

**RESOLUTION**  
**2021 ANNUAL GENERAL MEETING**  
**TRAPHACO JSC****GENERAL ASSEMBLY OF SHAREHOLDERS**

Pursuant to the Enterprise Law No. 59/2020/QH14 by the 14th National Assembly of the Socialist Republic of Vietnam dated 17/6/2020;

Pursuant to the Securities Law No. 54/2019/QH14 by the 14th National Assembly of the Socialist Republic of Vietnam dated 26/11/2019;

Pursuant to the Corporate Charter of Traphaco JSC;

Pursuant to the Minutes of Meetings of the 2021 AGM of Traphaco No. 11/2021/BB-ĐHĐCĐ dated 31/3/2021.

**RESOLVE****ARTICLE 1. APPROVAL OF THE 2020 REPORTS**

The General Assembly of Shareholders approved the 2020 Reports of the Board of Directors, the Board of Supervisors:

**Some basic indicators of business operations in 2020**

No.	Indicator	Plan of 2020	Results in 2020	The ratio compared to planned	The ratio compared to 2019
		<i>billion VND</i>	<i>billion VND</i>	%	%
1	Net revenue from sales and services	2.000	1.909	95%	112%
1.1	<i>Manufactured goods</i>	1.630	1.597	98%	113%
1.2	<i>Consigned Export-Import goods and services, other products</i>	120	106	88%	145%
1.3	<i>Revenue from subsidiaries</i>	250	205	82%	90%
2	Consolidated profit after tax	180	216,7	120%	127%

Detailed reports in the Statements to the 2021 AGM.

*The General Assembly of Shareholders voted to approve with the ratio 100% of the total number of votes of shareholders having voting right are present directly or attend through the authorized representatives.*

## **ARTICLE 2. APPROVAL OF THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS IN 2020**

### **Basic indicators of the 2020 audited financial statements (consolidated)**

No.	Indicator	Amount (VND)
1	Total assets	1.654.921.644.807
2	Equity Of which:	1.171.159.703.077
2.1	Paid-in capital	414.536.730.000
2.2	Capital surplus	133.021.732.000
2.3	Investment and Development Fund	389.305.345.240
2.4	Retained earnings	131.469.156.763
3	Gross sales	1.908.870.012.284
4	Cost of goods sold	877.456.366.604
5	Selling expenses	507.990.576.438
6	Operating expenses	254.351.128.124
7	Profit before tax	266.648.975.008
8	Profit after tax	216.747.577.989
9	Profit after tax attributable to the parent company's shareholders	195.787.070.067

Detailed in the Statement 04/2021/TTHĐQT-ĐHĐCĐ.

*The General Assembly of Shareholders voted to approve with the ratio 100% of the total number of votes of shareholders having voting right are present directly or attend through the authorized representatives.*

## **ARTICLE 3. APPROVAL OF THE PLAN OF DISTRIBUTION OF PROFIT AFTER TAX IN 2020 AND THE REMUNERATION OF THE BOARD OF DIRECTORS AND THE BOARD OF SUPERVISORS IN 2020**

According to the 2020 audited financial statements of Traphaco JSC, the profit after tax attributable to the parent company's shareholders in 2020 is VND 195.787.070.067 (according to the consolidated statement).



The General Assembly of Shareholders approved the plan of distribution of profit after tax in 2020, specifically:

Indicator	Ratio	Amount (VND)
Consolidated profit after tax (minus minority interest) for distribution		195.787.070.067
Bonus and welfare fund	9%	17.620.836.307
Dividend payout, 2020	30% of par value (cash)	124.351.620.000
Investment and Development Reserve	50% of the residual profit	26.907.306.880
Retained earnings	50% of the residual profit	26.907.306.880

- Remuneration of the Board of Directors VND 3,500,000,000.

- Remuneration of the Board of Supervisors VND 600,000,000.

(\*) Remuneration of the Board of Directors and the Board of Supervisors shall be included in the operating expenses.

The General Assembly of Shareholders voted to approve with the ratio 100% of the total number of votes of shareholders having voting right are present directly or attend through the authorized representatives.

#### ARTICLE 4. APPROVAL OF THE OPERATIONAL DIRECTIONS OF THE COMPANY IN 2021 AND THE DEVELOPMENT ORIENTATION OF THE COMPANY IN THE PERIOD 2021 - 2025

The General Assembly of Shareholders approved the Operational directions of the Company in 2021 with main indicators as follows:

No.	Key indicators	Unit	Amount	Growth compared to 2020
1	Consolidated revenue (without VAT)	billion VND	2.100	10%
1.1	Parent Company's Revenue	billion VND	1.865	9,5%
	OTC Revenue	billion VND	1.685	9,3%
	ETC Revenue	billion VND	160	19%



No.	Key indicators	Unit	Amount	Growth compared to 2020
	Other Revenue		20	
1.2	Revenue from subsidiaries	billion VND	235	15%
2	Consolidated profit ( <i>after tax</i> )	billion VND	240	11%
3	Increase in the income of the parent company's employees compared to 2020	%	5%	

The General Assembly of Shareholders approved the Development orientation of the Company in the period 2021-2025 with main indicators as follows:

- Total revenue's CAGR: 13.3% over 5 years;
- Revenue of manufactured products CAGR: 11.9% over 5 years;
- Revenue of import goods CAGR: 53.1% over 5 years, accounting for 11.7% of total revenue in 2025;
- Gross profit is maintained at 48% annually;
- Profit before tax CAGR: 15% over 5 years;
- Increase technology transfer with Daewoong - Korean partner with about 70 products;
- Sales of new products launched to the market from 2021 to be VND 300 billion by 2025;
- Enhance the application of modern technology and new governance standards, including improving the ERP system, BI reporting system, and budget planning;
- Focus on creating value for shareholders, creating a friendly working environment with the spirit of Traphaco Culture in the new stage, creating motivation for employees.
- Consider the need to increase the charter capital to ensure the scale of operations and generate benefits for shareholders.

Detailed in the Statement 01a/2021/TTHĐQT-ĐHĐCĐ.

Based on the opinion of the major shareholders, it is proposed to the General Assembly of Shareholders to approve 02 matters related to solutions to implement the Development Orientation of the Company in the period 2021-2025:

- Business restructuring: Agree on the direction of separating the business between herbal and non-herbal products on the basis of a proposal to be discussed and approved by the Board of Directors after the AGM. TRA will hire a consulting



firm to advise on business restructuring. AGM assign BOD to lead the directly project which will be completed tentatively within 4 weeks.

- CEO position: in order to achieve the targets assigned by the AGM, the Board of Directors will appoint the CEO of the Company for the term 2021-2025. After 01 year from the effective date of this decision, the Board of Directors will consider and evaluate based on the results of completing the business plan in 2021 and the implementation of the tasks and plans of the Board of Directors to decide the continuation of the appointment. In case the CEO does not complete the 2021 business plan and other tasks, plans assigned to the CEO by the Board of Directors, the Board of Directors shall remove the CEO.

*The General Assembly of Shareholders voted to approve with the ratio 100% of the total number of votes of shareholders having voting right are present directly or attend through the authorized representatives.*

## **ARTICLE 5. APPROVAL OF THE PLAN OF DISTRIBUTION OF PROFIT AFTER TAX IN 2021 AND THE REMUNERATION OF THE BOARD OF DIRECTORS AND THE BOARD OF SUPERVISORS IN 2021**

The General Assembly of Shareholders approved the plan of distribution of profit after tax in 2020 as follows:

<b>Indicator</b>	<b>Ratio</b>
Bonus and welfare fund	9% consolidated EAT,
Dividend payout, 2021	30% of face value in cash
The residual profit will be allocated to the Investment and Development Reserve and undistributed profits	The rest

- Remuneration of the Board of Directors VND 3,500,000,000,
- Remuneration of the Board of Supervisors VND 600,000,000.

*(\*) Remuneration of the Board of Directors and the Board of Supervisors shall be included in the operating expenses.*

The General Assembly of Shareholders authorizes the Board of Directors to temporarily pay out the bonus and welfare fund in the year based on the actual results of production and business and profit in the year according to the proportion already approved by the General Assembly of Shareholders.



*The General Assembly of Shareholders voted to approve with the ratio 100% of the total number of votes of shareholders having voting right are present directly or attend through the authorized representatives.*

#### **ARTICLE 6. APPROVAL OF THE SELECTION OF AN AUDIT FIRM FOR THE FINANCIAL YEAR OF 2021**

The General Assembly of Shareholders authorized the Board of Directors to select and approve an Audit Firm within the Big4 group, approved by the State Securities Commission, in accordance with the size and requirements of the Company, to audit the annual financial statements and review of quarterly financial statements (if necessary at the request of the State management agency) and assign the CEO to sign the audit contract.

*The General Assembly of Shareholders voted to approve with the ratio 100% of the total number of votes of shareholders having voting right are present directly or attend through the authorized representatives.*

#### **ARTICLE 7. APPROVAL OF THE SIGNING OF CONTRACTS with TRAPAHCO CNC JSC & TRAPHACO Hung Yen Co., Ltd.**

The General Assembly of Shareholders approved the signing of contracts with Traphaco High-tech Joint Stock Company and Traphaco Hung Yen Co., Ltd., assigned to the Board of Directors in 2021 to actively review and approve the contracts signed between Traphaco JSC with Traphaco High-tech Joint Stock Company and Traphaco Hung Yen Co., Ltd., in the spirit of ensuring Traphaco's interests. The CEO, based on BoD' approval, to sign and implement signed contracts with Traphaco High-tech Joint Stock Company and Traphaco Hung Yen Co., Ltd.

*The General Assembly of Shareholders voted to approve with the ratio 100% of the total number of votes of shareholders having voting right are present directly or attend through the authorized representatives.*

#### **ARTICLE 8. APPROVAL OF THE AMENDMENT AND SUPPLEMENTATION OF THE COMPANY'S CHARTER ACCORDING TO THE ENTERPRISE LAW 2020, SECURITIES LAW 2019**

The General Assembly of Shareholders approved the amendment and supplementation of the old Charter of the Company in accordance with the Enterprise Law 2020, the Securities Law 2019. The new Charter will take effect from April 1<sup>st</sup>, 2021 and replace the current Charter.

The General Assembly of Shareholders assigned the Board of Directors and the CEO - the legal representative of the Company to review, complete and sign for promulgation of the new Charter.

Detailed in the Statement 07/2021/TTHĐQT-ĐHĐCĐ.

*The General Assembly of Shareholders voted to approve with the ratio 100% of the total number of votes of shareholders having voting right are present directly or attend through the authorized representatives.*

## **ARTICLE 9. ELECTION OF MEMBERS TO THE BOARD OF DIRECTORS AND THE BOARD OF SUPERVISORS FOR THE TERM OF 2021 - 2025**

The General Assembly of Shareholders approved the results of the election of members to the Board of Directors and the Board of Supervisors for the term 2021 – 2025 as follows:

### **1. Members of the Board of Directors for the term of 2021-2025:**

- (1). Mr. Kim Dong Hyu
- (2). Mr. Trần Túc Mã
- (3). Mr. Nguyễn Anh Tuấn
- (4). Ms. Đào Thúy Hà
- (5). Mr. Chung Ji Kwang
- (6). Mr. Lee Tae Yon
- (7). Mr. Lại Trần Đông

### **2. Members of the Board of Supervisors for the term 2021-2025:**

- (1). Mr. Kwon Ki Bum
- (2). Ms. Nguyễn Thanh Hoa
- (3). Ms. Nguyễn Thị Lương Thanh

## **ARTICLE 10. TERMS OF ENFORCEMENT**

This Resolution shall take effect from March 31<sup>st</sup>, 2021.

The General Assembly of Shareholders assigned members of the Board of Directors, the Board of Management and related persons to be responsible for the implementation of this Resolution./.

### **Recipients:**

- Shareholders, Website TRAPHACO;
- SSC/Stock Exchange;
- BoD, BoM; BoS;
- Archive HC.

**B/O. GENERAL ASSEMBLY OF SHAREHOLDERS  
CHAIRWOMAN OF THE AGM**

*(signed)*

### **Attachments:**

- The 2021 AGM' MoM;
- Minutes of shareholders' status verification;

**MSc. Vu Thi Thuan**