

TRAPHACO JSC.

THE SOCIALIST REPUBLIC OF VIETNAM

Independence - Freedom - Happiness

No: 04/2019/TTHĐQT-ĐHĐCĐ

Hanoi, March 14th, 2019

STATEMENT
2019 ANNUAL GENERAL MEETING
Re: Signing Contracts with Subsidiaries

To: GENERAL ASSEMBLY OF SHAREHOLDERS

Pursuant to:

- *Enterprise Law No. 68/2014/QH13 by the 11th National Assembly of the Socialist Republic of Vietnam dated 29/13/2005;*
- *Securities Law No. 70/2006/QH11 by the 11th National Assembly of the Socialist Republic of Vietnam dated 29/06/2006;*
- *Corporate Charter of TRAPHACO JSC;*
- *The Regulation on Management of Contracts and Transactions between Traphaco JSC and Related Parties,*

The Board of Directors submits to the General Assembly of Shareholders 2019 the contracts between Traphaco and subsidiaries: Traphaco CNC JSC and Traphaco Hung Yen Co., Ltd as follows:

Traphaco CNC is a subsidiary owned 51% by Traphaco, which joins in Traphaco's value chain and manufactures medicinal products from natural sources for Traphaco. In 2018, as approved by the General Assembly of Shareholders, the Board of Directors reviewed and approved the contracts signed between Traphaco Joint Stock Company and Traphaco CNC in accordance with the law, ensuring efficiency and benefits for Traphaco. In 2019, to satisfy annual production and business activities, Traphaco expects to purchase and process products in Traphaco CNC with the total value estimated at VND 350 billion.


Traphaco Hung Yen is a subsidiary owned 100% by Traphaco, which joins in Traphaco's value chain and manufactures generic products for Traphaco. Traphaco Hung Yen own a pharmaceutical factory, which was inaugurated on 8/11/2017 with modern-invested, synchronous equipment lines; plays an important role in Traphaco's Sustainable Development Strategy. In 2019, Traphaco Joint Stock Company expects to buy from Traphaco Hung Yen Co., Ltd with the value estimated at VND 310 billion.

According to Traphaco's Charter, and Regulation on Management of Contracts and Transactions between Traphaco and related parties; to ensure the ordinary operation of Traphaco, the Board of Directors propose to the AGM:

- Assigned the Board of Directors in 2019 to actively review and approve contracts signed between Traphaco Joint Stock Company and the following companies: Traphaco CNC JSC, Traphaco Hung Yen Co., Ltd; in the spirit of ensuring the benefits of Traphaco Joint Stock Company.

- The CEO, based on BoD' approval, to sign and implement signed contracts with the companies: Traphaco CNC JSC, Traphaco Hung Yen Co., Ltd.

Respectfully submitted to the AGM for consideration and approval.

Regards. 

Recipients:

- 2019 AGM
- Members of BoD, Executive Board, BoS;
- Website TRAPHACO;
- Archive Admin.

**B/O. THE BOARD OF DIRECTORS
CHAIRWOMAN**

(signed)

MSc. Vu Thi Thuan