

Chairman's 2022 AGM Speech

Dear Valued Shareholders,

Warm welcome all of our valued shareholders to the 2022 AGM of Traphaco!! Especially, this year is the Company's 50 years anniversary year, so, today AGM is much more special than the previous AGM, for me and our shareholders,

And today, as the Chairman of Traphaco, I would like to deliver few key messages to our valued shareholders,



First of all, I am very happy to meet you today with high performance of 2021, also 1Q of 2022. On behalf of the shareholders, I would like to express sincere appreciation to all the Traphaco Employees and especially CEO Tran Tuc Ma and Member of Top Management.

Now, The last year 2021, Traphaco did overachievement toward the Targets, assigned by shareholders, that consolidated revenue reaches more than 2,160 billion VND, 14% higher than year of 2020. This is highest revenue record ever in Traphaco business history and Consolidated profit reaches 265 billion VND which exceeded 10.5% of the plan (240 billion VND) and grew 23% higher than the year of 2020. And the 1st Quarter of Year 2022, nearly 30% Revenue Growth, comparing to the 1st Quarter of 2021 and it is the one of the most notable performances among the listed pharmaceutical companies in the stock market. Under the harsh circumstances, heavily affected by the Covid-19 pandemic, the distribution system has proven its core strength of the Company such as being delivered in full and on time, without interruption of the supply chain by strong support of partners and customers.

And second of all, in regards to the implementation of the 2021 AGM Resolution, the Board of Directors together with the consulting of KPMG

successfully has started and proceeded “the Business Restructuring Project” since November 2021 for the strategic goal of "Maintaining the No. 1 position in herbal business, and Focusing on the development of non-herbal business". This new organizational model and improved governance method are creating and increasing our company value faster as we intended. This project’s effectiveness and productivity have been clearly proved by the best performance for the first quarter of this year.

From the year 2021 till now, the Covid (Pandemic) is still affecting whole society and especially healthcare industry. Traphaco, as the one of the top pharmaceutical companies in Vietnam, we also couldn’t avoid this situation as well and under pandemic environment, we have been facing many unforeseen challenges, in entire each business units of the Company and the employees get lots of difficulty in personal life as well. Among even pharma or health care companies, only well prepared and pro-active company will survive, and the survived company will take the idle market share.

So, it could be and has been a big opportunity to prepared company, also big threaten to not prepared company.

As a Chairman of Traphaco, I can say clearly to all Traphaco valued shareholders, “Traphaco is well prepared, we are managing this situation very effectively for the sudden market changes”.

In order to make prompt action to the market than other competitors by leading market trend and preparing unexpected difficulties of the future environment, we have been doing this business restructuring, business innovation, leaded by Md. Dao Thuy Ha, Mr. Kim Dong Hyu and other company leaders together, on behalf of major shareholder. And I also have been making effort with Vice Chairman Nguyen Anh Tuan with BoD members. Especially I appreciate Vice Chairman Nguyen Anh Tuan who has been making tremendous efforts to make this innovation under this challenging period.

So, I feel very bright future of Traphaco, since I see and listen lots of market's expectation to Traphaco.

Dear Valued shareholders!

In the year 2022, We sets another challenging revenue target of 2,345 billion VND, profit of 286 billion VND, moreover we continue the restructuring project to separate the herbal and non-herbal business by investing and upgrading the production lines of herbal & non-herbal products, increasing the product portfolio through research & development, cooperation in technology transfer, having more imported products from many foreign partnership and strong distribution system. And plus, there will be the succession plan of the current Board of Management to new generation, which will be the key driver of the innovation for the young and talented employees of Traphaco!!

Based on the development history of the past half century and the company's notable reputation, the comprehensive support of major shareholders, the resonance trust of the shareholders, partners and customers for Traphaco over the past 50 years, along with the persistent efforts of the Company's Leadership and all employees throughout the system, Traphaco has been and continue to be the Market Innovator of Viet Pharma Industries.

And lastly, the cooperation between major shareholders, MiraeAsset and SCIC has been stronger that ever and it will continue to drive the innovation and welfare of the Traphaco and Employees, for the interest of our valued shareholders and market's expectation.

I Wish all of you stay in health and happiness.

Thank you very much.