

Hanoi, April 16<sup>th</sup>, 2026

**EXPLANATION OF BUSINESS PERFORMANCE  
FOR THE FIRST QUARTER OF 2026**

Respectfully to: - State Securities Commission  
- Hanoi Stock Exchange

*Pursuant to:*

- *Legal Regulations on Information Disclosure in the Securities Market;*
- *The self-prepared financial statements for Q1 2026 of Viet Nam Medicinal Materials Joint Stock Company;*

Viet Nam Medicinal Materials Joint Stock Company (Stock code: DVM) would like to provide an explanation for the profit variance in the Q1/2026 compared to the same period in 2025 as follows:

No.	Content	Q1/2026 (VND)	Q1/2025 (VND)	Difference	
				Value (VND)	%
1	Net revenue	49,044,176,689	319,783,609,264	(270,739,432,575)	(84.66)
2	Profit after tax	188,695,784	12,296,114,634	(12,107,418,850)	(98.47)

The company's profit after tax in the Q1/2026 financial statements decreased by approximately 84.66% compared to the same period in 2025, primarily due to the following reasons:

- In Q1/2026, the company's net revenue reached VND 49.04 billion, an 84.66% decline year-on-year. This was driven by lower sales volume of medicinal materials and the absence of major contracts compared to the previous year, following a transition in the business model. While the Cost of Goods Sold

(COGS) decreased in line with revenue, it did so at a slower pace, causing the gross profit margin to drop from 10.9% to 5.7%. Additionally, financial expenses remained high as the company maintained borrowings to fund the procurement and stockpiling of medicinal materials. These factors collectively led to a post-tax profit of only VND 188.7 million in Q1/2026, representing a 98.47% decrease compared to the same period last year.

The above is Vietnam Medicinal Materials Joint Stock Company's explanation regarding the profit fluctuations in the Q4/2025 Financial Statements compared to the same period last year.

Best regards./.

**Recipients:**

- As above;
- Archived at the office.

**GENERAL DIRECTOR**



**Vu Thanh Trung**

