

Hanoi, April 1, 2025

DỰ THẢO

REPORT

ON THE ACTIVITIES OF THE BOARD OF DIRECTORS *VIETNAM VETERINARY PRODUCTS JOINT STOCK COMPANY I*

Dear General Meeting: First of all, as Chairman of the Board of Directors for the 7th term, I sincerely thank the Shareholders for always supporting and creating all conditions for the Board of Directors and the Executive Board to successfully complete the targets assigned by the General Meeting of Shareholders.

Dear General Meeting: Implementing the Charter on the organization and operation of Central Veterinary products Joint Stock Company I approved by the General Meeting of Shareholders on May 6, 2023; Resolution of the Annual General Meeting of Shareholders in 2024.

On behalf of the Board of Directors, I would like to report to the General Meeting of Shareholders on the activities of the Board of Directors in 2024 and the plan for 2025 as follows:

PART I: ASSESSMENT OF THE COMPANY'S SITUATION IN 2024

1. ABOUT PERSONNEL

In 2024, the personnel situation of the entire Company remains stable, including:

The Board of Directors of Central Veterinary products Joint Stock Company I in 2024 has 3 members including: 01 Chairman of the Board of Directors and 02 members.

The Executive Board includes: The Chairman of the Board of Directors directly manages the departments including: Director, Chief Accountant, Head of Internal Affairs Department and Director of Central Veterinary Company Limited 1

2. ON THE COMPANY'S PRODUCTION AND BUSINESS RESULTS IN 2024

2024 is a difficult year for the world economy in general, with a decline in global GDP growth, trade and investment; while inflation remains high, associated with tense developments in geopolitical conflicts and technological fragmentation, extreme weather and widespread epidemics, the world economic context has many rapid, unpredictable fluctuations and high instability; natural disasters, epidemics, climate change, storms, droughts... have increased risks to financial markets, currencies, energy security, and global food security. Global potential growth is expected to fall to its lowest level in the past three decades.

Although in 2024 the Company had financial solutions, gradually implementing business activities to stabilize. Besides, in 2024, fluctuations in the financial situation of society, specifically fluctuations in foreign exchange rates in the market, were more stable,

Raw materials and livestock supplies have a decreasing trend, but the prices of raw materials for veterinary medicine production are still rising, leading to a significant impact on the profits achieved during the year.

The Board of Directors has actively sought solutions and investors to enhance capital sources. The Board of Directors presented to the General Meeting of Shareholders and was entrusted by the extraordinary General Meeting of Shareholders to implement.

From the above advantages and difficulties, the production and business activities of Central Veterinary Medicine Joint Stock Company I in 2024 are as follows:

CONSOLIDATED INCOME STATEMENT 2024

Unit: Thousand Dong

ITEMS	2023	2024	% increase or decrease
Revenue from sales of goods and rendering of services	97.602.141.142	112.835.573.099	15,61
Operating profit	2.588.981.277	4.274.591.547	65,11
Other expenses	1.679.796.176	819.054.964	-51,24
Net profit before tax	4.268.778.453	5.093.646.511	19,32
Net profit after tax	3.381.284.688	3.777.670.212	11,72

(Data from the 2024 financial statements will be presented by the Board of Directors in the financial report).

Looking at the table of business production results, we see that in 2024, the company has utilized the newly invested workshop, so the business results increased compared to

2023. Specifically, sales increased by 15.51%, and profit after tax increased by 11.72%. Although the extraordinary income in 2024 decreased compared to 2023 by 51.24%.

In recent years, the Board of Directors of the company has implemented many solutions to overcome existing issues and gradually stabilize and develop the company. Alongside significant successes, the company still faces some unresolved financial difficulties, which are debts to suppliers. Although the Board of Directors and the Executive Board have made efforts to implement business plans, consolidate and maintain the old market while expanding the market, enhancing technical work to improve product quality, and developing additional new products and product lines that meet market preferences

In 2024, the production sales increased compared to 2023 by 14,203,166,482 VND, equivalent to 34.13%, due to the efforts of employees who have worked hard to develop the market, along with additional products produced from the betalactam workshop, which is also a factor for increased sales revenue.

For the vaccine products, which are the products the company trades, in 2024, there was an increase of 2,692,550,818 VND, equivalent to 5.27% compared to 2023. This shows that in 2024, the overall business results of the company increased, primarily due to the following reasons:

2.1. Business Situation of Veterinary Medicine of the Company in 2024:

Comparing the business results of veterinary medicine in 2024 with 2023, there was an increase of 34.13% due to several reasons: In 2024, the company has strengthened product quality improvements and completed new product lines, leading to a significant increase in Central Veterinary products Joint Stock Company I sales.

In addition, the company has changes in management personnel as well as restructuring the entire sales department personnel, therefore, although the company has improvements in technology as well as in product quality, the level of promotion is still not high. This is also a reason that directly affects the production and business results of the Central Veterinary products Joint Stock Company I in 2024.

2.2. Business situation of vaccines: In 2024, vaccine sales increased by 5.27% compared to 2023. However, the biggest influencing factor is that our vaccines are imported goods. Currently, there are many competing products in the domestic market in terms of market and price, so in 2024, the Company still maintains vaccine sales to keep the market stable. In addition, potential customers are opened, but sales growth is still not high.

2.3. Business situation of services: In 2024, due to difficulties in commercial business, the partner renting the property at 88 Truong Chinh has returned the premises, leading to a decrease in revenue for the parent company, and profits in 2024 decreased.

3. Capital and shares situation in 2024:

- Charter capital in 2024: : 162.499.690.000 VND

- Total number of shares : 16.249.969 shares..

Among them

- Number of shares in circulation : 16.249.956 common shares.

- Treasury shares of the Company : 13 shares.

Total number of shareholders as of March 26, : 292 Shareholders

2025

4. Regarding relations with shareholders:

The Company has complied with information disclosure according to the law and applicable legal documents for large-scale public companies and listed organizations. In addition, the relationship with shareholders is maintained regularly and actively through the website and the information disclosure person of the Company.

PART II: ASSESSMENT OF THE OPERATION SITUATION OF THE BOARD OF DIRECTORS

1. Situation of implementing the resolutions of the Board of Directors in 2024.

In the face of fierce competition in the market for businesses in the same industry today, in addition to overcoming the difficulties left over from previous years, the Board of Directors still focuses all resources to maintain and develop the production and business activities of Veterinary Medicine of the Company, seeking every way to connect sustainably with customers who are long-term partners of the Company. Therefore, in 2024, the sales of veterinary medicine have increased significantly by 34.13%.

For vaccine products: The Company continues to maintain a large customer system. In addition, some farms have been brought in. Sales in 2024 also increased by 5.27% compared to 2023 but still decreased significantly compared to 2022.

The Board of Directors has implemented the resolution of the 2024 shareholders' meeting through several specific main objectives as follows:

General objective: In 2024, the Company always promotes and maintains the strong reputation of the VINAETCO brand in the field of investment and business in veterinary medicine, aquatic drugs, and various types of vaccines. The Company has been and is gradually stabilizing, developing sustainably while gradually expanding its operational market to provinces and cities across the country. Focus on improving and diversifying products to suit the general situation, continuously enhancing product quality at reasonable prices suitable for consumers.

Business Production Goals:

Strengthening the business of products that are already on the market, while also researching and developing additional new products that are diverse and rich in types for animals, pets, livestock, and poultry, from medicines for disease prevention and treatment, deworming medicines, health supplements, growth stimulants to reproductive regulation medicines, parasitocidal medicines, and antifungal medicines.

To ensure the development of business activities, the Board of Directors along with the Executive Board has devised a plan to review the entire customer system nationwide to regain market share, restore customer trust with appropriate policies to develop and support agents in the short term to maintain sales and gradually increase sales.

Financial Goals: On 10-02-2023, the Board of Directors completed the plan and increased the charter capital of the Company to 162,499,690,000 VND. The completion of the Betalactam workshop in 2023 will allow Betalactam products to start entering the market again in 2024.

Human Resource Goals: The company continuously organizes and trains to improve the quality of the workforce in terms of quantity and quality, while regularly recruiting experienced staff to supplement the sales team.

Structure of the Board of Directors:

The Board of Directors of the company from 01/01/2024 to 04/05/2024 consists of 03 members, including:

No.	Name	Title	Position
1	Nguyen Anh Tuan	Chairman of the Board of Directors	Chairman of the BoD – Executive Member
2	Bui Huong Lien	Commissioner	Non-executive Member of the BoD
3	Nguyen Viet Hoang	Commissioner	Independent Member of the BoD

The Board of Directors of the company from 06/05/2023 to 31/12/2023 consists of 03 members:

No.	Name	Title	Position
1	Nguyen Anh Tuan	Chairman of the Board of Directors	Chairman of the BoD – Executive Member
2	Phan Quoc Duy	Commissioner	Non-executive Member of the BoD
3	Nguyen Viet Hoang	Commissioner	Independent Member of the BoD

2. About the organization of the Board of Directors meetings.

To implement work in a regular, frequent, and timely manner, in the year 2024, the Board of Directors of the Company has organized direct meetings. The meetings have been conducted in accordance with the procedures and regulations specified in the Charter of the Central Veterinary Pharmaceutical Joint Stock Company and the Enterprise Law. The minutes of the Board of Directors meetings have been fully signed by the participating Board members, ensuring compliance with the legal requirements; documents and materials have been fully sent to the attending members for reference and study in accordance with the provisions of the Charter.

The resolutions of the Board of Directors issued in the year include:

No.	Date	Resolution number	Content
1	06/03/2024	02-2024/NQ-HĐQT	Resolution of the Board of Directors meeting to finalize the date of the 2024 shareholders' meeting
2	06/03/2024	03-2024/QĐ-CTHĐQT	Decision to establish the organizing committee of the General Meeting of Shareholders
3	06/03/2024	04-2024/QĐ-CTHĐQT	Decision of the Chairman of the Board of Directors on fund allocation
4	15/03/2024	06-2024/NQ-HĐQT	Resolution of the Board of Directors meeting to postpone the 2024 annual shareholders' meeting
5	02/04/2024	08-2024/NQ-HĐQT	Resolution of the Board of Directors meeting to approve the Report to be submitted to the General Meeting of Shareholders
6	04/05/2024	Số 19-2023/NQ-ĐHĐCĐ	Resolution of the 2024 Annual General Meeting of Shareholders
7	04/05/2024	21-2024/NQ-HĐQT	Resolution of the Board of Directors meeting to approve the election of the member of the Inspection Committee
8	25/07/2024	22-2024/QĐ-CTHĐQT	Decision of the Company's Board of Directors on transferring the LLC's profits for the first 6 months of 2024 to the company
9	30/08/2024	24-2024/NQ-HĐQT	Resolution of the Board of Directors meeting on mortgaging assets to the company's bank for the LLC
10	28/10/2024	26-2024/NQ-HĐQT	Resolution of the Board of Directors meeting on the appointment of the person in charge of corporate governance
11	28/10/2024	27-2024/ QĐ-CTHĐQT	Decision to appoint person in charge of corporate governance

PART III: FINANCIAL REPORT FOR THE YEAR 2024

CONSOLIDATED BALANCE SHEET
As at 31 December 2024

ASSETS	Code	Note	31/12/2024 VND	01/01/2024 VND
CURRENT ASSETS	100		59,693,573,390	50,438,415,582
Cash and cash equivalents	110	4	28,209,029,640	24,171,520,460
Cash	111		6,887,029,640	10,734,520,460
Cash equivalents	112		21,322,000,000	13,437,000,000
Current accounts receivables	130		10,252,671,297	6,690,200,055
Short-term trade receivables	131	7	11,501,916,707	8,865,061,546
Short-term advances to suppliers	132	8	1,564,831,000	828,294,792
Other short-term receivables	136	10	4,454,169,129	4,265,089,256
Allowance for doubtful short-term	137	11	(7,268,245,539)	(7,268,245,539)
Inventories	140	9	19,444,138,888	17,446,220,537
Inventories	141		21,334,861,658	19,289,321,310
Provision for decline in inventories	149		(1,890,722,770)	(1,843,100,773)
Other current assets	150		1,787,733,565	2,130,474,530
Short-term prepaid expenses	151	5	277,093,435	415,245,948
Deductible value added tax	152		1,320,066,631	1,715,228,582
Taxes and other receivables from the State	153	15	190,573,499	-
NON-CURRENT ASSETS	200		96,082,908,132	100,746,612,968
Non-current accounts receivables	210		19,965,000	19,965,000
Other long-term receivables	216	10	19,965,000	19,965,000
Fixed assets	220		94,731,229,420	99,590,696,538
Tangible fixed assets	221	12	93,532,686,424	98,272,299,234
- Cost	222		165,217,987,866	164,145,087,866
- Accumulated depreciation	223		(71,685,301,442)	(65,872,788,632)
Intangible fixed assets	227	13	1,198,542,996	1,318,397,304
- Cost	228		2,416,877,460	2,416,877,460
- Accumulated amortization	229		(1,218,334,464)	(1,098,480,156)
Long-term financial investments	250	6	-	-
Investments in other entities	253		866,640,000	866,640,000
Provision for long-term financial	254		(866,640,000)	(866,640,000)
Other long-term assets	260		1,331,713,712	1,135,951,430
Long-term prepaid expenses	261	5	1,331,713,712	1,135,951,430
TOTAL ASSETS	270		155,776,481,522	151,185,028,550

CONSOLIDATED BALANCE SHEET (CONT'D)

As at 31 December 2024

RESOURCES	Code	Note	31/12/2024	01/01/2024
			VND	VND
LIABILITIES	300		54,381,724,462	53,367,941,702
Current liabilities	310		42,042,724,462	41,548,941,702
Short-term trade payables	311	14	23,935,611,810	25,587,473,439
Short-term advances from customers	312		311,292,114	46,720,730
Taxes and other payables to the State	313	15	1,560,370,236	975,361,316
Payables to employees	314		6,393,780,663	5,266,455,107
Short-term accrued expenses	315	17	4,399,433,352	4,154,432,573
Short-term unearned revenue	318		15,000,000	-
Other short-term payables	319	18	4,738,179,361	4,784,641,611
Bonus and welfare fund	322		689,056,926	733,856,926
Non-current liabilities	330		12,339,000,000	11,819,000,000
Other long-term payables	337	18	539,000,000	19,000,000
Long-term loan and finance lease	338	16	11,800,000,000	11,800,000,000
OWNERS' EQUITY	400		101,394,757,060	97,817,086,848
Capital	410	19	101,394,757,060	97,817,086,848
Share capital	411		162,499,690,000	162,499,690,000
- Ordinary shares with voting rights	411a		162,499,690,000	162,499,690,000
Other capital of owners	414		278,962,752	278,962,752
Treasury shares	415		(130,000)	(130,000)
Development investment funds	418		3,559,312,727	3,559,312,727
Retained earnings	421		(64,943,078,419)	(68,520,748,631)
- Accumulated retained earnings brought forward	421a		(68,520,748,631)	(71,652,033,319)
- Retained earnings for the current year	421b		3,577,670,212	3,131,284,688
TOTAL RESOURCES	440		155,776,481,522	151,185,028,550

Hanoi, 28 March 2025

Preparer



Nguyen Thi Phuong

Chief Accountant



Nguyen Thi Thu Ha

Chairman



Nguyen Anh Tuan

CONSOLIDATED INCOME STATEMENT
For the financial year ended 31 December 2024

Items	Code	Note	Year 2024 VND	Year 2023 VND
Revenue from sales of goods and rendering of services	01	20	112,835,573,099	97,602,141,142
Revenue deductions	02	21	3,721,888,494	3,262,656,485
Net revenue from sales of goods and rendering of services	10		109,113,684,605	94,339,484,657
Cost of goods sold	11	22	81,890,664,520	70,890,591,630
Gross profit from sales of goods and rendering of services	20		27,223,020,085	23,448,893,027
Financial income	21	23	588,623,333	546,117,635
Financial expenses	22	24	851,079,637	666,642,094
<i>In which: Interest expenses</i>	23		-	-
Selling expenses	25	25	12,814,330,333	11,767,874,117
General and administrative expenses	26	25	9,871,641,901	8,971,513,174
Operating profit	30		4,274,591,547	2,588,981,277
Other income	31	26	1,002,070,898	1,803,081,956
Other expenses	32	27	183,015,934	123,284,780
Other profit	40		819,054,964	1,679,797,176
Net profit before tax	50		5,093,646,511	4,268,778,453
Current Corporate income tax expenses	51	29	1,315,976,299	887,493,765
Deferred Corporate income tax expenses	52		-	-
Net profit after tax	60		3,777,670,212	3,381,284,688
Basis Earnings per share	70	30	220	195
Diluted Earnings per share	71	31	220	195

Hanoi, 28 March 2025

Preparer



Nguyen Thi Phuong

Chief Accountant



Nguyen Thi Thu Ha

Chairman



Nguyen Anh Tuan

STATEMENT OF THE BOARD OF DIRECTORS

The Board of Directors of Viet Nam Veterinary Products Joint Stock Company (hereinafter referred to as “the Company”) presents this report together with the audited Consolidated Financial Statements for the financial year ended 31 December 2024.

BOARD OF MANAGEMENT AND BOARD OF DIRECTORS

Members of the Board of Management and Board of Directors of Company who held office during the financial year ended 31 December 2024 and up to the date of this report are as follows:

Board of Management

Mr. Nguyen Anh Tuan	Chairman
Mr. Nguyen Viet Hoang	Member
Ms. Bui Huong Lien	Member (Dismissed on 04 May 2024)
Mr. Phan Quoc Duy	Member (Appointed on 04 May 2024)

Audit Committee

Mr. Nguyen Viet Hoang	Chairman of Audit Committee
Ms. Bui Huong Lien	Member (Dismissed on 04 May 2024)
Mr. Phan Quoc Duy	Member (Appointed on 04 May 2024)

Board of Directors and Chief Accountant

Ms. Nguyen Thi Thu Hung	Director
Ms. Nguyen Thi Thu Ha	Chief Accountant

Information disclosed by Ms. Nguyen Thi Phuong - Head of the Internal Affairs Department.

SUBSEQUENT EVENTS AFTER THE END OF THE FINANCIAL YEAR

The Board of Directors confirms that no significant events have occurred after the balance sheet date that would materially effect, require adjustment, or necessitate disclosures in these Consolidated Financial Statements.

THE AUDITOR

The accompanying Consolidated Financial Statements have been audited by UHY Auditing and Consulting Company Limited.

BOARD OF DIRECTORS STATEMENT OF RESPONSIBILITY

The Board of Directors of the Company is responsible for preparing the Consolidated Financial Statements which give a true and fair view of the financial position of the Company for the year ended 31 December 2024 and its results of operations and cash flows for the year then ended. In preparing these Consolidated Financial Statements, the Board of Directors 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 principles have been followed, subject to any material departures disclosed and explained in the Consolidated Financial Statements;
- Prepare the Consolidated Financial Statements on a going concern basis unless it is inappropriate to presume that Company will continue its operations;

STATEMENT OF THE BOARD OF DIRECTORS (CONT'D)

BOARD OF DIRECTORS STATEMENT OF RESPONSIBILITY (CONT'D)

- Design and implement an effective system of internal controls to ensure the fair preparation and presentation of the Consolidated Financial Statements, minimizing risks and preventing fraud.

The Board of Directors confirms that the Company has complied with the above requirements in preparing the Consolidated Financial Statements.

The Board of Directors 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 ensure that the Consolidated Financial Statements comply with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and related legal regulations on the preparation and presentation of the Consolidated Financial Statements in Vietnam. It is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

OTHER COMMITMENTS

The Board of Directors commits that the Company does not violate its obligation to disclose information as prescribed in Circular No. 96/2020/TT-BTC on 16 November 2020 issued by the Ministry of Finance regarding securities market disclosure, complying with the provisions of Decree No.155/2020/ND-CP on 31 December 2020 issued by the Government, which details the implementation of certain provisions of the securities law, and Circular No. 116/2020/TT-BTC dated 31 December 2020 issued by Ministry of Finance, which provides guidelines on corporate governance applicable to public companies under Decree No. 155/2020/ND-CP.

For and on behalf of the Board of Directors,



Nguyen Anh Tuan
Chairman

Hanoi, 28 March 2025

No: 392 /2025/UHY-BCKT

INDEPENDENT AUDITORS' REPORT

*On the Consolidated Financial Statements of Viet Nam Veterinary Products Joint Stock Company
For the financial year ended 31 December 2024*

**To: Shareholders
Board of Directors
Viet Nam Veterinary Products Joint Stock Company**

We have audited the accompanying Consolidated Financial Statements of Viet Nam Veterinary Products Joint Stock Company (hereinafter referred to as the "Company") which were prepared on 28 March 2025 as set out on pages 06 to 40, including the Consolidated Balance Sheet as at 31 December 2024, the Consolidated Income Statement and the Consolidated Cash Flow Statement for the financial year then ended and the Notes thereto.

Responsibilities of the Board of Directors

The Board of Directors of the Company is responsible for the preparation and fair presentation of these Consolidated Financial Statements in accordance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System, and related legal regulations on the preparation and presentation of the Consolidated Financial Statements in Vietnam and for such internal control as the Board of General Directors determines is necessary to enable the preparation and presentation of the Consolidated Financial Statements that are free from material misstatements, whether due to fraud or error.

Responsibilities of the Auditors

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 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 selected procedures depend on the auditor's 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 Company's preparation 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 Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Board of Directors, 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 opinion.

INDEPENDENT AUDITORS' REPORT (CONT'D)

Opinion of the Auditors

In our opinion, the accompanying Consolidated Financial Statements give a true and fair view, in all material respects, of the consolidated financial position of Viet Nam Veterinary Products Joint Stock Company as at 31 December 2024 and the results of its consolidated operations and its cash flows for the financial year then ended, in accordance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and legal regulations related to the preparation and presentation of the Consolidated Financial Statements.



Nguyễn Minh Long
Deputy General Director
Auditor's Practicing Certificate
No. 0666-2023-112-1
For and on behalf of
UHY AUDITING AND CONSULTING COMPANY LIMITED
Hanoi, 28 March 2025

A blue ink signature of Nguyen Minh Thang, consisting of a stylized cursive script followed by a long horizontal line.

Nguyen Minh Thang
Auditor
Auditor's Practicing Certificate
No. 4421-2023-112-1

PART IV: PROFIT DISTRIBUTION, REMUNERATION FOR THE BOARD OF DIRECTORS, AUDIT COMMITTEE OF THE COMPANY IN 2024

I. Profit distribution plan

Profit distribution plan for 2024 The company has made a profit of: 3,577,670,212 VND but due to the company's financial situation being in a state of accumulated losses, the accumulated loss as of 31/12/2024 is still 64,943,078,419 VND so in 2024 there will be no dividend payment.

II. Remuneration for the Board of Directors and the Audit

Committee According to the resolution of the General Meeting of Shareholders in 2024, the remuneration for the Board of Directors and the Audit Committee is specified as follows

Unit: VND			
No.	INTERPRETATION	AMOUNT OF REMUNERATION RECEIVED	AMOUNT OF REMUNERATION RECEIVED
1	Board of Directors	84.000.000	84.000.000
	Total	84.000.000	84.000.000

PART V: OPERATIONAL ORIENTATION AND TARGETS FOR 2025

I. Plan and orientation of the Board of Directors

Although 2024 is still a difficult year for the Vietnamese veterinary industry, due to the livestock sector still being affected and significantly impacted by African swine fever, leading to a sharp decline in the total pig herd nationwide. In addition, the impact of the Covid pandemic has generally affected the economy of the whole world, leading to the suspension of goods circulation and high raw material prices;

However, to align with the current business situation of the company, the Board of Directors has agreed on some targets in the business production plan for 2025 as follows: Net revenue: 124,200,000,000 VND Profit after tax: 5,100,000,000 VND

In 2025, the Board of Directors will continue to hold meetings and organize Board of Directors sessions to implement the resolutions of the annual General Meeting of Shareholders in 2025, while carrying out the company's management work to enhance business efficiency.

+ In 2025, the Board of Directors will continue to supervise the daily operating apparatus while assigning the Director of the company to update and prepare financial reports to send to the Board of Directors to develop strategic plans for the following month.

II. Main objectives of the company

The difficult conditions of the company, the Board of Directors will focus on implementing some specific tasks as follows:

1. General objective

- Focus on directing the implementation of the flexible and responsive business production plan for 2025, striving to minimize risks, seize opportunities while maintaining stable and effective business operations to create conditions for increasing income for the company's employees.

Ecoming a Brand and Reputable Enterprise in the Field of Investment in Veterinary Medicine, Aquaculture Medicine, and Various Vaccines.

Stabilizing, developing sustainably, and gradually expanding the operational market to provinces and cities across the country where the company has strengths, improving, diversifying products in line with the general situation, and continuously enhancing product quality.

+ **Objectives for Business Production Activities:** : Developing stably and sustainably. The company carries out the production and trading of veterinary medicines while providing a variety of veterinary products such as: injectable antibiotic solutions, sterile injectable antibiotic powders, oral antibiotic solutions, liquid medicines, parasitocidal medicines, oral powders, vitamins and enhancers, disinfectants.

Aquaculture Medicines: The company currently provides medicinal products for aquaculture including antibiotics, nutritional medicines, parasitocidal medicines, and disinfectants. The company produces and trades high-quality products, diverse and rich in types for animals, pets, livestock, and poultry, from medicines for disease prevention and treatment, parasitocidal medicines, health supplements, growth stimulants to reproductive regulation medicines, parasitocidal medicines, and antifungal medicines.

To ensure the development of business activities, the company conducts annual reviews to consolidate old customers and build a new customer system, through annual sales will reassess the standards of level 1 and 2 agents in provinces and cities nationwide; Implementing sales marketing through various channels: online (website), wholesale and retail agents at the company store; Promoting the maintenance of good customer care by establishing a technical team to perform surgeries, pathological examinations, and technical consultations for farms and breeders; Conducting regular training activities on professional expertise in using veterinary medicines... for market staff and sales staff;

Financial Objectives: Building a healthy, self-sufficient financial foundation.

Human Resource Objectives: Improving the quality of the workforce in terms of quantity, ensuring quality.

2. Medium and Long-Term Development Strategy

In the coming time, the company, in addition to focusing on producing high-quality products to best serve market needs, will also focus on promoting product consumption through market expansion and diversifying customer groups. Along with that, the company will also aim to enhance commercial activities such as trading vaccines to prevent diseases for livestock and poultry, thereby strengthening the connection between farmers and the company.

Strategy for Business Production Activities: Expanding the scope of operations, gradually creating a solid foundation.

Strategy for Slogan and Business Strategy: Taking service as the business objective, taking business results as the driving force for development.

Strategy for Quality Policy: Continuously innovating and improving product quality is the mission of the enterprise.

Financial Strategy: Promoting the effective use of self-owned capital, gradually increasing capital to meet the production and business needs of each period, while expanding relationships with...partners, investors, banks, credit institutions to exploit external capital.

Corporate Culture Building Strategy: Propagate for employees to strictly comply with the state laws and the company's internal regulations. Ensure good rights for employees. Create conditions for organizations within the company to operate.

III. Implementation Directions:

In the year 2025, the Company strives to effectively implement specific development directions and business strategies for the year 2025 as follows:

1. Product Development Work

Work Consolidate, maintain, develop, enhance productivity, and improve the products of the veterinary medicine manufacturing plant to meet market demands in terms of quality and market preferences. Continue to inspect, review, complete, and develop the product catalog of the Company according to the direction of creating effective product lines suitable for the changing disease situation in Vietnam. Enhance product value so that the sales system can develop sales on the market and provide motivation for sales personnel in the system.

2. Marketing Work

Implement product promotion on the Company's website. Build advertising programs on media for strategic products, develop sales channels, and promote products on the Company's website. Enhance product value so that the sales system can develop sales on the market and provide motivation for sales personnel in the system. Coordinate with the testing department to issue product testing procedures for more accurate work. Complete

and build the system of processes and work standards for marketing work towards professionalism, consistency, and support for the entire sales system in building traditional and modern marketing programs suitable for sales programs, market segmentation, and target customers. Develop advertising, communication, and attract potential customers through direct and indirect channels to convey product information to interested parties in the most convenient, friendly, and approachable manner. Build advertising programs on media for strategic products.

3. Sales System Building Work and Business Strategy

Complete and develop the sales system in all three regions: Northern, Central, and Southern Vietnam through specific measures: Train sales skills, communication, product knowledge; build sales policies suitable for each market area; establish regimes. Sales Quotas, Income, Compensation Policies for Sales Personnel Suitable to Create Motivation in Sales Work.

Searching for export markets to effectively exploit the capacity of factories as well as stabilize and increase market share.

Growth Strategy in Depth: Finding opportunities to enhance the efficiency of the enterprise by expanding products and markets, penetrating new markets, increasing the market share of existing products in current markets. Regarding production, we will develop existing production lines, focus on strengths, expand production, improve and perfect our production lines to become modern, thereby creating profitability.

4. Planning and Production Implementation Work

Maximizing cost savings to bring the lowest product cost. The company has continuously improved planning and production implementation through specific measures:

Perfecting the production staff team to serve business production work;

Building work processes suitable to reality and ensuring work efficiency;

Developing specific plans for raw materials, production plans for the year, monthly, quarterly in 2025 to increase proactivity in production service stages.

5. Financial Work and Financial Structure

5.1. Financial Work

Organizing the accounting system activities according to the prescribed standards, fully and accurately reflecting the data. Organizing the implementation of regulations and processes for document circulation to account quarterly according to the fiscal year so that the Board of Directors can make decisions and adjust business plans as quickly and effectively as possible, while also meeting the annual reporting requirements according to the Enterprise Law and Securities Law.

Tightly managing assets, cash flow, and inventory assets. Finding suitable solutions to promote business production, creating the fastest cash flow cycle; maximizing cost savings effectively and appropriately; organizing well the import, purchasing, transportation, and storage of goods with consideration

suitable for actual business needs to minimize inventory levels. Timely detection and immediate handling to avoid capital stagnation.

Organizing the management of the production and business process smoothly, rhythmically, minimizing the idle time of machinery and equipment. Effectively implementing after-sales services with customers to strengthen long-term relationships with the company. Implementing flexible policies for each specific customer, especially potential customers, to create a good initial impression.

Enhancing the efficiency of fixed capital and working capital utilization. Building a capital mobilization strategy suitable for the market situation and business environment of each period.

5.2. Financial Structure

The management of cash and cash equivalents needs to be calculated and reasonably reserved for the cash fund. Therefore, the Board of Directors and the Executive Board need to build a reasonable capital structure to match the characteristics of production and business activities and achieve the goal of minimizing capital usage costs.

Completing the Management Work, Arranging and Organizing a Lean Apparatus, Enhancing the Executive Capacity of Management Officials through Standardizing Responsibilities and Tasks.

Building a training plan and enhancing the professional qualifications and management skills for the team of officials and employees who are responsible for their work, sensitive to market conditions, dynamic in business, and timely supplementing the source of officials with sufficient capacity to meet the requirements of innovation in the business methods of the enterprise.

6. Organizational Structure

Always maintain, train a strong workforce, ensure professionalism, dynamism, and creativity in work, good management, and be proactive in all situations. Investing in human resources, officials, and employees of the Company in every department is always a decisive factor determining the results of work.

Recruiting talented individuals can be done through various forms such as training staff in each department in a concentrated manner, recruiting employees with deep

professional qualifications, or operating in the form of collaborators. There are incentive policies to attract and retain capable labor.

Continuing to perfect the system of internal management documents that are appropriate and effective for all activities of the Company. Implementing the system of specific standards to evaluate labor quality.

The Board of Directors believes that having additional strategic investors and professional securities investors accompanying the Company will further enhance business management capacity as well as provide many new solutions to support the Company. At the same time, it will resolve the difficulties of the Company and gradually bring the Company back to effective business operations in the near future.

Above is the activity report of the Board of Directors of Central Pharmaceutical Joint Stock Company I in the year 2024 and the plan for 2025, respectfully submitted to the General Meeting of Shareholders for approval.

Thank you very much!

**ON BEHALF OF THE BOARD OF
DIRECTORS**
chairman of the board of directors



NGUYỄN ANH TUẤN

