

VIETNAM VETERINARY PRODUCTS JOINT STOCK COMPANY I

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ANNUAL REPORT 2024

Hà Nội, March 2025

Appendix IV

(Promulgated with the Circular No 96/2020/TT-BTC on November 16, 2020
of the Minister of Finance)

ANNUAL REPORT

VIETNAM VETERINARY PRODUCTS JOINT STOCK COMPANY
YEAR 2024

To:

- The State Securities Commission;
- The Stock Exchange.

I. GENERAL INFORMATION

1. General information

The predecessor of the Company was the Level I Veterinary Supplies Company, established in 1973 based on the separation of the veterinary supplies supply department from the Pesticide and Veterinary Supplies Company under Decision No. 97 NN-TCQĐ dated March 23, 1973, of the Ministry of Agriculture. The Company transitioned to a joint-stock company in June 2000 following the equitization decision.

2. General information

<i>Vietnamese Name</i>	Công ty Cổ phần Thuốc thú y Trung ương I
<i>Trading name</i>	Vietnam Veterinary Products Joint Stock Company
<i>Abbreviated trading name</i>	VINAVETCO., JSC
<i>Business Registration Certificate No.:</i>	0100102326 issued by Hanoi Department of Planning and Investment on June 7, 2000 (15th revision on December 15, 2023)
<i>Charter capital</i>	162.499.690.000
<i>Owner's capital</i>	162.499.690.000
<i>Địa chỉ trụ sở chính</i>	No. 88, Trường Chinh Street, Phương Mai Ward, Đống Đa District, Hanoi City
<i>Address</i>	0243 869 1262
<i>Fax</i>	0243 869 1263
<i>Website</i>	http://vinavetco.com
<i>Securities code</i>	VNY

Logo



3. Establishment and development process

- The Level I Veterinary Supplies Company was established in 1973 based on the separation of the veterinary supplies supply department from the Pesticide and Veterinary Supplies Company under Decision No. 97 NN-TCQD dated March 23, 1973, of the Ministry of Agriculture.
- In June 11, 1983, the Ministry of Agriculture issued Decision No. 156/TCCB-QĐ dated June 11, 1983, transferring the Company to be directly managed by the Ministry (Level I).
- From May 1993 to December 1999, the Company operated as a state-owned enterprise with the main functions of manufacturing, trading, and importing vaccines and veterinary medicine for the livestock industry nationwide. Transitioning to a dual model of production and veterinary medicine business—a new field requiring high technical expertise—demanded great efforts, multiple solutions, and significant production investments to ensure sustainable development, meet operational requirements, and gain market and consumer acceptance.
- In early 1993, the Company had only a few products on the market, but by the end of 1999, it had launched more than 150 products, many of which became the Company's flagship products with high efficacy in disease treatment and significant economic benefits. The Company won 10 Golden Rice Awards and 2 Gold Medals at international trade fairs. The Company's business operations developed with a higher annual growth rate, maintaining its reputation and brand nationwide. Currently, the Company continues to produce traditional products and expand its product range to meet increasing customer demands.
- Following the Government's policy on state-owned enterprise equitization, on January 26, 2000, the Ministry of Agriculture and Rural Development issued Decision No. 06/2000/QĐ BNN-TCCH to transform Central Veterinary Medicine Company I into a Joint Stock Company. The Company officially began operating as a Joint Stock Company on June 7, 2000, under Business Registration Certificate No. 0100102326 issued by the Hanoi Department of Planning and Investment, with an initial charter capital of VND 7 billion. As of today, the Company's charter capital has increased to VND 162,499,690,000.
- In 2004, to expand business operations, the Company established Central Veterinary Medicine Co., Ltd. with an initial charter capital of VND 5 billion, later increased to VND 50 billion. In 2012, the veterinary medicine manufacturing plant began operations, and Central

Veterinary Medicine Co., Ltd. took full responsibility for its operation under GMP-WHO standards.

- In 2022, to enhance antibiotic production for animals according to standard technical requirements, the Board of Directors implemented the General Meeting of Shareholders' Resolution No. 41/2022/NQ-ĐHĐCĐ dated October 22, 2022, increasing capital to VND 70 billion to build a Beta-lactam production workshop meeting GMP-WHO standards.

4. Business lines and locations of the business:

**** Business lines:***

- Manufacturing pharmaceuticals, chemicals, and medicinal materials. Details: Production and processing of veterinary medicine for aquaculture and livestock.
- Aquatic veterinary medicine: The Company supplies antibiotic drugs, nutritional supplements, antiparasitic drugs, and disinfectants for aquatic species.
- Importing and trading vaccines and biological products.
- Other professional, scientific, and technological activities not classified elsewhere.

Details: Commercial services; Research and application of technological advancements in veterinary medicine and materials production.

**** Location of business:***

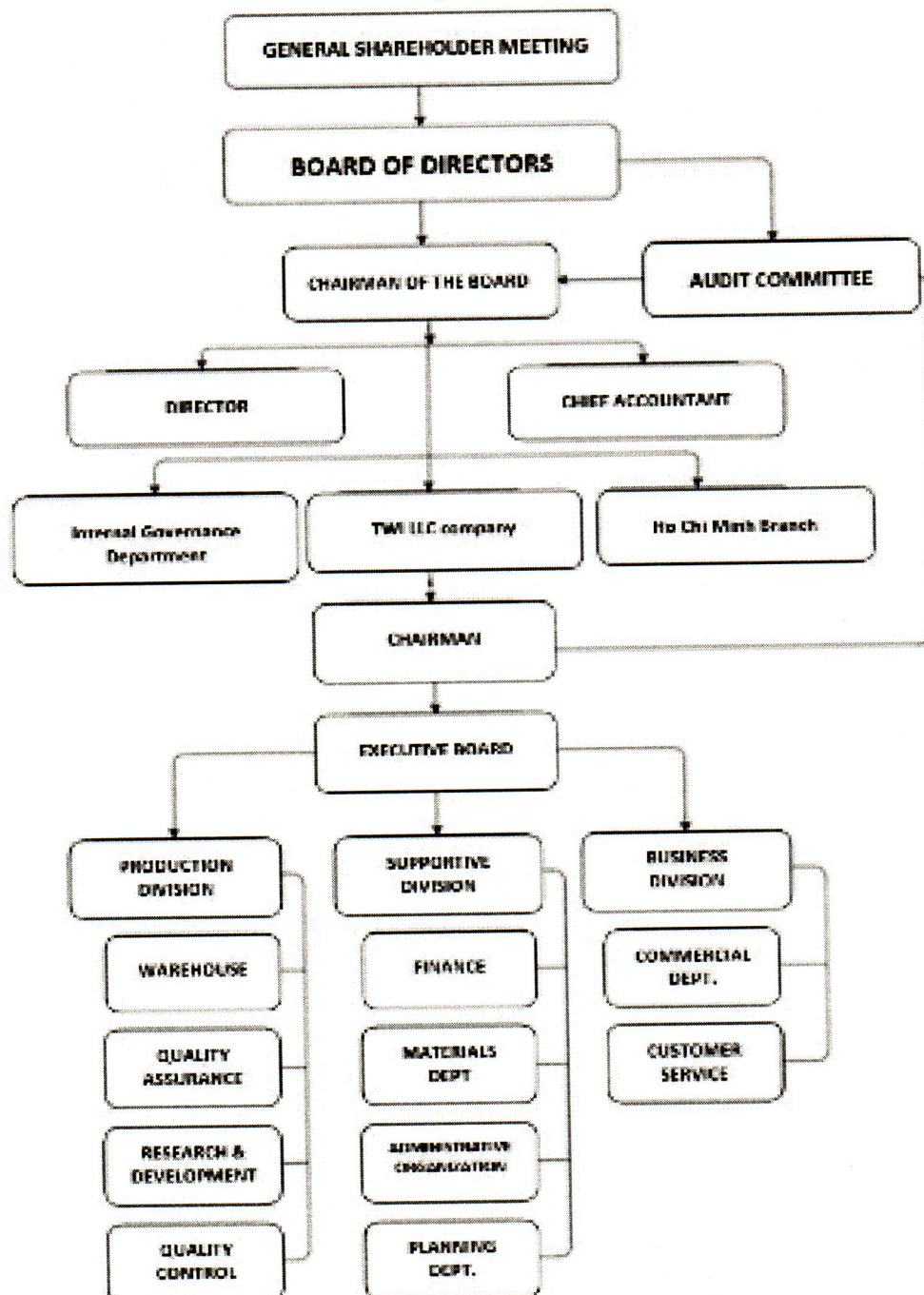
- **Company Headquarters:** No. 88 Truong Chinh Street, Phuong Mai Ward, Dong Da District, Hanoi City.
- **Branch of Central Veterinary Medicine Joint Stock Company I in Ho Chi Minh City:** Address: 40 Lam Thi Ho Street, Tan Chanh Hiep Ward, District 12, Ho Chi Minh City.
- **Central Veterinary Company Limited 1:** Address: Binh Luong Hamlet, Tan Quang Commune, Van Lam District, Hung Yen Province.

5. Information about governance model, business organization and managerial apparatus

- **Governance Model:** The Company operates under a model comprising the General Meeting of Shareholders (GMS), Board of Directors (BOD), and General Director. The Company has an Audit Committee under the BOD.

- **Management Structure:** (Refer to the organizational structure diagram)

MANAGEMENT ORGANIZATION DIAGRAM



- *Subsidiaries, associated companies:*

Vietnam Veterinary Products Joint Stock Company : does not have a parent company.

Vietnam Veterinary Products Joint Stock Company : Has a subsidiary

Central Veterinary Company Limited 1, which is 100% owned by Vietnam Veterinary Products Joint Stock Company

6. Development orientations

6.1. *Main objectives of the Company.*

*** General Objectives:**

- Strengthen and enhance the efficiency of Công ty Cổ phần Thuốc Thú y Trung Ương I through restructuring, optimal resource utilization, and improved corporate governance. Increase financial, technological, and market integration.
- Develop and train a professional and capable leadership team, along with skilled management, business, and technical experts. Create strong motivation and dynamic management mechanisms for the company.
- Implement the 2024 business plan flexibly and responsively to market conditions, minimize risks, seize opportunities, and maintain stable and effective business operations to increase employee income.
- Establish a reputable and trusted brand in the veterinary and aquatic medicine sectors. Ensure stable and sustainable development, gradually expand market presence across provinces and cities, innovate, diversify products, and continuously improve product quality.

*** Mục tiêu về hoạt động sản xuất kinh doanh:**

*** Objectives of production and business activities:**

Achieve stable and sustainable growth. Maximize the production capacity of current investment equipment.

Focus on producing and trading various products, including:

Veterinary Medicines: Diverse products such as injectable antibiotics, sterile antibiotic powders for injection, oral antibiotic solutions, liquid medicines, antiparasitic drugs, oral powders, vitamins and supplements, disinfectants.

Aquatic Medicines: Products for aquatic animals including antibiotics, nutritional supplements, antiparasitic drugs, and disinfectants.

Other Products: High-quality, diverse products for pets, livestock, poultry, and waterfowl, including preventive and therapeutic medicines, antiparasitic drugs, health supplements, growth stimulants, reproductive regulators, and antifungal drugs.

Annually review and strengthen the traditional customer system and establish new customer networks. Evaluate dealer standards based on annual sales across provinces and cities.

Implement multi-channel marketing: online (website), wholesale and retail at company stores.

Maintain excellent customer care, establish a technical team for disease diagnosis and technical advice for farms and breeders.

Regularly conduct training on professional skills for market and sales staff.

* **Financial goals:** Build a healthy and self-sufficient financial foundation. Strictly manage costs, ensure efficient use of capital, and enhance financial capacity for continuous, stable, and sustainable development.

* **Human resource goal:** Improve the quality and quantity of the workforce.

6.2 Development strategies in medium and long term.

Focus on producing high-quality products to best meet market demand; diversify products; prioritize developing traditional products with established market share and high-tech products; research and develop new products, especially those with potential and advantages.

Expand market presence and diversify customer segments. Promote commercial activities such as trading vaccines for livestock and poultry, strengthening the connection between farmers and the company.

Strategy on production and business activities: Expand operational scope, gradually build a solid foundation.

Strategy on Slogan and business strategy: Focus on service as the business goal, and use business results as the development motivation.

Quality policy strategy: Continuously innovate and improve product quality as the company's mission.

Financial strategy: Optimize the use of internal capital, gradually increase capital to meet business needs, and expand relationships with partners, investors, banks, and financial institutions to access external capital.

Human resource strategy: Enhance recruitment quality; conduct training and planning for staff; appoint and assign positions based on competence, expertise, and character to meet business development needs; improve employee benefits (salary, work environment, positions, and extracurricular activities).

Strategy on building corporate culture: Promote compliance with state laws, company regulations, and policies. Ensure employee rights and create conditions for organizational activities within the company.

7. Risks

7.1 Economic risks

- In 2024, the global economy showed stable growth in GDP, trade, and investment. However, core inflation remained higher than desired, causing price pressures. Natural disasters, climate change, storms, and droughts increased risks to financial markets, energy security, and global food security.
- The development of the agricultural sector is closely linked to the overall economic growth. In 2024, the livestock sector grew by 5.4% compared to 2023, higher than the overall agricultural growth of 3.3%. However, diseases, especially African swine fever, remain significant challenges.
- Inflation Risk: In 2024, Vietnam's average inflation rate was 3.63%, higher than 2.71% in 2023. Fluctuations in input material prices due to disease outbreaks directly affected business operations.

- Price Increase: In 2024, prices rose significantly compared to the previous year, primarily due to global supply chain disruptions affecting the company's input costs.

7.2 Legal Risks

Regulatory Compliance: The business activities of Vietnam Veterinary Products Joint Stock Company I are governed by various laws including the Enterprise Law, Veterinary Law, Securities Law, and other regulations. Despite these laws being in effect, inconsistencies and overlaps in sub-laws, guidelines, and industry regulations pose challenges in policy implementation. The company must focus on researching and updating knowledge about integration processes and the legal environment to mitigate business risks.

7.3. Material Price Fluctuation Risks

Input Costs: As a manufacturing enterprise, fluctuations in input material prices significantly impact the company's production activities. Recently, the prices of key materials have been rising sharply. Additionally, the company's limited working capital may hinder its ability to mitigate the impact of these price fluctuations on production activities.

7.4 Other Risks

Natural Disasters: Risks such as natural disasters, droughts, floods, and fires are unavoidable and can cause damage to assets, personnel, and overall company operations. The company consistently implements safety measures, fire prevention, and environmental protection to minimize these risks.

II. OPERATIONS IN THE YEAR

Situation of production and business operations

Report on Business Performance for 2023 - 2024

Unit: VNĐ

Financial Indicators	Năm 2023	Năm 2024	% Change
Total Assets	151,185,028,550	155,776,481,522	3.04

Financial Indicators	Năm 2023	Năm 2024	% Change
Owners' Equity	97,817,086,848	101,394,757,060	3.66
Net revenue from sales of goods and rendering of services	94,339,484,657	109,113,684,605	15.66
Operating profit	2,588,981,277	4,274,591,547	65.11
Other profit	1,679,797,176	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

Source: Consolidated audited financial statements for 2024 of Vietnam Veterinary Products Joint Stock Company

The year 2024 remained a challenging year for business. The national economy, in general, continued to be affected by prolonged negative shocks such as the Russia-Ukraine conflict. Our livestock sector still faces many difficulties, particularly limited processing capabilities, leading to unstable livestock production efficiency and lower product quality compared to international markets (due to underdeveloped processing and preservation industries). In 2024, the cost of animal feed increased compared to the previous year, and the continuous rise in raw material prices also posed challenges for the livestock sector, significantly impacting the company's business operations. The Board of Directors promptly directed the company's leadership to enhance production and sales efforts, resulting in a net revenue increase of 15.66% compared to 2023, although post-tax profit only grew by 11.72%. The increase in revenue and profit was primarily driven by the subsidiary's performance. The parent company's revenue and profit decreased due to difficulties in commercial service operations, including the return of leased premises by partners.

According to the 2024 report, there were specific changes as follows: The company's total assets increased by 3.04%, mainly due to a 3.66% rise in equity, attributed to the post-tax profit achieved in 2024.

2. organization and human resource

2.1 General Meeting of Shareholders (ĐHĐCĐ)

The General Meeting of Shareholders is the highest authority of Vietnam Veterinary Products Joint Stock Company (VINAVETCO). The General Meeting of Shareholders (ĐHĐCĐ) has the power and duty to approve development directions, decide on business plans and tasks, amend and supplement the company's charter capital, elect, dismiss, and remove members of the Board of Directors and the Audit Committee, and decide on the reorganization or dissolution of the company, along with other rights and duties as stipulated in the company's charter.

2.2 Board of Directors (HĐQT)

The Board of Directors of Vietnam Veterinary Products Joint Stock Company (VINAVETCO) is elected by the General Meeting of Shareholders. The Board of Directors (HĐQT) is the management body with full authority to make decisions and perform the company's rights and obligations, except for matters under the jurisdiction of the General Meeting of Shareholders. The Board of Directors is also responsible for determining and developing plans and policies such as business management policies, business strategies, and overall development plans for VINAVETCO. The Board of Directors has a five-year term and consists of three members: one Chairman and two members elected by the General Meeting of Shareholders according to the company's development needs. Members of the Board of Directors can be re-elected for an unlimited number of terms. Non-executive members must account for at least one-third of the total number of Board members. The Board of Directors, on behalf of the company, decides on all matters related to the company's objectives and interests, except for those under the jurisdiction of the General Meeting of Shareholders. The Board of Directors is responsible for supervising the activities of the Director and other management personnel in the company. The rights and obligations of the Board of Directors are defined by law, the company's charter, and resolutions of the General Meeting of Shareholders.

2.3 Audit Committee

The Audit Committee has the authority and responsibilities according to the Enterprise Law and the company's charter, primarily including the following:

- Access and collect information within the authority of the Board of Directors, Director, and relevant company managers.
- Supervise the Director and other company managers in managing and operating the company.
- Review financial reports, internal audits, internal controls, and risk management.
- Other rights and obligations as stipulated by law, the company's charter, and internal governance regulations.

2.4 Chairman of the Board of Directors

The Chairman of the Board of Directors directly oversees all activities within the company.

2.5 Director

The Director is responsible to the Board of Directors and the Chairman for executing assigned rights and obligations.

2.6 Company Departments, Branches, and Subsidiaries

- Head Office: Internal Affairs and Accounting departments directly managed by the Chairman of the Board of Directors
- Subsidiary **Central Veterinary Company Limited 1**: Divided into three divisions with departments directly managed by the Chairman and the Board of Directors:
 - Production Division: Production Workshop, Quality Assurance, Research and Development, Quality Control (QC).
 - Support Division: Finance, Accounting, Materials, Administration, General Planning.
 - Business Division: Sales, Customer Service.

- Branch in Ho Chi Minh City: Located at 40 Lam Thi Ho, Tan Chanh Hiep Ward, District 12, Ho Chi Minh City

2.7 introduction of the board of directors

In 2024, there were changes in the Board of Directors, specifically:

As of January 1, 2024, the Board of Directors consisted of:

- Mr. Nguyen Anh Tuan – Chairman of the Board of Directors – Executive Member
- Ms. Bui Huong Lien – Member of the Board of Directors – Non-Executive Member

- Mr. Nguyen Viet Hoang – Independent Member of the Board of Directors

Ms. Bùi Hương Liên resigned from the Board of Directors, and at the annual General Meeting of Shareholders on May 4, 2024, the General Meeting of Shareholders dismissed Bùi Hương Liên and elected a new Board member. The new Board of Directors consists of:

1. Mr. Nguyen Anh Tuan – Chairman of the Board of Directors – Executive Member
2. Mr. Phan Quoc Duy – Member of the Board of Directors – Non-Executive Member
3. Mr. Nguyen Viet Hoang – Independent Member of the Board of Directors

2.8 Resumes of Board Members for the 2022-2027 Term:

Chủ tịch Hội đồng quản trị

- | | |
|-------------------------------|---|
| - Name: | NGUYỄN ANH TUẤN |
| - Gender: | Male |
| - ID Number: | 001075026079 |
| - Date of Issue: | 08/12/2021 |
| - Place of Issue: | Department of Administrative
Management of Social Order. |
| - Date of Birth: | 15/4/1975 |
| - Place of Birth: | Hà Nội |
| - Nationality: | Việt Nam |
| - Ethnicity: | Kinh |
| - Hometown: | Hà Nội |
| - Permanent Address: | 55 Lê Duẩn, phường Cửa Nam,
quận Hoàn Kiếm, Hà nội |
| - Contact Phone Number: | 03513582669 |
| - Educational Background: | 12/12 |
| - Professional Qualification: | Master's Degree in English
Language and Marketing |
| - Work Experience: | Marketing Staff at TN
Development Co., Ltd. |
| - 1995-1998: | |

- 1998-2005: Head of Sales Department at Vinapon Joint Venture Company
- 2008-2013: Head of Sales Department at HUD.VN Social Housing Development Joint Stock Company
- 2013- present: Deputy General Director at Mavin Group Joint Stock Company
- Current Positions in Other Organizations: Chairman of the Board of Directors at Mavin Food Joint Venture Co., Ltd.
- Current Position in the Company: Chairman of the Board of Directors at Central Veterinary Medicine Joint Stock Company No.1
- Shares Held: None
- Personal Ownership: None
- Shares Held by Related Persons: None
- Legal Violations: None
- Conflicts of Interest with the Company: None

MEMBER OF THE BOARD OF DIRECTORS

- Name: **PHAN QUỐC DUY**
- Gender: Male
- ID Number: 024096000135
- Date of Issue: 04/03/2021
- Place of Issue: Department of Administrative Management of Social Order.
- Date of Birth: 05/04/1996
- Place of Birth: Bắc Giang
- Nationality: Việt Nam

- Ethnicity: Kinh
- Permanent Address: No. 1, Alley 25, Ward 4, My Do Street, Bac Giang City
- Contact Phone Number: 0986987139
- Educational Background: 12/12
- Professional Qualification: Bachelor's Degree
- Work Experience:
 - ✓ 1-2022 to 6-2022: Secretary to the Chairman of the Board of Members at Vietinbank Fund Management Co., Ltd
 - ✓ T6-2022 present: Senior Specialist at Vietinbank Fund Management Co., Ltd
- Current Positions in Other Organizations: None
- Current Position in the Company: Member of the Board of Directors at Central Vietnam Veterinary Products Joint Stock Company
- Shares Held: None
- Personal Ownership: None
- Shares Held by Related Persons: None
- Legal Violations: None
- Conflicts of Interest with the Company: None

MEMBER OF THE BOARD OF DIRECTORS

- Name: **NGUYỄN VIỆT HOÀNG**
- Gender: Nam
- ID Number: 022078008008
- Date of Issue: 24/07/2021
- Place of Issue: Department of Administrative Management of Social Order

- **Date of Birth:** 10/02/1978
 - **Place of Birth:**
 - **Nationality:** Việt Nam
 - **Ethnicity:** Kinh
 - **Hometown:**
 - **Permanent Address:** Room 220 A5, Giang Vo Collective,
Giang Vo Ward, Ba Dinh District,
Hanoi
 - **Contact Phone Number:** 0912155424
 - **Educational Background:** 10/10
 - **Professional Qualification:** **Master's Degree in Law**
- Work Experience:
- 2002-2005: Specialist at Hanoi Department of Tourism
 - 2005-2006: Sales Representative at DANIMEX-Denmark Ltd. Representative Office in Hanoi
 - 2006-2012: Head of Legal Department at InnovGreen Group
 - 2012-2014: Senior Legal Specialist at KinderWorld Vietnam JSC
 - 2014-2015: Assistant to the Board of Directors at HG Investment Joint Stock Company
 - 2015-2016: Head of Legal Department at VinDS Group Joint Stock Company
 - 2016-2020: Head of Legal Department at Hà Đô Group
 - 2020-2022: Partner/Managing Lawyer at Thiên

	Thanh Law Partnership Company
2021-2022:	Chairman of the Center - MIAC International Arbitration Center
2021-2022:	Legal Advisor – UNDP
2022- present	Head of Legal Department at Mavin Group Joint Stock Company
- Current Positions in Other Organizations:	Head of Legal Department at Mavin Group Joint Stock Company;
- Current Position in the Company:	Member of the Board of Directors at Central Veterinary Medicine Joint Stock Company No.1
- Shares Held:	None
- Personal Ownership:	None
- Shares Held by Related Persons:	None
- Legal Violations:	None
- Conflicts of Interest with the Company:	None

2.9 Audit Committee Members:

In 2024, there were changes in the Audit Committee members. As of January 1, 2024, the Audit Committee consisted of:

1. Mr. Nguyen Viet Hoang – Chairman of the Audit Committee
2. Ms. Bui Huong Lien– Member of the Audit Committee

From May 4, 2024, the Audit Committee consists of:

1. Mr. Nguyen Viet Hoang – Chairman of the Audit Committee
2. Mr. Phan Quoc Duy – Member of the Audit Committee

2.10 List of Board of Directors Members

No.	Full Name	Position	Dismissal Date	Appointment Date
1	Nguyễn Thị Thu Hưng	Company Director		10/02/2023

2.11. Number of Employees in the Company as of 31/12/2024: 81 employees

Classification Criteria	Number of Employees	Proportion (%)
I. Classification by Gender	81	100%
Male	33	40,74%
Female	48	59,26%
II. Classification by Education	85	100%
Postgraduate	5	6,17%
University	40	49,38%
College	5	6,17%
Intermediate	11	13,58%
Skilled Workers	20	24,69%

2.12 Policies for Employees:

+ Working Conditions:

- **Working hours:** The company organizes an 8-hour working day, 6 days a week, with a 1 hour and 30-minute lunch break. If required by production and business progress, the company may request employees to work overtime and apply overtime compensation policies in accordance with legal regulations to ensure employees' rights.

- **Leave, holidays, and Tet:** Employees who take sick leave will receive sickness benefits from the Social Insurance Fund as per Labor Law. During maternity leave (06 months), employees will receive maternity benefits equivalent to 06 months' salary from the Social Insurance Fund.

- **Work environment:** The company provides well-equipped, spacious, and ventilated office spaces for staff. For direct laborers, the company provides full personal protective equipment and maintains strict compliance with labor safety principles.

+ Recruitment and Training Policies:

Recruitment: The company aims to attract competent employees to meet business expansion needs. Employees in key positions are carefully selected to meet the required qualifications and experience.

Training: The company places great emphasis on workforce training. It regularly organizes short-term training courses within the company and sends technical staff to specialized training programs to improve their professional skills. The company is currently focusing on training high-quality human resources with excellent skills to support business development.

+ Salary and Bonus Policies:

Salary Policy: The company applies an advanced salary scale tailored to its business model. Employees receive salaries and bonuses based on their labor contracts, business performance, and individual work outcomes as per company regulations.

Bonus Policy: To encourage and motivate employees to enhance productivity and efficiency, besides statutory benefits under the Labor Law, employees also receive additional incentives based on their contributions to the company

+ Other Employee Benefits and Policies:

The company ensures social security benefits for employees in accordance with the Labor Law and company regulations. All employee insurance benefits are fully implemented per legal requirements. The company also conducts annual health check-ups for all employees.

To foster relaxation and team bonding, the company organizes leisure trips and cultural-sports exchange programs during holidays and Tet annually.

Employees are entitled to benefits under the Collective Labor Agreement established between the Employee Representative Organization (Trade Union) and the company, in accordance with the Labor Code No. 10/2012/QH13, effective from 01/05/2013.

3. investment activities, project implementation

3.1. Financial situation

Unit: VND

Financial Indicators	Năm 2023	Năm 2024	% Change
TOTAL ASSETS	151,185,028,550	155,776,481,522	3.04
Owners' equity	97,817,086,848	101,394,757,060	3.66
Net revenue	94,339,484,657	109,113,684,605	15.66
Operating profit	2,588,981,277	4,274,591,547	65.11

Financial Indicators	Năm 2023	Năm 2024	% Change
Other profit	1,679,797,176	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

Source: Consolidated audited financial statements for 2024 of Vietnam Veterinary Products Joint Stock Company

The Company's business activities in 2024 have made many efforts, especially in the production department. Revenue and profit targets. The Company's net revenue in 2024 increased by 15.66% compared to 2023, reaching 99.19% of the plan. The Company's profit in 2024 reached 75.54% of the plan. In 2024, losses due to exchange rate changes increased by 27.91% compared to 2023, while extraordinary income decreased by 51.24% compared to 2023. According to the Audited Financial Statements in 2024, the Company's profit increased and decreased due to the following expenses:

Operating expenses in 2024 vs. 2023

Unit: VND

Financial Indicators	Năm 2023	Năm 2024	% Change
Cost of goods sold	70,890,591,630	81,890,664,520	15.52
Financial expenses	666,642,094	851,079,637	27.67
Interest expenses			
Financial expenses	666,642,094	851,079,637	27.67
Selling expenses	11,767,874,117	12,814,330,333	8.89
In which, the cost of outsourced services for sales	5,047,572,321	6,141,030,078	21.66
General and administrative expenses	8,971,513,174	9,871,641,901	10.03
In which, the cost of outsourced services for management	2,009,055,716	3,114,075,819	55.00

Source: Consolidated audited financial statements for 2024 of Vietnam Veterinary Products Joint Stock Company

3.2 Key Financial Indicators

Table: Key financial indicators

Indicators	Unit	2023	2024
1. Solvency ratio			
+ <i>Current ratio: Short term Asset/Short term debt</i>	(times)	1.21	1.42
+ <i>Quick ratio: (Short term Asset - Inventories) / Short term Debt</i>	(times)	0.75	0.96
2. capital structure Ratio			
- <i>Debt/Total assets ratio)</i>	(times)	0.35	0.35
- <i>Debt/Owner's Equity ratio</i>	(times)	0.55	0.54
3. Operation capability Ratio			
- <i>Inventory turnover: Cost of goods sold/Average inventory</i>	(times)	4.05	4.50
- <i>Net revenue/Average Total Assets</i>	(times)	1.21	0.72
4. Profitability	(%)		
- <i>Profit after tax/Net revenue Ratio</i>	(%)	3.58%	3.43%
- <i>Profit after tax/total capital Ratio</i>	(%)	2.11%	2.32%

4. Shareholders structure, change in the owner's equity.

4.1 VINAVETCO Shareholder Structure as of 31/12/2024

Able: Shareholder structure by Source: Vinavetco Shareholder List on March 26, 2024

No.	Category	Number of shareholders	No. of Shares	Value (VND)	Percentage (%)
I	Domestic Shareholders	292	16.249.956	162.499.560.000	99,99992%
1	Institutional Investors	2	4.003.133	40.031.330.000	24,63471%

2	Individual Investors	290	12.246.823	122.468.230.000	75,36521%
II	Foreign Shareholders	0	0	0	0%
1	Institutional	0	0	0	0%
2	Individual Investors	0	0	0	0%
III	Transaction of treasury stocks	0	13	130.000	0,00008%
	Total	286	16.249.969	162.499.690.000	100%

List of shareholders holding more than 5% of VINAVETCO's share capital

No.	Name	ID/Business Registration No.	Address	No. of Shares	% Ownership
01	VietinBank Fund Management Co., Ltd.	Business License No.: 50/UBCK-GP, issued on 26/10/2010	6th Floor, Cua Nam Market Trade Center, 34 Cua Nam, Hoan Kiem, Hanoi	4.000.000	24,615
02	Chu Van Chung	Citizen ID: 033083001550, issued on 19/08/2022	Team 4, Hamlet 2, Thuan Chau Commune, Khoai Chau District, Hung Yen Province	2.000.000	12,307
03	Le Chi Cuong	ID No.: 011813890, issued on 24/05/2007	Group 2, Viet Hung, Long Bien, Hanoi	1.000.000	6,153

Capital Increase History of the Company

Since becoming a Joint Stock Company, Vinavetco has increased its capital 6 times, details as follows:

No.	Completion Date	Additional Capital (VND)	Post-Issuance Capital (VND)	Issuance Method	Legal Basis
Lần 1	10/2005	4.900	11.900	Bonus Shares	Resolution No. 181 HĐQT/NQ dated 27/07/2003, Official Letter 823/BNN/TC dated 19/04/2004
Lần 2	10/2006	2.380	14.280	Bonus Shares	Sales Dossier of State-Owned Shares in TWI Veterinary Medicine Joint Stock Company
Lần 3	2/2008	18.798	33.078	Issued to Existing Shareholders	Resolution No. 01/QĐ-ĐKKD/2008 dated 24/09/2008
Lần 4	6/2009	32.922	66.000	Issued to Existing Shareholders	2009 Capital Increase Report of VINAVETCO Vinavetco
Lần 5	08/2014	16.500	82.500	Issued to Existing Shareholders	Resolution No. 16/NQ-ĐHĐCĐ dated 20/04/2014, State Securities Commission Approval No. 4103/UBCK-QLPH
Lần 6	13/05/2021	5.999.969	142.499.690.000	Issued to Strategic Investors and Professional Securities Investors &	Resolution No. 06/NQ-ĐHĐCĐ-BT dated 20/02/2021, Issuance Resolutions No. 07/2021/NQ-HĐQT (04/03/2021) and No.

No.	Completion Date	Additional Capital (VND)	Post-Issuance Capital (VND)	Issuance Method	Legal Basis
				Debt-to-Equity Swap	10/2021/NQ-HĐQT (30/03/2021), State Securities Commission Approval No. 1640/UBCK-QLCB
Lần 7	10/02/2023	2.000.000	162.499.690.000	Issued to Professional Securities Investors	Resolution No. 41/2022/NQ-ĐHĐCĐ (22/10/2022), Issuance Resolution No. 43/NQ-HĐQT (31/10/2022), State Securities Commission Approval No. 339/UBCK-QLCB (19/01/2023) and Report No. 671/UBCKNN-QLCB (16/02/2023)

Formation and Development Process (*Establishment date, listing time, and key milestones since establishment*)

Founding Shareholders

The company was established on June 7, 2000, in accordance with the Enterprise Law. As of now, the restriction period on the transfer of shares by founding shareholders has expired.

Treasury Stock Transactions: None

4.2. Subsidiaries, Controlled Companies, and Controlling Shareholders

Company Name: Central Veterinary Company Limited 1

+ **Address:** Binh Luong Hamlet, Tan Quang Commune, Van Lam District, Hung Yen Province.

Enterprise Registration Certificate: No. 0900227476 issued by the Business Registration Office – Department of Planning and Investment of Hung Yen Province on May 5, 2004, last amended on March 27, 2023.

Charter Capital: 70,000,000,000 VND

Business Activities:

Manufacturing pharmaceuticals, chemicals, and medicinal products: Producing veterinary and aquaculture medicine

Producing animal feed, poultry feed, and aquaculture feed

Wholesale of agricultural and forestry raw materials (excluding wood, bamboo, and rattan) and live animals

5. environment-social-governance (esg) report of the company

5.1. Management of raw materials:

+ The company manages and utilizes raw materials through a **GMP-WHO** standard production process. The wastewater treatment system meets discharge standards and does not harm the environment.

+ All waste is managed under a contract with an urban environmental management company.

5.2. Energy consumption:

+ The company prioritizes energy-saving initiatives and raises awareness among employees to conserve electricity.

5.3. Water Consumption:

+ The company operates a wastewater treatment system that meets discharge standards, ensuring no environmental impact.

5.4. Compliance with Environmental Protection Laws

+ Number of violations for non-compliance with environmental laws and regulations: None

+ Total fines for non-compliance with environmental laws and regulations: None

5.5. Employee Policies

The company adheres to the Labor Law, ensuring social insurance, health insurance, and unemployment insurance for employees.

Employees receive all benefits outlined in labor contracts and collective labor agreements.

The company actively supports trade union and youth union participation.

Employees receive fire safety training and other professional development opportunities.

Total number of employees: 81

Average salary: 13,400,000 VND/month

III. BOARD OF DIRECTORS' REPORT AND EVALUATION

The Board of Directors' report and assessment includes the following contents:

1. Business Performance Evaluation

Financial Indicators (Consolidated)	Năm 2023	Năm 2024	% tăng giảm
1. Net revenue from sales of goods and rendering of services	94.339.484.657	109,113,684,605	15.66
2. Cost of goods sold	70.890.591.630	81,890,664,520	15.52
3. Gross profit from sales of goods and rendering of services	23.448.893.027	27.223.020.085	16.10
4. Financial income	546.117.635	588.623.333	7.78
5. Financial expenses	666.642.094	851.079.637	27.67

Financial Indicators (Consolidated)	Năm 2023	Năm 2024	% tăng giảm
6. Selling expenses	11.767.874.117	12,814,330,333	8.89
7. General and administrative expenses	8.971.513.174	9,871,641,901	10.03
8 Operating profit	2.588.981.277	4,274,591,547	65.11
9. Other profit	1.679.797.176	819,054,964	(51.24)
10. Net profit before tax	4.268.778.453	5,093,646,511	19.32
11. Current Corporate income tax expenses	887.493.765	1.315.976.299	48.28
12. Net profit after tax	3.381.284.688	3,777,670,212	11.72
13. Basic Earnings per share	220	195	-

Source: Consolidated audited financial statements for 2024 of Vietnam Veterinary Products Joint Stock Company

The company's business performance in the past two years showed a 15.66% increase in net revenue in 2024 compared to 2023. Operating profit grew significantly, and pre-tax profit reached 5.093 billion VND, marking a 19.32% increase from 2023 4,268 billion VND .

Net profit after tax in 2024 rose by 11.72%. Financial expenses increased 27.67% due to higher foreign exchange rates in 2024. Although revenue increased 16.78%, selling and administrative expenses rose at a lower rate (8.89% and 10.03%, respectively). Other income declined by 51.24% compared to 2023, but overall profit still increased.

2. Financial Situation

2.1. Assets

Asset Category	2023	2024
A. CURRENT ASSETS	50.438.415.582	59.693.573.390
I. Cash	24.171.520.460	28.209.029.640
II. Short-term receivables	6.690.200.055	10.252.671.297
III. Inventories	17.446.220.537	19.444.138.888
IV. Other current assets	2.130.474.530	1.787.733.565
B. NON-CURRENT ASSETS	100.746.612.968	96.082.908.132
I. Fixed assets	99.590.696.538	94.731.229.420
II. Long-term unfinished assets		
III. Other long-term receivables	19.965.000	19.965.000
IV. Other long-term assets	1.135.951.430	1.331.713.712
TOTAL ASSETS	151.185.028.550	155.776.481.522

Source: Consolidated audited financial statements for 2024 of Vietnam Veterinary Products Joint Stock Company

2.2. Debt Payable

Asset Category	2023	2024
A. LIABILITIES	53.367.941.702	54.381.854.247
I. Current liabilities	41.548.941.702	42.042.724.462
1. Short-term trade payables	25.587.473.439	23.935.611.810
2. Short-term advances from customers	46.720.730	311.292.114
3. Taxes and other payables to the State	975.361.316	1,560.370.236
4. Payables to employees	5.266.455.107	6.393.780.663
5. Short-term accrued expenses	4.154.432.573	4.399.433.352
6. Other short-term payables	4.784.641.611	4.738.179.361

Asset Category	2023	2024
7. Unearned Revenue		15.000.000.
7. Short-term borrowings and finance lease liabilities		
8. Bonus and welfare fund	733.856.926	689.056.926
II. Non-current liabilities	11.819.000.000	12,339,000,000
B. Owners' equity	97.817.086.848	101.394.757.060
TOTAL RESOURCES	151.185.028.550	155.776.481.522

Source: Consolidated audited financial statements for 2024 of Vietnam Veterinary Products Joint Stock Company

The company's total assets increased, mainly due to higher net profit after tax in 2024.

3. Future Development Plans

3.1 Company's Position Compared to Other Industry Players

* Company's Position in the Industry:

As a company with a long history of formation and development, VINAVETCO originated as a 100% state-owned enterprise. By the year 2000, VINAVETCO became one of the pioneering state-owned enterprises successfully privatized.

The company operates in a diverse range of production and business activities, with a nationwide veterinary medicine distribution network. It meets customer needs and preferences through high-quality, reputable products. Its technical staff are highly specialized, playing a crucial role in veterinary medicine production, marketing, sales, and after-sales service.

VINAVETCO continuously innovates and improves technology to introduce new, high-quality products. These innovations contribute significantly to disease prevention in livestock, poultry, pets, and aquatic animals.

For these reasons, VINAVETCO holds an important position in Vietnam's veterinary market. The VINAVETCO brand is built and recognized based on product quality, service attitude, and consumer trust.

*** Industry Growth Prospects.**

Entering 2025, the livestock industry is expected to continue developing well despite some challenges.

Livestock production is gradually transforming into a market-oriented industry, providing sufficient essential food supplies for domestic consumption while also aiming toward exports.

3.2 Financial Management

The company prepares monthly, quarterly, and annual financial forecasts based on department reports to effectively utilize business capital.

Since 2022, the company has engaged UHY Auditing and Consulting Co., Ltd. to conduct financial audits and prepare reports as required by regulatory authorities.

3.3 Organizational Management

Appoint competent, responsible, and dedicated managers to oversee key functional departments.

Issue company management regulations in accordance with the company's charter and actual operational needs, ensuring scientific and efficient corporate governance.

Recruit skilled personnel for various departments through a transparent and public hiring process.

Implement salary increases for employees.

IV. ASSESSMENTS OF THE BOARD OF DIRECTORS ON THE COMPANY'S OPERATION (FOR JOINT STOCK COMPANIES)

1. Achievements of the Executive Board

The Chairman of the Board represents the company by law and directly oversees all company operations.

In the coming years, the company will build upon past achievements, continue strong investments in production, maintain business stability, and expand operations.

Key Business Objectives:

Enhance product quality—quality is the company’s social responsibility and a key factor in its survival and growth.

Invest in human resources development—people are the most critical factor determining the company's success or failure.

Train a highly skilled workforce to operate machinery efficiently.

Foster a fair, transparent, and democratic work environment that empowers employees while maintaining company discipline.

Restructure human resources efficiently to optimize potential and stimulate employee creativity and responsibility.

2. Challenges Faced by the Executive Board

Despite overcoming major challenges, the company continues to face economic and market difficulties.

While the company has resolved personal loans, it still has outstanding debts to suppliers.

The cost of raw materials for veterinary medicine has risen sharply, impacting cash flow.

Although the company met its 2024 revenue targets, profitability did not meet expectations due to financial constraints.

Managing cash flow effectively remains a priority to ensure stable business operations.

3. 2025 Business Targets

Net revenue : 124.200.000.000 (VND)

Net profit after tax : 5.100.000.000 (VND)

4. 2025 Implementation Plan:

4.1. Product Development

Enhance productivity and innovation in the GMP-certified veterinary medicine manufacturing plant.

Review and expand the company’s product portfolio to align with changing disease patterns in Vietnam.

Increase product value to drive sales growth and motivate the sales team.

4.2 Marketing Strategy

Promote products on the company's website and through advertising campaigns.

Improve customer outreach via traditional and modern marketing strategies.

Collaborate with the testing team to streamline product trial procedures.

Establish structured marketing processes to enhance professionalism and efficiency.

Expand advertising and digital marketing efforts to attract potential customers.

4.3. Sales System Development

Strengthen the sales network in Northern and Central Vietnam through:

Sales training programs (product knowledge, communication, negotiation skills).

Regional sales policies tailored to different markets.

Commission and incentive programs to motivate the sales team.

4.4. Business Strategy

Expand exports to maximize production capacity and increase market share.

Intensify market penetration strategies by:

Expanding the product range and entering new markets.

Enhancing existing production lines to improve efficiency and profitability.

4.5. Production Planning and Execution

Optimize manufacturing operations by:

Upgrading production facilities (non-Beta-lactam production lines, water filtration systems, central air conditioning).

Ensuring sufficient product supply to meet market demand.

Minimizing costs to maintain competitive pricing.

Enhance workforce efficiency through:

Refining work processes to improve productivity.

Strategic planning for raw materials to ensure uninterrupted production.

4.6. Financial Strategy

Maintain accurate financial reporting for efficient decision-making.

Monitor financial performance monthly for timely strategic adjustments.

Optimize cash flow management to avoid liquidity issues.

Minimize costs while ensuring operational efficiency.

Enhance inventory management to reduce stockpiling and free up capital.

Develop a robust financial strategy to ensure sustainable growth.

4.7. Organizational Development

Strengthen human resources by:

Training and recruiting skilled professionals.

Offering competitive compensation to attract and retain talent.

Enhancing internal management systems for efficiency and effectiveness.

Build and train a strong workforce with professional expertise, dynamism, and creativity, ensuring employees are capable of proactive problem-solving and efficient management.

Prioritize investment in human resources, recognizing that **employees across all departments** are the key factor in achieving success.

Recruit top talent through multiple approaches, such as:

In-house training programs tailored to different departments.

Hiring highly specialized professionals.

Engaging external experts as collaborators when needed.

Implement attractive compensation policies to attract and retain skilled employees.

Continuously improve internal management regulations to ensure they remain effective and aligned with the company's operations.

V. CORPORATE GOVERNANCE

1. Board of Directors

The BoD oversees the Executive Board in implementing the resolutions of the BoD, decisions of the General Meeting of Shareholders, and the company's management regulations and charter.

To promptly address financial and business fluctuations, the BoD requires the CEO to provide a consolidated financial report to formulate strategic plans for the following month.

Approves and supervises the allocation of resources, materials, and equipment to ensure business operations meet the company's strategic goals.

2. Structure and Composition of the BoD

- BoD Members as of May 4, 2024:

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

- BoD Members from May 4, 2024, to December 31, 2024

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

3. Activities of the Board of Directors

The BoD regularly monitors the execution of business plans and requires periodic reports from the Executive Board.

Based on these reports, the BoD assesses the company's performance and proposes timely solutions to enhance business operations.

4. Activities of the Board of Directors' independent members

The Board of Directors has established an Audit Committee under the Board of Directors consisting of 02 members.

Audit Committee Members as of May 4, 2024:

No.	Name	Position
1	Nguyen Viet Hoang	Independent BoD Member – Chairman of the Audit Committee
2	Bui Huong Lien	Non-executive BoD Member – Member of the Audit Committee

Audit Committee Members from May 4, 2024, to December 31, 2024:

No.	Name	Position
1	Nguyen Viet Hoang	Independent BoD Member – Chairman of the Audit Committee
2	Phan Quoc Duy	Non-executive BoD Member – Member of the Audit Committee

The Audit Committee operates under the Enterprise Law and the Company's Charter.

It represents shareholders in monitoring all business and management activities.

Committee members have actively participated in BoD meetings and gained insight into all business operations.

The BoD has successfully executed a private share issuance plan to fund the Beta-lactam production facility, which has been certified as WHO GMP-compliant.

The company is gradually returning to stable and profitable operations.

5. Transactions, remunerations and benefits of the Board of Directors, Board of Management and Board of Audit Committee

Compensation details for BoD members, the Executive Board, and the Audit Committee are provided in the 2024 audited financial report.

No insider stock transactions occurred.

No contracts or transactions with insiders were recorded.

Compliance with Corporate Governance Regulations :

The Audit Committee did not identify any irregularities in corporate governance.

The company continues to comply with regulations from the State Securities Commission and the Stock Exchange, ensuring strict adherence to governance standards.

VI. FINANCIAL STATEMENTS

The **2024 financial report** has been audited by **UHY Auditing & Consulting Co., Ltd.** and is available on the company's website:

🌐 <http://www.vinavetco.com>

CONFIRMATION BY THE COMPANY'S LEGAL REPRESENTATIVE

(Signature, full name and seal)



CHỦ TỊCH HỘI ĐỒNG QUẢN TRỊ
Nguyễn Anh Tuấn