

No: .../2021/TTHĐQT-ĐHĐCĐ

Hanoi, March , 2021

STATEMENT
2021 ANNUAL GENERAL MEETING
Re Report on the governance & BoD activities in 2020

To: GENERAL ASSEMBLY OF SHAREHOLDERS

The Board of Directors respectfully reports to the General Meeting of Shareholders in 2021 BoD's Reports on the governance and BoD activities in 2020, as follows:

PART 1: OVERVIEW OF MEETINGS AND RESOLUTIONS OF THE BoD

- In 2020, the Board of Directors conducted 06 meetings, issued 13 resolutions and decisions to resolve issues within the functions and authority of the Board of Directors.
- All the meetings of the Board of Directors presented by the Board of Supervisors to attend to exchange, discuss and create a high consensus in strategies, business directions, direction of the Board of Directors for the Board of Management.

Meeting attendance rate

No	Director	Position	The starting date of BoD membership	Number of BoD meetings attended	Meeting attendance rate	Reasons for absence
1.	Vu Thi Thuan	Chairwoman	30/3/2016	6/6	100%	
2.	Nguyen Anh Tuan	Vice Chairman	30/3/2016	6/6	100%	
3.	Tran Tuc Ma	Member CEO	30/3/2016	6/6	100%	
4.	Vu Tri Thuc	Member	26/3/2020	5/5	100%	
5.	Chung Ji Kwang	Member	26/3/2020	5/5	100%	
6.	Lee Tae Yon	Member	26/3/2020	5/5	100%	
7.	Kim Dong Hyu	Member	05/7/2018	6/6	100%	
8.	Nguyen Quoc Huy	Member	30/3/2018	1/1	100%	Resigned 23/3/2020
9.	Ji Chang Won	Member	26/9/2020	1/1	100%	Resigned 10/3/2020

10.	Lee Choong Hwan	Member	05/7/2018	1/1	100%	Resigned 23/3/2020
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BoD's Resolutions issued in 2020

The Board approved 13 decisions on the following issues:

- On Governance of Management: 09 decisions;
- On Governance of HR: 02 decisions;
- On Governance of Shareholders (for shareholders' benefits): 02 decisions;

No .	Resolution / Decision No.	Date	Content
1.	NQ 001/HĐQT	20/02/2020	Pass: <ul style="list-style-type: none"> - CEO's report; - Assessment of the BoM activities; - Orientations of BoD activities in 2020; - Developing western medicine, 2020-2025; - Assigning the KPIs of Q1/2020; - Solutions to ensure business activities in Covid-19 epidemic; - Bank credit limit; - Hire Ernst & Young for training on enhancing risk management capacity; - Organizing plan of the 2020 AGM.
2.	03/QĐ-HĐQT	21/02/2020	Assign the production and business plan in 2020
3.	04/QĐ-HĐQT	21/02/2020	Assign the 2020 Plan for Traphaco Hung Yen Co., Ltd.
4.	05/QĐ-HĐQT	21/02/2020	Assign the 2020 Plan for Traphaco Sapa Co., Ltd.
5.	07/QĐ-HĐQT	21/02/2020	Assign the Investment Plan in 2020
6.	08/QĐ-HĐQT	21/02/2020	Assign the flat salary expense in 2020
7.	NQ 002/HĐQT	26/3/2020	<ul style="list-style-type: none"> - Pass CEO's report; - Deploy the 2020 AGM's Resolutions: division of profit after tax in 2019; adding and updating business registration lines; amendment of the charter; - Assign duties and remuneration of the BoD; - Assign the KPIs of Q2/2020.
8.	NQ 003/HĐQT	28/05/2020	Pass: <ul style="list-style-type: none"> - CEO's report; - Deploy Communication of Traphaco Culture in a new phase; - Contents of the AGM of subsidiaries Traphaco CNC,

			<p>Bamepharm;</p> <ul style="list-style-type: none"> - Direction for Traphaco's organizational structure, <p>Consider:</p> <ul style="list-style-type: none"> - Perfecting leadership at branches; - Planning for senior and middle-level leaders for the period 2021-2025 (to implement at the right time).
9.	15/NQ-HĐQT	28/05/2020	Selection of the auditing firm for the financial statements in 2020
10.	16/NQ-HĐQT	28/05/2020	Payment of the remaining 10% dividend of 2019
11.	18/NQ-HĐQT	06/07/2020	Selection of the auditing firm for the financial statements in 2020
12.	19/QĐ-HĐQT	13/07/2020	Conduct a thorough assessment of the Company's core competencies
13.	NQ 004/HĐQT	10/08/2020	<p>Pass:</p> <ul style="list-style-type: none"> - CEO's report; - Implementation results of the AGM Resolution; - Business results in the first 6 months of 2020; - Assign KPIs Q3/2020, <p>Consider:</p> <ul style="list-style-type: none"> - Business policy on OTC and ETC channels; - The situation of product development; - TraphacoSapa situation on tax and land lease.
14.	NQ 005/HĐQT	06/11/2020	<p>Pass:</p> <ul style="list-style-type: none"> - CEO's report; - First 9-month business result in 2020; - Assign the KPIs of Q4/2020; - Report on results of KPMG and Daewoong core competency assessment, <p>Consider:</p> <ul style="list-style-type: none"> - Action plan after the assessment; - The production and business plan for the year 2021; - Internal audit regulations.
15.	21/QĐ-HĐQT	17/12/2020	Approve the advertising contractor selection in 2021
16.	NQ 006/HĐQT	28/12/2020	<p>Pass:</p> <ul style="list-style-type: none"> - CEO's report; - Production and business result of Q4, whole year

			<p>2020;</p> <ul style="list-style-type: none"> - The main targets of the production and business plan in 2021; - the Investment Plan in 2021; - the Innovation plan; - Establishment Choice for an Internal Audit Committee; - CEO's candidates for election to the Director position of Traphaco CNC; <p>Consider:</p> <ul style="list-style-type: none"> - Business effectiveness of Boganic tea after 8 months of implementation; - the development situation of Budget plan and financial forecast for 2021.
17.	22/QĐ-HĐQT	28/12/2020	Appoint the Southern Hospital Sales Director
18.	23/QĐ-HĐQT	28/12/2020	Appoint the Central Hospital Sales Director
19.	24/QĐ-HĐQT	28/12/2020	Advance of Dividend, 1st time, the year of 2020

THE BOARD OF DIRECTORS SUPERVISES, DIRECTS THE CEO AND MANAGERS TO OPERATE THE COMPANY'S BUSINESS

- The Board of Directors always monitors and directs the activities of the Board of Management, promptly resolves arising issues within the authority of the Board of Directors to create favorable conditions for the operation of the Board of Management.
- In the context of the Covid-19 epidemic, general challenges / difficulties of the industry, fierce competition, the Board of Management has been implementing most of its tasks in accordance with the spirit of the resolutions of the General Meeting of Shareholders and the resolutions of the Board of Directors.
- Successfully organizing the 2020 Annual General Meeting of Shareholders on March 26, 2020, strictly implementing the regime of Financial Reporting for 2020, Quarterly Financial Statements and Annual Report 2020.
- To supervise, direct and ensure that information is fully, transparently and promptly disclosed in accordance with the regulations of the Stock Exchange and the State Securities Commission.
- Investigate the pharmaceutical market and distribution system of the Company; Attend important meetings of the Board of Management.
- Visit and grasp the status of subsidiaries.

THE 2021 OPERATING ORIENTATION OF THE BoD

The year 2021 is the year with the theme "Standardizing the process", and the message of the year is "Culture implementation - Process Effectiveness"; The Board of Directors orientates key tasks in 2021 as follows:

- Continue to apply "Traphaco culture in a new phase", so that the new cultural spirit, the six

- ultimate cultural principles, truly permeate every Traphaco person.
- Standardize working procedures, internal regulations at Traphaco to ensure efficient use of resources.
- Complete the internal audit work for the whole company.
- Maintain the development of traditional medicine, focus on promoting western medicine through research, import and technology transfer for the Company to develop strongly and sustainably.

PART 2: TRANSACTION AND REMUNERATION

The total remuneration of the Board of Directors approved by the General Meeting of Shareholders for the term 2016 - 2020 is: VND 3,500,000,000.

Remuneration to members of Board of Directors in 2020 (unit: VND)

No.	Name	Title	Age at appointment time: Tenure	Quarterly remuneration
1	Vu Thi Thuan	Chairwoman	30/3/2016	300,000,000
2	Tran Tuc Ma	director - CEO	30/3/2016	83,375,000
3	Nguyen Anh Tuan	Vice Chairman	30/3/2016	102,500,000
4	Vu Tri Thuc	director	26/3/2020	99,000,000
5	Chung Ji Kwang	director	26/3/2020	0
6	Lee Tae Yon	director	26/3/2020	80,000,000
7	Kim Dong Hyu	director - Deputy CEO	05/7/2018	183,500,000
8	Nguyen Quoc Huy	director	appointed 30/3/2019 resigned 26/3/2020	70,000,000
9	Ji Chang Won	director	appointed 26/9/2019 resigned 10/3/2020	70,000,000
10	Lee Choong Hwan	director	appointed 05/7/2018 resigned 23/3/2020	70,000,000

CEO's salary in 2020: VND 138,000,000 per month.

Respectfully submitted to the extra-GMS for consideration and approval.

Regards.

Recipients:

- 2021 AGM;
- BoD, BoM, BoS;
- Website TRAPHACO;
- Archive Admin.

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

(signed)

MSc. Vu Thi Thuan