**CENTRAL PHARMACEUTICAL**
**CPC1.JSC**

**SOCIALIST REPUBLIC OF VIETNAM**
**Independence – Freedom – Happiness**

No.: 1579/CPC1-TCKT

*Re: Explanation of the change of 10% or more in profit after corporate income tax for the reporting period compared with the same period of the previous year*

*Hanoi, 14 August 2026*

**To: STATE SECURITIES COMMISSION OF VIETNAM**
**HANOI STOCK EXCHANGE**

Pursuant to Circular No. 96/2020/TT-BTC dated 16 November 2020 of the Ministry of Finance providing guidelines on information disclosure in the securities market.

Pursuant to the reviewed interim financial statements of Central Pharmaceutical CPC1.JSC (the "Company") for the six-month period ended 30 June 2026, which were reviewed by KPMG Vietnam Co., Ltd., the Company would like to provide explanations for the following matters:

| Item | First six months of 2026 (VND) | First six months of 2025 (Restated) (VND) | Difference | |
|---|---|---|---|---|
| | | | Amount (VND) | Percentage |
| *(1)* | *(2)* | *(3)* | *(4)=(2)-(3)* | *(5)=(4)/(3)* |
| Profit after tax | 63,413,044,700 | 50,988,496,259 | 12,424,548,441 | 24.37% |

**Explanation:** The Company's profit after corporate income tax for the first six months of 2026 increased by 12,424,548,441 VND, equivalent to 24.37%, compared with the same period of 2025, mainly due to the following factors:

- Net revenue reached 1,246,250,225,251 VND, representing an increase of 20.68% compared with 1,032,688,200,351 VND in the same period of 2025. This was the main driver of the increase in gross profit.
- Cost of goods sold increased by 23.15%, which was higher than the growth rate of revenue, resulting in a slight decrease in the gross profit margin from 15.06% to 13.32%. However, gross profit in absolute terms still increased by 6.73%, reaching 166,038,466,287 VND.
- Finance costs decreased significantly by 34.15%, to 18,019,092,810 VND, compared with 27,359,918,821 VND in the same period of 2025. This was mainly attributable to

the absence of a significant realized foreign exchange loss during the period, although interest expenses increased.

- Selling expenses increased by 8.49%, reaching 65,353,930,184 VND, which was significantly lower than the growth rate of revenue, indicating improved efficiency in controlling selling expenses.
- General and administrative expenses decreased significantly by 56.10%, to 8,244,376,823 VND, mainly due to the reversal of the provision for doubtful receivables amounting to 2,085,851,275 VND.
- As a result of the above factors, operating profit increased by 38.32%, reaching 84,987,413,097 VND.
- Taken together, the above factors resulted in a 24.37% increase in profit after corporate income tax for the first six months of 2026 compared with the same period of 20255.

*The figures for the first six months of 2025 used for comparison above are restated figures in accordance with Note 39 to the interim financial statements, relating to the retrospective adjustment of errors concerning deductible value-added tax arising in 2024 and 2025. This adjustment does not change the underlying nature of the factors contributing to the changes in the Company's operating results as explained above.*

The foregoing constitutes the Company's explanation of the change in profit after corporate income tax presented in the interim income statement for the six-month period of 2026 compared with the six-month period of 2025.

The preparation, presentation, and disclosure of the above-mentioned interim financial statements have been carried out by the Company in accordance with the principles of transparency and faithful representation, and in compliance with the Vietnamese Accounting Standards, the Vietnamese Accounting Regime for Enterprises, and applicable laws and regulations.

Central Pharmaceutical CPC1.JSC respectfully submits the above explanation for the information of the State Securities Commission of Vietnam and the Hanoi Stock Exchange.

Regards!

**Recipients:**

- As above;
- Archives: Clerical, Fin-Acc.

AUTHORIZED PERSON FOR INFORMATION DISCLOSURE / DEPUTY GENERAL DIRECTOR

CÔNG TY CỔ PHẦN DƯỢC PHẨM TRUNG ƯƠNG CPC1

**NGUYEN HUY THANH**