,766,728
	Unallocated liabilities	-	-	-	2,875,323,995	2,875,323,995
	<b>Total Liabilities</b>	<b>848,806,720,800</b>	<b>14,658,197,504</b>	<b>4,727,848,424</b>	<b>871,068,090,723</b>	<b>871,068,090,723</b>

These notes form an integral part of the interim financial statements

8.5. Comparative figures

The comparative figures in the interim balance sheet are those in the Company's 2024 annual financial statements, which were audited by International Auditing and Valuation Company Limited. The comparative figures in the interim income statement and interim cash flow statement are those in the Company's 2024 interim financial statements, which were reviewed by International Auditing and Valuation Company Limited.



Preparer  
Do Thi Hue



Chief Accountant  
Nguyen Thi Huong



General Director  
Vu Thanh Trung  
Phu Tho, Viet Nam  
14 August 2025

