

# **Codupha Central Pharmaceutical Joint Stock Company**

Consolidated financial statements

For the year ended 31 December 2025



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# Codupha Central Pharmaceutical Joint Stock Company

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# Codupha Central Pharmaceutical Joint Stock Company

## GENERAL INFORMATION

### THE COMPANY

Codupha Central Pharmaceutical Joint Stock Company ("the Company") is a joint stock company established in Vietnam in accordance with Enterprise Registration Certificate ("ERC") No. 0300483319 issued by the Department of Planning and Investment ("DPI") of Ho Chi Minh City on 18 August 2010, and as subsequently amended.

On 11 June 2015, the Company was equitized as a joint stock company in accordance with the Decision No. 2254/QĐ-BYT issued by the Ministry of Health. This equitization was formalized by the DPI of Ho Chi Minh City through the issuance of the 9<sup>th</sup> amended ERC on 4 January 2016.

On 6 July 2018, the Company's shares were officially traded on Unlisted Public Company Market ("UPCOM") with code CDP.

The current principal activities of the Company are the wholesale and retail of medicines, medical equipment, cosmetics and sanitary items.

The Company's head office is located at 262 Le Van Sy Street, Nhieu Loc Ward, Ho Chi Minh City, Vietnam. In addition, the Company also has six (6) branches located at other provinces/cities within Vietnam.

### BOARD OF DIRECTORS

Members of the Board of Directors during the year and at the date of this report are:

Mr Bui Huu Hien	Chairman	appointed on 1 October 2025
Mr Le Van Son	Chairman	resigned on 1 October 2025
Ms Pham Thi Mai Huong	Member	appointed on 27 November 2025
Mr Pham Thu Trieu	Member	
Ms Lu Thi Khanh Tran	Member	
Ms Ha Lan Anh	Member	

### BOARD OF SUPERVISORS

Members of the Board of Supervisors during the year and at the date of this report are:

Ms Nguyen Thi Hang	Head
Mr Truong Chi Thien	Member
Ms Nguyen Thanh Thanh Binh	Member

### MANAGEMENT

Members of the Management during the year and at the date of this report are:

Ms Pham Thi Mai Huong	General Director	appointed on 18 April 2025
Mr Bui Huu Hien	General Director	resigned on 18 April 2025
Ms Nguyen Thi Thuy Huong	Deputy General Director	appointed on 2 June 2025
Ms Dinh Thi Khoi	Deputy General Director	resigned on 1 March 2025

### LEGAL REPRESENTATIVE

The legal representative of the Company during the year and at the date of this report are:

Ms Pham Thi Mai Huong	from 24 April 2025
Mr Bui Huu Hien	to 23 April 2025

### AUDITOR

The auditor of the Company is Ernst & Young Vietnam Limited.

# Codupha Central Pharmaceutical Joint Stock Company

## REPORT OF MANAGEMENT

The Management of Codupha Central Pharmaceutical Joint Stock Company ("the Company") is pleased to present this report and the consolidated financial statements of the Company and its subsidiary (collectively referred to as "the Group") for the year ended 31 December 2025.

### THE MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

The Management is responsible for the consolidated financial statements of each financial year which give a true and fair view of the consolidated financial position of the Group and of the consolidated results of its operations and its consolidated cash flows for the year. In preparing those consolidated financial statements, management is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the consolidated financial statements; and
- prepare the consolidated financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue its business.

The Management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the consolidated financial position of the Group and ensuring that the accounting records comply with the applied accounting system. They are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Management confirmed that they have complied with the above requirements in preparing the accompanying consolidated financial statements.

### STATEMENT BY THE MANAGEMENT

The Management does hereby state that, in their opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2025 and of the consolidated results of its operations and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the consolidated financial statements.

For and on behalf of the Management 



Pham Thi Mai Huong  
General Director

Ho Chi Minh City, Vietnam

18 March 2026





Shape the future  
with confidence

Ernst & Young Vietnam Limited  
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Website (VN): ey.com/vi\_vn

Reference: 12210159/69169289-HN

## INDEPENDENT AUDITORS' REPORT

**To: The Shareholders of Codupha Central Pharmaceutical Joint Stock Company**

We have audited the consolidated financial statements of Codupha Central Pharmaceutical Joint Stock Company ("the Company") and its subsidiary (collectively referred to as "the Group"), as prepared on 18 March 2026 and set out on pages 5 to 44, which comprise the consolidated balance sheet as at 31 December 2025, the consolidated income statement and the consolidated cash flow statement for the year then ended and the notes thereto.

### ***Management's responsibility***

The Company's management is responsible for the preparation and true and fair presentation of these consolidated financial statements in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the consolidated financial statements, and for such internal control as management determines is necessary to enable the preparation and presentation of the consolidated 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 consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Group's preparation and true and fair presentation of the consolidated 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 Group's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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



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### Opinion

In our opinion, the accompanying consolidated financial statements give a true and fair view, in all material respects, of the consolidated financial position of the Group as at 31 December 2025, and of the consolidated results of its operations and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the consolidated financial statements.

**Ernst & Young Vietnam Limited**



\_\_\_\_\_  
Nguyễn Hồ Khanh Tan  
Deputy General Director  
Audit Practicing Registration Certificate  
No. 3458-2025-004-1

\_\_\_\_\_  
Ngo Duc Nhat  
Auditor  
Audit Practicing Registration Certificate  
No. 5627-2025-004-1

Ho Chi Minh City, Vietnam

18 March 2026

CONSOLIDATED BALANCE SHEET  
as at 31 December 2025

VND

Code	ASSETS	Notes	Ending balance	Beginning balance
<b>100</b>	<b>A. CURRENT ASSETS</b>		<b>2,226,223,923,911</b>	<b>1,933,714,163,459</b>
<b>110</b>	<b>I. Cash</b>		<b>30,939,509,692</b>	<b>21,918,032,395</b>
111	1. Cash	5	30,939,509,692	21,918,032,395
<b>120</b>	<b>II. Short-term investments</b>		<b>300,000,000</b>	<b>-</b>
123	1. Held- to-maturity investments		300,000,000	-
<b>130</b>	<b>III. Current accounts receivable</b>		<b>1,238,248,931,791</b>	<b>1,012,314,639,678</b>
131	1. Short-term trade receivables	6.1	1,192,482,025,839	981,808,523,031
132	2. Short-term advances to suppliers	6.2	14,239,289,949	18,251,158,959
136	3. Other short-term receivables	7	81,417,310,952	48,007,819,080
137	4. Provision for short-term doubtful receivables	8	(49,889,694,949)	(35,752,861,392)
<b>140</b>	<b>IV. Inventories</b>	<b>9</b>	<b>944,901,542,903</b>	<b>885,384,170,267</b>
141	1. Inventories		945,960,367,278	890,906,558,017
149	2. Provision for obsolete inventories		(1,058,824,375)	(5,522,387,750)
<b>150</b>	<b>V. Other current assets</b>		<b>11,833,939,525</b>	<b>14,097,321,119</b>
151	1. Short-term prepaid expenses		45,993,487	1,090,909,101
152	2. Deductible value-added tax		11,620,627,648	13,006,412,018
153	3. Tax and other receivables from the State	16	167,318,390	-
<b>200</b>	<b>B. NON-CURRENT ASSETS</b>		<b>187,874,715,665</b>	<b>200,960,076,863</b>
<b>210</b>	<b>I. Long-term receivables</b>		<b>650,000,000</b>	<b>650,000,000</b>
216	1. Other long-term receivables	7	650,000,000	650,000,000
<b>220</b>	<b>II. Fixed assets</b>		<b>151,369,362,935</b>	<b>164,381,212,491</b>
221	1. Tangible fixed assets	11	75,575,337,090	85,707,370,414
222	Cost		185,544,195,499	200,228,562,385
223	Accumulated depreciation		(109,968,858,409)	(114,521,191,971)
227	2. Intangible fixed assets	12	75,794,025,845	78,673,842,077
228	Cost		97,704,403,845	98,336,207,145
229	Accumulated amortization		(21,910,378,000)	(19,662,365,068)
<b>240</b>	<b>III. Long-term assets in progress</b>		<b>540,900,000</b>	<b>315,000,000</b>
242	1. Construction in progress	13	540,900,000	315,000,000
<b>250</b>	<b>IV. Long-term investments</b>	<b>14</b>	<b>33,409,457,030</b>	<b>33,856,558,900</b>
252	1. Investment in an associate		3,936,972,307	4,384,074,177
253	2. Investments in other entities		29,472,484,723	29,472,484,723
<b>260</b>	<b>V. Other long-term assets</b>		<b>1,904,995,700</b>	<b>1,757,305,472</b>
261	1. Long-term prepaid expenses	10	1,904,995,700	1,757,305,472
<b>270</b>	<b>TOTAL ASSETS</b>		<b>2,414,098,639,576</b>	<b>2,134,674,240,322</b>



CONSOLIDATED BALANCE SHEET (continued)  
as at 31 December 2025

VND

Code	RESOURCES	Notes	Ending balance	Beginning balance
<b>300</b>	<b>C. LIABILITIES</b>		<b>2,186,401,045,317</b>	<b>1,917,466,114,237</b>
<b>310</b>	<b>I. Current liabilities</b>		<b>2,157,241,113,385</b>	<b>1,888,267,538,425</b>
311	1. Short-term trade payables	15.1	1,145,294,886,764	996,223,876,429
312	2. Short-term advances from customers	15.2	26,000,290,269	14,815,414,612
313	3. Statutory obligations	16	518,739,572	1,924,084,965
314	4. Payables to employees		6,440,080,995	9,109,888,013
315	5. Short-term accrued expenses	17	3,453,501,617	3,596,580,335
318	6. Short-term unearned revenue		49,643,929	49,643,929
319	7. Other short-term payables	18	12,037,681,217	8,980,244,178
320	8. Short-term loans	19	963,446,289,022	851,919,198,962
322	9. Bonus and welfare fund	20	-	1,648,607,002
<b>330</b>	<b>II. Non-current liabilities</b>		<b>29,159,931,932</b>	<b>29,198,575,812</b>
336	1. Long-term unearned revenue		148,931,932	198,575,812
337	2. Other long-term liabilities		11,000,000	-
338	3. Long-term loans	19	29,000,000,000	29,000,000,000
<b>400</b>	<b>D. OWNERS' EQUITY</b>		<b>227,697,594,259</b>	<b>217,208,126,085</b>
<b>410</b>	<b>I. Owners' equity</b>	<b>21.1</b>	<b>227,697,594,259</b>	<b>217,208,126,085</b>
411	1. Share capital		182,700,000,000	182,700,000,000
411a	- Ordinary shares with voting rights		182,700,000,000	182,700,000,000
415	2. Treasury shares		(586,200,000)	(586,200,000)
418	3. Investment and development fund		9,071,115,794	9,071,115,794
421	4. Undistributed earnings		36,512,678,465	26,023,210,291
421a	- Undistributed earnings by the end of prior year		8,403,808,064	11,460,237,841
421b	- Undistributed earnings of current year		28,108,870,401	14,562,972,450
<b>440</b>	<b>TOTAL LIABILITIES AND OWNERS' EQUITY</b>		<b>2,414,098,639,576</b>	<b>2,134,674,240,322</b>

Ho Chi Minh City, Vietnam

18 March 2026

  
Chu Thi Bich Hong  
Preparer

  
Pham Chi Truc  
Chief Accountant

  
Pham Thi Mai Huong  
General Director

CONSOLIDATED INCOME STATEMENT  
for the year ended 31 December 2025

VND

Code	ITEMS	Notes	Current year	Previous year
01	1. Revenue from sale of goods and rendering of services	22.1	3,314,191,360,653	3,215,977,580,908
02	2. Deductions	22.1	(28,915,543,595)	(7,297,762,661)
10	3. Net revenue from sale of goods and rendering of services	22.1	3,285,275,817,058	3,208,679,818,247
11	4. Cost of goods sold and services rendered	23, 27	(3,068,371,808,578)	(2,972,775,353,254)
20	5. Gross profits from sale of goods and rendering of services		216,904,008,480	235,904,464,993
21	6. Finance income	22.2	38,595,503,821	27,093,233,957
22 23	7. Finance expenses In which: Interest expenses	25	(54,878,797,886) (46,653,929,017)	(58,629,896,889) (39,107,005,426)
24	8. Shares of loss from an associate	14.1	(447,101,870)	(663,359,212)
25	9. Selling expenses	24, 27	(119,153,253,425)	(126,149,961,420)
26	10. General and administrative expenses	24, 27	(40,405,704,351)	(49,865,890,101)
30	11. Operating profit		40,614,654,769	27,688,591,328
31	12. Other income	26	772,682,106	840,740,363
32	13. Other expenses	26	(547,137,900)	(1,322,156,492)
40	14. Other profit (loss)	26	225,544,206	(481,416,129)
50	15. Accounting profit before tax		40,840,198,975	27,207,175,199
51	16. Current corporate income tax expense	28.1	(5,447,808,574)	(8,137,437,338)
60	17. Net profit after tax		35,392,390,401	19,069,737,861




CONSOLIDATED INCOME STATEMENT (continued)  
for the year ended 31 December 2025

VND

Code	ITEMS	Notes	Current year	Previous year
61	18. Net profit after tax attributable to ordinary equity holders of the parent company		35,392,390,401	19,069,737,861
70	19. Basic earnings per share	21.5	1,669	705
71	20. Diluted earnings per share	21.5	1,669	705

Ho Chi Minh City, Vietnam

18 March 2026



Chu Thi Bich Hong  
Preparer



Pham Chi Truc  
Chief Accountant



Pham Thi Mai Huong  
General Director

CONSOLIDATED CASH FLOW STATEMENT  
for the year ended 31 December 2025

VND

Code	ITEMS	Notes	Current year	Previous year
	<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>01</b>	<b>Total accounting profit before tax</b>		<b>40,840,198,975</b>	<b>27,207,175,199</b>
	<i>Adjustments for:</i>			
02	Depreciation and amortization	11, 12	13,861,006,140	14,529,146,019
03	Provisions		22,796,940,941	12,271,760,727
04	Foreign exchange (gains) losses arisen from revaluation of monetary accounts denominated in foreign currencies		(2,679,449,494)	2,966,519,100
05	Net (profit) loss from investing activities		(5,397,376,936)	8,888,288,719
06	Interest expenses	25	46,653,929,017	39,107,005,426
<b>08</b>	<b>Operating profit before changes in working capital</b>		<b>116,075,248,643</b>	<b>104,969,895,190</b>
09	(Increase) decrease in receivables		(239,499,625,787)	1,367,508,668
10	Increase in inventories		(68,177,480,020)	(26,604,858,277)
11	Increase (decrease) in payables		154,740,508,310	(132,978,631,639)
12	Decrease (increase) in prepaid expenses		897,225,386	(248,495,360)
14	Interest paid		(45,592,408,014)	(39,973,726,309)
15	Corporate income tax paid	16	(6,648,811,863)	(7,890,011,494)
17	Other cash outflows from operating activities		(2,770,044,901)	(3,351,392,998)
<b>20</b>	<b>Net cash flows used in operating activities</b>		<b>(90,975,388,246)</b>	<b>(104,709,712,219)</b>
	<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
21	Purchases of fixed assets		(1,124,734,714)	(4,579,614,786)
22	Proceeds from disposals of fixed assets		759,196,968	770,229,674
23	Placements of term deposits to banks		(300,000,000)	-
26	Proceeds from sale of investments in other entities		5,640,230,730	-
27	Interest and dividend received		31,651,007	29,805,324
<b>30</b>	<b>Net cash flows from (used in) investing activities</b>		<b>5,006,343,991</b>	<b>(3,779,579,788)</b>

CONSOLIDATED CASH FLOW STATEMENT (continued)  
for the year ended 31 December 2025

VND

Code	ITEMS	Notes	Current year	Previous year
	<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
33	Drawdown of borrowings	19	2,984,104,656,129	2,612,693,397,228
34	Repayment of borrowings	19	(2,872,577,566,069)	(2,523,499,978,980)
36	Dividends paid to shareholders of the parent company	21.2	(16,483,228,688)	(9,021,075,311)
<b>40</b>	<b>Net cash flows from financing activities</b>		<b>95,043,861,372</b>	<b>80,172,342,937</b>
<b>50</b>	<b>Net increase (decrease) in cash for the year</b>		<b>9,074,817,117</b>	<b>(28,316,949,070)</b>
<b>60</b>	<b>Cash at beginning of year</b>	<b>5</b>	<b>21,918,032,395</b>	<b>50,493,258,886</b>
61	Impact of foreign exchange rate fluctuation		(53,339,820)	(258,277,421)
<b>70</b>	<b>Cash at end of year</b>	<b>5</b>	<b>30,939,509,692</b>	<b>21,918,032,395</b>

Ho Chi Minh City, Vietnam

18 March 2026



Chu Thi Bich Hong  
Preparer



Pham Chi Truc  
Chief Accountant



Pham Thi Mai Huong  
General Director

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
as at 31 December 2025 and for the year then ended

## 1. CORPORATE INFORMATION

Codupha Central Pharmaceutical Joint Stock Company ("the Company") is a joint stock company established in Vietnam in accordance with Enterprise Registration Certificate ("ERC") No. 0300483319 issued by the Department of Planning and Investment ("DPI") of Ho Chi Minh City on 18 August 2010, and as subsequently amended.

On 11 June 2015, the Company was equitized as a joint stock company in accordance with the Decision No. 2254/QD-BYT issued by the Ministry of Health. This equitization was formalized by the DPI of Ho Chi Minh City through the issuance of the 9<sup>th</sup> amended ERC on 4 January 2016.

On 6 July 2018, the Company's shares were officially traded on Unlisted Public Company Market ("UPCOM") with code CDP.

The current principal activities of the Group are the wholesale and retail of medicines, medical equipment, cosmetics and sanitary items.

The Company's head office is located at 262L Le Van Sy Street, Nhieu Loc Ward, Ho Chi Minh City, Vietnam. In addition, the Company also has six (6) branches located at other provinces/cities within Vietnam.

The Company's normal course of business cycle is 12 months.

The number of employees of the Company and its subsidiary as at 31 December 2025 was 369 (31 December 2024: 403).

The Company's corporate structure includes one subsidiary until 25 June 2025 as disclosed in Note 4, Codupha-Lao Pharmaceutical Company Limited ("Codupha-Lao"), which is a limited liability company incorporated under the Law on Business of Laos pursuant to the Business Certificate No. 053-04 issued by the Ministry of Planning & Investment of Laos on 31 May 2004, and as amended. The head office of Codupha-Lao is located at 253, Vieng Chaluen Street, Saysetta District, Vientiane, Laos. The principal registered activities of Codupha-Lao up to 25 June 2025 are to manufacture and trade medicines.

As at 31 December 2025, the Company had completed the full divestment of its interest in this subsidiary (31 December 2024: 93.7% equity interest and 93.7% voting rights).

## 2. BASIS OF PREPARATION

### 2.1 Accounting standards and system

The consolidated financial statements of the Company and its subsidiary ("the Group") expressed in Vietnam dong ("VND"), are prepared in accordance with Vietnamese Enterprise Accounting System and Vietnamese Accounting Standards issued by the Ministry of Finance as per:

- Decision No. 149/2001/QD-BTC dated 31 December 2001 on the Issuance and Promulgation of Four Vietnamese Accounting Standards (Series 1);
- Decision No. 165/2002/QD-BTC dated 31 December 2002 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 2);
- Decision No. 234/2003/QD-BTC dated 30 December 2003 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 3);
- Decision No. 12/2005/QD-BTC dated 15 February 2005 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 4); and
- Decision No. 100/2005/QD-BTC dated 28 December 2005 on the Issuance and Promulgation of Four Vietnamese Accounting Standards (Series 5).

Accordingly, the accompanying consolidated financial statements, including their utilization are not designed for those who are not informed about Vietnam's accounting principles, procedures and practices and furthermore are not intended to present the consolidated financial position and the consolidated results of operations and the consolidated cash flows of the Group in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2025 and for the year then ended

**2. BASIS OF PREPARATION (continued)**

**2.2 *Applied accounting documentation system***

The Group's applied accounting documentation system is the General Journal system.

**2.3 *Fiscal year***

The Group's fiscal year applicable for the preparation of its consolidated financial statements starts on 1 January and ends on 31 December.

**2.4 *Accounting currency***

The consolidated financial statements are prepared in VND which is also the Group's accounting currency.

**2.5 *Basic of consolidation***

The consolidated financial statements comprise the financial statements of the Company and its subsidiary for the year ended 31 December 2025 and its subsidiary from 1 January 2025 to 25 June 2025.

Subsidiary is fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continued to be consolidated until the date that such control ceases.

The financial statements of the subsidiary are prepared for the same reporting period as the parent company, using consistent accounting policies.

All intra-company balances, income and expenses and unrealized gains or losses resulted from intra-company transactions are eliminated in full.

Non-controlling interests represent the portion of profit or loss and net assets not held by the Group and are presented separately in the consolidated income statement and within equity in the consolidated balance sheet.

Impact of change in the ownership interest of a subsidiary, without a loss of control, is recorded in undistributed earnings.

When the Group loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognized in the consolidated income statement.

**2.6 *Accounting regulation issued but not yet effective***

On 27 October 2025, the Ministry of Finance issued Circular No. 99/2025/TT-BTC providing guidance on the enterprise accounting regime ("Circular 99"), replacing Circular No. 200/2014/TT-BTC providing guidance on the enterprise accounting regime issued by the Ministry of Finance on 22 December 2014 and several other related regulations. Circular 99 takes effect from 1 January 2026 and applies to enterprises with a financial year beginning on or after 1 January 2026.

The Company is in the process of assessing the impact of Circular 99 on the preparation and presentation of its financial statements and will implement Circular 99 for the financial year ending 31 December 2026.

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**3.1 *Cash***

Cash comprises cash on hand and cash in banks.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2025 and for the year then ended

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**3.2 Inventories**

Inventories are measured at their historical costs. The cost of inventories comprises costs of purchase and directly attributable costs incurred in bringing the inventories to their present location and condition.

In case the net realizable value is lower than the original price, it must be calculated according to the net realizable value.

Net realisable value ("NRV") represents the estimated selling price in the ordinary course of business less the estimated costs to complete and the estimated costs necessary to make the sale.

The perpetual method is used to record inventories, which are valued as cost of purchase on specific identification method.

*Provision for obsolete inventories*

An inventory provision is made for the estimated loss arising due to the impairment of value (through diminution, damage, obsolescence, etc.) of merchandise owned by the Company, based on appropriate evidence of impairment available at the balance sheet date.

Increases or decreases to the provision balance are recorded into the cost of goods sold account in the consolidated income statement. When inventories are expired, obsolescence, damage or become useless, the difference between the provision previously made and the historical cost of inventories are included in the consolidated income statement.

**3.3 Receivables**

Receivables are presented in the consolidated financial statements at the carrying amounts due from customers and other debtors, after the provision for doubtful receivables.

The provision for doubtful receivables represents amounts of outstanding receivables at the balance sheet date which are doubtful of being recovered. Increases or decreases to the provision balance are recorded as general and administrative expenses in the consolidated income statement. When bad debts are determined as unrecoverable and accountant writes off those bad debts, the differences between the provision for doubtful receivables previously made and historical cost of receivables are included in the consolidated income statement.

**3.4 Tangible fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation.

The cost of a tangible fixed asset comprises its purchase price and any directly attributable costs of bringing the tangible fixed asset to working condition for its intended use and the costs of dismantling and removing the asset and restoring the site on which it is located, if any.

Expenditures for additions, improvements and renewals are added to the carrying amount of the assets and expenditures for maintenance and repairs are charged to the consolidated income statement as incurred.

When tangible fixed assets are sold or retired, any gain or loss resulting from their disposal (the difference between the net disposal proceeds and the carrying amount) is included in the consolidated income statement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2025 and for the year then ended

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**3.5 Intangible fixed assets**

Intangible fixed assets are stated at cost less accumulated amortization.

The cost of an intangible fixed asset comprises its purchase price and any directly attributable costs of preparing the intangible fixed asset for its intended use.

Expenditures for additions, improvements are added to the carrying amount of the assets and other expenditures are charged to the consolidated income statement as incurred.

When intangible fixed assets are sold or retired, any gain or loss resulting from their disposal (the difference between the net disposal proceeds and the carrying amount) is included in the consolidated income statement.

*Land use rights*

Land use rights are recorded as intangible fixed assets representing the value of the rights to use the lands acquired by the Company. The advance payment for land rental, of which the land lease contracts and Land use rights certificate being issued, are recorded as intangible fixed asset according to Circular No. 45/2013/TT-BTC issued by the Ministry of Finance on 25 April 2013 guiding the management, use and depreciation of fixed assets ("Circular 45").

The useful life of land use rights are assessed as either definite or indefinite. Accordingly, the land use rights with definite useful life representing the land lease are amortized over the lease term while the land use rights with indefinite useful lives is not amortized.

**3.6 Depreciation and amortization**

Depreciation of tangible fixed assets and amortization of intangible fixed assets are calculated on a straight-line basis over the estimated useful life of each asset as follows:

Buildings and structures	6 - 40 years
Machinery and equipment	3 - 12 years
Means of transportation	10 years
Office equipment	3 - 12 years
Land use rights	30 - 50 years
Computer software	10 years

No amortisation is required for infinite land use right.

**3.7 Construction in progress**

Construction in progress represents the costs of acquiring new assets that have not yet been fully installed or the costs of construction that have not yet been fully completed. Construction in progress is stated at cost, which includes all necessary costs to construct, repair, renovate, expand, or re-equip the projects with technologies, such as construction costs, tools and equipment costs, project management costs, construction consulting costs, and borrowing costs that are eligible for capitalization.

Construction in progress will be transferred to the appropriate fixed asset account when these assets are fully installed or the construction project is fully completed, and depreciation of these assets will commence when they are ready for their intended use.

Construction costs are recognized as expenses when such costs do not meet the conditions to be recognized as fixed assets.

**3.8 Borrowing costs**

Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds and are recorded as expense during the year in which they are incurred.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2025 and for the year then ended

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**3.9 Leased assets**

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at inception date and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset and the arrangement conveys a right to use the asset.

A lease is classified as a finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the asset to the lessee. All other leases are classified as operating leases.

*Where the Group is the lessee*

Rentals under operating leases are charged to the consolidated income statement on a straight-line basis over the term of the lease.

*Where the Group is the lessor*

Rentals under operating leases are charged to the consolidated income statement on a straight-line basis over the term of the lease.

**3.10 Prepaid expenses**

Prepaid expenses are reported as short-term or long-term prepaid expenses on the consolidated balance sheet and amortized over the period for which the amounts are paid or the period in which economic benefits are generated in relation to these expenses.

**3.11 Business combinations**

Business combinations are accounted for using the purchase method. The cost of a business combination is measured as the fair value of assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange plus any costs directly attributable to the business combination. Identifiable assets and liabilities and contingent liabilities assumed in a business combination are measured initially at fair values at the date of business combination.

**3.12 Investments**

*Investment in an associate*

The Group's investment in its associate is accounted for using the equity method of accounting. An associate is an entity in which the Group has significant influence that is neither subsidiaries nor joint ventures. The Group generally deems they have significant influence if they have over 20% of the voting rights.

Under the equity method, the investment is carried in the consolidated balance sheet at cost plus post acquisition changes in the Group's share of net assets of the associates. Goodwill arising on acquisition of the associate is included in the carrying amount of the investment. Goodwill is not amortized and subject to annual review for impairment. The consolidated income statement reflects the share of the post-acquisition results of operation of the associate.

The share of post-acquisition profit (loss) of the associate is presented on face of the consolidated income statement and its share of post-acquisition movements in reserves is recognized in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Dividend/profit sharing receivable from associate reduces the carrying amount of the investment.

The financial statements of the associate are prepared for the same reporting period and use the same accounting policies as the Group. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2025 and for the year then ended

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**3.12 Investments (continued)**

*Investments in other entities*

Investments in other entities are stated at their acquisition costs.

*Provision for diminution in value of the investments*

Provision for diminution in value of the investment is made when there are reliable evidences of the diminution in value of those investments at the balance sheet date.

Increases or decreases to the provision balance are recorded as finance expense in the consolidated income statement.

*Held-to-maturity investments*

Held-to-maturity investments are stated at their acquisition costs. After initial recognition, held-to-maturity investments are measured at recoverable amount. Any impairment loss incurred is recognised as finance expenses in the consolidated income statement and deducted against the value of such investments.

**3.13 Payables and accruals**

Payables and accruals are recognized for amounts to be paid in the future for goods and services received, whether or not billed to the Group.

**3.14 Foreign currency transactions**

Transactions in currencies other than the Group's reporting currency of VND are recorded at the actual transaction exchange rates at transaction dates which are determined as follows:

- Transactions resulting in receivables are recorded at the buying exchange rates of the commercial banks designated for collection; and
- Transactions resulting in liabilities are recorded at the selling exchange rates of the commercial banks designated for payment.

At the end of the year, monetary balances denominated in foreign currencies are translated at the actual transaction exchange rates at the balance sheet dates which are determined as follows:

- Monetary assets are translated at buying exchange rate of the commercial bank where the Group conducts transactions regularly; and
- Monetary liabilities are translated at selling exchange rate of the commercial bank where the Group conducts transactions regularly.

All foreign exchange differences incurred are taken to the consolidated income statement.

*Conversion of the financial statements of a foreign operation*

Conversion of the financial statements of a subsidiary of the Group which maintains its accounting records in other currency rather than the Group's accounting currency of VND, for consolidation purpose, is as follows:

- Revenues, other income and expenses are converted into VND by using the actual transactional exchange rates; or the average exchange rates if the average exchange rates do not exceed +/- 2% the transactional exchange rates.
- All foreign exchange differences resulting from conversion of financial statements of the subsidiary for the consolidation purpose are taken to the "foreign exchange differences reserve" on the consolidated balance sheet and charged to the consolidated income statement upon the disposal of the investment.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2025 and for the year then ended

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**3.15 Contributed capital**

***Ordinary shares***

Ordinary shares with voting right are recognised at par value.

***Treasury shares***

Own equity instruments which are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in the income statement upon purchase, sale, issue or cancellation of the Company's own equity instruments.

**3.16 Appropriation of net profits**

Net profit after tax (excluding negative goodwill arising from a bargain purchase) is available for appropriation to shareholders after approval in the annual general meeting, and after making appropriation to reserve funds in accordance with the Company's Charter and Vietnam's regulatory requirements.

The Group maintains the following reserve funds which are appropriated from the Group's net profit as proposed by the Board of Directors and subject to approval by shareholders at the annual general meeting:

***Investment and development fund***

This fund is set aside for use in the Group's expansion of its operation or of in-depth investments.

***Bonus and welfare fund***

This fund is set aside for the purpose of pecuniary rewarding and encouraging, common benefits and improvement of the employees' benefits, and presented as a liability on the consolidated balance sheet.

***Dividends***

Dividends are recognised as a liability in the consolidated balance sheet upon approval by the shareholders at the Annual General Meeting and subsequent declaration by the Company's Board of Directors.

**3.17 Earnings per share**

Basic earnings per share amount is computed by dividing net profit attributable to ordinary equity holders of the Group (after adjusting for the bonus and welfare fund) by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the net profit after tax attributable to ordinary equity holders of the Group by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

**3.18 Revenue recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, excluding trade discount, rebate and sales return. The following specific recognition criteria must also be met before revenue is recognized:

***Sale of goods***

Revenue is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, usually upon the delivery of the goods.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2025 and for the year then ended

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**3.18 Revenue recognition (continued)**

*Rendering of services*

Revenue is recognized when the services have been performed and completed.

*Rental income*

Rental income arising from operating leases is accounted for in consolidated income statement on a straight-line basis over the lease term.

*Interest income*

Interest income is recognized on an accrual basis based on the time and actual interest rate for each period.

*Dividend and profit distribution income*

Dividend and profit distribution income are recognized when Company is entitled to receive dividends or when the Company are entitled to receive profits from its capital contributions.

**3.19 Taxation**

*Current income tax*

Current income tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted as at the balance sheet date.

Current income tax is charged or credited to the consolidated income statement, except when it relates to items recognised directly to equity, in which case the current income tax is also dealt with in equity.

Current income tax assets and liabilities are offset when there is a legally enforceable right for the Group to set off current income tax assets against current income tax liabilities and when the Group intends to settle its current income tax assets and liabilities on a net basis.

*Deferred tax*

Deferred tax is provided using the liability method on temporary differences at the balance sheet date between the tax base of assets and liabilities and their carrying amount for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the related transaction affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporarily differences associated with investments in subsidiaries and associates, and interests in joint ventures where timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carried forward unused tax credit and unused tax losses, to the extent that it is probable that taxable profit will be available against which deductible temporary differences, carried forward unused tax credit and unused tax losses can be utilised, except:

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2025 and for the year then ended

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**3.19 Taxation (continued)**

*Deferred tax (continued)*

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Previously unrecognised deferred tax assets are re-assessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled based on tax rates and tax laws that have been enacted at the balance sheet date.

Deferred tax is charged or credited to the consolidated income statement, except when it relates to items recognised directly to equity, in which case the deferred tax is also dealt with in the equity account.

Deferred tax assets and liabilities are offset when there is a legally enforceable right for the Group to off-set current tax assets against current tax liabilities and when they relate to income taxes levied by the same tax authority on:

- either the same taxable entity; or
- when the Group intends either to settle current tax liabilities and assets on a net basis or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

**3.20 Segment information**

A segment is a component determined separately by the Group which is engaged in providing products or related services (business segment), or providing products or services in a particular economic environment (geographical segment), that is subject to risks and returns that are different from those of other segments. As the Group's revenue and profit are derived mainly from trading pharmaceutical products while other sources of revenue are not material as a whole. Management accordingly believes that the Group operates in a sole business segment of trading pharmaceutical products.

The Group's geographical segments are based on the location of the Group's assets. Sales to external customers disclosed in geographical segments are based on the geographical location of its customers.

**3.21 Related parties**

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2025 and for the year then ended

**4. SIGNIFICANT EVENT**

***Divestment of investment in subsidiary and loss of control over subsidiary - Codupha-Laos Pharmaceutical Company Limited***

On 25 June 2025, according to the Disclosure No. 667/CDP/2025, the Group has completed the transfer of all its shares, representing 93.7% of the Company's charter capital in Codupha-Laos Pharmaceutical Company Limited ("Codupha-Laos"). On 15 August 2025, the Ministry of Industry and Commerce of Laos has issued an Official Letter confirming that the Company has officially divest its investment in Codupha-Laos. On 4 March 2026, the Company has obtained the Decision No. 392/QĐ-BTC from the Ministry of Finance regarding the effective termination of Investment License No. 2166/GP related to this investment.

Accordingly, Codupha-Laos ceased to be a subsidiary of the Company as of 31 December 2025.

The net book value of the identifiable assets and liabilities of Codupha-Lao as at the date of divestment is presented below:

	VND
	<i>Book value at divestment date</i>
<b>Assets</b>	<b>1,746,735,367</b>
Cash and cash equivalents	1,099,769,270
Trade receivables	646,966,097
<b>Liabilities</b>	<b>-</b>
<b>Total book value of identifiable net assets at divestment date</b>	<b>1,746,735,367</b>
The Group's share of total book value of identifiable net assets at divestment date	1,636,691,039
Consideration	6,740,000,000
<b>Gain on divestment of subsidiary recognized in the consolidated income statement</b>	<b>5,103,308,961</b>
<b>Cash flow on divestment of subsidiary</b>	
Proceed received from divestment of subsidiary	6,740,000,000
Cash and cash equivalents of subsidiary at divestment date	1,099,769,270
<b>Net cash flow on divestment of subsidiary in the consolidated cash flow statement</b>	<b>5,640,230,730</b>

**5. CASH**

	Ending balance	Beginning balance
Cash on hand	123,263,854	350,684,388
Cash in banks (*)	30,816,245,838	21,567,348,007
<b>TOTAL</b>	<b>30,939,509,692</b>	<b>21,918,032,395</b>

(\*) A part of cash in banks amounting to VND 500,386,090 has been pledged as collateral for the Company's debt obligations.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2025 and for the year then ended

**6. SHORT-TERM TRADE RECEIVABLES AND SHORT-TERM ADVANCES TO SUPPLIERS**

**6.1 Short-term trade receivables**

		VND
	Ending balance	Beginning balance
Trade receivables from customers	1,192,482,025,839	981,808,523,031
<i>An Vuong Medicine Company Limited</i>	165,274,139,100	177,271,677,134
<i>Khun Thang Pharmaceutical Company Limited</i>	92,080,485,250	102,299,153,275
<i>Others</i>	935,127,401,489	702,237,692,622
Provision for short-term doubtful receivables (Note 8)	(45,758,977,426)	(31,616,948,811)
<b>NET VALUE</b>	<b><u>1,146,723,048,413</u></b>	<b><u>950,191,574,220</u></b>

As disclosed in *Note 19*, the Group has pledged certain of its short-term trade receivables as security for the bank loan facilities.

**6.2 Short-term advances to suppliers**

		VND
	Ending balance	Beginning balance
Y.S.P Industries (M) SDN. BHD	3,819,076,807	-
Noah Legend Company Limited	3,361,370,685	-
Egis Pharmaceuticals PLC	2,833,649,424	-
Others	4,225,193,033	18,251,158,959
<b>TOTAL</b>	<b><u>14,239,289,949</u></b>	<b><u>18,251,158,959</u></b>
Provision for short-term doubtful advances to suppliers (Note 8)	(216,106,684)	(278,011,205)
<b>NET</b>	<b><u>14,023,183,265</u></b>	<b><u>17,973,147,754</u></b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2025 and for the year then ended

**7. OTHER RECEIVABLES**

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
<b>Short-term</b>	<b>81,417,310,952</b>	<b>48,007,819,080</b>
Receivables from sales support	23,099,820,484	16,354,425,552
Receivables from trade discounts	12,617,492,308	7,447,377,099
Receivables from damaged goods support	12,292,638,682	-
Receivables from payment on behalf	9,022,339,400	-
Receivables from early payment discount	6,953,826,707	5,362,734,749
Receivables from distribution and warehousing support	5,859,642,748	5,050,494,134
Deposits	2,395,694,102	2,021,096,333
Receivables from entrusted import	1,659,798,876	5,301,389,853
Interest for late payment	1,338,975,324	1,372,947,026
Advances to employees	1,200,776,401	3,730,080,545
Others	4,976,305,920	1,367,273,789
<i>In which:</i>		
Receivables from other parties	78,997,310,952	48,007,819,080
Receivables from related parties (Note 29)	2,420,000,000	-
<b>Long-term</b>	<b>650,000,000</b>	<b>650,000,000</b>
Deposits	650,000,000	650,000,000
<b>TOTAL</b>	<b>82,067,310,952</b>	<b>48,657,819,080</b>
Provision for other short-term doubtful receivables (Note 8)	(3,914,610,839)	(3,857,901,376)
<b>NET</b>	<b>78,152,700,113</b>	<b>44,799,917,704</b>



# Codupha Central Pharmaceutical Joint Stock Company

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2025 and for the year then ended

## 8. OVERDUE DEBTS

	Ending balance			Beginning balance			VND
	Cost	Provision	Net amount	Cost	Provision	Net amount	
<b>Short-term trade receivables</b>	<b>69,650,075,383</b>	<b>(45,758,977,426)</b>	<b>23,891,097,957</b>	<b>65,420,783,500</b>	<b>(31,616,948,811)</b>	<b>33,803,834,689</b>	
Mi Nguyen Pharmaceutical Trading Company Limited (*)	19,954,092,956	(19,954,092,956)	-	19,954,092,956	(14,675,102,753)	5,278,990,203	
Asia Medical Food Company Limited	18,008,018,716	(6,624,312,090)	11,383,706,626	7,129,532,374	-	7,129,532,374	
Gravitas Joint Stock Company	11,312,827,360	(2,887,432,751)	8,425,394,609	-	-	-	
Kim Chau Pharmaceutical Company Limited	4,086,849,776	(4,086,849,776)	-	4,086,849,776	(4,086,849,776)	-	
Hoang An Medical Equipment Joint Stock Company	2,908,892,308	(2,908,892,308)	-	2,908,892,308	(2,908,892,308)	-	
Other customers	13,379,394,267	(9,297,397,545)	4,081,996,722	31,341,416,086	(9,946,103,974)	21,395,312,112	
<b>Other short-term receivables</b>	<b>3,914,610,839</b>	<b>(3,914,610,839)</b>	<b>-</b>	<b>3,914,610,839</b>	<b>(3,857,901,376)</b>	<b>56,709,463</b>	
An Phat Pharmaceutical Medical Equipment Joint Stock Company ("An Phat") (**)	2,610,867,617	(2,610,867,617)	-	2,610,867,617	(2,610,867,617)	-	
Hai Dang Koko Construction Material Import Export Company Limited	816,000,000	(816,000,000)	-	816,000,000	(816,000,000)	-	
Mi Nguyen Pharmaceutical Trading Company Limited	487,743,222	(487,743,222)	-	487,743,222	(431,033,759)	56,709,463	
<b>Short-term advances to suppliers</b>	<b>216,106,684</b>	<b>(216,106,684)</b>	<b>-</b>	<b>278,011,205</b>	<b>(278,011,205)</b>	<b>-</b>	
Hoang An Medical Equipment Joint Stock Company	216,106,684	(216,106,684)	-	278,011,205	(278,011,205)	-	
<b>TOTAL</b>	<b>73,780,792,906</b>	<b>(49,889,694,949)</b>	<b>23,891,097,957</b>	<b>69,613,405,544</b>	<b>(35,752,861,392)</b>	<b>33,860,544,152</b>	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2025 and for the then year ended

**8. OVERDUE DEBTS (continued)**

Detail of movement of provision for short-term doubtful receivables, short-term doubtful advances to suppliers and other short-term doubtful receivables are as follows:

	VND	
	<i>Current year</i>	<i>Previous year</i>
Beginning balance	35,752,861,392	24,961,572,180
Add: Provision made during the year	28,783,140,137	11,595,002,339
Less: Reversal of provision during the year	(14,646,306,580)	(803,713,127)
Ending balance	<u>49,889,694,949</u>	<u>35,752,861,392</u>

**9. INVENTORIES**

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Merchandise goods	884,717,783,151	855,487,896,708
Goods in transit	<u>61,242,584,127</u>	<u>35,418,661,309</u>
<b>TOTAL</b>	<b>945,960,367,278</b>	<b>890,906,558,017</b>
Provision for obsolete inventories	<u>(1,058,824,375)</u>	<u>(5,522,387,750)</u>
<b>NET</b>	<b>944,901,542,903</b>	<b>885,384,170,267</b>

As disclosed in *Note 19*, the Group has pledged certain of its inventories as security for the bank loan facilities.

Detail of movement of provision for obsolete inventories is as follows:

	VND	
	<i>Current year</i>	<i>Previous year</i>
Beginning balance	5,522,387,750	4,396,909,917
Add: Provision made during the year	11,439,456,933	7,932,773,105
Less: Utilization of provision during the year	(13,123,670,759)	(354,993,682)
Less: Reversal of provision during the year	<u>(2,779,349,549)</u>	<u>(6,452,301,590)</u>
Ending balance	<u>1,058,824,375</u>	<u>5,522,387,750</u>

**10. LONG TERM PREPAID EXPENSES**

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Repair and maintenance costs	1,716,925,563	1,757,305,472
Other	<u>188,070,137</u>	<u>-</u>
<b>TOTAL</b>	<b>1,904,995,700</b>	<b>1,757,305,472</b>

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## 11. TANGIBLE FIXED ASSETS

	Buildings and structure	Machinery and equipment	Means of transportation	Office equipment	Others	VND Total
<b>Cost:</b>						
Beginning balance	101,791,619,012	53,875,647,364	40,800,831,453	3,424,768,125	335,696,431	200,228,562,385
New purchases	-	297,225,825	601,608,889	-	-	898,834,714
Disposal	-	(701,339,100)	(2,323,852,016)	(285,462,914)	-	(3,310,654,030)
Decrease due to disposal of subsidiary	(5,825,210,135)	(4,431,765,720)	(1,737,682,747)	-	(277,888,968)	(12,272,547,570)
Ending balance	95,966,408,877	49,039,768,369	37,340,905,579	3,139,305,211	57,807,463	185,544,195,499
<i>In which:</i>						
<i>Fully depreciated</i>	7,439,584,078	13,351,076,532	17,959,918,537	2,480,332,618	57,807,463	41,288,719,228
<b>Accumulated depreciation:</b>						
Beginning balance	42,952,040,107	40,318,324,749	27,975,639,556	2,939,491,128	335,696,431	114,521,191,971
Depreciation for the year	4,348,740,049	4,279,042,378	2,202,610,765	150,796,716	-	10,981,189,908
Disposal	-	(651,660,970)	(2,323,852,016)	(285,462,914)	-	(3,260,975,900)
Decrease due to disposal of subsidiary	(5,825,210,135)	(4,431,765,720)	(1,737,682,747)	-	(277,888,968)	(12,272,547,570)
Ending balance	41,475,570,021	39,513,940,437	26,116,715,558	2,804,824,930	57,807,463	109,968,858,409
<b>Net carrying amount:</b>						
Beginning balance	58,839,578,905	13,557,322,615	12,825,191,897	485,276,997	-	85,707,370,414
Ending balance	54,490,838,856	9,525,827,932	11,224,190,021	334,480,281	-	75,575,337,090

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**12. INTANGIBLE FIXED ASSETS**

			VND
	<i>Land use rights</i>	<i>Computer software</i>	<i>Total</i>
<b>Cost:</b>			
Beginning balance	95,550,215,507	2,785,991,638	98,336,207,145
Decrease due to disposal of subsidiary	(467,777,662)	(164,025,638)	(631,803,300)
Ending balance	<u>95,082,437,845</u>	<u>2,621,966,000</u>	<u>97,704,403,845</u>
<i>In which:</i>			
<i>Fully amortized</i>	558,677,536	-	558,677,536
<b>Accumulated amortization:</b>			
Beginning balance	18,066,706,564	1,595,658,504	19,662,365,068
Amortization for the year	2,539,673,028	340,143,204	2,879,816,232
Decrease due to disposal of subsidiary	(467,777,662)	(164,025,638)	(631,803,300)
Ending balance	<u>20,138,601,930</u>	<u>1,771,776,070</u>	<u>21,910,378,000</u>
<b>Net carrying amount:</b>			
Beginning balance	<u>77,483,508,943</u>	<u>1,190,333,134</u>	<u>78,673,842,077</u>
Ending balance	<u>74,943,835,915</u>	<u>850,189,930</u>	<u>75,794,025,845</u>

As disclosed in *Note 19*, the Company has pledged its land use rights with net carrying amount of VND 31,786,299,060, located at 132A, extended Nguyen Van Cu Street, Tan An Ward, Can Tho City (formerly 132A, Nguyen Van Cu, An Khanh Ward, Ninh Kieu District, Can Tho City) as security for its bank loan facilities.

**13. CONSTRUCTION IN PROGRESS**

		VND
	<i>Ending balance</i>	<i>Beginning balance</i>
Inventory and sales management software	390,900,000	165,000,000
Others	<u>150,000,000</u>	<u>150,000,000</u>
<b>TOTAL</b>	<b><u>540,900,000</u></b>	<b><u>315,000,000</u></b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2025 and for the year then ended

**14. LONG-TERM INVESTMENTS**

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Investment in an associate (Note 14.1)	3,936,972,307	4,384,074,177
Investments in other entities (Note 14.2)	29,472,484,723	29,472,484,723
<b>TOTAL</b>	<b>33,409,457,030</b>	<b>33,856,558,900</b>

**14.1 Investment in an associate**

Details of investment in an associate is as follows:

Name	Business	Status	<i>Ending balance</i>		<i>Beginning balance</i>	
			<i>% of</i>	<i>Carrying</i>	<i>% of</i>	<i>Carrying</i>
			<i>interest</i>	<i>amount</i>	<i>interest</i>	<i>amount</i>
			<i>(%)</i>	<i>VND</i>	<i>(%)</i>	<i>VND</i>
Alfresa Codupha Vietnam Medical Company Limited	Trading medicines	Operating	30	3,936,972,307	30	4,384,074,177

The investments amount in an associate is as follows:

	VND Amount
<b>Cost of investment:</b>	
Beginning and ending balances	3,520,408,664
<b>Accumulated share in post-acquisition profit of the associate:</b>	
Beginning balance	863,665,513
Shares of loss of associate	(447,101,870)
Ending balance	416,563,643
<b>Carrying amount:</b>	
Beginning balance	4,384,074,177
Ending balance	3,936,972,307



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**14. LONG-TERM INVESTMENTS (continued)**

**14.2 Investments in other entities**

Detail of investments in other entities as at the balance sheet date is presented as follows:

Name	Business	Status	Ending balance		Beginning balance	
			% of interest (%)	Cost of investment VND	% of interest (%)	Cost of investment VND
Kingdom Indochina Joint Stock Company (*)	Real estate	Operating	3.68	22,983,000,000	3.68	22,983,000,000
Indochina Urban Development Joint Stock Company (*)	Real estate	Operating	3.82	6,017,000,000	3.82	6,017,000,000
Tuyen Quang Pharmaceutical and Service Trading Joint Stock Company	Trading medicines	Operating	0.86	472,484,723	0.86	472,484,723
<b>TOTAL</b>				<b>29,472,484,723</b>		<b>29,472,484,723</b>

(\*) As disclosed in Note 19, the Group has pledged its shares in Indochina Urban Development Joint Stock Company and Kingdom Indochina Joint Stock Company as security for the loan facilities.

Fair values of the investments in an associate and other entities were not determined as at 31 December 2025 due to unavailability of market information. The fair values of these investments might be different their book values.

**15. SHORT-TERM TRADE PAYABLES AND ADVANCES FROM CUSTOMERS**

**15.1 Short-term trade payables**

	VND	
	Ending balance/ Payable amount	Beginning balance/ Payable amount
Due to other parties	1,144,229,251,867	994,921,054,894
Hisamitsu Vietnam Pharmaceutical Co., Ltd	252,765,103,748	228,034,625,325
Novapri Lifescience Private Limited	162,930,176,208	104,218,476,026
Prime Pharmaceuticals Ltd	94,523,915,122	-
Others	634,010,056,789	662,667,953,543
Due to related parties (Note 29)	1,065,634,897	1,302,821,535
<b>TOTAL</b>	<b>1,145,294,886,764</b>	<b>996,223,876,429</b>

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## 15. TRADE PAYABLES AND ADVANCES FROM CUSTOMERS (continued)

### 15.2 Short-term advances from customers

	Ending balance	Beginning balance	VND
Truong Ton Pharmaceutical Trading Co., Ltd.	5,052,302,300	3,378,237,903	
Ngoc My International Trading Co., Ltd.	4,468,351,745	-	
Long An Construction Investment Project Management Board	3,881,800,000	-	
An Duoc Pharmaceutical JSC	3,835,371,185	3,456,503,079	
Tin Duc Pharmaceutical Co., Ltd.	3,105,000,000	-	
Shandong Guoxin Import and Export Co., Ltd.	3,015,255,081	3,169,267	
Others	2,642,209,958	7,977,504,363	
<b>TOTAL</b>	<b>26,000,290,269</b>	<b>14,815,414,612</b>	

## 16. TAX

	Beginning balance		Payable for the year	Amount deducted during the year	Payment made during the year	Ending balance		VND
	Receivables	Payables				Receivables	Payables	
Value added tax - domestic goods	-	-	(182,313,637,901)	181,512,810,858	789,242,755	-	(11,584,288)	
Value added tax - imported goods	-	(5,386,196)	(52,368,135,834)	-	52,540,840,420	167,318,390	-	
Export and import tax	-	(3,137,587)	(6,461,855,339)	-	6,464,992,926	-	-	
Corporate income tax	-	(1,548,860,088)	(5,447,808,574)	-	6,648,811,863	-	(347,856,799)	
Personal income tax	-	(366,701,094)	(1,290,754,340)	-	1,498,156,949	-	(159,298,485)	
Others	-	-	(212,158,733)	-	212,158,733	-	-	
<b>TOTAL</b>	-	<b>(1,924,084,965)</b>	<b>(248,094,350,721)</b>	<b>181,512,810,858</b>	<b>68,154,203,646</b>	<b>167,318,390</b>	<b>(518,739,572)</b>	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2025 and for the year then ended

**17. SHORT-TERM ACCRUED EXPENSES**

		VND
	<i>Ending balance</i>	<i>Beginning balance</i>
Interest expenses	1,670,000,000	608,478,997
External service fees	825,961,288	1,621,250,000
Labour cost	513,851,349	487,464,000
Others	443,688,980	879,387,338
<b>TOTAL</b>	<b><u>3,453,501,617</u></b>	<b><u>3,596,580,335</u></b>

**18. OTHER SHORT-TERM PAYABLES**

		VND
	<i>Ending balance</i>	<i>Beginning balance</i>
Dividend payables	7,311,946,477	123,735,165
Deposits received	1,621,541,128	479,001,586
Trusted import received	1,090,370,147	6,578,410,880
Others	2,013,823,465	1,799,096,547
<b>TOTAL</b>	<b><u>12,037,681,217</u></b>	<b><u>8,980,244,178</u></b>

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2025 and for the year then ended

## 19. LOANS

	Beginning balance/ Payable amount	Increase	Decrease	VND Ending balance/ Payable amount
<b>Short-term loans</b>	<b>851,919,198,962</b>	<b>2,984,104,656,129</b>	<b>(2,872,577,566,069)</b>	<b>963,446,289,022</b>
Loans from banks (Note 19.1)	851,322,198,962	2,984,104,656,129	(2,872,080,566,069)	963,346,289,022
Loans from individuals	597,000,000	-	(497,000,000)	100,000,000
<b>Long-term loans</b>	<b>29,000,000,000</b>	<b>-</b>	<b>-</b>	<b>29,000,000,000</b>
Loans from a third party (Note 19.2)	29,000,000,000	-	-	29,000,000,000
<b>TOTAL</b>	<b>880,919,198,962</b>	<b>2,984,104,656,129</b>	<b>(2,872,577,566,069)</b>	<b>992,446,289,022</b>



# Codupha Central Pharmaceutical Joint Stock Company

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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## 19. LOANS (continued)

### 19.1 Short-term loans from banks

The Company obtained these loans to finance its working capital requirements. Details are as follows:

Banks	Ending balance VND	Maturity date	Interest rate % p.a.	Description of collateral (Notes 6.1, 9 and 12)
Vietnam Joint Stock Commercial Bank for Industry and Trade – Ho Chi Minh City Branch	449,152,811,079	From 27 February 2026 to 25 June 2026	From 5.2 to 7.3	Debt collection rights deriving from contracts signed between the Company and its customers valued at VND 275,000,000,000 and a part of the average rotated inventories of VND 210,000,000,000
Military Commercial Joint Stock Bank – North Sai Gon Branch	192,150,201,037	From 15 April 2026 to 30 June 2026	From 5.2 to 7	Land use rights located at 132A, extended Nguyen Van Cu Street, Tan An Ward, Can Tho City (formerly 132A, Nguyen Van Cu, An Khanh Ward, Ninh Kieu District, Can Tho City)
Military Commercial Joint Stock Bank – North Sai Gon Branch(Domestic Letter of Credit – L/C)	99,772,805,225	28 May 2026	5.0	Unsecured
Vietnam International Commercial Joint Stock Bank	172,270,471,681	From 26 Feb 2026 to 31 May 2026	From 5.15 to 7.75	Inventory pledged under the revolving arrangement is not subject to custodial protection with the minimum revolving accounts receivable balance shall be VND 300,000,000,000.
Shinhan Bank Vietnam Limited – Ho Chi Minh City Branch	50,000,000,000	From 19 May 2026 to 26 June 2026	From 5.4 to 6	Debt collection rights deriving from contracts signed between the Company and its customers valued at VND 50,000,000,000
<b>TOTAL</b>	<b>963,346,289,022</b>			

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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## 19. LOANS (continued)

### 19.2 Long-term loan from a third party

The Group obtained this loan to finance the investment in Urban Development Joint Stock Company and Kingdom Indochina Joint Stock Company (Note 14.2). Details are as follows:

Party	Ending balance VND	Maturity date	Interest rate % p.a.	Description of collateral (Note 14.2)
Hoa Lam Investment Development Corporation	29,000,000,000	31 December 2027	-	The whole shares owned by the Company in Indochina Urban Development Joint Stock Company and Kingdom Indochina Joint Stock Company

## 20. BONUS AND WELFARE FUNDS

	Current year	Previous year	VND
Beginning balance	1,648,607,002	-	-
Appropriation from undistributed earnings	1,231,482,227	5,000,000,000	5,000,000,000
Utilization of funds during the year	(2,880,089,229)	(3,351,392,998)	(3,351,392,998)
Ending balance	-	1,648,607,002	1,648,607,002

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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## 21. OWNERS' EQUITY

### 21.1 Movements in owners' equity

	Share capital	Other owners' capital	Treasury shares	Foreign exchange differences reserve	Investment and development fund	Undistributed earnings	Total
							VND
<b>Previous year</b>							
Beginning balance	182,700,000,000	213,663,933	(586,200,000)	(8,843,840,445)	9,071,115,794	20,564,637,841	203,119,377,123
Net profit for the year	-	-	-	-	-	19,069,737,861	19,069,737,861
Dividends declared	-	-	-	-	-	(9,104,400,000)	(9,104,400,000)
Appropriation to bonus and welfare fund	-	-	-	-	-	(5,000,000,000)	(5,000,000,000)
Others	-	(213,663,933)	-	8,843,840,445	-	493,234,589	9,123,411,101
Ending balance	182,700,000,000	-	(586,200,000)	-	9,071,115,794	26,023,210,291	217,208,126,085
<b>Current year</b>							
Beginning balance	182,700,000,000	-	(586,200,000)	-	9,071,115,794	26,023,210,291	217,208,126,085
Net profit for the year	-	-	-	-	-	35,392,390,401	35,392,390,401
Dividend declared (*)	-	-	-	-	-	(23,671,440,000)	(23,671,440,000)
Appropriation to bonus and welfare fund	-	-	-	-	-	(1,231,482,227)	(1,231,482,227)
Ending balance	182,700,000,000	-	(586,200,000)	-	9,071,115,794	36,512,678,465	227,697,594,259

(\*) During the period, the Company announced to pay dividend from undistributed earnings for the year 2024 to its existing shareholders in accordance with the Shareholders' Resolution No. 01/2025/NQ-DHDCDTN dated 18 April 2025 and Board of Directors' Resolution No. 12/2025/NQ-HDQT dated 9 June 2025 amounting to VND 16,387,920,000.

On 31 December 2025, the Company announced to pay the first interim dividend from undistributed earnings for the year 2025 to its existing shareholders in accordance with the Board of Director's Resolution No. 25/2025/NQ-HDQT amounting to VND 7,283,520,000.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2025 and for the year then ended

**21. OWNERS' EQUITY (continued)**

**21.2 Capital transactions with owners**

	VND	
	Current year	Previous year
<b>Contributed share capital</b>		
Beginning and ending balances	<u>182,700,000,000</u>	<u>182,700,000,000</u>
<b>Dividends</b>		
Dividends declared to ordinary holders of the parent company	23,671,440,000	9,104,400,000
Dividends paid to ordinary holders of the parent company	16,483,228,688	9,021,075,311

**21.3 Ordinary shares**

	Shares	
	Ending balance	Beginning balance
Authorised shares	18,270,000	18,270,000
Shares issued and fully paid Ordinary shares	18,270,000	18,270,000
Treasury shares Ordinary shares	(61,200)	(61,200)
Shares in circulation Ordinary shares	18,208,800	18,208,800

The Company's shares are issued with par value of VND 10,000 per share. The holders of the ordinary shares are entitled to receive dividends as and when declared by the Company. Each ordinary share carries one vote per share without restriction.

**21.4 Contributed share capital**

	Ending balance		Beginning balance	
	VND	%	VND	%
Vietnam Pharmaceutical Corporation – JSC	121,225,000,000	66.35	121,225,000,000	66.35
Ben Tre Pharmaceutical Joint Stock Company	34,700,000,000	18.99	34,700,000,000	18.99
Others	26,775,000,000	14.66	26,775,000,000	14.66
<b>TOTAL</b>	<u><b>182,700,000,000</b></u>	<u><b>100</b></u>	<u><b>182,700,000,000</b></u>	<u><b>100</b></u>



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2025 and for the year then ended

**21. OWNERS' EQUITY** (continued)

**21.5 Earnings per share**

Basic and diluted earnings per share are calculated as follows:

			VND
	<i>Current year</i>	<i>Previous year (As restated)</i>	<i>Previous year (As previous period presented)</i>
Net profit after tax (VND)	35,392,390,401	19,069,737,861	19,069,737,861
Less: Bonus and welfare fund (VND)	<u>(5,000,000,000)</u>	<u>(6,231,482,227)</u>	<u>(5,000,000,000)</u>
Net profit attributable to ordinary equity holders of the Group (VND)	30,392,390,401	12,838,255,634	14,069,737,861
Weighted average number of ordinary shares	18,208,800	18,208,800	18,208,800
<b>Basic earnings per share (VND)</b>	<b><u>1,669</u></b>	<b><u>705</u></b>	<b><u>773</u></b>
<b>Diluted earnings per share (VND)</b>	<b><u>1,669</u></b>	<b><u>705</u></b>	<b><u>773</u></b>

Profit used to compute earnings per share for the year of 2024 was restated following the actual allocation to bonus and welfare funds from 2024 retained earnings as approved in the Shareholders Meeting's Resolution No. 01/2025/NQ-DHDCDTN dated 18 April 2025.

Profit used to compute earnings per share for the year 2025 was adjusted for the provisional allocation to bonus and welfare fund from 2025 retained earnings as approved in the Shareholders Meeting's Resolution No. 01/2025/NQ-DHDCDTN dated 18 April 2025.

There have been no dilutive potential ordinary shares during the year and up to the date of these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2025 and for the year then ended

**22. REVENUE****22.1 Revenue from sale of goods and rendering of services**

	VND	
	Current year	Previous year
<b>Gross revenue</b>	<b>3,314,191,360,653</b>	<b>3,215,977,580,908</b>
<i>Of which:</i>		
Revenue from sale of merchandise goods	3,258,897,097,263	3,175,304,428,785
Revenue from rendering of service	55,294,263,390	40,673,152,123
<b>Less</b>	<b>(28,915,543,595)</b>	<b>(7,297,762,661)</b>
Sale returns	(27,221,115,400)	(5,446,131,851)
Sale allowances	(1,694,428,195)	(812,084,413)
Trade discounts	-	(1,039,546,397)
<b>NET</b>	<b><u>3,285,275,817,058</u></b>	<b><u>3,208,679,818,247</u></b>
<i>In which:</i>		
Revenue from sale of merchandises	3,229,981,553,668	3,168,006,666,124
Revenue from rendering of services	55,294,263,390	40,673,152,123

**22.2 Finance income**

	VND	
	Current year	Previous year
Early payment discounts	17,181,761,063	13,786,794,501
Foreign exchange gain	13,879,146,228	9,879,399,083
Gains from disposal of a subsidiary	5,103,308,961	-
Interest from customers' late payments	2,399,636,562	3,397,235,049
Deposit interest income	31,651,007	29,805,324
<b>TOTAL</b>	<b><u>38,595,503,821</u></b>	<b><u>27,093,233,957</u></b>

**23. COST OF GOODS SOLD AND SERVICES RENDERED**

	VND	
	Current year	Previous year
Cost of merchandises sold	3,054,994,873,375	2,969,418,824,523
Provision for obsolete inventories	8,660,107,384	1,480,471,515
Cost of services rendered	4,716,827,819	1,876,057,216
<b>TOTAL</b>	<b><u>3,068,371,808,578</u></b>	<b><u>2,972,775,353,254</u></b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2025 and for the year then ended

## 24. SELLING EXPENSES AND GENERAL AND ADMINISTRATIVE EXPENSES

	VND	
	<i>Current year</i>	<i>Previous year</i>
<b>Selling expenses</b>	<b>119,153,253,425</b>	<b>126,149,961,420</b>
Labor costs	66,019,896,086	70,064,271,881
External services expenses	20,572,298,010	18,450,137,191
Depreciation	11,954,396,640	12,687,712,994
Materials	2,633,562,880	2,054,471,333
Others	17,973,099,809	22,893,368,021
<b>General and administrative expenses</b>	<b>40,405,704,351</b>	<b>49,865,890,101</b>
Provision for short-term doubtful receivables	14,136,833,557	10,791,289,212
External services expenses	11,171,149,654	15,703,340,340
Labor costs	3,600,295,452	3,500,765,000
Depreciation	1,819,605,213	1,725,427,309
Administrative tools costs	1,115,502,306	1,534,417,011
Taxes, charges and fees	485,782,411	64,593,009
Others	8,076,535,758	16,546,058,220
<b>TOTAL</b>	<b><u>159,558,957,776</u></b>	<b><u>176,015,851,521</u></b>

## 25. FINANCE EXPENSES

	VND	
	<i>Current year</i>	<i>Previous year</i>
Interest expenses	46,653,929,017	39,107,005,426
Foreign exchange loss	8,110,068,869	19,522,891,463
Others	114,800,000	-
<b>TOTAL</b>	<b><u>54,878,797,886</u></b>	<b><u>58,629,896,889</u></b>

## 26. OTHER INCOME AND EXPENSES

	VND	
	<i>Current year</i>	<i>Previous year</i>
<b>Other income</b>	<b>772,682,106</b>	<b>840,740,363</b>
Gains from disposal of fixed assets	709,518,838	375,441,681
Others	63,163,268	465,298,682
<b>Other expenses</b>	<b>547,137,900</b>	<b>1,322,156,492</b>
Penalties	114,876,253	339,644,364
Others	432,261,647	982,512,128
<b>NET OTHER PROFIT (LOSS)</b>	<b><u>225,544,206</u></b>	<b><u>(481,416,129)</u></b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2025 and for the year then ended

**27. OPERATING COSTS BY ELEMENTS**

	VND	
	<i>Current year</i>	<i>Previous year</i>
Cost of merchandises	3,054,994,873,375	2,969,418,824,523
Labor costs	69,620,191,538	73,565,036,881
External services	32,425,234,454	36,029,534,747
Provisions	22,796,940,941	12,271,760,727
Depreciation and amortization	13,774,001,853	14,413,140,303
Other expenses	34,319,524,193	43,092,907,594
<b>TOTAL</b>	<b><u>3,227,930,766,354</u></b>	<b><u>3,148,791,204,775</u></b>

**28. CORPORATE INCOME TAX**

The statutory corporate income tax ("CIT") rate applicable to the Company is 20% of taxable income.

The Group's subsidiary has the obligation to pay CIT at the rates of 5% of taxable income.

The Group's tax returns are subject to examination by the tax authorities. As the application of tax laws and regulations are susceptible to varying interpretations, amounts reported in the consolidated financial statements could be changed at a later date upon final determination by the tax authorities.

**28.1 CIT expenses**

	VND	
	<i>Current year</i>	<i>Previous year</i>
Current tax expense	5,447,808,574	6,828,768,156
Adjustment for under accrual of tax from prior years	-	1,308,669,182
<b>TOTAL</b>	<b><u>5,447,808,574</u></b>	<b><u>8,137,437,338</u></b>



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2025 and for the year then ended

**28. CORPORATE INCOME TAX** (continued)

**28.1 CIT expenses** (continued)

The reconciliation between CIT expense and the accounting profit before tax multiplied by CIT rate is presented below:

	VND	
	<i>Current year</i>	<i>Previous year</i>
<b>Accounting profit before tax</b>	<b>40,840,198,975</b>	<b>27,207,175,199</b>
<i>Adjustments to increase:</i>		
Non-deductible expenses	2,482,955,712	5,881,273,912
Remuneration for non-executive members of the Board of Directors and Board of Supervisors	586,277,700	1,282,755,559
Others	204,000,000	436,000,000
	1,692,678,012	4,162,518,353
<i>Adjustments to decrease:</i>	(16,084,111,816)	(4,434,379,581)
Reversal of provision for subsidiary	(9,867,396,125)	-
Profit from disposals of subsidiary	(5,103,308,961)	-
Reversal of provision for doubtful receivables	(1,113,406,730)	-
Others	-	(4,434,379,581)
<b>Estimated taxable profit for the year</b>	<b>27,239,042,871</b>	<b>28,654,069,530</b>
<i>In which:</i>		
Taxable income at 20%	27,239,042,871	34,143,840,777
Tax-deductible losses	-	(5,489,771,247)
<b>Current corporate income tax</b>	<b>5,447,808,574</b>	<b>6,828,768,156</b>
Adjustments to corporate income tax of previous years	-	166,335,920
Adjustments according to the 2023 State Audit Report	-	1,142,333,262
<b>CIT expenses</b>	<b>5,447,808,574</b>	<b>8,137,437,338</b>

**28.2 Current CIT expense**

The current CIT payable is based on taxable profit for the year. The taxable profit of the Group for the year differs from the profit as reported in the consolidated income statement because it excludes items of income or expenses that are taxable or deductible in other years and it further excludes items that are not taxable or deductible. The Group's current tax liability is calculated using tax rates that have been enacted at the balance sheet date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2025 and for the year then ended

## 29. TRANSACTIONS WITH RELATED PARTIES

List of related parties of the Group is presented in Appendix 7 – Report of Management No. 846/CDP-2025, which was publicly disclosed on 24 July 2025.

List of related parties that have a controlling relationship with the Group and other related parties that have transactions with the Group during the year and as at 31 December 2025 is as follows:

<i>Related parties</i>	<i>Relationship</i>
Vietnam Pharmaceutical Corporation - JSC	Parent company
Ben Tre Pharmaceutical Joint Stock Company	Major shareholder
Codupha – Lao Pharmaceutical Company Limited	Subsidiary to 25 June 2025
Alfresa Codupha Medical Co., Ltd.	Associate
3 Central Pharmaceutical Joint Stock Company	Affiliate/ Other related party with the same member of the Board of Directors
Mekophar Chemical Pharmaceutical Joint Stock Company	Other related party with the same member of the Board of Directors to 24 April 2025
Sanofi-Synthelabo Vietnam Joint Stock Company	Other related party with the same member of the Board of Directors
Mr Bui Huu Hien	Chairman

Significant transactions with related parties in current and prior years were as follows:

<i>Related party</i>	<i>Transactions</i>	<i>VND</i>	
		<i>Current year</i>	<i>Previous year</i>
Vietnam Pharmaceutical Corporation – JSC	Dividend declared	15,759,250,000	6,061,250,000
	Dividend paid	10,910,250,000	6,061,250,000
Ben Tre Pharmaceutical Joint Stock Company	Dividend declared	4,511,000,000	1,735,000,000
	Dividend paid	3,123,000,000	1,735,000,000
	Purchase of goods	3,809,520	207,966,171
Mr Bui Huu Hien	Payment commitment	2,420,000,000	-
3 Central Pharmaceutical Joint Stock Company	Purchase of goods	-	305,174,992

Amounts due to and due from related parties at the balance sheet date were as follows:

			VND
<i>Related party</i>	<i>Transactions</i>	<i>Ending balance</i>	<i>Beginning balance</i>
<b><i>Other short-term receivables</i></b>			
Mr Bui Huu Hien	Payment commitment	2,420,000,000	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2025 and for the year then ended

**29. TRANSACTIONS WITH RELATED PARTIES (continued)**

Amounts due to and due from related parties at the balance sheet date were as follows:  
(continued)

		VND	
<i>Related party</i>	<i>Transaction</i>	<i>Ending balance</i>	<i>Beginning balance</i>
<b>Short-term trade payables</b>			
Alfresa Codupha Medical Co., Ltd.	Purchase of goods	875,553,313	986,099,722
3 Central Pharmaceutical Joint Stock Company	Purchase of goods	190,081,584	310,250,799
Ben Tre Pharmaceutical Joint Stock Company	Purchase of goods	-	6,471,014
<b>TOTAL</b>		<b>1,065,634,897</b>	<b>1,302,821,535</b>
<b>Other short-term trade payables</b>			
Vietnam Pharmaceutical Corporation – JSC	Dividend payable	4,849,000,000	-
Ben Tre Pharmaceutical Joint Stock Company	Dividend payable	1,388,000,000	-
<b>TOTAL</b>		<b>6,237,000,000</b>	<b>-</b>

Remuneration to members of the Board of Directors, Management and Board of Supervision during the year was as follows:

		VND	
		<i>Remuneration</i>	
	<i>Position</i>	<i>Current year</i>	<i>Previous year</i>
Mr Bui Huu Hien	Chairman/ General Director to 18 April 2025	959,250,000	997,000,000
Mr Le Van Son	Chairman to 1 October 2025	696,000,000	1,104,000,000
Ms Pham Thi Mai Huong	General Director	690,625,000	-
Ms Nguyen Thi Thuy Huong	Deputy General Director	445,625,000	-
Ms Dinh Thi Khoi	Deputy General Director to 1 March 2025	110,000,000	759,000,000
Mr Pham Thu Trieu	Member of the Board of Directors	75,000,000	100,000,000
Ms Ha Lan Anh	Member of the Board of Directors	35,000,000	100,000,000
Ms. Lu Thi Khanh Tran	Member of the Board of Directors	35,000,000	100,000,000
Ms. Nguyen Thi Hang	Head of the Board of Supervisors	35,000,000	100,000,000
Mr Truong Chi Thien	Member of the Board of Supervisors	24,000,000	36,000,000
Ms Nguyen Thanh Thanh Binh	Member of the Board of Supervisors	24,000,000	28,000,000
Mr Nguyen Van Khai	Member of the Board of Supervisors to 26 April 2024	-	8,000,000
<b>TOTAL</b>		<b>3,129,500,000</b>	<b>3,332,000,000</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2025 and for the year then ended

### 30. COMMITMENTS

#### *As a lessee*

The Group leases its warehouse and office under operating lease arrangements. The minimum lease commitments at the balance sheet date under the operating lease agreements were as follows:

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Less than 1 year	4,215,000,000	7,420,800,000
From 1 year to 5 years	10,116,000,000	14,331,000,000
<b>TOTAL</b>	<b>14,331,000,000</b>	<b>21,751,800,000</b>

### 31. OFF BALANCE SHEET ITEMS

	<i>Ending balance</i>	<i>Beginning balance</i>
Goods held for third parties (unit)		
<i>Box</i>	757,802	1,095,880
<i>Tube</i>	124,567	27,877
<i>Ampoule</i>	93,809	9
<i>Bottle</i>	78,613	20,100
<i>Sachet</i>	46,410	-
<i>Others</i>	51,889	29,438
Foreign currencies:		
<i>United States dollar (USD)</i>	625	2,501
<i>Euro (EUR)</i>	317	1,041
<i>Kip Lao (LAK)</i>	-	990,664
<i>Bath Thai (THB)</i>	-	62,602

### 32. SEGMENT INFORMATION

#### *Geographical Segment Report*

The Group's revenue mainly comes from domestic sales of goods, while revenue from foreign sales accounts for a very small proportion of the total revenue in the Group's consolidated income statement. Therefore, the Group does not present a geographical segment report.

#### *Business Segment Report*

The main business activities of the Group are the wholesale and retail of medicines, medical equipment, cosmetics and sanitary items, while other revenue accounts for a small proportion of the Group's total revenue. Therefore, the Group does not present a business segment report.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2025 and for the year then ended

**33. EVENTS AFTER THE BALANCE SHEET DATE**

On 13 March 2026, Ben Tre Pharmaceutical Joint Stock Company completed the divestment of its entire equity holding of 3,470,000 shares, equivalent to 19.06% of the Company's share capital. The transactions were conducted from 11 February 2026 to 9 March 2026. Following the transactions, Ben Tre Pharmaceutical Joint Stock Company no longer holds any shares in the Company.

There is no other significant matter or circumstance that has arisen since the balance sheet date that requires adjustment or disclosure in the separate financial statements of the Company.

Ho Chi Minh City, Vietnam

18 March 2026

		
		
Chu Thi Bich Hong Preparer	Pham Chi Truc Chief Accountant	Pham Thi Mai Huong General Director



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