



**DHG PHARMACEUTICAL JOINT STOCK  
COMPANY**

*(Incorporated in the Socialist Republic of Vietnam)*

**AUDITED FINANCIAL STATEMENTS**

**For the year ended 31 December 2025**

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**DHG PHARMACEUTICAL JOINT STOCK COMPANY**

No. 288 Bis Nguyen Van Cu Street, Cai Khe Ward  
Can Tho City, Vietnam

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**STATEMENT OF THE MANAGEMENT**

The Management of DHG Pharmaceutical Joint Stock Company (the "Company") presents this report together with the Company's financial statements for the year ended 31 December 2025.

**BOARD OF DIRECTORS, AUDIT COMMITTEE AND MANAGEMENT**

The members of the Board of Directors, Audit Committee and Management of the Company during the year and to the date of this report are as follows:

**Board of Directors**

Ms. Dang Thi Thu Ha	Chairwoman
Mr. Jun Kuroda	Member
Mr. Toshiyuki Ishii	Member (tendered resignation on 24 December 2025)
Mr. Maki Kamijo	Member
Ms. Le Thi Thanh Hien	Member (from 24 April 2025)
Mr. Do Le Hung	Independent member
Mr. Truong Anh Hung	Independent member
Mr. Doan Dinh Duy Khuong	Member (to 24 April 2025)

**Audit Committee**

Mr. Do Le Hung	Chairman
Ms. Dang Thi Thu Ha	Member (to 24 April 2025)
Mr. Maki Kamijo	Member
Ms. Le Thi Thanh Hien	Member (from 24 April 2025)

**Management**

Mr. Toshiyuki Ishii	General Director (to 1 January 2026)
Mr. Toshifumi Kojima	Acting General Director (from 1 January 2026)
Mr. Osamu Fujimori	Chief Operating Officer
Ms. Nguyen Ngoc Diep	Deputy General Director
Mr. Tomoyuki Kawata	Deputy General Director
Mr. Nguyen Ngoc Chuong	Production Director
Mr. Pham Chung Dinh	Sales Director (from 1 March 2025 to 1 February 2026)
Mr. Ta Thanh Hung	Information Technology Director (from 1 September 2025)
Mr. Vo Van Kim Y	Technical Director (to 21 January 2025)
Mr. Le Mai Hoang Son	Supply Chain Director (to 19 December 2025)

**Legal representative**

The legal representative of the Company during the year is Mr. Toshiyuki Ishii and at the date of this report is Mr. Toshifumi Kojima.

**MANAGEMENT'S STATEMENT OF RESPONSIBILITY**

The Management of the Company is responsible for preparing the financial statements which give a true and fair view of the financial position of the Company as at 31 December 2025, and its financial performance and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting. In preparing these financial statements, the Management 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 financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business; and
- design and implement an effective internal control system for the purpose of properly preparing and presenting the financial statements so as to minimize errors and frauds.



**STATEMENT OF THE MANAGEMENT (Continued)**

The Management is responsible for ensuring that proper accounting records are kept, which disclose, with reasonable accuracy at any time, the financial position of the Company and that the financial statements comply with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting. The Management is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of frauds and other irregularities.

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

For and on behalf of the Management,



**Toshifumi Kojima**  
**Acting General Director**  
12 March 2026

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No.: 0286 /VN1A-HC-BC

## INDEPENDENT AUDITORS' REPORT

**To: The Shareholders  
The Board of Directors, Audit Committee and Management of  
DHG Pharmaceutical Joint Stock Company**

We have audited the accompanying financial statements of DHG Pharmaceutical Company Joint Stock Company (the "Company"), prepared on 12 March 2026 as set out from page 5 to page 38, which comprise the balance sheet as at 31 December 2025, the statement of income and statement of cashflows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### ***Management's Responsibility for the Financial Statements***

The Management is responsible for the preparation and fair presentation of these financial statements in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting, and for such internal control as the Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditors' Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Opinion***

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2025, and its financial performance and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting.



## INDEPENDENT AUDITORS' REPORT (Continued)

### Other matter

The Company's financial statements for the year ended 31 December 2024 were audited by the another audit firm, which expressed an unmodified audit opinion on those financial statements on 24 February 2025.



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**Nguyen Thi Thu Sang**  
**Audit Partner**  
Audit Practising Registration Certificate  
No. 1144-2023-001-1  
**BRANCH OF DELOITTE VIETNAM AUDIT  
COMPANY LIMITED**  
12 March 2026  
Ho Chi Minh City, Vietnam

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**Vong My Thanh**  
**Auditor**  
Audit Practising Registration Certificate  
No. 3460-2025-001-1



**BALANCE SHEET**  
*As at 31 December 2025*

Unit: VND

<b>ASSETS</b>	<b>Codes</b>	<b>Notes</b>	<b>Closing balance</b>	<b>Opening balance</b>
<b>A. CURRENT ASSETS</b>	<b>100</b>		<b>3,888,768,378,369</b>	<b>4,604,003,766,930</b>
<b>I. Cash and cash equivalents</b>	<b>110</b>	<b>5</b>	<b>129,895,664,996</b>	<b>62,857,547,612</b>
1. Cash	111		129,895,664,996	62,857,547,612
<b>II. Short-term financial investments</b>	<b>120</b>	<b>6</b>	<b>2,024,000,000,000</b>	<b>2,745,000,000,000</b>
1. Held-to-maturity investments	123		2,024,000,000,000	2,745,000,000,000
<b>III. Short-term receivables</b>	<b>130</b>		<b>684,251,160,726</b>	<b>656,735,934,274</b>
1. Short-term trade receivables	131	7	615,182,622,035	556,907,648,937
2. Short-term advances to suppliers	132	8	20,166,835,882	45,858,016,499
3. Short-term loan receivables	135	9	136,032,204	257,622,204
4. Other short-term receivables	136	10	79,018,116,662	86,760,219,279
5. Provision for short-term doubtful debts	137	11	(30,252,446,057)	(33,047,572,645)
<b>IV. Inventories</b>	<b>140</b>	<b>12</b>	<b>1,024,618,562,192</b>	<b>1,115,429,265,990</b>
1. Inventories	141		1,031,188,044,691	1,117,843,358,841
2. Provision for devaluation of inventories	149		(6,569,482,499)	(2,414,092,851)
<b>V. Other short-term assets</b>	<b>150</b>		<b>26,002,990,455</b>	<b>23,981,019,054</b>
1. Short-term prepayments	151	13	12,987,475,608	10,859,509,686
2. Value added tax deductibles	152		12,307,871,131	11,321,251,904
3. Taxes and other receivables from the State budget	153	20	707,643,716	1,800,257,464

*The accompanying notes are an integral part of these financial statements.*



**BALANCE SHEET (Continued)**  
As at 31 December 2025

Unit: VND

ASSETS	Codes	Notes	Closing balance	Opening balance
<b>B. NON-CURRENT ASSETS</b>	<b>200</b>		<b>1,285,113,250,628</b>	<b>1,355,239,509,335</b>
<b>I. Long-term receivables</b>	<b>210</b>		<b>5,608,830,169</b>	<b>205,000,000</b>
1. Other long-term receivables	216		5,608,830,169	205,000,000
<b>II. Fixed assets</b>	<b>220</b>		<b>1,142,828,934,460</b>	<b>1,195,866,733,467</b>
1. Tangible fixed assets	221	14	968,409,065,544	1,017,760,834,448
- Cost	222		2,199,969,625,684	2,151,327,804,065
- Accumulated depreciation	223		(1,231,560,560,140)	(1,133,566,969,617)
2. Intangible assets	227	15	174,419,868,916	178,105,899,019
- Cost	228		234,288,626,721	234,288,626,721
- Accumulated amortization	229		(59,868,757,805)	(56,182,727,702)
<b>III. Investment properties</b>	<b>230</b>	<b>16</b>	<b>29,864,239,743</b>	<b>30,672,622,059</b>
- Cost	231		44,826,611,143	44,826,611,143
- Accumulated depreciation	232		(14,962,371,400)	(14,153,989,084)
<b>IV. Long-term assets in progress</b>	<b>240</b>		<b>44,157,626,600</b>	<b>48,613,976,834</b>
1. Construction in progress	242	17	44,157,626,600	48,613,976,834
<b>V. Long-term financial investments</b>	<b>250</b>	<b>6</b>	<b>4,630,000,000</b>	<b>4,437,500,000</b>
1. Equity investments in other entities	253		24,108,379,057	24,108,379,057
2. Provision for impairment of long-term financial investments	254		(19,478,379,057)	(19,670,879,057)
<b>VI. Other long-term assets</b>	<b>260</b>		<b>58,023,619,656</b>	<b>75,443,676,975</b>
1. Long-term prepayments	261	13	32,094,203,855	57,104,157,059
2. Deferred tax assets	262	18	25,929,415,801	18,339,519,916
<b>TOTAL ASSETS (270=100+200)</b>	<b>270</b>		<b>5,173,881,628,997</b>	<b>5,959,243,276,265</b>

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

**BALANCE SHEET (Continued)**  
As at 31 December 2025

Unit: VND

RESOURCES	Codes	Notes	Closing balance	Opening balance
<b>C. LIABILITIES</b>	<b>300</b>		<b>1,036,616,453,045</b>	<b>1,864,488,178,296</b>
<b>I. Current liabilities</b>	<b>310</b>		<b>965,949,656,404</b>	<b>1,790,292,694,239</b>
1. Short-term trade payables	311	19	391,630,655,164	167,297,346,734
2. Short-term advances from customers	312		45,689,385,337	35,831,657,220
3. Taxes and amounts payable to the State budget	313	20	91,597,428,818	76,460,947,075
4. Payables to employees	314	21	261,949,491,179	202,121,684,052
5. Short-term accrued expenses	315	22	70,921,606,570	59,525,577,023
6. Short-term unearned revenue	318	23	42,842,121,344	48,506,708,876
7. Other current payables	319		2,219,267,165	525,017,692,946
8. Short-term loans	320	24	-	649,913,916,414
9. Short-term provisions	321	26	40,196,395,350	-
10. Bonus and welfare funds	322	25	18,903,305,477	25,617,163,899
<b>II. Long-term liabilities</b>	<b>330</b>		<b>70,666,796,641</b>	<b>74,195,484,057</b>
1. Long-term provisions	342	26	69,937,719,066	71,954,405,323
2. Scientific and technological development fund	343	27	729,077,575	2,241,078,734
<b>D. EQUITY</b>	<b>400</b>		<b>4,137,265,175,952</b>	<b>4,094,755,097,969</b>
<b>I. Owner's equity</b>	<b>410</b>	<b>28</b>	<b>4,137,265,175,952</b>	<b>4,094,755,097,969</b>
1. Owner's contributed capital	411		1,307,460,710,000	1,307,460,710,000
- Ordinary shares carrying voting rights	411a		1,307,460,710,000	1,307,460,710,000
2. Share premium	412		6,778,948,000	6,778,948,000
3. Investment and development fund	418		1,358,122,657,972	2,458,122,657,972
4. Retained earnings	421		1,464,902,859,980	322,392,781,997
- Retained earnings accumulated to the prior year end	421a		612,548,752,398	66,456,946,037
- Retained earnings of the current year	421b		852,354,107,582	255,935,835,960
<b>TOTAL RESOURCES (440=300+400)</b>	<b>440</b>		<b>5,173,881,628,997</b>	<b>5,959,243,276,265</b>

  
Tran Ngoc Hien  
Preparer

  
Ho Buu Huan  
Chief Accountant

  
Toshifumi Kojima  
Acting General Director  
12 March 2026



**INCOME STATEMENT**

For the year ended 31 December 2025

Unit: VND

ITEMS	Codes	Notes	Current year	Prior year
1. Gross revenue from goods sold and services rendered	01	31	6,136,905,368,338	5,714,422,855,630
2. Deductions	02	31	869,942,684,288	829,555,200,538
3. Net revenue from goods sold and services rendered (10=01-02)	10		5,266,962,684,050	4,884,867,655,092
4. Cost of sales	11	32	2,760,593,928,931	2,747,101,521,942
5. Gross profit from goods sold and services rendered (20=10-11)	20		2,506,368,755,119	2,137,766,133,150
6. Financial income	21	34	133,235,749,052	148,119,966,008
7. Financial expenses	22	35	81,590,241,255	89,739,210,554
- In which: Interest expense	23		25,635,277,644	24,810,529,888
8. Selling expenses	25	36	1,157,316,021,444	904,667,099,165
9. General and administration expenses	26	36	396,384,204,006	312,823,418,686
10. Operating profit (30=20+(21-22)-(25+26))	30		1,004,314,037,466	978,656,370,753
11. Other income	31	37	10,448,790,264	5,315,643,375
12. Other expenses	32	38	28,163,560,553	79,487,447,312
13. Losses from other activities (40=31-32)	40		(17,714,770,289)	(74,171,803,937)
14. Accounting profit before tax (50=30+40)	50		986,599,267,177	904,484,566,816
15. Current corporate income tax expense	51	39	141,835,055,480	127,031,756,728
16. Deferred corporate tax income	52	39	(7,589,895,885)	(1,467,309,872)
17. Net profit after corporate income tax (60=50-51-52)	60		852,354,107,582	778,920,119,960
18. Basic earnings per share	70	40	6,308	5,763

Tran Ngoc Hien  
Preparer

Ho Bui Huan  
Chief Accountant



Toshifumi Kojima  
Acting General Director  
12 March 2026

**CASH FLOW STATEMENT**  
For the year ended 31 December 2025

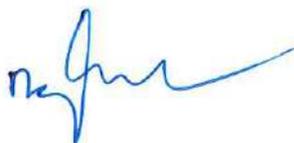
Unit: VND

ITEMS	Codes	Current year	Prior year
<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>			
1. Profit before tax	01	986,599,267,177	904,484,566,816
2. Adjustments for:			
Depreciation and amortization of fixed assets and investment properties	02	119,007,964,694	169,695,469,422
Provisions	03	40,739,512,459	5,075,762,608
Foreign exchange (gain)/loss arising from translating foreign currency items	04	(246,436,677)	324,569,255
Gain from investing activities	05	(120,582,609,948)	(139,127,459,803)
Interest expense	06	25,635,277,644	24,810,529,888
3. Operating profit before movements in working capital	08	1,051,152,975,349	965,263,438,186
Change in receivables	09	(54,940,769,666)	105,103,088,465
Change in inventories	10	86,655,314,150	420,959,945,637
Change in payables	11	289,926,692,411	(21,510,218,626)
Change in prepaid expenses	12	22,881,987,282	13,080,338,745
Interest paid	14	(26,019,669,534)	(24,766,314,819)
Corporate income tax paid	15	(124,797,302,318)	(101,297,219,913)
Other cash outflows	17	(31,891,522,289)	(39,249,652,347)
Net cash generated by operating activities	20	1,212,967,705,385	1,317,583,405,328
<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
1. Acquisition and construction of fixed assets and other long-term assets	21	(31,136,402,852)	(88,704,714,502)
2. Proceeds from sale, disposal of fixed assets and other long-term assets	22	1,239,777,570	967,727,000
3. Cash outflow for lending and time deposits	23	(2,809,000,000,000)	(3,550,000,000,000)
4. Cash recovered from lending and time deposits	24	3,530,000,000,000	3,035,000,000,000
6. Interest earned, dividends and profits received	27	120,627,874,254	156,785,793,078
Net cash generated by/(used in) investing activities	30	811,731,248,972	(445,951,194,424)
<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
1. Proceeds from borrowings	33	1,321,447,304,923	1,708,084,671,223
2. Repayment of borrowings	34	(1,971,361,221,337)	(1,630,335,302,369)
3. Dividends and profits paid	36	(1,307,460,710,000)	(980,595,532,500)
Net cash used in financing activities	40	(1,957,374,626,414)	(902,846,163,646)
Net increase/(decrease) in cash (50=20+30+40)	50	67,324,327,943	(31,213,952,742)
Cash and cash equivalents at the beginning of the year	60	62,857,547,612	94,134,026,358
Effects of changes in foreign exchange rates	61	(286,210,559)	(62,526,004)
Cash and cash equivalents at the end of the year (70=50+60+61)	70	129,895,664,996	62,857,547,612

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

**CASH FLOW STATEMENT (Continued)**  
*For the year ended 31 December 2025*

Significant non-cash transactions for the year ended 31 December 2025 are presented in Note 43.



**Tran Ngoc Hien**  
Preparer



**Ho Buu Huan**  
Chief Accountant



**Toshifumi Kojima**  
Acting General Director  
12 March 2026

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## **NOTES TO THE FINANCIAL STATEMENTS**

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

### **1. GENERAL INFORMATION**

#### **Structure of ownership**

On 2 September 2004, DHG Pharmaceutical Joint Stock Company (the "Company") was equitized from Hau Giang Pharmaceutical United Factory in accordance with Decision No. 2405/QĐ-CT.UB dated 5 August 2004 issued by the People's Committee of Can Tho City. The Company was officially incorporated as a joint stock company under the Business Registration Certificate No.5703000111 dated 15 September 2004 issued by the Department of Planning and Investment of Can Tho City with the initial charter capital of VND 80,000,000,000.

The Company's shares were listed on Ho Chi Minh Stock Exchange with DHG code in accordance with Decision No. 93/UBCK-GPNY dated 1 December 2006 issued by the State Securities Commission of Vietnam.

As at 31 December 2025, the largest shareholders of the Company are Taisho Pharmaceutical Co., Ltd., which owns 51.01% and the State Capital Investment Corporation ("SCIC"), which owns 43.31% of share capital of the Company. SCIC is controlled by the Ministry of Finance in accordance with Official Letter No. 1661/VPCP-DMDN dated 28 February 2025 (previously controlled by Commission for the Management of State Capital at Enterprises).

The Company's head office is located at 288 Bis Nguyen Van Cu Street, Cai Khe Ward, Can Tho City, Vietnam. In addition, the Company operates thirty-four (34) distribution branches, two (2) representative offices, and two (2) central warehouses, and one (1) medical herb branch located across various provinces and cities in Vietnam.

As at 31 December 2025, the Company has following active manufacturing plants:

1. DHG Pharmaceutical Manufacturing Plant, located at the Company's head office address.
2. DHG Pharmaceutical Manufacturing Plant (including the expansion project), located at Lot B2 - B3, Tan Phu Thanh Industrial Park – Phase 1, Thanh Xuan Commune, Can Tho City (formerly part of Hau Giang Province).
3. DHG Packaging-Printing Plant, located at Lot B2 - B3, Tan Phu Thanh Industrial Park – Phase 1, Thanh Xuan Commune, Can Tho City (formerly part of Hau Giang Province).

The number of employees of the Company as at 31 December 2025 was 2,819 (as at 31 December 2024: 2,806).

#### **Operating industry and principal activities**

The operating industry of the Company are to manufacture and sell pharmaceutical products.

The principal activities of the Company are to manufacture and trade pharmaceuticals, dietary supplements and pharmaceutical cosmetics.

#### **Normal production and business cycle**

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

#### **Disclosure of information comparability in the financial statements**

Comparative figures are the figures of the audited financial statements for the year ended 31 December 2024.

**2. ACCOUNTING CONVENTION AND FINANCIAL YEAR**

**Accounting convention**

The accompanying financial statements, expressed in Vietnam 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 financial reporting.

The accompanying 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

**Financial year**

The Company's financial year begins on 1 January and ends on 31 December.

**3. NEW ACCOUNTING GUIDANCE IN ISSUE BUT NOT YET ADOPTED EFFECTIVE**

On 27 October 2025, the Ministry of Finance issued Circular No. 99/2025/TT-BTC ("Circular 99") guiding the application of accounting regime for enterprises. Circular 99 are effective from 1 January 2026 and apply for financial years beginning on or after 1 January 2026. This Circular will supersede the following regulations:

- Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance ("Circular 200") providing guidance on the corporate accounting regime (except for contents relating to accounting guidance for the equitization of State-owned enterprises);
- Circular No. 75/2015/TT-BTC dated 18 May 2015 of the Ministry of Finance on amendments to Article 128 of Circular 200;
- Circular No. 53/2016/TT-BTC dated 21 March 2016 of the Ministry of Finance amending and adding some articles of Circular 200; and
- Circular No. 195/2012/TT-BTC dated 15 November 2012 of the Ministry of Finance providing accounting guidance for investors.

The Management is considering the extent of impact of the adoption of Circular 99 on the Company's financial statements for future accounting periods, beginning on or after 1 January 2026.

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The significant accounting policies, which have been adopted by the Company in the preparation of these financial statements, are as follows:

**Estimates**

The preparation of financial statements in conformity with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting requires the 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 financial statement and the reported amounts of revenues and expenses during the financial year. Although these accounting estimates are based on the Management's best knowledge, actual results may differ from those estimates.

**Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand, cash in transit, demand deposits and short-term investments with maturity term not exceeding 3 months from the date of investment, which are highly liquid, readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.



**Financial investments**

***Held-to-maturity investments***

Held-to-maturity investments comprise investments that the Company's Management has the positive intent or ability to hold to maturity.

Held-to-maturity investments include term deposits to earn periodic interest (except for term deposits presented in Note "Cash and cash equivalents"). These investments are measured at cost less provision for impairment of financial investments. Interest income from term deposits is recognized in the income statement on accrual basis.

***Loan receivables***

Loan receivables are measured at cost less provision for doubtful debts. Provision for doubtful debts relating to loan receivables is made in accordance with prevailing accounting regulations.

***Equity investments in other entities***

Equity investments in other entities represent the Company's investments in ordinary shares of the entities over which the Company has no control, joint control, or significant influence.

Equity investments in other entities are carried at cost less provision for impairment. The provision for impairment of investments is made when there is a reliable evidence for declining in value of these investments at the balance sheet date.

**Receivables**

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

Provision 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 settle the debt.

**Inventories**

Inventories are stated at the lower of cost and net realizable value. Cost of inventories comprises cost of purchases and other directly attributable expenses. In the case of manufactured products, 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. Cost is calculated using the weighted average method. Net realizable 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 provision 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 realizable values as at the balance sheet date.

**Tangible fixed assets and depreciation**

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 condition and location for their intended use.



Tangible fixed assets are depreciated using the straight-line method over their estimated useful lives, as follows:

	Years
Buildings and structures	3 - 50
Machinery and equipment	5 - 20
Office equipment	3 - 15
Motor vehicles	3 - 15

Gain or loss resulting from sales and disposals of tangible fixed assets is the difference between profit from sales or disposals of assets and their residual values and is recognized in the income statement.

### Operating leases

#### The Company as lessor

Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized on a straight-line basis over the lease term.

#### The Company as lessee

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor 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.

### Intangible assets and amortization

Intangible assets represent the value of land use rights and computer software that are stated at cost less accumulated amortization.

Definite land use rights are amortized using the straight-line method over the terms indicated in the land use right certificate. Indefinite land use rights are carried at cost and not amortized under prevailing regulations.

Computer software is amortized using the straight-line method over its useful life from 2 to 8 years.

### Investment properties

Investment properties are buildings, or part of buildings or infrastructure or buildings and land held by the Company to earn rentals or for capital appreciation. Investment properties held to earn rentals are stated at cost less accumulated depreciation while investment properties held for capital appreciation are stated at cost less impairment loss. The costs of purchased investment properties comprise their purchase prices and any directly attributable expenditures, such as professional fees for legal services, property transfer taxes and other related transaction costs. The costs of self-constructed investment properties are the finally accounted construction or directly attributable costs of the properties.

Investment properties held to earn rentals are depreciated using the straight-line method over their estimated useful lives, as follows:

	Years
Land use rights	50
Building and structures	10 - 15

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#### **Construction in progress**

Properties in the course of construction for production, rental or administrative purposes, or for other purposes, are carried at cost 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.

#### **Prepayments**

Prepayments are expenses which have already been paid but relate to results of operations of multiple accounting periods. Prepayments comprise leasehold improvement expenses, land rentals, costs of small tools, supplies and spare parts issued for consumption and other prepaid expenses.

Land rentals represent the prepaid land rentals. The prepaid land rentals are allocated to the income statement using the straight-line method over the lease term.

Others have been capitalized as prepayments, and are allocated to the income statement using the straight-line method in accordance with the current prevailing accounting regulations.

#### **Provisions**

Provisions are recognized when the Company has a present obligation as a result of a past event, and it is probable that the Company will be required to settle that obligation. Provisions are measured at the Management's best estimate of the expenditure required to settle the obligation as at the balance sheet date.

#### **Severance allowance payable**

The severance allowance for employees is accrued at the end of each reporting period for all employees having worked at the Company for the full 12 months and above. Working time serving as the basis for calculating severance allowance shall be the total actual working time subtracting the time when the employees have made unemployment insurance contributions as prescribed by law, and the working time when severance allowance has been paid to the employees. The allowance made for each period of service equals half of an average monthly salary under the Vietnamese Labour Code, Social Insurance Code and relevant guiding documents. The average monthly salary used for the calculation of severance allowance shall be adjusted to be the average of the 6 consecutive months nearest to the date of the financial statements at the end of each reporting period. The increase or decrease in the accrued amount shall be recorded in the income statement.

#### **Provision for dismantling and restoration costs**

The Company recognizes a provision for dismantling and restoration costs associated with the obligation to return the leased premises or land to their original condition. The provision is determined based on the total estimated costs required to dismantle and restore premises at the time they are returned in the future. The provision is recognized on a straight-line basis over the period from the date the obligation arises (or from 1 January 2015 for obligations that arose prior to the effective date of Circular No. 200/2014/TT-BTC issued by the Ministry of Finance), until the date the premises or land are returned or the expected dismantling date.

#### **Unearned revenue**

Unearned revenue represents the fair value of goods and services provided to customers for free or at discount in the customer loyalty programs. Unearned revenue is recognized for the portion of obligation that the Company has not yet fulfilled to customers.

### Revenue recognition

Revenue from the sale of goods is recognized when all five (5) following conditions are satisfied:

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

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

- (a) the amount of revenue can be measured reliably;
- (b) it is probable that the economic benefits associated with the transaction will flow to the Company;
- (c) the percentage of completion of the transaction at the balance sheet date can be measured reliably; and
- (d) the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the applicable interest rate.

Dividend income from investments is recognized when the Company's right to receive payment has been established.

### Sales deductions

Sales deductions include trade discounts, sales allowances and sales returns. Sales deductions incurred in the same year of the related revenue from sales of products, goods and rendering of services are recorded as a deduction from the revenue of that year.

In case that sales deductions for sales of products, goods or rendering of services sold in the year incurred after the balance sheet date but before the issuance of the financial statements, the Company recorded as revenue deductions for the year.

### Customer loyalty programs

Revenue is recognized at total consideration received less fair value of goods and services which are provided to customers for free or at discount. Fair value amounts of goods and services provided for free or at discount are recognized as unearned revenue. If customers do not meet the required conditions stated in the customer loyalty programs at the end of the programs and hence, are not entitled to the free or discounted goods and services, the unearned revenue is realized into the revenue.

When customers meet all the required conditions and the Company is the one providing the free or discounted goods and services to customers, the unearned revenue is realized into the Company's revenue at the time that obligations to customers are fulfilled, which means goods are delivered and services are rendered to customers.



When customers meet all the required conditions and obligations of providing the free or discounted goods and services to customers are carried out by a third party. If the Company does not act as an agent of the third party, the unearned revenue is realized into the Company's revenue at the time that third party provides the free or discounted goods and services to customers. If the Company acts as an agent of the third party, the Company recognizes revenue for the difference between the unearned revenue amount and the amount payable to the third party for providing such free or discounted goods and services to customers.

#### **Foreign currencies**

Transactions arising in foreign currencies are translated at exchange rates ruling at the transaction date. The balances of monetary items denominated in foreign currencies as at the balance sheet date are retranslated at the exchange rates of commercial bank where the Company usually transacts on the same date. Exchange differences arising from the translation of these accounts are recognized in the income statement.

#### **Borrowing costs**

Borrowing costs are recognized in the income statement in the year when incurred unless they are capitalized 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 capitalized even when the construction period is under 12 months.

#### **Taxation**

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

The tax currently payable is based on taxable income for the year. Taxable income 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 recognized 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 income and is accounted for using balance sheet liability method. Deferred tax liabilities are generally recognized for all temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable income will be available against which deductible temporary differences can be utilized.

Deferred tax is calculated at the tax rates that are expected to apply in the year when the liability is settled or the asset realized. Deferred tax is charged or credited to the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same tax authority and the Company intends to settle its current tax assets and liabilities on a net basis.

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.



**Profit distribution**

The Company's net profit after tax is available for appropriation to shareholders as dividends upon approval by shareholders at the Company's Annual General Meeting.

Dividends are declared and paid from retained earnings based on the approval of shareholders at the Company's Annual General Meeting.

**Bonus and welfare fund**

Bonus and welfare fund is deducted from the profit after corporate income tax of the company to be used for rewarding and encouraging physical benefits, serving the needs of the public, improving and enhancing mental and physical life of employees, and covering the operating expenses of the Board of Directors as approved by the resolution of the Company's Annual General Meeting of Shareholders. The appropriation and use of the bonus and welfare fund must comply with current prevailing accounting and financial regulations.

**Investment and development fund**

Investment and development fund is deducted from profits after corporate income tax of the Company to be used to invest in expanding the scale of production, business or in-depth investment of the enterprise. The appropriation and use of the investment and development fund are carried out in accordance with the Resolution of the General Meeting of Shareholders and applicable regulations.

**Segment reporting**

A segment is a distinct business segment of the Company that provides a single product or service or a Company of related products and services (product segment), or provides products and services within a particular economic environment (geographical segment). Each segment is subject to risks and returns that are different from those of others. The basic reportable segment of the Company is product segment.

Segment reporting is prepared and presented in accordance with accounting policies applied to the preparation and presentation of the Company's financial statements in order to help users of financial statements to understand and evaluate the operations of the Company in a comprehensive way.

**Related parties**

Parties are considered to be related parties of the Company if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions, or when the Company and other party are under common control or under common significant influence. Related parties can be enterprise or individual, including their close family members.

**5. CASH AND CASH EQUIVALENTS**

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Cash on hand	6,954,261,500	6,538,753,500
Bank demand deposits	122,941,403,496	56,318,794,112
	<u>129,895,664,996</u>	<u>62,857,547,612</u>

**6. FINANCIAL INVESTMENTS**

**Held-to-maturity investments**

Short-term held-to maturity investments represent term deposits with the original maturity terms from more than 3 months and remaining maturity terms of less than 12 months from the balance sheet date. The held-to-maturity investments bear interest rates ranging from 5% to 7% per annum (prior year: from 4.2% to 5.5% per annum).

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Investments in other entities

	Closing balance		Opening balance	
	Cost VND	Provision VND	Cost VND	Provision VND
Investments in other entities	24,108,379,057	(19,478,379,057)	24,108,379,057	(19,670,879,057)

	Closing balance		Opening balance	
	Cost VND	Ownership and voting percentage %	Cost VND	Ownership and voting percentage %
ATP Packaging JSC	20,000,000,000	6.67	20,000,000,000	6.67
Enlie Pharmaceutical JSC	4,108,379,057	2.9	4,108,379,057	2.9
	<b>24,108,379,057</b>		<b>24,108,379,057</b>	

As at 31 December 2025 and 31 December 2024, the fair value of investment in other entities is as below:

	Fair value	
	Closing balance VND	Opening balance VND
ATP Packaging JSC [1]	2,600,000,000	2,600,000,000
Enlie Pharmaceutical JSC [2]	2,030,000,000	1,837,500,000
	<b>4,630,000,000</b>	<b>4,437,500,000</b>

[1] The fair value of investment in ATP Packaging Joint Stock Company was determined by P/B method.

[2] The fair value of investment in Enlie Pharmaceutical JSC was determined based on the reference price in the stock market exchange.

The balance of provision as at 31 December 2025 and 31 December 2024 represents the provision for impairment of the investments as below:

	Closing balance VND	Opening balance VND
ATP Packaging JSC	17,400,000,000	17,400,000,000
Enlie Pharmaceutical Joint Stock Company	2,078,379,057	2,270,879,057
	<b>19,478,379,057</b>	<b>19,670,879,057</b>

Movements in the provision for impairment of the investments during current year and prior year were as follows:

	Current year VND	Prior year VND
Opening balance	19,670,879,057	19,933,379,057
Reversal of provision	(192,500,000)	(262,500,000)
<b>Closing balance</b>	<b>19,478,379,057</b>	<b>19,670,879,057</b>



7. SHORT-TERM TRADE RECEIVABLES

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Receivables from related parties (Note 42)	7,412,661,319	3,009,909,100
Receivables from third parties	607,769,960,716	553,897,739,837
	<u>615,182,622,035</u>	<u>556,907,648,937</u>

As at 31 December 2025 and 31 December 2024, there was no single short-term trade receivables from third parties accounting for 10% or more of total trade accounts receivable.

8. SHORT-TERM ADVANCE TO SUPPLIERS

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Pi Logistics Joint Stock Company	6,443,574,964	-
Hau Giang Industrial Zone's Basic Development Company	3,251,045,444	3,251,045,444
Tien Tuan Pharmaceutical Machinery Co., Ltd.	-	29,464,585,950
Tan Huong Trading and Packing Producing Co., Ltd.	-	7,070,447,506
Other	10,472,215,474	6,071,937,599
	<u>20,166,835,882</u>	<u>45,858,016,499</u>

9. SHORT-TERM LOAN RECEIVABLES

Loan receivables represent interest-free loans granted to customers in accordance with the refundable capital support policy of the Company. Provisions for loan receivables have been presented in Note 11.

10. OTHER SHORT-TERM RECEIVABLES

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Accruals of interest income	61,046,506,858	58,661,986,308
Receivables from employees	12,515,447,130	12,368,841,716
Other receivables	5,456,162,674	15,729,391,255
	<u>79,018,116,662</u>	<u>86,760,219,279</u>

11. BAD DEBTS

	<u>Closing balance</u>		
	<u>Cost</u>	<u>Provision</u>	<u>Recoverable</u>
	VND	VND	amount
			VND
Total amount of receivables and loans past due or not past due but impaired	84,187,082,373	(30,252,446,057)	53,934,636,316
<i>In which</i>			
Short-term trade receivables	73,550,063,283	(19,615,426,967)	53,934,636,316
Others	10,637,019,090	(10,637,019,090)	-
	<u>104,960,349,435</u>	<u>(33,047,572,645)</u>	<u>71,912,776,790</u>
			<u>Opening balance</u>
			<u>Recoverable</u>
	<u>Cost</u>	<u>Provision</u>	<u>amount</u>
	VND	VND	VND
Total amount of receivables and loans past due or not past due but impaired	104,960,349,435	(33,047,572,645)	71,912,776,790
<i>In which:</i>			
Short-term trade receivables	93,842,859,381	(21,930,082,591)	71,912,776,790
Others	11,117,490,054	(11,117,490,054)	-

As at 31 December 2025 and 31 December 2024, there was no single receivable accounting for 10% or more of total amount of receivables past due or not past due but impaired.

Movements in the provision for doubtful debts during current year and prior year were as follows:

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Opening balance	33,047,572,645	35,457,299,593
Additional provision during the year	127,808,021	582,512,306
Write-off during the year	(2,922,934,609)	(2,992,239,254)
<b>Closing balance</b>	<b><u>30,252,446,057</u></b>	<b><u>33,047,572,645</u></b>

## 12. INVENTORIES

	<u>Closing balance</u>		<u>Opening balance</u>	
	Cost VND	Provision VND	Cost VND	Provision VND
Goods in transit	137,856,931,738	-	82,500,439,637	-
Raw materials	430,750,180,987	(876,500,226)	558,533,781,102	(1,441,799,264)
Work in progress	93,780,418,889	-	79,803,293,749	-
Finished goods	328,000,683,692	(1,267,643,198)	353,996,808,325	(972,293,587)
Merchandise	40,677,561,026	(4,425,339,075)	43,009,036,028	-
Goods on consignment	122,268,359	-	-	-
	<b><u>1,031,188,044,691</u></b>	<b><u>(6,569,482,499)</u></b>	<b><u>1,117,843,358,841</u></b>	<b><u>(2,414,092,851)</u></b>

Movements in the provision for devaluation of inventories during the current year and prior year were as follows:

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Opening balance	2,414,092,851	4,166,989,823
Increase	4,369,724,772	443,574,006
Utilization	(214,335,124)	(2,196,470,978)
<b>Closing balance</b>	<b><u>6,569,482,499</u></b>	<b><u>2,414,092,851</u></b>

The provision for devaluation of inventories was made for inventory expiration and inventories of which costs were higher than net realizable value.

## 13. PREPAYMENTS

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
<b>a. Current</b>		
Prepayment related to operating lease	2,991,005,512	2,206,793,549
Others	9,996,470,096	8,652,716,137
	<b><u>12,987,475,608</u></b>	<b><u>10,859,509,686</u></b>
<b>b. Non-current</b>		
Tools and supplies	5,088,841,814	13,558,743,984
Maintenance, replacement	25,634,776,170	41,960,364,388
Others	1,370,585,871	1,585,048,687
	<b><u>32,094,203,855</u></b>	<b><u>57,104,157,059</u></b>



15. INTANGIBLE ASSETS

	Land use rights with indefinite term	Land use rights with definite term	Computer software	Total
	VND	VND	VND	VND
<b>COST</b>				
Opening and closing balance	83,120,604,201	129,637,853,493	21,530,169,027	234,288,626,721
<b>ACCUMULATED DEPRECIATION</b>				
Opening balance	-	35,950,851,372	20,231,876,330	56,182,727,702
Charge for the year	-	2,707,181,808	978,848,295	3,686,030,103
Closing balance	-	38,658,033,180	21,210,724,625	59,868,757,805
<b>NET BOOK VALUE</b>				
Opening balance	83,120,604,201	93,687,002,121	1,298,292,697	178,105,899,019
Closing balance	83,120,604,201	90,979,820,313	319,444,402	174,419,868,916

As at 31 December 2025, the cost of intangible assets included VND 21,106,017,479 (as at 31 December 2024: VND 16,285,369,257) of assets which were fully amortized.

16. INVESTMENT PROPERTIES

	Land use rights	Buildings and structures	Total
	VND	VND	VND
<b>COST</b>			
Opening and closing balance	36,063,405,215	8,763,205,928	44,826,611,143
<b>ACCUMULATED DEPRECIATION</b>			
Opening balance	6,247,659,476	7,906,329,608	14,153,989,084
Charge for the year	624,765,948	183,616,368	808,382,316
Closing balance	6,872,425,424	8,089,945,976	14,962,371,400
<b>NET BOOK VALUE</b>			
Opening balance	29,815,745,739	856,876,320	30,672,622,059
Closing balance	29,190,979,791	673,259,952	29,864,239,743

The cost of investment properties included assets which were fully depreciated as at 31 December 2025 and 31 December 2024 were VND 6,008,960,472.

Fair value of the Company's investment properties were VND 109,233,000,000, which was determined under latest valuation certificate issued on 5 August 2020 by South East Appraisal and Consulting Corporation and valuation certificate issued on 17 January 2023 by VAS Valuation Corporation Limited, an independent valuation company, not a related party of the Company. South East Appraisal and consulting Corporation company and VAS Valuation Corporation Limited hold a valid practicing certificate and has experience in real estate valuation. The valuations were conducted in accordance with Vietnamese Valuation Standards, with reference to market transaction prices of comparable properties.

17. CONSTRUCTION IN PROGRESS

	Closing balance	Opening balance
	VND	VND
Expansion of DHG Pharmaceutical Plant and DHG Printing and Packaging Plant	31,762,966,020	32,418,736,620
Construction of a representative office	6,489,712,485	-
LUS product project	-	5,594,799,598
Construction of Gia Lai Branch office	3,473,948,774	3,473,948,774
REB product project	-	3,141,815,687
Renovating departments	-	1,044,195,319
Other machinery and equipment	2,430,999,321	2,940,480,836
	44,157,626,600	48,613,976,834



Movement of construction in progress during the year was as follows:

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Opening balance	48,613,976,834	553,593,578,887
Purchases	71,461,918,830	52,928,216,172
Transferred to tangible fixed assets (Note 14)	(60,908,772,914)	(511,658,589,036)
Transferred to prepayments and tools	(5,598,527,156)	(24,892,388,348)
Transferred to expenses during the year	(9,410,968,994)	(21,356,840,841)
	<u>44,157,626,600</u>	<u>48,613,976,834</u>

**18. DEFERRED TAX ASSETS**

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Corporate income tax rates used for determination of value of deferred tax assets	20%	20%
Deductible temporary differences		
<i>In which:</i>		
<i>Provision for dismantling and restoration costs</i>	16,292,235,516	8,670,724,839
<i>Provision for severance allowance</i>	5,734,587,367	5,720,156,225
<i>Provision for impairment of long-term financial investments</i>	3,895,675,812	3,934,175,812
<i>Unrealized gains arising from internal asset transactions</i>	6,917,106	14,463,040
<b>Deferred tax assets</b>	<u>25,929,415,801</u>	<u>18,339,519,916</u>

The deferred tax assets mainly arise from deductible temporary differences relating to provisions and unrealized profits arising from internal asset purchase and sale transactions between previous subsidiaries and the parent company, which is now dissolved.

Movement of deferred tax assets in the year was as follows:

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Opening balance	18,339,519,916	16,872,210,044
Increase in deferred tax assets	7,597,441,819	1,474,855,807
Change of eliminated entry of fixed assets	(7,545,934)	(7,545,935)
<b>Closing balance</b>	<u>25,929,415,801</u>	<u>18,339,519,916</u>

**19. SHORT-TERM TRADE PAYABLES**

	<u>Closing balance</u>		<u>Opening balance</u>	
	Amount	Amount able to	Amount	Amount able to
	VND	be paid off	VND	be paid off
		VND		VND
<b>a. Short-term trade payables from third parties</b>				
Nomura Trading Co., Ltd.	71,709,171,625	71,709,171,625	57,052,189,125	57,052,189,125
Others	309,955,388,907	309,955,388,907	108,419,166,569	108,419,166,569
<b>b) Trade payables to related parties (Note 42)</b>	9,966,094,632	9,966,094,632	1,825,991,040	1,825,991,040
	<u>391,630,655,164</u>	<u>391,630,655,164</u>	<u>167,297,346,734</u>	<u>167,297,346,734</u>

As at 31 December 2025 and 31 December 2024, the Company did not have any short-term trade payables past due.

20. TAXES AND OTHER RECEIVABLES FROM/PAYABLES TO THE STATE BUDGET

	Opening balance	Payable during the year	Paid during the year	Others	Closing balance
	VND	VND	VND	VND	VND
<b>a. Tax receivables</b>					
Personal income tax	1,722,948,630	(12,118,946,318)	-	10,395,997,688	-
Land rental fee	-	-	707,643,716	-	707,643,716
Others	77,308,834	(77,308,834)	-	-	-
	<b>1,800,257,464</b>	<b>(12,196,255,152)</b>	<b>707,643,716</b>	<b>10,395,997,688</b>	<b>707,643,716</b>
<b>b. Tax payables</b>					
Value added tax for domestic goods	27,659,928,028	145,257,094,062	(151,995,198,790)	-	20,921,823,300
Value added tax for import goods	-	58,232,302,242	(58,232,302,242)	-	-
Import and export duties	-	11,153,112,640	(11,153,112,640)	-	-
Corporate income tax	22,416,942,929	107,609,055,480	(124,797,302,318)	43,745,000	5,272,441,091
Global minimum tax (*)	22,082,000,000	34,226,000,000	-	96,000,000	56,404,000,000
Personal income tax	1,863,664,500	56,471,703,035	(52,703,218,820)	-	5,632,148,715
Land rental fee	-	3,129,539,526	(3,129,539,526)	-	-
Others	2,438,411,618	19,816,017,810	(18,887,413,716)	-	3,367,015,712
	<b>76,460,947,075</b>	<b>435,894,824,795</b>	<b>(420,898,088,052)</b>	<b>139,745,000</b>	<b>91,597,428,818</b>

(\*) On 29 November 2023, the National Assembly issued Resolution No. 107/2023/QH15 relating to the application of top-up tax under the global anti-base erosion rules. As at the date of these financial statements, the Company's Management, based on the best estimate available at this time, has made an additional provision for corporate income tax obligations. Details of additional corporate income tax balance as at 31 December 2025 are as follows:

- Additional corporate income tax for the year 2024 of the Company was VND 21,988,000,000; and corporate income tax paid on behalf of Taisho Vietnam Co., Ltd. was VND 1,404,000,000.
- Additional corporate income tax for the year 2025 of the Company was VND 33,012,000,000.



21. PAYABLE TO EMPLOYEES

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Salary expense	53,162,393,839	49,445,885,654
Bonus	186,797,860,031	151,362,792,144
Others	21,989,237,309	1,313,006,254
	<u>261,949,491,179</u>	<u>202,121,684,052</u>

22. SHORT-TERM ACCRUED EXPENSES

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Land rental fee (*)	32,560,698,985	32,560,698,985
Payment discount	5,439,437,013	5,026,530,115
Packaging recycling and waste treatment costs (**)	4,000,000,000	-
Interest payable	-	384,391,890
Other accruals	28,921,470,572	21,553,956,033
	<u>70,921,606,570</u>	<u>59,525,577,023</u>

(\*) The accrued land lease payable represents the Company's financial obligation related to the investment project for the expansion of the pharmaceutical manufacturing plant and the DHG packaging printing plant, which was handed over by the People's Committee of Hau Giang Province. This land lease obligation was estimated based on the applicable land lease rates and incentives, as stated in Land Lease Payment Notice No. 3571/TB-CTHAG dated 26 December 2022, issued by the Tax Department of Hau Giang Province. On 11 December 2024, the Company received Notice No. 631/TB-CTHAG from the Tax Department of Hau Giang Province regarding the cancellation of the aforementioned land lease payment notices. However, as a prudent measure, the Company continues to recognize this land lease expense until an official exemption notice is received from the competent authority.

(\*\*) Accruals for recycling and packaging treatment costs are made in accordance with the requirements of the Law on Environmental Protection 2020, Decree No. 05/2025/NĐ-CP dated 6 January 2025, and Decree No. 08/2022/NĐ-CP dated 10 January 2022 of the Government, which provide detailed guidance on the implementation of certain articles of the Law on Environmental Protection.

23. SHORT-TERM UNEARNED REVENUE

Short-term unearned revenue represents the unearned revenue for customer loyalty programs (as presented in Note 4).

24. SHORT-TERM LOANS

	<u>Opening balance</u>	<u>Increase in year</u>	<u>Decrease in year</u>	<u>Closing balance</u>
	VND	VND	VND	VND
Loans from banks	649,913,916,414	1,644,854,594,007	(2,294,768,510,421)	-

25. BONUS AND WELFARE FUNDS

The funds are established through appropriation from retained earnings upon approval of shareholders at the Company's Annual General Meetings ("AGM"). The funds are used to pay bonus and welfare to the Company's employees and to operating expenses of the Board of Directors in accordance with the Company's bonus and welfare policies and the Company's AGM Resolution, respectively.

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Movements of bonus and welfare funds during the year were as follows:

	Bonus and welfare fund	Operation fund of Board of Directors	Welfare fund in form of assets	Total
	VND	VND	VND	VND
Opening balance	8,570,023,533	9,625,316,189	7,421,824,177	25,617,163,899
Appropriation to the funds (Note 28)	23,367,603,599	2,000,000,000	-	25,367,603,599
Depreciation of assets formed from the funds	-	-	(189,939,732)	(189,939,732)
Utilization	(30,326,149,991)	(1,565,372,298)	-	(31,891,522,289)
<b>Closing balance</b>	<b>1,611,477,141</b>	<b>10,059,943,891</b>	<b>7,231,884,445</b>	<b>18,903,305,477</b>

26. PROVISIONS

	Provision for dismantling and restoration cost	Severance allowance	Total
	VND	VND	VND
Opening balance	43,353,624,197	28,600,781,126	71,954,405,323
Additional provision for the year	38,107,553,384	1,464,196,015	39,571,749,399
Utilization	-	(1,392,040,306)	(1,392,040,306)
<b>Closing balance</b>	<b>81,461,177,581</b>	<b>28,672,936,835</b>	<b>110,134,114,416</b>

In which:

	Closing balance	Opening balance
	VND	VND
Short-term provision	40,196,395,350	-
Long-term provision	69,937,719,066	71,954,405,323
	<b>110,134,114,416</b>	<b>71,954,405,323</b>

27. SCIENCE AND TECHNOLOGY DEVELOPMENT FUNDS

In accordance with Circular No. 05/2022/TTLT-BKHCHN-BTC dated 31 May 2022 issued by Ministry of Science and Technology and Circular No. 67/2022/TT-BTC dated 07 November 2022 issued by the Ministry of finance of Vietnam, enterprises are allowed to establish the science and technology development funds for research and development activities. Funds are utilized when disbursement are paid for research and development activities.

Movements of science and technology funds during the year were as follows:

	Scientific and technological development fund in form of assets
	VND
Opening balance	2,241,078,734
Depreciation of assets formed from the fund	(1,512,001,159)
<b>Closing balance</b>	<b>729,077,575</b>



28. SHAREHOLDERS' EQUITY

Movement in shareholders' equity

	Owner's contributed capital	Share premium	Investment and development fund	Retained earnings	Total
	VND	VND	VND	VND	VND
<b>Prior year's opening balance</b>	<b>1,307,460,710,000</b>	<b>6,778,948,000</b>	<b>2,458,122,657,972</b>	<b>1,080,572,358,298</b>	<b>4,852,934,674,270</b>
Profit for the year	-	-	-	778,920,119,960	778,920,119,960
Dividend distribution for 2023	-	-	-	(980,595,532,500)	(980,595,532,500)
First interim dividend for 2024	-	-	-	(522,984,284,000)	(522,984,284,000)
Appropriation to the bonus and welfare fund	-	-	-	(31,519,879,761)	(31,519,879,761)
Appropriation to the operation fund of the Board of Directors	-	-	-	(2,000,000,000)	(2,000,000,000)
<b>Current year's opening balance</b>	<b>1,307,460,710,000</b>	<b>6,778,948,000</b>	<b>2,458,122,657,972</b>	<b>322,392,781,997</b>	<b>4,094,755,097,969</b>
Profit for the year	-	-	-	852,354,107,582	852,354,107,582
Dividend declared for 2024 – 2 <sup>nd</sup> time	-	-	-	(784,476,426,000)	(784,476,426,000)
Transfer to retained earnings	-	-	(1,100,000,000,000)	1,100,000,000,000	-
Appropriation to the bonus and welfare fund	-	-	-	(23,367,603,599)	(23,367,603,599)
Appropriation to the operation fund of the Board of Directors	-	-	-	(2,000,000,000)	(2,000,000,000)
<b>Current year's closing balance</b>	<b>1,307,460,710,000</b>	<b>6,778,948,000</b>	<b>1,358,122,657,972</b>	<b>1,464,902,859,980</b>	<b>4,137,265,175,952</b>

Charter capital

According to the amended Business Registration Certificate, the Company's charter capital is VND 1,307,460,710,000. The value and number of shares of the Company are as follows:

	Closing balance		Opening balance	
	Number of shares	VND	Number of shares	VND
Authorized and issued share capital	130,746,071	1,307,460,710,000	130,746,071	1,307,460,710,000
<b>Ordinary shares currently in circulation</b>	<b>130,746,071</b>	<b>1,307,460,710,000</b>	<b>130,746,071</b>	<b>1,307,460,710,000</b>

All ordinary shares have a par value of VND 10,000. Each share is entitled to one vote at shareholders' meetings. Shareholders are eligible to receive dividends declared by the Company. Ordinary shares are ranked equally with regard to the Company's residual assets.



The list of shareholders and proportion of shares owning as at the balance sheet date is as follows:

	<b>Closing balance</b>		<b>Opening balance</b>	
	<b>VND</b>	<b>%</b>	<b>VND</b>	<b>%</b>
Taisho Pharmaceutical Co., Ltd.	666,970,520,000	51.01	666,970,520,000	51.01
The State Capital Investment Corporation	566,262,370,000	43.31	566,262,370,000	43.31
Other shareholders	74,227,820,000	5.68	74,227,820,000	5.68
	<b>1,307,460,710,000</b>	<b>100</b>	<b>1,307,460,710,000</b>	<b>100</b>

Based on the shareholding structure as at the end of the financial year, the Company does not meet the criteria for being a public company as stipulated in Point a, Clause 1, Article 32 of the Law on Securities No. 54/2019/QH14, as amended and supplemented under Clause 11, Article 1 of Law No. 56/2024/QH15 dated 29 November 2024, due to not satisfying the minimum requirement that at least 10% of voting shares must be held by at least 100 investors who are not major shareholders. Accordingly, the Company may be required to carry out procedures for cancelling its public company status as prescribed. As at the date of issuance of these financial statements, the Company is still in discussion with its two major shareholders, Taisho and SCIC, to determine appropriate plans and solutions.

#### **Fund distribution**

According to Resolution of the Company's Annual General Meeting No. 001/2025/NQ.ĐHĐCĐ dated 24 April 2025, the shareholders of the Company have approved the appropriation to the bonus and welfare fund of employees from profit after tax of 2024 at the rate of 3%, equivalent to the amount of VND 23,367,603,599 and to operation fund of the Board of Directors with the amount of VND 2,000,000,000.

In addition, according to the same Resolution, the shareholders of the Company have approved the reversal of the Investment and development fund to undistributed retained earnings, with a total reversed amount of VND 1,100,000,000,000.

#### **Dividend**

The Company declared an interim cash dividend for the year 2024 at a rate of 40% of the par value of ordinary shares, equivalent to VND 522,984,284,000, as approved under Resolution No. 001/2024/NQ.ĐHĐCĐ of the Annual General Meeting of Shareholders dated 23 April 2024, and Resolution No. 018/2024/NQ.HĐQT of the Board of Directors dated 9 December 2024. The Company completed the payment of this interim dividend on 14 February 2025.

According to Resolution of the Company's Annual General Meeting No. 001/2025/NQ.ĐHĐCĐ dated 24 April 2025, the shareholders of the Company approved a cash dividend distribution at a rate of 100% of the par value, sourced from the 2024 undistributed retained earnings and the reversed amount from the Investment and Development Fund, equivalent to VND 1,307,460,710,000. The Company paid 60% of the par value of ordinary shares, equivalent to VND 784,476,426,000, on 18 June 2025.

### **29. OFF BALANCE SHEET ITEMS**

#### **Foreign currencies**

Cash and cash equivalents included following foreign currencies:

	<b>Closing balance</b>	<b>Opening balance</b>
United States Dollar ("USD")	883,178	658,361
Euros ("EUR")	2,851	57,316
Yen ("JPY")	276,670	278,122



**Bad debts written off:**

	<u>Closing balance</u> VND	<u>Opening balance</u> VND
Bad debts written off	17,429,208,475	14,772,171,603

During the year, the Company wrote off bad debts and bad credits due to inability to collect.

**30. SEGMENT REPORTING**

The primary format, product segments, is based on the Company's management and internal reporting structure.

Segment results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise assets and liabilities, financial income and expenses, selling expenses, general and administration expenses, other income or other expenses, and corporate income tax.

Product segments

In presenting information on the basis of product segments, segment revenue is disclosed for pharmaceutical products, functional foods and others.

	<u>Current year</u> VND	<u>Prior year</u> VND
<b>Net revenue</b>		
Pharmaceutical products	4,343,720,860,197	3,943,147,777,222
Health supplement foods	413,110,469,458	363,587,111,835
Others	510,131,354,395	578,132,766,035
	<u>5,266,962,684,050</u>	<u>4,884,867,655,092</u>
<b>Cost of sales</b>		
Pharmaceutical products	(2,060,673,782,276)	(1,975,565,428,371)
Health supplement foods	(244,098,359,990)	(229,112,095,739)
Others	(455,821,786,665)	(542,423,997,832)
	<u>(2,760,593,928,931)</u>	<u>(2,747,101,521,942)</u>
<b>Gross profit</b>		
Pharmaceutical products	2,283,047,077,921	1,967,582,348,851
Health supplement foods	169,012,109,468	134,475,016,096
Others	54,309,567,730	35,708,768,203
	<u>2,506,368,755,119</u>	<u>2,137,766,133,150</u>

Geographical segments

Geographically, the Company mainly operates within the territory of Vietnam, with production activities and major customers in Vietnam, export activities account for less than 10% hence there is no difference in risks and significant economic benefits by geographical location that should be disclosed in the financial statements.

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31. NET REVENUE OF GOODS SOLD AND SERVICES RENDERED

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
<b>Sales of goods and services</b>		
Sales of finished goods	5,622,839,978,328	5,134,526,520,641
Sales of merchandise	509,674,579,295	576,986,121,757
Others	4,390,810,715	2,910,213,232
	<u><b>6,136,905,368,338</b></u>	<u><b>5,714,422,855,630</b></u>
<b>Deductions</b>		
Sales discount	863,636,009,390	826,955,568,534
Sales return	6,306,674,898	2,599,632,004
	<u><b>869,942,684,288</b></u>	<u><b>829,555,200,538</b></u>
	<u>Current year</u>	<u>Prior year</u>
	VND	VND
<b>Net revenue</b>		
<i>In which:</i>		
Sales of finished goods	4,759,139,970,235	4,310,800,839,107
Sales of merchandise	503,431,903,100	571,156,602,753
Others	4,390,810,715	2,910,213,232
	<u><b>5,266,962,684,050</b></u>	<u><b>4,884,867,655,092</b></u>

32. COST OF GOODS SOLD AND SERVICES RENDERED

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Cost of finished goods sold	2,302,077,359,312	2,208,013,349,305
Cost of merchandise sold	454,146,844,847	538,644,598,631
Additional provision for impairment of inventories	4,369,724,772	443,574,006
	<u><b>2,760,593,928,931</b></u>	<u><b>2,747,101,521,942</b></u>

33. OPERATING COSTS BY NATURE

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Raw materials and consumables	2,388,440,348,590	2,325,405,858,858
Staff cost	1,150,179,825,334	1,000,468,416,730
Depreciation and amortization	118,231,213,577	111,206,403,872
Out-sourced services	393,357,448,834	330,171,458,595
Other expenses	462,772,704,285	275,113,082,764
	<u><b>4,512,981,540,620</b></u>	<u><b>4,042,365,220,819</b></u>

34. FINANCIAL INCOME

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Interest income	123,012,394,804	138,159,732,803
Foreign exchange gain	10,223,354,248	9,960,233,205
	<u><b>133,235,749,052</b></u>	<u><b>148,119,966,008</b></u>

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35. FINANCIAL EXPENSES

	Current year	Prior year
	VND	VND
Settlement discount	45,291,295,705	52,641,755,831
Interest expense	25,635,277,644	24,810,529,888
Foreign exchange loss	10,801,518,424	12,473,773,778
Reversal of provision for impairment of investments	(192,500,000)	(262,500,000)
Others	54,649,482	75,651,057
	<b>81,590,241,255</b>	<b>89,739,210,554</b>

36. SELLING, GENERAL AND ADMINISTRATION EXPENSES

	Current year	Prior year
	VND	VND
<b>Selling expenses</b>		
- Staff cost	559,208,908,490	482,878,885,202
- Advertising and marketing expenses	166,409,969,334	61,742,301,845
- Others	431,697,143,620	360,045,912,118
	<b>1,157,316,021,444</b>	<b>904,667,099,165</b>
<b>General and administration expenses</b>		
- Staff cost	220,249,427,224	182,989,901,382
- Others	176,134,776,782	129,833,517,304
	<b>396,384,204,006</b>	<b>312,823,418,686</b>

37. OTHER INCOME

	Current year	Prior year
	VND	VND
Compensation received	7,915,963,240	-
Income from the disposal of fixed assets	-	967,727,000
Gain from research services	-	940,954,990
Income from support received from Taisho	54,778,750	-
Others	2,478,048,274	3,406,961,385
	<b>10,448,790,264</b>	<b>5,315,643,375</b>

38. OTHER EXPENSES

	Current year	Prior year
	VND	VND
Depreciation expense	776,751,117	58,489,065,550
Loss from disposal of fixed assets	2,429,784,856	-
Support expenses for individual business households	17,521,345,316	16,254,217,630
Others	7,435,679,264	4,744,164,132
	<b>28,163,560,553</b>	<b>79,487,447,312</b>

39. CURRENT CORPORATE INCOME TAX EXPENSE

	Current year	Prior year
	VND	VND
<b>Current corporate income tax expense</b>		
Corporate income tax expense based on taxable profit in the current year	140,621,055,480	126,798,485,267
Adjustments for corporate income tax expense in previous years to the current year	-	233,271,461
Adjustments for Global Minimum Tax expense in previous years to the current year	1,214,000,000	-
<b>Total current corporate income tax expense</b>	<b>141,835,055,480</b>	<b>127,031,756,728</b>

The current corporate income tax expense for the year was computed as follows:

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Profit before tax	986,599,267,177	904,484,566,816
Tax rate	20%	20%
Tax calculated at a normal rate of 20%	197,319,853,435	180,896,913,364
<b>Adjustments for</b>		
<i>Add back: non-deductible expenses</i>	16,731,752,777	24,991,916,844
<i>Additional Global Minimum Tax (Note 20)</i>	33,012,000,000	20,774,000,000
<i>Temporary difference</i>	8,202,473,402	2,541,103,390
<i>Tax incentive</i>	(114,645,024,134)	(102,405,448,331)
<b>Corporate income tax expense based on taxable profit in the current year</b>	<b>140,621,055,480</b>	<b>126,798,485,267</b>

#### Applicable tax rates

From 1 April 2018, DHG Pharmaceutical One Member Limited Company ("DHG Pharma") and DHG Packaging and Printing 1 One Member Limited Company ("DHG Packaging and Printing 1") were merged into the Company and still entitled to tax incentives as follows:

- Pursuant to the Investment Certificate, DHG Packaging and Printing 1 is obliged to pay corporate income tax at the rate of 10% of taxable income from 2014 to 2028. Under terms in Investment Certificate granted to DHG Packaging and Printing 1, DHG Packaging and Printing 1 is entitled to corporate income tax exemption from 2014 to 2017 and 50% reduction of corporate income tax from 2018 to 2026.
- Pursuant to Investment Certificate No. 642041000005 issued by the Management Board of Hau Giang Industrial Zone, DHG Pharmaceutical is entitled to corporate income tax at the rate of 10% of taxable income for 15 years from 2015. DHG Pharmaceutical is entitled to the corporate income tax exemption for 4 years from 2015 and 50% reduction for the following 9 years commencing from 2019.

Pursuant to Official Letter No. 5610/TCT-CS dated 6 December 2017 issued by General Tax Authority, the aforementioned tax incentives are still applicable to the Company after its merger.

All above tax incentives are not applicable to remaining income which is entitled to the normal rate of 20%.

Changes in deferred tax income in the current and prior year are as follows:

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Deferred corporate tax income	(7,597,441,819)	(1,474,855,807)
Change of eliminated entries of fixed assets	7,545,934	7,545,935
	<b>(7,589,895,885)</b>	<b>(1,467,309,872)</b>

#### 40. BASIC EARNINGS PER SHARE

##### a. Basic earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to shareholders after deducting the bonus and welfare funds by the weighted average number of ordinary shares outstanding during the year, excluding ordinary shares repurchased by the Company and held as treasury shares.

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Accounting profit after corporate income tax	852,354,107,582	778,920,119,960
Appropriation to fund (*)	(27,570,623,227)	(25,367,603,599)
Profit attributable to ordinary shareholders (VND)	824,783,484,355	753,552,516,361
Weighted average ordinary shares in circulation for the year (share)	130,746,071	130,746,071
<b>Basic earnings per share</b>	<b><u>6,308</u></b>	<b><u>5,763</u></b>

(\*) Estimated amount appropriated to bonus and welfare funds for the year ended 31 December 2025 is determined based on the planned appropriation percentage of profit distribution to bonus and welfare funds at the rate of 3% in accordance with Resolution of the Company's Annual General Meeting No. 001/2025/NQ.DHDCĐ dated 24 April 2025 and operation fund of the Board of Directors with the amount of VND 2,000,000,000.

**b. Diluted earnings per share**

The Company does not have potentially diluted ordinary shares.

**41. COMMITMENTS**

**a. Operating lease commitment**

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Minimum lease payment under operating leases recognized in the income statement	8,889,488,056	11,299,480,342

At the balance sheet date, the Company had outstanding commitments under non-cancellable operating leases, which fall due as follows:

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Within one year	25,496,958,563	11,258,480,342
In the second to fifth year inclusive	80,757,784,831	35,308,488,294
After five years	91,852,037,896	98,928,475,038
	<b><u>198,106,781,290</u></b>	<b><u>145,495,443,674</u></b>

**b. Commitment related to major capital expenditure**

Capital expenditure contracted for at the balance sheet date was as follows:

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Approved but not contracted	41,163,401,129	41,457,724,585
Approved and contracted but not implemented	1,866,781,144	278,353,023
	<b><u>43,030,182,273</u></b>	<b><u>41,736,077,608</u></b>

According to Investment Registration Certificate No. 3753423003, as 10th amendment dated 23 April 2024, Finished Goods Warehouse No. 2, which is part of Phase 3 of the Pharmaceutical Plant Project, was scheduled to start operations in July 2024. According to Resolution No. 016/2025/NQ-HĐQT dated 19 December 2025, the Board of Directors approved the investment and construction plan for the construction of the above-mentioned finished goods warehouse with a total amount of VND 51,924,718,588 (inclusive of VAT), and an expected completion date of July 2026.

As at the date of these financial statements, the Company is in the process of amending and updating the Investment Registration Certificate with the relevant authorities to reflect the change in the implementation schedule of the project.

In addition to the above notes, the Board of Directors has approved the investment plan for Phase 2 - Project "Expansion of DHG Pharmaceutical Factory and DHG Printing and Packaging" with the amount of VND 440,000,000,000 according to decision No. 020/2020/QĐ.HDQT on 14 July 2020, expected to be implemented after the Company completes Phase 1.

**42. RELATED PARTY TRANSACTIONS AND BALANCES**

**List of related parties:**

<u>Related party</u>	<u>Relationship</u>
Taisho Pharmaceutical Co., Ltd. ("Taisho")	Parent company
The State Capital Investment Corporation ("SCIC")	Major shareholder
Hoe Pharmaceuticals Sdn. Bhd	Taisho's related party
Taisho Pharmaceutical (Thailand) Co., Ltd.	Taisho's related party
Taisho Pharmaceuticals (Philippines), Inc.	Taisho's related party
Taisho Viet Nam Company Limited	Taisho's related party
Traphaco Joint Stock Company	SCIC's related party

During the year, the Company entered into the following significant transactions with related parties:

	<u>Current year</u>	<u>Prior year</u>
	<u>VND</u>	<u>VND</u>
<b>Sales of goods and provision of services</b>		
Taisho Pharmaceutical (Philippines), Inc.	9,493,747,381	4,041,224,038
Taisho Pharmaceutical (Thailand) Co., Ltd	1,556,456,729	-
Taisho	-	11,732,160
Hoe Pharmaceuticals Sdn. Bhd	608,381,787	-
Traphaco Joint Stock Company	-	269,500,000
	<b><u>11,658,585,897</u></b>	<b><u>4,322,456,198</u></b>
<b>Purchase goods and services</b>		
Taisho	37,695,281,594	7,703,226,493
Taisho Viet Nam Company Limited	1,695,629,200	662,226,000
Taisho Pharmaceutical (Thailand) Co., Ltd.	19,976,299	-
	<b><u>39,410,887,093</u></b>	<b><u>8,365,452,493</u></b>
<b>Dividend paid</b>		
SCIC	566,262,370,000	424,696,777,500
Taisho	666,970,520,000	500,227,890,000
	<b><u>1,233,232,890,000</u></b>	<b><u>924,924,667,500</u></b>
<b>Receiving support</b>		
Taisho	54,778,750	-
<b>Present/Promotion</b>		
Hoe Pharmaceuticals Sdn Bhd	57,319,318	-
Taisho Pharmaceutical (Philippines), Inc.	21,244,563	-
Taisho Pharmaceutical (Thailand) Co., Ltd	5,874,367	-
	<b><u>84,438,248</u></b>	<b><u>-</u></b>



Remuneration paid to the Company's Board of Directors and the Management during the year was as follows:

Name	Title	Current year VND	Prior year VND
Mr. Toshiyuki Ishii	Member of Board of Directors cum General Director (General Director to 1 January 2026)	6,747,223,031	5,442,901,570
Ms. Nguyen Ngoc Diep	Deputy General Director	4,437,463,470	2,944,716,847
Mr. Tomoyuki Kawata	Deputy General Director	2,868,647,274	2,860,670,723
Mr. Osamu Fujimori	Chief Operating Officer (from 1 January 2025)	2,328,827,695	-
Ms. Dang Thi Thu Ha	Chairwoman	850,000,000	850,000,000
Mr. Do Le Hung	Member of Board of Directors	765,000,000	765,000,000
Mr. Jun Kuroda	Member of Board of Directors	680,000,000	646,346,154
Mr. Truong Anh Hung	Member of Board of Directors	680,000,000	410,769,231
Mr. Maki Kamijo	Member of Board of Directors	595,000,000	595,000,000
Ms. Le Thi Thanh Hien	Member of Board of Directors (from 24 April 2025)	358,076,923	-
Mr. Nguyen Ngoc Chuong	Production Director	1,600,790,549	1,517,558,164
Mr. Pham Chung Dinh	Sales Director (from 1 March 2025 to 1 February 2026)	2,015,768,271	-
Mr. Ta Thanh Hung	Information Technology Director (from 1 September 2025)	730,530,250	-
Mr. Vo Van Kim Y	Technical Director (to 21 January 2025)	1,983,454,875	1,577,350,037
Mr. Le Mai Hoang Son	Supply Chain Director (to 19 December 2025)	1,330,079,678	1,156,259,408
Mr. Doan Dinh Duy Khuong	Member of Board of Directors (to 24 April 2025)	-	3,611,257,805
Ms. Nguyen Thi Viet Thanh	Member of Board of Directors (to 23 April 2024)	-	235,576,923
		<b>27,970,862,016</b>	<b>22,613,406,862</b>

Related party balances at the balance sheet date were as follows:

	Closing balance VND	Opening balance VND
<b>Short-term trade receivables from customers</b>		
Taisho Pharmaceutical (Thailand) Co., Ltd	306,291,315	-
Taisho Pharmaceutical (Philippines), Inc.	7,106,370,004	3,009,909,100
	<b>7,412,661,319</b>	<b>3,009,909,100</b>
<b>Other short-term receivables</b>		
Taisho Viet Nam Company Limited	1,404,000,000	1,308,000,000
<b>Short-term trade payables to suppliers</b>		
Taisho	9,966,094,632	1,825,991,040
<b>Other short-term payables</b>		
SCIC	-	266,788,208,000
Taisho	-	226,504,948,000
	-	<b>493,293,156,000</b>

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
<b>Advance from customers</b>		
Hoe Pharmaceuticals Sdn Bhd	-	16,986,595
Taisho	1,922,611,856	1,283,017,885
	<u>1,922,611,856</u>	<u>1,300,004,480</u>

**43. SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION**

**a. Significant non-cash transactions affecting the cash flow statement:**

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Appropriation to reserves	25,367,603,599	33,519,879,761
Transfer from construction in progress to tangible fixed assets	60,908,772,914	511,658,589,036
Transfer from Investment and Development fund to retained earnings	1,100,000,000,000	-
Transfer from construction in progress to prepayment and tools and equipment	5,598,527,156	24,892,388,348
Transfer from construction in progress to expense in year	9,410,968,994	21,356,840,841
Accrued interest payables	-	384,391,890
Accrued interest income	61,046,506,858	58,661,986,308
Payables for acquisition of fixed assets and construction in progress	7,807,751,224	-

**b. Proceeds from borrowings**

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Proceeds from borrowings under normal contracts not over 3 months	323,407,289,084	89,634,020,071
Proceeds from borrowings under normal contracts over 3 months	1,321,447,304,923	1,708,084,671,223
	<u>1,644,854,594,007</u>	<u>1,797,718,691,294</u>

**c. Repayment of borrowings**

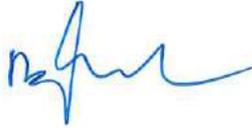
	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Repayment of borrowings under normal contracts not over 3 months	323,407,289,084	89,634,020,071
Repayment of borrowings under normal contracts over 3 months	1,971,361,221,337	1,630,335,302,369
	<u>2,294,768,510,421</u>	<u>1,719,969,322,440</u>

**d. Other supplemental disclosures**

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Advance for acquisition of fixed assets and construction in progress	2,364,202,587	29,496,984,965

44. SUBSEQUENT EVENTS

There were no significant events occurring after the end of the financial year that require adjustment to or disclosure in the Company's financial statements.



Tran Ngoc Hien  
Preparer



Ho Bui Huan  
Chief Accountant



Toshifumi Kojima  
Acting General Director  
12 March 2026

