



CAN THO
PESTICIDES JOINT
STOCK COMPANY

ANNUAL REPORT

2024

“ *CPC - Partnering With Farmers For
A Bountiful Harvest* ”



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GENERAL INFORMATION

General Information

Business lines and the location of the business

Information About Governance Model, Business
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GENERAL INFORMATION

Trade name:	: CAN THO PESTICIDES JOINT STOCK COMPANY
International name	: CAN THO PESTICIDES JOINT STOCK COMPANY
Stock symbol	: CPC
Business Registration Certificate	: No. 1800457478 , issued by the Department of Planning and Investment of Can Tho City, was first granted on May 7, 2002, and amended for the 12th time on January 14, 2022
Charter Capital	: 43,030,500,000 dong
Owner's Investment Capital	: 43,030,500,000 dong



Charter Capital

43,030,500,000 VND



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Logo	:





ESTABLISHMENT AND DEVELOPMENT PROCESS



“CPC - Partnering with Farmers for a Bountiful Harvest”



BUSINESS LINES AND THE LOCATION’S BUSINESS

LOCATIONS OF THE BUSINESS

Can Tho Pesticides Joint Stock Company has an extensive distribution network spanning from the Central and Tay Nguyen to several provinces in the Mekong Delta. The company’s flagship products, branded under CPC, feature a triangular logo with a green background and an image of a rice ear, symbolizing the aspiration: “CPC - Partnering Farmers for a Bountiful Harvest.”, including: Herbicides, Molluscides (snail control), Root fertilizers, Insecticides and miticides (spider), Fungicides, Rodenticides and Nematicides (nematode control).



Head office

51 Truong Van Dien, Phuoc Thoi Ward, O Mon District, Can Tho City

BUSINESS LINES

Can Tho Pesticides Joint Stock Company focuses primarily on manufacturing and trading plant protection products, biological agents, and various chemicals. The company also imports and distributes fertilizers, agricultural machinery, and equipment, as well as produces and supplies chemicals for aquaculture.

In addition, Can Tho Pesticides Joint Stock Company engages in other business activities registered under its business license, including

Code	Industry Name
2012 (main)	Fertilizer and nitrogen compound manufacturing.
1020	Processing and preserving aquatic products. Details: Processing seafood for export.
2021	Manufacturing pesticides and other agricultural chemicals.
2029	Manufacturing other chemical products not elsewhere classified. Details: Producing veterinary drugs for aquaculture, biological products, environmental treatment products, feed additives, and aquaculture feed and chemicals
4632	Wholesale of food products. Details: Exporting processed food.
4649	Wholesale of other household goods. Details: Trading and importing/exporting veterinary drugs for aquaculture.
4653	Wholesale of agricultural machinery, equipment, and accessories. Details: Importing and trading agricultural machinery, equipment, and tools.
4669	Other specialized wholesale not elsewhere classified. Details: Importing and trading pesticides, biological products, and various chemicals; importing and trading fertilizers; trading environmental treatment products for aquaculture; trading aquatic breeds, feed additives, and aquaculture feed; exporting pesticides, fertilizers, and agricultural chemicals.
4932	Other passenger road transport.
4933	Freight transport by road.



BUSINESS LINES AND THE LOCATION'S BUSINESS

CORE PRODUCTS

With over 30 years of operation and research, CPC has developed more than 40 different agro-chemical products. However, to ensure safety and environmental protection, CPC has refined its product portfolio under the guidance of the Department of Crop Production and Plant Protection (CP&PP) under the Ministry of Agriculture and Rural Development. Currently, CPC exclusively manufactures and distributes agrochemical products that are certified by CP&PP and meet the three standards: ISO 9001:2015, ISO 14001:2015, ISO/IEC 17025:2017. These products include:

Herbicides

PLATIN 55EC

Active Elements: Butachlor 27.5% + Propanil 27.5%

Function: Platin 55EC is a selective herbicide that works both pre-emergence and early post-emergence. It effectively controls most types of weeds, including barnyard grass (*Echinochloa*), goosegrass (*Eleusine indica*), sprangletop (*Leptochloa*), sedges (*Cyperus*), and other aquatic weeds in rice fields



YOSTAR 200SL

Active Elements: Glufosinate - ammonium 200g/l

Function: YOSTAR 200SL is a non-selective herbicide with both contact and systemic action. It effectively controls a wide range of annual and perennial broadleaf and grassy weeds from early growth stages to vigorous development



Molluscides (snail control)

MOLUCIDE 6GB:

Active Elements: Metaldehyde 6%.

Function: MOLUCIDE 6GB eliminates snails through contact and ingestion, causing excessive mucus secretion, leading to dehydration and rapid death.



Rodenticides

CAT 0.25WP

Active Elements: Bromadiolone 0.25%

Function: CAT 0.25WP is a rodenticide from the new-generation anti-coagulant group. It is tasteless and does not cause convulsions, preventing rodents from feeding up with bait



Root Fertilizer

CALINO 657

Function: Enhances nutrient absorption, prevents nutrient leaching, and neutralizes harmful heavy metals in the soil. Provides essential nutrients for plants, boosting resistance to pests and adverse weather conditions. Suitable for various crops, promoting strong growth, green leaves, increased fruit setting, and reduced fruit cracking. Compatible with different soil types



CALINO 558

Function: Specially formulated for industrial crops, fruit trees, and rice, enabling easy absorption of N, P, K, and essential nutrients that are currently deficient in the soil, enhances crop yield, strengthens plants, prevents fruit cracking, reduces lodging, and maintains green foliage; Acts as an active soil colloid, facilitating ion exchange for plant roots. Neutralizes toxic substances affecting roots, particularly in early-season soil acidification or organic toxicity caused by decomposing plant residues, such as straw and unrotted organic matter; Creates unfavorable conditions for nematode reproduction and Fusarium fungi, helping to prevent root rot and nematode-related diseases





BUSINESS LINES AND THE LOCATION'S BUSINESS

CORE PRODUCTS

Fungicides

FIREMAN 800WP

Active Elements: Tricyclazole 400g/kg;
Isoprothiolane 400g/kg

Function: FireMan effectively prevents and treats rice blast disease and panicle blight with long-lasting, high efficacy

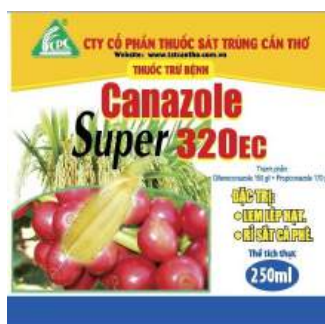


CANAZOLE SUPER 320EC

In 2024, CPC introduced a new fungicide product, Canazole Super 320EC, designed for rice and coffee crops.

Active Elements: Propiconazole 170g/l + Difenconazole 150g/l

Function: Canazole Super 320EC is a broad-spectrum systemic fungicide containing a combination of two active ingredients. It provides both preventive and curative effects, effectively controlling grain discoloration (sheath blight) in rice and rust disease in coffee plants



ZINCOPPER 50WP

Active Elements: Zineb 20%; Copper -Oxychloride 30%

Function: Zincopper 50WP is a broad-spectrum fungicide with contact action, effectively preventing and treating major diseases such as anthracnose, powdery mildew, downy mildew, and leaf spot



CAJET M10 72WP:

Active Elements: Cymoxanil 8%; Mancozeb 64%

Function: CAJET M10 72WP is a dual-active ingredient formulation with a broad-spectrum effect, providing both preventive and curative action against plant diseases. Its multi-site mode of action reduces the risk of fungal resistance. It is especially effective in controlling downy mildew on tomatoes, grapes, and watermelons, as well as vine wilt disease in pepper plants



Insecticides and miticides (spider)

A variety of product types such as emulsifiable concentrates, water-soluble powders, and granules for farmers to choose from, effectively eliminating most types of pests, thrips, aphids, red mites, etc., on a wide range of crops – from rice and fruit trees to vegetables and perennial industrial plants.

ACE 5EC

Active Elements: Alpha cypermethrin 50g/l

Function: ACE 5EC is an insecticide that acts through contact and ingestion



CATODAN 18SL

Active Elements: Nereistoxin 180g/l

Function: Catodan 18SL is an insecticide with contact and stomach poison effects, featuring fumigation and systemic action.



CANON 100SL

Active Elements: Imidacloprid 100g/l

Function: Canon 100SL is a broad-spectrum insecticide with contact and systemic action, effectively controlling various pests. It is especially effective against thrips without harming flowers



SAUTIU 3.6EC

Active Elements: Abamectin 36g/l

Function: Sautiu is a broad-spectrum insecticide with contact and stomach poison effects. It effectively controls rice leaf folder, stem borer, semi-looper, diamond-back moth, armyworm, leaf miner, thrips, aphids, mites, and more





BUSINESS LINES AND THE LOCATION'S BUSINESS

CORE PRODUCTS

Insecticides and miticides (spider)

FENTOX 25EC

Active Elements: Fenvalerate 3,5%; Dimethoate 21,5%

Function: Combination of two active ingredients: Fenvalerate and Dimethoate. Fentox is highly effective in pest control with multiple actions, including contact, stomach poison, repellent, and systemic effects



PALM 5GR

Active Elements: Dimethoate 3%-Fenobucard 2%

Function: Palm 5GR is a broad-spectrum insecticide with contact, stomach poison, and systemic action



YONLOCK 240SC

Active Elements: Spirodiclofen 240g/l

Function: It is a miticide with contact action. The product is registered for controlling mites on orange trees and bonsai trees, effectively eliminating mite larvae and eggs. It is especially effective in preventing egg hatching, ensuring thorough mite eradication



CANURON 100EC

Active Elements: Lufenuron 100g/l

Function: This is a new-generation insecticide with stomach poison action. It has a broad spectrum of activity and a unique mode of action by inhibiting chitin synthesis, preventing larvae from molting and causing death within 2-3 days.



Nematicides (nematode control)



Active Elements: Fosthiazate 10% + Abamectin 0.5%

Function:

- » Contact, systemic, and translocated activity → Highly effective with multiple ways to eliminate nematodes in soil and plant tissues (roots, water, and nutrient-conducting vessels). Strengthens root systems and promotes plant growth.
- » Kills both eggs and adult nematodes.
- » More effective and less toxic to the environment compared to previous nematicides.
- » Works efficiently on various soil types.
- » Eliminates almost Nematodes
 - Root-knot nematodes: Cause galls or swellings on plant roots..
 - Root-rot nematodes: Lead to rotting and blackened roots.
 - Root-lesion nematodes: Damage roots by creating wounds, making them vulnerable to harmful fungi.





INFORMATION ABOUT GOVERNANCE MODEL, BUSINESS ORGANIZATION AND MANAGERIAL APPARATUS

GOVERNANCE MODEL

The company operates under a joint-stock company model, with a governance structure consisting of the General Meeting of Shareholders, the Board of Directors, the Supervisory Board, and the General Director



GENERAL MEETING OF SHAREHOLDERS

The General Meeting of Shareholders is the highest authority, responsible for making key decisions regarding the company in accordance with the Enterprise Law and the company's charter. It approves long-term investment policies for the company's development, determines capital structure, and elects the Board of Directors and the Supervisory Board.



GENERAL DIRECTOR

The General Director is responsible for managing the company's operations and is accountable to the Board of Directors for carrying out assigned duties and responsibilities. The General Director makes decisions on the company's daily operations. The General Director is appointed and dismissed by the Board of Directors.



SUPERVISORY BOARD

The Supervisory Board monitors and ensures the legality and reasonableness of the company's management and business operations, including accounting and financial records, to protect the legitimate interests of shareholders. The Supervisory Board consists of three to five members with a five-year term, elected by the General Meeting of Shareholders.



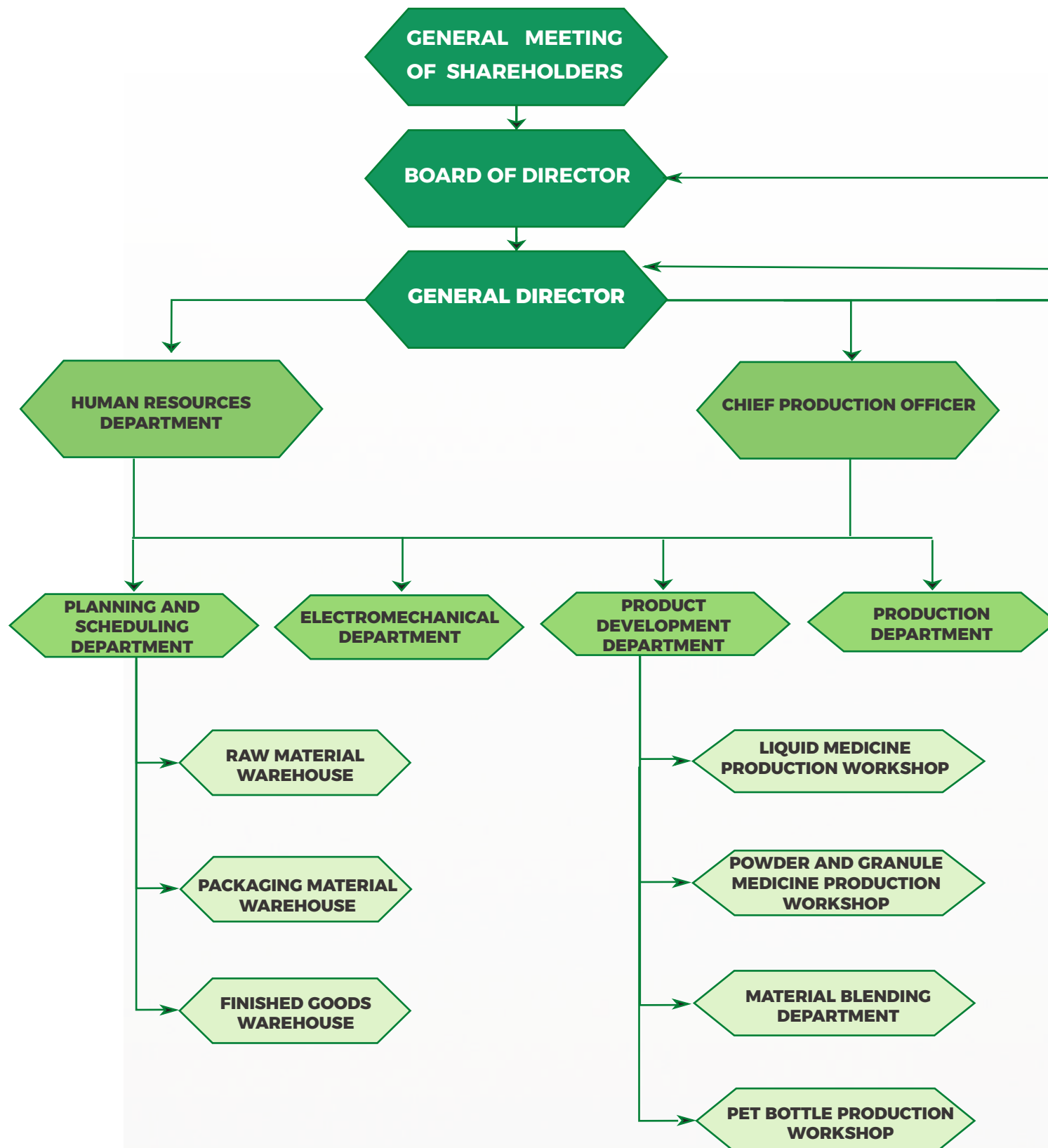
BOARD OF DIRECTORS

The Board of Directors is the governing body of the company, having full authority to act on behalf of the company in making decisions related to its objectives and interests, except for matters under the jurisdiction of the General Meeting of Shareholders. The Board defines policies for the company's growth and stability, implementing decisions from the General Meeting of Shareholders through strategic planning and timely business actions. The Board consists of at least five members, each serving a maximum term of five years and eligible for re-election at subsequent General Meetings of Shareholders.



INFORMATION ABOUT GOVERNANCE MODEL, BUSINESS ORGANIZATION AND MANAGERIAL APPARATUS

MANAGEMENT STRUCTURE



SUBSIDIARIES AND AFFILIATES

None

“CPC – Partnering with Farmers for a Bountiful Harvest”



DEVELOPMENT ORIENTATIONS

KEY OBJECTIVES OF THE COMPANY



Can Tho Pesticides Joint Stock Company (CPC) aims to enhance operational efficiency, achieve sustainable development, and contribute to the community. To accomplish these goals, CPC focuses on three main areas: human resource development, business optimization, and market expansion



01

Human Resources



The company establishes strict recruitment and training processes while ensuring the well-being and rights of employees. CPC also implements periodic health check-ups to improve both the physical and mental efficiency of its workforce

02

Production and Business Operations



CPC strives to enhance its management system and upgrade production lines to meet domestic demand and expand into international markets. The company maintains high product quality standards, builds strong customer trust, and broadens its market presence both locally and regionally

03

Market Expansion



CPC focuses on developing distribution networks in potential regions such as the Central Highlands and the Mekong Delta. Additionally, the company strengthens brand promotion under the motto "CPC - Partnering with Farmers for a Bountiful Harvest", reaffirming its commitment to supporting farmers in agricultural production

SUSTAINABLE DEVELOPMENT GOALS,

KEY SHORT- AND MEDIUM-TERM PROGRAMME OF COMPANY

With the vision of becoming a leading brand in the agricultural chemical industry in Vietnam and expanding internationally, CPC identifies product quality as the core pillar of its long-term strategy. The company is committed to:

01

Enhancing Research & Development



Expanding scientific research activities, collaborating with universities, research institutes, and industry experts to develop new, environmentally friendly agricultural chemical products. ular training programs to raise environmental awareness among its employees.

02

Building a High-Quality Workforce



Providing specialized training for employees to improve technical skills, production management, and quality control to meet the increasing demands of the market.

03

Ensuring Strict Quality Control



Implementing advanced quality management systems such as ISO 9001:2015 and ISO 14001:2015 throughout the entire production process, from raw materials to final products, ensuring stability and high efficiency

04

Developing Sustainable Products



Focusing on producing biological pesticides and eco-friendly products to promote cleaner and safer agricultural practices.



With these objectives, CPC aims not only to deliver high-quality products but also to solidify its market position while supporting farmers in developing sustainable agriculture





DEVELOPMENT ORIENTATIONS

SUSTAINABLE DEVELOPMENT GOALS, KEY SHORT- AND MEDIUM-TERM PROGRAMME OF COMPANY

As an agricultural chemical company in Vietnam, CPC recognizes its responsibility toward the environment, society, and the community, as demonstrated through various practical and effective programs:

- » **Environmental Responsibility:** CPC prioritizes industrial waste management to prevent leaks that could harm the surrounding environment. The company has invested in a nationally certified wastewater treatment system and equipped safety measures to prevent fire and explosions. CPC also conducts regular training programs to raise environmental awareness among its employees.
- » **Social and Community Contributions:** In addition to providing high-quality products, CPC actively educates farmers on proper and effective usage through training programs and workshops promoting sustainable agriculture. The company also organizes social initiatives to support farmers affected by poor harvests and participates in charitable activities such as disaster relief efforts and financial assistance for underprivileged children, particularly those with disabilities.

Through these initiatives, CPC not only strengthens its brand reputation but also contributes to building a sustainable community, aligning business success with social responsibility.





RISKS



ECONOMIC RISKS

The year 2024 witnessed positive economic growth in Vietnam amid a complex global economic landscape, with global trade remaining uncertain and facing multiple risks and instabilities. According to a report from the General Statistics Office, Vietnam's GDP is estimated to have grown by 7.09% compared to the previous year, surpassing the target of 6-6.5%. In terms of the total added value increase across the economy, the agriculture, forestry, and fishery sector grew by 3.27%, lower than in 2022 and 2023 (3.36% and 3.83%, respectively), contributing 5.37% to GDP. The reason behind this was that agricultural, forestry, and fishery production in 2024 took place under complicated weather conditions, including intense heat waves, droughts in Tay Nguyen and Central area of Vietnam, and saline intrusion in southern provinces, particularly the impact of Typhoon No. 3 on northern localities. However, thanks to the proactive involvement of the entire political system in disaster prevention, mitigation, and timely recovery efforts, the agricultural, forestry, and fishery sector in 2024 maintained positive growth, meeting domestic demand and export needs.

According to the United Nations' forecast, the global economy in 2025 is expected to continue stable growth at 2.8%, unchanged from 2024. Central banks are expected to continue lowering interest rates in 2025 as inflationary pressures ease. Global inflation is projected to decline from 4% in 2024 to 3.4% in 2025, providing relief for households and boosting business

demand. However, risks remain, including the potential for commodity prices to surge again due to climate shocks and escalating geopolitical tensions. Expanding regional conflicts, especially broader conflicts in the Middle East and Ukraine, could further disrupt trade activities, leading to higher prices for food, energy, and other goods. This poses a significant cost pressure on CPC, as the company imports most of its key product components from China, with prices fully dependent on global commodity market fluctuations.

To address these risks, CPC has implemented several proactive and effective measures. The company focuses on developing competitively priced products that align with market demand, ensuring stable revenue and profitability. CPC has also strengthened partnerships with suppliers and distributors to stabilize input prices and expand its market reach. Additionally, the company is investing in research and development of new products, particularly organic and biological products, to meet sustainable consumption trends and reduce dependence on traditional raw materials.

Furthermore, CPC continuously updates its macroeconomic and market insights to promptly adjust business strategies and enhance its ability to respond to economic changes. These measures help CPC mitigate economic risks, protect shareholder interests, and maintain sustainable growth.



LEGAL RISKS

As a company specializing in the production of pesticides and agricultural chemicals, CPC is subject to strict regulations under the Environmental Protection Law, the Food Safety Law, and other chemical usage-related regulations. Increasingly stringent standards for environmental protection, occupational safety, and product quality control may raise compliance costs and pose legal risks if the company fails to meet new requirements in a timely manner.

Additionally, as a publicly listed company on the HNX, CPC must comply with the Enterprise Law, the Securities Law, the Labor Law, and other relevant legal frameworks. Furthermore, as Vietnam's stock market aims to upgrade to emerging market status by 2025, disclosure regulations are becoming more stringent, increasing compliance pressure on businesses.

Specifically, starting in 2025, under Circular No. 68/2024/TT-BTC issued by the Ministry of Finance, public companies will be required to disclose information in both Vietnamese and

English. This regulation is intended to enhance transparency and improve access to information for both domestic and international investors. However, the simultaneous implementation of bilingual disclosures will significantly increase operating costs, especially for companies without an established translation and quality control system. Moreover, the pressure to ensure timely and accurate disclosure from the outset may pose challenges for businesses, increasing the risk of regulatory violations, administrative penalties, and potential damage to their reputation in the stock market.

Recognizing these challenges, CPC's management proactively updates the latest legal regulations and has established a comprehensive legal risk management system. This system includes internal regulations and strict monitoring procedures to ensure full legal compliance across all operations, minimizing potential risks that could impact the company.





RISKS



EXCHANGE RATE RISK

In 2025, exchange rate risk will continue to be a significant factor affecting CPC's operations, as imported raw materials account for 70-80% of total input, with over 80% sourced from China. These transactions are primarily settled in USD, meaning any fluctuations in the USD exchange rate could directly impact the cost of goods sold, increase production costs, and affect the company's profit margins. The year 2025 is expected to see considerable macroeconomic volatility, leading to continued fluctuations in exchange rates. Therefore, CPC has developed scenarios to mitigate the adverse effects of exchange rate risks. Specifically, the company has implemented flexible cash flow management measures, including maintaining reasonable foreign currency reserves and optimizing import planning to minimize the impact of exchange rate fluctuations.



ENVIRONMENTAL RISK

As a company operating in the agricultural chemicals and pesticide industry, CPC faces significant environmental risks due to the high pollution potential of its production processes. Industrial waste generated during manufacturing, if not strictly controlled, can severely impact water, air, and soil quality, as well as the health of surrounding communities. The company may incur additional costs to mitigate environmental impacts and face legal risks related to environmental regulations.

► **Water Pollution Risk:** Wastewater from CPC's production processes may contain hazardous chemicals that pollute surface water, groundwater, and aquatic ecosystems. If not treated according to regulatory standards, wastewater discharge can negatively affect local communities' daily lives and agricultural activities.

► **Air Pollution Risk:** CPC's manufacturing activities release emissions containing harmful substances such as SO₂, NO_x, and chemical dust, which can degrade air quality and pose health risks to workers and nearby residents. Failure to effectively control emissions may lead to violations of environmental standards, resulting in financial and legal consequences for the company.

► **Soil Pollution and Solid Waste Risk:** CPC generates large amounts of waste, including plastic packaging, pesticide containers, and chemical drums. Improper collection and disposal of these materials can lead to soil contamination, negatively impacting the local ecosystem and landscape.

To mitigate environmental risks, CPC has implemented comprehensive measures to control the impact of its operations. The company has invested in standardized wastewater and air treatment systems to ensure that emissions comply with regulatory limits. Additionally, CPC is actively researching and adopting environmentally friendly technologies to reduce pollution. The company also prioritizes raising employee awareness of environmental protection through training programs on waste management and resource conservation. Furthermore, CPC collaborates with regulatory agencies to ensure full legal compliance, conducts periodic environmental impact assessments, and builds a reputation as a responsible and sustainable enterprise.

“ **CPC – Partnering with Farmers for a Bountiful Harvest** ”

Industry-Specific Risks



RAW MATERIAL SUPPLY RISK

In 2025, CPC continues to face risks associated with raw material price fluctuations. A significant portion of its production materials—including technical chemicals, solvents, emulsifiers, fillers, and performance enhancers—remains heavily dependent on imports, accounting for up to 80% of total production costs. Each year, raw material supply agreements are negotiated and purchases are planned based on estimated demand, but pricing remains entirely subject to fluctuations in global commodity markets. As a result, any instability affecting commodity prices can directly impact CPC's cost of goods sold, revenue, and profitability.

During 2023-2024, global raw material prices surged due to the impact of the Russia-Ukraine war and China's export control measures. Entering 2025, although global inflation is projected to decrease to 3.4%, supply chain disruptions remain a risk—particularly as regional tensions may drive up fuel prices and transportation costs. Consequently, CPC may continue to face unpredictable raw material price fluctuations, which could affect its profitability and competitive position.

To mitigate this risk, CPC has implemented several strategic measures. The company continues to adopt a short-term purchasing policy (1-3 months), allowing for flexible price adjustments in response to market conditions. Additionally, CPC has expanded its supplier network, currently maintaining 2-3 suppliers for each key raw material to reduce dependency on a single source. Furthermore, the company has strengthened its raw material reserves at reasonable levels to ensure supply stability in case of sudden price spikes or supply chain disruptions. Through these measures, CPC aims to effectively manage raw material risks, maintain stable production, and safeguard its profitability in 2025.





Industry-Specific Risks

CLIMATE CHANGE RISK

As a manufacturer of pesticides and agricultural chemicals, CPC is significantly impacted by climate change. Unpredictable weather patterns, including rising temperatures, irregular storms, prolonged droughts, and rising sea levels, not only affect agricultural production but also directly impact market demand, raw material supply chains, and CPC's business performance. Phenomena such as crop failures due to droughts, floods, or extreme weather can reduce cultivated land, leading to a sharp decline in demand for pesticides and directly affecting CPC's market.

To address these risks, CPC has proactively implemented various measures to adapt to climate change. The company closely collaborates with regulatory agencies and scientific organizations to ensure its products meet new environmental standards. Additionally, CPC conducts training programs to guide farmers on the effective and sustainable use of pesticides. These initiatives not only help CPC mitigate risks but also provide a competitive advantage as the agricultural industry shifts toward greener and more sustainable practices



OTHER RISKS

In addition to economic, legal, and environmental risks, CPC also faces force majeure risks such as fires, natural disasters, and other unforeseen events that could significantly impact its assets, production activities, and the safety of its employees. As a chemical manufacturing company, the risk of fire and explosion is ever-present due to the flammability of raw materials and the complexity of chemical reactions. Furthermore, natural disasters such as storms, floods, and droughts could disrupt the supply chain for imported materials, affecting production and business operations.

Recognizing these risks, CPC has proactively

implemented various measures to minimize potential damage. The company has secured fire and explosion insurance as well as property insurance to mitigate financial losses in emergency situations. Additionally, CPC has developed contingency plans for force majeure events, including emergency evacuation procedures, incident response protocols, and asset protection measures to ensure personnel safety and minimize losses. The company also regularly conducts training programs on fire prevention, disaster response, and emergency management for its employees to enhance their readiness and ability to respond swiftly to unexpected incidents

COMPETITIVE RISK

The agrochemical industry is highly competitive, with participation from both domestic and international companies. To maintain a competitive edge, CPC must continuously innovate its products, improve services, and enhance customer experience.

One of CPC's biggest challenges is the increasing presence of imported products from foreign companies, particularly from China and other countries with advanced chemical industries. These imported products often have lower costs due to economies of scale and reduced production expenses, forcing CPC to adjust its pricing strategies to remain competitive. Additionally, domestic competitors are continuously improving their products, expanding distribution networks, and offering attractive promotions to attract customers



In response to growing competitive pressures, CPC has implemented various strategies to strengthen its market position. The company consistently enhances product quality, researches new formulations tailored to modern agricultural needs, and ensures competitive pricing. Moreover, CPC places strong emphasis on brand communication, positioning itself as a trusted provider committed to quality and agricultural efficiency. This helps improve brand recognition and customer trust in the market



02

OPERATIONS IN 2024

Situation Of Production and Business Operations

Organization and Personnel

Investment situation and project implementation situation

Financial Situation

Shareholder Structure and Changes in Owner's Equity

Environmental and Social Impact Report of the Company





SITUATION OF PRODUCTION AND BUSINESS OPERATIONS



SITUATION OF PRODUCTION AND BUSINESS OPERATIONS

General Overview of the Agricultural Sector in 2024:

Despite being heavily impacted by natural disasters, particularly Typhoon No. 3 (Typhoon Yagi) in early September 2024, the agricultural sector achieved significant growth by the end of the year, thanks to the concerted efforts of the entire political system. According to the Ministry of Agriculture and Rural Development, the total agricultural production value in 2024 increased by 3.3% compared to 2023. The total export turnover of agricultural, forestry, and fishery products reached a record high of \$62.4 billion, marking an 18.5% increase. The trade surplus stood at \$18.6 billion, up 53.1% from 2023. This growth was driven by the sector's shift towards higher value-added production, green transformation efforts, and successful trade negotiations opening new markets for key agricultural products. Regarding rice production, the 2024 autumn-winter crop covered 1.55 million hectares, an increase of 3,900 hectares compared to 2023. However, the average rice yield declined to 50.4 quintals per hectare, down by 2.9 quintals per hectare, mainly due to the impact of Typhoon No. 3, which significantly affected the Northern region (a 4.9 quintal per hectare decrease). Consequently, total autumn-winter rice production

reached 7.81 million tons, reflecting a decline of 436,400 tons nationwide, with 584,800 tons lost in the Northern provinces.

For CPC, its plant protection products are distributed across Central, Tay Nguyen, and Mekong Delta provinces, where rice crops were primarily affected by drought and saltwater intrusion rather than typhoons. However, due to effective seed restructuring and a shift from extensive to intensive rice farming, focusing on quality, efficiency, and sustainability, rice production in these regions remained resilient. In 2024, the total cultivated rice area in these key regions was estimated at 1.03 million hectares, with an average yield of 60.48 quintals per hectare (0.37 quintals per hectare increase) and a total production of 6.229 million tons (15,600 tons increase compared to 2023).

The favorable market conditions for rice significantly boosted farmers' incomes, leading to increased demand for pesticides and plant protection products, thereby positively impacting CPC's revenue. However, high raw material costs continued to exert pressure on CPC's profit margins.

Company's Business Performance in 2024

No	Indicator	Actual 2023	Target 2024	Actual 2024	%Actual 2024 /2023	% Actual 2024/ Target 2024
1	Net Revenue	189,364	190,000	190,030	100.35%	100.02%
2	Cost of Goods Sold	147,012	-	148,494	101.01%	-
3	Gross Profit	42,352	-	41,535	98.07%	-
4	Gross Profit Margin	22.37%	-	21.86%	-0.51%	-
5	Profit Before Tax	12,810	11,000	14,978	116.92%	136.16%
6	Profit After Tax	10,207	8,800	10,001	97.98%	113.65%
7	Dividends (cash)	18%	15 - 18%	18%	-	-

In the context of the agricultural sector, particularly the rice industry, achieving remarkable milestones in 2024, CPC successfully met its business plan targets for the past year. Net revenue recorded a slight increase of 0.35% compared to 2023, but profit after tax declined by 2%. The primary reason stems from the upward adjustment to taxable income for corporate tax purposes, amounting to 9,913 billion dong – a substantial increase compared to the insignificant adjustment recorded in 2023.

This adjustment significantly increased taxable income, thereby nearly doubling the corporate tax payable from 2,603 billion to 4,976 billion dong. As a result, the considerable gap between pre-tax accounting profit and post-tax profit this year does not indicate a decline in business performance, but rather reflects the impact of accounting practices and tax policy. The Company will strengthen its oversight of tax adjustments and proactively review current tax regulations to optimize its tax obligations in a compliant and reasonable manner. This approach not only enhances post-tax financial efficiency but also contributes to stabilizing cash flows, laying a solid foundation for future expansion plans and promoting sustainable growth in the coming years.

Furthermore, intense competition from both domestic and foreign enterprises, along with the growing emphasis on biological plant protection products in recent years, has put significant pressure on the company's sales growth. In response to these challenges, CPC has been actively researching and transitioning to less hazardous product lines while expanding its distribution network and enhancing customer service to strengthen farmers' trust. Despite these difficulties, CPC has gradually overcome obstacles, maintained growth momentum, and reaffirmed its position in Vietnam's crop protection industry.



ORGANIZATION AND PERSONNEL

EXECUTIVE BOARD LIST

As of December 31, 2024

No.	Member	Position	Shares Owned	Ownership Ratio
1	Nguyen Van Trung	Chief Executive Officer (CEO)	93,262	2.16%
2	Nguyen Ngoc Minh	Deputy Chief Executive Officer (Deputy CEO)	46,333	1.07%
3	Truong Vinh Le	Production Director	-	-
4	Bui Anh Dung	Marketing Director	15,428	0.35%
5	Pham The Hung	Sales Director	-	-

EXECUTIVE PROFILE

Mr. NGUYEN VAN TRUNG - Chief Executive Officer (CEO)

Date of birth: November 30, 1956

Nationality: Vietnam

Educational Background: 12/12

Professional Qualifications: Bachelor's Degree in Crop Science - Bachelor's Degree in Business Administration

Current Positions in Other Organizations: None

Current Shareholding: Personal: 93,262 shares (2.16% of charter capital)

Career Progression:

- 2002 - 2008: Chairman of the BOD cum CEO of Can Tho Pesticides Joint Stock Company
- 2008 - 08/2010: Chairman of the BOD of Can Tho Pesticides Joint Stock Company
- 08/2010 - 07/07/2020: Chairman of the BOD cum CEO of Can Tho Pesticides Joint Stock Company
- 07/07/2020 - now: CEO of Can Tho Pesticides Joint Stock Company cum BOD Member



EXECUTIVE PROFILE

Mr. NGUYEN NGOC MINH - Deputy Chief Executive Officer (Deputy CEO)

Date of birth: December 24, 1968

Nationality: Vietnam

Educational Background: 12/12

Professional Qualifications: Bachelor's Degree in Electrical Engineering - Bachelor's Degree in Business

Current Positions in Other Organizations: None

Current Shareholding: Personal: 46,333 shares (1.07% of charter capital)

Career Progression:

- 1990 - 1993: Employee at Hau Giang Water Supply and Drainage Company
- 1993 - now: Deputy Head of Electrical Engineering Department, Assistant to the CEO, Deputy CEO of Can Tho Pesticides Joint Stock Company

Mr. BUI ANH DUNG - Marketing Director

Date of birth: February 17, 1963

Nationality: Vietnam

Educational Background: 12/12

Professional Qualifications: Agricultural Economics Engineer - Master of Business Administration

Current Positions in Other Organizations: None

Current Shareholding: 15,428 shares (0.35% of charter capital)

Career Progression:

- 2002 - 2007: Head of the Supervisory Board at Can Tho Pesticides Joint Stock Company
- 2007 - 2011: Board Member cum Financial Director at Can Tho Pesticides Joint Stock Company
- 2011 - 04/2017: Board Member cum Marketing Director at Can Tho Pesticides Joint Stock Company
- 04/2017 - now: Marketing Director at Can Tho Pesticides Joint Stock Company

Mr. TRUONG VINH LE - Production Director

Date of birth: January 2, 1974

Nationality: Vietnam

Educational Background: 12/12

Professional Qualifications: Bachelor's Degree in Chemistry

Current Positions in Other Organizations: None

Current Shareholding: None

Career Progression:

- 1996 - 2002: Worked at Can Tho Department of Science, Technology & Environment
- 2002 - 2004: Worked at Can Tho Department of Natural Resources and Environment
- 2004 - 2021: Worked at Can Tho Pesticides Joint Stock Company
- 2021 - now: Production Director at Can Tho Pesticides Joint Stock Company

Mr. PHAM THE HUNG - Business Director

Date of birth: June 28, 1971

Nationality: Vietnam

Educational Background: 12/12

Professional Qualifications: Intermediate Accounting

Current Positions in Other Organizations: None

Current Shareholding: None

Career Progression:

- 04/2012 - 09/2013: Sales Representative for Dong Thap, ADC Co., Ltd.
- 10/2013 - 01/2014: Sales Team Leader for Dong Thap, ADC Co., Ltd.
- 02/2014 - 03/2015: Branch Director for Dong Thap, ADC Co., Ltd.
- 04/2015 - 09/2017: Regional Director for Dong Thap - Vinh Long - Tra Vinh, ADC Co., Ltd.
- 10/2017 - 05/2022: Deputy Business Director for Mekong Delta Region - In charge of Tien River, Tay Ninh, Ho Chi Minh City
- 05/2022 - now: Business Director at Can Tho Pesticides Joint Stock Company

CHANGES IN THE EXECUTIVE BOARD IN 2024: None



ORGANIZATION AND PERSONNEL

NUMBER OF EMPLOYEES

173

Average Salary

15,000,000

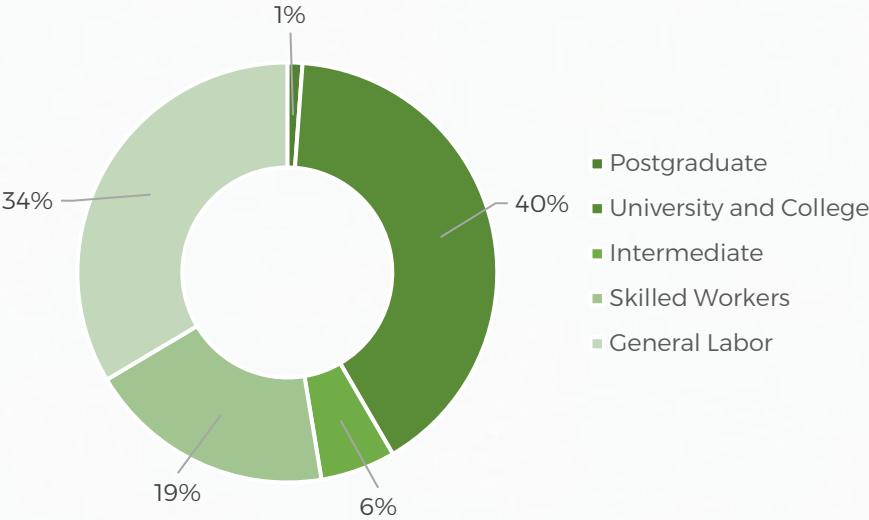
(VND/person/month)

NUMBER OF EMPLOYEES

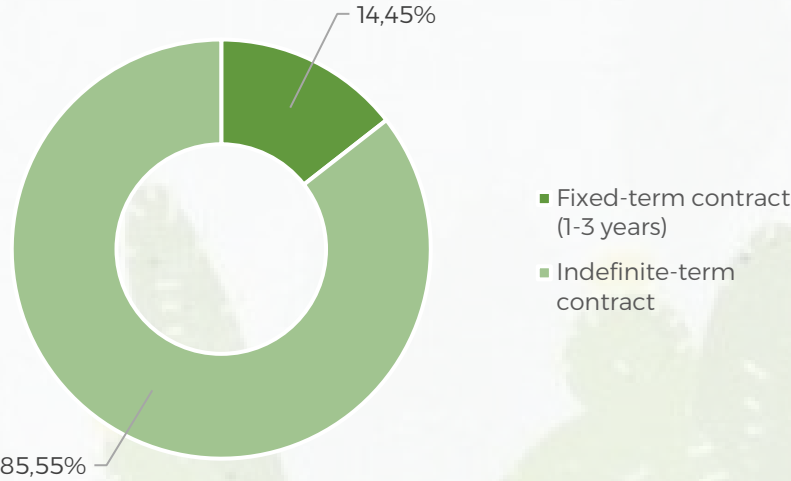
No.	Classification	Quantity (persons)	Percentage (%)
A	By Qualification	173	100.00%
1	Postgraduate	2	1.16%
2	University and College	70	40.46%
3	Intermediate	10	5.78%
4	Skilled Workers	33	19.08%
5	General Labor	58	33.53%
B	By Employment Contract Type	173	100.00%
1	Fixed-term contract (1-3 years)	25	14.45%
2	Indefinite-term contract	148	85.55%
C	By Gender	173	100.00%
1	Male	144	83.24%
2	Female	29	16.76%



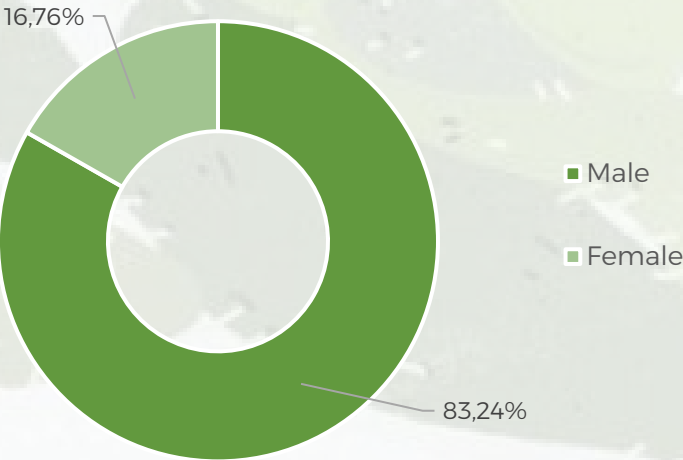
By Qualification



By Employment Contract Type



By Gender



TRAINING

Recognizing the key role of human resources in sustainable development, CPC places great emphasis on employee training and skill enhancement.

- **Professional Training:** CPC regularly organizes specialized training courses in chemical pharmaceuticals, updating the latest scientific and technological advancements in the field. Employees are also encouraged to participate in seminars, courses, and research programs to enhance their expertise, ensuring they meet job requirements and adapt to market changes. Additionally, CPC collaborates with educational and research institutions to provide specialized training programs, equipping employees with advanced technologies and production processes..
- **Skill Development:** Besides professional knowledge, CPC also focuses on developing employees' soft skills. The company organizes training sessions on communication, teamwork, time management, and problem-solving to improve work efficiency and create a positive working environment. These training initiatives not only help employees improve themselves but also contribute to the overall development of the company.



SALARY, BONUS, BENEFITS, AND WELFARE

A competitive compensation and benefits policy is one of the key factors that make CPC an attractive workplace, helping to attract and retain talent. The company applies a competitive salary policy based on individual performance and contributions. Salary increases are reviewed annually based on KPI evaluations and employee contributions.

In addition to base salaries, CPC implements various performance-based incentives, including sales bonuses for business teams, rewards for innovation and process improvements, as well as holiday and Tet bonuses to motivate employees. The company also offers regular health check-ups, annual medical examinations, and internal bonding activities such as company trips, team-building events, and cultural-sports programs to enhance employees' well-being and morale



WORK ENVIRONMENT

CPC is committed to building a professional, dynamic, and friendly working environment, enabling employees to maximize their potential and foster long-term commitment to the company. Given its operations in the agricultural chemical industry, CPC prioritizes occupational safety by strictly adhering to health and environmental safety regulations. The company continuously improves its facilities, provides adequate protective equipment, and conducts chemical safety training programs to enhance employees' awareness and safe working skills.

Additionally, CPC emphasizes corporate culture, encouraging teamwork, creativity, and innovation. The company frequently organizes internal bonding activities and soft skills training programs to help employees grow both professionally and personally



ORGANIZATION AND PERSONNEL

HUMAN RESOURCE POLICIES

Average Salary

Indicator	2021	2022	2023	2024
Total number of employees (persons)	191	187	170	173
Average income (VND/ person/month)	10,644,866	14,876,049	11,994,286	15,000,000



INVESTMENT SITUATION AND PROJECT IMPLEMENTATION SITUATION

MAJOR INVESTMENTS



In 2024, besides significant expenditures of VND 6.20 billion on fixed assets, primarily transportation vehicles, the company continued the development of ongoing capital projects from previous years to support business operations. Specifically, two key projects include

Key Projects

Ground reinforcement and leveling

Installation of low-voltage power lines



SUBSIDIARIES AND AFFILIATES: Can Tho Pesticide Joint Stock Company has no subsidiaries or affiliated companies.



FINANCIAL SITUATION

Unit: Million VND

No.	Indicator	2023	2024	%2024/2023
1	Total Assets	133,689	123,226	92.17%
2	Net Revenue	189,364	190,030	100.35%
3	Profit from Business Activities	12,630	14,100	111.63%
4	Other Profit	180	878	487.44%
5	Profit Before Tax	12,810	14,978	116.92%
6	Profit After Tax	10,207	10,001	97.98%
7	Dividend Payout Ratio (in cash)	18%	18%	-



TOTAL ASSET 2024

123,226

Million VND

NET REVENUE 2024

190,030

Million VND

KEY FINANCIAL INDICATORS

Indicator	Unit	2023	2024
Liquidity Ratios			
Current Ratio (Current Assets / Current Liabilities)	Times	2.41	2.81
Quick Ratio (Current Assets - Inventory / Current Liabilities)	Times	2.06	2.39
Capital Structure Ratios			
Debt to Total Assets Ratio	%	36.04%	29.97%
Debt to Equity Ratio	%	56.36%	42.79%
Operating Efficiency Indicators			
Inventory Turnover (COGS / Avg. Inventory)	Turnover	5.94	9.23
Total Asset Turnover (Net Revenue / Avg. Total Assets)	Turnover	1.47	1.48
Profitability Ratios			
Net Profit Margin (ROS) (Net Profit / Net Revenue)	%	5.39%	5.26%
Return on Equity (ROE) (Net Profit / Avg. Equity)	%	12.09%	11.64%
Return on Assets (ROA) (Net Profit / Avg. Total Assets)	%	7.93%	7.79%
Operating Profit Margin (Operating Profit / Net Revenue)	%	6.67%	7.42%





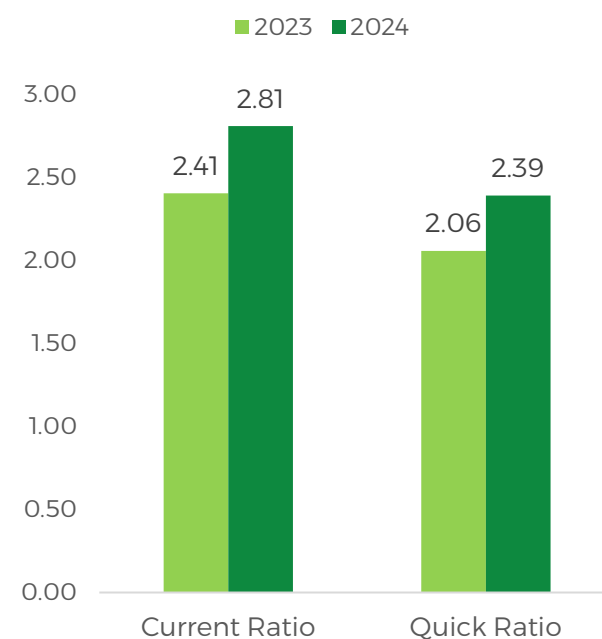
FINANCIAL SITUATION



Liquidity Indicators

CPC's liquidity indicators improved to 2.81 times and 2.39 times, respectively, reflecting a significant enhancement in the Company's ability to meet its short-term obligations in 2024. Although both current assets and current liabilities decreased during the year, the decline in current liabilities outpaced that of assets, serving as the key driver for the improvement in liquidity ratios. Notably, payables to employees dropped sharply by 53.97%, primarily due to a 25% increase in average employee income, which resulted in higher actual wage expenses during the year. In addition, the Company proactively settled a portion of its payables to suppliers, thereby easing its debt burden and improving liquidity ratios. Furthermore, stronger product sales performance in 2024 compared to 2023 led to a reduction in inventories by approximately VND 1,700 million (-10%), contributing to a more

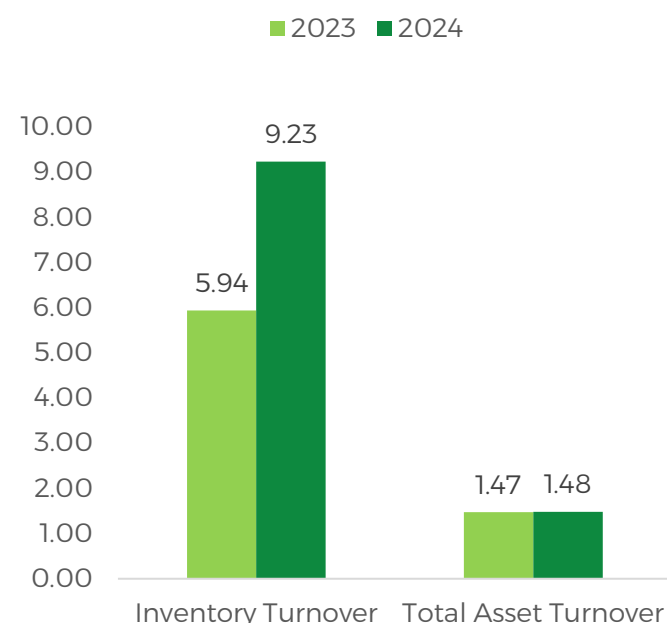
favorable quick ratio. Overall, this improvement reflects CPC's effective financial management strategy, which has strengthened its financial position, mitigated liquidity risks, and enhanced operational flexibility.



Operating Efficiency Indicators

Both of CPC's operating efficiency indicators showed positive improvements in 2024. The inventory turnover ratio increased from 5.94 to 9.23 times, indicating that the company has enhanced its inventory management efficiency, with goods being cycled through faster. This has helped reduce storage costs and improve cash flow. Additionally, the total asset turnover ratio saw a slight increase from 1.42 to 1.48 times, mainly due to a modest 0.35% revenue growth and a 22% reduction in liabilities, reflecting more effective asset utilization. Despite the continued competitiveness of the plant protection product market, which constrained revenue growth compared to 2023, CPC successfully achieved its business objectives and enhanced operational

efficiency, thanks to the concerted efforts of its employees and management team

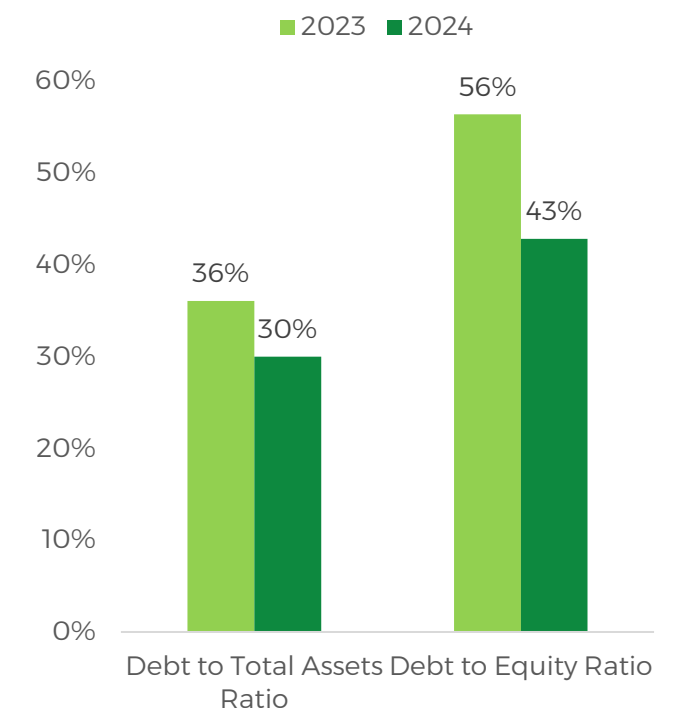


Capital Structure Indicators

In 2024, CPC's capital structure indicators showed a downward trend, reflecting financial improvement and a reduced reliance on debt financing. This shift in capital structure was mainly driven by a reduction in short-term liabilities, particularly the settlement of VND 11,803 million in employee payables – a nearly 50% decrease compared to 2023.

The ratio of Liabilities to Total Assets declined from 36% to 30%, indicating a significant reduction in debt levels and, consequently, lower financial risk and interest burden. Meanwhile, the Debt-to-Equity ratio also fell from 56% to 43%, demonstrating a growing proportion of equity in the capital structure. This development strengthens the Company's financial independence and alleviates pressure from debt obligations. Overall, CPC's capital structure in 2024 exhibited a pos-

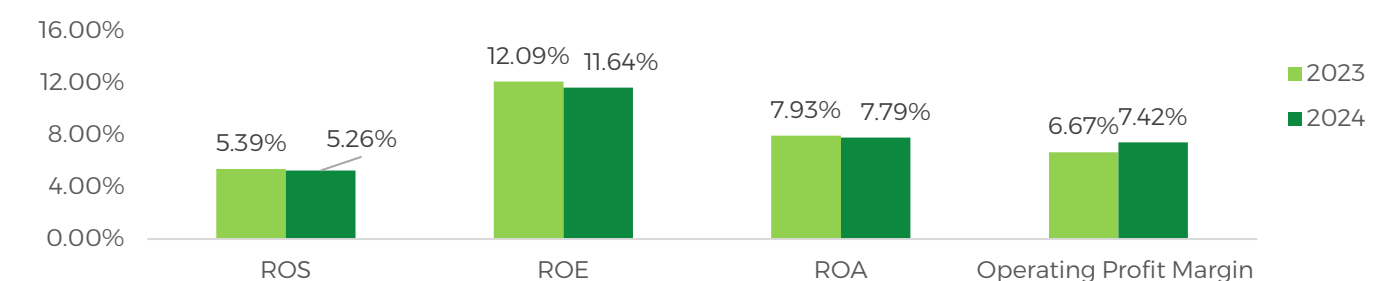
itive shift, enabling the Company to maintain financial stability, reduce risk exposure, and establish a solid foundation for long-term sustainable growth



Profitability Indicators

In 2024, CPC's profitability indicators showed a slight decline compared to 2023. Specifically, the net profit margin (ROS) reached 5.26%, return on equity (ROE) stood at 11.64%, and return on assets (ROA) was recorded at 7.79%. This adjustment was primarily attributable to the decrease in post-tax profit, which resulted from a near doubling of corporate tax payable due to a substantial upward adjustment in accounting profit.

Nevertheless, the Company demonstrated effective cost management by reducing financial expenses by 7.77%, selling expenses by 16.2%, and general and administrative expenses by 3.03%. As a result, the operating profit margin on net revenue remained stable and even increased to 7.42%, indicating that the Company's core operating foundation remained sound and well-managed.





SHAREHOLDER STRUCTURE AND CHANGES IN OWNER'S EQUITY

SHARES

CAN THO PESTICIDES JSC is listed on the Hanoi Stock Exchange (HNX).

Stock Symbol: CPC



Total issued shares: 4,303,050
- Outstanding shares: 4,081,450
- Treasury shares: 221,600
Type of shares: Common shares
Par value per share: 10,000 dong/share
Treasury Share Transactions: None
Other Securities: None



SHAREHOLDER STRUCTURE

(As per the latest shareholder list as of June 17, 2024)

No.	Shareholder Type	Shares	Value (VND)	Ownership Ratio
I	Domestic Shareholders	4,136,400	41,364,000,000	96.13%
1	Individuals	3,039,473	30,394,730,000	73.48%
2	Organizations	1,096,927	10,969,270,000	26.52%
II	Foreign Shareholders	166,650	1,666,500,000	3.87%
1	Individuals	164,550	1,645,500,000	98.74%
2	Organizations	2,100	21,000,000	1.26%
III	Treasury Shares	221,600	2,216,000,000	5.15%
	TOTAL	4,303,050	43,030,500,000	100%

LIST OF MAJOR SHAREHOLDERS

(As per the latest shareholder list as of June 17, 2024)

No.	Name	Number of Shares Held	Ownership Ratio/ Charter Capital
1	Thanh Son Hoa Nong Trading - Service Co., Ltd.	875,220	20.34%
2	Vo Thanh Tung	575,000	13.36%
3	Le Thi Thu Trang	216,544	5.03%
4	Vo Viet Thanh	360,543	8.38%

TREASURY SHARE TRANSACTIONS: None

OTHER SECURITIES: None

MAXIMUM FOREIGN OWNERSHIP LIMIT

49% (as per Official Dispatch No. 8293/UBCK-PTTT regarding the notification of the maximum foreign ownership ratio for Can Tho Pesticides Joint Stock Company, issued by the State Securities Commission of Vietnam (SSC) on December 14, 2022.

CHANGES IN OWNER’S INVESTMENT CAPITAL

Time	Description	Amount	New Charter Capital
2002	Company establishment	14,000,000,000	14,000,000,000
2003	Issuance of bonus shares to existing shareholders from Development Investment Fund & Retained Earnings	2,360,000,000	16,360,000,000
2004	Issuance of bonus shares to existing shareholders from Development Investment Fund & Retained Earnings	4,908,000,000	21,268,000,000
2007	Issuance of shares to existing shareholders (1,033,017 shares), employees (340,183 shares), and strategic investors (340,000 shares)	17,132,000,000	38,400,000,000
2008	7% dividend payout in shares for existing shareholders (268,800 shares)	2,688,000,000	41,088,000,000
2011	Bonus share distribution from surplus (194,205 shares)	1,942,050,000	43,030,050,000



ENVIRONMENTAL AND SOCIAL IMPACT REPORT OF THE COMPANY



ENVIRONMENTAL IMPACT

As a business operating in the agricultural chemicals sector, CPC is fully aware of the impact it has on the environment. The production of plant protection products and chemical fertilizers can generate significant emissions, including CH₄ (methane), CO₂ (carbon dioxide), and H₂S (hydrogen sulfide), which contribute to the greenhouse effect and air pollution. Additionally, the large energy consumption required to operate the factories and office systems indirectly increases the amount of emissions released into the environment.

For this reason, the company prioritizes sustainable development, gradually implementing solutions to reduce environmental impacts, improve green production technologies, and enhance waste management.



Initiatives and Measures to Reduce Greenhouse Gas Emissions

CPC has implemented several initiatives to reduce greenhouse gas emissions, contributing to the fight against climate change:

Waste control and treatment

CPC has signed contracts with specialized units to collect and treat all waste generated during the production process. The air and wastewater treatment systems have been invested in and upgraded according to environmental standards.

Development of environmentally friendly products

The company has strengthened research and the application of new technologies to produce environmentally friendly products.



RAW MATERIAL MANAGEMENT

To manage raw materials in a way that reduces environmental impact, CPC has optimized and environmentally friendly raw material management practices. The company applies a periodic evaluation system for the amount of raw materials used, waste rates, and production efficiency, thereby implementing improvements to reduce waste and minimize negative environmental impacts. In the production of plant protection products and fertilizers, CPC strictly follows chemical storage and handling procedures according to labor safety and environmental protection standards, ensuring there are no leaks that could harm the ecosystem and public health. Additionally, the company prioritizes using packaging made from recycled, biodegradable materials to reduce plastic waste and protect the agricultural environment. These efforts reflect CPC's commitment to sustainable development, balancing business efficiency with environmental responsibility.

Total amount of raw materials used for production and packaging of products: 670,000 kg



ENVIRONMENTAL AND SOCIAL IMPACT REPORT OF THE COMPANY



WATER CONSUMPTION

CPC uses water from the Can Tho City water supply system and carefully monitors water consumption to optimize usage efficiency. To minimize water waste, the company has implemented measures such as improving production technologies to save water, recycling water in some production processes, and raising awareness of water conservation throughout the system. Additionally, CPC operates a wastewater treatment system with a capacity of 20 m³/day, ensuring that the wastewater meets safety standards before being released into the environment, aiming for sustainable development.

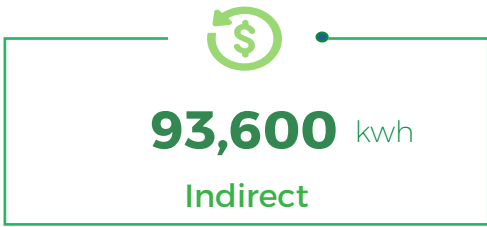
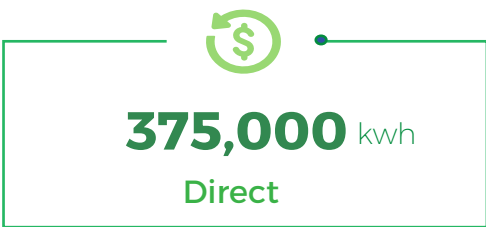
Content	Unit	Number
Total water consumption	m ³	6.024
Total wastewater	m ³	1.800
Treated wastewater	m ³	1.800



ENERGY CONSUMPTION

Energy consumption plays a vital role in CPC's production operations, especially in the operation of machinery and equipment in factories and offices. Due to the nature of agricultural chemical manufacturing, the company's electricity demand is always high, requiring a stable and efficient power supply system. CPC focuses on optimizing energy consumption to reduce production costs and environmental impacts. The company has implemented several measures to save electricity, such as upgrading machinery and equipment to energy-saving versions and applying automation technology to optimize the operational process.

Electricity consumed in 2024:



COMPLIANCE WITH ENVIRONMENTAL PROTECTION LAWS

CPC strictly complies with environmental protection laws, as evidenced by the proper collection and treatment of waste in accordance with regulations and the application of advanced environmental management standards. The company has achieved and maintained ISO 14001:2015 certification, affirming its commitment to complying with international environmental standards. In addition, CPC regularly monitors environmental quality at its production facilities, ensuring that air emissions, wastewater, and solid waste are tightly controlled, contributing to minimizing negative impacts on the environment and surrounding communities.



LABOR POLICIES

Labor policies to ensure employee health, safety, and welfare

Current Workforce

173 employees

Average Salary

15.000.000

dong

CPC places great emphasis on fully implementing labor policies to ensure the rights, health, and safety of employees. The company strictly adheres to regulations regarding wages, bonuses, social insurance, health insurance, unemployment insurance, and provides support to employees through welfare policies such as holiday and New Year bonuses, as well as recognizing outstanding individual performance. Additionally, CPC is especially concerned with creating a safe, friendly, and professional working environment. The company organizes training programs on labor safety, fire prevention, and regular health check-ups. Furthermore, CPC organizes activities such as travel, excursions, and volunteer programs to enhance team spirit, offering employees opportunities to relax and develop a sustainable corporate culture.

Employee Training Activities

CPC places special importance on employee training to improve professional skills, ensuring the sustainable development of the company and effectively supporting local farmers. The company regularly organizes training programs on research and development (R&D), helping technical staff stay updated on the latest knowledge in plant protection products (PPP) and encouraging creativity in the development of new products that meet market demands.

In addition to specialized training, CPC also focuses on ensuring labor safety. The company organizes training courses on occupational safety, fire safety (PCCC), and regularly checks working equipment and tools to minimize risks during production. These programs not only raise employee safety awareness but also contribute to creating a professional and safe working environment.





ENVIRONMENTAL AND SOCIAL IMPACT REPORT OF THE COMPANY



With the motto “CPC- Partnering with Farmers for a Bountiful Harvest,” CPC focuses not only on business operations but also on actively contributing to the sustainable development of the local community. The company regularly organizes programs to support farmers, such as technical farming training, pest control guidance, and consulting on improving crop yields according to the region’s soil and climate conditions.



REPORT ON RESPONSIBILITY TO THE LOCAL COMMUNITY

In addition, CPC engages in various charitable activities aimed at improving the living standards of people, particularly disadvantaged families in rural areas. The company participates in educational support programs, such as awarding scholarships to poor but talented students, sponsoring educational equipment, and improving school infrastructure. Moreover, CPC collaborates with local authorities in environmental protection activities, improving living conditions, and promoting sustainable economic development, thus contributing to the enhancement of the community’s quality of life.



REPORT ON GREEN CAPITAL MARKET ACTIVITIES ACCORDING TO THE GUIDE- LINES OF THE STATE SECURITIES COMMISSION (SSC):

Currently, CPC has not yet implemented activities related to the green capital market. However, the company closely monitors information on this area and is ready to participate when there are guidelines from the State Securities Commission (SSC).

“ **CPC – Partnering with Farmers
for a Bountiful Harvest** ”



03

REPORT AND EVALUATION BY THE EXECUTIVE BOARD

Evaluation of Business Performance

Financial Situation

Management Structure and Policy Improvements

Future Development Plan

Explanation from the Board of Directors Regarding the
Audit Opinion

Corporate Social Responsibility and Sustainability Report





“With a reputable product line trusted by consumers, the Can Tho Pesticide Joint Stock Company (CPC) continues to assert its leading position in the agricultural chemical sector in the Central, Central Highlands, and Mekong Delta regions. At the same time, the collaboration and high skill of the company’s staff, along with support from local authorities and various departments, have contributed to CPC’s remarkable achievements in production and business operations in 2024.”

EVALUATION OF BUSINESS PERFORMANCE

OVERVIEW OF THE COMPANY’S OPERATIONS

In 2024, despite ongoing economic challenges, the agricultural sector remained a crucial part of Vietnam’s economy, and CPC made significant efforts to adapt and maintain stable business operations. Thanks to the dedication of the management team and all employees, CPC achieved positive business results, successfully completing all planned business objectives for the year.

A comparison of the company’s performance against its targets and past business results:

NET REVENUE	PROFIT BEFORE TAX	PROFIT AFTER TAX
190,029,517,976 dong	14,977,680,374 dong	10,001,481,007 dong

Unit: Million VND

No.	Indicator	Actual 2023	Target 2024	Actual 2024	% Actual 2024 / Actual 2023	% Actual 2024 / Target 2024
1	Net Revenue	189,364	190,000	190,030	100.35%	100.02%
2	Profit Before Tax	12,810	11,000	14,978	116.92%	136.16%
3	Profit After Tax	10,207	8,800	10,001	97.98%	113.65%

“ CPC – Partnering with Farmers for a Bountiful Harvest ”

PROGRESS ACHIEVED BY THE COMPANY

In 2024, CPC continued to expand its product portfolio by launching a new product line specializing in disease prevention for rice and coffee, addressing the urgent needs of the agricultural market. The new product not only helps protect crops from common diseases but also aligns with the trend toward safer, environmentally friendly products.

Advantages and Challenges in Operations

Advantages

01

In 2024, Vietnam’s agricultural sector faced numerous challenges due to climate change and natural disasters. Notably, Typhoon Yagi, the strongest typhoon in Asia that year, caused severe damage when it hit Vietnam in September. These damages negatively impacted agricultural production, reducing both yield and quality. Additionally, the 2024 El Niño phenomenon led to prolonged droughts in many regions, depleting irrigation water sources and affecting crop productivity. With flexibility and proactive research and production strategies, CPC launched new products tailored to market conditions and demands, thereby creating opportunities for positive business growth.

02

Moreover, CPC effectively leveraged the Ministry of Agriculture and Rural Development’s incentive policies to promote the production and use of biological pesticides. The completion of legal regulations and policies regarding biosafety management for biotechnology products has also facilitated companies like CPC in investing in the research and production of biotechnology-based agricultural products, ensuring sustainable development. Thanks to high-quality products at reasonable prices, CPC has gained the trust of farmers, contributing to increased agricultural efficiency and higher crop value.

Challenges



01

In 2024, Can Tho Pesticide Joint Stock Company (CPC) faced several challenges due to rising prices of imported raw materials from China. The main reasons behind this increase included global supply chain disruptions and an uneven global economic recovery, which remained fragmented and risky. Additionally, China's environmental control measures and production restrictions further reduced supply, driving up raw material costs.



02

Furthermore, the shift in consumer preferences toward organic and biological products created pressure on CPC to develop new products. This process required significant financial and human resource investments, while obtaining organic certification remained complex and costly. Moreover, competition from well-established imported products with competitive prices posed challenges for CPC in attracting customers.

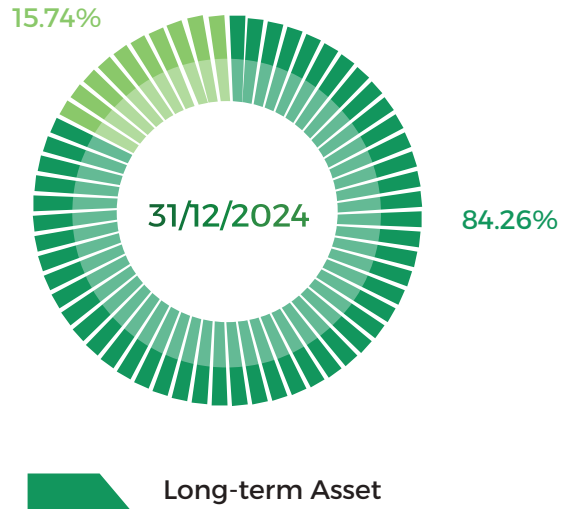
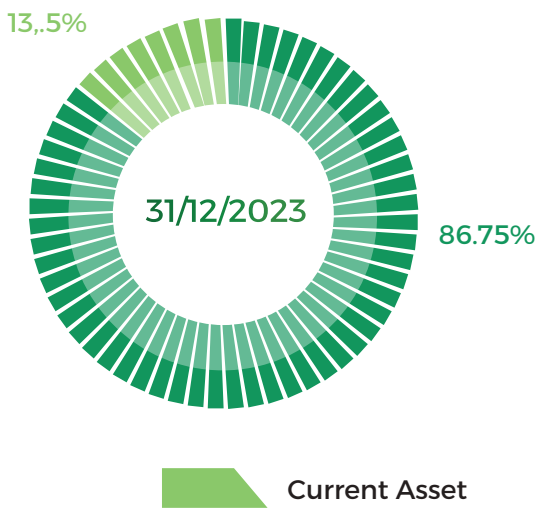


03

Additionally, the shrinking agricultural land area due to urbanization affected the company's product consumption. These challenges require CPC to adopt flexible and effective strategies to sustain and grow in the current volatile market conditions.

ASSET SITUATION

No.	Item	31/12/2023		31/12/2024		%2024/2023
		Value	Proportion	Value	Proportion	
I	Current Assets	115,972	86.75%	103,827	84.26%	89.53%
1	Cash and Cash Equivalents	47,606	35.61%	14,440	11.72%	30.33%
2	Short-term Financial Investments	24,000	17.95%	48,000	38.95%	200.00%
3	Short-term Receivables	27,452	20.53%	25,731	20.88%	93.73%
4	Inventory	16,718	12.51%	15,447	12.54%	92.39%
5	Other Current Assets	195	0.15%	210	0.17%	107.81%
II	Long-term assets	17,717	13.25%	19,399	15.74%	109.49%
1	Fixed Assets	14,685	10.98%	16,288	13.22%	110.92%
2	Construction in Progress	1,025	0.77%	1,025	0.83%	100.00%
3	Other Long-term Assets	2,008	1.50%	2,087	1.69%	103.91%
Total Assets		133,689	133,689	100%	123,226	100%

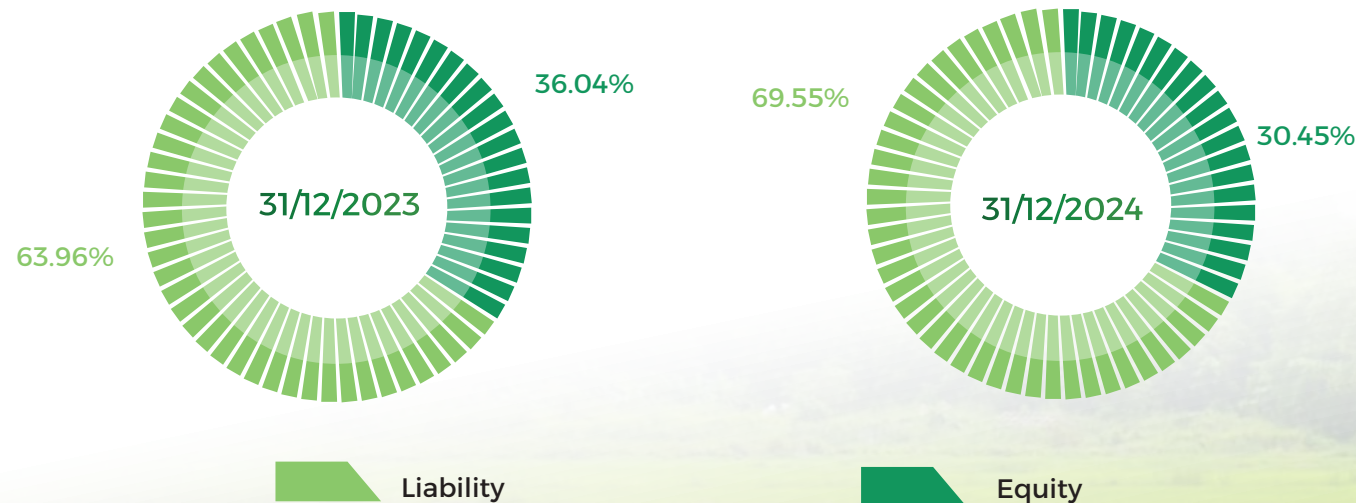


As of December 31, 2024, CPC’s total assets recorded a decrease of 7.83% compared to 2023, primarily due to a decline in current assets. This change was mainly attributable to reductions in cash and cash equivalents, as well as short-term financial investments. Specifically, cash decreased by 63.37% as a portion was reallocated to short-term financial investments and employee-related expenditures. At the same time, despite an intensely competitive market, product consumption showed positive progress, as evidenced by a 10.48% year-over-year decrease in inventories.

On the other hand, the Company invested in facility expansion and equipment upgrades to support production activities. As a result, non-current assets increased by 9.49%, mainly driven by a 10.92% rise in fixed assets. Overall, although total assets declined, CPC’s asset structure shifted in a more favorable direction, with increased short-term financial investments and optimized inventory levels, contributing to improved cash flow and capital efficiency

LIABILITIES AND EQUITY SITUATION

No.	Item	31/12/2023		31/12/2024		%2024 /2023
		Value	Proportion	Value	Proportion	
I	Total Liabilities	48,186	36.04%	36,929	29.97%	76.64%
1	Short-term Liabilities	48,186	36.04%	36,929	29.97%	76.64%
2	Long-term Liabilities	-	-	-	-	-
II	Equity	85,503	63.96%	86,297	70.03%	100.93%
1	Shareholder's Equity	85,503	63.96%	86,297	70.03%	100.93%
2	Other Funds	-	-	-	-	-
	Total Capital	133,689	100%	123,226	100%	92.17%



The change in CPC's capital structure in 2024 was mainly driven by a 23.36% reduction in short-term liabilities, while equity remained relatively stable, recording a slight increase of 0.93% due to retained earnings generated during the year. The decrease in short-term liabilities was primarily attributable to a 53.97% drop in employee payables. In 2024, the average employee income rose by 25%, from VND 12 million to VND 15 million per month, leading to a corresponding increase in actual wage expenses. Backed by stable cash flows, the Company proactively settled a portion of outstanding payables from 2023, demonstrating its commitment to ensuring employee welfare.

In addition, to secure a stable supply chain and strengthen relationships with suppliers, the Company took the initiative to settle a substantial portion of its trade payables, aiming to optimize cash flow and reduce short-term financial pressure. Overall, the shift in CPC's short-term liabilities in 2024 reflects a prudent financial strategy that prioritizes debt reduction and cash flow optimization. The reduction in payables not only lowers financial risk but also creates favorable conditions for future investment plans and sustainable development.



MANAGEMENT STRUCTURE AND POLICY IMPROVEMENTS

In 2024, CPC maintained a stable organizational structure, ensuring efficient governance and providing maximum support to the Executive Board in business operations. The company continuously optimized its management model to reduce costs and enhance operational efficiency.

One of the highlights of the year was the

restructuring of the production process to better align with business realities. CPC scientifically reorganized its production lines, ensuring smooth operations and increased productivity. Additionally, the company launched a new product line to protect rice and coffee crops from diseases, meeting market demand and the growing trend of eco-friendly agricultural products.

FUTURE DEVELOPMENT PLAN

2025 BUSINESS PLAN

Item	Unit	2025 Plan
Charter Capital	Million VND	43.030.500.000
Net Revenue	Million VND	190.000.000.000
Profit Before Tax	Million VND	11.000.000.000
Profit After Tax	Million VND	8.800.000.000
Dividend Payout Ratio / Charter Capital	%	15% - 18%

Moving forward, CPC is committed to sustainable development, focusing on eco-friendly products and production process optimization. The company will continue to invest heavily in research and development (R&D), particularly in biological pesticides and organic fertilizers, aligning with the green agriculture trend and the demand for safe and sustainable production. Besides maintaining high product quality, CPC aims to expand its product portfolio to increase competitiveness and strengthen market share. The company is also focused on developing and implementing standardized waste treatment processes at its fertilizer plants, minimizing negative environmental impacts and complying with government regulations on green development.

Regarding the supply chain, CPC plans to expand

its supplier network, while strictly controlling the quality and cost of raw materials to ensure stable production and optimized expenses.

Additionally, CPC is committed to improving the working environment by upgrading production equipment, expanding factory and office space, and enhancing workplace safety. These initiatives will not only increase labor efficiency but also create a safer and more professional environment for employees.

Furthermore, CPC will continue to invest in workforce development through specialized training programs, helping employees stay updated with market trends and enhance technical expertise. This ensures that CPC maintains a highly skilled workforce, ready to adapt to industry and market changes.

EXPLANATION FROM THE BOARD OF DIRECTORS REGARDING THE AUDIT OPINION

According to the audited financial statements for 2024, the independent auditing firm A&C Auditing and Consulting Co., Ltd. – Can Tho Branch has issued an totally accepted opinion on the 2024 financial statements of Can Tho Pesticides Joint Stock Company (CPC). Therefore, the Board of Directors has no further explanations.



CORPORATE SOCIAL RESPONSIBILITY AND SUSTAINABILITY REPORT

ENVIRONMENTAL PERFORMANCE EVALUATION

As a company operating in the agricultural chemicals sector, CPC is fully aware of its environmental impact and has implemented several measures to minimize adverse effects in the production of pesticides and chemical fertilizers.

CPC focuses on strict control and treatment of waste. The company has invested in emission and wastewater treatment systems that meet environmental standards, helping to reduce greenhouse gas emissions such as CH₄, CO₂, and H₂S—major contributors to air pollution and the greenhouse effect. Additionally, CPC collaborates with specialized units to collect and process all solid waste, ensuring no contamination of water sources or the surrounding environment.

The company is also committed to developing environmentally friendly products by applying advanced technology in production. These new product lines not only enhance crop protection efficiency but also minimize negative impacts on ecosystems.

A significant highlight of CPC's environmental policy is energy consumption optimization. Given the high electricity demand in the chemical manufacturing industry, CPC has invested in modern machinery with energy-saving technology and implemented automation in operations to reduce unnecessary energy consumption.

These efforts not only help CPC reduce its environmental footprint but also reflect its sustainable development strategy, balancing economic growth with social responsibility. In the context of increasing environmental protection pressures on the agricultural chemical industry, CPC's commitments and actions represent a strategic move to enhance its brand reputation and ensure long-term sustainability.



EVALUATION ABOUT EMPLOYEE'S ACTIVITIES

Recognizing that people are the core of sustainable development, CPC places great importance on policies for employees to ensure their rights, health, and safety, creating a stable and sustainable working environment.

CPC strictly complies with labor laws, including salary policies, social insurance, health insurance, and unemployment insurance. These measures provide employees with job security and foster long-term commitment to the company. Additionally, CPC implements transparent and fair welfare policies, including holiday bonuses, year-end rewards, and performance-based recognition.

The company also prioritizes occupational safety. Given the hazardous nature of the agricultural chemical industry, CPC conducts regular training programs on occupational safety, hygiene, and fire prevention to ensure employees have the necessary knowledge and skills to work safely. All production equipment and tools undergo periodic inspections to minimize risks and protect workers' health.

Beyond work-related matters, CPC organizes cultural activities, tourism, team-building outings, and volunteer programs to strengthen employee relationships and foster a friendly, professional work environment. These activities not only enhance team spirit but also contribute to a sustainable corporate culture.

Overall, CPC has demonstrated a strong commitment to employee welfare, combining reasonable benefits policies, workplace safety assurance, and professional development opportunities. This approach has helped CPC build an effective working environment, contributing to the company's sustainable growth.



CORPORATE SOCIAL RESPONSIBILITY AND SUSTAINABILITY REPORT

CORPORATE RESPONSIBILITY TO THE LOCAL COMMUNITY

CPC views its responsibility to the local community as an integral part of its sustainable development strategy. The company actively participates in social support activities, particularly in education and environmental protection. CPC regularly sponsors scholarships for underprivileged students, contributes to local charity funds, and organizes training programs to help farmers use pesticides safely and effectively.

In addition to providing high-quality products, CPC supports farmers in proper and efficient product usage by conducting training sessions and workshops on sustainable agriculture. The company also carries out various social initiatives to assist farmers who have suffered crop losses, helping them overcome difficulties and stabilize production. Furthermore, CPC engages in environmental protection projects, such as tree-planting programs, agricultural waste management, and improving water quality in farming areas. These initiatives not only enhance living conditions for local communities but also reflect CPC's commitment to environmental protection and sustainable development.

Overall, CPC has shown a strong commitment to employee welfare and corporate social responsibility to the local community. By integrating fair welfare policies, workplace safety measures, professional development programs, and community support activities, CPC has successfully built an effective work environment, contributing to the sustainable growth of both the company and society.



04

BOARD OF DIRECTORS' ASSESSMENT OF THE COMPANY'S OPERATIONS

**Board of Directors' Evaluation of the Company's Operations,
Including Environmental and Social Responsibility**

**Board of Directors' Evaluation of the Management Team's
Performance**

Plans and Strategic Directions of the Board of Directors





BOARD OF DIRECTORS' EVALUATION OF THE COMPANY'S OPERATIONS, INCLUDING ENVIRONMENTAL AND SOCIAL RESPONSIBILITY

With the concerted efforts of the Management Team and all employees in setting directions, managing, and consistently executing the company's production and business strategies, CPC has successfully overcome general challenges to achieve positive results. Although 2023 sales revenue reached only 99.67% of the planned target, pre-tax profit exceeded expectations, reaching more than 12.81 billion VND, surpassing the planned target by 16.46%. This stable profitability has provided the company with resources to distribute dividends as planned, enhancing shareholder satisfaction and trust in the company.

In 2024, CPC continued to face challenges from intense industry competition, rising raw material costs, and the negative impact of climate change on the agricultural sector. However, the strong increase in rice prices, along with significant improvements in production and export volumes and higher farmer incomes, contributed to increased demand for high-quality agricultural products, including CPC's offerings.

Under flexible leadership and effective management strategies, CPC achieved impressive business results in 2024. Total revenue reached 190,030 million VND, fulfilling 100.02% of the target. Notably, the company exceeded the profit targets set by the General Meeting of Shareholders and the Board of Directors, achieving 113.65% of the post-tax profit target:

Unit: Million VND

No.	Indicator	Unit	2024 Target	2024 Actual	% Achievement
1	Total Revenue	Million VND	190,000	190,030	100.02%
2	Profit Before Tax	Million VND	11,000	14,978	136.16%
3	Profit After Tax	Million VND	8,800	10,001	113.65%



During the year, CPC distributed cash dividends at a rate of 18% of charter capital for the 2023 financial year. Timely dividend payments have reinforced shareholder satisfaction and confidence in the company.

The Board of Directors highly appreciates CPC's commitment to social responsibility in 2024. As an agricultural company, CPC remains conscious of its environmental impact and is committed to minimizing negative effects. Over the past year, CPC has expanded its use of biotechnology in production and broadened its portfolio of eco-friendly organic products. Additionally, the company has actively participated in local community activities, such as supporting farmers in transitioning to sustainable farming models, funding educational programs on green agriculture, and contributing to water resource protection initiatives. These efforts not only reflect CPC's social responsibility but also strengthen its reputation as a sustainable enterprise closely integrated with the Vietnamese agricultural sector.



BOARD OF DIRECTORS' EVALUATION OF THE MANAGEMENT TEAM'S PERFORMANCE

◆ The Management Team successfully executed the company's business plan and achieved the set objectives despite economic challenges. They diligently implemented the resolutions and decisions of the General Meeting of Shareholders and the Board of Directors while flexibly adapting management solutions in line with CPC's development strategies. As a result, the company's business operations improved significantly, solidifying its market position.

◆ Additionally, the Management Team has strictly adhered to regulations on information disclosure and securities transactions, laying a solid foundation for the company's long-term sustainable growth.





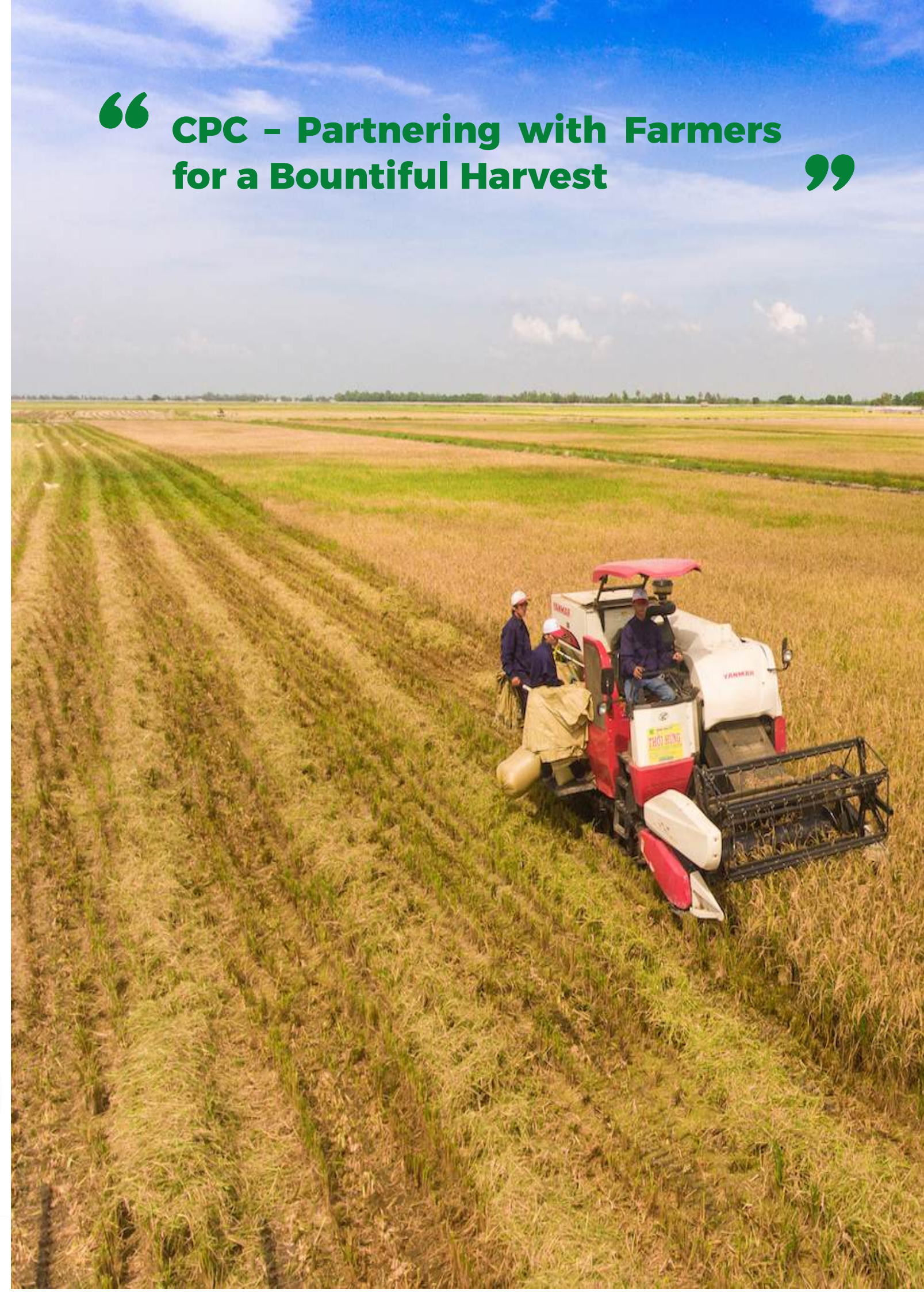
PLANS AND STRATEGIC DIRECTIONS OF THE BOARD OF DIRECTORS

With the goal of becoming a leading company in the production and supply of agricultural chemical products, CPC prioritizes product quality as a key focus. To ensure business efficiency and sustainable growth, the Board of Directors continuously monitors economic trends to formulate appropriate strategies aligned with the company's medium- and long-term goals. The key initiatives include:

- ▶ Enhancing product quality: Developing a diverse range of new products to meet the increasing demand for eco-friendly organic products.
- ▶ Ensuring a stable supply of raw materials: Expanding the supplier network to secure high-quality raw materials at competitive costs, optimizing production expenses
- ▶ Market expansion: Strengthening partnerships with domestic and international strategic partners, expanding distribution networks, and increasing product market penetration.
- ▶ Financial management optimization: Reducing operational costs and improving capital efficiency to maximize profitability and ensure stable growth
- ▶ Flexible financial policies: Adapting to market fluctuations while maintaining financial balance and sustainable expansion
- ▶ Human resource development: Investing in employee training and skill development to build a highly skilled and professional workforce.
- ▶ Improving the work environment: Creating favorable working conditions and offering attractive benefits to attract and retain talent, supporting long-term corporate growth.



“ CPC – Partnering with Farmers for a Bountiful Harvest ”





05

CORPORATE GOVERNANCE

Board of Directors

Supervisory Board

Transactions, Remuneration, and Benefits of the Board of Directors, Executive Board, and Supervisory Board





BOARD OF DIRECTORS

In 2024, the Board of Directors (BOD) effectively fulfilled its role in management and oversight, ensuring that the company’s business operations proceeded according to the plan approved by the General Meeting of Shareholders (GMS). Additionally, the Supervisory Board successfully carried out its responsibility of monitoring the BOD and the Executive Board, thereby safeguarding shareholders’ interests and ensuring that all company activities strictly adhered to legal regulations and corporate by laws.

BOARD OF DIRECTORS

As of December 31, 2024

No.	Member Name	Position	Shares Owned	Ownership Ratio	Other BOD Positions in Other Companies
1	Vo Viet Thanh	Independent Chairman of BOD	360,543	8.37%	None
2	Nguyen Van Trung	BOD Member & General Director	93,262	2.16%	None
3	Ho Quang Thai	Independent BOD Member	-	-	None
4	Nguyen Ngoc Minh	BOD Member & Deputy General Director	46,333	1.07%	None
5	Pham The Hung	BOD Member & Business Director	-	-	None

CHANGES IN THE BOD

None

BOD SUBCOMMITTEES

In 2024, the Board of Directors did not establish any subcommittees. Instead, each BOD member was assigned specific responsibilities based on the Board’s allocation during different periods.

ACTIVITIES OF INDEPENDENT BOD MEMBERS

In 2024, the independent BOD members attended all meetings convened by the Board of Directors and provided input on all documents requiring BOD opinions.

LIST OF BOD MEMBERS WITH CORPORATE GOVERNANCE CERTIFICATION.

None

ACTIVITIES OF THE BOARD OF DIRECTORS

In 2024, the Board of Directors successfully fulfilled its responsibilities in managing and overseeing the company’s business operations in accordance with the plan approved by the General Meeting of Shareholders.

The BOD effectively supervised and provided strategic direction with a high sense of responsibility, ensuring that the company’s operations adhered strictly to GMS Resolutions as well as BOD Resolutions and Decisions. The supervision and inspection activities were carried out within the appropriate authority, without hindering the Executive Board and other management levels in executing their duties.

The BOD closely collaborated with the Executive Board and the Supervisory Board, holding periodic meetings as required to review and make decisions on key matters. At the same time, the Board ensured transparent information disclosure, enabling shareholders and investors to closely monitor the company’s performance. These efforts not only protected shareholder rights but also contributed to the company’s sustainable development in compliance with current legal regulations

NUMBER OF BOD MEETINGS

No.	Member Name	Position	Meetings Attended	Attendance Rate
1	Vo Viet Thanh	Independent Chairman of BOD	08/08	100%
2	Nguyen Van Trung	BOD Member & General Director	08/08	100%
3	Ho Quang Thai	Independent BOD Member	08/08	100%
4	Nguyen Ngoc Minh	BOD Member & Deputy General Director	08/08	100%
5	Pham The Hung	BOD Member & Business Director	08/08	100%





BOARD OF DIRECTORS

RESOLUTIONS AND MEETING OUTCOMES

No.	Resolution No.	Date	Content	Approval Rate
1.	08/2024. NQ.HĐQT. CPC	28/02/2024	Organization of the 2024 Annual General Meeting	100%
2.	02/ HĐQT.2024	22/04/2024	Appointment of Corporate Administrator	100%
3.	04/2024. NQ.HĐQT. CPC	04/05/2024	Bonus policy for BOD & Supervisory Board (2023)	100%
4.	05/2024. NQ.HĐQT. CPC	04/05/2024	Bonus policy for BOD & Supervisory Board (2023)	100%
6.	06/2024. NQ.HĐQT. CPC	04/05/2024	Bonus policy for Executive Board & Senior Officers (2023)	100%
6.	06/2024. NQ.HĐQT. CPC	04/05/2024	Dividend payment policy for 2023	100%
7.	07/2024. NQ.HĐQT. CPC	27/08/2024	Transactions with related organizations	100%
8.		30/12/2024	With the unity of BOD, General Director were assigned to open accounts, obtain loans, and manage banking transactions	100%

SUPERVISORY BOARD

MEMBERS AND STRUCTURE OF THE SUPERVISORY BOARD

As of December 31, 2024

No.	Member Name	Position	Shares Owned	Ownership Ratio
1	Nguyen Van Thai	Head of Supervisory Board	134	0.003%
2	Pham Thi Hong Lieu	Supervisory Board Member	-	-
3	Ho Van Hy	Supervisory Board	248	0,005%

ACTIVITIES OF THE SUPERVISORY BOARD

In 2024, the Supervisory Board (SB) effectively fulfilled its role in overseeing the activities of the Board of Directors (BOD) and the Executive Board to protect shareholder interests and ensure the Company operates in compliance with legal regulations and the Company's charter.

The SB actively participated in all BOD meetings, providing input on policies, resolutions, and important documents to ensure the Company's operations align with the goals and targets set by the General Meeting of Shareholders (GMS). Additionally, the SB closely monitored the Executive Board's management activities and provided recommendations on business strategies across different timeframes, including monthly, quarterly, and annual plans.

The SB also assessed the performance of the Executive Board based on key indicators such as workplace safety, revenue, profitability, and other relevant factors as stipulated by the Law on Enterprises 2020. Furthermore, the SB regularly reviewed periodic financial statements and collaborated with independent auditing organizations to ensure transparency and accuracy in financial reporting.

Number of Supervisory Board Meetings

No.	Member Name	Position	Meetings Attended	Attendance Rate
1	Nguyen Van Thai	Head of Supervisory Board	08/08	100%
2	Pham Thi Hong Lieu	Supervisory Board Member	08/08	100%
3	Ho Van Hy	Supervisory Board Member	08/08	100%



TRANSACTIONS, REMUNERATION, AND BENEFITS
OF THE BOARD OF DIRECTORS, EXECUTIVE BOARD,
AND SUPERVISORY BOARD

SALARIES, BONUSES, ALLOWANCES, AND OTHER BENEFITS

Unit: VND

No.	Name	Position		Total Salary	Total Allowance	Bonus
1	Vo Viet Thanh	Chairman of BOD		147.600.000	30.707.813	308.797.916
2	Nguyen Van Trung	BOD Member cum CEO		619.800.000	29.268.750	1.194.355.000
3	Ho Quang Thai	BOD Member		-	29.268.750	47.075.000
4	Nguyen Ngoc Minh	BOD Member cum Deputy CEO		519.600.000	29.268.750	993.432.000
5	Pham The Hung	BOD Member cum Business Director		374.100.000	29.268.750	745.532.000
6	Nguyen Van Thai	Head of SB		197.100.000	25.268.750	397.639.000
7	Pham Thi Hong Lieu	SB Member		-	22.390.625	39.229.167
8	Ho Van Hy	SB Member		96.600.000	22.390.625	207.929.167
9	Truong Vinh Le	Production Director		236.100.000	-	419.554.000
10	Bui Anh Dung	Marketing Director		202.200.000	-	380.907.000
11	Quach Thi Thuy	Chief Accountant		212.100.000	-	378.905.000

CONTRACTS OR TRANSACTIONS WITH INSIDERS

Transactions between the company and related persons, major shareholders, insiders, or persons related to insiders

Note: Registration No. refers to ID/Passport number (for individuals) or Business Registration Certificate, Operating License, or equivalent legal document (for organizations)

No.	Organization/Individual	Relationship with Company	Registration No.*, Date of Issue, Place of Issue	Headquarters Address		Transaction Period	Resolution/Decision of GMS/BOD (if any, specify date)	Transaction Details (Quantity, Total Value)	Notes
1	Thanh Son Agrochemicals Trading Services Company Ltd.	Major Shareholder	0301760011	829 Tran Xuan Soan, Tan Hung Ward, District 7, Ho Chi Minh City		2024	08/2024/NQ.HĐQT.CPC 27/08/2024	4,141,362,750	Sales Transaction
2	ADC Company Ltd.	Company closely related to a BOD Member	1800348038 21/03/2024	010 Phan Dinh Phung, Tan An, Ninh Kieu, Can Tho City		2024	08/2024/NQ.HĐQT.CPC 27/08/2024	1,590,715,350	Sales Transaction



TRANSACTIONS, REMUNERATION, AND BENEFITS OF THE BOARD OF DIRECTORS, EXECUTIVE BOARD, AND SUPERVISORY BOARD

EVALUATION OF CORPORATE GOVERNANCE COMPLIANCE:

In 2024, Can Tho Pesticides Joint Stock Company (CPC) has strived to operate the business in compliance with laws, corporate governance regulations, and internal management rules. Furthermore, CPC is actively developing and enhancing its internal corporate governance regulations in accordance with the Enterprise Law 2020 and Decree 155/2020/ND-CP.

All activities of the Board of Directors (BOD), Board of Supervisors (BOS), Executive Board, and other management levels have been executed transparently and systematically, following the Company's Charter, the Enterprise Law, and prevailing legal regulations. Corporate governance ensures fairness, respects the legal rights and interests of shareholders and investors.

TRANSACTIONS OF INSIDER SHAREHOLDERS

None

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06

FINANCIAL STATEMENT 2024



STATEMENT OF THE BOARD OF DIRECTORS

The Board of Directors of Cantho Pesticides Joint Stock Company (hereinafter referred to as “the Company”) presents this statement together with the Financial Statements for the fiscal year ended 31 December 2024.

Business highlights

Cantho Pesticides Joint Stock Company is a joint stock company which has been operating in accordance with the Business Registration Certificate No. 1800457478, registered for the first time on 07 May 2002 and amended for the 12th time on 14 January 2022, granted by Can Tho City Department of Planning and Investment.

Head office

- Address : No. 51 Truong Van Dien Street, Phuoc Thoi Ward, O Mon District, Can Tho City
 - Tel. : 0292 3861770
 - Fax : 0292 3861798

Principal business activities of the Company are producing fertilizers and nitrogen compounds; importing, producing, processing and trading pesticides, bio-products and chemicals of all kinds; importing and trading fertilizers, machinery, equipment and tools used in the agriculture; producing and trading pesticides and chemicals used in the aquaculture; producing and trading aquatic breeds, supplements for feeds and aquaculture feeds; processing aquatic products for export; producing pesticides, fertilizers and chemicals used in the agriculture.

Board of Management, Supervisory Board and Board of Directors

The Board of Management, the Supervisory Board and the Board of Directors of the Company during the year and as of the date of this statement include:

The Board of Management

Full name	Position	Appointing/re-appointing date
Mr. Vo Viet Thanh	Chairman	Re-appointed on 26 April 2022
Mr. Nguyen Van Trung	Member	Re-appointed on 26 April 2022
Mr. Nguyen Ngoc Minh	Member	Re-appointed on 26 April 2022
Mr. Ho Quang Thai	Member	Re-appointed on 26 April 2022
Mr. Pham The Hung	Member	Appointed on 26 April 2022

The Supervisory Board

Full name	Position	Appointing/re-appointing date
Mr. Nguyen Van Thai	Head of the Board	Re-appointed on 26 April 2022
Mr. Ho Van Hy	Member	Re-appointed on 26 April 2022
Ms. Pham Thi Hong Lieu	Member	Appointed on 26 April 2022

The Board of Directors

Full name	Position	Appointing date
Mr. Nguyen Van Trung	General Director	Appointed on 18 April 2017
Mr. Nguyen Ngoc Minh	Deputy General Director	Appointed on 01 December 2016

Legal representative

The Company's legal representative during the year and as of the date of this statement is Mr. Nguyen Van Trung – General Director (appointed on 18 April 2017).

Auditor

A&C Auditing and Consulting Co., Ltd. has been appointed to perform the audit on the Company's Financial Statements for the fiscal year ended 31 December 2024.

Responsibilities of the Board of Directors

The Company's Board of Directors is responsible for the preparation of the Financial Statements to give a true and fair view of the financial position, the financial performance and the cash flows of the Company during the year. In order to prepare these Financial Statements, the Board of Directors must:

- Select appropriate accounting policies and apply them consistently;
- Make judgments and estimates reasonably and prudently;
- State clearly whether the accounting standards applied to the Company are followed or not, and all the material differences from these standards are disclosed and explained in the Financial Statements;
- Prepare the Financial Statements of the Company on the going-concern basis, except for the cases that the going-concern assumption is considered inappropriate;
- Design and implement effectively the internal control system to minimize the risks of material misstatements due to frauds or errors in the preparation and presentation of the Financial Statements.

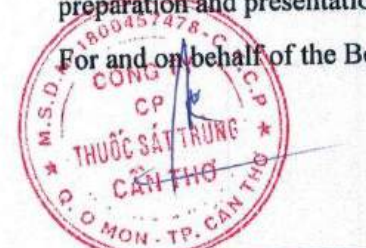
The Board of Directors hereby ensures that all the proper accounting books of the Company have been fully recorded and can fairly reflect the financial position of the Company at any time, and that all the accounting books have been prepared in compliance with the applicable Accounting System. The Board of Directors is also responsible for managing the Company's assets and consequently has taken appropriate measures to prevent and detect frauds and other irregularities.

The Board of Directors hereby commits to the compliance with the aforementioned requirements in preparation of the Financial Statements.

Approval of the Financial Statements

The Board of Director hereby approves the accompanying Financial Statements, which give a true and fair view of the financial position as of 31 December 2024 of the Company, its financial performance and its cash flows for the fiscal year then ended, in conformity with the Vietnamese Accounting Standards, the Vietnamese Enterprise Accounting System and relevant statutory requirements on the preparation and presentation of Financial Statements.

For and on behalf of the Board of Directors,



Nguyen Van Trung
General Director

Date: 19 March 2025

INDEPENDENT AUDITOR'S REPORT

**To: THE SHAREHOLDERS, THE BOARD OF MANAGEMENT AND THE BOARD OF DIRECTORS
CANTHO PESTICIDES JOINT STOCK COMPANY**

We have audited the accompanying Financial Statements of Cantho Pesticides Joint Stock Company (hereinafter referred to as "the Company"), which were prepared on 19 March 2025, from page 05 to page 33, including the Balance Sheet as of 31 December 2024, the Income Statement, the Cash Flow Statement for the fiscal year then ended and the Notes to the Financial Statements.

Responsibility of the Board of Directors

The Company's Board of Directors is responsible for the preparation, true and fair presentation of these Financial Statements in accordance with the Vietnamese Accounting Standards, the Vietnamese Enterprise Accounting System and relevant statutory requirements on the preparation and presentation of Financial Statements; and responsible for such internal control as the Company's Board of Directors determines necessary to enable the preparation and presentation of the Financial Statements to be free from material misstatement due to frauds or errors.

Responsibility of Auditors

Our responsibility is to express an opinion on these 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 standards and requirements and plan and perform the audit to obtain reasonable assurance about whether the Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 true and fair presentation of the 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 the Company's Board of Directors, as well as evaluating the overall presentation of the Financial Statements.

We believe that the audit evidences we have obtained are sufficient and appropriate to provide a basis for our audit opinion.

Opinion of the Auditors

In our opinion, the Financial Statements give a true and fair view, in all material respects, of the financial position as of 31 December 2024 of Cantho Pesticides Joint Stock Company, its financial performance and its cash flows for the fiscal year then ended, in conformity with the Vietnamese Accounting Standards, the Vietnamese Enterprise Accounting System and relevant statutory requirements on the preparation and presentation of the Financial Statements.



Nguyễn Hữu Danh
Partner

Audit Practice Registration Certificate No. 1242-2023-008-1
Authorized Signatory

Can Tho City, 19 March 2025

Thieu Thi Bao Nhi
Auditor

Audit Practice Registration Certificate No. 4695-2024-008-1

BALANCE SHEET As of 31 December 2024

Unit: VND


ITEMS	Code	Note	Ending balance	Beginning balance
A - CURRENT ASSETS	100		103.827.205.904	115.971.893.387
I. Cash and cash equivalents	110	V.1	14.439.625.166	47.606.426.968
1. Cash	111		8.439.625.166	11.606.426.968
2. Cash equivalents	112		6.000.000.000	36.000.000.000
II. Short-term financial investments	120		48.000.000.000	24.000.000.000
1. Trading securities	121		-	-
2. Provisions for devaluation of trading securities	122		-	-
3. Held-to-maturity investments	123	V.2	48.000.000.000	24.000.000.000
III. Short-term receivables	130		25.730.575.648	27.451.898.657
1. Short-term trade receivables	131	V.3	24.236.152.837	28.856.041.863
2. Short-term prepayments to suppliers	132	V.4	1.583.228.400	855.251.500
3. Short-term inter-company receivables	133		-	-
Receivable according to the progress of construction				
4. contract	134		-	-
5. Receivables for short-term loans	135		-	-
6. Other short-term receivables	136	V.5	8.429.053.851	6.331.976.649
7. Allowance for short-term doubtful debts	137	V.6	(8.517.859.440)	(8.591.371.355)
8. Deficit assets for treatment	139		-	-
IV. Inventories	140	V.7	15.446.508.249	16.718.312.278
1. Inventories	141		16.698.796.463	18.453.962.672
2. Allowance for devaluation of inventories	149		(1.252.288.214)	(1.735.650.394)
V. Other current assets	150		210.496.841	195.255.484
1. Short-term prepaid expenses	151	V.8a	210.496.841	145.836.966
2. Deductible VAT	152		-	49.418.518
3. Taxes and other receivables from the State	153	V.13	-	-
4. Trading Government bonds	154		-	-
5. Other current assets	155		-	-


ITEMS	Code	Note	Ending balance	Beginning balance
B- NON-CURRENT ASSETS	200		19,398,923.716	17,717,400.553
I. Long-term receivables	210		-	-
1. Long-term trade receivables	211		-	-
2. Long-term prepayments to suppliers	212		-	-
3. Working capital in affiliates	213		-	-
4. Long-term inter-company receivable	214		-	-
5. Receivables for long-term loans	215		-	-
6. Other long-term receivables	216		-	-
7. Allowance for long-term doubtful debts	219		-	-
II. Fixed assets	220		16,287,687.123	14,684,670.621
1. Tangible fixed assets	221	V.9	16,283,520.443	14,672,170.613
- Historical cost	222		58,701,079.707	57,883,297.346
- Accumulated depreciation	223		(42,417,559.264)	(43,211,126.733)
2. Financial leased assets	224		-	-
- Historical cost	225		-	-
- Accumulated depreciation	226		-	-
3. Intangible fixed assets	227	V.10	4,166.680	12,500.008
- Initial cost	228		984,913.300	984,913.300
- Accumulated amortization	229		(980,746.620)	(972,413.292)
III. Investment property	230		-	-
- Historical costs	231		-	-
- Accumulated depreciation	232		-	-
IV. Long-term assets in process	240		1,024,645.455	1,024,645.455
1. Long-term work in process	241		-	-
2. Construction-in-progress	242	V.11	1,024,645.455	1,024,645.455
V. Long-term financial investments	250		-	-
1. Investments in subsidiaries	251		-	-
2. Investments in joint ventures and associates	252		-	-
3. Investments in other entities	253		-	-
Provisions for devaluation of long-term financial			-	-
4. investments	254		-	-
5. Held-to-maturity investments	255		-	-
VI. Other non-current assets	260		2,086,591.138	2,008,084.477
1. Long-term prepaid expenses	261	V.8b	2,086,591.138	2,008,084.477
2. Deferred income tax assets	262		-	-
3. Long-term components and spare parts	263		-	-
4. Other non-current assets	268		-	-
TOTAL ASSETS	270		123,226,129.620	133,689,293.940

ITEMS	Code	Note	Ending balance	Beginning balance
C - LIABILITIES	300		36,929,168.418	48,186,352.765
I. Current liabilities	310		36,929,168.418	48,186,352.765
1. Short-term trade payables	311	V.12	9,192,764.970	10,586,548.241
2. Short-term advances from customers	312		-	-
3. Taxes and other obligations to the State Budget	313	V.13	3,185,575.415	2,121,299.039
4. Payables to employees	314	V.14	10,065,376.464	21,868,780.644
5. Short-term accrued expenses	315	V.15	4,567,709.174	3,159,498.033
6. Short-term inter-company payable	316		-	-
7. Payable according to the progress of construction contracts	317		-	-
8. Short-term unearned revenue	318		-	-
9. Other short-term payables	319	V.16	1,923,029.847	1,428,998.808
10. Short-term borrowings and financial leases	320	V.17	6,093,936.048	7,519,620.480
11. Provisions for short-term payables	321		-	-
12. Bonus and welfare funds	322	V.18	1,900,776.500	1,501,607.520
13. Price stabilization fund	323		-	-
14. Trading Government bonds	324		-	-
II. Non-current liabilities	330		-	-
1. Long-term trade payables	331		-	-
2. Long-term advances from customers	332		-	-
3. Long-term accrued expenses	333		-	-
4. Inter-company payables for working capital	334		-	-
5. Long-term inter-company payables	335		-	-
6. Long-term unearned revenue	336		-	-
7. Other long-term payables	337		-	-
8. Long-term borrowings and financial leases	338		-	-
9. Convertible bonds	339		-	-
10. Preferred shares	340		-	-
11. Deferred income tax liability	341		-	-
12. Provisions for long-term payables	342		-	-
13. Science and technology development fund	343		-	-



ITEMS	Code	Note	Ending balance	Beginning balance
D - OWNER'S EQUITY	400		86.296.961.202	85.502.941.175
I. Owner's equity	410		86.296.961.202	85.502.941.175
1. Owner's capital	411	V.19a	43.030.500.000	43.030.500.000
2. Share premiums	412	V.19a	8.291.518.300	8.291.518.300
3. Bond conversion options	413		-	-
4. Other sources of capital	414	V.19a	12.261.176.032	12.261.176.032
5. Treasury stocks	415	V.19a	(4.000.872.355)	(4.000.872.355)
6. Differences on asset revaluation	416		-	-
7. Foreign exchange differences	417		-	-
8. Investment and development fund	418	V.19a	13.517.330.583	13.017.330.583
9. Business arrangement supporting fund	419		-	-
10. Other funds	420		-	-
11. Retained earnings	421	V.19a	13.197.308.642	12.903.288.615
- Retained earnings accumulated to the end of the previous period	421a		3.195.827.635	12.903.288.615
- Retained earnings of the current period	421b		10.001.481.007	-
12. Construction investment fund	422		-	-
II. Other sources and funds	430		-	-
1. Sources of expenditure	431		-	-
2. Fund to form fixed assets	432		-	-
TOTAL LIABILITIES AND OWNER'S EQUITY	440		123.226.129.620	133.689.293.940


Nguyen Duy Linh
Preparer


Quach Thi Thuy
Chief Accountant


Can Tho City, 19 March 2025
Nguyen Van Trung
General Director

INCOME STATEMENT

For the fiscal year ended 31 December 2024

Unit: VND

ITEMS	Code	Note	Current year	Previous year
1. Revenue from sales of goods and provisions of services	01	VI.1	190.029.517.976	189.364.226.621
2. Revenue deductions	02		-	-
3. Net revenue	10		190.029.517.976	189.364.226.621
4. Cost of sales	11	VI.2	148.494.335.367	147.011.961.057
5. Gross profit	20		41.535.182.609	42.352.265.564
6. Financial income	21	VI.3	4.243.784.728	5.627.735.418
7. Financial expenses	22	VI.4	4.548.677.775	4.931.798.461
In which: Loan interest expenses	23		595.142.977	1.145.442.124
8. Selling expenses	25	VI.5	15.052.381.762	17.961.953.877
9. General and administration expenses	26	VI.6	12.078.210.924	12.456.021.861
10. Net operating profit	30		14.099.696.876	12.630.226.783
11. Other income	31	VI.7	1.335.840.402	310.995.000
12. Other expenses	32	VI.8	457.856.904	130.873.015
13. Other profit	40		877.983.498	180.121.985
14. Total accounting profit before tax	50		14.977.680.374	12.810.348.768
15. Current income tax	51	V.13	4.976.199.367	2.602.887.788
16. Deferred income tax	52		-	-
17. Profit after tax	60		10.001.481.007	10.207.460.980
18. Lãi cơ bản trên cổ phiếu	70	VI.9a, b	2.111	2.045
19. Lãi suy giảm trên cổ phiếu	71	VI.9a, b	2.111	2.045

Can Tho City, 19 March 2025


Nguyen Duy Linh
Preparer


Quach Thi Thuy
Chief Accountant

Nguyen Van Trung
General Director

CASH FLOW STATEMENT
(Direct method)
For the fiscal year ended 31 December 2024

Unit: VND

ITEMS	Code	Note	Current year	Previous year
I. Cash flows from operating activities				
1. Cash inflows from sales of goods, service provisions and other income	01		202.159.258.209	196.295.221.593
2. Cash outflows for suppliers	02		(154.482.780.516)	(123.014.141.807)
3. Cash outflows for employees	03		(44.207.494.062)	(21.957.147.586)
4. Interests paid	04	V.15, VI.4	(605.915.754)	(1.137.476.833)
5. Corporate income tax paid	05	V.13	(4.180.000.000)	(3.300.000.000)
6. Other cash inflows	06		6.487.618.948	5.137.737.891
7. Other cash outflows	07		(5.893.492.951)	(18.926.973.983)
Net cash flows from operating activities	20		(722.806.126)	33.097.219.275
II. Cash flows from investing activities				
1. Purchases and construction of fixed assets and other long-term assets	21	V.11	(5.580.216.778)	(3.868.041.651)
2. Proceeds from disposals of fixed assets and other long-term assets	22	V.9, VI.7	1.226.727.273	786.363.635
3. Cash outflow for lending, buying debt instruments of other entities	23		(173.000.000.000)	(122.000.000.000)
4. Cash recovered from lending, selling debt instruments of other entities	24		151.000.000.000	109.000.000.000
5. Investments into other entities	25		-	-
6. Withdrawals of investments in other entities	26		-	-
7. Interest earned, dividends and profits received	27	V.5, VI.3	2.681.788.261	2.321.967.583
Net cash flows from investing activities	30		(23.671.701.244)	(13.759.710.433)

ITEMS	Code	Note	Current year	Previous year
III. Cash flows from financing activities				
1. Proceeds from issuing stocks and capital contributions from owners	31		-	-
2. Repayment for capital contributions and re-purchases of stocks already issued	32		-	-
3. Proceeds from borrowings	33	V.17	76.086.479.708	86.129.221.388
4. Repayment for loan principal	34	V.17	(77.512.164.140)	(85.810.108.908)
5. Payments for financial leased assets	35		-	-
6. Dividends and profit paid to the owners	36	V.19a	(7.346.610.000)	(6.122.175.000)
Net cash flows from financing activities	40		(8.772.294.432)	(5.803.062.520)
Net cash flows during the year	50		(33.166.801.802)	13.534.446.322
Beginning cash and cash equivalents	60	V.1	47.606.426.968	33.895.796.993
Effects of fluctuations in foreign exchange rates	61		-	176.183.653
Ending cash and cash equivalents	70	V.1	14.439.625.166	47.606.426.968



Nguyen Duy Linh
Preparer



Quach Thi Thuy
Chief Accountant


Cán Tho City, 19 March 2025

Nguyen Van Trung
General Director

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

I. GENERAL INFORMATION

1. Ownership form

Cantho Pesticides Joint Stock Company (hereinafter referred to as “the Company”) is a joint stock company.

2. Operating field

The Company’s operating field is industrial production.

3. Principal business activities

Principal business activity of the Company are producing fertilizers and nitrogen compounds; importing, producing, processing and trading pesticides, bio-products and chemicals of all kinds; importing and trading fertilizers, machinery, equipment and tools used in the agriculture; producing and trading pesticides and chemicals used in the aquaculture; producing and trading aquatic breeds, supplements for feeds and aquaculture feeds; processing aquatic products for export; producing pesticides, fertilizers and chemicals used in the agriculture.

4. Normal operating cycle

Normal operating cycle of the Company is within 12 months.

5. Statement of information comparability on the Financial Statements

The corresponding figures in the previous year can be comparable with figures in the current year.

6. Headcount

As of the balance sheet date, the Company’s headcount is 173 (headcount at the beginning of the year: 171).

II. FISCAL YEAR AND ACCOUNTING CURRENCY

1. Fiscal year

The fiscal year of the Company is from 01 January to 31 December annually.

2. Accounting currency unit

The accounting currency unit is Vietnamese Dong (VND) since the Company’s transaction is primarily made in VND.

III. ACCOUNTING STANDARDS AND SYSTEM

1. Accounting System

The Company applies the Vietnamese Accounting Standards, the Vietnamese Enterprise Accounting System, which were issued together with the Circular No. 200/2014/TT-BTC dated 22 December 2014, the Circular No. 53/2016/TT-BTC dated 21 March 2016 as well as other Circulars guiding the implementation of Vietnamese Accounting Standards of the Ministry of Finance in the preparation and presentation of the Financial Statements.

2. Statement of the compliance with the Accounting Standards and System

The Board of Directors ensures to follow all the requirements of the Vietnamese Accounting Standards, the Vietnamese Enterprise Accounting System, which were issued together with the Circular No. 200/2014/TT-BTC dated 22 December 2014, the Circular No. 53/2016/TT-BTC dated 21 March 2016 as well as other Circulars guiding the implementation of Vietnamese Accounting Standards of the Ministry of Finance in the preparation and presentation of the Financial Statements.

IV. ACCOUNTING POLICIES

1. Accounting convention

All the Financial Statements are prepared on the accrual basis (except for the information related to cash flows).

2. Foreign currency transactions

Transactions in foreign currencies are converted at the actual exchange rates ruling as of the transaction dates. The ending balances of monetary items in foreign currencies are converted at the actual exchange rates ruling as of the balance sheet date.

Foreign exchange differences arisen from foreign currency transactions during the year shall be included into financial income or financial expenses. Foreign exchange differences due to the revaluation of ending balances of the monetary items in foreign currencies after offsetting their positive differences against negative differences shall be included into financial income or financial expenses.

The exchange rate used to convert foreign currency transactions is the actual exchange rate ruling as at the time of these transactions. The actual exchange rates applied to foreign currency transactions are as follows:

- For the foreign currency trading contract (including spot contract, forward contract, future contract, option contract, currency swap): the exchange rate stipulated in the contracts of trading foreign currency between the Company and the Bank.
- For receivables: the buying rate ruling as at the time of transaction of the commercial bank where the Company designates the customers to make payments.
- For payables: the selling rate ruling as at the time of transaction of the commercial bank where the Company supposes to make payments.
- For acquisition of assets or immediate payments in foreign currency (not included into payable accounts): the buying rate of the commercial bank where the Company makes payments.

The exchange rates used to re-evaluate the ending balances of monetary items in foreign currencies are determined according to the following principles:

- For foreign currency deposits: the buying rate of the bank where the Company opens its foreign currency account.
- For monetary items in foreign currencies classified as other assets: the buying rate of Joint Stock Commercial Bank for Foreign Trade of Vietnam (Vietcombank) – Can Tho Branch where the Company frequently conducts transactions.
- For monetary items in foreign currencies classified as liabilities: the selling rate of Joint Stock Commercial Bank for Foreign Trade of Vietnam (Vietcombank) – Can Tho Branch where the Company frequently conducts transactions.

3. Cash and cash equivalents

Cash includes cash on hand and demand deposits. Cash equivalents are short-term investments of which the due dates cannot exceed 3 months from the dates of the investments and the

convertibility into cash is easy, and which do not have a lot of risks in the conversion into cash as of the balance sheet date.

4. Financial investments

Held-to-maturity investments

Investments are classified as held-to-maturity investments that the Company intends and is able to hold to maturity. Held-to-maturity investments of the Company include term deposits for the purpose of receiving periodical interest.

Held-to-maturity investments are initially recognized at cost including the purchase cost and other transaction costs. After initial recognition, these investments are recorded at recoverable value. Interest from these held-to-maturity investments after acquisition date is recognized in the profit or loss on the basis of the interest income to be received. Interests arising prior to the Company's acquisition of held-to-maturity investments are recorded as a decrease in the costs as at the acquisition time.

When there are reliable evidence proving that a part or the whole investment cannot be recovered and the loss are reliably determined, the loss is recognized as financial expenses during the year while the investment value is derecognized.

5. Receivables

Receivables are recognized at the carrying amounts less allowances for doubtful debts.

The classification of receivables as trade receivables and other receivables is made according the following principles:

- Trade receivables reflect receivables concerning the commercial nature arising from purchase and sale transactions between the Company and customers who are independent to the Company, inclusive of receivables for the exports entrusted to other entities.
- Other receivables reflect receivables not concerning the commercial nature and irrelevant to purchase and sale transactions.

Allowance is made for each doubtful debt on the basis of the ages of debts after offsetting against liabilities (if any) or estimated loss as follows:

- As for overdue debts:
 - 30% of the value of debts overdue between 6 months and less than 1 year.
 - 50% of the value of debts overdue between 1 year and less than 2 years.
 - 70% of the value of debts overdue between 2 years and less than 3 years.
 - 100% of the value of debts overdue more than 3 years.
- As for doubtful debts: Allowance is made on the basis of the estimated loss.

Increases/(decreases) in the obligatory allowance for doubtful debts as of the balance sheet date are recorded into general and administration expenses.

6. Inventories

Inventories are recognized at the lower of cost or net realizable value.

Cost of inventories is determined as follows:

- For materials and merchandise: Costs comprise costs of purchases and other directly relevant costs incurred in bringing the inventories to their present location and conditions.
- Work-in-process: Costs only comprise costs of main materials.

- For finished goods: Costs comprise costs of materials, direct labor and directly relevant general manufacturing expenses allocated on the basis of normal operations.

Stock-out costs of inventories are determined in accordance with the specific identification method and recorded in line with the periodical stock count method.

Net realizable value is the estimated selling price of inventories in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Allowance for devaluation of inventories is recognized for each type of inventory when its cost is higher than its net realizable value. Increases/(decreases) in the allowance for devaluation of inventories required to be made as of the fiscal year-ended are recorded into "Cost of sales."

7. Prepaid expenses

Prepaid expenses comprise actual expenses arising and relevant to financial performance in several accounting periods. Prepaid expenses of the Company mainly include insurance premiums, expenses of fixed asset repairs and prepaid land rental. These prepaid expenses are allocated over the prepayment period or period of corresponding economic benefits generated from these expenses.

Insurance premiums

Insurance premiums incurred once with high value are allocated into costs in accordance with the straight-line method in 12 months.

Expenses of fixed asset repairs

Expenses of fixed asset repairs arising once with high value are allocated into costs in accordance with the straight-line method in 36 months.

Prepaid land rental

Prepaid land rental reflects the rental prepaid for the land being used by the Company and is allocated into costs in accordance with the straight-line method over the lease term.

8. Tangible fixed assets

Tangible fixed assets are determined by their historical costs less accumulated depreciation. Historical costs of tangible fixed assets include all the expenses paid by the Company to bring the asset to its working condition for its intended use. Other expenses arising subsequent to initial recognition are included into historical costs of fixed assets only if it can be clearly demonstrated that the expenditure has resulted in future economic benefits expected to be obtained from the use of these assets. Those which do not meet the above conditions will be recorded into operation costs during the year.

When a tangible fixed asset is sold or disposed, its historical cost and accumulated depreciation are written off, then any gain or loss arising from such disposal is included in the income or the expenses during the year.

Tangible fixed assets are depreciated in accordance with the straight-line method over their estimated useful lives. The depreciation years applied are as follows:

<u>Fixed assets</u>	<u>Years</u>
Buildings and structures	05 - 17
Machinery and equipment	05 - 18
Vehicles	06 - 17
Office equipment	03 - 06

9. Intangible fixed assets

Intangible fixed assets are determined by their initial costs less accumulated amortization.

Initial costs of intangible fixed assets include all the costs paid by the Company to bring the asset to its working condition for its intended use. Other costs relevant to intangible fixed assets arising subsequent to initial recognition are included into operation costs during the period only if these costs are associated with a specific intangible fixed asset and result in future economic benefits expected to be obtained from the use of these asset.

When an intangible fixed asset is sold or disposed, its initial costs and accumulated amortization are written off, then any gain or loss arising from such disposal is included in the income or the expenses during the year.

The Company's intangible fixed assets include:

Computer software

Expenses attributable to computer software, which is not a part associated with the relevant hardware, will be capitalized. Costs of computer software include all the expenses paid by the Company until the date the software is put into use. Computer software is amortized in accordance with the straight-line method in 7 years.

Brand name, trademark

Initial costs of brand name, trademark include registration costs. Costs of Molucide trademark is amortized in accordance with the straight-line method in 4 years.

10. Payables and accrued expenses

Payables and accrued expenses are recorded for the amounts payable in the future associated with the goods and services received. Accrued expenses are recorded based on reasonable estimates for the amounts payable.

The classification of payables as trade payables, accrued expenses and other payables is made on the basis of following principles:

- Trade payables reflect payables of commercial nature arising from the purchase of goods, services, or assets, of which the seller is an independent entity with the Company.
- Accrued expenses reflect expenses for goods, services received from suppliers or supplied to customers but have not been paid, invoiced or lack of accounting records and supporting documents; pay on leave payable to employees; and accrual of operation expenses.
- Other payables reflect payables of non-commercial nature and irrelevant to purchase, sales of goods or provisions of services.

The payables and accrued expenses are classified as short-term and long-term items in the Balance Sheet on the basis of their remaining term as of the balance sheet date.

11. Owner's equity

Owner's capital

The owner's capital is recorded according to the actual amounts invested by shareholders.

Share premiums

Share premiums are recorded in accordance with the difference between the issuance price and face value upon the IPO, additional issue or the difference between the re-issuance price and carrying value of treasury shares and the capital component of convertible bonds upon maturity

date. Expenses directly related to the additional issue of shares and the re-issuance of treasury shares are recorded as a decrease in share premiums.

Other sources of capital

Other sources of capital are due to the supplementation from business profits, revaluation of assets and net carrying values between the fair values of the assets gifted or granted to the Company after deducting taxes payable (if any) related to these assets.

Treasury shares

When a share capital in the owner's equity is re-purchased, the amount payable including the expenses related to the transaction is recorded as treasury shares and a corresponding decrease in owner's equity then is recognized. When this share capital is re-issued, the difference between the re-issuance price and carrying value of treasury shares is recorded in "Share premiums".

12. Profit distribution

Profit after tax is distributed to the shareholders after appropriation for funds under the Charter of the Company as well as legal regulations and approved by the Shareholders Meeting.

The distribution of profits to the shareholders is made with consideration toward non-cash items in the retained earnings that may affect cash flows and payment of dividends such as profit due to revaluation of assets contributed as investment capital, profit due to revaluation of monetary items, financial instruments and other non-cash items.

Dividend is recorded as payables upon approval of the Shareholders' Meeting.

13. Recognition of revenue and income

Revenue from sales of merchandise, finished goods

Revenue from sales of merchandise, finished goods shall be recognized when all of the following conditions are satisfied:

- The Company transfers most of risks and benefits incident to the ownership of products or merchandises to customers.
- The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the merchandises sold.
- The amount of revenue can be measured reliably. When the contracts stipulate that buyers have the right to return products, merchandise purchased under specific conditions, the revenue is recorded only when those specific conditions are no longer exist and buyers retains no right to return products, merchandises (except for the case that such returns are in exchange for other goods or services).
- The Company received or shall probably receive the economic benefits associated with sale transactions.
- The cost incurred or to be incurred in respect of the sale transaction can be measured reliably.

Revenue from sales of service provision

Revenue from sales of service provision shall be recognized when all of the following conditions are satisfied:

- The amount of sales can be measured reliably. When the contract stipulates that the buyer is entitled to return the services provided under specific conditions, sales is recognized only when these specific conditions are no longer existed and the buyer is not entitled to return the services provided.

- The Company received or shall probably receive the economic benefits associated with the transactions.
- The stage of completion of the transaction at the end of the reporting period can be measured reliably.
- The costs incurred for transaction and costs to complete the transactions can be measured reliably.

In the case that the services are provided in several accounting periods, the recognition of sales is based on the volume of work done as of the balance sheet date.

Interest

Interest is recorded, based on the term and the actual interest rate applied in each particular period.

14. Borrowing costs

Borrowing costs are interests and other costs that the Company directly incurs in connection with the borrowing.

Borrowing costs are recorded as an expense when it is incurred. In case the borrowing costs are directly attributable to the construction or the production of an asset in progress, which takes a substantial period of time (over 12 months) to get ready for intended use or sales of the asset, these costs will be included in the cost of that asset. To the extent that the borrowings are especially for the purpose of construction of fixed assets and investment properties, the borrowing cost is eligible for capitalization even if construction period is under 12 months. Incomes arisen from provisional investments as loans are recognized as a decrease in the costs of relevant assets.

In the event that general borrowings are partly used for the acquisition, construction or production of an asset in progress, the costs eligible for capitalization will be determined by applying the capitalization rate to average accumulated expenditure on construction or production of that asset. The capitalization rate is computed at the weighted average interest rate of the borrowings not yet paid during the year, except for particular borrowings serving the purpose of obtaining a specific asset.

15. Expenses

Expenses are those that result in outflows of the economic benefits and are recorded at the time of transactions or when incurrence of the transaction is reliable regardless of whether payment for expenses is made or not.

Expenses and their corresponding revenues are simultaneously recognized in accordance with matching principle. In the event that matching principle conflicts with prudence principle, expenses are recognized based on the nature and regulations of accounting standards in order to guarantee that transactions can be fairly and truly reflected.

16. Corporate income tax

Corporate income tax only includes current income tax. Deferred income tax is the amount of corporate income tax payable or refundable due to temporary differences between book values of assets and liabilities serving the preparation of the Financial Statements and the values for tax purposes. Deferred income tax liabilities are recognized for all the temporary taxable differences. Deferred income tax assets are recorded only when there is an assurance on the availability of taxable income in the future against which the temporarily deductible differences can be used.

17. Related parties

A party is considered a related party of the Company in case that party is able to control the Company or to cause material effects on the financial decisions as well as the operations of the Company. A party is also considered a related party of the Company in case that party is under the same control or is subject to the same material effects.

Considering the relationship of related parties, the nature of relationship is focused more than its legal form.

18. Segment reporting

A business segment is a distinguishable component of the Company that is engaged in manufacturing or providing products or services and that is subject to risks and returns that are different from those of other business segments.

A geographical segment is a distinguishable component of the Company that is engaged in manufacturing or providing products or services within a particular economic environment and that is subject to risks and returns that are different from those of components operating in other economic environments.

The segment information is prepared and presented in conformity with the accounting policies applicable to the preparation and presentation of the Financial Statements of the Company.

V. ADDITIONAL INFORMATION ON THE ITEMS OF THE BALANCE SHEET

1. Cash and cash equivalents

	Ending balance	Beginning balance
Cash on hand	130.731.000	128.369.000
Demand deposits	8.308.894.166	11.478.057.968
Cash equivalents - Bank deposits of which the principal maturity is from or under 3 months/3 months or less	6.000.000.000	36.000.000.000
Total	14.439.625.166	47.606.426.968

2. Financial investments

The financial investments of the Company only include held-to-maturity investments. The Company's financial investments are as follows:

Held-to-maturity investments

	Ending balance		Beginning balance	
	Original costs	Carrying value	Original costs	Carrying value
Short-term				
Deposits of which the term is from more than 3 months to less than 12 months ⁽ⁱ⁾	48.000.000.000	48.000.000.000	24.000.000.000	24.000.000.000
Total	48.000.000.000	48.000.000.000	24.000.000.000	24.000.000.000

⁽ⁱ⁾ In which, the 9-month deposit of VND 2.000.000.000 at HSBC Bank (Viet Nam) Ltd. has been mortgaged for the short-term loan from this bank (see Note No. V.17).

3. Short-term trade receivables

	Ending balance	Beginning balance
<i>Receivables from related parties</i>	<i>646.927.050</i>	<i>424.207.350</i>
Thanhson Agrochemicals Trading Services Company Limited	265.132.350	424.207.350
ADC Co., Ltd.	381.794.700	-
<i>Receivables from other customers</i>	<i>23.589.225.787</i>	<i>28.431.834.513</i>
Vo Hoang Dung agricultural supplies store	-	10.189.000.829
Pham Duy Duong agricultural supplies store	4.826.294.718	7.288.740.298
Agriculture Gold International	8.877.548.526	-
Phuc Hung agricultural supplies store	398.403.810	4.157.531.010
Other customers	9.486.978.733	6.796.562.376
Total	24.236.152.837	28.856.041.863

4. Short-term prepayments to suppliers

	Ending balance	Beginning balance
Tu Quy Fire Prevention and Fighting Facility	250.000.000	-
Thien Y Thanh Trading Service and Tourism Company Limited	500.000.000	-
Song Viet Environment Construction Company Limited	103.523.400	169.196.500
Mien Tay Technology Investment Co., Ltd.	148.500.000	148.500.000
Sao Nam Construction Investment Consultancy Co., Ltd.	142.285.000	142.285.000
Other suppliers	438.920.000	395.270.000
Total	1.583.228.400	855.251.500

5. Other short-term receivables

	Ending balance		Beginning balance	
	Value	Allowance	Value	Allowance
Term deposit interests to be received	301.676.712	-	487.091.780	-
Advances	507.750.000	-	578.884.869	-
Mr. Tran Minh Khai – Other receivables	7.531.627.139	(7.531.627.139)	5.200.000.000	(5.200.000.000)
Other short-term receivables	88.000.000	-	66.000.000	-
Total	8.429.053.851	(7.531.627.139)	6.331.976.649	(5.200.000.000)

6. Overdue debts

	Ending balance		Beginning balance	
	Overdue period	Original amount	Overdue period	Original amount
<i>Other organizations and individuals</i>				
Qui Hang Plant Protection Company Limited				
– Trade receivables	More than 3 years	213.715.486	More than 3 years	313.715.486
Mr. Tran Minh Khai – Other receivables	More than 3 years	7.531.627.139	More than 3 years	5.200.000.000
Other customers – Trade receivables	More than 3 years	852.974.899	More than 3 years	3.077.655.869
Total		8.598.317.524		8.591.371.355

Changes in allowances for doubtful debts are as follows:

	Current year	Previous year
Beginning balance	8.591.371.355	6.863.516.590
Additional allowances	-	1.727.854.765
Reversal of allowances	(73.511.915)	-
Ending balance	8.517.859.440	8.591.371.355

7. Inventories

	Ending balance		Beginning balance	
	Original costs	Allowance	Original costs	Allowance
Materials and supplies	14.429.042.519	(1.024.650.293)	14.354.739.492	(1.585.099.264)
Finished goods	2.269.753.944	(227.637.921)	4.099.223.180	(150.551.130)
Total	16.698.796.463	(1.252.288.214)	18.453.962.672	(1.735.650.394)

Changes in allowances for inventories are as follows:

	Current year	Previous year
Beginning balance	1.735.650.394	1.130.576.220
Additional extraction	-	605.074.174
Reversal of allowance	(483.362.180)	-
Ending balance	1.252.288.214	1.735.650.394

8. Prepaid expenses

8a. Short-term prepaid expenses

	Ending balance	Beginning balance
Insurance premiums	186.496.841	121.836.966
Other short-term prepaid expenses	24.000.000	24.000.000
Total	210.496.841	145.836.966

8b. Long-term prepaid expenses

	Ending balance	Beginning balance
Prepaid land rental	1.837.511.143	1.968.334.495
Other long-term prepaid expenses	249.079.995	39.749.982
Total	2.086.591.138	2.008.084.477

9. Tangible fixed assets

Increases/(decreases) in tangible fixed assets are presented in the attached Appendix 1.

Some tangible fixed assets, of which the carrying values are VND 62.924.184, have been mortgaged to secure the loans from Vietcombank – Can Tho Branch (see Note No. V.17).

10. Intangible fixed assets

	Brand name, trademark	Computer software	Total
Initial costs			
Beginning balance	200.000.000	784.913.300	984.913.300
Ending balance	200.000.000	784.913.300	984.913.300
<i>In which:</i>			
Assets fully amortized but being still in use	200.000.000	759.913.300	959.913.300
Depreciation			
Beginning balance	200.000.000	772.413.292	972.413.292
Amortization during the year	-	8.333.328	8.333.328
Ending balance	200.000.000	780.746.620	980.746.620
Carrying values			
Beginning balance	-	12.500.008	12.500.008
Ending balance	-	4.166.680	4.166.680

11. Construction-in-progress

	Beginning balance	Increases during the year	Inclusion into fixed assets during the year	Ending balance
Acquisition of fixed assets	-	5.445.133.778	(5.445.133.778)	-
Construction-in-progress	1.024.645.455	135.083.000	(135.083.000)	1.024.645.455
- Installation of fire protection systems, fire alarm systems	-	135.083.000	(135.083.000)	-
- Installation of low-voltage lines	713.794.735	-	-	713.794.735
- Other constructions	310.850.720	-	-	310.850.720
Total	1.024.645.455	5.580.216.778	(5.580.216.778)	1.024.645.455

12. Short-term trade payables

	Ending balance	Beginning balance
Agronalis Company Limited	844.800.000	1.469.600.000
Meghmani Industries Limited	6.700.494.240	5.157.504.000
UPL Management DMCC	-	1.665.444.000
Other suppliers	1.647.470.730	2.294.000.241
Total	9.192.764.970	10.586.548.241

The Company has no overdue trade payables.

13. Taxes and other obligations to the State Budget

	Beginning balance	Amount payable during the year	Amount paid during the year	Ending balance
VAT on local sales	1.317.538.577	1.544.761.610	(1.954.173.656)	906.625.531
VAT on imports	-	3.355.292.259	(3.355.340.379)	1.452.880
Corporate income tax	393.681.341	4.976.199.367	(4.180.000.000)	1.189.880.708
Personal income tax	410.079.121	1.368.110.692	(690.573.517)	1.087.616.296
Property tax	-	17.252.993	(17.252.993)	-
Land rental	-	863.235.897	(863.235.897)	-
Fees, legal fees, and other duties	-	3.000.000	(3.000.000)	-
Total	2.121.299.039	12.127.852.818	(11.063.576.442)	3.185.575.415

Value added tax (VAT)

The Company has to pay VAT in accordance with the deduction method. The tax rates applied are as follows:

- Pesticides used in agriculture	5%
- Fertilizers	Not subject to tax
- Other services	10%

From 01 January 2024 to 30 June 2024, the Company is entitled to the VAT rate of 8% for categories of goods and services that are currently applied the tax rate of 10% according to Clauses 1 and 2, Article 1, Decree No. 94/2023/NĐ-CP dated 28 December 2023 of the Government.

From 01 July 2024 to 31 December 2024, the Company is entitled to the VAT rate of 8% for categories of goods and services that are currently applied the tax rate of 10% according to Clauses 1 and 2, Article 1, Decree No. 72/2024/NĐ-CP dated 30 June 2024 of the Government.

Corporate income tax

The Company has to pay corporate income tax on taxable income at the rate of 20% (previous year: 20%).

Estimated corporate income tax payable during the year is as follows:

	Current year	Previous year
Total accounting profit before tax	14.977.680.374	12.810.348.768
Increases/(decreases) of accounting profit to determine profit subject to corporate income tax:		
- Increases	9.903.316.462	204.090.174
- Decreases	-	-
Income subject to tax	24.880.996.836	13.014.438.942

	Current year	Previous year
Income exempted from tax	-	-
Taxable income	24.880.996.836	13.014.438.942
Corporate income tax rate	20%	20%
Corporate income tax payable	4.976.199.367	2.602.887.788

Determination of corporate income tax liability of the Company is based on currently applicable regulations on tax. Nonetheless, these tax regulations may change from time to time and tax regulations applicable to variety of transactions can be interpreted differently. Hence, the tax amounts presented in the Financial Statements can be changed upon the inspection of tax authorities.

Land rental

The Company has to pay rental for the area of 41.334,35 m² of land being used at Land Lot No. 395, Map No. 10, Phuoc Thoi Ward, O Mon District, Can Tho City according to the Notice No. 1115/TB-CTCTH dated 05 March 2024 of Can Tho City Tax Department, regarding land rental payment.

Property tax

Property tax is paid according to the notices of the tax department.

Fees, legal fees and other duties

The Company has declared and paid these duties in line with the prevailing regulations.

14. Payables to employees

This item reflects salary to be paid to employees.

15. Short-term accrued expenses

	Ending balance	Beginning balance
Loan interest expenses to be paid	7.274.345	18.047.122
Sales support expenses	2.208.423.140	2.953.890.872
Traveling expenses	1.500.000.000	-
Other short-term accrued expenses	852.011.689	187.560.039
Total	4.567.709.174	3.159.498.033

16. Other short-term payables

	Ending balance	Beginning balance
Trade Union's expenditures	-	108.659.168
Receipt of short-term deposits, mortgages	150.000.000	150.000.000
Promotions and gifts for customers	1.752.917.727	1.150.227.520
Other short-term payables	20.112.120	20.112.120
Total	1.923.029.847	1.428.998.808

The Company has no other overdue payables.

17. Short-term borrowings

	Ending balance	Beginning balance
Short-term loans from banks	6.093.936.048	7.519.620.480
- Loan from Vietcombank – Can Tho Branch ⁽ⁱ⁾	5.068.239.048	4.783.055.000
- Loan from HSBC Bank (Viet Nam) Ltd. ⁽ⁱⁱ⁾	1.025.697.000	2.736.565.480
Total	6.093.936.048	7.519.620.480

The Company is solvent over short-term loans.

- (i) The loan from Vietcombank – Can Tho Branch is to issue L/C for importing, producing, processing and trading pesticides, bio-products and chemicals of all kinds at the interest rate specified in each loan receipt. The loan term is 12 months. This loan is secured by mortgaging machinery, equipment and vehicles (see Note No. V.9).
- (ii) The loan from HSBC Bank (Vietnam) Ltd. is to serve the import and local purchase of materials and other operating costs at the interest rate specified in each withdrawal notice. The loan term is within 120 days. This loan is secured by mortgaging term deposit contracts (see Note No. V.2).

Details of increases/(decreases) of short-term loans during the year are as follows:

	Current year	Previous year
Beginning balance	7.519.620.480	7.200.508.000
Increases	76.086.479.708	86.129.221.388
Amount repaid	(77.512.164.140)	(85.810.108.908)
Ending balance	6.093.936.048	7.519.620.480

The Company has no overdue loans.

18. Bonus and welfare funds

The Company has bonus and welfare funds. Details are as follows:

	Current year	Previous year
Beginning balance	1.501.607.520	596.523.060
Increase due to appropriation from profit	903.500.980	1.137.068.460
Disbursement during the year	(504.332.000)	(231.984.000)
Ending balance	1.900.776.500	1.501.607.520

19. Owner's equity

19a. Statement of the changes in the owner's equity

Information on the changes in the owner's equity is presented in the attached Appendix 02.

19b. Details of the owner's capital

	Current year	Previous year
Thanhson Agrochemicals Trading Services Company Limited	8.752.200.000	8.752.200.000
Other shareholders	34.278.300.000	34.278.300.000
Total	43.030.500.000	43.030.500.000

The contribution of charter capital is as follows:

	As in the Business Registration Certificate/		Charter capital contributed (VND)	Charter capital to be contributed (VND)
	VND/USD	Rate (%)		
Thanhson Agrochemicals Trading Services Company Limited	8.752.200.000	20,34	8.752.200.000	-
Other shareholders	34.278.300.000	79,66	34.278.300.000	-
Total	43.030.500.000	100	43.030.500.000	-

19c. Shares

	Ending balance	Beginning balance
Number of shares registered to be issued	4.303.050	4.303.050
Number of shares sold to the public	4.303.050	4.303.050
- Common shares	4.303.050	4.303.050
- Preferred shares	-	-
Number of shares repurchased	221.600	221.600
- Common shares	221.600	221.600
- Preferred shares	-	-
Number of outstanding shares	4.081.450	4.081.450
- Common shares	4.081.450	4.081.450
- Preferred shares	-	-

Face value per outstanding share: VND 10.000.

19d. Profit distribution

During the year, the Company distributed profit in 2023 according to the Resolution No. 03/2024.NQ.ĐHĐCĐ.CPC dated 25 April 2024 of 2024 Annual General Meeting of Shareholders as follows:

	VND
• Dividend distribution to shareholders	: 7.346.610.000
• Appropriation for investment and development fund	: 500.000.000
• Appropriation for bonus and welfare funds	: 903.500.980
• Bonus to the key managers and the Supervisory Board	: 753.200.000
• Remuneration to the Board of Management and the Supervisory Board	: 204.150.000

Additionally, during the year, the Company paid dividends to the shareholders for an amount of VND 7.346.610.000 (previous year: VND 6.122.175.000).

20. Off-Balance Sheet items

20a. Foreign currencies

As of the balance sheet date, cash includes USD 689,55 (beginning balance: USD 946,99).

20b. Treated doubtful debts

	Ending balance	Beginning balance	Reason for writing-off
Trade receivables	1.330.139.458	1.330.139.458	Unable to contact with customers, irrevocable
Prepayments to suppliers	116.500.000	116.500.000	Unable to contact with customers, irrevocable
Other receivables	170.357.639	170.357.639	Unable to contact with customers, irrevocable
Total	1.616.997.097	1.616.997.097	

VI. ADDITIONAL INFORMATION ON THE ITEMS OF THE INCOME STATEMENT

1. Revenue from sales of goods and provisions of services

1a. Gross revenue

	Current year	Previous year
Revenue from sales of finished goods	183.248.371.176	178.127.668.471
Revenue from sales of processing service	6.781.146.800	11.236.558.150
Total	190.029.517.976	189.364.226.621

1b. Revenue from sales of goods and provisions of services to related parties

The Company has sales of goods and service provisions to other related parties as follows:

	Current year	Previous year
Thanhson Agrochemicals Trading Services Company Limited		
Processing service	3.944.155.000	2.038.208.000
ADC Co., Ltd.		
Processing service	1.514.967.000	938.808.000

2. Costs of sales

	Current year	Previous year
Costs of finished goods sold	145.972.001.848	140.992.487.504
Costs of processing service	3.005.695.699	5.414.399.379
Allowance /(Revesal of allowance) for inventories	(483.362.180)	605.074.174
Total	148.494.335.367	147.011.961.057

3. Financial income

	Current year	Previous year
Term deposit interest	2.496.373.193	2.809.059.363
Demand deposit interest	13.032.135	13.344.209
Exchange gain arising	1.734.379.400	2.805.331.846
Total	4.243.784.728	5.627.735.418

4. Financial expenses

	Current year	Previous year
Loan interest expenses	595.142.977	1.145.442.124
Discount given to customers	959.070.608	359.811.868
Exchange loss arising	2.823.679.730	2.261.482.431
Exchange loss due to the revaluation of monetary items in foreign currencies	170.784.460	1.165.062.038
Total	4.548.677.775	4.931.798.461

5. Selling expenses

	Current year	Previous year
Expenses for employees	7.624.205.230	9.362.619.326
Materials, packages	4.100.000	296.300
Tools, supplies	90.498.016	56.097.735

	Current year	Previous year
Depreciation/(amortization) of fixed assets	1.464.014.060	896.220.071
Expenses for external services	1.778.162.488	1.914.028.301
Other expenses	4.091.401.968	5.732.692.144
Total	15.052.381.762	17.961.953.877
6. General and administration expenses		
	Current year	Previous year
Expenses for employees	8.453.933.828	6.685.916.917
Office supplies	141.300.050	87.800.698
Office stationery	-	5.303.028
Depreciation/(amortization) of fixed assets	643.720.584	413.308.654
Taxes, fees and legal fees	217.703.478	226.150.737
Allowance/(Reversal of allowance) for doubtful debts	(73.511.915)	1.727.854.765
Expenses for external services	1.214.298.682	1.694.643.259
Other expenses	1.480.766.217	1.615.043.803
Total	12.078.210.924	12.456.021.861
7. Other income		
	Current year	Previous year
Proceeds from liquidation, disposal of fixed assets	1.226.727.273	310.919.191
Income from leasing product trademark	109.090.909	-
Other income	22.220	75.809
Total	1.335.840.402	310.995.000
8. Other expenses		
	Current year	Previous year
Tax fines and tax collected in arrears	306.390.994	-
Fines for administrative violations	20.000.000	-
Allocation of land rental	130.823.352	130.823.352
Other expenses	642.558	49.663
Total	457.856.904	130.873.015
9. Earnings per share		
9a. Basic/diluted earnings per share		
	Current year	Previous year
Accounting profit after corporate income tax	10.001.481.007	10.207.460.980
Appropriation for bonus and welfare funds ^(*)	(885.268.914)	(903.500.980)
Appropriation of bonus to the key managers and the Supervisory Board ^(**)	(500.074.050)	(957.350.000)
Profit used to calculate basic/diluted earnings per share	8.616.138.043	8.346.610.000
The average number of ordinary shares outstanding during the year	4.081.450	4.081.450
Basic/diluted earnings per share	2.111	2.045

^(*) The appropriation for bonus and welfare funds in the current year is temporarily made at 2023 profit distribution rate as approved at the Resolution No. 03/2024.NQ.ĐHĐCĐ.CPC dated 25 April 2024 of the General Meeting of Shareholders.

^(**) The appropriation of bonus to the key managers and the Supervisory Board in the current year is temporarily made at the rate as approved at the Resolution No. 03/2024.NQ.ĐHĐCĐ.CPC dated 25 April 2024 of the General Meeting of Shareholders.

9b. Other information

The basic/diluted earnings per share of the previous year are recalculated based on the actual appropriation for bonus and welfare funds, appropriation for bonus to the Board of Management, the Board of Directors, the key managers and the Supervisory Board. The recalculation causes a decrease in basic/diluted earnings per share of the previous year from VND 2.101 down to VND 2.045.

10. Operating costs by factors

	Current year	Previous year
Materials and supplies	112.575.367.188	102.719.842.805
Labor costs	39.479.563.755	46.172.148.400
Depreciation/(amortization) of fixed assets	3.977.200.276	3.311.442.632
Expenses for external services	8.074.211.571	5.334.012.979
Other expenses	7.178.328.235	14.727.752.054
Total	171.284.671.025	172.265.198.870

VII. OTHER DISCLOSURES

1. Transactions and balances with related parties

The Company's related parties include the key managers, their related individuals and other related parties.

1a. Transactions and balances with the key managers and their related individuals

The Company's key managers include the Board of Management and the Board of Directors. The key managers' related individuals are their close family members.

Transactions with the key managers and their related individuals

The Company has no sales of goods and service provisions to the key managers and their related individuals.

Receivables from and payables to the key managers and their related individuals

The Company has no receivables from and payables to the key managers and their related individuals.

Remuneration of the key managers and the Supervisory Board

	Salary	Bonus	Remuneration	Total income
Current year				
Mr. Vo Viet Thanh – Chairman	147.600.000	308.797.916	30.707.813	487.105.729
Mr. Nguyen Van Trung – Board Member cum General Director	619.800.000	1.194.355.000	29.268.750	1.843.423.750
Mr. Nguyen Ngoc Minh – Board Member cum Deputy	519.600.000	993.432.000	29.268.750	1.542.300.750

	Salary	Bonus	Remuneration	Total income
General Director				
Mr. Pham The Hung – Board Member	374.100.000	745.532.000	29.268.750	1.148.900.750
Mr. Ho Quang Thai – Board Member	-	47.075.000	29.268.750	76.343.750
Mr. Nguyen Van Thai – Head of Supervisory Board	197.100.000	397.639.000	25.268.750	620.007.750
Mr. Ho Van Hy – Member	96.600.000	207.929.167	22.390.625	326.919.792
Ms. Pham Thi Hong Lieu – Member	-	39.229.167	22.390.625	61.619.792
Total	1.954.800.000	3.933.989.250	217.832.813	6.106.622.063
Previous year				
Mr. Vo Viet Thanh – Chairman	128.400.000	110.825.000	22.975.000	262.200.000
Mr. Nguyen Van Trung – Board Member cum General Director	563.400.000	383.443.000	21.900.000	968.743.000
Mr. Nguyen Ngoc Minh - Board Member cum Deputy General Director	451.800.000	315.036.000	21.900.000	788.736.000
Mr. Pham The Hung – Board Member	348.000.000	141.937.000	230.437.000	720.374.000
Mr. Pham Van Mua – Board Member	-	12.700.000	4.300.000	17.000.000
Mr. Ho Quang Thai – Board Member	-	38.100.000	21.900.000	60.000.000
Mr. Nguyen Van Thai – Head of Supervisory Board	160.200.000	136.296.000	18.900.000	315.396.000
Mr. Ho Van Hy – Member	84.000.000	77.250.000	16.750.000	178.000.000
Ms. Pham Thi Hong Lieu – Member	-	21.166.667	13.166.667	34.333.334
Total	1.735.800.000	1.236.753.667	372.228.667	3.344.782.334

1b. Transactions and balances with other related parties

Other related parties of the Company include:

Other related parties	Relationship
Thanhson Agrochemicals Trading Services Company Limited ADC Co., Ltd.	Major shareholder The company has the Chairman of the Member's Council as the Chairman of the Board of Management of the company

Transactions with other related parties

Apart from sales of goods and service provisions to other related parties presented in Note No. VI.1b, the Company only had dividends distribution to Thanhson Agrochemicals Trading Services Company Limited for an amount of VND 1.575.396.000 (previous year: VND 1.312.830.000).

The prices of merchandise and services provided to other related parties are mutually agreed prices. The purchases of merchandise and services from other related parties are done at the agreed prices.

Receivables from and payables to other related parties

Receivables from and payables to other related parties are presented in Note No. V.3.

The receivables from other related parties are unsecured and will be paid in cash. There are no allowances for doubtful debts made for the receivables from other related parties.

2. Segment information

The Company only operates in the field of producing pesticides, fertilizers, chemicals used in the agriculture and all activities of the Company are taken place in the territory of Vietnam only.

3. Subsequent events

There are no material subsequent events which are required adjustments or disclosures in the Financial Statements.

Can Tho City, 19 March 2025



Nguyen Duy Linh
Preparer



Quach Thi Thuy
Chief Accountant



Nguyen Van Trung
General Director

	Buildings and structures	Machinery and equipment	Vehicles	Office equipment	Total
Historical costs					
Beginning balance	23.837.654.509	18.321.486.299	15.329.037.993	395.118.545	57.883.297.346
Completed construction	-	1.175.483.000	4.404.733.778	-	5.580.216.778
Liquidation, disposal	-	-	(4.762.434.417)	-	(4.762.434.417)
Ending balance	23.837.654.509	19.496.969.299	14.971.337.354	395.118.545	58.701.079.707
<i>In which:</i>					
Assets fully depreciated but still in use	16.214.973.440	10.886.873.453	2.905.546.471	192.818.181	30.200.211.545
Assets waiting for liquidation	-	-	-	-	-
Depreciation					
Beginning balance	19.915.496.940	13.786.897.634	9.252.723.613	256.008.546	43.211.126.733
Depreciation during the year	771.723.555	1.059.280.541	2.085.047.576	52.815.276	3.968.866.948
Liquidation, disposal	-	-	(4.762.434.417)	-	(4.762.434.417)
Ending balance	20.687.220.495	14.846.178.175	6.575.336.772	308.823.822	42.417.559.264
Carrying values					
Beginning balance	3.922.157.569	4.534.588.665	6.076.314.380	139.109.999	14.672.170.613
Ending balance	3.150.434.014	4.650.791.124	8.396.000.582	86.294.723	16.283.520.443

In which:

Assets temporarily not in use
Assets waiting for liquidation

Nguyễn Duy Linh

Nguyễn Duy Linh
Preparer



Quách Thị Thuy
Chief Accountant

Nguyễn Văn Trung
General Director

	Capital	Share premiums	Other sources of capital	Treasury shares	Investment and development fund	Retained earnings	Total
Beginning balance of the previous year	43.030.500.000	8.291.518.300	12.261.176.032	(4.000.872.355)	12.017.330.583	11.755.871.095	83.355.523.655
Profit in the previous year	-	-	-	-	-	10.207.460.980	10.207.460.980
Appropriation for funds in the previous year	-	-	-	-	1.000.000.000	(2.137.068.460)	(1.137.068.460)
Dividend distribution in the previous year	-	-	-	-	-	(6.122.175.000)	(6.122.175.000)
Appropriation for remuneration and bonus to the Board of Management, the Executive Officers and the Supervisory Board	-	-	-	-	-	-	-
Ending balance of the previous year	43.030.500.000	8.291.518.300	12.261.176.032	(4.000.872.355)	13.017.330.583	12.903.288.615	(800.800.000)
Beginning balance of the current year	43.030.500.000	8.291.518.300	12.261.176.032	(4.000.872.355)	13.017.330.583	12.903.288.615	85.502.941.175
Profit in the current year	-	-	-	-	-	10.001.481.007	10.001.481.007
Appropriation for funds in the current year	-	-	-	-	500.000.000	(1.403.500.980)	(903.500.980)
Dividend distribution in the current year	-	-	-	-	-	(7.346.610.000)	(7.346.610.000)
Appropriation for remuneration and bonus to the Board of Management, the Executive Officers and the Supervisory Board	-	-	-	-	-	-	-
Ending balance of the current year	43.030.500.000	8.291.518.300	12.261.176.032	(4.000.872.355)	13.517.330.583	(957.350.000)	(957.350.000)
Ending balance of the current year	43.030.500.000	8.291.518.300	12.261.176.032	(4.000.872.355)	13.517.330.583	13.197.308.642	86.296.961.202

Nguyễn Duy Linh

Nguyễn Duy Linh
Preparer

Quách Thị Thuy

Quách Thị Thuy
Chief Accountant



Nguyễn Văn Trung
General Director

Can Tho City, 19 March 2025



Can Tho City, April 15, 2025

CANTHO PESTICIDES JOINT STOCK COMPANY

CONFIRMATION BY THE COMPANY'S LEGAL REPRESENTATIVE



GENERAL DIRECTOR

Nguyễn Văn Trung





CPC - PARTNERING WITH FARMERS FOR A BOUNTIFUL HARVEST



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