

Traphaco[◇]
The way of green health



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TRAPHACO JOINT STOCK COMPANY

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ACCELERATED EXECUTION

BREAKTHROUGH PRODUCTIVITY

ANNUAL REPORT 2025

Integrating 17 sustainable development goals of the world (SDGs) and Vietnam (VSDG) into TRAPHACO'S activities

CSI
A set of criteria for evaluating and rating Vietnam's sustainable business

Applied Power BI, a Business Analytics solution for data visualization

Global Reporting Initiative
Sustainability Report by GRI Standards

ISO 9001:2015
ISO 14001:2015
The Procedures under ISO Standards

EY
Independent Auditing and Financial Statement

ERP
Enterprise Resource Management System

ACMF
8th Consecutive Year of Applying ASEAN Governance Scorecard

Highlights

ANNUAL REPORT
TRAPHACO 2025

Access the website:
www.traphaco.com.vn/ir

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05.



VISION, MISSION, CORE VALUES



VISION



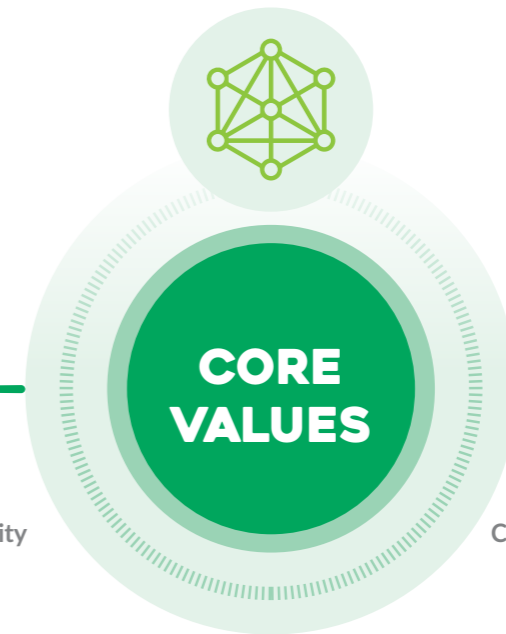
Being Vietnam's No. 1 Pharmaceutical Enterprise in terms of growth of revenue and profit



MISSION



Pioneering in manufacturing Green product to protect people's health



CORE VALUES

- Integrity
- Courage
- Proactivity
- Connection
- Innovation
- Responsibility

XANH PHARMACEUTICALS

The pharmaceuticals are produced based on a green supply chain from clean materials to clean production technology with an environment-friendly distribution systems and services.





HIGHLIGHTS OF 2025

01.

Party Congress for the 2025-2030 Term

On May 28, 2025, the Party Committee of Traphaco Joint Stock Company solemnly held its 6th Party Congress for the 2025-2030 term. The Congress adopted the overarching theme: "Innovation and Creativity - Advancing for Development, Building a Clean, Strong and Comprehensive Traphaco Party Organization".

The Congress elected the 6th term Party Executive Committee consisting of 09 members, in which Mr. Nguyen Huy Van was elected as Secretary of the Party Committee.



02.

Appointment of a New Chief Executive Officer for the 2021-2026 Term

Mrs. Dao Thuy Ha was appointed as Chief Executive Officer of Traphaco for the 2021-2026 term, from November 10, 2025. This appointment represents an important step in strengthening the leadership structure, ensuring the continuity and promotion of the sustainable values built by previous generations of Traphaco leaders, while enhancing governance capacity and innovation in line with the Company's new phase of accelerated development.



03.

Comprehensive restructuring of the business system

In 2025, Traphaco implemented a comprehensive restructuring of its business system towards specialization and leanness. In the ETC channel, the Company separated its sales force, consolidated personnel, and improved the quality of sales execution. In the OTC channel, Traphaco streamlined the system by eliminating 26 tier-2 branches nationwide, shifting to a centralized management model at 3 branches in the North, Central, and South. At the same time, logistics operations were separated into an independent company, thereby helping the business division focus resources on market development and enhancing sales efficiency.



04.

Establishment of Traphaco Pharmaceutical One Member Limited Company

On July 2, 2025, Traphaco held a ceremony to announce the Resolution establishing Traphaco Pharmaceutical One Member LLC and awarded the Decision appointing Mr. Thai Duc Luan as the Company's Director. This is a strategic step in restructuring the logistics system, aiming to centralize distribution activities into a specialized focal point, ensure legal compliance, improve operational efficiency, and increase the flexibility of the supply-distribution chain, creating a foundation for expanding business scale in the new phase.





HIGHLIGHTS OF 2025

05.

Traphaco affirms its AI Capabilities

The AI model for classifying *Polyscias fruticosa* medicinal herbs using infrared spectroscopy - a pioneering study in Vietnam conducted by Traphaco - was selected for presentation at the Analytica Vietnam 2025 Conference (April 2-4, 2025) and fully presented at the National Metrology Science and Technology Conference 2025 (October 4, 2025).

Alongside this achievement, 2025 also marked the completion of a series of digital initiatives, including laboratory digitalization, an automated order processing center, product traceability systems, and cashless payment solutions, which have improved operational efficiency across multiple processes. A notable highlight was the deployment of the Traphaco AI Agent, a machine learning model for predicting medicinal herb testing results and a virtual assistant supporting business operations, helping optimize workflows and enhance governance capabilities.



06.

Traphaco was honored on the 25th Anniversary of the Vietnamese Stock Market

On December 3, 2025, at the Sheraton Saigon Hotel, the Ho Chi Minh City Stock Exchange (HOSE) organized the Listed Companies Conference and the Listed Company Awards Ceremony 2025, an important event marking the 25th anniversary of the establishment and development of the Vietnamese stock market. At the ceremony, Traphaco was honorably recognized by HOSE as a representative listed company that has accompanied and actively contributed to the development of the market over many years. The representative of Traphaco received the 25th Anniversary Commemorative Medal, reflecting HOSE's recognition of the Company's role and long-standing efforts.



07.

Phase 3 Technology transfer

On October 14, 2025, Traphaco welcomed a delegation of experts from Daewoong to transfer manufacturing technology for the next phase, focusing on combination drugs with complex formulation technologies and high value. Both parties also discussed the future development direction of the technology transfer product portfolio and identified a roadmap for increasing value in connection with the EU-GMP factory project. This event marked an important milestone for Traphaco in enhancing its technological capabilities, shortening the pathway from research and development to industrial-scale manufacturing and product commercialization.



08.

Customer Conference Series 2025

In the 2nd Quarter, 2025, Traphaco organized a series of customer appreciation conferences with nearly 3,000 loyal pharmacy customers from 20 provinces and cities nationwide. The program aimed to update participants on the latest scientific information related to diseases, treatment methods, and effective business strategies, while also providing opportunities for pharmacy partners to network, exchange knowledge, and expand professional connections.





HIGHLIGHTS OF 2025

09.

Top 10 Sustainable Businesses CSI 2025

On November 19, 2025, Traphaco was announced as one of the Top 10 Sustainable Businesses in Vietnam (CSI) 2025. This marked the 8th time Traphaco has received this prestigious recognition, reaffirming its leading position in sustainable business practices and its positive contributions to social development.



10.

Trade Union Congress for the 2025-2030 Term

On November 11, 2025, the Trade Union of Traphaco Joint Stock Company successfully held its 9th Congress for the 2025-2030 term in an atmosphere of solemnity, unity, and innovation. A total of 11 members were elected to the Executive Committee for the 2025-2030 term. The Congress reaffirmed the important role of the Trade Union in improving employees' welfare and motivating the entire organization.



Traphaco™
The way of green health

AS WE ENTER THE 2026-2030 TERM AND BEGIN A NEW YEAR FILLED WITH BOTH CHALLENGES AND OPPORTUNITIES,

TRAPHACO

IS READY TO EMBRACE A NEW PHASE OF DYNAMIC DEVELOPMENT



TYPICAL AWARDS OVER THE YEARS

State level



Labor Hero



2 First-Class Labor Order



First-Class Labor Order for Trade Union of the Company



WIPO Award



Asia Pacific International Quality Award



National Quality Golden Award

On scientific research and application of intellectual property solutions

On branding



• National Brand (Vietnam Value) 7th consecutive times

• Top 50 Vietnam Leading Brands - Forbes Vietnam

• Top 50 Best Listed Companies - Forbes Vietnam

- Top 10 Vietnam Gold Star Award
- Top 5 most prestigious pharmaceutical companies in Vietnam
- Top 40 most valued Vietnamese Brands - Forbes Vietnam
- Top 10 Typical Vietnamese Brand Products
- Vietnam Record: "The first pharmaceutical company to modernize Herbal Medicine and to have three best-selling Herbal Medicine product lines in Vietnam (Boganic, Hoat Huyet Duong Nao, and Tottri)"



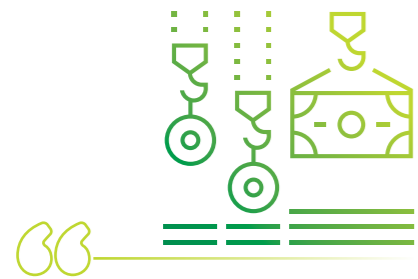
- Certificate of Merit from the Prime Minister
- Top 10 Vietnam Gold Star Enterprises with Outstanding Social Responsibility
- Top 10 Most Sustainable Companies in Vietnam (Top 10 CSI)

- CSI Star 2016-2025
- Typical Enterprise for Employees
- Asia Corporate Excellence & Sustainability Awards in 2022
- Outstanding enterprise for the development of Vietnamese medicinal herbs
- UN Women's Empowerment Principles Award - Category: Gender Equality in the Market
- Human Act Prize for the GreenPlan Project - Category: Sustainability Project

On Corporate Social Responsibility



HIGHLIGHT: RESTRUCTURING THE LOGISTICS SYSTEM



The year 2025 marked a significant transformation in Traphaco's operational system. Amid intense competition in the pharmaceutical market and increasingly stringent regulatory requirements, the company was compelled to innovate in order to maintain its pioneering position. The establishment of Traphaco Pharmaceutical One Member Limited Company (Traphaco New) - the entity responsible for operating the nationwide order center and managing the logistics system - was a strategic decision that opened a new phase of development under the spirit of "Innovation - Empowering Growth".



For many years, Traphaco's distribution system operated under a traditional model with Level 1 and Level 2 branches and decentralized logistics teams in each region. This model once played a crucial role in expanding product coverage nationwide. However, over time, several limitations became evident: a cumbersome organizational structure, high operating costs, inconsistent service quality, and a lack of real-time data connectivity. Entering 2025, the Company's leadership set a clear direction - to undertake a comprehensive restructuring to create new growth momentum, with logistics and distribution as one of the key pillars of reform. From the beginning of the year, decisive actions were taken to review the entire distribution system, evaluate branch operations, reorganize warehouses, and establish a unified coordination center.

From January to March 2025, the Logistics & Distribution Department collaborated with other departments to conduct a comprehensive assessment and develop an optimization plan based on the philosophy "Lean - Streamlined - Strong - Efficient". This was not merely a slogan but became the guiding principle for the entire transformation process. On July 11, 2025, Traphaco Pharmaceutical One Member Limited Company (Traphaco New) was officially established, marking a milestone in Traphaco's innovative thinking and readiness for restructuring. Just over a month later, on August 19, 2025, the first inaugural order was dispatched from Traphaco New, marking the practical launch of the new operating model. By September 1, 2025, the entire logistics and distribution system had been fully transferred from Traphaco to Traphaco New, meaning that all warehousing,



transportation, and goods coordination operations were unified on a new platform. Traphaco New has since become the focal point of the next-generation logistics system that Traphaco is building.

The reorganization of logistics personnel at the branches helped streamline the workforce by 10%. This was not a mechanical reduction but rather a restructuring process aimed at specialization, improved efficiency, and building a more capable and elite workforce. The warehouse network was also reorganized, reducing the total number of warehouses by 21% across the system. Notably, the consolidation of the Hanoi, Ha Tay, and Long Bien warehouses into the Hoang Liet warehouse saves the company billions of VND in warehouse rental costs each year. Operational processes were also comprehensively reviewed to ensure compliance with legal regulations and GDP standards, while establishing close coordination mechanisms between Traphaco and Traphaco New.

The information technology system has been significantly upgraded to support a smart logistics model, including the digitalization of warehouse offices, digitization of goods transfer operations, the development of a real-time inventory management system, and the establishment of an integrated

infrastructure connecting ERP, DMS, and TMS systems in line with Traphaco's digital transformation roadmap. A data-driven operating model enables better demand forecasting, faster responses to market fluctuations, and reduced errors in logistics operations.

Within a short period of operation, Traphaco Pharmaceutical One Member Limited Company has already delivered clear positive results. Revenue in September 2025 exceeded the plan by 19%, and October 2025 surpassed the target by 10%. System-wide inventory decreased by 16.5% compared to the company's plan, and profit reached 3.9 billion VND as of September 30, 2025. These figures confirm that when logistics becomes leaner, more transparent, and smarter, the entire system is effectively "unlocked," enabling production and business activities to accelerate.

Beyond cost optimization, the new operating model has significantly improved customer service quality, ensuring timely delivery, reducing shortages, and increasing order accuracy - factors that are particularly critical in the pharmaceutical industry, where reliability is paramount.



HIGHLIGHT: RESTRUCTURING THE LOGISTICS SYSTEM



Moving into 2026, the company will continue refining the system with the ambition of becoming a leading smart logistics center in Vietnam's pharmaceutical industry. The company will further reorganize the distribution network, convert underperforming partners to direct operations in regions such as Bac Ninh – Bac Giang, Quang Binh – Quang Tri, and Quang Nam – Da Nang, standardize coordination processes with the sales, marketing, manufacturing, and finance -accounting divisions, and strengthen the application of AI in inventory forecasting, delivery route optimization, and customer data analytics. This transformation represents not only a logistics upgrade but also a comprehensive enhancement of Traphaco's competitive capabilities.

The establishment of Traphaco Pharmaceutical One Member Limited Company (Traphaco New) and the comprehensive restructuring of the logistics system represent more than just an organizational change - they mark the beginning of a new management mindset

GREATER FLEXIBILITY, STRONGER DATA-DRIVEN OPERATIONS, AND A FOCUS ON OPTIMAL EFFICIENCY

In the era of digital transformation, logistics is no longer merely a back-end function but has become the backbone connecting production, distribution, sales, marketing, and customer care. With its role as the nationwide order center and its new position within the system, Traphaco New is emerging as a key driver of Traphaco's sustainable growth strategy, bringing the company closer to its goal of becoming a leading pharmaceutical enterprise in Vietnam with modern, standardized, and breakthrough development.





HIGHLIGHT: NEW PRODUCT DEVELOPMENT AND QUALITY MANAGEMENT



Vietnam's pharmaceutical industry is entering a phase of increasingly intense competition, accompanied by rising demands for safety, therapeutic effectiveness, data transparency, and rigorous quality management standards. In this context, new product development is no longer a race of quantity but rather a challenge of scientific depth, technological capability, and a robust quality control system capable of building long-term trust.

In 2025, Traphaco continued to reaffirm its consistent strategic choice:

DEVELOPING A NEW PRODUCT PORTFOLIO BASED ON SCIENTIFIC AND TECHNOLOGICAL FOUNDATIONS ALONGSIDE STRICT QUALITY MANAGEMENT, VIEWING THIS AS A CORE DRIVER FOR SUSTAINABLE GROWTH AND FOR ELEVATING THE REPUTATION OF VIETNAMESE PHARMACEUTICAL BRANDS.



NEW PRODUCT DEVELOPMENT - A PILLAR FOR LONG-TERM GROWTH

Herbal Medicine – Innovation on the core foundation



Herbal Medicine continues to play a pillar role in Traphaco's development strategy, not only in terms of revenue but also in terms of brand identity. However, the difference in the current period is that Traphaco's Herbal Medicine does not stop at traditional advantages, but is being redefined through science, technology, and modern quality standards.



The year 2025 recorded a clear shift in the Herbal Medicine portfolio toward the premium segment, with a focus on standardizing the entire value chain: from standard-compliant medicinal herb cultivation areas, advanced extraction and formulation technologies, to a rigorous quality control system. This approach enables Herbal Medicine products not only to meet treatment needs but also to align with consumption trends that increasingly emphasize scientific evidence and quality experience.

Herbal Medicine, therefore, is not only a solid foundation for the present but also a new growth space when invested in systematically with a premiumization orientation.



HIGHLIGHT: NEW PRODUCT DEVELOPMENT AND QUALITY MANAGEMENT

Western Medicine – A strategic shift in quality and technology



In parallel with Herbal Medicine, Western Medicine is identified as a strategic growth spearhead of Traphaco in the new phase. Instead of expanding the portfolio with common products, Traphaco focuses on developing high-quality generic drugs targeting chronic disease groups and long-term treatment needs - areas where quality and reliability are decisive factors.

One of the most important highlights in Traphaco's Western Medicine development strategy is systematic investment in bioequivalence (BE) research. Bioequivalence is not only a regulatory requirement but also the "gold standard" proving that a drug has effectiveness and safety equivalent to the original brand-name drugs from Europe and the United States.

To obtain BE certification, each product must go through a rigorous research, testing, and evaluation process lasting many years, with significant costs and high risk levels. Persistently pursuing this path clearly demonstrates Traphaco's strategic choice: placing patient interests and peace of mind at the center while affirming the scientific and technological capabilities of a domestic pharmaceutical enterprise.

By 2025, Traphaco has developed a portfolio of many Western Medicine products that have achieved bioequivalence, focusing on common disease groups such as cardiovascular diseases, metabolic disorders, and antibiotics. This is an important foundation for Vietnamese medicines to confidently compete directly with imported drugs, with equivalent quality but more reasonable costs.



In addition to in-house research, Traphaco promotes a technology transfer strategy with leading global pharmaceutical partners, notably the Daewoo Group (South Korea). Traphaco's approach does not stop at receiving product formulas but aims to master formulation technology, production processes, and quality management systems in accordance with international standards.

Through technology transfer projects, Traphaco gradually accesses and successfully implements complex dosage forms that require high technical expertise and strict production control. New products developed under this approach not only expand the Western Medicine portfolio but also elevate Traphaco's research and manufacturing capabilities, creating a foundation for the roadmap to develop factories and quality systems to higher standards in the future.

Technology transfer, therefore, not only helps Traphaco "move faster" but, more importantly, move according to the right standards, shortening the gap between domestic and imported medicines in terms of quality and technology.

Efforts in Western Medicine development in 2025 have been recognized by the market through specific products. A notable example is Traflon 500 - a product that successfully implements the parallel ETC & OTC strategy, affirming its quality through practical treatment effectiveness, professional credibility in hospitals, and positive acceptance from the pharmacy system.

Other technology-transfer products and those achieving bioequivalence are also gradually making their mark in the market, showing that Traphaco's Western Medicine development strategy is not only on paper but has been and continues to bring practical value.

Quality Management – The foundation ensuring product value



New product development is only truly sustainable when it is built upon a sufficiently strong quality management system. At Traphaco, quality management is regarded as a technical "steel barrier" that protects consumers and the company's brand reputation throughout the entire product lifecycle.

Traphaco's quality management system is developed in an integrated direction, controlling the entire value chain from raw materials, production, and testing to data and documentation management. The testing laboratories meet GLP-WHO standards, together with modern analytical equipment and data management software that meet strict requirements for data integrity and traceability.

In parallel with technology investment, Traphaco focuses on developing a team of testing and quality management personnel with high professional qualifications, who are continuously trained to meet the increasingly stringent standards of the pharmaceutical industry.

In particular, within the digital transformation roadmap, Traphaco is gradually applying technological tools and artificial intelligence in raw material control, especially medicinal herbs, to enhance the ability to detect deviations and minimize risks at an early stage. These tools play a technical support role, helping the quality management system become increasingly accurate, transparent, and efficient.

In 2025, Traphaco's quality management capability continued to be recognized through evaluations and commendations from leading industry authorities, objectively reflecting the stability and reliability of the testing system that the company is operating.



HIGHLIGHT: NEW PRODUCT DEVELOPMENT AND QUALITY MANAGEMENT

QUALITY IS A STRATEGY

NOT JUST A SLOGAN



New product development and quality management at Traphaco are not two parallel activities but two closely connected pillars within a unified strategy.

Every product launched is the result of a serious research process, systematic technological investment, and operation within a strictly controlled quality system.

The year 2025 marks an important step for Traphaco in its journey to elevate its product portfolio and affirm its position as a pharmaceutical enterprise developed based on science and quality. This is not only the foundation for sustainable growth but also Traphaco's long-term commitment to community health and the trust of Vietnamese consumers.

RESULTS OF NEW PRODUCT RESEARCH & DEVELOPMENT



76%



MESSAGE FROM THE CHAIRMAN OF THE BOARD OF DIRECTORS

Dear Valued Shareholders,

On behalf of the Board of Directors, I would like to extend my sincere greetings and best wishes for good health, prosperity, and continued success to all our shareholders, partners, and employees as we enter the new year 2026.

As the start of the year and the Annual General Meeting of Shareholders, this is a suitable moment to reflect on the journey of 2025 and the achievements of the past term.



The year 2025 was marked by significant global volatility. In Vietnam, changes in the political environment, administrative boundaries, and in particular the implementation of revised pharmaceutical and tax regulations, together with increasingly stringent quality standards, posed considerable challenges for businesses. At the same time, these developments also created important opportunities for companies with strong foundations and clear strategic direction.

Against this background, 2025 was a successful year for Traphaco Joint Stock Company.



The Company achieved revenue of (Billion VND)

2,650

compared to a plan of VND 2,538 billion, exceeding the plan by 5% and increasing by 13% year-on-year.



Profit after tax reached (Billion VND)

278

versus a plan of VND 268 billion, representing 4% growth over the plan and an 8% increase compared to the previous year.

Beyond these overall results, **key strategic business segments** recorded notable achievements. Revenue from high quality non-herbal products grew by 31%, while strong development of the premium herbal medicine segment is recorded with the growth of 68%.

The Company also strengthened its product registration portfolio and expanded both revenue and product structure through technology transfer, including those implemented under Phase 3 of the program. In 2025, Traphaco has made important structural and organizational advances, including the separation of OTC and ETC business operations, the establishment of Traphaco Pharmaceutical One Member Limited Liability Company to optimize distribution activities, and the consolidation of the Board of Management to prepare for the next phase of growth. In addition, EU-GMP factory upgrade project completed its concept design phase and is expected to commence construction soon, based on strategic consensus and strong support from major shareholders.

Looking back over the past term, despite the severe challenges posed by the COVID-19 pandemic and ongoing global macroeconomic instability, Traphaco continued to achieve growth in both revenue and profit over the five-year period. Technology transfer activities recorded strong progress, and revenue from new products launched during the term is estimated to reach VND 320 billion, exceeding the initial plan by 7%. The strategic orientations set at the beginning of the term were consistently implemented and delivered positive results. The term also marked the completion of major restructuring initiatives, including the separation of traditional medicine and non-traditional medicine businesses, as well as significant progress in digital transformation through the implementation of ERP, BI, DMS, and other management information systems.

These achievements are the result of the sound orientation approved by the General Meeting of Shareholders, the close cooperation and effective coordination among major shareholders, the Board of Directors, the Executive Management, and the dedication of all employees. In the face of challenges arising from pandemics and intense market competition, Traphaco has demonstrated its resilience, strength, and the enduring value of a leading Vietnamese pharmaceutical brand. I would like to express my sincere gratitude to all generations of leaders and employees of Traphaco for their commitment and contributions in building and developing the Company over the years.

AS WE ENTER THE 2026-2030 TERM AND BEGIN A NEW YEAR FILLED WITH BOTH CHALLENGES AND OPPORTUNITIES,

TRAPHACO

IS READY TO EMBRACE A NEW PHASE OF DYNAMIC DEVELOPMENT

With a target of achieving at least 10% growth in both revenue and profit in 2026 as the first step of the new term, the Company is actively accelerating market deployment across both OTC and ETC channels, optimizing operations through digital transformation, strengthening the distribution system, and increasing investment in research and development as well as technology transfer to enhance competitiveness. Among these priorities, the EU-GMP factory project is regarded as a key strategic objective for the upcoming term. The project will upgrade production lines and expand manufacturing capacity for modern pharmaceutical products, ensuring the supply of high-quality medicines that meet the most stringent standards and contribute to improved healthcare outcomes for the Vietnamese people and society. As Vietnam continues its integration into the global economy, Traphaco will reaffirm its role as a leading pharmaceutical company, enhancing trust, brand value, and long-term value creation for society, shareholders, partners, and employees.

On behalf of the Board of Directors, I would like to express my sincere appreciation to our shareholders and partners for your continued trust, support, and commitment. We firmly believe that, with close cooperation among Mirae Asset, Daewoong Pharmaceutical together with SCIC, the Company will continue to grow sustainably and deliver increasing value in the years ahead.

Wishing Traphaco continued success and new milestones in the coming year.

Sincerely,

Chung ji kwang

Chairman of the Board of Directors
Traphaco Joint Stock Company





MESSAGE FROM THE CHIEF EXECUTIVE OFFICER



Dear Shareholders, Investors, and all employees,



The year 2025 closed with many special milestones for Traphaco. This is the final year of the 2021-2025 term, a highly volatile but very proud period, during which Traphaco has maintained its internal strength, consolidated its foundation, and gradually formed new growth drivers for the future.

In 2025, Traphaco recorded positive business results with consolidated net revenue reaching 2,657 billion VND, fulfilling 105% of the plan, an increase of 13% compared to 2024; consolidated profit after tax reached 278 billion VND, fulfilling 104% of the plan, up 8% over the previous year. This is the highest revenue growth rate in the 2021-2025 term, marking a clear breakthrough in scale and growth quality, establishing a development foundation for the next term.



Consolidated net revenue achieving a compound annual growth rate of

6.8%



Consolidated profit before tax achieving a compound annual growth rate of

5.4%



Gross profit margin maintained around

53.6%



Cash dividend payout ratio sustained at

30% - 40%

ensuring practical benefits for shareholders.

Dear ladies and gentlemen!

One of the biggest milestones of 2025 is the comprehensive restructuring of the distribution and logistics system. The establishment of Traphaco Pharmaceutical One Member LLC to specialize in logistics, along with streamlining the OTC business system, eliminating 26 tier-2 branches, and delegating stronger autonomy to tier-1 branches, not only helps reduce costs, optimize operational processes, and increase the speed of market response, but also creates a more modern management foundation for the next growth phase. In parallel with the restructuring, Traphaco's digital transformation journey in 2025 has deepened. From management software to the application of AI/Machine Learning in business data analysis and medicinal herb testing, Traphaco is gradually forming a modern, transparent, and data-driven management model.

The company continues to steadfastly pursue the strategy of "Maintaining the No. 1 position in herbal medicine - Investing in the development of non-herbal medicine", through Marketing and communication orientation activities, to build Traphaco into a brand of "Premium herbal medicine - High-quality non-herbal medicine". Thereby, promoting continuous high growth of strategic product groups: In 2025, the premium herbal medicine group increased by 68%, the high-quality non-herbal medicine group increased by 31%; the technology transfer product group increased by 64%, which are the growth poles for Traphaco in the future. Along with that, the EU-GMP factory project at Traphaco Hung Yen has completed important preparation steps, opening the foundation for Traphaco to advance deeper into high-quality segments and the ETC channel in the future.

The year 2025 also recorded clear progress in research and development, technology transfer, and quality management. During the year, Traphaco launched 18 new products to the market, bringing in 50.6 billion VND in sales (exceeding the plan by 41%). New products deployed over 5 years (From 2021 to 2025) have contributed up to 320.3 billion VND (12% of total revenue in 2025). We have an additional 06 products achieving Bioequivalence (BE) and 03 First Generic products granted registration numbers. The total number of registrations and ownership announcements reached a record high of 313 numbers.

Looking broadly at the entire 2021-2025 term, Traphaco has maintained a stable growth trajectory amidst a highly volatile context, with consolidated net revenue and profit before tax achieving a compound annual growth rate of 6.8% and 5.4%, respectively; gross profit margin maintained around 53.6%; cash dividend payout ratio sustained at 30% - 40%, ensuring practical benefits for shareholders. More importantly, the past term has marked the increasingly clear formation of a multi-pillar growth model. Traphaco continues to maintain its leading position in herbal medicine, while gradually building high-quality non-herbal medicine to become a new growth driver. The proportion of the non-herbal medicine product group has increased significantly; the sales model has gradually shifted from heavily relying on the traditional pharmacy channel to an integrated multi-channel structure; subsidiaries, factories, research and development capacity, technology transfer, supply chain, and quality management have all been strongly upgraded. These results show that Traphaco has created a foundation that is stronger, more modern, and more ready for major goals.



MESSAGE FROM THE CHIEF EXECUTIVE OFFICER



Dear ladies and gentlemen!

Traphaco enters 2026 with the position of a leading pharmaceutical enterprise in Vietnam in terms of production scale, profound distribution system, prestigious brand, and especially a team of employees with qualifications and experience in the pharmaceutical industry who are dedicated to the company. Traphaco clearly sees new opportunities from market shifts as the legal framework becomes increasingly complete, compliance requirements get higher, and the pharmaceutical market continues to undergo strong screening. This is a period where enterprises with good governance, established systems, and control capabilities to ensure quality will have an advantage. But that is an advantage that will not last forever. As other businesses gradually perfect their systems to meet legal regulations, this gap will close very quickly. Therefore, activities to transform opportunities coming from the enterprise's advantages that can be done immediately and quickly must be implemented right away. It is necessary to seek solutions and operational methods so that Traphaco can fill "market gaps" as quickly as possible.



Exactly from that awareness, Traphaco has chosen the action message for 2026 as

ACCELERATED EXECUTION BREAKTHROUGH PRODUCTIVITY

This is not just a management slogan, but a practical requirement for the entire system: we must act faster, more decisively, more cohesively, and create higher productivity in every stage: Marketing, Research, Production, Quality Assurance, Business, and Management. Speed here does not mean rushing; it means shortening the time from identifying an opportunity to organizing its implementation. Productivity here is not just about output; it is productivity in decision-making, in coordination, in implementation methods, in creative application of digital transformation, and in final effectiveness.

In 2026, Traphaco sets a growth target of 10%, specifically, net revenue of 2,923 billion VND, consolidated profit after tax of 306 billion VND, based on a multi-channel development model leveraging brand advantage and the strength of the traditional pharmacy channel, with growth breakthroughs coming from: modern sales channels at 30%, hospital channel growth at 15%, high-quality non-herbal medicine group growth at 40%, in which technology transfer products strive to increase by 200% compared to 2025.

To realize these goals, Traphaco focuses on four major management directions:

<p>Developing mindset and the team</p> <p>Execution speed comes from a team with shared awareness, shared action standards, and shared spirit of accountability. Therefore, leveraging experience and developing a mid-level management team with a decisive spirit and execution capability must be an enterprise priority.</p>	<p>Accelerating R&D and technology transfer</p> <p>as a core growth axis. Traphaco needs to further accelerate with bioequivalent products, first generics, technology transfer products, and highly scientific specialized portfolios. This is the path to elevate revenue quality, expand room in the ETC channel, and increase substantial competitive capacity.</p>	<p>implementing the EU-GMP project with a decisive spirit and schedule discipline</p> <p>The OSD solid dosage drug factory project at Traphaco Hung Yen has an expected capacity of 900 million tablets/year, with a total investment of 698 billion VND. To achieve the goal of coming into operation in 2029, the year 2026 needs to concretize the plan, complete procedures, and commence construction according to the roadmap. This is a project that unlocks the future for Traphaco in higher-quality segments.</p>	<p>applying AI to increase productivity across the entire value chain</p> <p>AI must enter forecasting, sales, data management, production, and quality control, to reduce manual operations, increase processing speed, and enhance decision quality. When the market fluctuates rapidly, the enterprise that makes decisions faster based on good data will have a greater advantage.</p>

Growth through execution capability

What the market expects from Traphaco in the coming period is not only scale growth, but a breakthrough in stature. Not only better business results, but stronger competitive capability. Not only the stability of a leading enterprise, but the upward aspiration of a Vietnamese brand that can shape new standards for the pharmaceutical and healthcare industry.

I believe that, with a tradition of 54 years of experience operating in the pharmaceutical industry, always wishing to dedicate and create green products with high effectiveness and quality, our employees will always explore and innovate to contribute to the company's development, maintaining the pioneering position in medicinal herb development, scientific research, dosage form technology innovation, and digital transformation application to make Traphaco: **The leading pharmaceutical enterprise in Vietnam in the comprehensive research and development of healthcare products for Vietnamese people.**

On behalf of the Executive Board, I would like to respectfully thank the companionship, trust, and support of Shareholders and Investors; and thank the sense of responsibility, perseverance, effort, and aspiration to dedicate of all employees across the entire system. It is that very consensus that is the most important foundation for Traphaco to be steadfast today and breakthrough in the coming period.

With the consolidated foundation, the shaped strategy, and the new growth drivers becoming increasingly clear, we have full grounds to believe that: Traphaco will continue to breakthrough, develop faster, and create more sustainable value for shareholders, investors, employees, and the community in the new phase.

Sincerely,



Ms., MBA. Dao Thuy Ha
Chief Executive Officer



01.

OVERVIEW OF TRAPHACO

- 32 Overview of Traphaco
- 34 The establishment and development history
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- 44 Introduction of the Board of Management
- 48 Introduction of the Board of Supervisors





OVERVIEW OF TRAPHACO



Over 50 years of establishment & development,

TRAPHACO has become

the NO. **1** PHARMACEUTICAL BRAND IN VIETNAM PHARMACEUTICAL INDUSTRY



TRAPHACO

JOINT STOCK COMPANY

was established on **November 28th, 1972**

Headquarter: 75 Yen Ninh, Ba Dinh Ward, Hanoi, Vietnam
Office: Hoang Liet Factory
Alley 15, Ngoc Hoi Street, Yen So Ward, Hanoi, Vietnam



05

Subsidiaries



03

GMP-Standard pharmaceutical and health supplement manufacturing plants



1.000⁺

Hospital and healthcare institution customers



13

GACP-WHO Standard medicinal herb cultivation/harvesting areas



30.000⁺

Pharmacy customers nationwide



01

GMP-Standard medicinal herb extraction plant



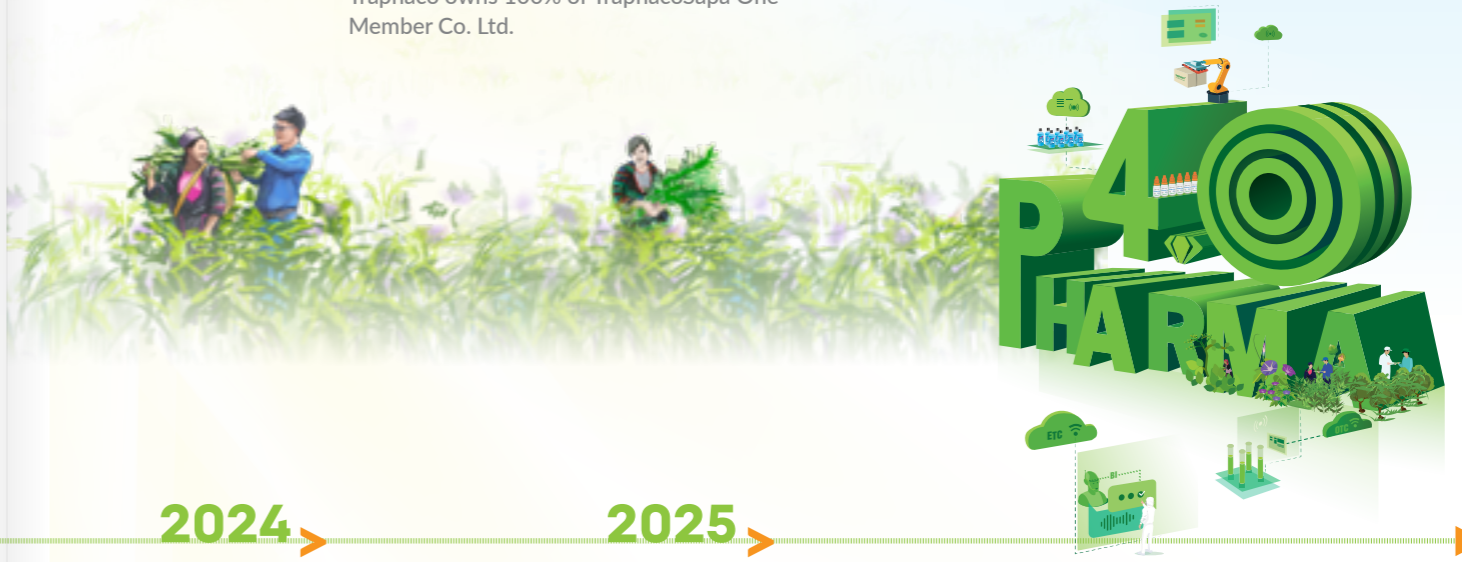
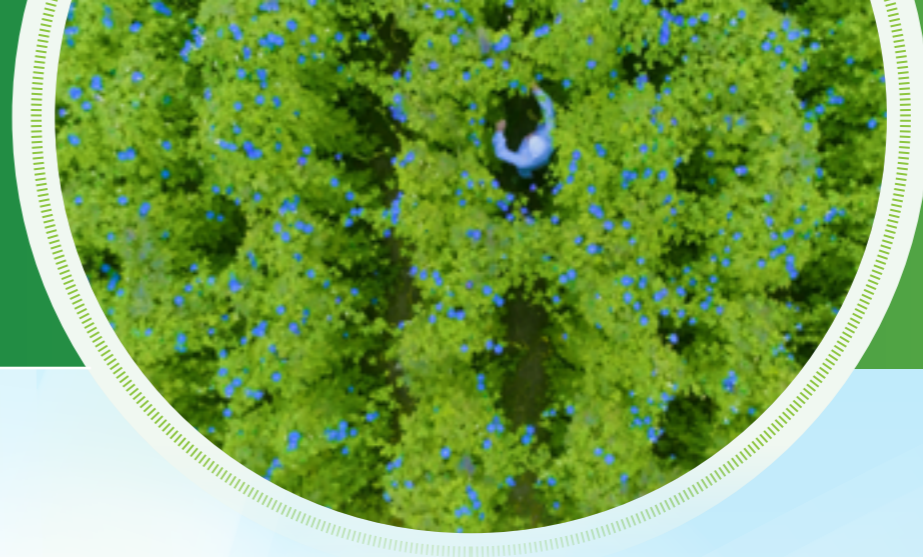
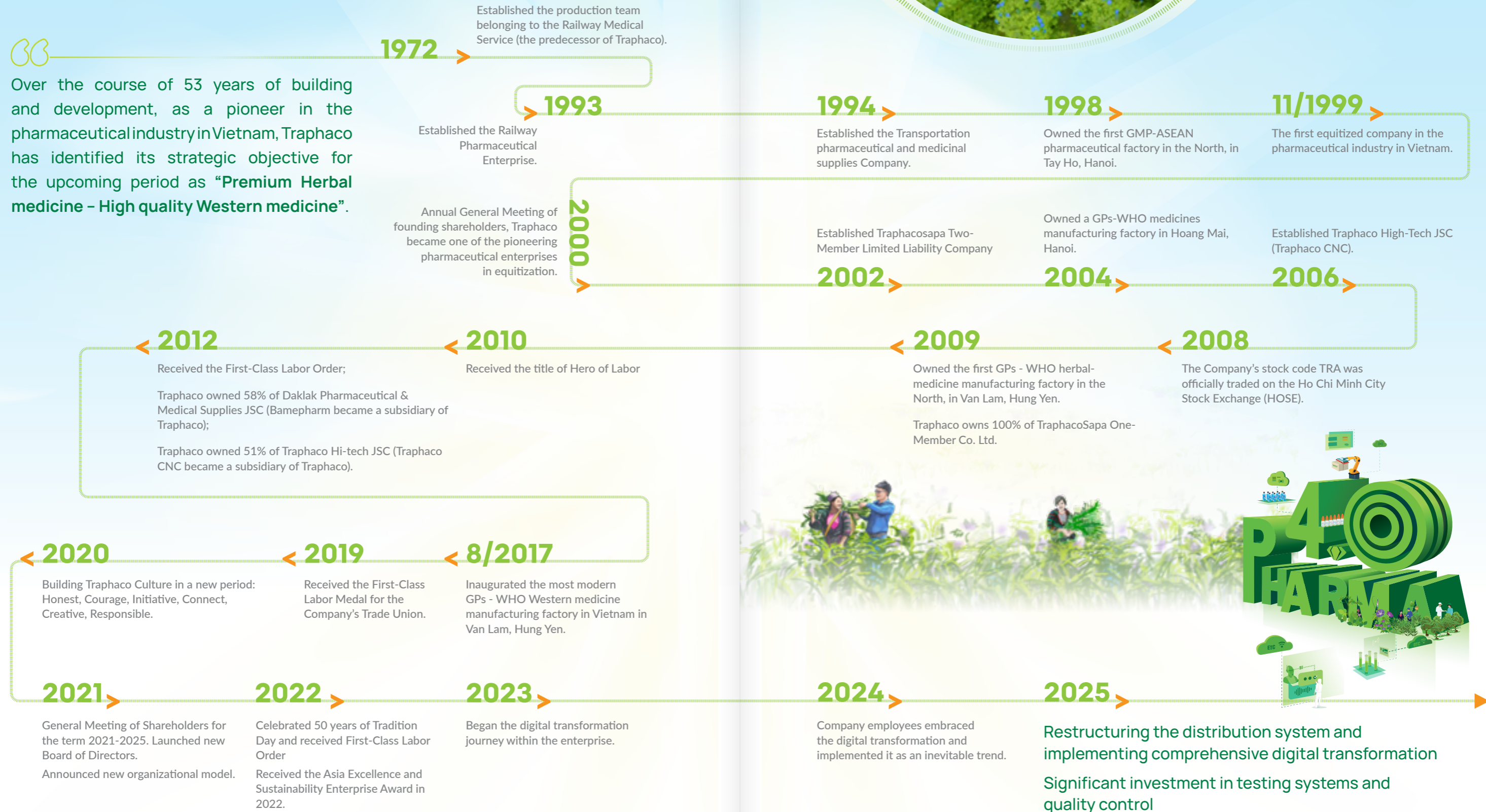
02

Branches nationwide



THE ESTABLISHMENT AND DEVELOPMENT HISTORY

Over the course of 53 years of building and development, as a pioneer in the pharmaceutical industry in Vietnam, Traphaco has identified its strategic objective for the upcoming period as “Premium Herbal medicine – High quality Western medicine”.





BUSINESS LINES & BUSINESS LOCATIONS

BUSINESS LINES

- Manufacture of pharmaceuticals, chemical pharmaceuticals and medicinal materials
- Distillation, rectification and blending of spirits
- Manufacture of beer and malt
- Manufacture of non-alcoholic beverages and mineral water
- Wholesale of beverages
- Other professional, scientific and technological activities not elsewhere classified
- Manufacture of other food products not elsewhere classified
- Wholesale of food products
- Manufacture of cosmetics, soap, detergents, polishing and cleansing preparations
- Wholesale of other household goods
- Other specialized wholesale not elsewhere classified
- Wholesale of machinery, equipment and other machine parts
- Manufacture of basic chemicals
- Other business support service activities not elsewhere classified
- Manufacture of medical, dental, orthopedic and rehabilitation equipment and supplies
- Cultivation of spices, medicinal plants and perennial aromatic plants
- Retail sale of pharmaceutical products, medical equipment, cosmetics and hygiene products in specialized stores
- Retail sale of food in specialized stores
- Retail sale via mail order houses or via the Internet (excluding auction activities)
- Technical testing and analysis
- Agents, brokers and auctioneers of goods
- Organization of trade promotion and commercial introduction activities



BUSINESS LOCATIONS

30+

Ngàn khách hàng nhà thuốc và 2 chi nhánh trên toàn quốc

1,000+

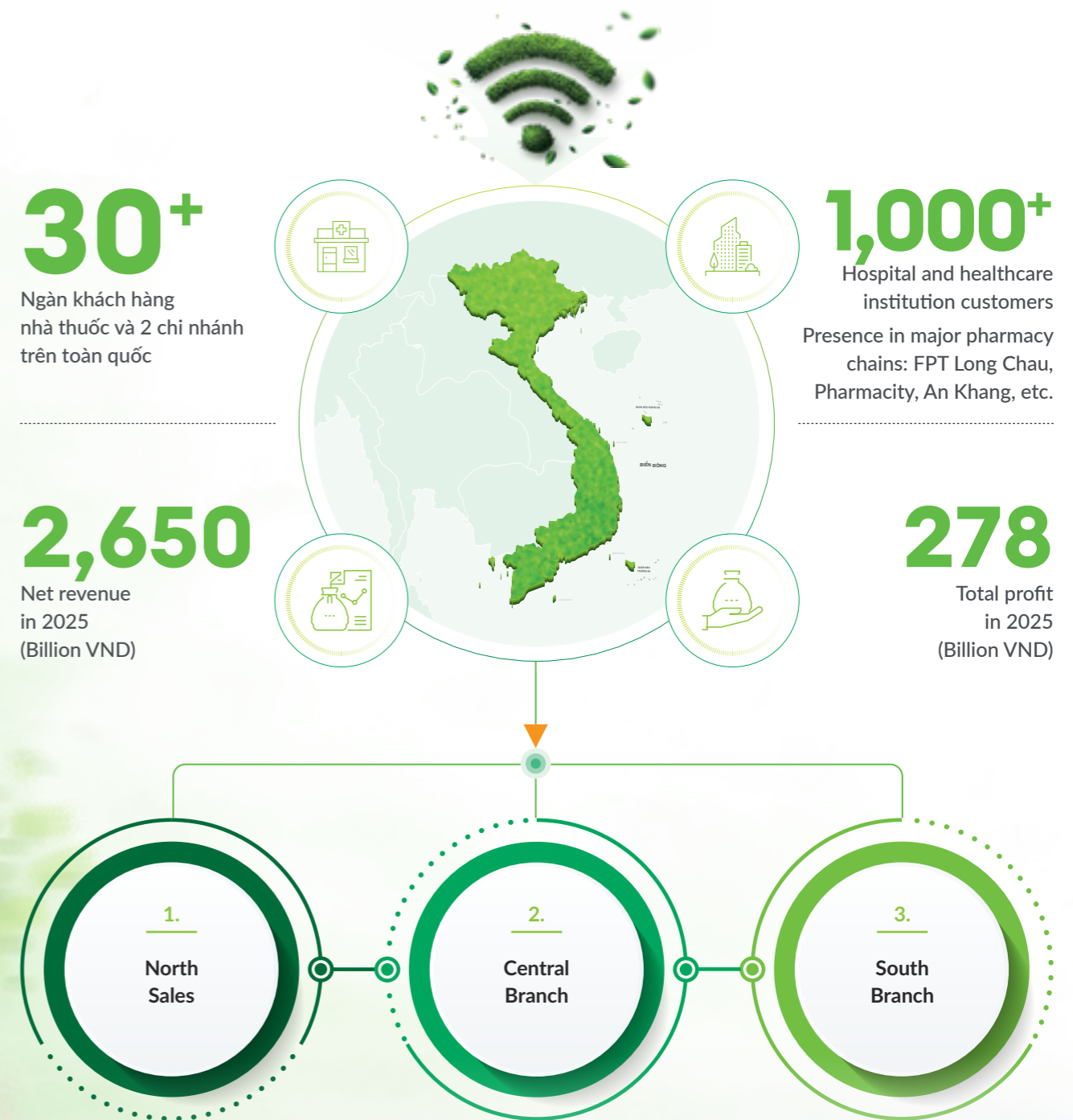
Hospital and healthcare institution customers
Presence in major pharmacy chains: FPT Long Chau, Pharmacity, An Khang, etc.

2,650

Net revenue in 2025 (Billion VND)

278

Total profit in 2025 (Billion VND)





SUBSIDIARIES OF TRAPHACO

01.

TRAPHACOSAPA ONE-MEMBER COMPANY (Traphaco Sapa)



Traphaco's ownership proportion:



Charter capital (VND): **25,000,000,000**

Headquarter:

Group 2, Sapa Ward, Lao Cai Province.

Main functions:

Toll-manufacturing raw materials, input medicine, GACP research practice of Traphaco. At the same time, it is the center for developing the medicinal plantation zones to supply raw materials for Traphaco.

02.

TRAPHACO HUNG YEN LIMITED COMPANY (Traphaco HY)



Traphaco's ownership proportion:



Charter capital (VND): **25,000,000,000**

Headquarter:

Binh Luong Hamlet, Nhu Quynh Commune, Hung Yen Province.

Main functions:

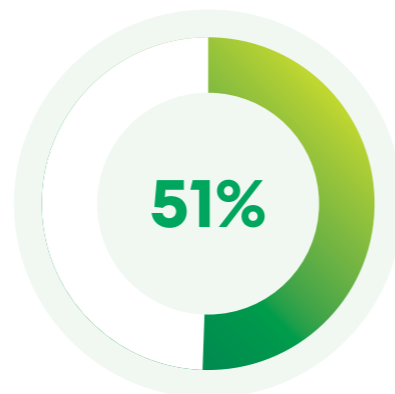
Manufacturing medicines, pharmaceuticals.

03.

TRAPHACO HIGH TECHNOLOGY JOINT STOCK COMPANY (Traphaco CNC)



Traphaco's ownership proportion:



Charter capital (VND): **113,643,250,000**

Headquarter:

Binh Luong Hamlet, Nhu Quynh Commune, Hung Yen Province.

Main functions:

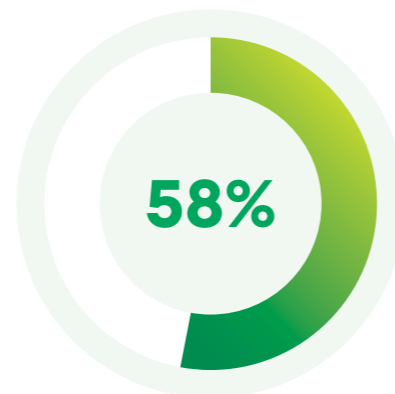
Toll-manufacturing products and finished products of Traphaco.

04.

DAKLAK PHARMACEUTICAL MEDICAL SUPPLIES JOINT STOCK COMPANY (Bamepharm)



Traphaco's ownership proportion:



Charter capital (VND): **19,415,880,000**

Headquarter:

9A Hung Vuong, Buon Ma Thuot Ward, Daklak Province.

Main functions:

Specializing in distribution of pharmaceutical products - medical supplies in 02 provinces of Daklak and Dak Nong.

05.

TRAPHACO PHARMACEUTICAL ONE MEMBER LIMITED COMPANY (Traphaco Pharma)



Traphaco's ownership proportion:



Charter capital (VND): **40,000,000,000**

Headquarter:

Alley 15, Ngoc Hoi Street, Yen So Ward, Hanoi, Vietnam

Main functions:

All logistics operations (storage, warehousing, delivery, payment collection)

HOANG LIET FACTORY



Address:

Alley 15, Ngoc Hoi Street, Yen So Ward, Hanoi, Vietnam

Function:

- Manufacturing of food products and cosmetics, including the following dosage forms: tablets, film-coated tablets, hard capsules, soft capsules, granules, powders, probiotic granules, probiotic powders, solutions, suspensions, ointments, and creams.
- Management of production equipment.
- Implementation of innovation initiatives, production optimization, and application of scientific and technological advancements in manufacturing.

Subsidiaries of Traphaco:

- TraphacoSapa One-Member Company
- Traphaco Hung Yen Limited Company
- Daklak Pharmaceutical Medical Supplies Joint Stock Company
- Traphaco High Technology Joint Stock Company
- Traphaco Pharmaceutical One Member Limited Company



INTRODUCTION OF THE BOARD OF DIRECTORS



Mr. **CHUNG JI KWANG**
Chairman of the Board of Directors



Mr. **NGUYEN PHU KHANH**
Vice Chairman of the Board of Directors



Mr. **TRAN TUC MA**
Member of Board of Directors

Date of birth: June 21st, 1974

Nationality: South Korean

Qualification: Bachelor of Business Administration

Employment history:

March 2021- present: Chairman of the Board of Directors, Traphaco Joint Stock Company

March 2020 - March 2021: Member of the Board of Directors, Traphaco Joint Stock Company

2017 - present: Managing Director – New Growth Investment Department, Mirae Asset Capital Co. Ltd.

2016 - 2017: Team Leader, Post-Merger Integration Group, Mirae Asset Securities

2005 - 2015: Senior Manager, Investment Banking Division, Mirae Asset Securities

2003 - 2005: Senior Manager, Investment Banking Division, Woori Securities

Positions assigned in other organizations:

Managing Director – New Growth Investment Department, Mirae Asset Capital Co. Ltd.

Date of birth: September 24th, 1981

Nationality: Vietnamese

Qualification: Master of Economics

Employment history:

May 2022 – present: Vice Chairman of the Board of Directors - Traphaco JSC

August 2006 – present: Specialist, Deputy Head of State Capital Investment Corporation (SCIC)

June 2020 – May 2022: Chairman of the Board of Directors, Labor and Technical Experts Import-Export Joint Stock Company

April 2014 - March 2020: Deputy General Director, General Director, BOD members of Trang Tien Trading Investment Co., Ltd.

Positions assigned in other organizations:

December 2022 – present: BOD members, Vice Chairman of the Board of Directors, Dien Bien Trading, Tourism and General Services Joint Stock Company.

Date of birth: June 17th, 1965

Nationality: Vietnamese

Qualification: Master of Pharmacist

Employment history:

June 2025 - November 9th, 2025: Member of the Board of Directors; Chief Executive Officer, Traphaco Joint Stock Company

April 2016 - May 2025: Secretary of the Party Committee; Member of the Board of Directors; Chief Executive Officer, Traphaco Joint Stock Company

March 2011 - March 2016: Secretary of the Party Executive Committee, Vice Chairman of the Board of Directors, Chief Executive Officer, Traphaco Joint Stock Company

June 2010 - February 2011: Secretary of Party Executive Committee, Member of Board of Directors, Deputy CEO in charge of Sales, Traphaco Joint Stock Company

April 2006 - May 2010: Member of Board of Directors, Deputy CEO in charge of Sales, Traphaco Joint Stock Company

January 2005 - March 2006: Member of Board of Directors, Deputy Director in charge of Sales, Traphaco Joint Stock Company

March 2003 - December 2004: Chairman of the Board of Supervisors, Head of Sales Department of Traphaco Joint Stock Company

November 2000 - February 2003: Head of Sales Department, Traphaco Joint Stock Company

May 1997 - October 2000: Deputy Head of Quality Control Department, Traphaco Joint Stock Company

January 1994 - April 1997: Staff at Sales Department, Traphaco Joint Stock Company

September 1992 - December 1993: Staff at Sales Department - Hanoi Railway Pharmaceutical Company

March 1990 - August 1992: Staff at Experimental Institute - Ministry of Health

Positions assigned in other organizations:

Chairman of the Board of Directors at Traphaco Hung Yen Co. Ltd





INTRODUCTION OF THE BOARD OF DIRECTORS



Mrs. **DAO THUY HA**
Member of the Board of Directors



Mr. **JUNWOO CHA**
Member of the Board of Directors



Mr. **DINH QUANG HOA**
Member of the Board of Directors



Mr. **KIM DONG HYU**
Member of the Board of Directors

Date of birth: June 6th, 1975

Nationality: Vietnamese

Qualification: Master of Pharmacist, Master of Business Administration

Employment history:

November 10th, 2025 - Present: Member of the Executive Committee of the Party Committee; Head of the Inspection Commission of the Party Committee; Secretary of Hoang Liet Party Cell; Member of the Board of Directors; Chief Executive Officer, Traphaco Joint Stock Company

July 2022 - November 9th, 2025: Member of the Executive Committee of the Party Committee; Secretary of Hoang Liet Party Cell; Member of the Board of Directors; Deputy General Director of Sales & Marketing, Traphaco Joint Stock Company

November 2021 - June 2022: Member of the Executive Committee of the Party Committee; Member of the Board of Directors; Deputy General Director of Sales & Marketing, Traphaco Joint Stock Company

April 2021 - October 2021: Member of the Executive Committee of the Party Committee; Member of the Board of Directors; Deputy General Director, Traphaco Joint Stock Company

July 2020 - March 2021: Member of the Executive Committee of the Party Committee; Marketing Director cum Marketing Department Head, Traphaco Joint Stock Company

November 2018 - June 2020: Marketing Director cum Marketing Department Head, Traphaco Joint Stock Company

January 2008 - October 2018: Marketing Department Head, Traphaco Joint Stock Company

January 2005 - December 2007: Director Assistant; Staff of Research & Development Department, Traphaco Joint Stock Company

July 2001 - December 2004: Staff of Research & Development Department, Traphaco Joint Stock Company

September 1996 - June 2001: Planning Department, TraphacoCapital Co. Ltd.

Date of birth: June 12th, 1984

Nationality: South Korean

Qualification: Bachelor of Business Administration

Employment history:

April 2024 - present: Member of the Board of Directors, Traphaco Joint Stock Company

January 2023 - present: Member of the Board of Directors, Daewoong Philippines; Director, Daewoong Thailand

July 2021 - present: Representative Chief, Daewoong Vietnam

April 2020 - present: Global Business Team Leader, Daewoong Pharmaceutical Group

October 2013 - March 2020: Regional Business Manager, Dongwha Pharm

January 2012 - September 2013: International Business Specialist, Aju Pharm

Date of birth: August 6th, 1986

Nationality: Vietnamese

Qualification: Bachelor of Business Administration, Bachelor of Law

Employment history:

March 2023 - present: Member of Board of Directors - Traphaco Joint Stock Company

May 2018 - present: Chairman of the Board of Members, Trang Tien Trading Investment Company Limited Liability Company

May 2008 - present: Investment Specialist, Executive Secretary, Deputy Office Director, Office Director, State Capital Investment Corporation

Positions assigned in other organizations:

Chairman of the Board of Members, Trang Tien Trading Investment Company Limited Liability Company

Date of birth: December 25th, 1981

Nationality: South Korean

Qualification: Bachelor of Biotechnology

Employment history:

November 2021 - present: Member of the Board of Directors; Deputy General Director of ETC & SPKT, Traphaco Joint Stock Company

October 2019 - October 2021: Member of the Board of Directors; Deputy General Director, Traphaco Joint Stock Company

July 2018 - September 2019: Member of the Board of Directors, Traphaco Joint Stock Company

July 2016 - July 2018: Representative Chief, Daewoong Pharmaceutical Group - Vietnam Office

April 2015 - June 2016: Planning - Marketing Team Leader, Daewoong Pharmaceutical Group

April 2013 - March 2015: Business Development Team Leader, Daewoong Pharmaceutical Group

December 2008 - March 2013: Finance, Planning Team Leader, Daewoong Pharmaceutical Group



INTRODUCTION OF THE BOARD OF MANAGEMENT



Mr. **TRAN TUC MA**
Chief Executive Officer (until November 9th, 2025)

Date of birth: June 17th, 1965

Nationality: Vietnamese

Qualification: Master of Pharmacist

Employment history:

June 2025 - November 9th, 2025: Member of the Board of Directors; Chief Executive Officer, Traphaco Joint Stock Company

April 2016 - May 2025: Secretary of the Party Committee; Member of the Board of Directors; Chief Executive Officer, Traphaco Joint Stock Company

March 2011 - March 2016: Secretary of the Party Executive Committee, Vice Chairman of the Board of Directors, Chief Executive Officer, Traphaco Joint Stock Company

June 2010 - February 2011: Secretary of Party Executive Committee, Member of Board of Directors, Deputy CEO in charge of Sales, Traphaco Joint Stock Company

April 2006 - May 2010: Member of Board of Directors, Deputy CEO in charge of Sales, Traphaco Joint Stock Company

January 2005 - March 2006: Member of Board of Directors, Deputy Director in charge of Sales, Traphaco Joint Stock Company

March 2003 - December 2004: Chairman of the Board of Supervisors, Head of Sales Department of Traphaco Joint Stock Company

November 2000 - February 2003: Head of Sales Department, Traphaco Joint Stock Company

May 1997 - October 2000: Deputy Head of Quality Control Department, Traphaco Joint Stock Company

January 1994 - April 1997: Staff at Sales Department, Traphaco Joint Stock Company

September 1992 - December 1993: Staff at Sales Department - Hanoi Railway Pharmaceutical Company

March 1990 - August 1992: Staff at Experimental Institute - Ministry of Health

Positions assigned in other organizations:

Chairman of the Board of Directors at Traphaco Hung Yen Co. Ltd



Mrs. **DAO THUY HA**
Chief Executive Officer (from November 10th, 2025)

Date of birth: June 6th, 1975

Nationality: Vietnamese

Qualification: Master of Pharmacist, Master of Business Administration

Employment history:

November 10th, 2025 - Present: Member of the Executive Committee of the Party Committee; Head of the Inspection Commission of the Party Committee; Secretary of Hoang Liet Party Cell; Member of the Board of Directors; Chief Executive Officer, Traphaco Joint Stock Company

July 2022 - November 9th, 2025: Member of the Executive Committee of the Party Committee; Secretary of Hoang Liet Party Cell; Member of the Board of Directors; Deputy General Director of Sales & Marketing, Traphaco Joint Stock Company

November 2021 - June 2022: Member of the Executive Committee of the Party Committee; Member of the Board of Directors; Deputy General Director of Sales & Marketing, Traphaco Joint Stock Company

April 2021 - October 2021: Member of the Executive Committee of the Party Committee; Member of the Board of Directors; Deputy General Director, Traphaco Joint Stock Company

July 2020 - March 2021: Member of the Executive Committee of the Party Committee; Marketing Director cum Marketing Department Head, Traphaco Joint Stock Company

November 2018 - June 2020: Marketing Director cum Marketing Department Head, Traphaco Joint Stock Company

January 2008 - October 2018: Marketing Department Head, Traphaco Joint Stock Company

January 2005 - December 2007: Director Assistant; Staff of Research & Development Department, Traphaco Joint Stock Company

July 2001 - December 2004: Staff of Research & Development Department, Traphaco Joint Stock Company

September 1996 - June 2001: Planning Department, TraphacoCapital Co. Ltd





INTRODUCTION OF THE BOARD OF MANAGEMENT



Ms. **TRAN THI ANH PHUONG**
Deputy General Director of OTC Sales



Mr. **KIM DONG HYU**
Deputy General Director of ETC & SPKT



Mr. **NGUYEN HUY VAN**
Deputy General Director of Research and Quality



Mr. **PHAM HOANG ANH**
Deputy General Director of Finance and Planning

Date of birth: December 25th, 1970

Nationality: Vietnamese

Qualification: Thạc sĩ Dược học

Employment history:

January 2025 - present: Deputy Secretary of the Party Committee; Deputy General Director of OTC Sales; Chairwoman of the Trade Union, Traphaco Joint Stock Company

December 2021 - December 2024: Head of the Inspection Commission of the Party Committee; Head of Northern Sales Department; Chairwoman of the Trade Union, Traphaco Joint Stock Company

August 2013 - November 2021: Head of Sales Department, Traphaco Joint Stock Company

November 2006 - July 2013: Deputy Head of Sales Department, Traphaco Joint Stock Company

December 1994 - October 2006: Staff of Sales Department, Traphaco Joint Stock Company

Date of birth: December 25th, 1981

Nationality: South Korean

Qualification: Bachelor of Bio-Technology

Employment history:

November 2021 - present: Member of the Board of Directors; Deputy General Director of ETC & SPKT, Traphaco Joint Stock Company

October 2019 - October 2021: Member of the Board of Directors; Deputy General Director, Traphaco Joint Stock Company

July 2018 - September 2019: Member of the Board of Directors, Traphaco Joint Stock Company

July 2016 - July 2018: Representative Chief, Daewoong Pharmaceutical Group - Vietnam Office

April 2015 - June 2016: Planning - Marketing Team Leader, Daewoong Pharmaceutical Group

April 2013 - March 2015: Business Development Team Leader, Daewoong Pharmaceutical Group

December 2008 - March 2013: Finance, Planning Team Leader, Daewoong Pharmaceutical Group.

Date of birth: March 10th, 1967

Nationality: Vietnamese

Qualification: Doctor of Pharmacy

Employment history:

June 2025 - present: Secretary of the Party Committee; Deputy General Director of Research & Quality, Traphaco Joint Stock Company

January 2022 - May 2025: Deputy Secretary of the Party Committee; Deputy General Director of Research & Quality, Traphaco Joint Stock Company

May 2015 - December 2021: Deputy Secretary of the Party Committee; Deputy General Director of Research and Development, Traphaco Joint Stock Company

April 2011 - April 2015: Deputy General Director of Research and Development, Traphaco Joint Stock Company

April 2006 - March 2011: Member of the Board of Directors; Deputy General Director of Research and Development, Traphaco Joint Stock Company

January 2005 - March 2006: Member of the Board of Directors; Deputy Director of Research and Development, Traphaco Joint Stock Company

January 2000 - December 2004: Member of the Board of Directors; Head of Research and Development Department, Traphaco Joint Stock Company

July 1996 - December 1999: Head of Research and Development Department, Traphaco Pharmaceutical Company

July 1995 - June 1996: Deputy Head of Marketing Department, Traphaco Pharmaceutical Company

June 1994 - June 1995: Staff of Sales Department, Traphaco Pharmaceutical Company

Date of birth: January 05th, 1989

Nationality: Vietnamese

Qualification: Master of Business Administration in Finance (MBA in Finance), CPA (Australia) - Australian Certified Practising Accountant, CIMA, CGMA (Chartered Global Management Accountant)

Employment history:

May 2025 - present: Member of the Executive Committee of the Party Committee; Secretary of the Yen Ninh Party Cell; Deputy General Director in charge of Finance and Planning, Traphaco Joint Stock Company

March 2022 - April 2025: Deputy General Director of Finance and Planning, Traphaco Joint Stock Company

January 2021 - March 2022: Director of Finance & Planning, Traphaco Joint Stock Company

May 2016 - December 2020: General Director Assistant, Traphaco Joint Stock Company

2012 - 2016: Specialist, Finance Department, Mobifone Telecommunications Corporation

2011-2012: General Director Assistant, PetroVietnam Oil Materials Joint Stock Company, PetroVietnam Power Corporation - PVN

Other positions held in other organizations:

Vice Chairman of the Board of Directors, Traphaco High-Tech Joint Stock Company





INTRODUCTION OF THE BOARD OF SUPERVISORS



Ms. **NGUYEN THI LUONG THANH**
Head of the Board of Supervisors

Ms. **NGUYEN THANH HOA**
Member of the Board of Supervisors

Ms. **NGUYEN THI GIANG**
Member of the Board of Supervisors

Date of birth: April 18th, 1978

Nationality: Vietnamese

Qualification: Master of Economic Management, Bachelor of Finance

Tóm tắt quá trình công tác:

April 2021 - present: Head of the Board of Supervisors, Traphaco Joint Stock Company

March 2014 - March 2021: Member of the Board of Supervisors, Traphaco Joint Stock Company

November 2009 - present: Specialist, Investment Department 3, State Capital Investment Corporation

January 2001 - October 2009: General Accountant, Chief Accountant, Hoang Dao Investment Joint Stock Company

Other positions held in other organizations:

Member of the Board of Supervisors - Ha Giang Mechanical and Mineral Joint Stock Company.

Date of birth: December 10th, 1983

Nationality: Vietnamese

Qualification: Master of Business Administration, Bachelor of Accounting, Certified Public Accountant (CPA)

Tóm tắt quá trình công tác:

2016 - present Member of the Board of Supervisors, Traphaco Joint Stock Company

2012 - present: Specialist, Risk Management Department - Risk Management Division, State Capital Investment Corporation (SCIC)

2007 - 2012: Accounting Specialist - Finance and Accounting Division, State Capital Investment Corporation (SCIC)

2006 - 2007: Accounting Specialist - Bank for Investment and Development of Vietnam (BIDV)

Other positions held in other organizations:

None.

Date of birth: November 09th, 1993

Nationality: Vietnamese

Qualification: Master of Laws, Bachelor of Business Administration

Tóm tắt quá trình công tác:

April 2024 - present: Member of the Board of Supervisors, Traphaco Joint Stock Company

September 2019 - Present: Business Development and Technology Transfer Manager - Global Business Department, Daewoong Pharmaceutical Group

July 2018 - August 2019: Strategic Planning Specialist - Strategic Planning Department, Daewoong Pharmaceutical Group

Other positions held in other organizations:

None.



02.

PRODUCTION AND BUSINESS RESULTS IN 2025 AND PLAN IN 2026

AI

- 52 Report & analysis of the Board of Management
- 61 Financial analysis 2025
- 69 Business Plan for 2026
- 70 Report on operation activities of subsidiaries

76%



REPORT & ANALYSIS OF THE BOARD OF MANAGEMENT

OVERVIEW OF THE PHARMACEUTICAL INDUSTRY IN 2025



In 2025, in the context of consolidating the administrative apparatus and synchronizing the system of legal documents, the Vietnamese economy continued to maintain its recovery momentum and positive growth. The GDP growth rate is estimated to reach 8.02%, a high level compared to the regional average, despite complex fluctuations in the world economy, global geopolitical risks, rising input material prices, and production cost pressures on enterprises.

The Vietnamese pharmaceutical market in 2025 continued to maintain stable growth, with an estimated scale of approximately 9 billion USD, equivalent to a 5% increase compared to the previous year. The growth momentum was mainly driven by the ever-increasing demand for healthcare, along with significant shifts in the legal framework and market structure.



**TRAPHACO DẪN ĐẦU
XU THẾ PHARMA 4.0**

TRONG SẢN XUẤT DƯỢC PHẨM

PRODUCTION AND BUSINESS RESULTS IN 2025



2,657

Consolidated net revenue (Billion VND)



18

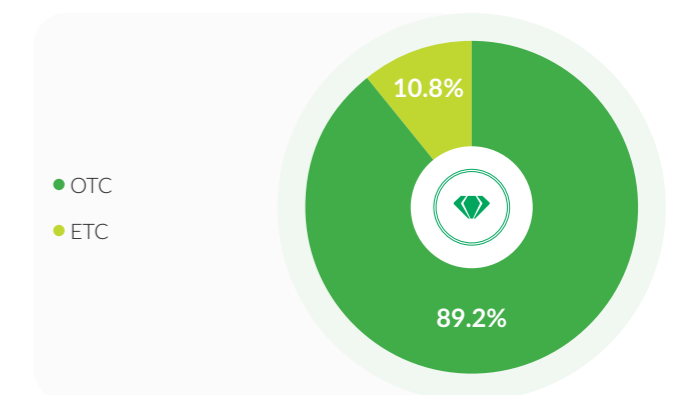
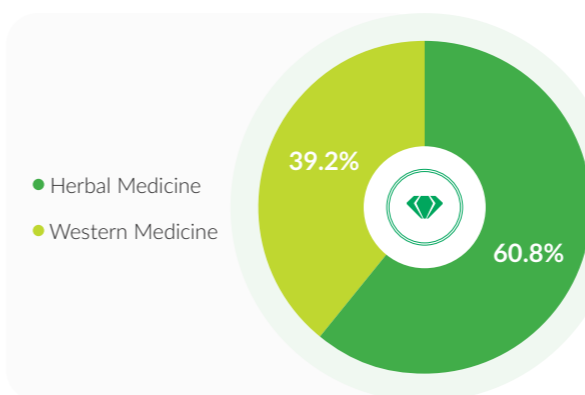
Number of new products to be produced and launched to the market



No.	Indicator	ĐVT	Plan of 2025	Results in 2025	% Actual/Plan	Growth compared to 2024
1	Consolidated net revenue	Billion VND	2,538	2,657	105%	13%
2	Consolidated profit (after tax)		268	278	104%	8%
3	Number of new products to be produced and launched to the market	product	12	18	150%	30%
4	Sales of new products to market (2021-2025)	Billion VND	300	320,3	107%	45%
5	Sales of new products to market	registration/announcement number	302	313	104%	8%

(According to consolidated financial statements)

Proportion of revenue segments:





REPORT & ANALYSIS OF THE BOARD OF MANAGEMENT

MAJOR ACTIVITIES OF THE COMPANY IN 2025

The year 2025 witnessed significant changes in Vietnam's pharmaceutical market, particularly the impact of the revised Pharmaceutical Law, which resulted in stricter regulatory control and a strong market consolidation as the number of drug registrations declined, while overall product quality improved. In the context of tightened regulations on taxation and e-invoicing to enhance transparency, Traphaco's Board of Management proactively, flexibly, and decisively leveraged the increasingly transparent competitive environment to drive breakthroughs in business performance.

In 2025, the Board of Management implemented the Resolution of the General Meeting of Shareholders dated April 18, 2025, along with directives from the Board of Directors, focusing on comprehensive restructuring, operational modernization, digital transformation, and strengthening core capabilities to establish a solid foundation for long-term sustainable growth.



01.

Restructuring the Logistics and Distribution System and Streamlining the OTC Channel

In 2025, the Company implemented a strong restructuring to modernize the supply chain and optimize the business apparatus:

- **Modernizing the Logistics & Distribution Chain:** Established Traphaco Pharmaceutical One Member Limited Company (officially operational from July 2025) to serve as the national Order Fulfillment Center. Consolidating warehouses and accounting systems into a single specialized focal point has helped optimize the entire supply chain, minimize order processing time, and increase operational efficiency.
- **Streamlining the OTC Business System:** Traphaco streamlined its management apparatus by empowering Level-1 branches with greater autonomy. From 28 branches nationwide, Traphaco transitioned by eliminating the Level-2 branch model to focus on 3 Level-1 branches, shifting from scattered warehouses and accounting systems across the country to a single focal point. Streamlining middle management and granting proactive power to Level-1 branches not only significantly reduced operating costs but also shortened the decision-making process, making the apparatus more responsive and elite in the face of market fluctuations.

02.

Promoting Digital Transformation and applying technology to improve operational productivity and governance quality



Comprehensive digitalization of the operating system:

- Implemented Labo management software (LMS), Base digital office, electronic contracts for OTC customers, and an AI Chatbot system for smart sales support
- Developed Lalalab software for chemical and reagent management, and an experimental data management application Labo specifically designed to optimize the quality control department and Labo
- Completed the deployment of the Human Resources and Payroll management application, putting it into synchronized operation across the entire Company.
- Upgraded Zalo OA and mini apps, and deployed an AI Chatbot smart sales assistant to enhance customer care efficiency
- Built an online sales system platform (integrating online channels and e-commerce marketplaces)

Applying AI/Machine Learning for data governance to support decision-making:

- Applied AI in business data analysis to optimize operations and decision-making.
- Developed an AI model for classifying Polyscias fruticosa medicinal materials, which was reported at prestigious scientific conferences.

03.

Superior R&D capabilities, strong breakthrough

In 2025, Traphaco introduced 18 new products to the market, generating 50.6 billion VND in sales (exceeding the plan by 41%). New products from the 2021-2025 term contributed up to 320.3 billion VND (accounting for 12% of the total revenue in 2025). Notably, the research capacity for high-quality Western medicine was reaffirmed as an additional 06 products achieved Bioequivalence (BE) and 03 First Generic products were granted registration numbers. The total number of registrations and declarations reached a record level of 313 registration/declaration numbers.

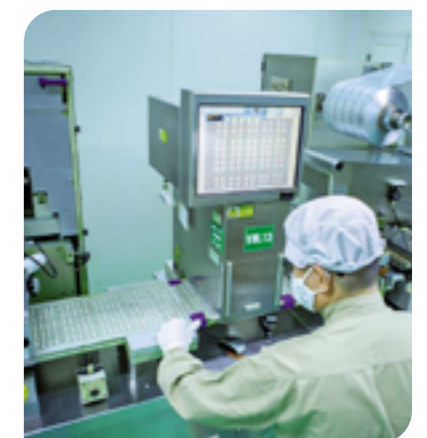
04.

Promoting Technology Transfer Activities

The technology transfer product group recorded a breakthrough revenue growth of

64%

At the Hung Yen factory, the Company completed two phases of industrial-scale technology transfer reception with experts from Daewoong (South Korea), establishing a ready foundation for the EU-GMP project.





REPORT & ANALYSIS OF THE BOARD OF MANAGEMENT

05.

Enhancing quality management

- Stably maintained 14 quality certifications, including GPs, ISO, etc.
- Invested 55 billion VND in 186 analytical devices to upgrade technology and enhance quality control capabilities
- Successfully deployed laboratory management software LMS, modernizing the laboratory information system and pioneering the application of an AI model for classifying *Polyscias fruticosa* medicinal materials, which was reported at the Analytica Vietnam Conference 2025 and the National Metrology Science and Technology Conference 2025
- Awarded a Certificate of Merit by the National Institute of Drug Quality Control in recognition of achievements in the inter-laboratory proficiency testing program.

06.

Strongly develop premium Herbal Medicine & high-quality Western Medicine, creating a structural shift between product groups

- **Premium Herbal Medicine:** Achieved impressive growth of

68%

compared to the same period, of which **Boganic Premium grew by 70%** thanks to commitment-based partnership policies and personalized communication.



- **High-quality Western Medicine:** grew by

31%

with the technology transfer group growing by 64% compared to the same period. In 2025, 6 products achieved bioequivalence testing.

The Company is actively shifting from traditional product groups to product groups with high technological content and high brand value. The simultaneous development of premium Herbal Medicine and high-quality Western Medicine also helps Traphaco step-by-step optimize its portfolio structure, reducing dependence on a single growth axis and improving revenue quality in the long term.

07.

Strong growth in modern sales channels

The Company has proactively reorganized the distribution system, boosted its presence in modern channels, and gradually expanded the model of reaching direct consumers

- The chain channel exceeded the revenue plan by 17%, growing by 23% compared to the previous year
- Strongly developed the online sales channel, expanded the B2C model and directly reached customers. The Company has deployed official stores on e-commerce platforms (Shopee, Lazada, TikTok) and on the Amazon marketplace. Revenue on e-commerce platforms in 2025 grew by 285% compared to 2024.

08.

Brand management activities and multi-channel customer service

In 2025, the Company clearly positioned Traphaco's image as a prestigious brand associated with research capabilities and innovation in treatment and healthcare products, while step-by-step rejuvenating its approach to expand coverage among the customer group aged 20 to 50.

- **ETC Channel:** Organization of specialized scientific conferences for physicians to update medical knowledge. Strengthening engagement with pharmacists and physicians through digital platforms.
- **OTC Channel:** Organization of customer appreciation conferences. Support and organization of CME training programs for pharmacy pharmacists. Launch of the competition "Pharmacies Speak About Hoat Huyet Duong Nao", attracting wide participation.
- **Pharmacy Chains Channel:** Strategic cooperation agreements with pharmacy chains. Implementation of communication campaigns, sales staff training programs, and digital/OOH advertising activities, as well as sponsorship of major events.

The Company also increased customer care efficiency using digital platforms by upgrading Zalo OA, MiniApp, and deploying AI chatbots for smart sales support. This helps the brand - marketing - sales - customer care system connect more closely, enhancing response speed, care capability, and brand presence in the digital environment.

09.

EU - GMP standard factory project

The Project Board has completed the production capacity appraisal of the Traphaco Hung Yen factory, conducted market assessment to determine the product portfolio, created conceptual designs, identified technology and designed the machinery and equipment list, developed the project financial plan, and built the implementation roadmap, with the investment policy for the project being approved by the Board of Directors.





REPORT & ANALYSIS OF THE BOARD OF MANAGEMENT

GENERAL EVALUATION









2025 can be seen as a pivotal and breakthrough year for Traphaco. In the context of the pharmaceutical market continuing to undergo strong differentiation, increased competition in the OTC channel, and the rapid development of modern sales channels and e-commerce, alongside increasingly high requirements for quality, transparency, and compliance, the Company proactively implemented a series of structural system changes instead of focusing only on short-term growth.

The highlight of 2025 is that Traphaco simultaneously carried out the restructuring of its distribution and logistics systems; promoted digital transformation, developed a strategic product portfolio, enhanced research and development, technology transfer, and quality management capabilities, while effectively expanding the multi-channel sales model and strengthening brand management and customer care activities. These movements show that the Company is shifting from a growth model based mainly on traditional coverage to a growth model based on operational capacity, quality management, technology application, data analysis, and brand value.

The Company completed and exceeded key targets for revenue and profit; many strategic product groups and modern sales channels grew positively; internal capabilities continued to be consolidated in terms of research and development, quality management, supply chain, and operational organization. This has created an important foundation for Traphaco to enter a new development phase with a leaner operating model, higher competitiveness, and more sustainable growth potential in the following years.



The Company recorded several positive results:

-  The Company was flexible, creative, and adaptive to market conditions, maintaining the No. 1 market share in the Brain Tonic, Liver Tonic, and Hemorrhoid Treatment groups (According to IQVIA)
-  **The premium Herbal Medicine group achieved an impressive growth rate of 68%** compared to the same period, notably Boganic Premium (up 70%) and Cebraton Premium (up 63%).
-  **The high-quality Western Medicine group** (technology transfer goods) grew by 64%.
-  Revenue from **the Chain channel grew by 23%** compared to the same period (exceeding the annual plan by 17%), succeeding in developing exclusive products for chain systems.
-  The **Online channel** and **e-commerce platforms** were professionally invested in, integrating a modern online sales system, helping the Company reach consumers directly and effectively.
-  Competitive cost of goods sold ratio: Traphaco continued to maintain its position as the enterprise with the most competitive cost of goods sold ratio in the market. The Board of Management proactively optimized the supply chain and streamlined the business system to save and optimize costs.





REPORT & ANALYSIS OF THE BOARD OF MANAGEMENT

Constant efforts in adapting to the market, enhancing competitiveness, and sustainable development have helped Traphaco continue to be recognized through many prestigious awards in 2025:



EXCELLENT ENTERPRISE

in building and managing Intellectual Property Assets 2025

voted by the Vietnam Intellectual Property Association;



TOP 10

Leading Prestigious Brands and Trademarks in Vietnam 2025

voted by the Vietnam Intellectual Property Association;



TOP 10

Reputable and Quality Vietnamese Products 2025

voted by the Vietnam Intellectual Property Association;



TOP 5

Most Reputable Pharmaceutical Companies in Vietnam 2025 and Top 01 Most Reputable Herbal Medicine Company in Vietnam 2025.

TOP 10

Sustainable Businesses CSI in 2025 – Manufacturing Sector, and the CSI Star Award (period 2016 – 2025)

awarded by the Vietnam Chamber of Commerce and Industry (VCCI) & VBCSD;



FINANCIAL ANALYSIS 2025

SUMMARY OF FINANCIAL INFORMATION 2021 - 2025

Indicator	Unit	2021	2022	2023	2024	2025	CAGR 2021-2025
Business results							
Net revenue	Billion VND	2,161	2,399	2,299	2,347	2,657	5,30%
Gross Profit	Billion VND	1,147	1,343	1,245	1,236	1,424	5,56%
Profit before tax	Billion VND	331	368	361	325	348	1,23%
Profit after tax	Billion VND	264	294	285	257	278	1,33%
The balance sheet							
Total assets	Tỷ đồng	1,707	1,816	2,124	2,169	2,322	8,00%
Current asset	Tỷ đồng	1,094	1,226	1,530	1,594	1,745	12,38%
Non-current asset	Tỷ đồng	613	590	593	575	577	-1,48%
Liabilities	Tỷ đồng	440	436	635	636	636	9,66%
Owner's Equity	Tỷ đồng	1,268	1,381	1,489	1,533	1,686	7,38%
Charter capital	Tỷ đồng	415	415	415	415	415	
The cash flow statement							
Net cash flow from operating activities	Tỷ đồng	290	248	288	160	283	
Net cash flow from investing activities	Tỷ đồng	-198	-73	-168	-163	(89)	
Net cash flow from financing activities	Tỷ đồng	-190	-209	71	-156	(227)	
Net cash flow in the period	Tỷ đồng	-98	-35	191	-159	(32)	
Cash and cash equivalents at the beginning of the period	Tỷ đồng	309	211	176	367	208	
Cash and cash equivalents at the end of the period	Tỷ đồng	211	176	367	208	176	
Key financial indicators							
Gross profit margin	%	53,10%	55,98%	54,15%	52,7%	53,59%	
Pre-tax profit margin	%	15,30%	15,36%	15,69%	13,83%	13,08%	
ROS	%	12,24%	12,23%	12,41%	10,96%	10,48%	
ROA	%	15,75%	16,66%	14,48%	11,99%	12,40%	
ROE	%	21,68%	22,17%	19,88%	17,03%	17,29%	
Stock information							
Market capitalization as of December 31	Đồng/CP	91,200	89,000	89,000	78,500	75,000	-4,77%
Earnings per share	Đồng/CP	5,064	5,691	5,535	4,990	5,223	0,78%
Dividends	Đồng/CP	3,000	3,000	3,000	4,000	4,000	7,46%



FINANCIAL ANALYSIS 2025

In 2025, Vietnam's economy continued to achieve its central goals of stabilizing the macro-economy, controlling inflation, and maintaining growth, ensuring the major balances of the economy despite still facing many difficulties and challenges. For the pharmaceutical market, 2025 marked an important institutional shift as many new legal regulations were issued and tightened, especially those related to the amended Law on Pharmacy, bidding, distribution, electronic invoices, and drug quality management. These changes in requirements for legal compliance, operational transparency, production standards, and quality control forced enterprises to invest systematically and comprehensively upgrade their management systems. At the same time, the market also faced challenges such as the limited scale of domestic enterprises, undiversified product portfolios, the mindset of prioritizing imported goods, and increasing competition from e-commerce channels.

In that context, the results achieved in 2025 with a Compound Annual Growth Rate (CAGR) of revenue and profit reaching 5.3% and 5.56% respectively have affirmed Traphaco's capacity for adaptation and innovation. Consistently developing Herbal Medicine in a premium direction, while simultaneously promoting high-quality Western Medicine,

has not only helped increase added value but also met consumer trends and the increasingly strict standards of the market. Besides, proactively restructuring the distribution system, strengthening R&D investment, promoting digital transformation, and enhancing quality management capacity have created a solid foundation for the Company to meet compliance requirements and enhance competitiveness. Thereby, Traphaco not only maintained stable growth but also step-by-step affirmed its pioneering role in adapting to the new standards of the pharmaceutical industry, moving towards sustainable development and aligning with the national strategy to 2030, with a vision to 2045.

ASSESSMENT OF THE COMPANY'S FINANCIAL PERFORMANCE IN 2025

Sales Revenue Structure

By sales channel	2021	2022	2023	2024	2025
OTC	2,108	2,468	2,404	2,291	2,531
ETC	149	186	229	254	267
Total	2,257	2,654	2,633	2,545	2,798

By product group	2021	2022	2023	2024	2025
Herbal Medicine	1,558	1,669	1,577	1,550	1,693
Non-Herbal Medicine	699	985	1,056	995	1,105
Total	2,257	2,654	2,633	2,545	2,798

The sales structure by sales channel has shifted as follows:

With the strategic orientation "Maintaining the No. 1 position in Herbal Medicine - Focusing on developing Western Medicine", the Company has built a strategy for premium herbal products and high-quality western medicine. The Herbal Medicine group still accounts for approximately 61%, and the Western Medicine group accounts for 39% in 2025. In particular, the premium Herbal Medicine group grew by 68%, typically Boganic Premium which increased by 70%; the high-quality Western Medicine



group increased by 31%; and the technology transfer product group increased by 64%. Premium herbal products and high-quality western medicines are increasingly trusted and highly appreciated for their quality by customers, recording significant sales growth year by year.

At the same time, the Company is step-by-step shifting from a growth model heavily dependent on the traditional pharmacy channel (which accounted for a high proportion in 2021) to an integrated multi-channel model. This is a strategically significant shift, helping the Company both protect its core market share and expand growth space in new segments and sales channels.



Revenue by each sales channel has grown continuously over the years, with a Compound Annual Growth Rate (CAGR) of 6.07% in the OTC channel, while the ETC channel made a clear mark with a CAGR of 13.78%.

For the OTC channel, in addition to selling through the traditional pharmacy channel, increasing presence in modern pharmacy chains, e-commerce platforms, and digital sales models helped the Company exceed the annual plan, reaching 104%. The ETC channel has also been more heavily invested in through organizational consolidation, portfolio standardization, and the preparation of a quality foundation aimed at strategic drug groups in hospitals. Multi-channel development not only expands market coverage but also helps the Company step-by-step integrate sales, branding, and customer care within the same strategic operating system.

Gross profit margin of TRA (2021 - 2025)

In the 2021-2025 period, Traphaco maintained a high and stable gross profit margin, consistently above the 52% threshold, confirming this as one of the Company's core competitive advantages in the pharmaceutical industry. Although revenue grew over the years, notably reaching 2,657 billion VND in 2025, the gross profit margin was still maintained at 53.59%, demonstrating effective cost control capacity and sustainability in the business model.

This result reflects the effectiveness of the integrated cost management strategy, which was deployed synchronously from production to the supply chain. The Company proactively streamlined production processes, optimized input raw material sources, and improved labor productivity, thereby well-controlling the cost of goods sold even in the context of increasing input costs and sector inflation.

Chi tiêu	Year 2021	Year 2022	Year 2023	Year 2024	Year 2025
Net revenue	2,161	2,399	2,299	2,347	2,657
Cost of Goods Sold	1,013	1,056	1,054	1,111	1,233
Gross profit	1,147	1,343	1,245	1,236	1,424
Gross profit margin (%)	53.1%	56%	54.2%	52.68%	53.59%

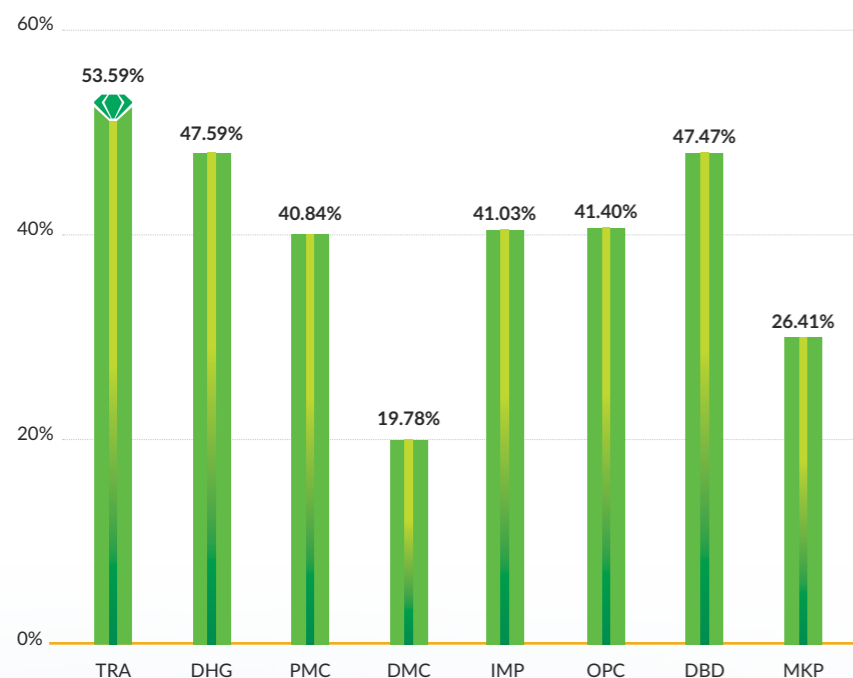
Traphaco's gross profit margin has maintained exceptional stability above 52% over the past five years, representing one of the Company's core competitive advantages and reaffirming the effectiveness of its integrated cost management strategy. This success stems from the streamlining of production processes, optimization of the raw material supply chain, and improvements in labor productivity across the entire system.

The synergy between the Company's capability to control a GACP-WHO-compliant raw material supply chain and its modern manufacturing operations has established a solid financial "safety margin". This integrated cost management foundation enables Traphaco to maintain a proactive position and effectively mitigate pressures arising from raw material price volatility and inflationary trends in the pharmaceutical industry.



FINANCIAL ANALYSIS 2025

Gross profit margin in 2025 compared with other companies in the industry



In the 2023–2025 period, Traphaco maintained a high gross profit margin compared to industry peers, fluctuating around 52–56%, thereby continuously holding the leading position. In 2025, the Company's gross profit margin reached 53.59%, significantly higher than typical enterprises such as DHG (~47.6%), DBD (~47.3%), IMP (~41.0%), or OPC (~41.4%), etc.



Chỉ tiêu	TRA	DHG	PMC	DMC	IMP	OPC	DBD	MKP
Year 2022	55.98%	48.28%	39.46%	28.43%	42.43%	41.38%	49.37%	29.25%
Year 2023	54.15%	46.73%	35.05%	21.65%	40.65%	42.34%	48.34%	29.55%
Year 2024	52.68%	43.76%	37.58%	21.98%	38.80%	41.59%	48.19%	26.98%
Year 2025	53.59%	47.59%	40.84%	19.78%	41.03%	41.40%	47.28%	26.41%

A high gross profit margin not only creates a secure financial capacity but also helps Traphaco be proactive in strategic decisions, from R&D investment and product portfolio expansion to distribution system development. This is an important foundation for the Company to seize market opportunities, consolidate its leading position, and aim for sustainable growth in the long term.

Profitability Ratio of TRA for the Period 2021 - 2025

	Year 2021	Year 2022	Year 2023	Year 2024	Year 2025
Gross profit margin	53.10%	55.98%	54.15%	52.68%	53.59%
<i>Of which</i>					
Gross profit margin of finished goods	61.91%	61.19%	60.32%	59.11%	58.56%
Gross profit margin of goods	23.59%	54.68%	43.78%	40.66%	37.62%
Gross profit margin of Subsidiaries' Goods	18.80%	11.75%	12.82%	10.68%	14.82%
Pre-tax profit margin	15.30%	15.36%	15.69%	13.83%	13.08%
After-tax profit margin (ROS)	12.24%	12.23%	12.41%	10.96%	10.48%
ROA	15.75%	16.66%	14.48%	11.99%	12.40%
ROE	21.68%	22.17%	19.88%	17.03%	17.29%

In the 2021–2025 period, Traphaco maintained a stable and high profitability foundation, with a gross profit margin consistently above 52% and ROS, ROA, and ROE indices among the best in the industry. Within this, finished goods continued to be the main driver with superior profit margins, affirming the advantage from the core product portfolio and manufacturing capacity.

In 2025, despite facing general sector pressures, the profitability indices saw slight adjustments (ROS 10.48%, ROA 12.4%, ROE 17.29%) but still reflected the Company's operational efficiency and good adaptability. These results came from effective cost control, optimization of the financial structure, and maintaining high profit margin advantages, creating a solid foundation for the Company to continue consolidating its position and aiming for sustainable growth in the following periods.



FINANCIAL ANALYSIS 2025

Analysis of TRA's ROE using the Dupont Model

	Year 2021	Year 2022	Year 2023	Year 2024	Year 2025
ROE according to Dupont	20.86%	21.26%	19.15%	16.79%	17.29%
Profit after tax/Net revenue	12.24%	12.23%	12.41%	10.96%	10.48%
Asset turnover	1.27	1.32	1.08	1.08	1.18
Financial leverage coefficient	1.35	1.32	1.43	1.42	1.38

In the 2021–2025 period, Traphaco maintained ROE at a good level and recorded a recovery in 2025 (17.29%), reflecting the capacity to adapt and improve operational efficiency after the adjustment period.

Dupont analysis shows that although the net profit margin faced narrowing pressure, the Company proactively compensated by enhancing asset utilization efficiency, demonstrated by a clearly improved asset turnover in 2025. This shows a more effective capacity to exploit

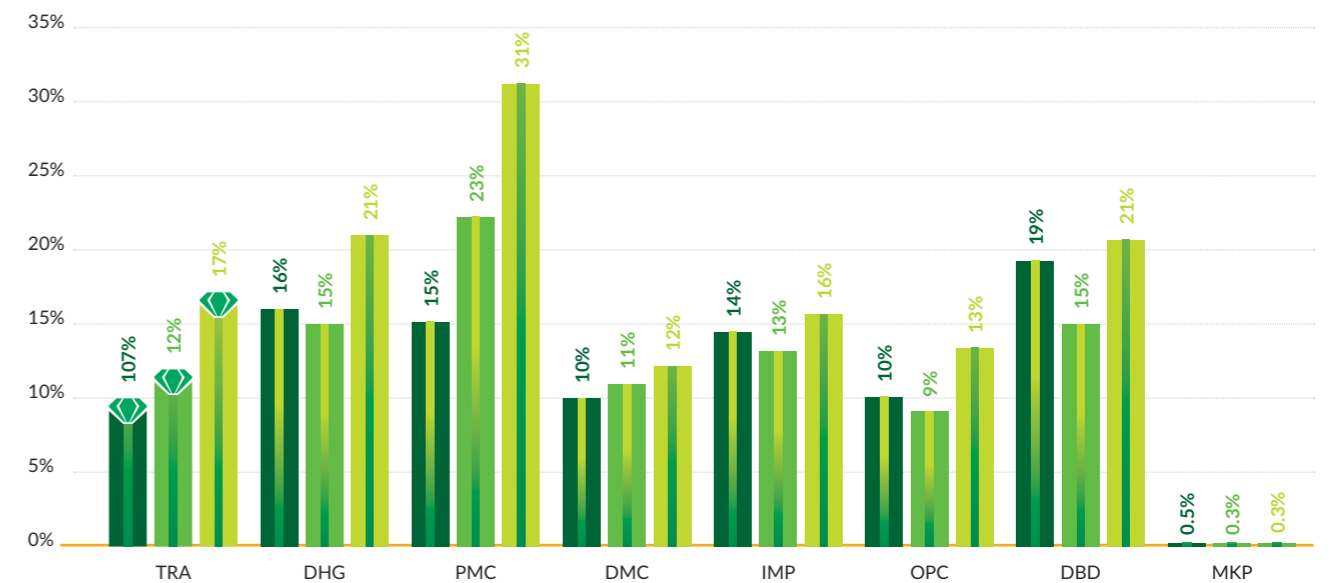
assets, contributing to the optimization of revenue per unit of invested capital.

At the same time, financial leverage was maintained at a safe level (~1.38), affirming a growth orientation based on operational internal strength instead of dependence on debt. The harmonious combination of operational efficiency, profit quality, and financial safety creates a solid foundation for Traphaco to maintain sustainable profitability and stay ready for the next growth phases.

Indicator	TRA	DHG	PMC	DMC	IMP	OPC	DBD	MKP
Year 2022								
ROS	12.23%	21.14%	17.66%	12.56%	13.60%	12.15%	15.66%	3.49%
ROA	16.66%	20.20%	17.64%	11.56%	9.78%	11.46%	14.09%	2.56%
ROE	22.17%	24.45%	20.43%	14.16%	12.12%	17.62%	19.52%	3.31%
Year 2023								
ROS	12.41%	20.97%	17.22%	10.65%	15.02%	12.14%	16.30%	2.89%
ROA	14.48%	18.71%	18.16%	9.97%	12.83%	9.75%	13.86%	1.65%
ROE	19.88%	23.00%	21.68%	12.29%	15.06%	13.94%	19.32%	2.07%
Year 2024								
ROS	10.96%	15.95%	16.09%	10.67%	14.55%	11.30%	15.93%	4.60%
ROA	11.99%	12.95%	19.98%	11.07%	12.90%	8.80%	12.94%	2.66%
ROE	17.03%	17.41%	25.33%	12.94%	15.15%	12.43%	17.79%	3.32%
Year 2025								
ROS	10.48%	16.18%	15.06%	9.58%	14.30%	10.37%	19.25%	0.46%
ROA	12.40%	15.31%	22.82%	10.58%	13.21%	8.98%	14.71%	0.26%
ROE	17.29%	20.71%	31.03%	12.00%	15.55%	12.57%	21.21%	0.34%

Profitability ratios of companies in the same industry in 2025

■ ROS ■ ROA ■ ROE



In 2025, Traphaco's profitability ratios continued to be maintained within the high group of the industry and recorded an improvement compared to 2024, reflecting the effectiveness of the restructuring and operational optimization solutions implemented. The ROS, ROA, and ROE indices remained at competitive levels, demonstrating the Company's management foundation and capacity to effectively control operational performance.

The improvement in 2025 came from the return of profit growth combined with the enhancement of asset

utilization efficiency, helping to overcome the diluted efficiency situation caused by scale expansion in the previous period. Thereby, the profitability indicators were not only stable but also showed a clear recovery trend.

In the coming time, continuing to focus on strategic product lines, improving quality, and optimizing profit margins will be important drivers helping Traphaco further improve its profitability indices, consolidate its financial foundation, and maintain its position among the leading pharmaceutical enterprises.

EBIT and EBITDA ratios of TRA

	Year 2021	Year 2022	Year 2023	Year 2024	Year 2025
EBIT	336	370	365	329	355
EBIT margin	16%	15%	16%	14%	13%
EBITDA= EBIT + Depreciation	421	456	459	420	448
EBITDA margin	19%	19%	20%	18%	17%

In the 2021–2025 period, the Company maintained a stable operational efficiency foundation, as evidenced by EBIT and EBITDA indicators consistently held at high levels. EBIT was maintained around the threshold of 330–370 billion VND, while EBITDA remained stable in the range of 420–459 billion VND, reflecting the capacity to generate sustainable profit and cash flow from core business activities.

Notably, despite the volatile market context and increasing cost pressures, the Company still maintained profit margins at reasonable levels, with EBIT margin fluctuating between 13%–16% and EBITDA margin between 17%–20%. This demonstrates effectiveness in cost control, operational optimization, and productivity enhancement, helping the Company adapt flexibly to market fluctuations.





FINANCIAL ANALYSIS 2025

Asset and Capital structure

	Year 2021	Year 2022	Year 2023	Year 2024	Year 2025
Asset structure					
Fixed Assets/Total Assets	35.91%	32.49%	27.92%	26.51%	24.86%
Current Assets/Total Assets	64.09%	67.51%	72.03%	73.49%	75.14%
Capital structure					
Liabilities/Total capital	25.75%	23.99%	29.89%	25.51%	27.40%
Equity/Total capital	74.25%	76.02%	70.11%	74.49%	72.60%

In the 2021–2025 period, the Company proactively restructured its assets towards flexibility and enhanced capital utilization efficiency. The ratio of Fixed Assets to Total Assets decreased from 35.91% to 24.86%, while Current Assets increased correspondingly from 64.09% to 75.14%. This shift reflects the orientation toward optimizing the operational model, reducing fixed cost pressures, and simultaneously increasing liquidity and adaptability to market fluctuations. Maintaining a high proportion of current assets also creates favorable conditions for the Company to proactively manage short-term capital, enhance cash flow management efficiency, and seize business opportunities.

Regarding the capital structure, the Company continued to affirm a secure financial foundation and a high degree of autonomy, with equity consistently maintained at over 70% of the total capital throughout the period. The liability ratio was controlled at a reasonable level (fluctuating between 24–30%), showing that the Company has a flexible balance between utilizing financial leverage and ensuring capital safety. Maintaining a stable capital structure not only helps minimize financial risks but also creates a solid foundation for the Company to implement investment plans and expand operations in the long term.

Operational efficiency

	Year 2021	Year 2022	Year 2023	Year 2024	Year 2025
Inventory turnover	2.76	2.45	2.23	2.18	2.22
Short-term receivables turnover	11.97	12.69	10.41	9.14	7.58
Short-term payables turnover	2.32	2.41	1.97	1.75	1.94
Average days of inventory	132.23	148.98	163.91	167.43	164.54
Average days of receivables	30.49	28.76	35.07	39.93	48.17
Average days of payables	157.29	151.45	185.31	208.57	187.88
Cash conversion cycle	5.43	26.28	13.67	-1.21	24.83

In the 2021–2025 period, the Company's operational efficiency indicators were managed flexibly according to the business strategy and market context, thereby ensuring a balance between growth and cash flow management:

Receivable turnover tended to decrease, corresponding to an increase in average collection days to 48.17 days in 2025, primarily because the Company proactively adjusted its sales policies, especially in the ETC channel, to maintain competitiveness and expand market share. This is a controlled trade-off, contributing to strengthening customer relationships and driving revenue growth.

Regarding inventory, the Company continued to optimize its inventory structure and enhance market responsiveness, evidenced by stable inventory turnover and inventory days being controlled at reasonable levels, ensuring a balance between safety stock and capital utilization efficiency.

Conversely, the payment policy with suppliers was adjusted appropriately, with payable days maintained at a high level (~188 days), contributing to improving operating cash flow and enhancing working capital efficiency, while still ensuring the maintenance of prestige and sustainable cooperative relationships with strategic partners.

Thanks to the flexible coordination of working capital components, the cash conversion cycle was maintained at a reasonable level (24.83 days in 2025), thereby affirming the capacity for effective short-term asset management and ensuring stable cash flow for business operations. The Company is proactively controlling and optimizing operational efficiency, aiming toward the goal of sustainable growth.



FINANCIAL ANALYSIS 2025

Production and business results

No.	Indicator	Year 2023	Year 2024	Year 2025	Growth 2025/2024	Growth 2024/2023
1	Net revenue from sale of goods and rendering of services	2,299,235,459,008	2,347,221,139,848	2,657,210,307,728	13%	2%
2	Cost of goods sold	1,054,301,295,261	1,110,765,054,153	1,233,264,072,522	11%	4%
3	Gross profit from sale of goods and rendering of services	1,244,934,163,747	1,236,456,085,695	1,423,946,235,206	15%	-1%
4	Finance income	30,944,555,428	22,973,179,666	26,344,967,479	15%	-26%
5	Finance expenses	4,861,545,121	5,544,681,226	9,210,895,554	66%	14%
	Interest expenses	3,940,136,811	3,880,853,804	6,962,066,326	79%	-2%
6	Selling expenses	614,373,637,230	625,016,144,416	757,964,416,973	21%	2%
7	General and administrative expenses	297,187,671,306	304,984,668,591	342,062,027,420	12%	3%
8	Operating profit	359,455,865,518	323,883,771,128	341,053,862,738	5%	-10%
9	Other profit	1,211,753,237	756,890,250	6,498,377,837	759%	-38%
10	Accounting profit before tax	360,667,618,755	324,640,661,378	347,552,240,575	7%	-10%
11	Corporate income tax expenses	78,397,933,391	64,927,767,758	79,253,730,010	22%	-17%
12	Deferred income tax expense	-2,999,233,240	2,354,883,442	10,067,591,602	328%	-179%
13	Profit after corporate income tax	285,268,918,604	257,358,010,178	278,366,102,167	8%	-10%
14	Profit after tax attributable to minority interests	22,020,620,815	18,340,649,566	28,711,594,101	57%	-17%
15	Profit after tax attributable to shareholders of the parent company	263,248,297,789	239,017,360,612	249,654,508,066	4%	-9%



With more than 53 years of establishment and development, Traphaco has remained steadfast in its mission of “Creating green products to care for human health”. The year 2025 concluded with many fluctuations in the economic environment and pharmaceutical market.

Nevertheless, Traphaco clearly demonstrated flexible management capability, strategic vision, and strong execution capacity. The simultaneous implementation of organizational restructuring, logistics modernization, comprehensive digital transformation, enhanced quality management, and strengthened R&D activities has created a solid foundation for sustainable growth. The Company not only maintained its leading position in the herbal medicine segment, but also successfully expanded its

high-quality western medicine portfolio, while recording positive growth across modern trade channels and exceeding the OTC sales plan. Together with the EU-GMP manufacturing plant project currently under preparation, the development of a green value chain, and a consistent human resource development policy, Traphaco is well positioned to enter a new phase of growth, further affirming its role as a leading pharmaceutical company in Vietnam.

BUSINESS PLAN FOR 2026

With the message

ACCELERATED EXECUTION BREAKTHROUGH PRODUCTIVITY

The Company has set the following targets:



NET REVENUE

2,923
BILLION VND
(+10% compared to 2025)



PROFIT AFTER TAX

306
BILLION VND
(+10% compared to 2025)



REPORT ON OPERATION ACTIVITIES OF SUBSIDIARIES

01. TraphacoSapa One Member Company



Mr. DO TIEN SY
Director

COMPANY'S OVERVIEW

Traphacosapa One Member Company is a member company, 100% capital of Traphaco Corporation

Established on **August 8, 2001** in Sa Pa district, now SaPa ward, Lao Cai. Formerly a joint venture company between Traphaco Joint Stock Company and Lao Cai Pharmaceutical and Medical Equipment Joint Stock Company. In 2009, it transformed into Traphacosapa One Member Company with 100% capital of Traphaco Joint Stock Company. Construction of a processing factory began in Dong Pho Moi Industrial Park, Lao Cai City in 2015, achieving GMP certification for the first time in 2018.

Organizational Structure: The total number of officers and employees is 54, of whom 3.7% hold postgraduate degrees, 92.6% hold university, college, or intermediate-level qualifications, and 3.7% are general workers. The organizational structure comprises five departments.

Party and Mass Organizations: The Company has a Party organization (Traphaco Sapa Party Cell), a Grassroots Trade Union Executive Committee of Traphaco Sapa, and the Executive Committee of the Ho Chi Minh Communist Youth Union of Traphaco Sapa.



100%
capital of Traphaco Corporation



During its operation, the company always complies with the strategic directions of the parent company, with the Mission “Creating green products to care for human health”, the company determines the vision “By 2025 to become the company develops green herbal ingredients and indigenous products most effectively in Vietnam”. Traphacosapa has made an important contribution to building the TRAPHACO brand.



Charter capital amounts to

25 BILLION VND



Total assets of

59 BILLION VND



Main registered business lines:

- Cultivation of spice crops, medicinal plants, and perennial aromatic plants
- Cultivation of other annual crops
- Cultivation of other perennial crops
- Cultivation, processing, and production of medicinal herbs; processing of agricultural, forestry, and food products; receipt and transfer of technologies related to the cultivation, processing, and production of medicinal materials.
- Import and export of agricultural and forestry products and chemicals
- Import and export of medicinal herbs and pharmaceutical raw materials
- Production and trading of alcoholic beverages, beer, soft drinks, and cosmetics
- Production, trading, import, export, and entrusted import-export of machinery and equipment- Import of agricultural and forestry products, and chemicals.
- Import and export of medicinal herbs and pharmaceutical raw materials.
- Production and trading of alcoholic beverages, beer, soft drinks, and cosmetics.
- Production, trading, import, export, and entrusted import-export of machinery and equipment.
- Other business lines as permitted by law.



Main types of activity include:

- Managing and developing areas for growing, purchasing and processing medicinal herbs
- Distributing TRAPHACO products in Lao Cai and Lai Chau areas
- Manufacturing and trading of indigenous healthcare products

Quality management systems are applied:

- **GPs-WHO** Quality Management System
- **ISO 9001: 2015 and ISO 22000:2018** Quality Management System
- Management of medicinal growing areas meets **GACP-WHO** standards
- Implement the principles of the **UEBT** Global Alliance for Bioethics





REPORT ON OPERATION ACTIVITIES OF SUBSIDIARIES

OPERATING RESULTS IN 2025

Quality Objectives

Revenue and Profit



Total revenue:

81.53 BILLION VND



Profit:

7.75 BILLION VND

Quality management system

- Operate and maintain a quality management system in compliance with ISO 9001:2015, GPs, and ISO 22000:2018 standards
- Undergo assessment and obtain Halal Certification (certified in May 2025), confirming compliance with Islamic food law,
- Undergo assessment and obtain FDA certification (granted in October 2025 as an initial and necessary condition for market entry into the United States), as well as GDP and GACP certifications, thereby reinforcing credibility, maintaining and enhancing the quality management system of Traphacosapa, and creating opportunities for international trade promotion.
- Complete periodic surveillance audits by QUACERT Center for the ISO 9001:2015 quality management system.
- Undergo assessment and obtain ISO 22000:2018 certification (granted in August 2025),
- Comply with the principles of Ethical BioTrade and proudly serve as the Vietnamese member of the Union for Ethical BioTrade (UEBT).
- Implement gender equality initiatives within the Company and among communities participating in the value chain.
- Conduct reassessment and maintain GACP certification for "Artichoke".
- Control cultivation and harvesting areas for Artichoke and the harvesting areas for Ampelopsis cantoniensis in compliance with GACP-WHO standards.



Employees

- Ensure 100% employment for employees; average income to reach 16 million VND per person per month, representing at least a 5% increase compared to 2024.
- No employee complaints relating to labor rights or legal compliance.

Customers

- Ensure 100% of product batches meet quality standards prior to market release.
- Ensure 100% of quality indicators throughout production and business operations are controlled by the Quality Management System.

Environment

- Comply fully with legal regulations, with no violations subject to penalties.
- Comply with regulations related to biodiversity conservation, sustainable development, and fair benefit-sharing among stakeholders, aiming to align with the standards of the Convention on Biological Diversity.





REPORT ON OPERATION ACTIVITIES OF SUBSIDIARIES

Results achieved

Indicator	Unit	2020	2021	2022	2023	2024	2025
Net revenue	Billion VND	51.6	56.6	74.8	76.37	75.79	81.53
Profit before CIT	Billion VND	2.4	3.0	3.9	4.6	4.45	8.124
Profit after CIT	Billion VND	2.2	2.6	3.4	4.0	3.86	7.753
Total number of employees (As of 31 st December)	Person	49	54	54	54	54	54
Charter capital	Billion VND	25	25	25	25	25	25
Profit before tax/Charter capital ratio	%	9.60%	12.00%	15.60%	18.4%	17.8%	32.5%
Profit after tax/Charter capital ratio	%	8.80%	10.40%	13.60%	16%	15.4%	31.01%

Highlights in production and business activities in 2025

- In 2025, Traphacosapa successfully achieved and exceeded its revenue and profit targets
- Ensured stable employment and an average income of 16 million VND per person per month for employees
- Fully implemented employee welfare policies, including Social Insurance, Health Insurance, and Unemployment Insurance, in compliance with applicable regulations
- Effectively applied the Base software platform in operational management and administration
- Completed assessment and obtained Halal Certification (a certification verifying that products comply with Islamic law, granted in May 2025),
- Successfully completed GDP assessment and obtained ISO 22000 Quality Management System certification
- -Obtained FDA certification (granted in October 2025 as an initial and necessary condition for entry into the US market), along with GDP and GACP certifications, thereby reinforcing credibility, maintaining and enhancing the management system quality of Traphacosapa, and creating opportunities for international trade promotion.
- Implemented various communication and marketing activities to promote company operations and strengthened online sales, including weekly and monthly livestreams of indigenous products
- Expanded communication and sales activities on e-commerce platforms such as Alibaba, TikTok, and Facebook
- Conducted training sessions and reviewed cultivation areas to support medicinal herb development plans for 2026
- Implemented several cooperation agreements with partners, including Tay Bac TV, Nature herb, and DLS
- Exported one shipment to a partner for distribution in the United States market
- Worked with the Lao Cai Provincial People's Committee, the Department of Construction, and relevant authorities regarding a new land location in Bat Xat, Lao Cai (the Hai Phong - Hanoi - Lao Cai high-speed railway project)
- Awarded the Emulation Flag by the Chairman of the Lao Cai Provincial People's Committee for being an **"Outstanding Unit in the Emulation Movement Implementing the Resolution of the Provincial Party Standing Committee on the Strategy for Development of Commodity Agriculture in Lao Cai Province in 2024"**, with two 5-star OCOP products
- Awarded a **Certificate of Merit for outstanding achievements in the Patriotic Emulation Movement of Cluster 7 Northern Mountainous Provinces** by the Chairman of the Lao Cai Provincial People's Committee under Decision No. 372/QD-UBND dated March 19, 2025
- Awarded the **Emulation Flag for outstanding performance and leadership in the 2024 patriotic emulation movement of Lao Cai Province** by the Prime Minister under Decision No. 1611/QD-TTG dated July 24, 2025



2.82 BILLION VND

Profit before CIT



2.45 BILLION VND

Profit after CIT



81.46 BILLION VND

Net revenue



25 BILLION VND
Charter capital



54 PERSON
Total number of employees



REPORT ON OPERATION ACTIVITIES OF SUBSIDIARIES

PLAN IN 2026 - OPERATIONAL ORIENTATION

Plan in 2026

No.	Main indicators	ĐVT	Plan in 2026	Compared to 2025	
				% Compared to plan	% Compared to Implementation
1	Total revenue	Billion VND	90.82	143.9	111.5
2	Average income	Million VND	16.8	134.4	105
3	Submitting national budget	Billion VND	2.3	139.4	142.3
4	Number of employees	Person	59	109	109
5	Profit after corporate income tax	Billion VND	4.37	180.2	177.9

Key points in the operating direction for 2026

Aligning with the Parent Company's 2026 operational theme: Accelerated Execution - Breakthrough Productivity

- Effectively apply the outcomes of the digital transformation project across the entire TRAPHACO system
- Accelerate the development of online sales platforms and digital tools supporting the business of indigenous products
- Promote necessary conditions to secure export orders in 2026
- Enhance proactiveness, technological innovation, and new product development to drive revenue growth
- Ensure production plans fully support sales operations
- Participate in selected research topics and projects (e.g., CSIP project, enterprise digitalization programs, and medicinal herb cultivation combined with eco-tourism projects)

Promoting research, collaboration, and training

- Strengthen collaboration with the traditional medicine R&D department, research institutions, and other partners to develop new products, deliver new values to consumers, and generate additional revenue streams
- Regularly update, test, and apply new production technologies to save energy and raw materials, protect the environment, and improve operational efficiency, contributing positively to the development of a green and circular economy
- Expand cooperative training programs with universities and research institutes to disseminate the Company's values and further promote the TRAPHACO brand

Maintaining quality management systems, domestic and international certifications

- Maintain and effectively manage the Quality Management System, including ISO 9001:2015 and ISO 22000

Aligning with the Parent Company's 2026 operational theme

ACCELERATED EXECUTION BREAKTHROUGH PRODUCTIVITY



Total revenue in 2026:

90.82

 BILLION VND

- Maintain GACP-WHO standard medicinal herb cultivation areas
- Implement the principles of the Union for Ethical BioTrade UEBT
- Actively participate in projects with domestic and international organizations; maintain certifications recognizing the Company's contributions to social initiatives in ethnic minority communities, supporting local economic development and promoting gender equality. These certifications play a significant role in strengthening and sustaining the TRAPHACO brand
- Maintain newly obtained certifications such as Halal and ISO 22000 ...

Leveraging tourism potential and enhancing integration between business and local advantages

- Capitalize on Lao Cai's tourism strengths to promote indigenous products
- Collaborate with local authorities to promote Artichoke and other medicinal herbs as key identity markers in tourism promotion activities

- Implement projects on the Company's new land site in Sa Pa to develop experiential models combining tourism and herbal culture

Promoting international cooperation

- Continue ongoing collaborations with international partners; seek new production technologies and support from international organizations ...
- Explore opportunities to export products to international markets
- Enhance international promotion of the TRAPHACO brand

Preparing resources for production area planning adjustments related to the Lao Cai - Hai Phong Railway Project

- Continuously update information on the project's progress and its direct impacts on the Company
- Develop appropriate contingency plans to ensure uninterrupted operations



REPORT ON OPERATION ACTIVITIES OF SUBSIDIARIES

02. Traphaco High Technology Joint Stock Company



Mrs. TRINH
THANH HUYEN
Director

Main business lines:

- Manufacturing and trading pharmaceuticals, medicinal herbs, pharmaceutical excipients, food, traditional medicine, dietary supplements, cosmetics, and medical equipment.
- The company is currently manufacturing and distributing products for its largest customer, Traphaco Joint Stock Company (Traphaco). Since July 9, 2020, Traphaco CNC has developed its own business division to expand its customer base beyond Traphaco Joint Stock Company, thereby optimizing and maximizing factory capacity utilization.

Traphaco currently holds approximately



≈ 51%

of Traphaco CNC's charter capital



Traphaco High Technology Joint Stock Company (Traphaco CNC) was established on June 6, 2006, and officially commenced operations on January 1, 2007. Traphaco CNC serves as the manufacturing entity within the Traphaco system, operating in alignment with Traphaco's mission: "Creating green products to care for human health".



3.6%

Revenue surpassed the plan

4.5%

Representing year-on-year increase

1.9%

profit after tax exceeded the plan

3.3%

growing compared to the previous year



OVERVIEW INTRODUCTION OF THE COMPANY

Traphaco CNC is the manufacturing enterprise within the Traphaco system, operating in alignment with a sustainable development orientation associated with a green medicinal herb value chain. The Company's manufacturing facility covers approximately 40,000 m² and is located in **Nhu Quynh Commune, Hung Yen Province**. The plant has been invested in with a focus on modernization and stringent quality control. Traphaco CNC became the first pharmaceutical manufacturer in Vietnam specializing in products derived from natural medicinal herbs to be granted GMP-WHO, GSP-WHO, and GLP-WHO certifications by the Drug Administration of Vietnam - Ministry of Health. (September 2009)

The Company maintains and operates an integrated management system, including GMP-WHO, GSP-WHO, and GLP-WHO standards, along with ISO 9001:2015, ISO 14001:2015, ISO 13485:2016, and ISO 22000:2018 certifications, as well as the 5S management tool. These systems form a critical foundation for ensuring product quality, maintaining stable production operations, and meeting increasingly stringent regulatory and market requirements.

In addition to manufacturing and processing products for the Traphaco system, Traphaco CNC has gradually expanded cooperation with external partners to enhance capacity utilization, improve operational efficiency, and diversify both its product portfolio and market presence. Amid market volatility and increasingly strict compliance requirements, the Company's competitive advantages lie in its strong quality governance capabilities, disciplined operational management, and commitment to sustainable development.

Traphaco CNC has 6 products honored with the prestigious "Vietnam Medicine Star" award - the most reputable distinction in the Vietnamese pharmaceutical industry for drug manufacturers, including Hoat Huyet Duong Nao (cerebral tonic), Boganic (liver tonic), Duong Cot Hoan, Didicera (joint support medicine), Ampelop (gastric medicine), and Tottri (hemorrhoid medicine). In addition, the Company has many other well-positioned and reputable products trusted by hospitals and customers, such as Antot IQ and Jamda massage alcohol.

In 2025, Traphaco CNC achieved and exceeded all key performance targets: revenue surpassed the plan by 3.6%, representing a 4.5% year-on-year increase; profit after tax exceeded the plan by 1.9%, growing 3.3% compared to the previous year. These results reflect coordinated management efforts, operational optimization, and disciplined cost control to ensure sustainable growth. During the year, the Company further strengthened its GACP-WHO certified medicinal herb cultivation areas, adding 3 newly certified zones and increasing the total number of **GACP-WHO** certified medicinal herbs under its management to 8. This expansion enhances the Company's autonomy over raw material supply and ensures high-quality inputs. As the manufacturing arm within the Traphaco system, Traphaco CNC aims to operate in a manner that is safe, compliant, and efficient, while accompanying Traphaco's green product strategy and sustainable development orientation.



REPORT ON OPERATION ACTIVITIES OF SUBSIDIARIES

PRODUCTION AND BUSINESS PERFORMANCE REPORT 2025

In 2025, Traphaco CNC implemented its production and business plan amid a volatile market environment: purchasing power slowed at certain times, natural disasters and flooding affected several regions, and regulatory requirements for pharmaceuticals, particularly

herbal-origin products, became increasingly stringent. In alignment with the plans approved by the General Meeting of Shareholders and assigned by the Board of Directors, the Company focused on 3 key priorities:

1. ENSURING SAFE
AND STABLE OPERATIONS



2. OPTIMIZING PRODUCTION
EFFICIENCY AND MAXIMIZING
FACTORY CAPACITY UTILIZATION



3. MAINTAINING LEGAL COMPLIANCE
AND STRICT QUALITY CONTROL



Business Performance in 2025

Total revenue reached
(Billion VND)

523.4

Achieving 103.6% of the annual plan (505 billion VND) and 104.5% compared to the previous year (500.9 billion VND).

Profit after tax in 2025
reached (Billion VND)

37.18

Achieving 101.9% of the annual plan (36.5 billion VND) and 103.3% compared to the previous year (36 billion VND).

Asset scale and structure
(Billion VND)

316.6

Current assets
Accounting for 71.1% of total assets, representing an 18.7% increase compared to 2024 (266.7 billion VND).

128.5

Non-current assets
Accounting for 28.9% of total assets, up 4.7% compared to 2024 (122.7 billion VND).

Financial Resources: In 2025, the Company effectively managed its financial operations, enhancing financial efficiency in accordance with the Company's Charter and applicable legal regulations. Budget limits were assigned to each department at the beginning of the year, with quarterly budget monitoring and control implemented throughout the year. During the year, the Company successfully hosted the Hung Yen Provincial Inspectorate for a three-year inspection period (2022-2024) regarding state budget obligations, with no additional payable amounts identified.

Other activities in 2025

- As of December 31, 2025, Traphaco CNC had a total workforce of 298 employees, a decrease of two employees compared to the previous year. The average monthly income of employees in 2025 reached 22.8 million VND per person, representing an increase of approximately 2.2% compared to 2024 (22.3 million VND per person per month).
- Revenue from new products in 2025 reached 19.8 billion VND, achieving 198% of the annual plan. Cumulative revenue from new products for the three-year period (2023-2025) totaled 46.3 billion VND, achieving 136.2% of the plan
- The Company implemented new product registration, obtaining 14 registration numbers/product declarations (1 registration number and 13 product declarations). Currently, Traphaco CNC holds a total of 107 valid registration numbers/product declarations (30 registration numbers and 77 product declarations)
- Sales activities outside of Traphaco delivered strong results, reaching 28.3 billion VND (approximately 202.1% of the plan and approximately 232% compared to the previous year)
- The Company continued developing GACP-WHO certified medicinal herb cultivation areas, adding 3 newly certified herbs: Motherwort, Chinese Yam, Senna tora. Traphaco CNC now owns 8 GACP-WHO certified cultivation areas. This serves as an important foundation for strengthening raw material quality, enhancing supply autonomy, and aligning with the system's "green" development orientation.
- The Company maintained its quality management systems, upheld ISO and GPs certifications, and standardized operating procedures, manufacturing processes, and batch production records. During the year, the Company hosted and worked with three inspection and audit delegations, including the Administration of Traditional Medicine and the Hung Yen Department of Health.
- The Company strictly complied with all legal requirements, ensuring product safety and quality for the market, with no violations recorded in 2025.
- In 2025, Traphaco CNC completed the construction of a new soft capsule factory. Trial production commenced on November 10, 2025, and the facility is fully prepared for GMP and fire prevention and fighting inspections.
- In 2025, the Company was honored with a Certificate of Merit from the Prime Minister and an Emulation Flag from the Hung Yen Provincial People's Committee, recognizing its efforts in maintaining stable and compliant operations, caring for employees, and contributing to local socio-economic development.



BUSINESS ORIENTATION IN 2026

Entering 2026, Traphaco CNC recognizes that the market environment will continue to require enterprises to accelerate implementation, enhance productivity, tighten cost control, and maintain a higher level of legal compliance, particularly for herbal-based pharmaceutical and healthcare products. In alignment with the overall orientation of the Traphaco system, the Company focuses on the objective of "safe - compliant - efficient operations", while strengthening competitiveness through continuous improvement and maximum utilization of production capacity. Traphaco CNC has set the following targets for 2026:

Total revenue 2026: 525 billion VND, of which revenue from sales to Traphaco Joint Stock Company is expected to reach 490 billion VND, and revenue from external customers is projected at 35 billion VND.

Profit after tax: 41 billion VND.

Profit after tax/Charter capital Ratio in 2026 là 0,36 (Profit after tax/Charter capital Ratio in 2025 is 0.33).

Average income of employees in 2026: Increase by at least **5%** compared to 2025.

Revenue from new products: 20 billion VND.

Registration numbers/product declarations: Obtain an additional **4** registration numbers and **10** product declarations.

Add one more GACP-WHO certified herb while maintaining 8 GACP-WHO certified herbs.

Fully comply with all applicable legal regulations and fulfill state budget obligations in accordance with the law.



Strategic orientation: "Traphaco CNC maintains its position as the No.1 enterprise in Vietnam for producing Herbal Medicine, aiming for premium Herbal Medicine; Being an important link in the journey to fulfill Traphaco's mission; Creating green products to care for human health".



REPORT ON OPERATION ACTIVITIES OF SUBSIDIARIES

03. Traphaco Hung Yen CO., LTD



Mrs. PHAM THI
THANH DUYEN
Director

OVERVIEW INTRODUCTION

Traphaco Hung Yen Co., Ltd was established with 100% capital contribution of Traphaco JSC on the basis of an investment project to build a Western medicine factory located in Tan Quang Commune - Van Lam District - Hung Yen Province and officially put into operation since 2017.

The company's major line of business:

- Production and sales of medicines
- Medical equipment
- Healthy food
- Medicinal chemistry and medicinal herbs

OVERVIEW OF TRAPHACO HUNG YEN

Traphaco Hung Yen is a Western medicine manufacturing company that meets GMP-WHO standards, initially invested with nearly 500 billion VND on a 40,000 m² site. After 8 years of official operation, Traphaco Hung Yen has developed several reputable products that are widely trusted by consumers, such as Methorphan cough medicine, 0.9% Sodium Chloride eye and nasal drops, Dibetalic, Stilux, and Azizi.



As a pharmaceutical manufacturing plant specializing in Western medicine, product quality is always the top priority. The Company focuses on developing high-quality pharmaceutical products, demonstrated by the successful bioequivalence evaluations with original drugs and by products manufactured under technology transfer agreements with the Korean pharmaceutical company Daewoong. In addition, Traphaco Hung Yen is currently implementing activities to upgrade its factory to GMP-EU standards, aiming to better meet requirements for pharmaceutical bidding processes and to expand opportunities for drug exports.

REPORT ON PRODUCTION AND BUSINESS ACTIVITIES RESULTS IN 2025

Business results in 2025



REGARDING TOTAL REVENUE

Total net revenue:

440 BILLION VND

achieving 100% of the annual plan and increasing 2% compared to 2024.



REGARDING PROFIT

Profit after tax:

55.3 BILLION VND

achieving 115% of the annual plan and increasing 1% compared to 2024. (Profit after tax ratio on net revenue is 12.6%).



REGARDING AVERAGE INCOME

The Company ensured stable employment and income for employees, with an average income of **26 million VND per person per month**.





REPORT ON OPERATION ACTIVITIES OF SUBSIDIARIES

REPORT ON PRODUCTION AND BUSINESS ACTIVITIES RESULTS IN 2025

Scale and asset structure

As of December 31, 2025, the Company's total assets amounted to

562.9 BILLION VND

an increase of 10.2% compared to 2024.

In terms of structure, current assets were

386.8 BILLION VND

accounting for 68.7% of total assets, up 22.9% compared to 2024.

Non-current assets were

176.1 BILLION VND

accounting for 31.3% of total assets, down 10.2% compared to 2024.

Financial resources

- The development and implementation of the budget plan were carried out rigorously, ensuring balanced cash flow and fully meeting the needs of production and business operations. Effective compliance with and control of annual budget limits contributed to the Company exceeding its planned profit target.
- During the year, no financial expenses were incurred.



Outstanding results in 2025

- Successfully achieved the 2025 business plan targets: revenue (100%), profit (115%), average employee income, and full compliance with state budget payment obligations.
- Implemented the production of 21 new products, including 16 researched products and 5 technology transfer products, generating 39 billion VND in revenue, accounting for 9% of total revenue
- Received direct technology transfer from experts of the pharmaceutical company Daewoong for 12 products (two phases during 2025).
- In 2025, three additional products achieved bioequivalence with original drugs. The Company currently has 10 BE-certified products.
- Continued implementing the GMP-EU project according to plan.
- Actively promoted digital transformation, applying AI and IoT in various company activities, such as: Employees forming the habit of using common AI tools (ChatGPT, Grok, Gemini, etc.) for office tasks, applying AI to convert slides into narrated videos for e-learning training materials, installing IoT systems on 26 production devices to monitor voltage, capacity, temperature, and humidity, implementing a new HR software system, etc.
- Continuously maintained GPs and ISO management systems (ISO 9001, ISO 14001, ISO 13485) and 5S practices.
- Consistently ensuring Productivity - Quality - Safety - Efficiency - Legal Compliance.

BUSINESS ORIENTATION FOR 2026



TOTAL REVENUE IN 2026

512 BILLION VND



PROFIT AFTER TAX

61 BILLION VND

- Average employee income to increase by 3% compared to 2025.
- Ensure full compliance with legal regulations and timely payment to the state budget.
- Rollout of 08 new products.
- Continue to maintain the management systems: GPs, ISO (9001, 14001, 13485), and 5S.
- Conduct re-certification of GMP for the health supplement production factory (March 2026) and GMP-WHO for pharmaceutical products (May 2026).
- Ensure Productivity - Quality - Safety - Efficiency - Compliance.
- Ensure the progress of the EU-GMP project



ALL ACTIVITIES WILL BE
ALIGNED WITH
THE ANNUAL THEME:

**ACCELERATED EXECUTION
BREAKTHROUGH PRODUCTIVITY**



REPORT ON OPERATION ACTIVITIES OF SUBSIDIARIES

04. Dak Lak Pharmaceutical and Medical Equipment Joint Stock Company Bamepharm



Mr. PHAN THANH TRINH
Chief Executive Officer



There are journeys not measured in kilometers, but in the very heartbeats of life. There are enterprises defined not merely by profit, but by the trust and affection of the people. In 2026, as the rubber forests shed their leaves and the rich aroma of coffee drifts across the highlands, Dak Lak Pharmaceutical and Medical Equipment Joint Stock Company (Bamepharm) officially marks its 50-year milestone in a steadfast journey of service.

HALF A CENTURY - AN ENDURING COMMITMENT

In 1976, when the echoes of war had just faded and the Central Highlands remained untamed, burdened by disease and hardship, Bamepharm was founded with a mission both simple and sacred: To bring medicine to the villages. In those early days, our predecessors walked through dense forests and crossed roaring streams to deliver each tablet of malaria medicine and every syringe to local communities.

Fifty years later, though the world has been transformed by artificial intelligence and technologies reshaping humanity, that spirit of “braving forests and torrents” continues to run through the veins of every Bamepharm member. We take pride in the fact that, for half a century, Bamepharm has never wavered from its founding ideals. We do more than distribute pharmaceuticals; we safeguard the very “breath of life” of this basalt land.

At Bamepharm, we hold firmly to one belief: “The health of the people of the Central Highlands is the guiding

mandate behind every action we take.” Having grown from this land, we deeply understand the geographical challenges and the limited access to healthcare faced by ethnic minority communities. Therefore, Bamepharm’s strategy goes beyond pure commercial objectives; it embodies a responsibility to help ensure local healthcare security and long-term community well-being.



58%

Ownership proportion of Traphaco Joint Stock Company



219.3

Total revenue in 2025 (Billion VND)



4.65

Profit after tax in 2025 (Billion VND)

2025: A STEPPING STONE OF RESILIENCE

Looking back at 2025, amid global economic uncertainty and landmark changes in healthcare procurement policies, Bamepharm stood firm and steadfast. We achieved strong financial results: sustained growth in shareholders’ equity, zero debt, and consistently healthy cash flow. Yet what makes us most proud is not reflected merely in financial statements, but in the successful completion of our ERP governance system, embedding technology across every stage of distribution to shorten the distance between factory and patient.



VISION 2026: DIGITIZING IDENTITY - ELEVATING LEGACY



The year 2026 is more than a milestone; it marks the beginning of the next fifty-year journey. We embrace the message: “ The Nexus of Connection - Synergy for Growth “. We will connect the legacy of the past with the technology of the future, connecting the dedication of our pharmacists with the peace of mind of every family.

Bamepharm in 2026 will be smarter, more agile, and yet more deeply rooted in the spirit of the Central Highlands than ever before. We are committed to ensuring that no village is left behind in the advancement of modern healthcare.

Dear Valued Shareholders and Partners, the journey ahead will undoubtedly present further challenges. However, with the resilience of the Central Highlands - steadfast as the K’nia tree and radiant as coffee blossoms - I am confident that Bamepharm will continue to achieve new milestones, delivering sustainable added value to our Shareholders and lasting peace of mind to our customers.

With sincere appreciation,





REPORT ON OPERATION ACTIVITIES OF SUBSIDIARIES

OVERVIEW INTRODUCTION

Daklak Pharmaceutical & Medical Equipment JSC

Acronym: Bamepharm

Dak Lak Pharmaceutical and Medical Equipment Joint Stock Company (Bamepharm) has a distribution system of over 800 GPP-standard retail outlets, widely distributed across Dak Lak and Dak Nong provinces, covering even remote and rural communes.

Bamepharm originated as a state-owned enterprise. The company is currently recognized by the province as a key enterprise, playing a crucial role in business operations and actively supporting the provincial health sector in disease prevention and control, as well as social security efforts.

The company's current activities primarily involve the business and distribution of specialized products (agent) for domestic and imported manufacturers.

Distribution system

>800 GPP-STANDARD RETAIL
OUTLETS



Business Lines

- Producing medicines to treat human diseases, nutritional food products, medicines derived from medicinal herbs.
- Trading in medicines, pharmaceuticals, vaccines-biological products, chemicals of all kinds and nutritional food products.
- Planting medicinal plants, processing medicinal herbs
- Exporting and importing of medicines, pharmaceutical materials and medical equipment.
- Affordable accommodation services, commercial activities and services.
- Buying and selling optical equipment, medical equipment, dental equipment, hospital equipment.
- Repair and maintenance services for specialized medical equipment and machinery.

BUSINESS PERFORMANCE REPORT 2025

Business Results in 2025



TOTAL REVENUE

219.3 BILLION
VND

Achieved 95% of the plan, increased 3% compared to the same period

Revenue from Traphaco products achieved 97.3% of the plan, increased 16.9% compared to the same period.



PROFIT

4.65 BILLION
VND

Profit after tax achieved 93% of the plan, increased 66.2% compared to the same period



FINANCIAL RESOURCES

In 2025, the company maintained strong financial management, enhanced corporate financial efficiency, ensured effective debt collection, and incurred no interest expenses.

Progress that the Company achieved in 2025

- Stabilizing and expanding the retail system;
- Awarded a Certificate of Merit by the Dak Lak Provincial Party Committee and People's Committee in recognition of outstanding performance in 2025.

BUSINESS ORIENTATION FOR 2026



248.5

Total revenue
(Billion VND)



5.3

Profit after tax
(Billion VND)



17%

Dividend



7.5

Employee income
(Million VND per person
per month)

IMPLEMENTATION SOLUTIONS

Market Operations

- Maintain traditional customers and expand beyond the existing network.
- Grow revenue from key products.
- Enhance service quality.
- Ensure customer benefits through sales policies.
- Identify branded products, expand markets, and develop strategic products.

Human Resources Operations

- Optimize workforce allocation to maximize productivity.

Financial Operations

- Implement credit policies to support business activities promptly.
- Develop financial strategies to ensure cost-effective management.
- Utilize capital safely and efficiently to secure profitability.

Professional Operations

- Enhance the quality of GPs operations.
- Ensure that goods are delivered to customers with the correct batch and expiration date according to regulations.



REPORT ON OPERATION ACTIVITIES OF SUBSIDIARIES

05. TRAPHACO Pharmaceutical One Member LLC



Mr. THAI DUC LUAN
Director



100%

of its charter capital owned by Traphaco

GIỚI THIỆU CHUNG

Traphaco Pharmaceutical One Member Limited Liability Company was established pursuant to the Resolution of the Board of Directors of Traphaco Joint Stock Company on May 23, 2025, and is an enterprise with 100% of its charter capital owned by Traphaco, operating under the model of a one-member limited liability company.



The company was established to specialize logistics activities throughout the entire Traphaco system, contributing to improving governance efficiency, optimizing costs, and enhancing the quality of pharmaceutical supply and distribution services nationwide.

The Company's main business lines:

- Carrying out all logistics activities: preservation, warehousing, delivery, and payment collection.
- Distributing pharmaceutical products owned, imported, or cooperatively developed by Traphaco.
- Distributing products according to contracts signed with partners.

OVERVIEW OF TRAPHACO PHARMACEUTICAL LLC



Traphaco Pharmaceutical LLC is headquartered at Alley 15 Ngoc Hoi, Yen So Ward, Hanoi City, Vietnam. With a charter capital of 40 billion VND, the Company is oriented to become a professional and modern logistics unit, fully meeting legal requirements and GDP standards in the pharmaceutical sector.

Right from its establishment, the Company quickly took over and organized the operation of the logistics system from the parent company Traphaco, including a network of central warehouses, distribution centers (DCs), OTC and ETC delivery systems, and online sales channels. The conversion of the distribution model has been implemented synchronously, ensuring business activities are not interrupted and gradually improving operational efficiency.

REPORT ON PRODUCTION AND BUSINESS RESULTS



Operating results in 2025 (transition period)

2025 is the period when Traphaco Pharmaceutical LLC was prepared, established, and gradually put into official operation. The Company focused its resources on organizing the apparatus, taking over the logistics system, completing processes, and ensuring continuity in distribution activities.

Organizational scale and human resources

As of December 31, 2025, the total number of personnel of the Company is

280 PEOPLE

of which:

Official employees:

198 PEOPLE

Collaborators:

82 PEOPLE

THE ORGANIZATIONAL STRUCTURE INCLUDES:

Board of Directors: 01 person;

General Department: 48 people (dispatching, warehouse, finance - accounting, human resources - administration);

Provincial Delivery Management Department: 231 people.

THE DISTRIBUTION SYSTEM INCLUDES:

03 CENTRAL WAREHOUSES **27** DISTRIBUTION CENTERS NATIONWIDE

and a network of distribution partners rearranged towards a lean and efficient orientation.





REPORT ON OPERATION ACTIVITIES OF SUBSIDIARIES



Outstanding achievements

- 1 Completed the conversion of the entire distribution system from Traphaco to DP Traphaco from September 1, 2025, as planned.
- 2 100% of central warehouses and distribution centers have been granted GDP certification and operate stably, complying with legal regulations.
- 3 Organized and put into operation packaging warehouses, online delivery, and ETC delivery.
- 4 Terminated distribution through a number of partners, switching to a direct distribution model to better control costs and service quality.
- 5 Developed, issued, and implemented the Work Coordination Process between Traphaco and DP Traphaco.
- 6 Forecasted goods, transported, and distributed, promptly meeting the needs of the business block, contributing to exceeding the company's plan.
- 7 Coordinated with the business block to review delivery activities, setting out regulations to control goods payments and debts.

Management and compliance



The Company always focuses on legal compliance, ensuring GDP requirements, quality management, risk governance, and operational safety. Financial work is strictly controlled according to the approved budget; customer debt is monitored and urged to be recovered on time.

OPERATIONAL ORIENTATION FOR 2026

General goals

- 1 Fully and promptly meet the demand for goods for the business block according to Traphaco's plan.
- 2 Perfect and stabilize the logistics and distribution system nationwide.
- 3 Improve labor productivity, optimize costs and service quality.

Key targets and tasks

- 1 Complete the distribution system with 03 central warehouses, 27 distribution centers, and 16 partners.
- 2 Organize efficient transportation, OTC, ETC, and online delivery in accordance with regulations.
- 3 Strictly control inventory, limits on canceled goods, and near-expired goods.
- 4 Provide management skill training and GDP training for storekeepers, warehouse staff, and delivery staff.
- 5 Implement the 2026 budget, strengthen control of costs and debts.
- 6 Prepare GDP re-appraisal dossiers for warehouses that are due.
- 7 Launch emulation movements, assign specific KPIs for individuals, departments, and distribution centers.

Commitment

Traphaco Pharmaceutical LLC commits to operating the logistics system towards **Safety - Efficiency - Compliance - Sustainable Development**, accompanying Traphaco's general strategy with the spirit of:

**ACCELERATED EXECUTION
BREAKTHROUGH
PRODUCTIVITY**

03.

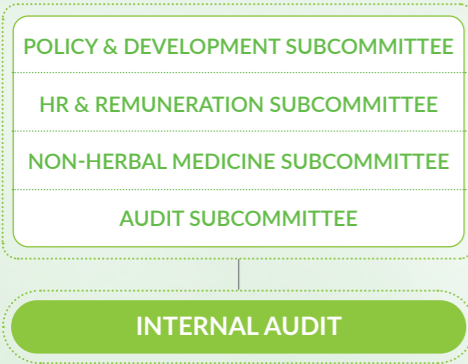
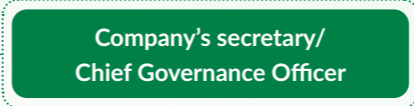
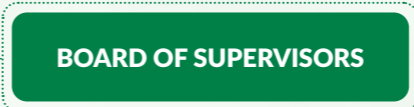
CORPORATE GOVERNANCE

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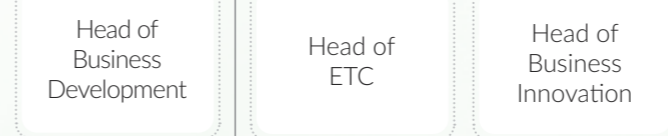
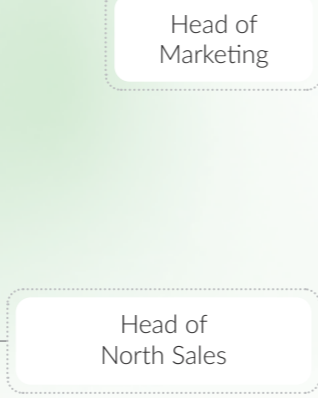
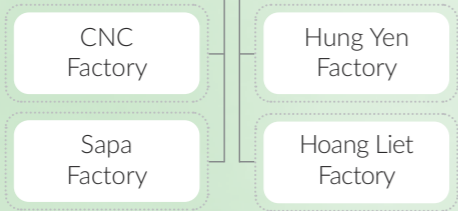
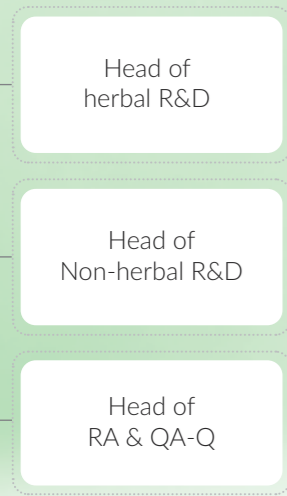
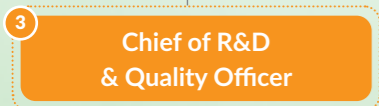
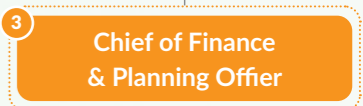
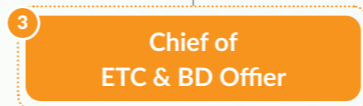
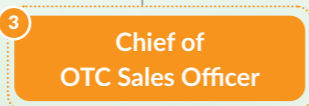




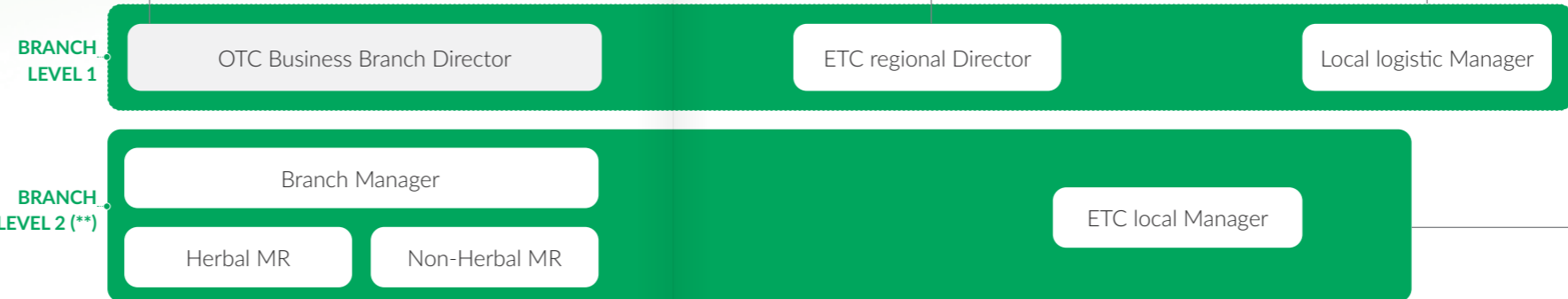
MODEL AND GOVERNANCE STRUCTURE OF TRAPHACO



Report on the business segment of Non-herbal



The Logistics and Distribution Department (*)



- 1 The position of Chief Executive Officer (CEO) serves as the legal representative of the Company, exercising rights and obligations as prescribed in the Company's Charter and relevant legal documents such as the Enterprise Law, Securities Law, and related laws.
- 2 The position of Chief Operating Officer (COO) is delegated by the Board of Directors to make decisions within the scope of work, business areas, including the business area Non-Herbal medicine which requires sole responsibility to achieve business goals.
- 3 The positions of professional Deputy General Director and other positions in the management apparatus specified in the DoA are delegated by the Board of Directors to make decisions in the scope of work and business areas to achieve the business goals.

Notes:
 (*): As of July 2025, Traphaco Pharmaceutical One Member LLC has been put into operation in accordance with Resolution No. 20/2025/NQ-HDQT. Consequently, the Logistics and Distribution Department no longer exists in Traphaco's organizational structure (corresponding to the positions of Head of Logistics and Distribution Department and Head of Regional Supply).
 (**): As of September 2025, the Tier-2 Branches of Traphaco Joint Stock Company have ceased operations pursuant to Decision No. 32/2025/QD-HDQT on the termination of branch operations.





MODEL AND GOVERNANCE STRUCTURE OF TRAPHACO



The corporate governance model of Traphaco is built based on international best practices and standards, ensuring the full governance structure required for a listed company. This includes the General Meeting of Shareholders, the Board of Directors (together with its supporting committees and the Company's Secretary), the Supervisory Board, the Board of Management, functional departments, branches, and subsidiaries.

Traphaco
The way of green health



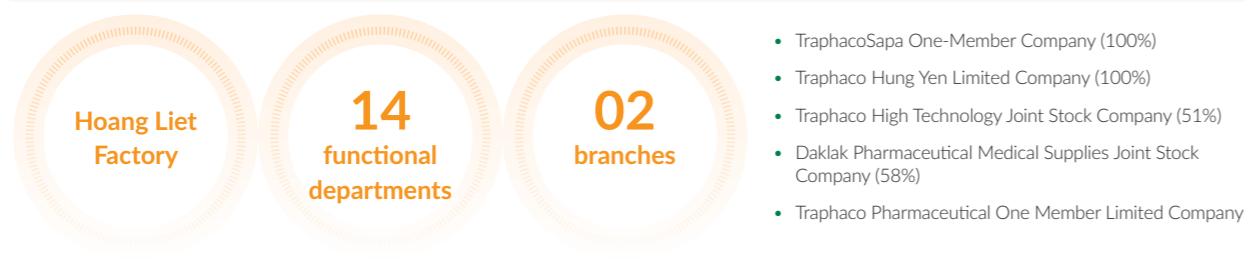
1 GENERAL MEETING OF SHAREHOLDERS

2 BOARD OF SUPERVISORS

3 BOARD OF DIRECTORS



4 CHIEF EXECUTIVE OFFICER



REPORT ON THE ACTIVITIES OF THE BOARD OF DIRECTORS FOR THE TERM 2021-2025

Board of Directors' Personnel Structure during the Term 2021-2025

During the term, the composition of the Board of Directors underwent the following changes:

No.	Full name	Appointment / Resignation
1.	Mr. Chung Ji Kwang	Member of the BOD, appointed on March 31, 2021
2.	Mr. Nguyen Phu Khanh	Member of the BOD, appointed on March 31, 2022
3.	Mr. Tran Tuc Ma	Member of the BOD, appointed on March 31, 2021
4.	Mrs. Dao Thuy Ha	Member of the BOD, appointed on March 31, 2021
5.	Mr. Kim Dong Hyu	Member of the BOD, appointed on March 31, 2021
6.	Mr. Dinh Quang Hoa	Member of the BOD, appointed on April 14, 2023
7.	Mr. Cha Junwoo	Member of the BOD, appointed on April 12, 2024
8.	Mr. Nguyen Anh Tuan	Member of the BOD, appointed on March 31, 2021; resigned on April 14, 2023
9.	Mr. Lai Tran Dong	Member of the BOD, appointed on March 31, 2021; resigned on March 31, 2022
10.	Mr. Lee Tae Yon	Member of the BOD, appointed on March 31, 2021; resigned on April 12, 2024

The members of the BOD as of December 31, 2025 are as follows:

No.	BOD Member	Position	BOD Member	Percentage of voting shares owned in Traphaco	Board member's positions held at other organizations
1.	Mr. Chung Ji Kwang	Chairman of the BOD	Non-executive	0%	N/a
2.	Mr. Nguyen Phu Khanh	Vice Chairman of the BOD	Non-executive	12.06% (Representative of state-owned capital: 5,000,000 shares)	Member of the BOD - Ha Giang Mineral and Mechanics JSC
3.	Mrs. Dao Thuy Ha	Member of the BOD, Chief Executive Officer	Executive	11.55% - (Representative of state-owned capital: 5,000,000 shares) 0.18% - (Personal ownership: 74,850 shares)	N/a
4.	Mr. Tran Tuc Ma	Member of the BOD	Non-executive	4.16% - (Personal ownership: 1,724,456 shares)	Chairman of Traphaco Hung Yen Limited Company
5.	Mr. Kim Dong Hyu	Member of the BOD - Deputy General Director	Executive	0%	N/a
6.	Mr. Dinh Quang Hoa	Member of the BOD	Non-executive	12.06% - (Representative of state-owned capital: 5,000,000 shares)	N/a
7.	Mr. Cha Junwoo	Member of the BOD	Non-executive	0%	N/a



REPORT ON THE ACTIVITIES OF THE BOARD OF DIRECTORS FOR THE TERM 2021-2025

KEY ACHIEVEMENTS

The 2021–2025 term was a challenging period as the economy and society suffered severe impacts from the Covid-19 pandemic, geopolitical conflicts, and global supply chain instability. Additionally, the pharmaceutical industry faced major institutional changes, such as the amended Law on Pharmacy and the restructuring of the medical administrative apparatus. In this context, the Board of Directors (BOD) affirmed its pivotal role through timely strategic decisions, strictly following the directives of the General Meeting of Shareholders (GMS) to successfully execute the development roadmap. The results brought not only growth in revenue and profit but also established a solid foundation for the 2026–2030 period. Details are as follows:

- ▶ The BOD directed the formulation and execution of the 2021–2025 Strategy with specific assessments based on internal values and the Company’s potential, combined with international events, political shifts, the pandemic, and industry trends. The strategy was closely monitored to ensure it created momentum for the Company and built a firm foundation for development in the next phase.
- ▶ The BOD consistently monitored and directed the activities of the Board of Management (BOM), promptly resolving issues within the BOD’s authority to facilitate the BOM’s operations.
- ▶ Supervised the implementation of the organizational model and the decentralization matrix issued in 2021; based on assessing actual changes, it was determined that the current model is no longer suitable, necessitating the establishment of a new decentralization matrix to align with the orientation of the upcoming term
- ▶ Amidst the Covid-19 pandemic, general industry challenges/difficulties, and fierce competition, the BOM has been implementing most tasks in the spirit of the GMS and BOD Resolutions.
- ▶ Successfully organized Annual General Meetings of Shareholders each year and strictly implemented the regime for Annual Financial Statements, Quarterly Financial Statements, and Annual Reports.
- ▶ Supervised, directed, and ensured that information was disclosed fully, transparently, and timely in accordance with the regulations of the Stock Exchange and the State Securities Commission.
- ▶ Conducted market inspections of the pharmaceutical market and the Company’s distribution system, and attended key meetings of the Board of Management.

The Board of Directors focused on operating according to the functions, tasks, and powers of the collective and individual members, complying with the Law on Enterprises, the Law on Securities, the Company’s Charter, and current legislation. BOD meetings were organized and conducted in accordance with the Internal Regulations on Corporate Governance. All BOD minutes, resolutions, and decisions were based on the consensus of members and archived according to regulations.



Awards Achieved



Based on its operational results and sustainable development orientation, Traphaco continued to be recognized through numerous prestigious domestic and international titles and awards, thereby consolidating the image of a Vietnamese pharmaceutical enterprise with a strong brand, good governance capacity, high social responsibility, and a clear long-term development orientation:



- First-class Labor Order (2nd time, 2022)
- Vietnam National Brand (2022, 2024)
- Top 10 Sustainable Companies for consecutive years; CSI Star Award for the 2016–2025 period.
- Top 10 Vietnam Gold Star Award (2024)
- Top 50 Best Listed Companies in Vietnam (2022, 2024)
- Consecutively ranked in the Top 5 Most Prestigious Herbal Medicine Companies in Vietnam (maintaining the No. 1 position)
- Asia Corporate Excellence & Sustainability (ACES) Awards (2022)
- Outstanding enterprise for the development of Vietnamese medicinal herbs (2023)
- UN Women WEPs Awards (Category: Gender Equality in the Marketplace) (2024).





REPORT ON THE ACTIVITIES OF THE BOARD OF DIRECTORS FOR THE TERM 2021-2025



Activities of the Board of Directors in 2025

In 2025, the BOD conducted a total of 20 meetings with an attendance rate of nearly 100% (1 instance of absence due to personal reasons), consisting of: 04 in-person meetings and 16 via written opinions. The BOD issued 35 Resolutions and Decisions to resolve matters within its functions and authority.

All meetings of the BOD invited the Board of Supervisors (BOS) to participate in order to exchange views, discuss key issues, and ensure strong consensus on business strategies, orientations, and the Board's directives to the Board of Management.

RESOLUTIONS ISSUED BY THE BOD IN 2025

During 2025, the BOD approved 35 resolutions and decisions relating to the following areas:



- One independent Board member is the Head of the Human Resources and Remuneration Subcommittee and the Audit Subcommittee.
- One independent Board member is a member of the Non-Herbal Medicine Subcommittee and Policy & Development Subcommittee
- Working closely with the Board of Directors on issues related to corporate governance.
- Contributing frankly and objectively to the Board's decisions to improve the quality of governance decisions.

Independent Board members also closely monitored the activities of the Board of Management and the company's business activities, enhancing transparency and fairness in governance activities.

ACTIVITIES OF BOD'S SUB-COMMITTEES

Activities of BOD's Sub-Committees

1 POLICY & DEVELOPMENT SUBCOMMITTEE

- Advised on the 2026 Budget Plan: fixed asset investment, capital construction, research and development, and marketing.
- Evaluated production and business results for the first 6 months and the full year of 2025.
- Supervised, oriented, and consulted the Board of Directors on projects: transforming the distribution system, dissolving level-2 branches...
- Held thematic meetings with the Board of Management and relevant staff regarding: Operations of Traphaco Pharmaceutical One Member Limited Company; the 2026 Budget Plan.

2 UMAN RESOURCES AND REMUNERATION SUBCOMMITTEE

- Reviewing and advising the Board of Directors on the quarterly KPI assignments for the Board of Management.
- Proposing personnel appointments for the following positions: Chief Executive Officer, Deputy General Director of OTC Sales, Director of Traphaco Pharmaceutical One Member Limited Company, Head of Internal Audit, and Chief Governance Officer.

3 NON-HERBAL MEDICINE SUBCOMMITTEE

- Leading activities related to the GMP-EU project.
- Directing activities to support the signing of the supplementary agreement for the Phase 3 technology transfer product portfolio, developing the strategic product list, and shaping the development direction for export products.

4 AUDIT SUBCOMMITTEE

- Working with the external auditing firm and the Board of Management on matters related to the audited financial statements for 2024, the semi-annual financial statements for 2025, and the quarterly reports for 2025.
- Coordinating with the Board of Supervisors to advise on the selection of the auditing firm for the 2025 financial statements.
- Directed the Internal Audit Board to execute the Audit Plan as approved by the BOD.

Internal Audit Activities

- Reviewing the implementation of audit recommendations.
- Drafting revisions to the Internal Audit Regulations and Procedures for submission to the Audit Subcommittee.
- Conducting audit events according to the approved plan:

No.	Name of the audit	Time
1	Production costs at Traphaco High Technology Joint Stock Company	Feb 17 – Mar 6, 2025
2	Implementation of advertising activities and sales promotion programs	Apr 24 – Jun 20, 2025
3	Planning and budgeting activities and their implementation	Aug 6 – Sep 5, 2025
4	Digital transformation activities implemented in the OTC sales division	Oct 28 – Nov 20, 2025





CORPORATE GOVERNANCE SCORECARD ANALYSIS BASED ON THE ASEAN CORPORATE GOVERNANCE SCORECARD

Assessment of the implementation status based on the Corporate Governance Scorecard of Traphaco Joint Stock Company

☑ : Good practice implemented ☑ : Practice partially implemented ☒ : Practice not implemented

CÂU HỎI CẤP 1

No.	Criteria	Status as of 2024	Evaluation
SECTION A. SHAREHOLDER RIGHTS			
A.1 Basic Shareholder Rights			
A.1.1	Dividend payment within 30 days after announcement	☑	Traphaco is implementing this practice well.
A.2 Right to participate in decisions related to significant changes in the company			
Shareholders have the right to participate in:			
A.2.1	Amendments to the Company's regulations	☑	Traphaco seeks shareholder opinions on amendments to the Company's Charter at general meetings and includes content on amendments to the Company's regulations in the agenda when these regulations fall under the authority (decision) of the General Meeting.
A.2.2	Voting on additional share issuance.	☑	Traphaco seeks shareholder opinions in writing or submits the additional share issuance plan to the General Meeting for approval at general meetings.
A.2.3	Transfer of all or a substantial portion of the Company's assets, leading to the sale of the Company.	☑	This case has not occurred at Traphaco.
A.3 Effective Participation and Voting Rights at the General Meeting of Shareholders, and Information on General Meeting of Shareholders Regulations, Including Voting Procedures			
A.3.1	Do shareholders have the opportunity to express opinions on agenda items, including remuneration or any remuneration increase for non-executive directors/board members?	☑	Traphaco is implementing this practice well.
A.3.2	Does the company allow non-controlling shareholders to nominate directors/board members?	☑	Traphaco is implementing this practice well. The regulations on the nomination/self-nomination of BOD/Board of Supervisors' members are published on the company's website before the GMS and are approved before the election takes place.
A.3.3	The company allows shareholders to elect each member of the Board of Directors individually.	☑	Traphaco has implemented this practice well.
A.3.4	Does the company disclose the voting procedures used before the meeting takes place?	☑	Traphaco has implemented this practice well: The nomination and voting procedures are published on the website at least 21 days before the GMS.

No.	Criteria	Status as of 2024	Evaluation
A.3.5	The latest General Meeting of Shareholders (GMS) minutes recorded that shareholders had the opportunity to ask questions, and both the questions and answers were documented.	☑	The minutes of GMS meetings have recorded the discussion sessions with shareholders. Since 2017, the details of questions and answers have been documented.
A.3.6	The company discloses the voting results, including the number of votes in favor, against, and abstentions for each resolution in the most recent GMS.	☑	Traphaco has clearly disclosed the voting results for each resolution in the most recent GMS.
A.3.7	The company discloses the list of Board of Directors (BOD) members who attended the most recent GMS.	☑	Traphaco has clearly disclosed the list of BOD members attending the GMS in the meeting minutes.
A.3.8	The company discloses that all BOD members and the CEO/General Director (if the CEO/General Director is not a BOD member) attended the most recent GMS.	☑	Traphaco has consistently adhered to these practices for many years, and senior company leaders, such as the Chairman of the BOD and the CEO, always attend the GMS.
A.3.9	The company allows absentee voting.	☑	The company allows absentee voting through duly authorized representatives in accordance with the company's regulations.
A.3.10	The company applies a voting method based on shareholders' voting rights (not by a show of hands) for all resolutions at the latest GMS.	☑	The company applies a voting method based on shareholders' voting rights for all resolutions at the latest GMS, not by a show of hands.
A.3.11	The company discloses the appointment of an independent party (inspector/supervisor) to participate in the ballot counting process to count and/or verify votes at the GMS.	☑	Traphaco has implemented this practice well since the 2016-2020 GMS term.
A.3.12	The company publicly discloses the voting results for all resolutions of the most recent GMS on the following business day.	☑	Traphaco consistently complies with the disclosure of resolutions, meeting minutes, and ballot counting records within 24 hours as required.
A.3.13	The company announces the GMS and extraordinary GMS at least 21 days in advance.	☑	Traphaco has implemented this practice well.
A.3.14	The company provides the basis, information, and explanations for each item in the draft resolution that requires shareholder approval in the GMS announcement/GMS materials/draft and/or accompanying reports.	☑	Traphaco's GMS documents provide complete information and the basis for matters submitted for shareholder approval.
A.3.15	Shareholders are given the opportunity to contribute discussion topics to the GMS agenda.	☑	Traphaco implements this practice effectively.
A.4 The market for corporate takeovers must be allowed to operate efficiently and transparently.			
A.4.1	In cases of mergers, acquisitions, and/or takeovers that require shareholder approval, the company's Board members are recommended to appoint an independent party to assess the fairness of the transaction price.	☑	This situation has not occurred at Traphaco.
A.5 It is necessary to facilitate the exercise of ownership rights for all shareholders, including institutional investors.			
A.5.1	The company publicly discloses policies/practices aimed at encouraging shareholder participation outside the framework of the General Meeting of Shareholders (GMS).	☑	Traphaco has disclosed this matter in great detail in the annual report (under the shareholder relations section, including policies encouraging shareholders to exercise their rights and facilitating their participation in voting and decision-making on important matters).



CORPORATE GOVERNANCE SCORECARD ANALYSIS BASED ON THE ASEAN CORPORATE GOVERNANCE SCORECARD

☑ : Good practice implemented ☑ : Practice partially implemented ☒ : Practice not implemented

No.	Criteria	Status as of 2024	Evaluation
SECTION B. EQUAL TREATMENT OF SHAREHOLDERS			
B.1 Shares and Voting Rights			
B.1.1	Each common share of the company carries one voting right.	☑	Traphaco has implemented this practice.
B.1.2	In the event that the company has more than one type of share, it discloses the corresponding voting rights for each type of share.	☑	Traphaco clearly states that "the company has only one type of common share" in its Articles of Association, shareholder record date announcements, financial statements, and annual reports.
B.2 Notice of the General Meeting of Shareholders (GMS).			
B.2.1	Each resolution in the most recent General Meeting of Shareholders (GMS) pertains to only one specific matter of the draft resolution, meaning multiple matters are not combined into a single resolution.	☑	Depending on the actual situation and the importance of the meeting's agenda, the Minutes of the General Meeting of Shareholders (GMS) and GMS Resolutions are recorded with flexibility regarding the items and matters requiring voting.
B.2.2	The GMS notice and documents are translated into English and published on the same day as the Vietnamese versions.	☑	All GMS documents of Traphaco are translated and published simultaneously in both Vietnamese and English.
Does the notice of the General Meeting of Shareholders (GMS) include the following details:			
B.2.3	Provide the biography of the Board of Directors (BOD) members to be elected/re-elected (at a minimum: age, educational background, expertise, first appointment date, experience, and current BOD positions in other listed companies).	☑	Traphaco discloses the candidates' biographies.
B.2.4	The auditor/audit firm to be elected/re-elected is clearly identified.	☑	Traphaco effectively implements this requirement through the GMS proposal on approving the list of independent audit firms.
B.2.5	The proxy form for attending the GMS is easily accessible.	☑	Traphaco fulfills this requirement: the proxy form for attending the GMS is sent along with the meeting invitation (21 days before the GMS) and is also published on the company's website (with a link provided in the invitation).
B.3 Insider trading and self-dealing transactions must be prohibited.			
B.3.1	The company has regulations prohibiting Board members and employees from profiting from undisclosed information.	☑	Traphaco has effectively implemented this provision: there are regulations on managing contracts and transactions between Traphaco JSC and related parties, as well as other relevant regulations.
B.3.2	Board members are required to report their stock transactions within three working days.	☑	Traphaco has fulfilled this criterion in accordance with Circular 96/2020/TT-BTC.
B.4 Related-party transactions of Board members and senior executives.			
B.4.1	Does the company have a policy requiring Board members to disclose related interests in transactions and any conflicts of interest with the company?	☑	Traphaco has established these regulations in the Company's Charter and Internal Corporate Governance Regulations.

No.	Criteria	Status as of 2024	Evaluation
B.4.2	Does the company have a policy requiring a subcommittee comprising independent Board members to review material/significant related-party transactions to determine whether they serve the best interests of the company and shareholders?	☑	This activity is currently carried out by the Audit Subcommittee.
B.4.3	Does the company have a policy requiring Board members to abstain from Board meetings discussing activities or transactions in which they have a conflict of interest?	☑	This policy is outlined in the financial regulations.
B.4.4	Does the company have a policy on loans to Board members that either prohibits such activities or ensures that loans are conducted on fair transaction terms at market interest rates?	☑	Traphaco has effectively implemented this policy.
B.5 Protection of minority shareholders against abusive practices.			
B.5.1	The company discloses that related party transactions are conducted in a manner that ensures fairness and adherence to market mechanisms.	☑	Traphaco has effectively implemented this requirement.
B.5.2	In cases where shareholder approval is required for related party transactions, the voting process must be conducted by shareholders who do not have a related interest.	☑	Traphaco has effectively implemented this requirement.
SECTION C. THE ROLE OF STAKEHOLDERS			
C.1 The rights of stakeholders as stipulated by law or bilateral agreements must be respected			
The company discloses its policies and practices regarding:			
C.1.1	The disclosure of policies and practices to protect customer rights.	☑	Traphaco has disclosed this policy in the Annual Report and the Sustainable Development Report.
C.1.2	The disclosure of policies, practices, procedures, and processes for selecting suppliers/contractors.	☑	Since 2017, Traphaco has disclosed its policies, practices, procedures, and processes for supplier selection in the Sustainable Development Report.
C.1.3	The disclosure of policies and practices describing the company's efforts to ensure that its value chain is environmentally friendly or aligned with the promotion of sustainable development.	☑	Traphaco has disclosed this policy in the Annual Report and the Sustainable Development Report.
C.1.4	The disclosure of policies and practices describing the company's efforts to engage with the community where it operates.	☑	Traphaco has disclosed this policy in the Sustainable Development Report.
C.1.5	The disclosure of policies and practices regarding the company's anti-corruption programs and procedures.	☑	Traphaco has issued financial management regulations, clearly defining decision-making authority over the company's assets, cash, etc.
C.1.6	The disclosure of policies and practices regarding creditor protection.	☑	Since 2014, Traphaco has implemented a new sales policy: immediate payment collection, resulting in a strong financial foundation with minimal short-term and long-term debt. Payments and debt settlements for creditors are carried out in accordance with legal regulations.
C.1.7	The disclosure of a report or a dedicated section describing the company's efforts on environmental, economic, and social issues.	☑	Traphaco has disclosed this policy in the Annual Report and the Sustainable Development Report.



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☑ : Good practice implemented ☑ : Practice partially implemented ☒ : Practice not implemented

No.	Criteria	Status as of 2024	Evaluation
C.2	When the interests of stakeholders are protected by law, stakeholders must have the opportunity to file effective complaints when their rights are violated.		
C.2.1	The company provides contact information on its website and in the annual report so that stakeholders can reach out with inquiries or complaints.	☑	Traphaco has clearly stated the contact point and the Investor Relations department in the annual report and on the company's website.
C.3	Mechanisms to enhance employee participation effectiveness should be allowed to be established.		
C.3.1	The company clearly states its policies on employee health, safety, and welfare.	☑	Traphaco has clearly stated this policy in the Annual Report and the Sustainability Report.
C.3.2	The company explicitly discloses its policies, practices, and efforts regarding training and development programs for employees.	☑	Traphaco has effectively implemented and fully presented it in the Sustainability Report.
C.3.3	The company has a reward policy linked to long-term rather than short-term business performance.	☑	Traphaco has fully disclosed it in the Annual Report and the Sustainability Report.
C.4	Stakeholders, including employees and their representative organizations, must be free to communicate their concerns about illegal or unethical practices to the Board of Directors without any impact on their rights.		
C.4.1	The company has a procedure for employees to report violations within the company.	☑	Traphaco has issued this procedure.
C.4.2	The company has a policy or procedure to protect employees/individuals from retaliation for disclosing illegal or unethical conduct.	☑	Traphaco has issued this procedure.
SECTION D. DISCLOSURE AND TRANSPARENCY			
D.1	Transparent ownership structure		
D.1.1	Disclosure of Ownership Information: Identity of major shareholders holding 5% or more of shares.	☑	Traphaco has implemented this requirement.
D.1.2	Disclosure of direct and indirect share ownership of major shareholders.	☑	
D.1.3	The company discloses the direct and (assumed) indirect share ownership of Board members.	☑	Traphaco has provided very specific disclosures in the Annual Report.
D.1.4	Disclosure of ownership information: both direct and indirect shares held by Executive Board members.	☑	
D.1.5	Disclosure of detailed information about the parent company, subsidiaries, affiliates, and joint ventures.	☑	
D.2	The quality of the Annual Report		
D.2.1	Objectives of the Company	☑	
D.2.2	Financial performance indicators.	☑	
D.2.3	Non-financial performance indicators.	☑	
D.2.4	Dividend policy.	☑	Traphaco has provided very specific disclosures in the Annual Report.
D.2.5	Detailed biography (including at least age, educational background, expertise, date of initial appointment, relevant experience, and other Board of Directors positions held at listed companies) of Board members.	☑	

No.	Criteria	Status as of 2024	Evaluation
D.2.6	Details of each Board member's participation in Board meetings held during the year.	☑	Traphaco has provided very specific disclosures in the Annual Report.
D.2.7	Total remuneration of each Board member.	☑	
Statement of Affirmation on Corporate Governance			
D.2.8	The annual report discloses a statement affirming the company's full compliance with corporate governance rules, and in cases of non-compliance, it clearly identifies and explains the reasons for each issue.	☑	Traphaco has provided very specific disclosures in the Annual Report.
D.3. Disclosure of Related Party Transactions (RPTs)			
D.3.1	The company discloses its policy on reviewing and approving material/significant Related Party Transactions	☑	Traphaco has stipulated this content in the Company's Charter and specified it through regulations on managing contracts and transactions between Traphaco JSC and related parties.
D.3.2	The company discloses the name of the related party, the relationship, the nature, and the value of each material/significant RPT.	☑	Traphaco has disclosed this information in detail in the Annual Report, under the Corporate Governance section.
D.4 Board members/directors trading the company's shares.			
D.4.1	The company discloses transactions of the company's shares conducted by insiders.	☑	Traphaco has disclosed this information in detail in the Annual Report, under the Corporate Governance section.
D.5 Independent Audit and Audit Report			
In cases where the same audit firm provides both audit and non-audit services.			
D.5.1	Disclosure of audit fees.	☒	
D.5.2	Disclosure of non-audit fees.	☒	Traphaco has not yet disclosed this information.
D.6 Communication channels			
In cases where the same audit firm provides both audit and non-audit services.			
D.6.1	Quarterly reports.	☑	Traphaco has fully disclosed this information.
D.6.2	Company website.	☑	Traphaco has thoroughly updated the company website in both Vietnamese and English.
D.6.3	Analyst evaluations.	☑	Traphaco provides links to analysis articles (news) on the company's semi-annual and annual business performance, as well as stock trend analysis, on the company website.
D.6.4	Information on media/press conferences.	☑	Traphaco has widely and regularly promoted corporate information through mass media channels.
D.7 Submission/disclosure of the Annual Report/Financial Statements on time.			
D.7.1	The financial statements are disclosed within 120 days from the end of the fiscal year.	☑	Traphaco complies well with this regulation.
D.7.2	The annual report is disclosed within 120 days from the end of the fiscal year.	☑	Traphaco fully discloses this information.
D.7.3	The truthfulness and fairness of the annual financial statements are affirmed by the Board of Directors members and/or authorized executive members of the company.	☑	Traphaco has fully disclosed this information.



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No.	Criteria	Status as of 2024	Evaluation
D.8	The company has a website that provides updated information on:		
D.8.1	Financial reports (most recent quarter).	☑	
D.8.2	Documents from analysts and media agencies.	☑	
D.8.3	Annual reports available for download.	☑	
D.8.4	Notices and materials for the General Meeting of Shareholders (GMS) and/or Extraordinary General Meeting of Shareholders.	☑	Providing complete and regularly updated information.
D.8.5	Minutes of the GMS and/or Extraordinary General Meeting of Shareholders.	☑	
D.8.6	Company charter available for download.	☑	
D.9	Investor Relations		
D.9.1	Does the company disclose the contact information (e.g., phone number, fax, and email) of the officer/department responsible for investor relations?	☑	Traphaco has fully disclosed this information in the Annual Report, the Sustainability Report, and on the company's website.

SECTION E. RESPONSIBILITIES OF THE BOARD OF DIRECTORS

E.1 Roles and Responsibilities of Board Members			
The responsibilities of the Board of Directors and corporate governance regulations are clearly defined			
E.1.1	Disclosure of corporate governance policies and the Board of Directors' operating charter.	☑	Traphaco has fully disclosed this information on the company's website.
E.1.2	Public disclosure of the types of decisions requiring approval from Board members.	☑	Decisions are publicly disclosed in accordance with legal regulations.
E.1.3	Clearly defined and disclosed roles and responsibilities of Board members.	☑	Traphaco has fully disclosed this content in the Annual Report, Corporate Governance Regulations, and Company Charter.
E.1.4	The company discloses its vision and mission, which are reviewed and updated regularly.	☑	Traphaco has fully disclosed this content in the Annual Report.
E.1.5	Board members have played a leadership role in the development and monitoring of the company's strategy for at least one year.	☑	The Board of Directors directs the development and closely monitors the implementation of strategies, specifying objectives based on the company's strategic goals.
E.1.6	Board members have a process for reviewing, supervising, and monitoring the implementation of the company's strategy.	☑	The Board of Directors reviews, supervises, and monitors the implementation of the company's strategy through periodic meetings or interim sessions, following a specific process. The Board of Directors has a Strategy Subcommittee, while the Board of Management has a Strategy Implementation Committee (chaired by the CEO, who is also a Board member).

No.	Criteria	Status as of 2024	Evaluation
E.2	Structure of the Board of Directors		
Code of Ethics or Conduct			
E.2.1	The company discloses the details of its Code of Ethics.	☑	Traphaco has developed the new Traphaco Culture, featuring six supreme cultural principles for Traphaco employees. The Code of Professional Ethics, integrated into the Culture Handbook, was issued in Q1/2020.
E.2.2	The company explicitly states that all members of the Board of Directors, the Executive Board, and employees are required to comply with the Code of Conduct.	☑	
E.2.3	The company specifies the implementation and control measures for ensuring compliance with the Code of Conduct.	☑	
Composition and Structure of the Board of Directors			
E.2.4	The Board of Directors has at least 50% independent members.	☑	Since April 2024, Traphaco's Board of Directors has had 2 independent members out of a total of 7 (~30%).
E.2.5	The company limits the maximum tenure for independent board members to 9 years or fewer, or a maximum of two 5-year terms.	☑	Traphaco complies with its Charter, which limits the tenure of board members to no more than 5 years.
E.2.6	The company sets a limit on the maximum number of board positions an independent/non-executive board member can hold concurrently at other companies.	☑	Traphaco has not yet formalized this into regulations but is effectively applying this principle.
E.2.7	The company has executive board members serving on more than two boards of listed companies outside the group.	☑	Traphaco adheres well to this principle: The Board of Directors has only one executive member, the CEO, who serves on the boards of two subsidiaries (which are not listed companies outside the group).
Human Resources Subcommittee			
E.2.8	The company has a Human Resources Subcommittee.	☑	Traphaco has a Human Resources and Remuneration Subcommittee.
E.2.9	The Human Resources Subcommittee includes a majority of independent Board members.	☑	The Human Resources and Remuneration Subcommittee has one independent Board member.
E.2.10	Is the Chairman of the Human Resources Subcommittee an independent Board member?	☑	
E.2.11	The company discloses the operating regulations/governance structure/charter of the Human Resources Subcommittee.	☑	Traphaco is effectively following this practice.
E.2.12	The participation of members in Human Resources Subcommittee meetings is publicly disclosed, if applicable. The Human Resources Subcommittee meets at least twice a year.	☑	
E.2.13	The company has a Remuneration Subcommittee.	☑	Traphaco has a Human Resources and Remuneration Subcommittee.
E.2.14	The Remuneration Subcommittee includes a majority of independent Board members.	☑	The Human Resources and Remuneration Subcommittee includes one independent Board member.



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No.	Criteria	Status as of 2024	Evaluation
E.2.15	The Chair of the Human Resources Subcommittee is an independent Board member.	☑	
E.2.16	The company has disclosed the operational regulations/governance structure/statute of the Remuneration Subcommittee.	☑	Traphaco đang thực hiện tốt thông lệ này.
E.2.17	The participation of members in the meetings of the Remuneration Subcommittee is disclosed publicly, and if applicable, the Remuneration Subcommittee meets at least twice a year.	☑	
Audit Subcommittee			
E.2.18	The company has an Audit Subcommittee.	☑	Traphaco implements this well.
E.2.19	The Audit Subcommittee consists of all non-executive Board members with a majority of independent Board members/members.	☑	The Audit Subcommittee consists of all non-executive Board members with a majority of independent Board members.
E.2.20	The chairman of the Audit Subcommittee is an independent Board member.	☑	The chairman of the Audit Subcommittee is an independent Board member.
E.2.21	The company has disclosed the operating regulations/governance structure/bylaws of the Audit Subcommittee.	☑	Traphaco implements this well.
E.2.22	At least one independent Board member of the Audit Subcommittee has expertise in accounting (professional qualifications or experience in accounting).	☑	Traphaco implements this well.
E.2.23	The participation of members in the Audit Subcommittee meetings is publicly disclosed. If so, the Audit Subcommittee holds a minimum of four meetings per year.	☑	The Audit Subcommittee holds separate meetings and working sessions with the independent auditors.
E.2.24	The Audit Subcommittee has the primary responsibility for making recommendations on the appointment and dismissal of the independent auditor.	☑	It is clearly specified in the Board of Directors' Operating Charter.
E.3 Board of Directors' Process			
Board of Directors' Meetings and Attendance			
E.3.1	Board meetings are scheduled before the beginning of the financial year.	☑	The board meeting schedule for the upcoming year is arranged and the expected agenda is set during the last board meeting of the current year.
E.3.2	Board members meet at least 6 times per year.	☑	In 2025, Traphaco's board held 21 meetings, and all members attended fully.
E.3.3	Each board member attends at least 75% of the total board meetings in the evaluation year.	☑	Traphaco implements this well.
E.3.4	The company requires at least 2/3 of the board members to attend meetings where decisions need to be made.	☑	This is specified in the Charter and the Board's Operating Regulations.

No.	Criteria	Status as of 2024	Evaluation
E.3.5	Non-executive board members hold at least one separate meeting per year without the presence of executive members.	☑	Traphaco implements this well.
Access to information			
E.3.6	Documents for Board of Directors meetings are provided to the Board at least five working days prior to the meeting.	☑	This content is included in Traphaco's Charter and is being well implemented.
E.3.7	The company secretary plays an important role in assisting the Board in fulfilling its responsibilities.	☑	Traphaco has clearly stated this in the Company's Charter.
E.3.8	The company secretary is trained in legal, accounting, or corporate secretarial practices and is kept updated on relevant new developments in these areas.	☑	The company secretary works full-time, is trained in accounting, and is well-versed in legal regulations related to the industry, corporate law, and securities law, pharmaceutical law, etc.
Appointment and re-election of board members.			
E.3.9	The company discloses the criteria used to select new board members.	☑	The criteria for selecting board members are specifically outlined in the Nomination and Election Procedures for Board Members and are disclosed on the company's website before the general meeting.
E.3.10	The company describes the process applied to appoint new board members.	☑	Traphaco has provided the process for electing new board members in the Nomination and Election Procedures for Board Members and has published it on the company's website before the general meeting.
E.3.11	All board members are required to be re-elected at least every 3 years, or 5 years for listed companies in countries where the law mandates a 5-year term.	☑	The term of board members at Traphaco is 5 years.
Remuneration issues			
E.3.12	The company discloses its policy/practice regarding remuneration (fees, salaries, benefits in kind, or other perks) for executive board members and the CEO, including the use of incentive policies and short- and long-term performance criteria.	☑	Traphaco has disclosed this in the Annual Report.
E.3.13	The structure of remuneration for non-executive board members is publicly disclosed.	☑	Traphaco has disclosed this in the Annual Report.
E.3.14	The remuneration of executive board members and/or senior management is approved by the shareholders or the Board of Directors.	☑	The remuneration of board members is approved by the Annual General Meeting of Shareholders (AGM).
E.3.15	The company has policies and standards that can measure and link the remuneration paid to executive board members or management to the long-term interests of the company, such as applying clawback provisions or deferred bonuses.	☒	Traphaco has not had this policy yet.
Internal Audit			
E.3.16	The company has a separate internal audit department.	☑	
E.3.17	The head of the internal audit department is publicly disclosed, or if outsourced, the name of the outsourcing company is disclosed publicly.	☑	Traphaco has an internal audit department and effectively implements these practices.
E.3.18	The appointment and dismissal of the internal auditor must be approved by the Audit Subcommittee.	☑	



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No.	Criteria	Status as of 2024	Evaluation
Risk monitoring			
E.3.19	The company discloses its internal control process/ risk management system and periodically reviews the effectiveness of the system it is implementing.	☑	Traphaco has a risk management process, which has been disclosed in the Annual Report since 2017.
E.3.20	The annual report/corporate governance report discloses that the Board members have reviewed the company's key control points (including operational, financial, and compliance controls) and risk management systems.	☑	Traphaco effectively implements this practice.
E.3.21	The company discloses how it manages significant risks (such as financial, operational, including IT, environmental, social, and economic risks).	☑	Traphaco has classified the risks, outlined the methods for managing major risks, and disclosed them since the 2016 Annual Report.
E.3.22	The annual report/corporate governance report includes a statement from the Board members or the Audit Subcommittee regarding the adequacy of the company's internal control points/risk management system.	☑	The annual report has presented the activities of the Audit Subcommittee, which oversees the Internal Audit Department in executing the audit plan approved by the Board of Directors. This demonstrates the Audit Subcommittee's role in overseeing and improving the internal control system..
E.4 Personnel in the Board of Directors			
Chairman of the Board of Directors			
E.4.1	Two different individuals hold the positions of Chairman of the Board of Directors and CEO.	☑	Traphaco has met this criterion since 2011.
E.4.2	The Chairman is an independent member of the Board of Directors.	☑	Traphaco meets this criterion.
E.4.4	The roles and responsibilities of the Chairman are publicly disclosed.	☑	Traphaco has regulations regarding the roles and responsibilities of the Chairman of the Board of Directors in its Articles of Association and the Board of Directors' Operating Regulations.
Lead independent director of BOD			
E.4.5	If the Chairman is not an independent member of the Board of Directors, the Board elects a Lead Independent Director, and the role of this position is clearly defined.	☑	
Skills and Competencies			
E.4.6	The company has at least one non-executive board member with prior experience in the main field in which the company operates.	☑	Have.

No.	Criteria	Status as of 2024	Evaluation
E.5 Effectiveness of BOD			
Board member development			
E.5.1	The company has an orientation program for new board members.	☑	New board members are introduced to all departments to understand the company's business operations; they have access to board meeting materials to grasp the company's development direction.
E.5.2	The company has a policy encouraging board members to participate in continuous training or professional development programs.	☑	Traphaco organizes corporate governance training for board members and company leaders. Annually, board members and senior management participate in corporate governance training courses.
Appointment and Effectiveness of the CEO/Board of Management			
E.5.3	The company discloses how the Board of Directors develops succession planning for the positions of CEO/Chairman/key personnel.	☑	Traphaco has a regulation for the appointment of leaders and management personnel.
E.5.4	The Board of Directors conducts an annual performance evaluation for the CEO/Executive Director/key management personnel.	☑	This is clearly specified in the organization's rules and operations of the Board of Directors and is carried out twice a year.
Evaluation of BOD			
E.5.5	The company conducts an annual evaluation of the Board of Directors' performance and publicly discloses the evaluation process as well as the criteria used for the assessment.	☑	The company conducts an annual review and evaluation of the Board of Directors' activities, and publishes the results in the Annual Report.
Evaluation of BOD members			
E.5.6	The company conducts an annual performance evaluation for each member of the Board of Directors and publishes the evaluation process and criteria used.	☒	Traphaco has not yet implemented this practice.
E.5.7	The company also conducts an annual performance evaluation for the subcommittees of the Board of Directors and publishes the evaluation process and criteria used.	☒	Traphaco has not yet implemented this practice.



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LEVEL 2 QUESTIONS

No.	Criteria	Status as of 2025	Evaluation
BONUS QUESTIONS			
(B)A. Rights of Shareholders			
(B)A.1	The right to effectively participate in and vote at the General Meeting of Shareholders is communicated in the regulations, including the voting procedures that take place during the General Meeting of Shareholders.		
(B)A.1.1	Does the company allow absentee voting through electronic means at the General Meeting of Shareholders, ensuring its validity?	☑	Traphaco has not yet implemented this practice.
(B)B. Fair treatment of shareholders			
(B)B.1.1	The company issues a notice about the General Shareholders' Meeting (including a detailed agenda and explanatory notice), such as notifying the Stock Exchange, at least 28 days prior to the meeting date.	☑	Currently, the notice is issued 20 days before the record date (thus, at least 28 days prior to the General Shareholders' Meeting date).
(B)C. Roles of related stakeholders			
(B)C.1	The rights of stakeholders, as regulated by law or according to bilateral agreements, must be respected.		
(B)C.1.1	The company implements internationally recognized reporting frameworks for sustainability development (i.e., GRI, Integrated Reporting, SASB).	☑	Traphaco's sustainability report is conducted based on GRI criteria.
(B)D. Disclosure of Information and Transparency			
(B)D.1	Quality of the Annual Report		
(B)D.1.1	The annual audited financial statements are publicly disclosed within 60 days from the end of the fiscal year.	☑	Traphaco discloses its annual financial statements in accordance with the information disclosure regulations of the State Securities Commission, which is no later than 90 days from the end of the fiscal year.
(B)D.1.2	The company discloses detailed information about the CEO's remuneration.	☑	Traphaco has disclosed detailed information about the CEO's remuneration since the 2016 Annual Report.
(B)E. Responsibilities of BOD			
(B)E.1	BOD's Capability and Diversity		
(B)E.1.1	Does the company have at least one female independent board member?	☑	There are 02 male independent board members.
(B)E.1.2	Does the company disclose its policy and measurable objectives for implementing board diversity and report on progress made?	☑	Traphaco has achieved the EDGE certification for gender equality, which applies to all levels of the company's personnel. However, at the board level, it is more challenging due to the limited availability of high-level human resources in the pharmaceutical industry in Vietnam.

No.	Criteria	Status as of 2025	Evaluation
(B)E.2 BOD structure			
(B)E.2.1	Does the Human Resources Subcommittee include all independent board members?	☑	The Human Resources Subcommittee has 2 independent board members.
(B)E.2.2	The Human Resources Subcommittee follow a process to establish criteria for the quality of board members that align with the company's strategic direction	☑	The Board of Directors' regulations include criteria for the quality of board members to align with the company's needs.
(B)E.3 Appointment and Re-election of the BOD			
(B)E.3.1	The company uses search firms or external independent candidate sources (such as board member databases established by board member institutes or shareholder associations) when seeking candidates for the Board of Directors.	☑	The company carries out this process when seeking candidates for the Board of Directors.
(B)E.4 Structure and Composition of the BOD			
(B)E.4.1	The company has more than 50% of the board members being independent, non-executive members, with the chairman being an independent member.	☑	Traphaco's Board of Directors has 2 independent members out of a total of 7 board members.
(B)E.5 Risk management			
(B)E.5.1	The Board of Directors describes the governance process regarding issues related to information technology, such as disruptions, cybersecurity, disaster recovery, to ensure that all major risks are identified, managed, and reported to the Board.	☑	Traphaco has a Risk Management Committee responsible for these issues, continuously monitoring, supervising, ensuring risk control, and reporting to the Board of Directors when requested.
(B)E.6 Board of Directors' effectiveness			
(B)E.6.1	The company has a separate Risk Management Subcommittee.	☑	Currently, the Risk Management Board is part of the management team.

PENALTY QUESTIONS

(P)A. Shareholders' Rights			
(P)A.1 Basic rights of Shareholders			
(P)A.1.1	The company does not or negligently fails to treat all shareholders equally in share buyback transactions.	☑	Traphaco treats all shareholders fairly in share buyback transactions.
(P)A.2 Shareholders, including institutional shareholders, must be engaged in discussions with each other on matters related to their basic rights as outlined in this Corporate Governance Code, except in cases where exceptions are necessary to prevent abuse.			
(P)A.2.1	Is there any evidence of barriers preventing shareholders from exchanging information or consulting with other shareholders?	☑	No evidence.
(P)A.3 The right to effectively participate in and vote at the General Shareholders' Meeting, and to be informed about the regulations, including the voting procedures during the General Shareholders' Meeting.			
(P)A.3.1	The company includes additional items that were not previously notified in the agenda in the notice of the General Shareholders' Meeting/Extraordinary General Shareholders' Meeting.	☑	Traphaco organizes the General Shareholders' Meeting in accordance with the regulations of the Law on Enterprise and related guiding documents, without violating this requirement.



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☑ : Good practice implemented ☑ : Practice partially implemented ☒ : Practice not implemented

No.	Criteria	Status as of 2025	Evaluation
(P)A.3.2	The Chairman of the Board of Directors, the Chairman of the Audit Subcommittee, and the CEO/Director attended the most recent General Shareholders' Meeting.	☑	All members of the Board of Directors attended the General Shareholders' Meeting.
(P)A.4	The capital structure and any agreements that allow certain shareholders to hold control rights disproportionate to the percentage of shares they own must be publicly disclosed.		
	The company does not disclose the existence of:		
(P)A.4.1	Shareholder agreements.	☑	Traphaco does not have any such special privileges or restrictions.
(P)A.4.2	Voting restrictions.	☑	
(P)A.4.3	Multiple voting rights shares.	☑	
(P)A.5	The capital structure and agreements that allow certain shareholders to hold control disproportionate to the percentage of shares they own must be publicly disclosed.		
(P)A.5.1	A pyramid ownership structure and/or cross-ownership structure exists.	☑	Traphaco does not have this ownership structure, and all shareholders have equal rights and are treated fairly.
(P)B.	Fair treatment of shareholders		
(P)B.1	Insider trading and self-dealing transactions must be prohibited.		
(P)B.1.1	Has the company been found guilty of any violations related to insider trading involving board members, executive management, and employees in the past three years?	☑	There has been no finding of violation. Information on transactions of insiders and related persons has been disclosed in accordance with regulations.
(P)B.2	Protection of minority shareholders against abusive practices		
(P)B.2.1	Are there any instances of non-compliance with laws, rules, and regulations related to significant or material related-party transactions in the past three years?	☑	None.
(P)B.2.2	Are there any related-party transactions that could be classified as financial support (i.e., not conducted on a reasonable market basis) to entities other than subsidiaries?	☑	The company currently does not engage in these activities.
(P)C.	The role of related stakeholders		
(P)C.1	The rights of stakeholders, as regulated by law or according to bilateral agreements, must be respected.		
(P)C.1.1	There have been no violations of laws regarding labor/employment/consumer/procurement/competition or environmental issues.	☑	None.

No.	Criteria	Status as of 2025	Evaluation
(P)C.2	When stakeholders are involved in the corporate governance process, they must have timely and regular access to appropriate, complete, and reliable information.		
(P)C.2.1	Does the company face any penalties from regulatory authorities for failing to disclose information within the required time frame for material events?	☑	None.
(P)D.	Disclosure of Information and Transparency		
(P)D.1	Penalties from regulatory authorities related to financial reporting		
(P)D.1.1	Company receives a "qualified opinion" in the independent audit report	☑	None.
(P)D.1.2	Company receives an "adverse opinion" in the independent audit report	☑	None.
(P)D.1.3	Company receives a "disclaimer of opinion" in the independent audit report	☑	None.
(P)D.1.4	Company amends its Financial Statements in the past year for reasons other than changes in accounting policies	☑	None.
(P)E.	Responsibilities of BOD		
(P)E.1	Compliance with the current regulations, rules, and laws regarding listing		
(P)E.1.1	There is evidence that the company has not complied with any listing rules and regulations in the past year, other than the information disclosure regulations.	☑	No evidence.
(P)E.1.2	There has been a case where a non-executive board member resigned and raised any concerns related to governance.	☑	No case.
(P)E.2	BOD structure		
(P)E.2.1	The company has an independent board member who has served for more than 9 years or two 5-year terms (whichever is higher) in the same position.	☑	None.
(P)E.2.2	The company has not clearly identified who the independent board members are.	☑	The company has clearly identified 02 independent board members.
(P)E.2.3	The company has any independent board members holding governance roles in a total of more than 5 boards of listed companies.	☑	None.
(P)E.3	Independent audit		
(P)E.3.1	(In the past two years) There were member of the Board of Directors or senior executive been an employee or partner of the current independent auditing firm.	☑	None.
(P)E.4	Composition and Structure of the BOD		
(P)E.4.1	The Chairman of the Board has been the CEO of the company for the past 3 years.	☑	None.
(P)E.4.2	Independent non-executive members do not receive stock options or bonus shares	☑	None.



TRANSACTIONS AND REMUNERATION

The total remuneration of the members of the Board of Directors was approved at the 2025 General Meeting of Shareholders, with the actual amount received being 4,200,000,000 VND.

ASSESSMENT OF CORPORATE GOVERNANCE IN 2025



ASSESSMENT OF CORPORATE GOVERNANCE IN 2025

- The Company successfully organized the Annual General Meeting of Shareholders in April 2025 to review and decide on matters within the authority of the General Meeting. The meeting was conducted legally and validly, ensuring compliance with the Law on Enterprises regarding procedures and formalities.
- The Board of Directors complied with the Law on Enterprises, the Law on Securities, the Company's Charter, and applicable laws and regulations. Board meetings were organized and conducted in accordance with the Internal Regulations on Corporate Governance.
- The Board of Directors fully acknowledged and considered the contributions and opinions of independent Board members.

The Board Subcommittees operated actively and advised the Board on matters such as technology transfer activities, transformation of the distribution model, and investment in building a factory meeting EU-GMP standards. Internal audit activities were carried out in accordance with their functions and responsibilities, contributing to improving the effectiveness of the internal control system.

REPORT OF THE BOARD OF SUPERVISORS IN 2025

MEMBERS AND STRUCTURE OF THE BOARD OF SUPERVISORS

No.	Member	Title	Number of shares	Note
1.	Nguyen Thi Luong Thanh	Head	0	Elected to the new term on March 31 st , 2021
2.	Nguyen Thanh Hoa	Member	0	Elected to the new term on March 31 st , 2021
3.	Nguyen Thi Giang	Member	0	Elected as a supplementary member for the 2021-2025 term at the 2024 Annual General Meeting of Shareholders on April 12 th , 2024 Resigned on November 4 th , 2025

MEETINGS OF THE BOARD OF SUPERVISORS

In 2025, the Board of Supervisors organized 04 periodic meetings and fully attended the meetings of the Board of Directors ("BOD") of Traphaco Joint Stock Company (Traphaco). The main sessions of the Board of Supervisors were as follows:

Meeting	Participants	Main contents
Session 1: January 2025	03/03	<ul style="list-style-type: none"> • Analyze and evaluate contracts and transactions with related parties in 2025 to submit to the General Meeting of Shareholders (GMS). • Review and evaluate compliance with the law, Resolutions of the GMS and the Board of Directors, and the implementation of KPIs by the Board of Management. • Examine the 2024 Financial Statements.
Session 2: April 2025	03/03	<ul style="list-style-type: none"> • Assign tasks to members of the Board of Supervisors. • Review and evaluate legal compliance with resolutions of the GMS and the Board of Directors.
Session 3: August 2025	03/03	<ul style="list-style-type: none"> • Examine the 2025 Semi-annual Financial Statements.
Session 4: December 2025	02/02	<ul style="list-style-type: none"> • Evaluate the 2026 Plan.

RESULTS OF SUPERVISION ON THE IMPLEMENTATION OF THE 2025 GMS RESOLUTIONS

- The Company achieved consolidated net revenue of 2,657 billion VND in 2025, reaching 105% of the plan; consolidated profit after tax was 278 billion VND, reaching 104% of the plan.
- The total number of registrations/announcements exceeded the target with 313 registrations/announcements (plan: 302 registrations/announcements).
- The Company completed the appropriation of funds in accordance with regulations, ensuring payments to the State budget as required by law.
- The Company completed the payment of 2024 dividends in accordance with regulations (per GMS Resolution 16/2025/NQ-DHDCD) in January 2025 and July 2025.
- The Company selected Ernst & Young Vietnam Co., Ltd. as the auditing unit for the 2025 Financial Statements.



REPORT OF THE BOARD OF SUPERVISORS IN 2025

RESULTS OF SUPERVISION OVER THE BOARD OF DIRECTORS AND THE BOARD OF MANAGEMENT

The Board of Directors (BOD) consists of 7 members. In 2025, the BOD organized in-person meetings and collected written opinions in accordance with the Company's Charter. The Board of Supervisors evaluates that the BOD's activities during the year were in compliance with legal regulations, the Company's Charter, and the Company's Corporate Governance Regulations, following the orientation of advanced governance standards; the BOD directed and supervised the implementation of the development strategy, closely following all Company activities with high efficiency and a sense of responsibility.

BOD members fully attended BOD meetings and actively provided advisory opinions to the Board of Management on several major Company activities: the distribution model transformation project, the implementation of the EU-GMP standard factory project, etc.

Sub-committees under the BOD organized meetings in accordance with the BOD's operating regulations.

In 2025, the Board of Management fundamentally evaluated, forecasted, and provided orientation and synchronization in planning, production, goods rotation, and sales.

The Board of Directors and the Board of Management implemented reporting and information disclosure fully in accordance with current legal regulations.

The Board of Supervisors agrees with the BOD's Report to be submitted to the 2026 Annual General Meeting of Shareholders.

RESULTS OF SUPERVISION OVER THE COMPANY'S OPERATIONAL AND FINANCIAL PERFORMANCE

Consolidated operating results of the company

KEY INDICATORS:

No.	Indicators	Unit	Plan of 2025	Results in 2025	The ratio compared to planned	Growth compared to 2024
1	Consolidated Net Revenue	Billion VND	2,538	2,657	105%	13%
2	Consolidated Profit (after tax)		268	278	104%	8%
3	Number of new products produced and launched to the market	product	12	18	150%	30%
4	Sales of new products to market from 2021 to 2025	Billion VND	300	320.3	107%	45%
5	Annual registration number and ownership announcement.	Registration/announcement number	302	313	104%	8%

GENERAL ASSESSMENT

In 2025, the Vietnamese economy in general maintained a stable growth momentum, and the pharmaceutical industry in particular saw positive growth. Product quality management has been increasingly tightened by regulatory authorities, especially following incidents related to counterfeit and substandard drugs in the market. This enhanced control creates favorable conditions for reputable pharmaceutical enterprises with robust quality management systems like Traphaco to continue consolidating their position and expanding market share. By effectively seizing these opportunities, the Company's consolidated revenue in 2025 reached 105% of the target, growing by 13% year-over-year, while consolidated profit reached 104%, a growth of 8% compared to the same period.

In July 2025, the Company established Traphaco Pharmaceutical One Member Limited Company (Traphaco New) to specialize in distribution and logistics activities, gradually optimizing the entire supply chain. Along with this, the Company dissolved 26 branches to concentrate resources into 3 level-1 branches, helping to streamline the apparatus and penetrate the market more deeply and

efficiently. The overall revenue of the entire system showed significant growth across each channel. Specifically:

- OTC and Online Channels: 2025 revenue reached over 105% of the plan, a growth of 12% compared to 2024.
- + ETC Channel: Although 2025 revenue only reached nearly 97% of the plan, it recorded a growth of 5% compared to 2024.

These results demonstrate that the Company has successfully capitalized on market opportunities and effectively exploited the premium Herbal Medicine groups, high-quality Western Medicine, and technology transfer product groups...

- The consolidated net profit margin on consolidated revenue for 2025 reached 10.48%, fundamentally achieving the set plan.
- In 2025, the Company continued to implement comprehensive digital transformation in governance, operations, and sales, helping to improve corporate operational efficiency, provide transparency in production-distribution processes, and optimize operations and decision-making.

APPRAISAL OF THE 2025 FINANCIAL STATEMENTS

The Board of Supervisors has reviewed, examined, and agreed with the Consolidated Financial Statements and the Separate Financial Statements of the Company for 2025, which were audited by Ernst & Young Vietnam Co., Ltd. The financial statements for the year ended December 31, 2025, and the semi-annual financial statements for 2025, present fairly and reasonably, in all material respects, the financial position, business results, and cash flows of the Company.

The Company has complied with the requirements of accounting standards, the accounting regime, as well as current financial, accounting, and tax management regulations in organizing financial and accounting work and performing accounting entries. The 2025 Financial Statements were prepared accurately and on schedule.

Evaluation of the coordination between the Board of Supervisors and the Board of Directors, the Board of Management, and Shareholders

The Board of Directors and the Board of Management have coordinated closely and created favorable conditions for the Board of Supervisors to fulfill its duties, providing full information on the Company's business operations and financial status, BOD meeting minutes, and other information upon request.

The Board of Supervisors, the Board of Directors, and the Board of Management collaborated closely to promptly resolve issues arising during the Board of Supervisors' inspection and control process.

At BOD meetings, the Board of Supervisors attended and provided opinions and recommendations to the Board of Directors and the Board of Management regarding corporate governance issues within its scope of responsibility. Most recommendations were acknowledged and implemented.

In 2025, there were no requests from the General Meeting of Shareholders, groups of shareholders, or individual shareholders under Clause 2, Article 115 of the Law on Enterprises to the Board of Supervisors regarding the inspection of specific issues in the management and operation of the Company.



REPORT OF THE BOARD OF SUPERVISORS IN 2025

REPORT OF THE BOARD OF SUPERVISORS FOR THE 2021-2025 TERM

The Board of Supervisors (BOS) reports to the General Meeting of Shareholders on the results of the inspection and supervision of Traphaco Joint Stock Company's activities during the 2021-2025 term as follows:

1 Activities of the Board of Supervisors

- During the term, the Board of Supervisors organized periodic meetings and fully participated in BOD sessions to keep abreast of business operations, governance, and investment activities. Within its authority, it provided opinions and recommendations to the Board of Directors and the Board of Management.
- The Board of Supervisors attended meetings between Internal Audit and the Board of Management, coordinated in certain audit activities, and contributed opinions on related matters
- During the term, the Board of Supervisors did not receive any written complaints from shareholders regarding the Company's business activities.

Comments and Evaluations:

- Members of the Board of Supervisors consistently demonstrated a spirit of independence, objectivity, and respect for the law in supervising all Company activities.
- Members of the Board of Supervisors consistently strove to adhere to the Board's functions and duties, closely monitoring the Company's operations during the performance of their tasks, and proposing/recommending measures for potential governance risks.
- Members of the Board of Supervisors coordinated with the Board of Directors, the Board of Management, functional departments, and relevant individuals during their work, organizing full periodic meetings (quarterly, annually) to perform the Board's supervisory duties.
- During the term, the Board of Directors and the Board of Management coordinated closely, creating conditions for the Board of Supervisors to complete its tasks by providing full information on production and business activities, financial status, BOD meeting minutes, and other information upon request.

2 Preparation and Auditing of Financial Statements

The Company's Financial Statements are prepared in accordance with current Vietnamese Accounting Standards and regimes. Throughout the 2021-2025 term, the Financial Statements were audited by one of the Big 4 firms, which are entities approved by the State Securities Commission to audit listed companies.

The performance results of key production and business indicators during the 2021-2025 term, according to the Financial Statements, are as follows:

Indicator	UNIT	2021	2022	2023	2024	2025
Net revenue	Billion VND	2,161	2,399	2,299	2,347	2,657
Profit before tax	Billion VND	331	368	361	325	347
Profit after tax	Billion VND	264	294	285	257	278
Liabilities	Billion VND	440	436	635	636	636
Owners' equity	Billion VND	1,268	1,381	1,489	1,533	1,686
Charter capital (opening balance)	Billion VND	415	415	415	415	415
Dividend payout ratio	%	30	30	30	40	40

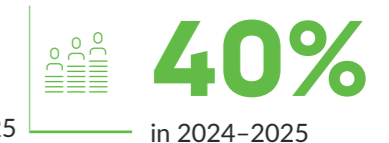
The Company's revenue during the 2021-2025 term increased 1.23 times, rising from 2,161 billion VND to



The Company's owners' equity during the 2021-2025 term increased 1.33 times, from 1,268 billion VND to



Dividends: The Company maintained a cash dividend payout ratio of 30% from 2021 to 2023 and increased it to



Regarding profit distribution

The Company has performed the appropriation of funds in accordance with the annual profit distribution plans as per the Resolutions of the Annual General Meeting of Shareholders throughout the years of the term.

During the 2021-2025 term, the Board of Supervisors received remuneration in accordance with the Resolutions of the General Meeting of Shareholders across the years. The specific remuneration levels are as follows:

No.	Full name	Title	Date of Appointment/ Resignation	Quarterly Remuneration
1.	Nguyen Thi Luong Thanh	Head	Appointed on March 31 st , 2021	42,000,000
2.	Nguyen Thanh Hoa	Member	Appointed on March 31 st , 2021	36,000,000
3.	Kwon Ki Bum	Member	Appointed on March 31 st , 2021 - Resigned on July 20 th , 2023	36,000,000
4.	Nguyen Thi Giang	Member	Appointed on April 12 th , 2024 - Resigned on November 4 th , 2025	36,000,000

RECOMMENDATIONS OF THE BOARD OF SUPERVISORS

The Board of Supervisors proposes the following recommendations to the Company for 2026:

- Improve the quality of reporting formats and analysis to better serve corporate governance, ensuring alignment with the Company's operating model.
- Focus on assigning 2026 business plan targets to subsidiaries that closely align with the orientation and growth levels of the parent company. Enhance risk management across the entire system and improve governance at subsidiaries and branches.
- Implement the EU-GMP standard factory project urgently yet cautiously, with periodic reports on the project's progress.
- Focus on the revenue of core products that bring high economic efficiency.
- Strengthen governance responsibility, focusing on reviewing the legal status of and providing specific solutions for overdue and high-risk debts.
- Review and evaluate promotion schemes that reduce revenue using appropriate and effective methods to ensure a balance of interests between customers and the Company.
- Review and update the system of internal governance documents to ensure suitability with the current organizational model following the changes in the distribution model and the dissolution of level-2 branches.
- Strengthen supervision of legal compliance in pharmaceutical production and business activities, ensuring product quality and maintaining compliance with GMP, GACP, and GSP standards throughout the system.
- Develop solutions to stabilize the supply chain, especially for imported raw materials, to mitigate the risk of supply disruptions.
- Strictly control production costs while developing cost optimization solutions to reduce product prices and enhance competitiveness.
- Seek solutions to maintain and develop key markets in the field of premium herbal medicine, while prioritizing investment in the development of high-quality western medicine.





REPORT OF RISK MANAGEMENT IN 2025



The year 2025 marks a period of significant volatility for the pharmaceutical industry, as enterprises are simultaneously impacted by market pressures, regulatory changes, and increasingly stringent operational requirements. In this context, Traphaco remains steadfast in implementing risk management as a core pillar of its corporate governance system, integrating it comprehensively from strategic planning to operational execution to ensure stability and sustainable development. The Company continues to maintain a three-tier enterprise risk management model, ensuring that risk identification, assessment, and control are conducted systematically, consistently, and closely aligned with production and business activities across the entire system.

STRATEGIC RISK MANAGEMENT

In 2025, amid continued pressures on the pharmaceutical market from weakened purchasing power, intensifying competition, and increasingly stringent requirements on quality standards, regulatory compliance, and distribution capabilities, Traphaco maintained a positive growth momentum, with key performance indicators exceeding the set targets. This performance underscores the Company's flexible management capabilities, effective adaptability to market fluctuations, and the critical role of strategic risk management in ensuring operational stability and sustainable growth.

Aligned with its long-term strategic orientation of "Maintaining the No.1 Position in Herbal Medicine - Focusing on investment and development of Non-Herbal Medicine", Traphaco has synchronously implemented solutions to identify, diversify, and control strategic risks. The Company has prioritized enhancing the value of its product portfolio by accelerating research and development activities and expanding into higher technology and higher value-added segments such as high-quality Western medicine, Generic medicine, and technology-transferred products. These efforts help reduce reliance on traditional product groups while creating sustainable long-term growth drivers.

In 2025, the Company continued to implement subsequent phases of technology transfer with its partner Daewoong, focusing on combination drugs with complex formulation technologies and high value, gradually mastering production technologies and shortening the timeline from research to product commercialization. At the same time, Traphaco accelerated the progress of its high-standard manufacturing plant projects, targeting EU-GMP compliance, in order to elevate production governance standards, minimize quality-related risks, meet increasingly stringent regulatory requirements, and expand future partnership opportunities. Systematic investments in research, quality control, and manufacturing capabilities enable the Company to proactively respond to strategic risks, strengthen its market position, and build a solid foundation for sustainable growth in the medium and long term.

During the year, Traphaco achieved numerous positive results that laid a solid foundation for effective risk control and strategy execution. The Company was honored among the Vietnam's Top 10 Sustainable Businesses in 2025 and received the CSI Star award for the 2016-2025 period, reaffirming its long-term commitment to sustainable governance and compliance with international standards. In addition, Traphaco was recognized as an outstanding listed company on the occasion of the 25th anniversary of the Vietnam Stock Market, demonstrating its strong commitment to transparency, sound corporate governance, and the creation of sustainable shareholder value. Furthermore, several key products continued to maintain their leading market positions and were recognized for their quality and effectiveness, thereby strengthening the trust of partners and consumers.

LEGAL RISK MANAGEMENT

In 2025, the finalization of the amended Pharmaceutical Law and its guiding regulations continued to exert significant impacts on pharmaceutical enterprises, particularly in areas related to distribution, bidding, drug registration, logistics, and the organization of sales systems.

Fully aware that legal risk constitutes one of the Company's key risk exposures, Traphaco strengthened its compliance governance by regularly updating new legal regulations, reviewing internal processes, and assessing the alignment of its operating model with the evolving regulatory framework. During 2025, the Company implemented a comprehensive restructuring of its distribution system toward a more centralized and streamlined model, establishing Traphaco Pharmaceutical One Member Limited Company as the focal entity for logistics and distribution. This initiative aims to ensure full compliance with legal requirements, enhance transparency, and minimize legal risks arising from distribution activities.



The Company maintained a mechanism for monitoring, updating, and timely disseminating legal documents related to key areas such as pharmaceuticals, corporate governance, bidding, taxation, environmental protection, and labor. Critical legal regulations were selectively reviewed, analyzed, and uniformly communicated via digital platforms, enabling business units to proactively implement compliance measures and minimize risks arising from insufficient information or delayed execution.

In parallel, Traphaco conducted periodic assessments of compliance with legal requirements across the entire system, particularly for regulations that had a direct impact on production and business operations. Any areas of non-compliance or potential risk were promptly identified, classified, and addressed in accordance with risk management and corrective action procedures, ensuring consistency and effective control.

In contract and transaction management, the Company focused on legal reviews of high-value contracts, standard form contracts, and complex transactions, while further standardizing contract templates to minimize potential risks and optimize legal resources. Legal advisory activities were carried out in a timely manner, meeting the needs of business units and effectively supporting the implementation of key projects and strategic programs.

In addition, Traphaco proactively participated in forums, seminars, and policy dialogues with regulatory authorities and industry associations to promptly capture regulatory developments, reflect practical challenges, and contribute feedback to policy formulation. Internal legal advisory and compliance control functions were strengthened, fostering a culture of compliance throughout the organization and safeguarding the Company's reputation and legitimate interests.

Through the synchronized implementation of legal updates, compliance assessments, contract control, legal advisory, and policy engagement, Traphaco continued to reinforce its legal risk management capacity, effectively protect its lawful interests, and support the achievement of its sustainable development objectives in 2026.



REPORT OF RISK MANAGEMENT IN 2025

FINANCIAL RISK MANAGEMENT

Amid the 2025 economic landscape, which continued to present uncertainties such as fluctuations in interest rates, exchange rates, and input material prices, Traphaco implemented **proactive, transparent, prudent, and flexible** financial risk management measures, positioning digital transformation as a core tool to control and optimize resource utilization efficiency.

To manage financial risks, the Company maintained strict budgeting and budget monitoring practices, closely overseeing cash flow and cost structures across the entire system. Cost limits were established in alignment with production and business plans, contributing to effective cost control and ensuring the achievement of targeted profit objectives.

At the same time, Traphaco accelerated the implementation of cashless payment solutions and digitalization initiatives in financial management. A streamlined accounting system helped reduce recurring expenses, improve productivity, enhance transparency, minimize cash flow management risks, and meet increasingly stringent requirements in accounting, taxation, and internal control. These solutions not only mitigated financial risks but also improved operational efficiency and strengthened the Company's resilience against economic fluctuations.

The Company deployed a management reporting system based on a BI platform, integrating data from accounting, DMS, and ERP systems. This enabled real-time monitoring of revenue, costs, and operational efficiency across each sales channel, ensuring that actual revenue closely aligned with committed plans. At the same time, data digitalization facilitated tighter control over selling expenses, including trade discounts, samples, and promotional goods, thereby minimizing discrepancies and enhancing accuracy in financial management.

Budget management was further strengthened through a reporting system and automatic alert mechanisms triggered when expenditures exceeded budget limits, enabling the Board of Management to make timely adjustments and safeguard overall financial targets. The automation of budget



allocation by department and sales program contributed to process optimization and more effective decision-making.

In addition, Traphaco applied AI in financial analysis to evaluate budget utilization efficiency and conduct cost-profit analysis by SKU, thereby identifying high-value products and prioritizing resources for strategic items. These initiatives enabled the Company to manage financial risks more effectively while laying a solid foundation for sustainable growth.



OPERATIONAL RISK MANAGEMENT

Traphaco's operational risks arose in the context of significant structural changes in the pharmaceutical market. The market underwent a strong consolidation process as low-quality products were eliminated, and pharmacies increasingly prioritized products from reputable brands. At the same time, the implementation of e-prescriptions, the amended Pharmacy Law in 2024 with stricter compliance requirements, tighter control over invoices and supporting documents, and changes in the lump-sum tax calculation method directly affected the business model and operating methods of the distribution system. The rapid expansion of pharmacy chains further imposed higher requirements on enterprises' organizational capacity and operational control.

In response to this context, Traphaco identified operational risk management as a cross-cutting priority closely linked to sustainable growth and operational standardization. The 2025 sales policy was developed to drive revenue growth beyond plan through the support and partnership of pharmacies, based on harmonized and sustainable

benefits, thereby serving as a key growth driver. This approach enhanced benefits for pharmacies, strengthened long-term partnerships, and created a solid foundation for sustainable growth across the system. At the same time, the Company intensified communications on brand value and quality control capabilities to reinforce market confidence and affirm its pioneering role in elevating pharmaceutical industry standards.

The establishment of Traphaco Pharmaceutical One Member Limited Company not only ensured legal compliance but also clearly delineated functions among product detailing, sales, and distribution. This helped reduce overlap risks, strengthen control over inventory, receivables, and cash flow, and enhance supply chain oversight. In addition, the order processing center operated stably, contributing to the standardization of order receipt, processing, and delivery procedures, thereby minimizing errors and distribution disruptions. The expanded application of QR codes on product packaging supported traceability, post-market surveillance, and quality control throughout product circulation.

In 2025, Traphaco continued to accelerate the digitalization of core operational activities such as sales, logistics, warehouse management, and supply chain management. The integration of DMS, ERP, and BI systems enhanced control over revenue, discounts, inventory, and performance by channel and territory; reduced risks of data discrepancies and cost leakage; and improved transparency in governance.

In manufacturing and quality control, Traphaco further invested in testing systems, promoted laboratory digitalization, and applied AI in the classification and evaluation of medicinal materials. At the same time, the Company developed GACP-WHO-compliant medicinal plant cultivation areas to control quality from the beginning of the value chain, reduce raw material risks, and ensure production stability. In research and development, the Company strengthened risk management related to timelines and quality through process standardization, the application of AI in bioavailability and bioequivalence studies, and the diversification of product portfolios for both OTC and ETC channels, thereby enhancing adaptability to market demand.

With respect to process governance and compliance, the Company continued to standardize and digitalize key processes, while innovating compliance assessment methods through the application of technology and AI. These solutions reduced dependence on manual operations, minimized errors, and enhanced consistency across the system.

In addition, the Company focused on managing data, human resource, and reputational risks by building a centralized data platform, enhancing analytical capabilities for management decision-making, strengthening internal training, and standardizing execution capacity.



The comprehensive implementation of risk management across strategic, legal, financial, and operational dimensions enabled Traphaco to proactively control fluctuations, improve operational efficiency, and strengthen its adaptability to changes in the business environment. The increasingly robust risk management system continued to serve as a critical foundation, supporting the Company in maintaining growth momentum, preserving value, and achieving its long-term development objectives.



SHARE INFORMATION AND INVESTOR RELATIONS (IR)



SHARE INFORMATION

(As of the latest registration date: January 6, 2026)

Stock Code: **TRA** Stock Type: Common

TRA

Company's Charter Capital (billion VND)

414.53

Number of Listed Shares (Shares)

41,453,673

Market Capitalization (billion VND)

4,000

Number of Outstanding Shares (Shares)

41,450.540

Shareholder Structure

Organizational shareholders	Tỷ lệ %	Individual shareholders	Tỷ lệ %
Foreign organizations	46.44%	Foreign Individuals	0.21%
Domestic organizations	36.57%	Domestic Individuals	17.77%
State shareholders	35.67%	Treasury Stock	0.01%

List of major shareholders holding more than 5% of the Company's share capital

01.

State Capital Investment Corporation

Business Registration Number: 0101992921
Address: No. 117 Tran Duy Hung, Yen Hoa Ward, Ha Noi
Share volume: 14,786,512
Ownership percentage: 35.67%

02.

MAGBI Fund Limited

Business Registration Number: ERC No.: 2565995
Address: Unit 810, 8/F Star HSE 3 Salisbury Rd Tst Kln Hong Kong
Share volume: 10,361,385
Ownership percentage: 25.00%

03.

Super Delta Pte. Ltd.

Business Registration Number: 201722666G
Address: 10 Anson Road, # 23-14P, International Plaza, Singapore (079903)
Share volume: 6,267,289
Ownership percentage: 15.12%

04.

ACCESS S.A., SICAV-SIF - ASIA TOP PICKS

Business Registration Number: CB9798
Address: 46A, avenue John F. Kennedy L-1855 Luxembourg
Share volume: 2,133,000
Ownership percentage: 5.15%

Source: Shareholder list as of the final registration date, January 5, 2026, of Traphaco Joint Stock Company.





SHARE INFORMATION AND INVESTOR RELATIONS (IR)

STOCK PERFORMANCE OF TRA IN 2025

The price movement of TRA stock in 2025

In 2025, the TRA share continued to demonstrate high stability, consistent with the characteristics of a

LEADING PHARMACEUTICAL COMPANY

76,922
Highest price (VND per share)

61,343
Lowest price (VND per share)

75,000
Year-end closing price (VND per share)

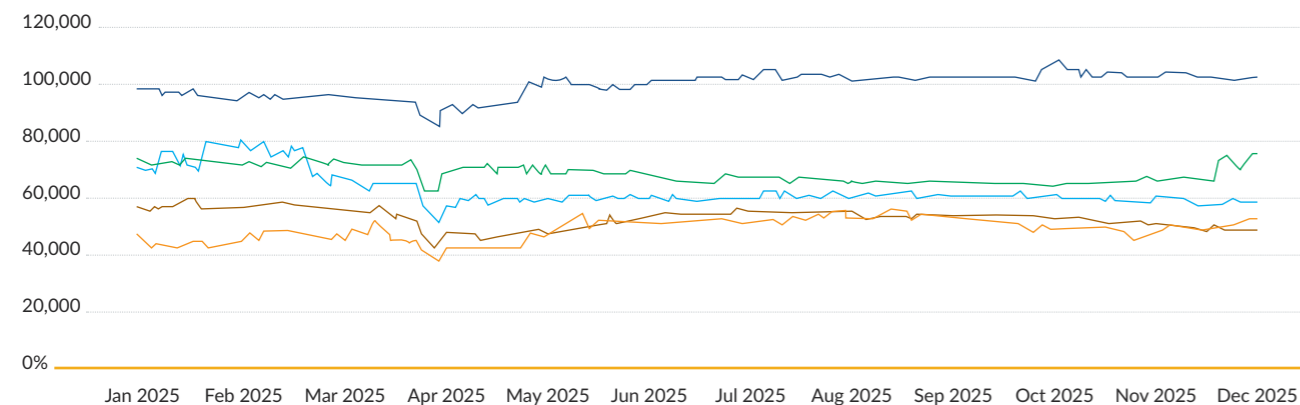
5,226
Average liquidity (shares per trading session)

In 2025, the stock market recorded an impressive growth of 517.71 points, equivalent to an increase of 40.87%. However, the growth rate was mainly concentrated in several market-sensitive sectors and specific industry stocks. Within the pharmaceutical sector, the average market price remained relatively stable with limited fluctuations compared to 2024. In this context, TRA continues to be an attractive option for long-term investors, thanks to its solid business model, strong growth potential in the modern pharmaceutical segment, and a reasonable valuation at present.

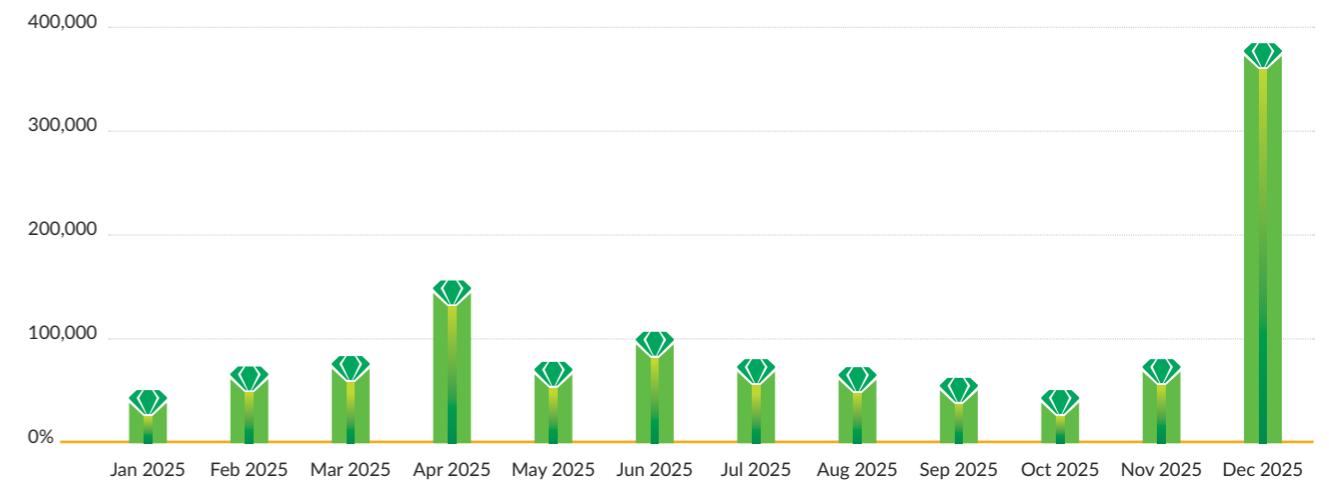
In the context where pharmaceutical stocks maintained relatively stable prices in 2025, the TRA share sustained a reasonable and stable price level, reflecting the Company's solid financial foundation and stable business model. At the same time, Traphaco's P/E and P/B valuations can be considered attractive among large-cap companies in the pharmaceutical sector.

Comparing TRA stock with the general market

— TRA — DMC — IMP — DHG — DBD



Trading volume of TRA stock in 2025



In 2025, Traphaco shares were traded most actively in December 2025, with the highest trading volume recorded on December 31, 2025. The strong trading volume in December reflects investors' positive outlook on the Company's business performance in 2025, as well as its development prospects for the coming term and future periods.

Attractive Dividend Policy - Ensuring Shareholder Interests

A stable dividend policy always affirms the long-term commitment and credibility to shareholders and investors. With not only an attractive dividend yield but also steady growth potential, TRA continues to be one of the most worth-investing pharmaceutical stocks in the market.

40%

Dividend payout ratio for 2024

4,000

Cash dividend (VND/share)

5,610

Earnings per share (VND/share)

Traphaco is also a company that consistently ensures information transparency, striving to comply with regulations and standards in disclosure practices. The Company maintains bilingual information disclosure, and investor rights are regarded as a core priority, with continuous efforts to protect and fully uphold shareholder rights.





SHARE INFORMATION AND INVESTOR RELATIONS (IR)

OUTLOOK FOR TRA STOCK IN 2026



Ready to accelerate in 2026, Traphaco is oriented toward sustainable development on a consolidated foundation, with the action message “Accelerated Execution – Breakthrough Productivity,” focusing on the following key strategies:

- 1 Develop the product portfolio under the orientation of “Premium Herbal Medicine - High-Quality Western Medicine”; develop the Premium group based on three core values: Quintessence - Modernity - Sustainability; promote research, bioequivalent drugs, first generics, and technology transfer.
- 2 Optimize the multi-channel distribution system, maintaining OTC strengths, expanding ETC, and strongly developing modern channels (pharmacy chains, e-commerce); standardize and improve logistics operational efficiency.
- 3 Optimize purchasing, supply, and production organization to optimize production costs, reduce product prices, increase profit efficiency, and enhance competitiveness.
- 4 Build an effective governance system: establish a new organizational model oriented for the new term; simultaneously reset a transparent decentralization and authorization mechanism to enhance governance validity and efficiency.
- 5 Promote investment in the EU-GMP factory project at Traphaco Hung Yen, creating a foundation for high-quality drug production and market expansion.
- 6 Accelerate digital transformation in governance and business operations; increase the application of technology platforms, data, and Artificial Intelligence (AI) in management and sales activities.
- 7 Implement the Traphaco brand rejuvenation strategy, strengthening communication and marketing activities to enhance brand awareness and expand the customer base, aligning with new consumption trends in the pharmaceutical and healthcare markets.
- 8 Develop Human Resource Management by perfecting the organizational structure with a team of competent middle managers and a drastic working spirit; develop a corporate culture that creates a working environment encouraging proactive acceleration, creativity, and compliance.
- 9 Enhance risk management and quality control through the standardization of professional processes and increased supervision and evaluation of compliance with internal and legal regulations.



With a clear orientation and a focus on execution, Traphaco expects to effectively capitalize on market opportunities, improve growth quality, and consolidate its position in the pharmaceutical industry while maintaining its status as a notable stock on the Vietnam stock market in 2026.

04.

SUSTAINABLE DEVELOPMENT REPORT

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REPORT OVERVIEW



Traphaco's approach to sustainability issues stems from the enterprise's long-term economic growth goals combined with social development and environmental protection goals, thereby contributing to the general development of the community. This report records the important activities of Traphaco and its member units (hereinafter referred to as "Traphaco") related to sustainability issues in 2025.

Report Scope: Traphaco Company

Reporting Period: 01/01/2025 - 31/12/2025

Applied Standards:

Traphaco develops its own Sustainability Report according to the "In accordance" - Core option of GRI Standards.



CONTACT

To send questions and recommendations related to Traphaco's sustainable development activities as well as the content of the report, please contact us at the following information:

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TRAPHACO'S SUSTAINABLE DEVELOPMENT MODEL



TRAPHACO

always links economic growth with environmental protection and social responsibility

THREE FACTORS THAT PLAY A FUNDAMENTAL ROLE IN TRAPHACO'S LONG-TERM SUCCESS



The process of exchanging and contacting stakeholders helps us realize that along with ensuring economic growth goals, ensuring the benefits of society, community and preserving the environment plays an equally important role for the sustainable development of Traphaco.





SUSTAINABLE DEVELOPMENT STRATEGIC ORIENTATION



The High-Level Political Forum (HLPF) meeting on sustainable development in 2017 took place in July 2017 with the theme “Eradicating poverty and promoting prosperity in a changing world”. The group of goals discussed and focused on in the next phase includes:

-  **SDG 1.**
End poverty in all its forms everywhere
-  **SDG 2.**
End hunger, achieve food security and improved nutrition and promote sustainable agriculture
-  **SDG 3.**
Ensure healthy lives and promote well-being for all at all ages
-  **SDG 5.**
Achieve gender equality and empower all women and girls
-  **SDG 9.**
Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation
-  **SDG 14.**
Conserve and sustainably use the oceans, seas and marine resources for sustainable development
-  **SDG 17.**
Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development (reviewed annually)

According to Vietnam’s Voluntary National Review (VNR) Report presented by Deputy Minister of Planning and Investment Nguyen The Phuong at HLPF 2018, outstanding achievements include GDP growth and poverty rate reduction (SDG 1), Health insurance (SDG 3), and issues of environmental management and natural resources have also improved (SDG 15).

Based on the specific content of the 17 UN sustainable development goals (SDGs), while referencing Vietnam’s goals (VSDGs) and issues reviewed at the 2017 High-Level Political Forum, as an enterprise in the pharmaceutical manufacturing and business sector, Traphaco selects and integrates the following goals into its sustainable development strategic orientation for 2021-2025:





SUSTAINABLE DEVELOPMENT STRATEGIC ORIENTATION



EFFICIENT AND SUSTAINABLE GROWTH

GOAL 1 (SD8)
Promote sustained, inclusive and sustainable economic growth; full and productive employment and decent work for all

GOAL 2 (SD12)
Ensure responsible consumption and production

GOAL 3 (SD9)
Build resilient infrastructure, promote inclusive and sustainable industrialization, and foster innovation.



CONTRIBUTING TO THE GENERAL DEVELOPMENT OF SOCIETY

GOAL 4 (SD1)
End poverty in all its forms, everywhere

GOAL 5 (SD3)
Ensure healthy lives and promote well-being for all at all ages



JOINING HANDS TO PROTECT THE ENVIRONMENT

GOAL 6 (SD13)
Take urgent action to combat climate change



Optimize the capacity and effectiveness of corporate governance and the Green value chain. Improve business efficiency by business scale and enhance productivity and quality at Traphaco to increase efficiency and add value to Traphaco, becoming the leading Green Brand in Vietnam.

Invest in research and development activities, especially research exploiting Vietnamese traditional medicine knowledge, using high-quality medicinal herbs grown in Vietnam to create modern products serving domestic and export demands.

Enhance operational efficiency through Investment in technology reaching the highest standards of the Vietnamese pharmaceutical industry to increase

resource use efficiency, and greater application of clean and environmentally friendly technologies; Modern Governance System based on an integrated information technology platform.

Build a working environment among the best in Vietnam; Ensure salary, bonus, and welfare policies for employees, creating motivation for work and encouraging creativity.



Pioneer in responding to the campaign for Vietnamese people to prioritize using: using Vietnamese raw materials and Vietnamese knowledge for health care.

Guide and transfer techniques for planting and developing medicinal herbs locally to help increase income and stabilize the lives of ethnic minorities and farmers in medicinal herb growing areas.

Contribute to the community's access to medicine by constantly innovating to improve product quality, labor productivity, optimize costs, and create pharmaceutical products that meet society's needs.



Ensure the conservation of ecosystems, biodiversity, combat desertification, and restore degraded lands and soils.

Green barren hills and mountains with medicinal herb growing areas meeting GACP - WHO standards.

Use energy efficiently through rational and conscious use of energy sources and natural resources.

Minimize activities that generate waste and environmental pollution, contributing to improving the environment and human health.



ACTION PLAN IN 2025



JOIN HANDS TO PROTECT THE ENVIRONMENT

- 1 Action to respond to climate change: Implement Carbon Footprint reporting for the parent company and its subsidiaries.
- 2 Reforest barren land and barren hills with medicinal herb cultivation areas that meet GACP - WHO standards.
- 3 Minimize activities that generate waste and environmental pollution, contributing to the restoration of the environment and human health.
- 4 Use energy efficiently through the rational and conscious use of energy sources and natural resources.
- 5 Protect, regenerate, and promote the sustainable use of terrestrial ecosystems, manage forest resources sustainably, combat desertification, soil erosion, and biodiversity loss.

CONTRIBUTION TO THE OVERALL DEVELOPMENT OF SOCIETY

- 1 Join hands with the community to prevent epidemics throughout the year. Comply with state regulations. Contribute and support healthcare activities for patients and citizens nationwide.
- 2 Enhance operational efficiency through investment in the highest standard technology in the pharmaceutical industry in Vietnam to increase resource utilization and apply more clean and environmentally friendly technologies; modern management systems based on integrated information technology platforms.
- 3 Build a working environment that is among the best in Vietnam; ensure salary, bonus, and welfare policies for employees, create motivation for work, and encourage creativity.
- 4 Ensure responsible consumption and production. Enhance value for customers and improve product quality.
- 5 Take the lead in responding to the campaign encouraging Vietnamese people to prioritize using Vietnamese raw materials and knowledge for healthcare.
- 6 Guide and transfer techniques for growing and developing medicinal herbs in localities to help increase income and stabilize the lives of ethnic minorities and farmers in medicinal herb cultivation areas.
- 7 Ensure healthy lives and enhance welfare for people of all ages.

EFFECTIVE AND SUSTAINABLE GROWTH

- 1 Promote sustainable, efficient, and long-term economic growth; create jobs and enhance labor productivity.
- 2 Optimize business management capacity, efficiency and the Green value chain.
- 3 Improve business efficiency through business scale and enhance productivity and quality at Traphaco to increase its efficiency, value and become Vietnam's leading Green Brand.
- 4 Invest in research and development activities. Implement a strategy to diversify products around core products. Focus on developing Western medicine and technology transfer activities.
- 5 Optimize costs in all business activities through: Digital transformation, Budget allocation, Delegating responsibilities, and Controlling according to budget limits.



ECONOMIC GROWTH



As a typical example of sustainable development in Vietnam, Traphaco always aims to develop a green economy with 3 goals: High economic efficiency coupled with social responsibility and environmental protection.

Revenue (Unit: Billion VND)
an increase of 13% compared to 2024 **2,657**

Contribution to the state budget **127.8**

Profit after tax (Unit: Billion VND) **278**

Dividend payment to shareholders **30%**

PRODUCTION AND BUSINESS ACTIVITIES

Continuing the 50-year journey of building and developing, 2025 marks many transformations of Traphaco towards the goal of becoming the No. 1 pharmaceutical brand in Vietnam's pharmaceutical industry. The Business System Restructuring project continues to be implemented and perfected, applying a new Organizational Model and Decentralization Matrix, planning Sales and Marketing, Research and Development (R&D), Finance - Planning, and support departments.

In 2025, Vietnamese pharmaceutical enterprises faced many difficulties such as slow economic growth; high inflation in major economies and rising geopolitical tensions. In this challenging context, thanks to flexible adaptation, proactive resources, and stable production and business activities, Traphaco Joint Stock Company continued to maintain high revenue and profit indicators.

With stable production and business results, good care for employees' lives, and outstanding customer care activities, Traphaco Company was awarded many valuable prizes by domestic and foreign organizations such as: Top 10 Sustainable Enterprises CSI 2025, CSI Star 2016-2025 and many other awards.



All indicators on registration numbers, new product development, and other indicators were completed and exceeded the set plan.

In 2025, Traphaco maintained a minimum dividend of 30% corresponding to about 124 billion VND (of which the 1st advance payment of 20% was made, equivalent to nearly 83 billion VND), which is a high level compared to the pharmaceutical market average.





SOCIAL INVESTMENT

HUMAN RESOURCE DEVELOPMENT AND EMPLOYEE POLICIES

LABOR FORCE

Total number of employees

As of December 31, 2025, the total number of employees of Traphaco Joint Stock Company was

581 PEOPLE

Compared to 2024, the total number of employees decreased by 28%. The main reason is due to the transfer of personnel to Traphaco Pharmaceutical One Member LLC with a total of 202 people.

This personnel adjustment is in line with the organizational restructuring orientation and rearranging the human resources system under an independent legal entity model in accordance with the new regulations of the Pharmacy Law.



Labor structure



Distribution by gender

Distribution by nationality

580 PEOPLE

Vietnamese nationality

01 PERSON

Korean nationality

The Company's workforce is mainly Vietnamese, well meeting the requirements of production, business, and domestic sustainable development.

Male: 345 people (59.4%)

Female: 236 people (40.6%)

The gender structure is relatively balanced, suitable for the specific production and business activities of the Company.



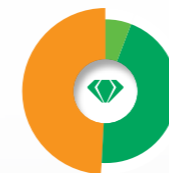
Distribution by age

Under 30 years old: 66 people (11.36%)

From 30 to 50 years old: 442 people (76.08%)

Over 50 years old: 73 people (12.56%)

The 30-50 age group makes up the largest proportion, being the core workforce with solid expertise and rich practical experience, playing an important role in maintaining and developing the Company's operations. The over-50 group is highly experienced and loyal, contributing to passing on experience and corporate culture values.



Distribution by professional qualifications

Postgraduate: 35 people (6.03%)

University: 261 people (44.92%)

Other levels: 285 people (49.05%)

Human resources with university and postgraduate degrees account for nearly 50%, meeting professional requirements in management, research, business, and production.



Distribution by functional block

Business block: 365 people (62.82%)

Production block: 26 people (4.48%)

Office block: 190 people (32.7%)

The labor structure is mainly concentrated in the business block, consistent with the orientation of market development, expanding the distribution system, and improving the Company's sales capacity.

LABOR FLUCTUATION IN 2025

Resignation

In 2025, the total number of employees leaving accounted for 28% of the total workforce. The main reason is the transfer of personnel to Traphaco Pharmaceutical One Member LLC with 202 people. This is a structural organizational change and does not reflect instability in human resources.

Retirement

In 2025, the Company had 11 employees retire in accordance with legal regulations. The Company fully implemented regimes and policies for retired employees, while proactively arranging and inheriting personnel to ensure uninterrupted production and business operations.





SOCIAL INVESTMENT

EDUCATION, TRAINING AND COACHING



In 2025, the Company's training and coaching were continuously deployed synchronously, transparently, and without discrimination based on gender or labor type, to improve workforce quality and adaptability in the new development context. Tied to the digital transformation roadmap, the Company promoted internal training and communication via the E-learning platform and applications, gradually replacing traditional methods, expanding reach, and creating flexible learning conditions for all employees.

The Company implemented training courses including: mandatory compliance training such as Fire Prevention and Fighting, OHS, Food Safety, GDP/GSP, GMP; training on the use of management, operational software, and internal applications (HRM Pro, Base, Traphacoxanh Traceability...); communication on the "6 Ultimate Cultural Principles"; training on product knowledge, sales programs, and customer consulting skills for the business block and consulting team periodically every month in direct and online formats; integration training for new hires; financial support for degree/qualification upgrading for managers and key personnel; AI and ChatGPT application training; professional capability enhancement training and workshops updating legal regulations and professional expertise according to practical requirements, etc.

In parallel with internal human resource training, the Company continued to maintain and enhance cooperation with the Hanoi University of Pharmacy in receiving and guiding interns, thereby contributing to the development of high-quality human resources for the Pharmaceutical industry. At the same time, the Company also created conditions for some final-year students at universities in Hanoi to participate in graduation internships, helping students access a real working environment, accumulate experience, and be ready to join the labor market.



6,107 PERSON-TURNS
Number of people trained in 2025

1,295 PERSON-TURNS
Mandatory compliance training & Company integration training for newly recruited employees



Training Implementation Results in 2025

No.	Content	Unit	Implementation
1	Training budget	1000 VND	842,292
	Average training cost/person/year	1000 VND	863
2	Number of people trained	Person-turns	6,107
	Average training turns/person/year	Person-turns	6.3
Analysis by Training content:			
1	Mandatory compliance training & Company integration training for newly recruited employees	Person-turns	1,295
		1000 VND	102,090
2	Management skills training	Person-turns	7
			156,145
	• Soft skills, professional training	Person-turns	4,805
3	• Attending Seminars, Conferences, thematic talks,...	1000 VND	584,057
	• Advanced training support		





SOCIAL INVESTMENT

APPRECIATING THE CONTRIBUTIONS OF EMPLOYEES



In 2025, Traphaco continued to prioritize resources to perfect the remuneration and policy system for employees in a fair, transparent manner linked to production and business efficiency. The Company considers ensuring stable income, welfare, and working conditions as an important foundation, creating motivation for employees to work with peace of mind, commit long-term, and accompany Traphaco's sustainable development.

Regarding remuneration and salary, bonus policies

Traphaco implements a performance-based pay policy, linking employee income with the completion level of personal and departmental goals. The salary system is built on principles of fairness, transparency, ensuring competitiveness, and suitability for each job position. The bonus policy is deployed based on the Company's business results and the employee's task completion level.



In 2025, the average income of employees reached 31.6 million VND/person/month, an increase of 26.8% compared to 2024 (24.8 million VND/person/month) and exceeded the set plan. This result reflects positive growth in production and business activities, and clearly demonstrates Traphaco's commitment to sharing development achievements with employees. Besides general salary and bonus policies, on the 80th anniversary of the successful August Revolution and National Day of the Socialist Republic of Vietnam, the Company implemented an additional bonus policy to encourage morale and recognize the companionship and contributions of the staff and employees.



Regarding welfare and taking care of employees' lives

Traphaco maintains and continuously perfects a diverse welfare system, aiming to improve the material and spiritual life quality for employees. Welfare policies include periodic health check-ups, organizing vacations, team building, supporting disadvantaged employees, visiting during sickness, maternity, funerals/weddings, along with collective and typical individual rewards.

In 2025, facing the complex situation of floods in the Central region, the Company allocated funds to support employees whose families were affected by floods, thereby promptly sharing difficulties, helping employees quickly stabilize their lives and work with peace of mind. At the same time, Traphaco focuses on implementing comprehensive health care programs, promoting propaganda, raising awareness about occupational safety and hygiene, and preventing risks in the working environment.

Regarding the application of technology in policy management

In 2025, Traphaco continued to promote the implementation of HR management software and digital platforms in managing labor records, timekeeping, payroll, and performance evaluation. The application of technology helps improve accuracy, timeliness, and transparency in paying salaries, bonuses, and benefits; and facilitates employees in looking up personal information, income, and evaluation results, thereby contributing to improving satisfaction and trust in the Company's policies.

Regarding corporate culture and internal cohesion

Traphaco continues to cultivate a corporate culture based on core values, upholding the spirit of cooperation, responsibility, and innovation. The Company encourages two-way dialogue, listening to employees' opinions through internal exchange channels, satisfaction surveys, and regular meetings between leaders and employees. Emulation movements, cultural - sports activities, and internal events are organized frequently, contributing to building a positive working environment and strengthening team cohesion.

Regarding the working environment and compliance

Traphaco maintains a safe, disciplined working environment and strictly complies with labor, insurance, occupational safety and hygiene laws, and related standards. In parallel, the Company gradually applies technology in HR management, improving the efficiency of managing records, timekeeping, payroll, and performance evaluation.

Linking Traphaco people with sustainable development goals

In the coming time, Traphaco continues to maintain and perfect the policy and remuneration system for employees in a stable direction, suitable to the practical conditions and capacity of the Company, ensuring harmonized interests between the enterprise and employees. With the viewpoint of taking people as the center and appreciating the contributions of employees, Traphaco commits to working with its staff and employees to build a solid foundation for stable, sustainable development, constantly elevating its position and looking towards the future.





SOCIAL INVESTMENT

OCCUPATIONAL HEALTH & SAFETY



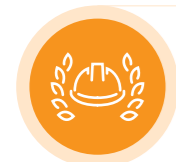
Traphaco complies with GRI Standard guidelines on issues related to occupational health and safety.



Representation of workers in formal joint management-worker health and safety committees.



The company manages Occupational Health and Safety through the Safety Committee, a network of safety officers, and a fire prevention and emergency response team.



The Safety Committee is the bridge between employers and employees in occupational health and safety work.



The company implements the OHSAS 18001 (Occupational Health and Safety Assessment Series) system to manage occupational health and safety.



Functions of the Safety Committee

Advising and assisting the employer in organizing, inspecting, and supervising the implementation of occupational safety and hygiene, food safety, fire prevention, and flood prevention activities within the company.



1

Coordinating with departments in carrying out tasks

- Develop rules, regulations, procedures, and measures to ensure occupational safety and hygiene (OHS), food safety, and fire prevention within the company.
- Manage and monitor the registration and inspection of machinery, equipment, supplies, and substances with strict occupational safety requirements.
- Develop annual OHS, food safety, and fire prevention plans and urge/supervise their implementation; assess risks and build emergency response plans.
- Organize the dissemination of State and company regulations on OHS, food safety, fire, and flood prevention to all employees.
- Organize OHS, food safety, and fire prevention training for employees.
- Inspect OHS and fire prevention periodically at least once a month at production departments; inspect the working environment and food safety at the company canteen at least twice a month.
- Monitor occupational injuries and diseases; propose measures to the employer for managing and caring for occupational health.
- Organize emergency response: planning, preparing forces, equipment, finances, and being ready to act during emergencies in the company or locality when requested.
- Organize physical inspections of rule/regulation compliance and the application of the 5S practice tool across the company.

2

Proposing to the employer

- Participate in inspecting compliance with current legal regulations on OHS, food safety, and fire prevention.
- Remedial measures for outstanding issues in OHS, food safety, fire, and flood prevention.

3

Reporting periodically every month or unexpectedly when discovering violations of OHS, food safety, fire prevention, or risks of losing OHS/food safety.

4

Proposing rewards and disciplinary actions for collectives and individuals regarding the implementation of OHS, food safety, fire, and flood prevention.





SOCIAL INVESTMENT

Ensuring occupational safety and hygiene is one of the rights of employees.

In 2025, the company provided training and disseminated knowledge on occupational health and safety:

Ensure employees receive sufficient training time and content:



- Fully inform employees about hazards and harmful factors in their work by identifying hazards and disseminating identification boards to employees working at positions: Tablet press operation, Occupational safety, Chemical safety - Handling chemical spills.
- Ethylene oxide operation, Laser engraving machine operation, logistics warehouse positions...
- Fire fighting and escape skills training for employees.

The safety committee inspects the factory overall once a month to actively find hazards and improve safe working conditions. The company encourages and rewards workers who actively contribute to reducing hazards and pointing out dangerous and harmful factors. This activity has become a regular monthly event and creates a distinctive safety culture at Traphaco.

- Number of identified and resolved hazards: **55**
- Number of hazards resolved on schedule: **48**
- Number of hazards resolved behind schedule: **7**
- Number of unresolved hazards: **0**

2025
Inspections

1 Inspection of equipment with strict safety requirements

Quantity **27**

Equipment Name and Quantity

- Elevators (03 units)
- Forklifts (04 units)
- Autoclaves, double-jacketed pots (7 units)
- Refrigeration system-Trane 516000 BTU- Chiller (1)
- Compressed air tanks (02 units)
- Water accumulator tank (1)
- Gas pipeline system for canteen, R&D (2)
- Gas detectors for canteen, R&D (3)
- Grounding resistance measurement around factory (4)

2 Differential pressure gauges, manometers, thermometers, thermo-hygrometers, electronic scales, wastewater meters

Quantity **393**

Equipment Name and Quantity

- Auxiliary systems
- Factory Quality control
- R&D
- Logistics warehouse & planning warehouse

Injury Types, Injury Rates, Occupational Diseases, Lost Days, Absenteeism, and Work-Related Fatalities

Injury types, injury rate: 0

- In 2025, there were no recorded injuries or fatalities during work for the company's employees and construction contractors.
- Contractor personnel are briefed on occupational health and safety regulations.

Occupational disease rate: 0

No cases of occupational disease were detected during the periodic health examination in 2025.



Lost day rate: 0

- This is the actual number of working days an injured person took off from the date of the accident (excluding scheduled days off: leave, holidays, weekends).
- Lost days do not include the day the incident occurred.
- All safety-related indicators are positive, confirming a positive trend in employee morale and productivity. Safety goes hand in hand with quality, which is the company's strategy.

Monitoring and measuring the working environment

209
monitoring indicators & indicators met standards

- The company always ensures that employees work in an environment with good conditions, ensuring health.
- Results of the 2 working environment monitoring sessions in 2025: No indicators exceeded permissible thresholds, and monitoring results were notified to all employees.





SOCIAL INVESTMENT

Results of working environment measurement and inspection in 2025

No.	Measurement/Inspection Factor	Total Samples	Passed OHS Standard	Failed OHS Standard
1	Temperature	11	11	0
2	Humidity	11	11	0
3	Air velocity	11	11	0
4	Thermal radiation	11	11	0
5	Toxic gas vapor	11	11	0
6	Broadband noise	110	110	0
7	Total dust	11	11	0
8	Respirable dust	11	11	0
9	CO ₂	11	11	0
10	Psychophysiological and ergonomic factors	11	11	0

According to the working environment monitoring results, noise fluctuated between 53.7-65.7 dBA, lower than the permissible standard of 85dBA (QCVN24:2016/BYT National Technical Regulation on Noise - Permissible Exposure Levels at the Workplace).

Microclimate conditions at measurement locations were within permissible limits (QCVN26:2016/BYT National Technical Regulation on Microclimate - Permissible Values at the Workplace).

Management measures

To ensure noise is always below allowable regulations and to protect the health of factory workers without affecting the surrounding environment, the company implemented noise and vibration reduction measures as follows:

- Maintain and replace sound absorbers and anti-vibration parts on HVAC piping.
- Monthly inspection of wear and brication or replacement of components.
- Provide personal protective equipment for locations with noise exceeding 80 dB.

Microclimate conditions are controlled through air conditioning systems for offices and HVAC (Heating, Ventilation, and Air Conditioning) for production lines.

- System operating technology: When taking air from the outside environment into the factory, the air goes through pipes to treatment systems (AHUs) comprising 3 filter stages (pre-filter, intermediate, fine filter); it is a circulating system, meaning that as fresh air is taken in for treatment and supplied to the production room, an equivalent amount of air is drawn from the production room back into the piping to pass through filters and is extracted outward by an exhaust system.

For locations with chemical vapors, the company ensures HOOD cabinets operate well and workers are equipped with full personal protective equipment: shoes, safety goggles, and masks/respirators.

- Operating principle: The exhaust fan pulls air from the hood, carrying toxic vapors generated during experiments into the gas treatment tower. At the tower, this air is sprayed with a treatment solution (dilute NaOH) moving in the opposite direction of the airflow to absorb and neutralize toxic vapors. Then, the air is cleaned once again by adsorption onto activated carbon before being discharged outside.

Complaints: In 2025, there were no recorded complaints from employees across the entire Traphaco system.

TOPIC

HEALTH & SAFETY ARE ADDRESSED IN FORMAL AGREEMENTS WITH TRADE UNIONS

The employer and the workers' collective representative signed a collective labor agreement detailing OHS terms as follows:

- 1 The employer is responsible for fully equipping personal protective equipment to ensure occupational safety, hygiene, and improve working conditions: direct production workers are provided with two sets of lab coats, hats, masks, sandals, soap, gloves... per year, depending on the job characteristics.
- 2 Issued protective equipment must meet quality standards and specifications suitable for the user.
- 3 The employer must regularly have plans to prevent occupational accidents and diseases, measure hazardous factors, and have ventilation systems with cooling fans and workplace safety rules.
- 4 The employer must periodically inspect and repair machinery, equipment, factories, and warehouses according to OHS standards.
- 5 Employees must be fully instructed and must comply with OHS regulations and the Company's internal rules.
- 6 Employees must:
 - Use personal protective equipment optimally according to job requirements.
 - Maintain personal protective equipment, and use/maintain safe machinery and workplace hygiene.
 - Strictly follow fire prevention rules and actively participate in rescue and recovery if an accident occurs.
- 7 When recruiting and arranging labor, the employer must base decisions on health standards prescribed for each job, organize training, guide, and inform employees of safety rules, hygiene measures, and potential accidents to prevent for each employee's job.
- 8 Employees must undergo health check-ups upon recruitment and are provided periodic health check-ups by the Company once a year.
- 9 Equip helmets for employees at 01 unit/person/2 years.
- 10 Equip raincoats for employees at 01 unit/person/1 year.





SOCIAL INVESTMENT

TRAPHACO'S SOCIAL COMMUNITY ACTIVITIES 2025

Always steadfast in pursuing sustainable development strategies, Traphaco Joint Stock Company identifies social responsibility as an important pillar accompanying production and business operations. In 2025, Traphaco continued to deploy many large-scale, in-depth, and widespread community programs, focusing on community healthcare, showing gratitude to previous generations, accompanying the elderly, disadvantaged children, and the young generation. Simultaneously, amid complex natural disasters and floods in many localities, the Company promptly deployed practical support activities for affected compatriots, customers, and employees, thereby reaffirming the identity of a sustainable Vietnamese pharmaceutical enterprise for the people.



The total budget contributed to society through Traphaco's humanitarian relief, community development, and environmental protection programs/initiatives in 2025 was

3,462,371,000
VND

1 Joining hands to support compatriots, customers, and employees to overcome natural disasters and floods

In 2025, natural disasters continued to be complex nationwide, with prolonged storms, heavy rains, and floods causing significant damage to property, livelihoods, and people's lives, directly affecting the operations of pharmacies, customers, and staff in many areas. In this context, Traphaco promptly deployed practical support activities, demonstrating solidarity and corporate social responsibility to the community, partners, and employees.

In the Central region, facing flood impacts, Traphaco implemented a policy of repurchasing and exchanging flood-damaged goods for customers in provinces belonging to the Central Branch, with a total value at original sales price of over 410 million VND. Besides sharing difficulties with customers, the Company supported employees affected by floods in affected provinces with a total budget of 141 million VND, helping workers stabilize their lives soon after the disaster.



Besides the above programs, Traphaco also deployed many other practical activities in storm-affected areas in 2025, such as repurchasing/exchanging flood-damaged goods for customers; providing cash support for severely damaged customers; and organizing visits/support for employees facing natural disaster hardships. These activities demonstrate the Company's timely, flexible, and substantial companionship, not just in sharing spirit but also in concrete solutions to reduce losses, restore business operations, and stabilize lives post-disaster.

Through activities supporting compatriots, customers, and employees to overcome disasters, Traphaco continues to affirm its image as a sustainable enterprise, always tying business operations to social responsibility and sharing with the community in the hardest times.





SOCIAL INVESTMENT

TRAPHACO'S SOCIAL COMMUNITY ACTIVITIES 2025

2 Gratitude – “Drinking water, remember its source”

On the 78th anniversary of War Invalids and Martyrs Day (July 27, 1947 - July 27, 2025), Traphaco deployed a series of gratitude activities for people with meritorious services to the revolution in many localities, demonstrating the moral “Drinking water, remember its source” through practical actions.

In Hanoi, the Company cooperated with Hoang Liet Ward and Thang Long General Hospital to organize medical check-ups, health counseling, and free medicine distribution for over 100 people with meritorious services, and presented 100 gifts to policy families. Traphaco also accompanied the Hanoi Youth Union in the Candle-lighting ceremony to honor heroic martyrs at the Hanoi Martyrs Cemetery, presenting 80 health care gift packages.

Furthermore, Traphaco participated in the “Journey of Gratitude - Lighting up Belief 2025” program organized by the Vietnam Young Entrepreneurs Association in Tuyen Quang, Ha Giang, Cao Bang, Lang Son, and Bac Giang, donating 150 health care



product gifts to policy families, war invalids, and martyrs with difficult circumstances.

Notably, Traphaco was the main sponsor of the art exchange program “Remaining with Time” organized by the Vietnam Veterans Newspaper at the Ho Chi Minh Museum, presenting 150 gifts to Vietnamese Heroic Mothers, war invalids, martyrs, and people with meritorious services nationwide. Previously, Traphaco visited and gave gifts at the Vietnam Friendship Village, which cares for veterans and Agent Orange victims.

3 Community health care and local medical support



Linking social responsibility with its core health care sector, in 2025 Traphaco continued to accompany local health facilities.

On September 18, 2025, the Company donated essential medical equipment to Tuyen Hoa Regional General Hospital (Quang Tri), including: obstetrical monitors, patient monitors, ECG machines, baby cribs, and injection carts. This equipment is significant in improving diagnosis, treatment, and primary health care for people in areas with difficult medical conditions.

Through this activity, Traphaco hopes to share the pressure on grassroots health systems, reaffirming its long-term commitment to the health sector in protecting and improving public health.

4 Accompanying the elderly - Creating a sustainable silver economy



During the Action Month, Traphaco joined the Launch Ceremony of the Action Month for the Vietnamese Elderly 2025 and seminars on elderly healthcare; while co-implementing the Humanitarian Program “Bright Eyes for the Elderly” for 2025-2028. The company donated nearly 3,000 health care gifts, with a total sponsorship value of 950 million VND, focusing on cerebral circulation and vision support products—essential needs of the elderly.

Moreover, Traphaco remained the main sponsor of the National Middle-Aged and Elderly Chinese Chess Championship - Traphaco Cup 2025, held in Phu Tho province. The tournament gathered 120 players from various provinces, cities, and clubs nationwide, serving as a beneficial intellectual playground, contributing to mental health, cultural exchange, and cohesion among the elderly community.

Through systematic accompanying activities, Traphaco gradually contributes to realizing the “silver economy” goal, treating the elderly not just as beneficiaries but as an important social resource in the new era.

Given Vietnam’s rapid population aging, Traphaco identifies elderly health care as a long-term strategic direction. In 2025, the Company continued to accompany the Action Month for the Vietnamese Elderly, closely coordinating with the Central Committee of the Vietnam Association of the Elderly to deploy large-scale, in-depth activities.

5 For children and vulnerable social groups



At the 19th “Spring for Children” program themed “Sowing Smiles Forever”, Traphaco continued joining the business community to donate support resources to children in extremely difficult circumstances nationwide. This activity demonstrates Traphaco’s long-term commitment to protecting and caring for children—the country’s future generation, while spreading humanistic values and corporate social responsibility.

For the Mid-Autumn Festival 2025, Traphaco supported a charity program for children at A Mu Sung Kindergarten, Lao Cai. This was implemented to send affection, care, and practical gifts to children in disadvantaged areas, bringing them a warmer, more joyful, and meaningful Mid-Autumn Festival. Through the program, Traphaco continued spreading the spirit of sharing for highland children, accompanying the community in caring for vulnerable groups.

2025 marked the 19th consecutive year Traphaco accompanied the “Spring for Children” program organized by the National Fund for Vietnamese Children.





SOCIAL INVESTMENT

TRAPHACO'S SOCIAL COMMUNITY ACTIVITIES 2025

6 Spreading a healthy lifestyle - Community cohesion during major national events



In 2025, Traphaco continued spreading the message of healthy, positive living by accompanying major cultural and sports events, tied to the nation's proud atmosphere during major anniversaries.

Notably, Boganic herbal tea accompanied the 50th Hanoi Moi Newspaper Open Run - For Peace, held around Hoan Kiem Lake, with over 3,000 athletes and hundreds of thousands of citizens participating. Traphaco set up 5 relay stations, giving

Boganic herbal tea bottles to athletes along the route, providing energy and spreading the healthy lifestyle message.

This year's tournament was linked to major national events like the 80th Anniversary of the August Revolution and National Day September 2, awakening the spirit of physical training, community solidarity, and national pride.

7 For the environment and young generation - Spreading sustainable development mindsets

Aiming for sustainable development and Net Zero, in 2025 Traphaco accompanied the young generation through the IC Master 2025 - Talented Communicator Contest co-organized by the Diplomatic Academy.



As the accompanying partner for the Pharmaceutical category, Traphaco provided the communication problem on the "Green Health Path", sharing the enterprise's sustainable development story, and creating conditions for students to gain practical exposure via visits to GACP-WHO standardized medicinal herb growing areas. Thereby, Traphaco helped spread a communication mindset linked to environmental protection, sustainable consumption, and social responsibility—core values in the Company's long-term strategy.



8 Creating a gender-equal environment with ethnic minorities

Through clean medicinal herb growing zone projects, Traphaco has created jobs and sustainably eradicated poverty for ethnic minority communities in many localities (Lao Cai, Nam Dinh, Hoa Binh...).

In Sapa, Traphaco (via subsidiary Traphaco Sapa) partnered with Hmong and Dao households to build a community producing Artichoke and other medicinal herbs, where over 80% of participating subjects are female. When signing contracts, the Company invites both husband and wife to participate to promote gender equality; they understand, agree, and organize work together. Contracts list Party A/Party B (each party signed by one person). When receiving payment, the Company invites both spouses to collect the money.

The partnership process not only creates jobs for households but also positively and sustainably changes their family relationships, helping them lead an equal life with sharing, which

in turn makes the Company's partnership more sustainable.

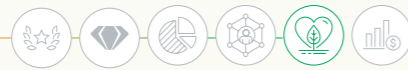
The company organized trips for female households to visit Community Tourism Zones to gain awareness, mindset, and form business ideas from experiential medicinal culture tourism models, which is a strength of Sapa. The women shared, "Going with Traphaco, our husbands don't stop us; it's very fun."

Stabilizing households' incomes and strengthening their material and spiritual lives also contributes to minimizing child labor in remote areas, creating conditions for children to attend school and receive better care.



The 2025 social community activity series continues to affirm Traphaco's sustainable development orientation - where business efficiency always parallels social responsibility. Through gratitude activities, community health care, and accompanying the elderly, children, and youth, Traphaco constantly spreads humanistic values, improving the quality of life and creating a healthy, sustainable society for today and future generations.





ENVIRONMENT PROTECTION

MANAGEMENT APPROACH

A pharmaceutical enterprise, Traphaco is aware that manufacturing and trading pharmaceuticals, cosmetics, and functional foods impacts the environment.

Therefore, for internal operations, Traphaco focuses on controlling fuel/material consumption in production and treating waste at factories - ensuring compliance with permissible environmental standards; minimizing the use of non-renewable energy and natural resources, thereby contributing to reducing greenhouse gas emission intensity.

In 2025, thanks to effective environmental management systems, Traphaco had no environmental legal or regulatory violations.

With the "Green Health Path" commitment, Traphaco undergoes an annual environmental management system certification review by Quacert. The Company examines: leadership and staff involvement in environmental management, environmental aspects, significant environmental aspects, legal compliance, energy control, wastewater and waste control, cost-saving environmental initiatives, potential environmental incidents... to help employees gain better awareness, as the employees themselves contribute to creating an environmentally friendly organization.

IDENTIFYING ENVIRONMENTAL ASPECTS IN THE SUPPLY CHAIN



All activities in Traphaco Joint Stock Company's supply chain are evaluated for environmental aspects, especially significant ones. From there, objectives, targets, and environmental management programs are established. 66 Environmental aspects in the supply chain: Solid waste, domestic waste, hazardous waste, natural resources, wastewater, air pollution, dust, noise...

Corresponding to each aspect are management measures to limit environmental impact:

- 1 Vehicles are registered and qualified before use
- 2 Organizing orders to deliver on suitable routes to save fuel and reduce emissions
- 3 Prioritizing recycled/eco-friendly packaging materials
- 4 Separating regular and hazardous waste at the source
- 5 Maintaining equipment / Equipping earplugs for noise...



ENVIRONMENT PROTECTION

Environmental impacts linked to each aspect are assessed on 2 fronts:

1 Potential to cause adverse effects

Frequency of occurrence shall be assessed over the duration of the incident.

Frequency of occurrence	Score 1	Score 2	Score 3	Score 4
Time period	May occur one time in more than a year	Occurs every quarter to year	Occurs weekly to monthly	Occurs from daily to weekly

2 Consequences of adverse effects on the environment

Level of impact	Pollution level (S)			
	Score 1	Score 2	Score 3	Score 4
Impact range	Very small and not significant	Local	Local and in the Company	Company and outside
Contamination concentration vs. environmental standards	Below the acceptable threshold	~ up to 1 time	1 to 1.5 times	≥ 1.5 times
Utilization of natural resources	Utilize clean energy (Wind - sunlight)	Utilize soil, water... types of renewable resources	Non-renewable resources such as coal, oil and natural gas... Limited resources	Sử dụng, khai thác và làm ô nhiễm các nguồn tài nguyên
Complaints from related parties	No	Not satisfactory comment	Complain	Complain
Violation of laws and other requirements	No	Risk of violation	Signs of violation	Violation
Control ability	Controlled	Can be controlled internally	Hard to be controlled internally	Uncontrollable

SUSTAINABLE USE OF MATERIALS



Traphaco Joint Stock Company continues to maintain the “Competitive supplier selection standard”, which clearly states the company encourages suppliers to apply environmental and safety management systems, ensuring suppliers walk together on the path of sustainable development for the community.

PL 63/02
BH/SD: 09/01/17

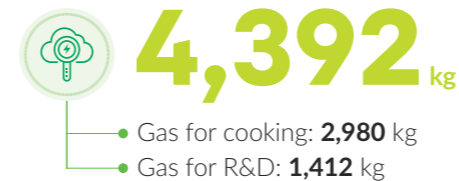
Certification of Management System	Level	Points added
Based on the management system certification that NCU has	GMP PIC/S, GMP EU, GACP	+0.5
	GMP WHO, other GMP	+0.3
	ISO9001, ISO14001, OHSAS, ISO22000, HACCP, GDP, GSP	+0.1

EFFICIENT - ECONOMICAL USE OF WATER RESOURCES AND ENERGY CONSUMPTION

Use of non-renewable energy sources

The company uses Gas and DO oil for 2 main purposes: cooking, making trial products, and running generators during power incidents or outages notified by management agencies.

Total gas consumed in 2025



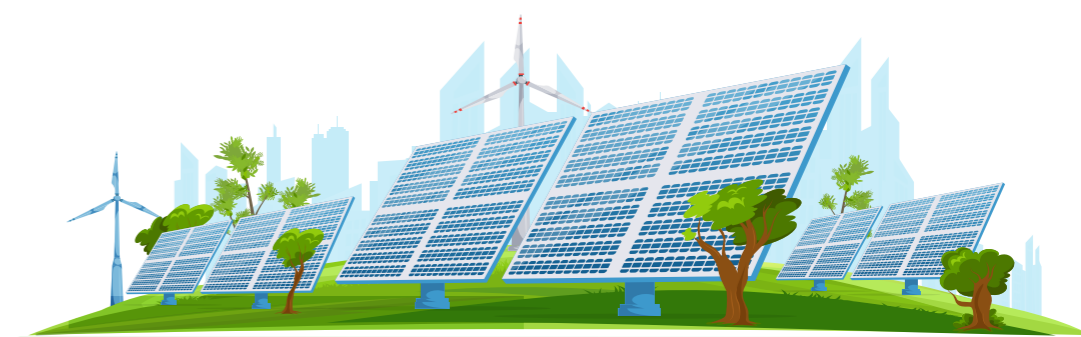
Total DO oil for generators



Consumption of materials from renewable sources

Total electricity cost in 2025: 2,774,000,000 VND

The enterprise mainly uses electricity for production and living; in 2025 total electricity consumption was: **1,125,600 KW**, of which:



- Promoting electricity and water saving among employees via training and posters.
- Limiting AC temperatures on hot days.
- Replacing Compact bulbs with LED bulbs.
- Installing motion sensors and sensor lights in office corridors and stairs.
- Minimizing production during peak hours.
- Using inverters with remote control for auto on/off of the HVAC system.
- Regulations on times, durations, minimum outdoor temperatures, closing doors for AC rooms... for each department and employee.

It can be seen that the efficient use of resources and energy is always highly prioritized in Traphaco's sustainable development orientation.



ENVIRONMENT PROTECTION

Efficient use of water resources



Input water volume by source

- Total water used: **4,252 m³**
- Data is updated from direct water meter readings provided by the supplier.
- Supplier: Hanoi Clean Water LLC.
- Supplied water meets QCVN02/2009/BYT National Technical Regulation on domestic water quality.
- Monthly, the company requests the supplier to provide water monitoring results. Biannually, the company evaluates water quality in internal pipelines.

Domestic water quality monitoring results

No.	Parameters	Test method	Unit	24.2932/127/NS/4822	QCVN 01-1:2018/BYT Permissible Limit
1	Coliform	TCVN 6187-1:2019 (ISO 9308-1:2014) (E)	CFU/100 mL	0	<1
2	E.coli or Thermotolerant Coliform	TCVN 6187-1:2019 (ISO 9308-1:2014) (E)	CFU/100 mL	0	<1
3	Asen (As)	SMEWW 3113B:2023	mg/L	<0.003 ^(b)	0.01
4	Free residual chlorine	TCVN 6225-2:2012	mg/L	<0.1 ^(b)	0.2 ÷ 1
5	Turbidity	SMEWW 2130B:2023	NTU	<0.5	2
6	Color	TCVN 6185:2015 (C Method)	TCU	<5.0	15
7	Odor, taste	Sensory method	-	No strange smell or taste	No strange smell or taste
8	pH	TCVN 6492:2011 (ISO 10523:2008)	-	7.79	6 ÷ 8.5
9	Amoni (NH3 and NH4+ as N)	TCVN 6179-1:1996 (ISO 7150-1:1984 (E))	mg/L	<0.057	1
10	Pecmanganat index	TCVN 6186:1996 (ISO 8467:1993(E))	mg/L	<0.9 ^(b)	2
11	Chloride (Cl-)	TCVN 6194:1996	mg/L	23.0	250 hoặc 300 ^(a)
12	Hardness, as CaCO3	TCVN 6224:1996	mg/L	94.0	300
13	Fluor (F)	SMEWW 4500-F-.B&C:2023	mg/L	<0.09 ^(b)	1.5
14	(Ferrum) (Fe)	SMEWW 3111B:2023	mg/L	<0.037	0.3

(Source: Occupational Environment Monitoring and Analysis Station, December 1, 2025)



Water consumption dropped by: **12.8%** (compared to 2024: 4,878 m³)

The company continues maintaining current water-saving measures:

- Circulating RO water for equipment cooling.
- Optimizing cleaning SOPs for: bottle washing, equipment cleaning, and factory cleaning.
- Continuous production to reduce machine washing frequency, water/energy consumption, and cleaning wastewater.
- Reusing treated standard wastewater for watering plants and cleaning the campus.
- Administrative measures: posting water-saving banners, giving instructions at frequent water usage points.
- Reminding proper on/off, correct usage purposes, and educating on savings in internal training programs.

EFFECTIVE EMISSION AND EXHAUST CONTROL

Generator emissions: generators are only used during emergencies like power incidents or outages. The company proactively schedules production upon receiving blackout notices.

Emissions from vehicles entering/leaving the factory (staff/workers' vehicles, material supply, and shipping trucks) are minimized and controlled via:



- Spraying water to dampen roads on dry days.
- Disseminating and signing safety and environmental commitments with all contractors/suppliers entering the company.



Not using expired or excessively old transport vehicles. All trucks must pass Registry standards on environmental safety and undergo regular maintenance.

2025 Emission Monitoring Results

Source 1: Toxic Fume Hood 1

No.	Parameters	Test method	Unit	1	2	3	Avg.	QCTĐHN 01:2014/ BTNMT
1	Flow rate	US EPA Method 02	Nm ³ /h	1,088	-	-	1,088	-
2	Total dust	US EPA Method 05	mg/Nm ³	0.68	-	-	0.68	100
3	Ammonia/ compounds	JIS K 0099:2020	mg/Nm ³	<0.26	-	-	<0.26	30
4	Sulfur dioxide, SO ₂	SOP - 3.26	mg/Nm ³	<2.62	<2.62	<2.62	<2.62	250
5	Hydrochloric acid, HCl	US EPA Method 26A	mg/Nm ³	<0.3	-	-	<0.3	25
6	Hydrogen sulfide, H ₂ S	JIS K 0108:2010	mg/Nm ³	<0.14	-	-	<0.14	4.5
7	Carbon monoxide, CO	SOP - 3.26	mg/Nm ³	<1.14	<1.14	<1.14	<1.14	600
8	Nitrogen oxides, NO _x (as NO ₂)	SOP - 3.26	mg/Nm ³	<0.19	<0.19	<0.19	<0.19	510





ENVIRONMENT PROTECTION

Source 2:
Toxic Fume Hood 2

No.	Parameters	Test method	Unit	1	2	3	Avg.	QCTĐHN 01:2014/ BTNMT
1	Flow rate	US EPA Method 02	Nm ³ /h	1,022	-	-	1,022	-
2	Total dust	US EPA Method 05	mg/Nm ³	0.61	-	-	0.61	100
3	Ammonia/ compounds	JIS K 0099:2020	mg/Nm ³	<0.26	-	-	<0.26	30
4	Sulfur dioxide, SO ₂	SOP - 3.26	mg/Nm ³	<2.62	<2.62	<2.62	<2.62	250
5	Hydrochloric acid, HCl	US EPA Method 26A	mg/Nm ³	<0.3	-	-	<0.3	25
6	Hydrogen sulfide, H ₂ S	JIS K 0108:2010	mg/Nm ³	<0.14	-	-	<0.14	4.5
7	Carbon monoxide, CO	SOP - 3.26	mg/Nm ³	<1.14	<1.14	<1.14	<1.14	600
8	Nitrogen oxides, NOx (as NO ₂)	SOP - 3.26	mg/Nm ³	<0.19	<0.19	<0.19	<0.19	510

Source 3:
Toxic Fume Hood 3

No.	Parameters	Test method	Unit	1	2	3	Avg.	QCTĐHN 01:2014/ BTNMT
1	Flow rate	US EPA Method 02	Nm ³ /h	1,053	-	-	1,053	-
2	Total dust	US EPA Method 05	mg/Nm ³	0.42	-	-	0.42	100
3	Ammonia/ compounds	JIS K 0099:2020	mg/Nm ³	<0.26	-	-	<0.26	30
4	Sulfur dioxide, SO ₂	SOP - 3.26	mg/Nm ³	<2.62	<2.62	<2.62	<2.62	250
5	Hydrochloric acid, HCl	US EPA Method 26A	mg/Nm ³	<0.3	-	-	<0.3	25
6	Hydrogen sulfide, H ₂ S	JIS K 0108:2010	mg/Nm ³	<0.14	-	-	<0.14	4.5
7	Carbon monoxide, CO	SOP - 3.26	mg/Nm ³	<1.14	<1.14	<1.14	<1.14	600
8	Nitrogen oxides, NOx (as NO ₂)	SOP - 3.26	mg/Nm ³	<0.19	<0.19	<0.19	<0.19	510

Source 4:
Toxic Fume Hood 4

No.	Parameters	Test method	Unit	1	2	3	Avg.	QCTĐHN 01:2014/ BTNMT
1	Flow rate	US EPA Method 02	Nm ³ /h	907	-	-	907	-
2	Total dust	US EPA Method 05	mg/Nm ³	0.69	-	-	0.69	100
3	Ammonia/ compounds	JIS K 0099:2020	mg/Nm ³	<0.26	-	-	<0.26	30
4	Sulfur dioxide, SO ₂	SOP - 3.26	mg/Nm ³	<2.62	<2.62	<2.62	<2.62	250
5	Hydrochloric acid, HCl	US EPA Method 26A	mg/Nm ³	<0.3	-	-	<0.3	25
6	Hydrogen sulfide, H ₂ S	JIS K 0108:2010	mg/Nm ³	<0.14	-	-	<0.14	4.5
7	Carbon monoxide, CO	SOP - 3.26	mg/Nm ³	<1.14	<1.14	<1.14	<1.14	600
8	Nitrogen oxides, NOx (as NO ₂)	SOP - 3.26	mg/Nm ³	<0.19	<0.19	<0.19	<0.19	510

Source 5:
Toxic Fume Hood 5

No.	Parameters	Test method	Unit	1	2	3	Avg.	QCTĐHN 01:2014/ BTNMT
1	Flow rate	US EPA Method 02	Nm ³ /h	961	-	-	961	-
2	Total dust	US EPA Method 05	mg/Nm ³	0.53	-	-	0.53	100
3	Ammonia/ compounds	JIS K 0099:2020	mg/Nm ³	<0.26	-	-	<0.26	30
4	Sulfur dioxide, SO ₂	SOP - 3.26	mg/Nm ³	<2.62	<2.62	<2.62	<2.62	250
5	Hydrochloric acid, HCl	US EPA Method 26A	mg/Nm ³	<0.3	-	-	<0.3	25
6	Hydrogen sulfide, H ₂ S	JIS K 0108:2010	mg/Nm ³	<0.14	-	-	<0.14	4.5
7	Carbon monoxide, CO	SOP - 3.26	mg/Nm ³	<1.14	<1.14	<1.14	<1.14	600
8	Nitrogen oxides, NOx (as NO ₂)	SOP - 3.26	mg/Nm ³	<0.19	<0.19	<0.19	<0.19	510

Source 6:
Toxic Fume Hood 6

No.	Parameters	Test method	Unit	1	2	3	Avg.	QCTĐHN 01:2014/ BTNMT
1	Flow rate	US EPA Method 02	Nm ³ /h	906	-	-	906	-
2	Total dust	US EPA Method 05	mg/Nm ³	0.58	-	-	0.58	100
3	Ammonia/ compounds	JIS K 0099:2020	mg/Nm ³	<0.26	-	-	<0.26	30
4	Sulfur dioxide, SO ₂	SOP - 3.26	mg/Nm ³	<2.62	<2.62	<2.62	<2.62	250
5	Hydrochloric acid, HCl	US EPA Method 26A	mg/Nm ³	<0.3	-	-	<0.3	25
6	Hydrogen sulfide, H ₂ S	JIS K 0108:2010	mg/Nm ³	<0.14	-	-	<0.14	4.5
7	Carbon monoxide, CO	SOP - 3.26	mg/Nm ³	<1.14	<1.14	<1.14	<1.14	600
8	Nitrogen oxides, NOx (as NO ₂)	SOP - 3.26	mg/Nm ³	<0.19	<0.19	<0.19	<0.19	510

Source 7: Exhaust gas from the Chemical
warehouse treatment unit

No.	Parameters	Test method	Unit	1	2	3	Avg.	QCTĐHN 01:2014/ BTNMT
1	Flow rate	US EPA Method 02	Nm ³ /h	712	-	-	712	-
2	Total dust	US EPA Method 05	mg/Nm ³	0.75	-	-	0.75	100
3	Ammonia/ compounds	JIS K 0099:2020	mg/Nm ³	<0.26	-	-	<0.26	30
4	Sulfur dioxide, SO ₂	SOP - 3.26	mg/Nm ³	<2.62	<2.62	<2.62	<2.62	250
5	Hydrochloric acid, HCl	US EPA Method 26A	mg/Nm ³	<0.3	-	-	<0.3	25
6	Hydrogen sulfide, H ₂ S	JIS K 0108:2010	mg/Nm ³	<0.14	-	-	<0.14	4.5
7	Carbon monoxide, CO	SOP - 3.26	mg/Nm ³	<1.14	<1.14	<1.14	<1.14	600
8	Nitrogen oxides, NOx (as NO ₂)	SOP - 3.26	mg/Nm ³	<0.19	<0.19	<0.19	<0.19	510

(Source: Occupational Environment Monitoring and Analysis Station, Dec 4, 2025. Performed per Environmental License No. 102/GPMT-UBND dated July 5, 2023)





ENVIRONMENT PROTECTION

SAFETY, HEALTH AND ENVIRONMENTAL REQUIREMENTS FOR



APPENDIX

CONTRACTORS WORKING AT TRAPHACO JSC

BM75/01
BH/SD: 22/07/16

- 1 The contractor must comply with regulations on occupational safety and environment.
- 2 The Contractor must ensure that employees working at the Company are competent, aware of and shall comply with the Company's regulations.
- 3 The contractor must take full responsibility before law for labor safety and environmental issues arising from the construction process.
- 4 The Contractor must assign a person responsible for occupational safety and sanitation and this person must be present during the construction period to supervise the construction area.
- 5 Contractors must organize professional and technical training for workers and employees who perform jobs subject to strict labor safety requirements and must have safety cards (or equivalent papers) and provide Traphaco JSC upon request.
- 6 Before starting the construction, the Contractor must devise a construction plan or perform a work safety analysis and be accepted by the management department.
- 7 All staffs and employees of the contractor working at Traphaco JSC must: Fully understand regulations of Traphaco JSC.
- 8 During the construction process, wear labor protection equipment suitable for each specific job.
- 9 Do not arbitrarily take photos and interfere with the system of equipment, machinery... without permission of the management department.
- 10 If any equipment on the list is subject to strict registration, it must be tested and provided with inspection documents before being brought into Traphaco JSC. For supportive or hand-held devices (saws, grinders, welders, safety belts, scaffolds, etc.), the contractor must ensure safety before use.
- 11 Dangerous, flammable and explosive objects: Chemicals, gasoline, oil... when brought into the company must be declared to the company at the security.
- 12 If there is an accident, injury, incident (regardless of whether it is heavy or light) about safety - environment, the contractor is responsible for reporting to Traphaco's employees and responsible people for assistance and direction to handle: Failure to report will be handled on a case by case basis.
- 13 Wishing to be a long-term partner, Traphaco JSC encourages contractors to buy accident insurance for all their employees when working at Traphaco JSC.
- 14 During the course of work, if Traphaco JSC detects any violation of the contractor, depending on the seriousness of the violation, there will be sanctions ranging from warning to temporary or full suspension of construction, the contractor must bear all the costs arising from this incident.

This annex is made into copies. Enclosed with contract No.:

WASTEWATER AND WASTE CONTROL

Wastewater

The company has a wastewater evaluation procedure and specialized staff to daily monitor and operate the wastewater treatment system, check treated wastewater quality, and implement timely improvements. There is a logbook tracking daily operations. 82 Wastewater treatment system:



- The collection and treatment system uses biological technology, designed capacity 30 m³/day.
- Discharge mode: Continuous
- Discharge method: Gravity flow
- Receiving body: Treated wastewater discharges into the shared drainage system of Yen So Ward, Hanoi.
- Applied standards: QCTĐHN 02:2014/BTNMT: Technical Regulation on Industrial Wastewater in Hanoi Capital; QCVN 14:2008/BTNMT: National Technical Regulation on domestic wastewater.
- The company hires an independent unit to test wastewater quality quarterly. Samples at the final discharge point before release met all licensing indicators at all times in the year.

Analysis results of wastewater samples at the final environmental discharge point

Phase 1: 14 March 2025 | Phase 2: 02 June 2025 | Phase 3: 04 September 2025 | Phase 4: 01 December 2025

No.	Parameter	Unit	Phase 1	Phase 2	Phase 3	Phase 4	QCTĐHN 02:2014 /BTNMT (B)*	QCVN 14:2008 /BTNMT (B)**
1	Temperature	°C	25.0	35.1	30.7	25.0	40	-
2	Color	Pt/Co	15.0	16.0	<15(a)	<15(a)	150	-
3	pH	-	7.14	7.41	7.94	7.96	5.5 ÷ 9	5 ÷ 9
4	BOD5 (20oC)	mg/L	3.9	<3.0(a)	<3.0(a)	<3.0(a)	50	50
5	COD	mg/L	27.0	9.8	12.4	22.6	150	-
6	Suspended solids	mg/L	17	7	12	7	100	120
7	Total dissolved solids ⁽¹⁾	mg/L	330	923	147	711	-	200
8	Animal/vegetable oils ⁽²⁾	mg/L	<0.6	<0.6	<0.6	<0.6	-	24
9	Phosphat (PO ₄ ³⁻) (as P) ⁽²⁾	mg/L	<0.07(a)	0.11	0.39	<0.07(a)	-	12
10	Total phenol ⁽²⁾	mg/L	<0.009	<0.009	<0.009	<0.009	0.5	-
11	Total xianua ⁽²⁾	mg/L	<0.0024	<0.0024	<0.0024	<0.0024	0.1	-
12	Sulfide	mg/L	<0.038	<0.038	<0.038	<0.038	0.5	4.8
13	Ammonium (as N)	mg/L	0.39	<0.05	<0.17(a)	0.26	10	12
14	Nitrat (NO ₃ ⁻) (as N) ⁽²⁾	mg/L	0.41	2.00	3.65	0.63	-	60
15	Total Nitrogen ⁽²⁾	mg/L	<9.0(a)	<9.0(a)	<9.0(a)	<9.0(a)	40	-
16	Total phosphorus (as P)	mg/L	<0.17(a)	0.19	0.42	<0.17(a)	6	-
17	Chloride	mg/L	7.0	30.0	41.0	45.0	1,000	-
18	Residual chlorine	mg/L	<0.03	<0.03	<0.03	<0.03	2	-
19	Coliform	Virus/100mL	2.800	1.700	110	920	5,000	-
20	Total surfactants ⁽²⁾	mg/L	<0.080	<0.080	<0.080	<0.080	-	12

(Source: Occupational Environment Monitoring and Analysis Station. Output wastewater quality monitoring results in 04 phases of 2025)





ENVIRONMENT PROTECTION



Waste and hazardous waste

No.	Waste name	Volume (kg)	Treatment Method	Treatment Unit
1	Domestic waste	60,000 kg	Incineration	Hanoi Urban Environment Development Investment and Construction Waste Processing JSC
2	Destroyed finished product materials	29,375 kg	Incineration	Hoa Binh Industrial Waste Processing and Recycling JSC
3	Hazardous waste	638.5 kg	Cleaning, Incineration, Landfill, Grinding	Bac Son Industrial and Urban Environment JSC

Domestic and recyclable waste management measures

- Source separation, disseminating and enforcing sorting rules in each department.
- Placing sorted bins at generation points, convenient for identification and storage.
- Periodically transporting regular and recyclable waste company-wide. 86 - Recyclable waste contracts signed with Hoa Binh JSC.
- Domestic waste contracts signed with Hanoi JSC.

Hazardous waste management measures

- The company reported to the Hanoi Department of Natural Resources and Environment and received Environmental License No. 102/GPMT-UBND on July 5, 2023.
- Regularly collecting, separating, and storing waste in separate containers properly labeled with Hazardous Waste codes per Circular 36/2015/TT-BTNMT.
- Regulations and guidelines are disseminated to all employees.
- Storage areas have roofs, walls, locked doors, and warning signs per TCVN 6707:2009.
- Specialized departments are assigned to monitor and manage hazardous waste according to procedures.
- Contractors working at the company are informed and comply with the waste management procedure.

MINIMIZING ENVIRONMENTAL INCIDENTS



Preventing, responding to, and resolving environmental incidents is a crucial institution regulated in Section 3, Chapter X of the 2014 Law on Environmental Protection and other clauses like environmental planning.

In 2025, the Company had no environmental incidents.

The safety committee identified risks causing environmental incidents in operations: Wastewater spills, chemical spills, microorganism leaks, flooding... 88 Each specific scenario has different preventive plans detailed in the "Emergency Response Procedure", clearly defining several emergencies:

SOP for responding to wastewater spills.

SOP for guiding chemical spills and microorganism leaks.

Flood prevention.

COMPLYING WITH ENVIRONMENTAL REGULATIONS

The company complies with environmental laws and follows guidelines from environmental authorities. Maintains updates and assesses the impact of legal documents on the company's system. Systematized relevant legal documents are continuously updated on the intranet, notifying relevant departments of their impacts.

NET ZERO



05.

FINANCIAL STATEMENTS

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2,657
BILLION VND

NET REVENUE



278
BILLION VND

**CONSOLIDATED
PROFIT**



2,322
BILLION VND

TOTAL ASSETS





GENERAL INFORMATION

THE COMPANY

Traphaco Joint Stock Company ("the Company"), formerly a state-owned enterprise, was equitized and operated as a joint stock company under the Decision No. 2566/1999/QĐ-BGTVT dated 27 September 1999 of the Ministry of Transport (now known as Ministry of Construction) and the 1st Business Registration Certificate No. 058437 issued by the Hanoi Department of Planning and Investment (now known as Hanoi Department of Finance) dated 24 December 1999. The Company also received the Enterprise Registration Certificate No. 0100108656 issued by Hanoi Department of Planning and Investment (now known as Hanoi Department of Finance) on 10 August 2011 and the subsequent amended Enterprise Registration Certificates, with the latest being the 27th amendment dated 14 November 2025.

The current principal activities of the Company during the year are to produce and trade pharmaceutical products, chemicals, medical supplies and equipment.

The Company's head office is located at 75 Yen Ninh street, Quan Thanh ward, Ba Dinh district, Hanoi, Vietnam and 2 dependent branches comprise the Central Branch located in Da Nang City and the Southern Branch located in Ho Chi Minh City.

BOARD OF DIRECTORS

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

Mr. Chung Ji Kwang	Chairman
Mr. Nguyen Phu Khanh	Vice Chairman
Mr. Tran Tuc Ma	Member
Mr. Kim Dong Hyu	Member
Ms. Dao Thuy Ha	Member
Mr. Dinh Quang Hoa	Member
Mr. Cha Junwoo	Member

MANAGEMENT

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

Ms. Dao Thuy Ha	General Director	Appointed on 10 November 2025
	Deputy General Director	Resigned on 10 November 2025
Mr. Tran Tuc Ma	General Director	Resigned on 10 November 2025
Mr. Nguyen Huy Van	Deputy General Director	
Mr. Kim Dong Hyu	Deputy General Director	
Mr. Pham Hoang Anh	Deputy General Director	
Ms. Tran Thi Anh Phuong	Deputy General Director	Appointed on 23 January 2025

BOARD OF SUPERVISION

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

Ms. Nguyen Thi Luong Thanh	Head	
Ms. Nguyen Thanh Hoa	Member	
Ms. Nguyen Thi Giang	Member	Resigned on 4 November 2025

LEGAL REPRESENTATIVES

The legal representative of the Company until 10 November 2025 is Mr. Tran Tuc Ma and from 10 November 2025 to the date of this report is Ms. Dao Thuy Ha, General Director.

AUDITOR

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



REPORT OF MANAGEMENT

The management of Traphaco Joint Stock Company ("the Company") is pleased to present this report and the consolidated financial statements of the Company and its subsidiaries 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 Company and its subsidiaries 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 judgments 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 Company and its subsidiaries 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 Company and its subsidiaries and for ensuring that the accounting records comply with the applied accounting system. It is also responsible for safeguarding the assets of the Company and its subsidiaries and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The management confirmed that it has complied with the above requirements in preparing the accompanying consolidated financial statements.

STATEMENT BY THE MANAGEMENT

Management does hereby state that, in its opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Company and its subsidiaries 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 consolidated financial statements.

For and on behalf of management:



Dao Thuy Ha
General Director

Hanoi, Vietnam
23 March 2026

Reference: 11755210/68698320-HN

INDEPENDENT AUDITORS' REPORT

To: The shareholders of Traphaco Joint Stock Company

We have audited the accompanying consolidated financial statements of Traphaco Joint Stock Company ("the Company") and its subsidiaries, as prepared on 23 March 2026 and set out on pages 186 to 219, 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 the Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of 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 auditor considers internal control relevant to the preparation of the Company and its subsidiaries 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 internal control of the Company and its subsidiaries. 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.

Opinion

In our opinion, the consolidated financial statements give a true and fair view, in all material respects, of the consolidated financial position of the Company and its subsidiaries 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 the 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

Tran Phu Son
General Director
Audit Practising Registration
Certificate No. 0637-2023-004-1

Hanoi, Vietnam
24 March 2026

Nguyen Quy Manh
Auditor
Audit Practising Registration
Certificate No. 4482-2023-004-1



CONSOLIDATED BALANCE SHEET

as at 31 December 2025

B01-DN/HH

Currency: VND

Code	ASSETS	Notes	Ending balance	Beginning balance
100	A. CURRENT ASSETS		1,745,129,013,587	1,594,031,971,490
110	I. Cash and cash equivalents	4	175,952,242,209	208,296,451,889
111	1. Cash		113,980,076,148	180,156,030,670
112	2. Cash equivalents		61,972,166,061	28,140,421,219
120	II. Short-term investments	5	529,511,868,671	521,786,552,780
121	1. Held-for-trading securities		10,000,000,000	10,000,000,000
123	2. Held-to-maturity investments		519,511,868,671	511,786,552,780
130	III. Current accounts receivable		426,796,259,362	274,511,586,997
131	1. Short-term trade receivables	6.1	354,270,646,864	245,951,691,748
132	2. Short-term advances to suppliers	6.2	59,237,260,048	29,100,723,648
136	3. Other short-term receivables	7	29,304,873,228	11,155,286,221
137	4. Provision for short-term doubtful receivables	8	(16,016,520,778)	(11,696,114,620)
140	IV. Inventories	9	562,573,892,788	549,326,080,748
141	1. Inventories		564,949,492,215	550,389,724,077
149	2. Provision for obsolete inventories		(2,375,599,427)	(1,063,643,329)
150	V. Other current assets		50,294,750,557	40,111,299,076
151	1. Short-term prepaid expenses		2,336,360,812	1,504,302,848
152	2. Deductible value-added tax		47,865,730,676	38,590,089,536
153	3. Tax and other receivables from the State		92,659,069	16,906,692
200	B. NON-CURRENT ASSETS		577,473,802,996	574,878,989,303
210	I. Long-term receivables		8,868,780,000	-
212	1. Long-term advances to suppliers	6.2	7,937,280,000	-
216	2. Other long-term receivables		931,500,000	-
220	II. Fixed assets		462,292,550,032	495,641,963,219
221	1. Tangible fixed assets	10	399,469,466,680	435,646,685,762
222	Cost		1,229,064,182,954	1,191,950,000,223
223	Accumulated depreciation		(829,594,716,274)	(756,303,314,461)
224	2. Financial leases	11	5,369,237,804	-
225	Cost		5,644,583,332	-
226	Accumulated depreciation		(275,345,528)	-
227	3. Intangible fixed assets	12	57,453,845,548	59,995,277,457
228	Cost		84,510,084,814	81,640,182,069
229	Accumulated amortisation		(27,056,239,266)	(21,644,904,612)
240	III. Long-term assets in progress		25,776,393,538	13,953,622,098
242	1. Construction in progress	13	25,776,393,538	13,953,622,098
250	IV. Long-term investments		500,000,000	500,000,000
253	1. Investment in other entities		500,000,000	500,000,000
260	V. Other long-term assets		80,036,079,426	64,783,403,986
261	1. Long-term prepaid expenses	14	48,066,690,243	42,872,237,405
262	2. Deferred tax assets	28.3	31,858,935,650	21,791,344,048
263	3. Long-term tools, supplies and spare parts		110,453,533	119,822,533
270	TOTAL ASSETS		2,322,602,816,583	2,168,910,960,793

Currency: VND

Code	RESOURCES	Notes	Ending balance	Beginning balance
300	C. LIABILITIES		636,316,564,504	636,211,288,959
310	I. Current liabilities		633,384,596,910	636,211,288,959
311	1. Short-term trade payables	15	257,463,443,500	180,756,889,251
312	2. Short-term advances from customers		6,223,875,915	882,405,783
313	3. Statutory obligations	16	24,793,633,624	22,296,464,588
314	4. Payables to employees		70,437,168,473	54,632,844,857
315	5. Short-term accrued expenses	17	82,712,531,196	46,471,824,661
318	6. Short-term unearned revenues	18	20,929,894,846	43,996,481,650
319	7. Other short-term payables	19	26,370,999,308	90,816,600,734
320	8. Short-term loans and finance lease obligations	20	133,227,659,634	189,908,590,601
322	9. Bonus and welfare fund	21	11,225,390,414	6,449,186,834
330	II. Non-current liabilities		2,931,967,594	-
338	1. Long-term loans and finance lease obligations	20	2,931,967,594	-
400	D. OWNERS' EQUITY		1,686,286,252,079	1,532,699,671,834
410	I. Owners' equity	21.1	1,686,069,263,582	1,532,348,777,327
411	1. Issued share capital		414,536,730,000	414,536,730,000
411a	- Ordinary shares with voting rights		414,536,730,000	414,536,730,000
412	2. Share premium		133,021,732,000	133,021,732,000
414	3. Other owners' capital		9,652,783,012	9,652,783,012
415	4. Treasury shares		(3,593,000)	(3,593,000)
418	5. Investment and development fund		652,336,904,786	598,093,706,447
421	6. Undistributed earnings		343,049,957,480	263,725,237,776
421a	- Undistributed earnings by the end of prior year		174,467,922,553	139,795,251,650
421b	- Undistributed earnings of current year		168,582,034,927	123,929,986,126
429	7. Non-controlling interests		133,474,749,304	113,322,181,092
430	II. Other funds		216,988,497	350,894,507
432	1. Fund for fixed assets in use		216,988,497	350,894,507
440	TOTAL LIABILITIES AND OWNERS' EQUITY		2,322,602,816,583	2,168,910,960,793

Hanoi, Vietnam
23 March 2026

Nguyen Thi Ngoc Thuy
Preparer

Dinh Trung Kien
Chief Accountant



Dao Thuy Ha
General Director



CONSOLIDATED INCOME STATEMENT

for the year ended 31 December 2025

B02-DN/HN

Currency: VND

Code	ITEMS	Notes	Current year	Previous year
01	1. Revenue from sale of goods and rendering of services	24.1	2,665,948,208,682	2,352,291,427,964
02	2. Deductions	24.1	(8,737,900,954)	(5,070,288,116)
10	3. Net revenue from sale of goods and rendering of services	24.1	2,657,210,307,728	2,347,221,139,848
11	4. Cost of goods sold and services rendered	25	(1,233,264,072,522)	(1,110,765,054,153)
20	5. Gross profit from sale of goods and rendering of services		1,423,946,235,206	1,236,456,085,695
21	6. Finance income	24.2	26,344,967,479	22,973,179,666
22	7. Finance expenses		(9,210,895,554)	(5,544,681,226)
23	- In which: Interest expenses		(6,962,066,326)	(3,880,853,804)
25	8. Selling expenses	26	(757,964,416,973)	(625,016,144,416)
26	9. General and administrative expenses	26	(342,062,027,420)	(304,984,668,591)
30	10. Operating profit		341,053,862,738	323,883,771,128
31	11. Other income		6,872,948,296	1,240,092,031
32	12. Other expenses		(374,570,459)	(483,201,781)
40	13. Other profit		6,498,377,837	756,890,250
50	14. Accounting profit before tax		347,552,240,575	324,640,661,378
51	15. Current corporate income tax expenses	28.1	(79,253,730,010)	(64,927,767,758)
52	16. Deferred tax income/(expense)	28.3	10,067,591,602	(2,354,883,442)
60	17. Net profit after corporate income tax		278,366,102,167	257,358,010,178
61	18. Net profit after tax attributable to shareholders of the parent		249,654,508,066	239,017,360,612
62	19. Net profit after tax attributable to non-controlling interests		28,711,594,101	18,340,649,566
70	20. Basic earnings per share	30	5,230	4,982
71	21. Diluted earnings per share	30	5,230	4,982

Hanoi, Vietnam
23 March 2026

Nguyen Thi Ngoc Thuy
Preparer

Dinh Trung Kien
Chief AccountantDao Thuy Ha
General Director

CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31 December 2025

B03-DN/HN

Currency: VND

Code	ITEMS	Notes	Current year	Previous year
I. CASH FLOWS FROM OPERATING ACTIVITIES				
01	Accounting profit before tax		347,552,240,575	324,640,661,378
Adjustments for:				
02	Depreciation of tangible fixed assets, amortisation of intangible fixed assets and allocation of prepaid land rental fee		93,615,191,033	91,408,482,495
03	Provisions		5,632,362,256	538,082,081
04	Foreign exchange profits/(losses) arising from revaluation of monetary accounts denominated in foreign currencies		(1,383,264,706)	957,874,188
05	Profits from investing activities		(25,919,728,036)	(22,028,181,526)
06	Interest expenses		6,962,066,326	3,880,853,804
08	Operating profit before changes in working capital		426,458,867,448	399,397,772,420
09	Increase in receivables		(172,274,109,135)	(44,971,100,281)
10	Increase in inventories		(14,550,399,138)	(80,622,257,360)
11	Increase/(decrease) in payables		164,791,933,557	(2,362,668,477)
12	(Increase)/decrease in prepaid expenses		(6,209,792,802)	5,030,621,924
14	Interest paid		(6,929,984,170)	(3,906,489,381)
15	Corporate income tax paid	16	(77,858,311,245)	(77,010,712,022)
17	Other cash outflows for operating activities	21	(30,462,983,382)	(35,837,837,892)
20	Net cash flows from operating activities		282,965,221,133	159,717,328,931
II. CASH FLOWS FROM INVESTING ACTIVITIES				
21	Purchase, construction of fixed assets and other long-term assets		(109,486,910,858)	(86,671,273,833)
22	Proceeds from disposals of fixed assets		5,657,339,641	307,752,524
23	Payment for term deposits		(526,003,743,889)	(732,916,210,346)
24	Collections from term deposit		518,278,427,998	626,158,321,671
27	Interest and dividends received		22,899,592,981	30,049,980,100
30	Net cash flows used in investing activities		(88,655,294,127)	(163,071,429,884)
III. CASH FLOWS FROM FINANCING ACTIVITIES				
33	Drawdown of borrowings		230,553,877,427	195,508,590,601
34	Repayment of borrowings		(288,698,508,906)	(173,567,756,063)
35	Payment of principal of finance lease liabilities		(1,248,915,226)	-
36	Dividends paid to shareholders of the parent and non-controlling interests		(167,119,550,776)	(177,483,362,575)
40	Net cash flows used in financing activities		(226,513,097,481)	(155,542,528,037)
50	Net decrease in cash and cash equivalent for the year		(32,203,170,475)	(158,896,628,990)
60	Cash and cash equivalents at the beginning of the year	4	208,296,451,889	367,084,837,901
61	Impact of foreign exchange rate fluctuation		(141,039,205)	108,242,978
70	Cash and cash equivalents at the end of the year	4	175,952,242,209	208,296,451,889

Hanoi, Vietnam
23 March 2026

Nguyen Thi Ngoc Thuy
Preparer

Dinh Trung Kien
Chief AccountantDao Thuy Ha
General Director



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

B09-DN/HN

as at 31 December 2025 and for the year then ended

1. CORPORATE INFORMATION

Traphaco Joint Stock Company ("the Company"), formerly a state-owned enterprise, was equitized and operated as a joint stock company under the Decision No. 2566/1999/QĐ-BGTVT dated 27 September 1999 of the Ministry of Transport (now known as Ministry of Construction) and the 1st Business Registration Certificate No. 058437 issued by the Hanoi Department of Planning and Investment (now known as Hanoi Department of Finance) dated 24 December 1999. The Company also received the Enterprise Registration Certificate No. 0100108656 issued by Hanoi Department of Planning and Investment (now known as Hanoi Department of Finance) on 10 August 2011 and the subsequent amended Enterprise Registration Certificates, with the latest being the 27th amendment dated 14 November 2025.

The current principal activities of the Company during the year are to produce and trade pharmaceutical products, chemicals, medical supplies and equipment.

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

The head office of the Company is located at 75 Yen Ninh Street, Ba Dinh ward, Hanoi, Vietnam and 2 dependent branches comprise the Central Branch located in Da Nang City and the Southern Branch located in Ho Chi Minh City.

The number of the Company and its subsidiaries' employees as at 31 December 2025 is 1,546 (31 December 2024: 1,670).

As at 31 December 2025, the Company has 5 subsidiaries (31 December 2024: 4 subsidiaries) with detail information is as follow:

No	Name	Equity interest	Voting rights	Head office's address	Principal activities
1	Traphaco Hung Yen Co., Ltd. ("Traphaco Hung Yen")	100%	100%	Binh Luong town, Nhu Quynh commune, Hung Yen province	Producing pharmaceuticals, chemical and medicinal materials.
2	TraphacoSapa One Member Co., Ltd. ("Traphaco Sapa")	100%	100%	Group 2, Sapa ward, Lao Cai province	Plant, process pharmaceutical materials, agriculture and forestry products; and Produce and trade pharmaceutical products.
3	Dak Lak Pharmaceutical and Medical Equipment Joint Stock Company ("Dak Lak Pharmaceutical")	58.23%	58.23%	No. 9A Hung Vuong street, Buon Ma Thuot ward, Dak Lak province	Produce and trade pharmaceutical products, nutritional foods; and Import and export pharmaceutical products and medical equipment.
4	Traphaco Hi-tech Joint Stock Company ("Traphaco Hi-tech")	50.97%	50.97%	140-142-144, Geology, Nhu Quynh commune, Hung Yen province	Produce and process pharmaceutical products, food supplement, cosmetics and chemicals.
5	Traphaco Pharmaceutical Co., Ltd. ("Traphaco Pharma") (*)	100%	100%	Ngoc Hoi Street, Yen So ward, Ha Noi City	Trade pharmaceutical products, chemicals, medical supplies and equipment.

(*) On 23 May 2025, the Company's Board of Directors has issued the Resolution No. 20/2025/NQ-HDQT on the establishment of Traphaco Pharmaceutical Company Limited with a charter capital of VND 40,000,000,000 and wholly owned by the Company.

2. BASIS OF PREPARATION

2.1 Accounting standards and system

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

- Decision No. 149/2001/QĐ-BTC dated 31 December 2001 on the Issuance and Promulgation of Four Vietnamese Accounting Standards (Series 1);
- Decision No. 165/2002/QĐ-BTC dated 31 December 2002 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 2);
- Decision No. 234/2003/QĐ-BTC dated 30 December 2003 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 3);
- Decision No. 12/2005/QĐ-BTC dated 15 February 2005 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 4); and
- Decision No. 100/2005/QĐ-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 utilisation are not designed for those who are not informed about Vietnamese 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 Company and its subsidiaries in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

2.2 Applied accounting documentation system

The Company and its subsidiaries applied accounting documentation system is the computer-based system.

2.3 Fiscal year

The Company and its subsidiaries' fiscal year applicable for the preparation of the 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 accounting currency of the Company and its subsidiaries.

2.5 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries for the year ended 31 December 2025.

Subsidiaries are fully consolidated from the date of acquisition/incorporation, being the date on which the Company obtains control, and continued to be consolidated until the date that such control ceases.

The financial statements of the subsidiaries are prepared for the same reporting year as the Company, using consistent accounting policies.

All intra-company balances, income and expenses and unrealised gains or losses resulting 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 Company and are presented separately in the consolidated income statement and within equity in the consolidated balance sheet, separately from parent shareholders' equity.

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



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

as at 31 December 2025 and for the year then ended (Continued)

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2. BASIS OF PREPARATION (continued)

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 and cash equivalents

Cash and cash equivalents comprise cash on hand, cash at banks, cash in transit and short-term, highly liquid investments with an original maturity of less than three months that are readily convertible into known amounts of cash and that are subject to an insignificant risk of change in value.

3.2 Inventories

Inventories are measured at their historical costs. The cost of inventories comprises costs of purchase, costs of conversion (including raw materials, direct labor cost, other directly related cost, manufacturing general overheads allocated based on the normal operating capacity) 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 follows:

Raw materials, tools and equipment and merchandise	-	Cost of purchase on a weighted average basis.
Finished goods and work-in process	-	Cost of finished goods and work-in process on a weighted average basis.

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 raw materials, finished goods, and other inventories owned by the Company and its subsidiaries, 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 balance sheet at the carrying amounts due from customers and other debtors, after provision for doubtful debts.

The provision for doubtful debts 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 expense 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. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.4 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation.

The cost of a tangible fixed asset comprises of 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.

3.5 Intangible fixed assets

Intangible fixed assets are stated at cost less accumulated amortisation.

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

Expenditures for additions, improvements and renewals 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 comprise the indefinite land use rights and the definite land use rights have effectiveness prior to 2003 and Land use right 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").

3.6 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 Company and its subsidiaries are the lessees

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

Where its subsidiaries are the lessors

Lease income is recognised in the consolidated income statement on a straight-line basis over the lease term.



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as at 31 December 2025 and for the year then ended (Continued)

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.7 Depreciation and amortisation

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

Buildings and structures	3 - 35 years
Office equipment	2 - 12 years
Means of transportation	3 - 10 years
Machinery and equipment	2 - 15 years
Others	5 - 20 years
Indefinite land use rights	Non-amortisation
Definite land use rights	32 years
Computer software	3 - 6 years

3.8 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.

3.9 Borrowing costs

Borrowing costs include interest and other costs directly related to the Company and its subsidiaries' loans. Borrowing costs are accounted for as expenses incurred during the year.

3.10 Prepaid expenses

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

Prepaid land rentals comprise of the unallocated carrying amount of land rentals that have been properly paid under a 30-year land lease. Pursuant to Circular 45, prepaid land rentals have been recorded as long-term prepayments and are allocated to expenses over the remaining term of the lease.

3.11 Business combinations and goodwill

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.

Goodwill acquired in a business combination is initially measured at cost being the excess of the cost the business combination over the Company and its subsidiaries' interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities. If the cost of a business combination is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the consolidated income statement. After initial recognition, goodwill is measured at cost less any accumulated amortisation. Goodwill is amortised over an estimated useful life of ten (10) years on a straight-line basis. The Company conducts periodical review for impairment of goodwill of investment in subsidiaries. If there are indicators of impairment loss incurred is higher than the yearly allocated amount of goodwill on the straight-line basis, the higher amount will be recorded in the consolidated income statement.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.12 Investments

Held-for-trading securities and investments in other entities

Held-for-trading securities and investments in other entities are stated at their acquisition costs.

Provision for diminution in value of investments

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

Increases or decreases in 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 expense in the consolidated financial statements and deducted against the value of such investments.

3.13 Payables and accruals

Payables and accruals are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Company and its subsidiaries.

3.14 Foreign currency transactions

Transactions in currencies other than the Company and its subsidiaries' reporting currency (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;
- Transactions resulting in liabilities are recorded at the selling exchange rates of the commercial banks designated for payment; and
- Payments for assets or expenses without liabilities initially being recognised is recorded at the buying exchange rates of the commercial banks that process these payments.

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

- Monetary assets are translated at buying exchange rate of the commercial bank where the Company and its subsidiaries conduct transactions regularly; and
- Monetary liabilities are translated at selling exchange rate of the commercial bank where the Company and its subsidiaries conduct transactions regularly.

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

3.15 Share capital

Ordinary shares

Ordinary shares with voting right are recognised at par value.

Share premium

Share premium is the difference between the par value and the issuance price of the shares, minus the actual expenses incurred for the issuance of the shares.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

as at 31 December 2025 and for the year then ended (Continued)

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.15 Share capital (continued)

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 consolidated income statement upon purchase, sale, re-issue or cancellation of the Company and its subsidiaries' 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 by the general shareholders, and after making appropriation to reserve funds in accordance with the Charter of the Company and its subsidiaries and Vietnam's regulatory requirements.

The Company and its subsidiaries maintain the following reserve funds which are appropriated from the Company and its subsidiaries' 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 Company and its subsidiaries' expansion of their operation or of in-depth investment.

- 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.

3.17 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and its subsidiaries 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 recognised:

Sale of goods

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

Rendering of services

Where the contract outcome can be reliably measured, revenue is recognised by reference to the stage of completion. Stage of completion is measured by reference to client workload confirmation.

Where the contract outcome cannot be reliably measured, revenue is recognised only to the extent of the expenses recognised which are recoverable.

Dividends

Dividend income is recognized when Company is entitled to receive dividends.

Interest income

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.18 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 taxation 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 Company and its subsidiaries to set off current tax assets against current tax liabilities and when the Company and its subsidiaries intend to settle its current 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 in consolidated financial statements.

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 interests in jointly controlled entity 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 and interests in jointly controlled entity, 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.

The carrying amount of deferred tax assets is reviewed at each consolidated 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 realised or the liability is settled based on tax rates and tax laws that have been enacted at the consolidated 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.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

as at 31 December 2025 and for the year then ended (Continued)

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.18 Taxation (continued)

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

- either the same taxable entity; or
- when the Company and its subsidiaries intend 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.

3.19 Segment information

The Company and its subsidiaries' principal activities are to manufacture and trade pharmaceutical products. In addition, these activities are entirely taking place within Vietnam. Therefore, the Company and its subsidiaries' risks and returns are not impacted by the Company and its subsidiaries' products that the Company and its subsidiaries are manufacturing or the locations where the Company and its subsidiaries are trading. As a result, the management of the Company is of the view that there is only one segment for business and geography and therefore presentation of segmental information is not required.

3.20 Earnings per share

Basic earnings per share amounts are calculated by dividing net profit/(loss) after tax for the year attributable to ordinary shareholders of the Company (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 Company (after adjusting for interest on the convertible preference shares) 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.

3.21 Related parties

Parties are considered to be related parties of the Company and its subsidiaries if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions, or when the Company and its subsidiaries 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.

4. CASH AND CASH EQUIVALENTS

	Currency: VND	
	Ending balance	Beginning balance
Cash on hand	11,438,823,253	12,500,896,954
Cash at banks	102,541,252,895	167,503,962,926
Cash in transit	-	151,170,790
Cash equivalent (*)	61,972,166,061	28,140,421,219
TOTAL	175,952,242,209	208,296,451,889

(*) These represent VND bank deposits with original terms of less than 3 months and earn interest at rates ranging from 4% to 5% per annum (31 December 2024: from 1.6% to 4.7% per annum).

5. SHORT-TERM INVESTMENTS

	Currency: VND	
	Ending balance	Beginning balance
Term deposits (*)	519,511,868,671	511,786,552,780
Fund certificates (**)	10,000,000,000	10,000,000,000
TOTAL	529,511,868,671	521,786,552,780

(*) These represent VND deposits at commercial banks with terms of from 6 to less than 12 months and earn interest at rates ranging per annum 3% to 6.6% per annum (31 December 2024 from 2.9% to 7.7% per annum). Certain term deposits amounting to VND 75 billion have been used as collaterals for loans as presented in Note 20.

(**) This represents an investment in fund certificates of Mirae Asset Vietnam Flexible Fixed Income Fund.

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

6.1 Short-term trade receivables

	Currency: VND	
	Ending balance	Beginning balance
Trade receivables from other parties	342,163,135,085	237,594,876,187
- <i>Phuong Phuc Pharmaceutical Chemical Company Limited</i>	37,514,858,273	11,229,215,079
- <i>FPT Long Chau Pharmacy Joint Stock Company</i>	30,249,824,573	19,460,387,411
- <i>Other receivables</i>	274,398,452,239	206,905,273,697
Trade receivables from related parties (Note 29)	12,107,511,779	8,356,815,561
TOTAL	354,270,646,864	245,951,691,748
Provision for doubtful short-term receivables	(16,016,520,778)	(11,696,114,620)

6.2 Advances to suppliers

	Currency: VND	
	Ending balance	Beginning balance
Short-term		
Intech Investment and Technology Joint Stock Company	26,845,881,300	-
Shininghwa Vietnam Co., Ltd	1,762,167,000	7,325,384,000
Other suppliers	30,629,211,748	13,838,059,648
Advances to related parties (Note 29)	-	7,937,280,000
TOTAL	59,237,260,048	29,100,723,648
Long-term		
Advances to related parties (Note 29)	7,937,280,000	-
TOTAL	7,937,280,000	-



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

as at 31 December 2025 and for the year then ended (Continued)

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7. OTHER SHORT-TERM RECEIVABLES

	Ending balance		Beginning balance	
	Balance	Provision	Balance	Provision
Interest receivables	8,005,619,678	-	5,454,476,773	-
Receivables from consigned goods	11,701,136,365	-	-	-
Sales support from suppliers	2,745,000,000	-	2,661,402,600	-
Advances to employees	3,275,165,729	-	1,832,247,698	-
Deposits	79,465,000	-	278,981,250	-
Other receivables	3,498,486,456	-	928,177,900	-
TOTAL	29,304,873,228	-	11,155,286,221	-
In which:				
Other short-term receivables	26,760,493,628	-	8,725,286,221	-
Other short-term receivables from related parties (Note 29)	2,544,379,600	-	2,430,000,000	-

Currency: VND

8. BAD DEBTS

	Ending balance		Beginning balance	
	At cost	Recoverable amount	At cost	Recoverable amount
Overdue receivables which are considered to be doubtful	28,214,987,661	12,198,466,883	23,635,042,580	11,938,927,960
TOTAL	28,214,987,661	12,198,466,883	23,635,042,580	11,938,927,960

Currency: VND

9. INVENTORIES

	Ending balance		Beginning balance	
	Giá gốc	Dự phòng	Giá gốc	Dự phòng
Goods in transit	31,545,122,484	-	9,092,501,419	-
Raw materials	179,307,439,963	(1,630,151,493)	204,958,532,522	(593,140,266)
Work in process	54,700,436,408	-	64,840,751,690	-
Finished goods	176,467,236,689	(388,915,212)	173,229,917,324	(71,416,096)
Merchandise	122,631,170,341	(356,532,722)	97,954,450,136	(399,086,967)
Tools and supplies	298,086,330	-	313,570,986	-
OTAL	564,949,492,215	(2,375,599,427)	550,389,724,077	(1,063,643,329)

Currency: VND

Movements of provision for obsolete inventories:

	Current year	Previous year
Beginning balance	1,063,643,329	1,856,054,580
Add: Provision made during the year	1,553,639,967	2,571,501,689
Less: Utilisation and reversal of provision during the year	(241,683,869)	(3,363,912,940)
Ending balance	2,375,599,427	1,063,643,329

Currency: VND

10. TANGIBLE FIXED ASSETS

	Currency: VND			
	Buildings and structures	Machinery and equipment	Means of transportation	Others
Cost:				Total
Beginning balance	375,520,732,286	676,238,108,832	104,414,158,601	1,191,950,000,223
- New purchase	2,127,895,531	21,158,459,425	1,847,804,715	29,121,045,345
- Transfer from construction in progress	1,493,121,085	26,157,719,431	-	27,736,217,923
- Disposal	(1,559,683,818)	(9,607,876,651)	(7,872,373,918)	(19,743,080,537)
Ending balance	377,582,065,084	713,946,411,037	98,389,589,398	1,229,064,182,954
In which:				
Fully depreciated	42,152,598,631	100,557,541,261	51,555,137,980	206,700,068,826
Accumulated depreciation:				
Beginning balance	216,780,842,561	442,585,649,947	77,109,270,788	756,303,314,461
- Depreciation for the year	13,543,453,803	63,086,458,640	6,903,197,889	87,846,134,859
- Disposal	(1,559,683,818)	(4,458,414,489)	(7,869,762,367)	(14,554,733,046)
Ending balance	228,764,612,546	501,213,694,098	76,142,706,310	829,594,716,274
Net carrying amount:				
Beginning balance	158,739,889,725	233,652,458,885	27,304,887,813	435,646,685,762
Ending balance	148,817,452,538	212,732,716,939	22,246,883,088	399,469,466,680

As at 31 December 2025, the Company has used several assets attached to land as collateral for loans as presented in Note 20.





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as at 31 December 2025 and for the year then ended (Continued)

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11. FINANCE LEASES

Currency: VND	
	Machinery and equipment
Cost:	
Beginning balance	-
- Additional leases	5,644,583,332
Ending balance	5,644,583,332
Accumulated depreciation:	
Beginning balance	-
- Depreciation for the year	275,345,528
Ending balance	275,345,528
Net carrying amount:	
Beginning balance	-
Ending balance	5,369,237,804

The Company leases machinery and equipment that are currently operating within the production line. Under the finance lease agreement dated 23 September 2025, the Company has the option to purchase the machinery and equipment upon the lease expiration on 23 March 2029. Commitments related to future lease payment liabilities under the finance lease agreement are disclosed in Note 20.

12. INTANGIBLE FIXED ASSETS

Currency: VND				
	Indefinite land use right	Definite land use right	Computer software	Total
Cost:				
Beginning balance	45,687,172,520	5,488,320,009	30,464,689,540	81,640,182,069
- New purchase	-	-	2,902,902,745	2,902,902,745
- Write-off	-	-	(33,000,000)	(33,000,000)
Ending balance	45,687,172,520	5,488,320,009	33,334,592,285	84,510,084,814
<i>In which:</i>				
Fully amortised	-	-	17,492,809,031	17,492,809,031
Accumulated amortisation:				
Beginning balance	-	2,812,454,555	18,832,450,057	21,644,904,612
- Amortisation for the year	-	164,282,580	5,280,052,074	5,444,334,654
- Write-off	-	-	(33,000,000)	(33,000,000)
Ending balance	-	2,976,737,135	24,079,502,131	27,056,239,266
Net carrying amount:				
Beginning balance	45,687,172,520	2,675,865,454	11,632,239,483	59,995,277,457
Ending balance	45,687,172,520	2,511,582,874	9,255,090,154	57,453,845,548

As at 31 December 2025, part of the Company's land use rights has been used as collateral for loans as presented in Note 20.

13. CONSTRUCTION IN PROGRESS

Currency: VND		
	Ending balance	Beginning balance
Softgel encapsulation manufacturing factory and machine	15,472,092,848	-
Land use right and office building	5,737,727,272	5,737,727,272
Others	4,566,573,418	8,215,894,826
TOTAL	25,776,393,538	13,953,622,098

14. LONG-TERM PREPAID EXPENSES

Currency: VND		
	Ending balance	Beginning balance
Prepaid land rental	22,761,435,475	24,242,853,749
Renovation and maintenance expenses	17,055,601,124	8,936,156,531
Tools and supplies	7,418,830,733	8,269,082,679
Others	830,822,911	1,424,144,446
TOTAL	48,066,690,243	42,872,237,405

15. PHẢI TRẢ NGƯỜI BÁN NGẮN HẠN

Currency: VND				
	Ending balance		Beginning balance	
	Amount	Payable amount	Amount	Payable amount
Trade payables to other parties	225,766,676,860	225,766,676,860	165,350,321,018	165,350,321,018
- Zhejiang Chemicals Import & Export Corporation	32,212,911,250	32,212,911,250	11,114,685,000	11,114,685,000
- Payables to other customers	193,553,765,609	193,553,765,609	154,235,636,018	154,235,636,018
Trade payables to related parties (Note 29)	31,696,766,640	31,696,766,640	15,406,568,233	15,406,568,233
TOTAL	257,463,443,500	257,463,443,500	180,756,889,251	180,756,889,251



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16. STATUTORY OBLIGATIONS

	Beginning balance	Payable during the year	Payment made during the year	Ending balance
Value added tax	134,482,497	160,416,338,117	(160,323,810,968)	227,009,646
Corporate income tax	19,118,322,789	79,253,730,010	(77,858,311,245)	20,513,741,554
Personal income tax	3,042,507,302	37,046,539,429	(36,057,911,154)	4,031,135,577
Other taxes	1,152,000	3,035,538,555	(3,014,943,708)	21,746,847
TOTAL	22,296,464,588	279,752,146,111	(277,254,977,075)	24,793,633,624

Currency: VND

17. SHORT-TERM ACCRUED EXPENSES

	Ending balance	Beginning balance
Sale discounts payable to customers	24,178,450,649	18,855,179,409
Selling support expense for ETC channels	30,696,177,496	13,279,262,914
Other accruals	27,837,903,051	14,337,382,338
TOTAL	82,712,531,196	46,471,824,661

Currency: VND

18. SHORT-TERM UNEARNED REVENUES

	Ending balance	Beginning balance
Unearned revenue from customer loyalty program	20,333,396,000	43,996,481,650
Other unearned revenue	596,498,846	-
TOTAL	20,929,894,846	43,996,481,650

Currency: VND

19. OTHER SHORT-TERM PAYABLES

	Ending balance	Beginning balance
Dividend payables	1,386,666,178	85,181,173,678
Other payables	24,984,333,130	5,635,427,056
TOTAL	26,370,999,308	90,816,600,734

Currency: VND

20. LOANS AND FINANCE LEASES

	Beginning balance		Movement during the year		Ending balance	
	Balance	Payable amount	Increase	Decrease	Balance	Payable amount
Short-term loans						
Loan from banks	189,908,590,601	189,908,590,601	717,903,273,091	(776,047,904,570)	131,763,959,122	131,763,959,122
Current portion of financial leases	-	-	2,712,615,738	(1,248,915,226)	1,463,700,512	1,463,700,512
Long-term loans						
Financial leases	-	-	5,644,583,332	(2,712,615,738)	2,931,967,594	2,931,967,594
TOTAL	189,908,590,601	189,908,590,601	726,260,472,161	(777,296,819,796)	136,159,627,228	136,159,627,228

Currency: VND

20.1 Short-term loans from banks

Bank	Ending balance (VND)	Principal and interest repayment term	Interest rate (%/year)	Description of collateral
Vietnam Bank for Agriculture and Rural Development - Hanoi branch	131,763,959,122	The loan term is 3 to 6 months with the last maturity date on 24 June 2026. Interest is payable on a monthly basis.	3.2% - 5.1%	The land use rights and other assets attached to land, and several deposit contracts of the Company.
TOTAL	131,763,959,122			





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as at 31 December 2025 and for the year then ended (Continued)

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20. LOANS AND FINANCE LEASES (continued)

20.2 Financial liabilities

The Company leases machinery and equipment for operating purpose under a finance lease arrangement with interest rate of 6.7%/annum. Future obligations due under finance leases agreements as at the balance sheet dates were as follows:

	Ending balance		Beginning balance	
	Total minimum lease payments	Finance charges	Lease liabilities	Total minimum lease payments
Current liabilities				
Less than 1 year	1,718,181,972	254,481,460	1,463,700,512	-
Non-current liabilities				
From 1-5 years	3,120,224,347	188,256,753	2,931,967,594	-
TOTAL	4,838,406,319	442,738,213	4,395,668,106	-

21. BONUS AND WELFARE FUND

	Current year	Previous year
Beginning balance	6,449,186,834	7,235,435,016
Add: Appropriation in the year (Note 22.1)	35,239,186,962	35,051,589,710
Less: Utilisation in the year	(30,462,983,382)	(35,837,837,892)
Ending balance	11,225,390,414	6,449,186,834

Currency: VND

22. OWNERS' EQUITY

22.1 Increase and decrease in owners' equity

	Issued share capital	Share premium	Other owners' capital	Treasury shares	Investment and development fund	Undistributed earnings	Non-controlling interests	Total
Previous year								
Beginning balance	414,536,730,000	133,021,732,000	9,652,783,012	(3,593,000)	541,187,024,570	280,444,924,214	109,730,385,704	1,488,569,986,500
- Profit for the year	-	-	-	-	-	239,017,360,612	18,340,649,566	257,358,010,178
- Dividends declared from the Company's profit of 2023	-	-	-	-	-	(82,901,080,000)	-	(82,901,080,000)
- Dividends declared from subsidiaries' profit of 2023	-	-	-	-	-	-	(1,379,232,100)	(1,379,232,100)
- Appropriation of investment and development fund from profit of 2024	-	-	-	-	56,906,681,877	(56,906,681,877)	-	-
- Appropriation of bonus and welfare fund from subsidiaries' profit of 2023	-	-	-	-	-	(640,351,146)	(459,648,854)	(1,100,000,000)
- Provisional dividend from the profit of 2024	-	-	-	-	-	(82,901,080,000)	(11,144,678,000)	(94,045,758,000)
- Provisional appropriation of bonus and welfare fund from the Company and its subsidiaries' profit of 2024	-	-	-	-	-	(32,186,294,486)	(1,765,295,224)	(33,951,589,710)
- Other decreases	-	-	-	-	-	(201,559,541)	-	(201,559,541)
Ending balance	414,536,730,000	133,021,732,000	9,652,783,012	(3,593,000)	598,093,706,447	263,725,237,776	113,322,181,092	1,532,348,777,327

Currency: VND



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as at 31 December 2025 and for the year then ended (Continued)

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22. OWNERS' EQUITY (continued)

22.1 Increase and decrease in owners' equity (continued)

Current year	Currency: VND							Total
	Issued share capital	Share premium	Other owners' capital	Treasury shares	Investment and development fund	Undistributed earnings	Non-controlling interests	
Beginning balance	414,536,730,000	133,021,732,000	9,652,783,012	(3,593,000)	598,093,706,447	263,725,237,776	113,322,181,092	1,532,348,777,327
- Profit for the year	-	-	-	-	-	249,654,508,063	28,711,594,104	278,366,102,167
- Dividends declared from the Company's profit of 2024 (*)	-	-	-	-	-	(82,901,080,000)	-	(82,901,080,000)
- Appropriation of investment and development fund from profit of 2024 (*)	-	-	-	-	54,243,198,339	(54,243,198,339)	-	-
- Appropriation of bonus and welfare fund from profit of 2024 (*)	-	-	-	-	-	(318,254,520)	(228,445,480)	(546,700,000)
- Provisional appropriation of bonus and welfare fund from the Company and its subsidiaries' profit of 2025 (**)	-	-	-	-	-	(32,867,255,500)	(1,825,231,462)	(34,692,486,962)
- Provisional dividend from the profit of 2025 (***)	-	-	-	-	-	-	(6,505,348,950)	(6,505,348,950)
Ending balance	414,536,730,000	133,021,732,000	9,652,783,012	(3,593,000)	652,336,904,786	343,049,957,480	133,474,749,304	1,686,069,263,582

(*) The Company and its subsidiaries made appropriation for funds and declared dividends by cash from the undistributed earnings of 2024 in accordance with Resolutions of the 2025's Annual General Shareholders' Meetings of the Company and its subsidiaries.

(**) The Company and its subsidiaries have also appropriated provisional bonus and welfare fund from undistributed earnings for 2025 according to the 2025's profit distribution plan as approved by the Annual General Meetings of Shareholders of the Company and its subsidiaries.

(***) The Company and its subsidiaries have also declared provisional dividend from undistributed earnings of 2025 in accordance with the Resolution of the Annual General Meetings of Shareholders and Resolutions of Board of Directors of the Company and its subsidiaries.

22. OWNERS' EQUITY (continued)

22.2 Share capital

	Ending balance			Beginning balance		
	Number of shares	Amount (VND)	Percentage (%)	Number of shares	Amount (VND)	Percentage (%)
State Capital and Investment Corporation	14,786,512	147,865,120,000	35.67%	14,786,512	147,865,120,000	35.67%
Magbi Fund Limited	10,361,385	103,613,850,000	25.00%	10,361,385	103,613,850,000	25.00%
Super Delta Pte. Ltd.	6,267,289	62,672,890,000	15.12%	6,267,289	62,672,890,000	15.12%
Access S.A., SICAV-SIF- ASIA TOP PICKS	2,074,000	20,740,000,000	5.00%	2,074,000	20,740,000,000	5.00%
Other shareholders	7,961,354	79,613,540,000	19.20%	7,961,354	79,613,540,000	19.20%
Treasury shares	3,133	31,330,000	0.01%	3,133	31,330,000	0.01%
TOTAL	41,453,673	414,536,730,000	100%	41,453,673	414,536,730,000	100%



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

as at 31 December 2025 and for the year then ended (Continued)

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22. OWNERS' EQUITY (continued)

22.3 Capital transactions with owners and distribution of dividends, profits

	Currency: VND	
	Current year	Previous year
Contributed capital		
Beginning balance and ending balance	414.536.730.000	414.536.730.000
Dividends declared	82.901.080.000	165.802.160.000

22.4 Dividends

	Currency: VND	
	Current year	Previous year
Dividends declared during the year	82.901.080.000	165.802.160.000
<i>Dividends on ordinary shares</i>		
Cash dividend for 2023 (2nd announcement): VND 2,000 per share	-	82.901.080.000
Cash dividend for 2024 (1st announcement): VND 2,000 per share	-	82.901.080.000
Cash dividend for 2024 (2nd announcement): VND 2,000 per share	82.901.080.000	-
Dividends paid during the year	165.656.153.000	165.688.771.180
<i>Dividends on ordinary shares</i>		
Cash dividend for prior years	-	94.094.980
Cash dividend for 2023 (1st announcement): VND 2,000 per share	-	82.820.202.700
Cash dividend for 2023 (2nd announcement): VND 2,000 per share	-	82.774.473.500
Cash dividend for 2024 (1st announcement): VND 2,000 per share	82.872.151.000	-
Cash dividend for 2024 (2nd announcement): VND 2,000 per share	82.784.002.000	-

22.5 Shares

	Ending balance	Beginning balance
Authorized shares	41.453.673	41.453.673
Issued shares	41.453.673	41.453.673
Ordinary shares	41.453.673	41.453.673
Treasury shares	(3.133)	(3.133)
Ordinary shares	(3.133)	(3.133)
Shares in circulation	41.450.540	41.450.540
Ordinary shares	41.450.540	41.450.540

Par value of outstanding shares: VND 10,000/share (31 December 2024: VND 10,000/share). The Company's shares are listed on the Ho Chi Minh City Stock Exchange with the stock code of TRA.

23. OFF CONSOLIDATED BALANCE SHEET ITEMS

	Ending balance		Beginning balance	
	Original currency	VND equivalent	Original currency	VND equivalent
1. Foreign Currency:				
- US Dollar (USD)	43.770,27	1.269.303.600	3.980	97.902.800
2. Bad debts written-off (VND)	9.500.253.738	9.500.253.738	9.500.253.738	9.500.253.738

24. REVENUES

24.1 Revenue from sale of goods and rendering of services

	Currency: VND	
	Current year	Previous year
Gross revenue	2.665.948.208.682	2.352.291.427.964
<i>In which:</i>		
Sale of finished goods	2.056.939.639.575	1.822.114.675.777
Sale of merchandise	607.131.771.249	528.610.596.015
Rendering of services	1.876.797.858	1.566.156.172
Less	(8.737.900.954)	(5.070.288.116)
Sales return	(8.737.900.954)	(5.070.288.116)
Net revenue	2.657.210.307.728	2.347.221.139.848
<i>In which:</i>		
Net sales to others	2.598.712.678.449	2.260.664.318.832
Net sales to related parties (Note 29)	58.497.629.279	86.556.821.016

24.2 Finance income

	Currency: VND	
	Current year	Previous year
Interest income	24.550.791.263	20.988.791.289
Dividend income	899.944.623	750.000.000
Foreign exchange gains	514.278.025	883.462.475
Others	379.953.568	350.925.902
TOTAL	26.344.967.479	22.973.179.666



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25. COST OF GOODS SOLD AND SERVICES RENDERED

	Currency: VND	
	Current year	Previous year
Cost of finished goods sold	852,314,022,847	743,648,851,991
Cost of merchandise sold	378,743,099,173	366,288,975,603
Cost of other services	653,310,535	462,962,227
Provision for obsolete inventories	1,553,639,967	364,264,332
TOTAL	1,233,264,072,522	1,110,765,054,153

26. SELLING EXPENSES AND GENERAL AND ADMINISTRATIVE EXPENSES

	Currency: VND	
	Current year	Previous year
Selling expenses incurred during the year		
Labour costs	224,795,921,793	184,436,401,986
Advertising expenses	190,015,794,448	184,850,525,444
Sales discounts	73,063,737,234	65,082,228,294
Allowance for sale collaborators	44,617,856,144	65,838,813,512
Depreciation and amortisation	10,347,192,496	10,128,004,922
Others	215,123,914,858	114,680,170,258
	757,964,416,973	625,016,144,416
General and administrative expenses incurred during the year		
Labour costs	175,901,750,869	158,328,101,376
Expenses for external services	74,976,542,662	64,486,475,638
Depreciation and amortisation	24,099,307,498	22,612,766,392
Allowance for doubtful debts	4,320,406,158	1,330,493,332
Others	62,764,020,233	58,226,831,853
	342,062,027,420	304,984,668,591
TOTAL	1,100,026,444,393	930,000,813,007

27. PRODUCTION AND OPERATING COSTS

	Currency: VND	
	Current year	Previous year
Raw materials	650,666,266,179	583,902,393,426
Labour costs	490,745,562,353	419,680,369,818
Depreciation and amortization (including allocation of prepaid land rental)	93,615,191,033	91,408,482,495
Expenses for external services	395,963,125,465	363,648,406,770
Others	316,654,276,796	238,741,330,041
TOTAL	1,947,644,421,826	1,697,380,982,550

28. CORPORATE INCOME TAX

The statutory corporate income tax ("CIT") applicable to the Company and its subsidiaries is 20% of taxable income, except for Traphaco Sapa One Member Co., Ltd, which entitled to an exemption from CIT for income from Dong Pho Moi pharmaceutical factory project for 4 years (from 2017 to 2020) and 50% CIT reduction for the following 9 years (from 2021 to 2029) in accordance with Official Letter No. 3087/CT-THNVDT dated 23 July 2018 of Taxation Department of Lao Cai province.

The tax returns filed by the Company and its subsidiaries are subject to examination by the tax authorities. As the application of tax laws and regulations is susceptible to varying interpretations, the amounts reported in the consolidated financial statements could change at a later date upon final determination by the tax authorities.

28.1 CIT expenses

	Currency: VND	
	Current year	Previous year
Current tax expenses	79,180,082,353	64,333,131,443
Deferred tax (income)/expense	(10,067,591,602)	2,354,883,442
Adjustment of under-accrued CIT in prior years	73,647,657	594,636,315
TOTAL	69,186,138,408	67,282,651,200

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

	Currency: VND	
	Current year	Previous year
Accounting profit before tax	347,552,240,575	324,640,661,378
CIT expenses at applicable CIT rates for the Company and its subsidiaries	69,462,707,198	64,970,257,857
<i>Increase/(decrease) adjustments:</i>		
Non-deductible expenses	735,740,848	1,816,092,941
Remuneration to non-executive members of the Board of Directors	357,600,000	357,600,000
Adjustment of under accrued of CIT in prior years	73,647,657	594,636,315
Non-taxable income	(1,249,496,322)	(150,000,000)
CIT exemption and incentives	(194,060,973)	(305,935,913)
CIT expenses	69,186,138,408	67,282,651,200

28.2 Current tax

The current tax payable is based on taxable income for the current year. The taxable income of the Company and its subsidiaries for the year differs from the accounting profit before tax as reported in the consolidated income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or deductible. The Company and its subsidiaries' liability for current tax is calculated using tax rates that have been enacted by the balance sheet date.



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28. CORPORATE INCOME TAX (continued)

28.3 Deferred tax

The following are the deferred tax assets recognised by the Company and its subsidiaries, and the movements thereon, during the current year and previous year:

	Consolidated balance sheet		Consolidated income statement	
	Ending balance	Beginning balance	Current year	Previous year
Deferred tax assets				
Unearned revenue from customer loyalty program	3,960,961,200	4,668,206,454	(707,245,254)	(2,972,500,870)
Sale discounts	4,835,690,130	3,739,266,645	1,096,423,485	(2,010,764,659)
Allowance for sale collaborators and representatives not yet paid	775,400,000	2,655,852,585	(1,880,452,585)	(1,343,553,790)
Provision for inventories	-	-	-	(18,225,884)
Unrealised profit	22,286,884,320	10,728,018,364	11,558,865,956	3,990,161,761
Net deferred tax credit/(charge) to consolidated income statement	31,858,935,650	21,791,344,048	10,067,591,602	(2,354,883,442)

Currency: VND

29. TRANSACTIONS WITH RELATED PARTIES

Related parties who have a controlling relationship or have significant influence and/or have significant transactions with the Company and its subsidiaries during the year and as of 31 December 2025 is as follows:

No	Related parties	Relationship
1	State Capital and Investment Corporation	Major shareholder
2	Magbi Fund Limited	Major shareholder
3	Super Delta Pte. Ltd.	Major shareholder
4	Daewoong Pharmaceuticals Co., Ltd.	Entity related to a member of Board of Directors (Mr. Cha Junwoo)
5	Sao Mai JSC	Entity related to a member of Board of Directors (Ms. Dao Thuy Ha)

List of members of the Board of Directors ("BoD"), management and the Board of Supervision ("BoS") of the Company is presented in General Information.

Significant transactions of the Company and its subsidiaries with related parties during the current year and previous year were as follows:

Related parties	Relationship	Transactions	Currency: VND	
			Current year	Previous year
Daewoong Pharmaceutical Co., Ltd.	Entity related to a member of Board of Directors	Purchase of goods and services	79,193,606,518	45,498,031,794
		Promotion fee	11,214,023,450	15,811,207,263
		Advance payment for technology transfer costs	-	7,937,280,000
Sao Mai JSC	Entity related to a member of Board of Directors	Sale of goods	58,497,629,279	86,556,821,016
State Capital and Investment Corporation	Major shareholder	Dividend declared	29,570,788,920	59,141,577,840
		Dividend paid	29,570,788,920	59,141,577,840
Magbi Fund Limited	Major shareholder	Dividend declared	20,721,203,807	41,442,407,615
		Dividend paid	20,721,203,807	41,442,407,615
Super Delta Pte. Ltd.	Major shareholder	Dividend declared	12,533,630,657	25,067,261,315
		Dividend paid	12,533,630,657	25,067,261,315



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29. TRANSACTIONS WITH RELATED PARTIES (continued)

Terms and conditions of transactions with related parties:

The sales and purchases of goods from related parties are made based on the contractual agreement.

Outstanding balances at 31 December 2025 are unsecured, interest free and will be settled in cash. For the year ended 31 December 2025, the Company and its subsidiaries have not made any provision for doubtful debts relating to amounts owed by related parties (31 December 2024: VND 0). This assessment is undertaken each financial year through the examination of the financial position of the related party and the market in which the related party operates.

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

Currency: VND				
Related parties	Relationship	Transactions	Ending balance	Beginning balance
Short-term trade receivables (Note 6.1)				
Sao Mai JSC	Entity related to a member of Board of Directors	Sale of goods	12,107,511,779	8,356,815,561
TOTAL			12,107,511,779	8,356,815,561
Advances to suppliers (Note 6.2)				
Daewoong Pharmaceuticals Co., Ltd.	Entity related to a member of Board of Directors	Technology transfer costs	7,937,280,000	7,937,280,000
TOTAL			7,937,280,000	7,937,280,000
Other short-term receivables (Note 7)				
Daewoong Pharmaceuticals Co., Ltd.	Entity related to a member of Board of Directors	Sale support receivable	2,544,379,600	2,430,000,000
TOTAL			2,544,379,600	2,430,000,000
Short-term trade payables (Note 14)				
Daewoong Pharmaceuticals Co., Ltd.	Entity related to a member of Board of Directors	Purchase of goods and services	31,696,766,640	15,406,568,233
TOTAL			31,696,766,640	15,406,568,233

29. TRANSACTIONS WITH RELATED PARTIES (continued)

Transactions with other related parties

Remuneration to members of the Board of Directors ("BoD"), Board of Supervision ("BoS") and management during the year:

Currency: VND			
Name	Position	Income (*)	
		Current year	Previous year
Board of Directors and management			
Mr. Nguyen Phu Khanh	Vice Chairman	542,400,000	542,400,000
Mr. Dinh Quang Hoa	Member of BoD	412,800,000	412,800,000
Mr. Lee Tae Yon	Member of BoD (until 12 April 2024)	-	103,200,000
Mr. Cha Junwoo	Member of BoD	412,800,000	309,600,000
Mr. Tran Tuc Ma	Member of BoD/General Director (until 10 November 2025)	5,645,680,647	4,651,878,625
Mr. Kim Dong Hyu	Member of BoD/ Deputy General Director	4,515,241,245	3,910,125,184
Ms. Dao Thuy Ha	Member of BoD/Deputy General Director (from 10 November 2025)	3,553,430,143	2,739,804,738
Mr. Nguyen Huy Van	Deputy General Director	2,676,359,144	1,874,684,427
Mr. Pham Hoang Anh	Deputy General Director	2,798,110,268	2,035,988,276
Mr. Nguyen Van Bui	Deputy General Director (until 1 November 2024)	-	1,892,010,717
Board of Supervision			
Ms. Nguyen Thi Luong Thanh	Head of BoS	126,000,000	168,000,000
Ms. Nguyen Thanh Hoa	Member of BoS	108,000,000	144,000,000
Ms Nguyen Thi Giang	Member of BoS (until 4 November 2025)	108,000,000	108,000,000
TOTAL		20,898,821,447	18,892,491,967

(*) Including salary, allowance and bonus.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

as at 31 December 2025 and for the year then ended (Continued)

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30. EARNINGS PER SHARE

The following reflects the income and share data used in the basic and diluted earnings per share computations:

	Currency: VND	
	Current year	Previous year (Restated)
Net profit after tax attributable to ordinary shareholders	249,654,508,066	239,017,360,612
Adjustment due to appropriation to bonus and welfare fund	(32,867,255,500)	(32,504,549,005)
Net profit after tax attributable to ordinary shareholders for basic earnings	216,787,252,566	206,512,811,607
Weighted average number of ordinary shares for basic earnings per share	41,450,540	41,450,540
Weighted average number of ordinary shares adjusted for the effect of dilution	41,450,540	41,450,540
Earnings per share		
- Basic earnings per share	5,230	4,982
- Diluted earnings per share	5,230	4,982

(*) Net profit used to compute earnings per share for the year ended 31 December 2024 was restated following the actual appropriation of Bonus and welfare funds from undistributed earnings of 2024 in accordance with the Resolutions of the Annual General Meetings of the Company and its subsidiaries.

Net profit used to compute earnings per share for the fiscal year ending 31 December 2025 was also adjusted provisional appropriation of Bonus and welfare funds from the current year's profits based on the 2025's profit appropriation plan as approved by the Annual General Meeting of Shareholders of the Company and its subsidiaries.

There have been no transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of completion of these consolidated financial statements.

31. COMMITMENTS

Operating lease commitment

The Company and its subsidiaries lease assets under operating lease arrangements. The minimum lease commitment as at the balance sheet dates under the operating lease agreements are as follows:

	Currency: VND	
	Ending balance	Beginning balance
Less than 1 year	5,488,448,746	5,375,615,952
From 1 to 5 years	14,774,541,771	15,251,454,352
More than 5 years	28,331,878,530	27,670,856,821
TOTAL	48,594,869,047	48,297,927,125

32. EVENTS AFTER THE BALANCE SHEET DATE

There is no matter or circumstance that has arisen since the balance sheet date that requires adjustment or disclosure in the consolidated financial statements of the Company and its subsidiaries.

Hanoi, Vietnam
23 March 2026

Nguyen Thi Ngoc Thuy
Preparer

Dinh Trung Kien
Chief Accountant




Dao Thuy Ha
General Director

Traphaco

The way of green health

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