



**REPORT
ACTIVITIES OF THE SUPERVISORY BOARD IN 2024
AND THE 2025 OPERATION PLAN**

To: shareholders of Hanoi CPC1 Pharmaceutical Joint Stock Company

- Pursuant to the functions, tasks and powers of the Supervisory Board specified in the Law on Enterprises No. 59/2020/QH14 dated 17/06/2020;
- Pursuant to the Charter of operation of CPC1 Hanoi Pharmaceutical Joint Stock Company;
- Based on the operation situation and audited 2024 financial statements of CPC1 Hanoi Pharmaceutical Joint Stock Company;

The Supervisory Board would like to report to the Annual General Meeting of Shareholders in 2025 with the following specific contents:

I. Activities of the Supervisory Board:

- Term 2020-2024: The company's Supervisory Board consists of 3 members:

No	Full name	Duty	Election date of members of the Supervisory Board
1	Ms. Tran Thuy Khanh	Head of the Supervisory Board	12/6/2020
2	Ms. Tran Thi Phuong Thao	Members of the Supervisory Board	Term expires on 05/04/2024
3	Ms. Truong Thi Hue	Members of the Supervisory Board	Term expires on 05/04/2024

- On April 5, 2024, at the 2024 Annual General Meeting of Shareholders, 3 members were elected for the term 2024-2029 including::

No	Full name	Duty	Election date of members of the Supervisory Board
1	Ms. Tran Thuy Khanh	Head of the KS Department	05/04/2024
2	Ms. Nguyen Thi Kim Oanh	Members of the Supervisory Board	05/04/2024
3	Ms. Ha Thi Mai	Members of the Supervisory Board	05/04/2024

- During the year, the Supervisory Board held periodic meetings with participating members, evaluating the Company's activities according to their functions and tasks;

No	Full name	Term	Number of Meetings	Attendance Rate
1	Tran Thuy Khanh	Term 2024-2029	6/6	100%
2	Nguyen Thi Kim Oanh	Term 2024-2029	5/6	100%
3	Ha Thi Mai	Term 2024-2029	5/6	100%
4	Tran Thi Phuong Thao	Term 2020-2024	1/6	100%
5	Truong Thi Hue	Term 2020-2024	1/6	100%

- The Supervisory Board has attended meetings of the Board of Directors, participated in opinions according to the functions and tasks of the Supervisory Board;

- The Supervisory Board supervises the Board of Directors and the Board of Directors in the management and administration of the Company. Supervise the implementation of the Resolution of the General Meeting of Shareholders and the Resolution of the Board of Directors;

- Checking compliance with the Charter and the Company's Regulations;

- Propose the Board of Directors to select an auditing unit for the 2024 Financial Statements;

- Verification of Quarterly Financial Statements, 6-Month Review Report, Audited Financial Statements in 2024. The report of the Board of Directors and the Board of Directors shall be submitted to the General Meeting of Shareholders in order to assess the truthfulness of financial figures and conformity with accounting standards

- Supervising and commenting on management accounting: debts; inventory...

- Supervision and comments on settlement with tax authorities

- Members of the Supervisory Board always strive to closely follow their functions and tasks, propose ideas and solutions, contributing to ensuring the Company's operation safely, efficiently and in compliance with the law.

- Remuneration paid by the Supervisory Board in 2024

STT	Name	Duty	Remuneration in 2024
1	Tran Thuy Khanh	Head of the Supervisory Board	210,000,000
2	Nguyen Thi Kim Oanh	TV BKS (4-12/2024)	9,000,000
3	Ha Thi Mai	TV BKS (4-12/2024)	9,000,000
4	Tran Thi Phuong Thao	TV BKS(1-3/2024)	12,000,000
5	Truong Thi Hue	TV BKS(1-3/2024)	12,000,000
	Total		252,000,000

II. Results of monitoring the implementation of the resolution of the 2024 Annual General Meeting of Shareholders and the Company's financial situation

*Results of the implementation of the main targets in 2024:

Quota	Implement Year 2024	Plan Year 2024	Implement Year 2023	Comparison (%)	
				TH/KH	2024/2023
Net sales	1.293.252.290.335	1.350.000.000.000	1.113.485.199.319	95,80 reviews	116.14
Profit before tax	263.999.037.890 reviews	260.000.000.000	231.338.130.575 reviews	101.54 reviews	114.12
Profit after tax	237.232.159.581		216.896.216.300 reviews		109.38 reviews
Equity	162.290.420.000		162.290.420.000		100.00 USD
Dividends		20%	15%		-

***Observe:**

- Business results: Revenue: VND 1,293.25 billion, reaching 95.80% of the plan in 2024 and up 16.14% compared to 2023

- Profit before tax: VND 263.99 billion, reaching 101.54% compared to the plan in 2024 and up 14.12% compared to 2023

- Profit after tax: VND 237.23 billion, up 9.38% compared to 2023

- Total assets in 2024 increased by 18.49% compared to 2023 due to an increase in receivables of 32.28%; increased inventory by 22.12%; long-term assets increased by 19.37%...

- In 2024, the remuneration of the Board of Directors has been paid: 252 million VND; remuneration of the Board of Trustees: 252 million VND

III. Appraisal of the 2024 Financial Statements

- The 6-month reviewed financial statements and the 2024 financial statements are audited by AASC Auditing Firm Co., Ltd. The Company's financial statements are prepared in accordance with current accounting standards and regimes. Financial statements and explanatory documents shall be disclosed in a timely manner and in accordance with regulations.

- The Company has transactions with related parties, the Supervisory Board evaluates the transactions of related parties in compliance with the provisions of law and the Company's Charter, specifically transactions with related parties:

Quota	In 2024	Year 2023	In 2022
Revenue from sales and services	78,912,116,797	82,383,193,719	61,033,689,632
CPC1 Central Pharmaceutical Joint Stock Company	13,452,381	1,051,223,333	5,239,890,925
Tan Thinh Pharmaceutical Co., Ltd.	39,102,963,728	42,187,400,115	33,210,640,155
VNP Pharmaceutical Co., Ltd.	34,513,803,254	36,025,733,451	19,503,251,491
UPHARMA Joint Stock Company	5,272,596,814	3,118,836,820	3,079,907,061

Medzavy Pharmaceutical Joint Stock Company	9,300,620	-	-
Purchase of goods and services	18,744,253,841	16,247,219,611	16,195,913,218
CPC1 Central Pharmaceutical Joint Stock Company	2,523,614,370	2,172,345,320	2,118,153,120
Tan Thinh Pharmaceutical Co., Ltd.	15,984,677,172	13,464,083,920	13,178,973,830
VNP Pharmaceutical Co., Ltd.	-	190,713,571	357,248,858
UPHARMA Joint Stock Company	125,562,299	420,076,800	541,537,410
Medzavy Pharmaceutical Joint Stock Company	-	-	-
Ms. Phung Thanh Huong	110,400,000	-	-
Loan interest	-	1,008,594,318	1,907,883,033
Mr. Nguyen Thanh Binh	-	833,251,854	1,112,724,149
Mr. Nguyen Doan Liem	-	1,643,836	179,178,085
Mr. Le Nam Thang	-	173,698,628	319,110,672
Ms. Le Thi Kim Anh	-	-	118,153,631
Mr. Nguyen Tien Lung	-	-	108,813,642
Ms. Phung Thanh Huong	-	-	69,902,854

- Periodically, the Board of Directors evaluates the indicators of revenue, costs, etc. and have timely solutions to improve the Company's business efficiency.

- The Supervisory Board has considered, verified and agreed to the Company's audited financial statements for 2024

*Some financial indicators:

Quota	Unit	2024	2023	2024/2023
1. Solvency				
- Fast payment capabilities	times	1,35	1,36	0,99
- Current solvency	times	3,00	2,90	1,03
2. Operational capacity				
- Total Asset Turnover	ring	1,09	1,13	0,97
- Fixed Asset Turnover	ring	3,68	3,37	1,09
- Accounts receivable turnover	ring	4,50	4,48	1,01
- Inventory Turnover	ring	1,47	1.66 reviews	0.8 8
3. Profit rate				

- Profit before tax/Gross Revenue	%	20.3 7	20.7 4	0.98 reviews
- Profit before tax/BQ Total Assets	%	22,33 reviews	23.40 reviews	0.95
- Profit before tax/Charter capital	%	162.67 reviews	142.55 reviews	1.14 reviews

*Observe:

Financial targets in 2024:

- Solvency; operational capacity; billion stable profits
- Receivables turnover, inventory turnover decreases

IV. Results of supervision of the governance and operating activities of the Board of Directors and the Executive Board

1. Activities of the Board of Directors:

- Organize the General Meeting of Shareholders in accordance with the law and the Company's Charter. On April 5, 2024, the General Meeting of Shareholders elected members of the Board of Directors and members of the Supervisory Board for the term 2024-2029.

- The Board of Directors has held periodic meetings as prescribed. The Supervisory Board assesses that the operation of the Board of Directors is in accordance with the provisions of law and the Company's Charter, meeting the requirements of production and business activities.

- The Board of Directors has issued resolutions and decisions related to the Company's activities within the scope of responsibilities and authority of the Board of Directors. Resolutions and decisions of the Board of Directors are promulgated in accordance with the provisions of law and the Company's Charter

- The Board of Directors and the Board of Directors have a short-term and long-term business plan, a reasonable investment plan to optimize production and business efficiency

The management work is strictly implemented, periodically or irregularly disclosing information in accordance with the law.

2. Activities of the Executive Board:

- In 2024, in the context of socio-economic recovery, the health sector will also have many changes in state management such as the Law on Pharmacy, the law on bidding to create opportunities and challenges, besides there are unpredictable risks such as market fluctuations, technology, natural disasters, storms and floods, etc. has affected the Company's production and business activities, but the Supervisory Board highly appreciates the efforts of the Board of Directors, the Board of General Directors, Directors of Business centers, managers at all levels and all employees of the Company for uniting to overcome difficulties and challenges to complete the business plan in 2024

- The Board of Directors has directed and closely monitored production and business activities and implemented many solutions: Product research and development, production management, market expansion, product promotion, cost control, etc. (Major repair of factories, operators, investment in facilities for branches. Investment in production MMTB; GMP appraisal; application of e-commerce to business...)

- The Executive Board cares about employees with attractive and cohesive policies remuneration for employees to create a dynamic and effective working environment
- The Board of Directors and the Board of Directors have distributed profits, paid dividends and paid remuneration to the Board of Directors and the Supervisory Board in accordance with the resolution of the 2024 General Meeting of Shareholders.
- The Board of Directors has properly and fully implemented the policies and decisions of the Board of Directors; complying with laws, charters and governance regulations in the management and administration of the Company's production and business activities

3. Coordination of activities of the Supervisory Board with the Board of Directors and the Executive Board:

- In 2024, the Supervisory Board, the Board of Directors, the Executive Board and managers have maintained close coordination on the principle of the common interests of the Company, complying with the provisions of law, Charter and internal regulations of the Company;
- The Supervisory Board has properly performed its functions and tasks as prescribed in the Company's Charter; documents and information are provided fully and promptly to create conditions for the Supervisory Board to perform its tasks.

V. Operational orientation of the Supervisory Board in 2025:

In order to properly implement the control work in accordance with the provisions of the Law on Enterprises, the Company's Charter and the operation regulations of the Supervisory Board, the Supervisory Board sets out an operation plan in 2025 with the following main contents:

- Supervise the observance of legal regulations, the Company's Charter, the implementation of the Resolutions of the General Meeting of Shareholders and the Board of Directors of the Company;
- Supervise management and administration activities according to functions and tasks;
- Appraisal of quarterly, 6-month and 2025 financial statements.

The above is the Activity Report of the Supervisory Board in 2024, respectfully submitted to the General Meeting of Shareholders for approval.

Thank you very much!

Recipient:

- Annual General Meeting of Shareholders 2025;
- Members of the Board of Directors, Board of Directors, Supervisory Board;
- Save: VT.

**On behalf of the Supervisory Board
Head of the Supervisory Board**



Trần Thuy Khanh