VIET NAM MEDICINAL MATERIALS JOINT STOCK COMPANY

THE SOCIALIST REPUBLIC OF VIETNAM
Independence - Freedom - Happiness

Hanoi, October 20th, 2025

EXPLANATION OF BUSINESS PERFORMANCE FOR THE THIRD QUARTER OF 2025

Respectfully to: **- State Securities Commission**
- Hanoi Stock Exchange

Pursuant to:

- *Legal Regulations on Information Disclosure in the Securities Market;*
- *The self-prepared financial statements for Q3 2025 of Viet Nam Medicinal Materials Joint Stock Company;*

Viet Nam Medicinal Materials Joint Stock Company (Stock code: DVM) would like to provide an explanation for the changes in profit for the Q3 of 2025 compared to the Q3 of 2024 as follows:

No.	Content	Q3 2025 (VND)	Q3 2024 (VND)	Difference	
				Value (VND)	%
1	Net revenue	330,149,798,379	456,699,409,545	(126,549,611,166)	(38.33)
2	Profit after tax	8,077,058,164	18,195,211,680	(10,118,153,516)	(55.61)

The company's profit after tax on the financial statements for Q3 2025 decreased by approximately 55.61% compared to the same period in 2024, mainly due to the following reasons:

- Revenue in Q3/2025 decreased by 38.33% compared to Q3/2024 due to the general economic situation of the market.
- Finance costs decreased due to reduction in current borrowings.

- Selling expenses decreased by 1.3 billion as the company focused on wholesale channels, large agents and hospitals, minimizing retail channels.
- General and administration expenses expenses increased by 1.9 billion mainly due to fluctuations in provisions for doubtful debts 2.4 billion.
- Expenses excluded when calculating taxable income 1.1 billion.

The above is the explanation provided by Vietnam Medicinal Materials Joint Stock Company regarding the business performance.

Best regards./.

Recipients:

- As above;

- Archived at the office.

GENERAL DIRECTOR

M.S.D.N: 0105196582-C.T.C.P
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