

# 2025

## MEETING DOCUMENTS

### ANNUAL GENERAL MEETING OF SHAREHOLDERS

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LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY (LADOPHAR)



DALAT, April 25, 2025

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**DOCUMENT INDEX**  
**ANNUAL GENERAL MEETING OF SHAREHOLDERS 2025**

|   |    |
|---|----|
| 1. AGENDAANNUAL GENERAL MEETING OF SHAREHOLDERS 2025 -----  | 3  |
| 2. Regulations on Working for the Annual General Meeting of Shareholders 2025 -----   | 5  |
| 3. Proposal for the introduction of the Presidium, the Shareholder Eligibility Checking Committee, the Secretariat and nomination of the Vote Counting Committee -----  | 11 |
| 4. Annual Report 2024 and Orientation 2025 of the Board of Directors-----   | 12 |
| 5. Annual Report 2024 of the Independent Member of the Board of Directors-----  | 26 |
| 6. Report of the General Directors on Investment and Business Results in 2024 and Investment and Business Plan for 2025 -----   | 29 |
| 7. Annual Report 2024 of the Board of Supervisors -----   | 39 |
| 8. Proposal on the Selection of an audit firm for the Financial Year 2025 -----   | 44 |
| 9. Proposal on the Approval of the Audited 2024 Financial Statements -----  | 46 |
| 10. Proposal on the Investment Plan and Business Plan for 2025 -----  | 47 |
| 11. Proposal on Approving the Borrowing Limit for 2025 -----  | 49 |
| 12. Proposal on Profit Distribution for 2024-----   | 50 |
| 13. Proposal on the 2024 rewards and the 2025 remuneration and rewards for the Board of Directors, Supervisory Board, the Audit Committee and the Company's Chief Governance Officer (concurrently the Secretary of the Board of Directors----- | 51 |
| 14. Proposal on changing the management organizational structure; adding business lines and sectors; amending and supplementing the Company's Charter, Internal Governance Regulations, and Board of Directors' Operating Regulations-----      | 54 |
| 15. Proposal on investment policy for the radiopharmaceutical production plant construction project in Da Lat-----  | 74 |
| 16. Proposal on investment policy for research on the application of biotechnology in medicinal herbs-----  | 76 |
| 17. Proposal on investment policy for the construction project of a supercritical CO2 extraction facility for medicinal herbs -----   | 79 |
| 18. Proposal on the Report of the results of implementing the contents assigned/authorized by the Annual General Meeting of Shareholders 2024 and approving the continued implementation of the share issuance plans -----                      | 82 |
| 19. Proposal on Regarding the development of the Private Placement Offering Plan -----  | 88 |
| 20. Draft Ballot for the Annual General Meeting of Shareholders 2025 -----  | 94 |
| 21. Draft Resolution of the Annual General Meeting of Shareholders 2025-----  | 96 |
| 22. Attached:   |    |
| 1. Separate Financial Statements for 2024   |    |

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2. Consolidated Financial Statements for 2024
  3. Draft of the Full Text of the 18th Amended Charter
  4. Draft Regulations on the Board of Directors' Operations
  5. Draft Internal Corporate Governance Regulations

## AGENDA

### ANNUAL GENERAL MEETING OF SHAREHOLDERS 2025

**Time** : From 02:00 PM on April 24, 2025 (Thursday).  
**Location** : At the Hall of Lam Dong Pharmaceutical Joint Stock Company  
 (No. 18 Ngo Quyen, Ward 6, Da Lat City, Lam Dong Province)

| TIME                       | DETAILED CONTENT  |
|----------------------------|---|
| <b>02:00 PM - 02:30 PM</b> | - Welcome delegates, guests, and Shareholders attending the General Meeting.  |
|                            | - Verify the eligibility of Shareholders, update the list of attending Shareholders along with the number of voting shares.   |
| <b>02:30 PM - 03:00 PM</b> | <b>I. Meeting Procedures:</b>   |
|                            | 1. Announce the reason for the General Meeting and introduce delegates and attendees.   |
|                            | 2. Report on the verification of shareholder eligibility for the General Meeting.   |
|                            | 3. Approve the Meeting Agenda.  |
|                            | 4. Approve the Working Regulations.   |
|                            | 5. Approve the Presidium and specialized committees at the General Meeting.   |
| <b>03:00 PM - 03:30 PM</b> | <b>II. The General Meeting listen to the presentations on the following topics:</b>   |
|                            | 1. Annual Report 2024 and Orientation 2025 by the Board of Directors.   |
|                            | 2. Annual Report 2024 of the Independent Member of the Board of Directors.  |
|                            | 3. Report of the General Director on business and investment results in 2024 and the Business and Investment Plan 2025.   |
|                            | 4. Annual Report 2024 of the Board of Supervisors.  |
|                            | 5. Proposal on selecting an audit firm for the 2025 financial year.   |
|                            | 6. Proposal on approving the 2024 audited financial statements.   |
|                            | 7. Proposal on the 2025 investment and business plan.   |
|                            | 8. Proposal on approving the 2025 borrowing limit.  |
|                            | 9. Proposal on profit distribution for 2024.  |
|                            | 10. Proposal on 2024 rewards and 2025 remuneration, rewards for the Board of Directors, Board of Supervisors, and the Person in charge of corporate governance (also the Secretary of the Board of Directors).          |
|                            | 11. Proposal on changing the management organizational structure; adding business lines; amending and supplementing the Charter, internal regulations on governance, and the Board of Directors' operating regulations. |
|                            | 12. Proposal on the investment policy for the construction of a radiopharmaceutical production plant in Da Lat.   |
|                            | 13. Proposal on the investment policy for research and application of biotechnology in medicinal herbs.   |
|                            | 14. Proposal on the investment policy for the construction of a medicinal herb extraction workshop using supercritical CO2 technology.  |



| TIME                       | DETAILED CONTENT  |
|----------------------------|---|
|                            | 15. Proposal on reporting the results of implementing the contents assigned/authorized by the Annual General Meeting of Shareholders 2024 and approving the continued implementation of the share issuance plans.<br>16. Proposal on Regarding the development of the Private Placement Offering Plan<br>17. Other matters within the competence of the General Meeting of Shareholders (if any). |
| <b>03:30 PM - 03:45 PM</b> | <b>III. Discussion</b>  |
| <b>03:45 PM - 04:00 PM</b> | <b>IV. Voting</b><br>1. Second report on the verification of attending Shareholders.<br>2. Voting Instructions for the Meeting.<br>3. Conduct voting to approve the contents of the Ballot.   |
| <b>4:00 PM – 4:15 PM</b>   | <b>Break</b>  |
| <b>4:15 PM – 4:30 PM</b>   | <b>V. Announce voting results.</b>  |
| <b>4:30 PM – 4:40 PM</b>   | <b>VI. Approve the Minutes and Resolution of the Meeting.</b>   |
| <b>4:40 PM – 4:50 PM</b>   | <b>VII. Closing of the Meeting.</b>   |

*Note: The Agenda's content may be adjusted/updated. Shareholders are kindly requested to follow the updated Meeting Documents on Lam Dong Pharmaceutical Joint Stock Company's website at <https://ladophar.com/quan-he-co-dong>*

**CHAIRMAN OF THE BOD**



**PHAM TRUNG KIEN**

No.: 01/QC-DHTN/2025

Da Lat City, March 28, 2025

**REGULATIONS ON WORKING  
ANNUAL GENERAL MEETING OF SHAREHOLDERS 2025  
LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY**

Pursuant to:

- *Law on Enterprises No. 59/2020/QH14 passed by the National Assembly of the Socialist Republic of Vietnam on June 17, 2020;*
- *Law on Securities No. 54/2019/QH14 passed by the National Assembly of the Socialist Republic of Vietnam on November 26, 2019; and its sub-law documents;*
- *Decree 155/2020/ND-CP dated December 31, 2020 guiding the implementation of the Law on Securities;*
- *Charter and Internal Governance Regulations of Lam Dong Pharmaceutical Joint Stock Company ("Company").*

The Board of Directors (BOD) submits to the General Meeting of Shareholders (GSM) the Regulations on working for the 2025 Annual General Meeting of Shareholders (Meeting) as follows:

**Article 1. Objective**

- To ensure the order, principles of conduct, and voting at the Company's Meeting are conducted in accordance with regulations and successfully.
- The Resolutions of the General Meeting of Shareholders represent the unified will of the General Meeting of Shareholders, meet the wishes and interests of shareholders, and comply with the law.

**Article 2. Subjects and scope of application**

- ***Subjects of application:*** All shareholders, representatives (authorized persons) of shareholders holding shares of the Company, and guests attending the Company's Meeting.
- ***Scope of application:*** These regulations are used for the organization of the Annual General Meeting of Shareholders 2025 of Lam Dong Pharmaceutical Joint Stock Company.

**Article 3. Conditions for conducting the Meeting**

- The General Meeting of Shareholders shall be held when the number of shareholders present represents at least 51% of the total voting shares;
- If the required number of shareholders is not present within thirty (30) minutes from the scheduled opening time of the meeting, the convener shall cancel the meeting. The General Meeting of Shareholders must be reconvened within thirty (30) days from the date of the first scheduled General Meeting of Shareholders. The second convened General Meeting of Shareholders shall only be held when the number of shareholders and their authorized representatives present represents at least 33% of the total voting shares.
- In the event the second meeting cannot be held due to a lack of the required number of shareholders within thirty (30) minutes from the scheduled commencement time, a third General Meeting of Shareholders may be convened within twenty (20) days from the date of the scheduled second meeting. In this case, the meeting will proceed regardless of the total voting shares of the shareholders present, be considered valid, and have the authority to decide on all matters scheduled for approval at the first General Meeting of Shareholders.

**Article 4. Meeting participants**

1. All shareholders of the Company, according to the list of securities holders finalized **on the last registration date of March 19, 2025**, prepared by the Viet Nam Securities Depository

and Clearing Corporation, have the right to directly attend or authorize a representative to attend the General Meeting. In cases where more than one authorized representative is appointed in accordance with legal regulations, the specific number of shares held by each representative must be clearly stated.

2. Board of Directors, Board of Supervisors of the Company.
3. Guests at the General Meeting:
  - Invited related guests and members holding management positions in the Company, members of the Meeting Organizing Committee who are not shareholders of the Company but are invited to attend the General Meeting.
  - Guests do not participate in speaking at the General Meeting (unless invited by the Chairperson or registered in advance with the Meeting Organizing Committee and approved by the Chairperson).

#### **Article 5. Rights and Obligations of Shareholders**

1. Shareholder Rights:
  - To directly attend the meeting or authorize in writing one or more individuals or organizations to attend the Meeting. The authorization document must clearly state the name of the authorizing shareholder, the name of the authorized individual or organization, the number of shares authorized, the content of the authorization, the scope of the authorization, the duration of the authorization, and the signatures of the authorizing party and the authorized party. The authorized representative attending the General Meeting of Shareholders must submit the authorization document upon registration.
  - To vote on all matters within the authority of the General Meeting of Shareholders.
  - Shareholders, authorized representatives of shareholders who are organizations, or authorized individuals (referred to as shareholders, shareholder representatives) arriving after the Meeting has commenced have the right to register immediately and subsequently participate and vote in the Meeting immediately after registration. The Chairperson is not responsible for pausing the meeting to allow late shareholders to register, and the validity of matters previously voted upon remains unchanged.
2. Obligations of Shareholders Attending the General Meeting:
  - Comply with the regulations of these Regulations, regulations of the Organizing Committee (punctuality, formal and respectful attire, proper identification documents, etc.) and as requested by the Chairperson of the General Meeting;
  - Shareholders/authorized representatives must arrive at the meeting room on time and complete registration procedures with the Organizing Committee; sit in the designated seats or areas as directed by the Organizing Committee;
  - During the General Meeting, delegates must comply with the Chairperson's instructions, behave in a civilized and polite manner, and maintain order;
  - Delegates must maintain confidentiality, properly use and safeguard documents, and not copy or record information for distribution to individuals outside the General Meeting without permission from the Presidium;
  - Shareholders and shareholder representatives attending the General Meeting must bring the Meeting Invitation, ID card/Citizen Identity Card or Passport, and Power of Attorney (if authorized to attend the General Meeting) for registration with the Shareholder Eligibility Checking Committee. These documents will be returned.
    - General Meeting of Shareholders' documents.
    - One (01) Ballot on matters requiring approval.
    - One (01) Voting card corresponding to the number of shares owned and/or authorized.

#### **Article 6. Chairperson and Presidium**

1. The Presidium includes 01 (one) Chairman and members. The Chairman of the Board of

Directors acts as Chairman or authorizes another member of the Board of Directors to chair the General Meeting of Shareholders convened by the Board of Directors. In the event the Chairman is absent or other cases as prescribed in Point a and Point b, Clause 2, Article 19 of the Company's Charter.

2. Duties of the Presidium:

- Introduce the members of the Presidium for the General Meeting to vote on;
- Introduce the members of the Specialized Committee for the General Meeting to vote on;
- Conduct the General Meeting according to the agenda and working regulations proposed by the Board of Directors and approved by the General Meeting;
- Assign and introduce representatives of the Board of Directors, members of the Board of Supervisors, and members of the Board of General Directors to present reports at the General Meeting;
- Guide the General Meeting in discussions and obtaining votes on issues within the agenda of the General Meeting and related issues throughout the General Meeting;
- Supervise voting and ballot counting;
- Resolve complaints (if any) and arising issues throughout the General Meeting;
- Decide on the order, procedures, and events arising outside the General Meeting's agenda;
- Respond to and record matters within the agenda approved by the General Meeting;
- Approve and issue documents, results, minutes, and resolutions of the General Meeting after its conclusion.

**Article 7. Shareholder Eligibility Checking Committee**

1. The Shareholder Eligibility Checking Committee of the General Meeting includes 01 (one) Head and members (if deemed necessary), established by the Board of Directors and introduced to the General Meeting by the Chairperson.
2. Duties of the Shareholder Eligibility Checking Committee:
  - Receive and verify the validity of documents of shareholders or shareholder representatives attending the General Meeting;
  - Send General Meeting documents and Ballots to shareholders or shareholder representatives;
  - Report the results of shareholder eligibility checking before the official commencement of the General Meeting of Shareholders and before the General Meeting conducts voting by Ballot.

**Article 8. General Meeting Secretariat**

1. The Secretariat of the General Meeting includes 01 (one) Head and 01 (one) member appointed by the Chairperson, responsible to the Presidium and the General Meeting of Shareholders for their duties and under the direction of the Presidium.
2. Duties of the Secretariat:
  - Record and prepare minutes of the General Meeting of Shareholders fully and truthfully, covering all content and developments at the General Meeting and matters approved by shareholders or noted at the General Meeting;
  - Receive registration slips for speaking at the General Meeting;
  - Assist the Chairperson in announcing the draft Minutes of the General Meeting and Resolutions on matters approved at the General Meeting;
  - Other duties as requested by the Chairperson.

**Article 9. Vote Counting Committee**

1. The Vote Counting Committee of the General Meeting includes 01 (one) Head and members, proposed by the Chairperson and approved by the General Meeting of Shareholders.
2. Duties of the Vote Counting Committee:
  - Disseminate principles, regulations, and voting guidelines.

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- Check and supervise the voting of shareholders or shareholder representatives.
  - Organize the verification of Voting Cards and Ballots of shareholders or shareholder representatives, and accurately determine the voting results for each issue at the General Meeting.
  - Prepare the Vote Counting Minutes.
  - Report the vote counting results to the General Meeting and transfer the results to the Secretary of the General Meeting.
  - Review and report to the General Meeting any violations of voting regulations or complaints regarding voting results.
3. Members of the Vote Counting Committee must not be on the nomination list or self-nominate to the Board of Directors.

**Article 10. Discussion at the General Meeting**

1. Discussion will only be conducted within the allotted time and/or as directed by the Chairperson, and within the scope of the issues presented in the General Meeting of Shareholders agenda.
2. Only shareholders and shareholder representatives may participate in the discussion.
  - Shareholders must register the content of their speech with the Organizing Committee before attending the General Meeting or at the General Meeting if they wish to speak, and must obtain the Chairperson's approval.
  - Shareholders must speak concisely (no more than 3 minutes per shareholder) and focus on key issues for discussion, in line with the approved agenda of the General Meeting.
3. Address the comments of shareholders or shareholder representatives.
  - Based on the Question Submission Form of shareholders and shareholder representatives, the Chairperson or a member designated by the Chairperson will address the comments of shareholders and shareholder representatives.
  - In case, due to time constraints, questions are not answered directly at the General Meeting, the Company will respond later in writing or by email.

**Article 11. Voting on the approval matters at the General Meeting**

1. All matters in the program and meeting content of the General Meeting must be discussed and voted on publicly by the General Meeting of Shareholders.
2. Voting Cards and Ballots are printed, sealed, and sent directly to delegates at the General Meeting (along with the General Meeting of Shareholders document set). Each delegate is issued a Voting Card and a Ballot. The Voting Card and Ballot clearly state the delegate's code, full name, number of shares owned, and authorized voting rights.
3. Voting method: Choose one of three voting options: Agree, Disagree, or Abstain for each issue presented for voting at the General Meeting.
4. Voting regulations:
  - Each share is equivalent to one voting right. Each delegate attending, representing one or more voting rights, will be issued a Voting Card and a Ballot.
  - As of the record date (March 19, 2025), the total number of shares of the Company is 12,703,167 shares, equivalent to 12,703,135 voting rights (the number of voting rights is lower than the number of shares due to 32 treasury shares of the Company).
  - Shareholders and shareholder representatives with related interests do not have voting rights for contracts and transactions with a value of 35% or more of the Company's total assets recorded in the most recent financial statements; these contracts or transactions are only approved when shareholders/authorized representatives accounting for 65% of the remaining votes approve (according to Clause 4, Article 167, Law on Enterprises 2020).
  - Shareholders, shareholder representatives owning 51% or more of the total voting shares, or shareholder's related parties, do not have voting rights regarding contracts and transactions



- valued at more than 10% (total value of the Company's assets recorded in the most recent financial statement) with that shareholder (according to Point b, Clause 3 and Clause 4, Article 167, Law on Enterprises 2020).
5. Voting methods: At the General Meeting, there are 02 (two) voting methods, specifically as follows:
- Voting by Ballot: for the contents listed in the Ballot. The Ballot will be attached to the document set sent to shareholders when attending the General Meeting.
  - Voting by Voting Card: for all other contents in the agenda requiring shareholder approval at the General Meeting.
6. Voting procedures:
- Voting by Voting Card: When voting by raising the Voting Card, the front of the Voting Card must be raised towards the Presidium. If a representative does not raise their Voting Card in all three votes (Agree, Disagree, or Abstain) for an issue, they are considered to have voted in favor of that issue. If a representative raises their Voting Card more than once (01) when voting Agree, Disagree, or Abstain for an issue, the vote is considered invalid. Following the voting method by raising the Voting Card, the Shareholder Eligibility Checking Board/Vote Counting Committee marks the representative code and the corresponding number of votes of each shareholder as Agree, Disagree, Abstain, and Invalid.
  - Voting by Ballot: When voting by filling out the Ballot, for each content, the representative chooses one of the three options "Agree", "Disagree", "Abstain" pre-printed on the Ballot by marking "X" or "✓" in the box of their choice. After completing all the contents requiring a vote at the General Meeting, the representative puts the Ballot into the sealed ballot box at the General Meeting as instructed by the Vote Counting Committee. The Ballot must be signed and clearly state the full name of the shareholder/shareholder representative.
7. Regulations on the validity of ballots:
- Valid ballot:
    - Is a ballot according to the pre-printed template issued by the Organizing Committee, without erasures, alterations, tears, or damage, with no additional content written other than the regulations for this ballot, and must have a signature, under which the full name must be handwritten by the attending representative.
    - On the ballot, the voting content is valid when the representative marks one (01) of the three (03) voting boxes. Invalid voting content is content that does not comply with the regulations of valid voting content.
  - Invalid ballot:
    - Adding other content to the ballot;
    - Ballots not according to the pre-printed template issued by the Organizing Committee, ballots without the Company's red seal or with erasures, alterations, or additional content written other than the regulations for the ballot, in which case all voting content on the ballot is invalid.
8. For sensitive issues, and if shareholders request, the Company must appoint an independent organization to collect and count the votes.
9. Recording voting results: Voting results will be recorded by the Vote Counting Committee, reported to the Presidium, and announced before the General Meeting.

**Article 12. Approval of decisions of the General Meeting of Shareholders**

The General Meeting of Shareholders' Decision on matters discussed in the meeting is adopted in accordance with the Charter of Lam Dong Pharmaceutical Joint Stock Company.

**Article 13: Minutes and Resolution of the General Meeting**

The minutes and Resolution of the General Meeting of Shareholders must be read and approved before the closing of the General Meeting.



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**Article 14. Implementation Clauses**

Shareholders, authorized representatives, and guests attending the General Meeting must strictly comply with the Regulations on working of the General Meeting. Depending on the specific level of violation, the Presidium will consider and take appropriate disciplinary actions against shareholders, authorized representatives, and guests who violate these regulations, in accordance with the Company's Charter and the Law on Enterprises.

Contents not specified in detail in these regulations shall be applied in accordance with the provisions of the Company's Charter, the Law on Enterprises 2020, and other applicable legal documents of the State.

These regulations are presented to the Annual General Meeting of Shareholders 2025 and take effect upon approval by the General Meeting of Shareholders of Lam Dong Pharmaceutical Joint Stock Company, and expire at the end of the Annual General Meeting of Shareholders 2025 of Lam Dong Pharmaceutical Joint Stock Company.

***Recipients:***

- Shareholders;
- Archived: BOD Office.

**ON BEHALF OF THE BOD  
CHAIRMAN**



**PHẠM TRUNG KIEN**

No.: 02/TTr-DHTN/2025

Da Lat City, March 28, 2025

**PROPOSAL****Re: The introduction of the Presidium, the Shareholder Eligibility Checking Committee, the Secretariat and nomination of the Vote Counting Committee****To: General Meeting of Shareholders of Lam Dong Pharmaceutical Joint Stock Company**

- Pursuant to the Law on Enterprises No. 59/2020/QH14 passed by the National Assembly of the Socialist Republic of Vietnam on June 17, 2020;
- Pursuant to the Law on Securities No. 54/2019/QH14 passed by the National Assembly of the Socialist Republic of Vietnam on November 26, 2019;
- Pursuant to the Charter and internal regulations on corporate governance of Lam Dong Pharmaceutical Joint Stock Company;
- Pursuant to Resolution No. 04/NQ-HĐQT/2025 dated February 26, 2025 of the Board of Directors on the organization of the Annual General Meeting of Shareholders 2025; Pursuant to Resolution No. 13/NQ-HĐQT/LDP/2025 dated March 28, 2025, of the Board of Directors regarding the approval of the meeting time and meeting materials for the 2025 Annual General Meeting of Shareholders;
- Pursuant to the Regulations on working of the Annual General Meeting of Shareholders 2025 of the Company.

**The Organizing Committee would like to introduce to the General Meeting of Shareholders ("GMS") the members of the Presidium, including:**

1. Mr. Pham Trung Kien – Chairman of the Board of Directors: Chairperson.
  2. Mr. Le Tien Thinh – Member of the Board of Directors, General Director: Member.
- (According to the Company's Charter, the Chairman of the Board of Directors is the Chairperson of the General Meeting of Shareholders)*

**The Chairperson would like to introduce the members of the Shareholder Eligibility Checking Board, including:**

1. Ms. Dao Thi Nga: Head of the Board.
2. Ms. Truong Thi Ngoc Hien: Member.
3. Ms. Do Thi Hong Nhung: Member.

**and the members of the Secretariat, including:**

1. Ms. Pham Thi Huyen Trang: Head.
2. Ms. Ho Thi Phuong Uyen: Member.

**The Chairperson nominates and submits to the General Meeting of Shareholders for approval the members of the Vote Counting Committee, including:**

1. Mr. Ngo Van Tri: Head.
2. Ms. Nguyen Ngoc Thanh Phuong: Member.
3. Ms. Truong Thi Phung Vy: Member.

The duties and powers of the Presidium, Specialized Committee, and Secretariat are as prescribed by the Law on Enterprises, the Company's Charter, and the Regulations on working of the General Meeting.

Respectfully submitted to the General Meeting of Shareholders for approval.

Respectfully./.

**Recipients:**

- Shareholders;
- Archived: BOD Office.

**ON BEHALF OF THE BOD**  
**CHAIRMAN**  
  
**PHAM TRUNG KIEN**

No.: 03/BC-DHTN/2025

Da Lat City, March 28, 2025

## **ANNUAL REPORT 2024 AND ORIENTATION 2025 OF THE BOARD OF DIRECTORS LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY**

### **PART 1: ANNUAL REPORT 2024**

#### **1. Overview of 2024**

In 2024, the global situation evolved complexly, with fluctuating prices and natural disasters affecting many regions, but thanks to timely direction, agricultural, forestry, and fishery production maintained positive growth. Vietnam's economy recovered, with estimated GDP growth of 7.09%, exceeding the set target. In Lam Dong province, the digital economy contributed more than 8% of GRDP, leading the Central Highlands and ranking 21st nationwide.

Along with the economic growth of Vietnam in general and Lam Dong province in particular, in 2024, the Company achieved net revenue of 217.9 billion VND, equivalent to 65.26% of the plan approved by the Annual General Meeting of Shareholders 2024 (GMS). Revenue in 2024 increased by 17% compared to 2023, corresponding to an increase of 32 billion VND, mainly due to a 32% increase in manufacturing revenue, equivalent to an increase of 31.8 billion VND. Trading revenue fluctuated insignificantly.

#### **2. Evaluation of the Board of Directors on the Company's operating activities**

##### **2.1 On operating activities**

In 2024, the Board of Directors and the Board of Management closely monitored business operations, ensuring that activities were carried out in accordance with the plan approved by the Annual General Meeting of Shareholders 2024. Thanks to the efforts of all employees, the Company has started to become profitable again after two years of accumulated losses (based on the Company's Consolidated Financial Statements for Quarter II & 6 months of 2024).

The Company's operating results in 2024 are as follows:

*Unit: VND*

| <b>Indicator</b>               | <b>Implemented<br/>year 2023</b> | <b>Implemented<br/>year 2024</b> | <b>Plan<br/>year 2024</b> | <b>%<br/>Plan/Target<br/>year 2024</b> |
|--------------------------------|----------------------------------|----------------------------------|---------------------------|--|
| Consolidated revenue           | 186,000,716,464                  | 217,958,000,000                  | 275,072,000,000           | 65.26%                                 |
| Consolidated Profit before tax | (20,104,870,073)                 | 6,919,000,000                    | 3,000,000,000             | 230.63%                                |

*(Implemented year 2024 are based on the audited 2024 consolidated financial statements)*

##### **2.2 On production activities**

The Company focuses on the quality of input materials, owns Atiso and medicinal herb growing areas that meet GACP-WHO standards, and expands growing areas to meet international and export standards. Currently, the company has two factories that meet GMP-WHO and HACCP standards, and since 12-20-2024 has been Halal certified, ensuring product quality for domestic and international markets. In 2024, the company launched the Lado Revive functional food to support liver detoxification for alcohol and beer users, while continuing to research new products to serve consumer health and improve designs, modernizing management tools with ERP software.

### **2.3 On environmental and social responsibility**

The Board of Directors always cares about and orients the Company's development to be associated with the development of the community and society. The Company always aims for green production, environmentally friendly, and complies with regulations on environmental protection.

Besides, the Company also does not forget its responsibility to society by joining hands to support people in Northern Vietnam in areas affected by storm number 3 (Yagi) by sending 1,500 bags of loving medicine, donating 04 buffaloes to households in Yen Bai province, and each employee contributing at least 01 day's salary to join hands with people in Northern Vietnam to overcome the consequences of the storm. In addition, on holidays and Tet, the Company coordinates with the grassroots Trade Union and higher-level Trade Union to give gifts to employees with difficult circumstances at the company.

### **3. Board of Directors' evaluation of the Company's General Director's activities**

In 2024, in general, the direction, supervision, and monitoring of the management and administration of the Board of General Directors were closely and promptly carried out by the Board of Directors, resolving arising issues under the Board of Directors' authority.

The Board of Directors holds regular/irregular meetings with the General Director through direct meetings or other means such as online, email, etc., to discuss the implementation of the production and business plan, and the progress of implementing the Resolutions of the General Meeting of Shareholders and the Board of Directors. At these meetings, the Board of Directors approves the issuance of Resolutions for the Board of General Directors as a basis for implementation. More specifically, the Board of Directors has supervised the following activities:

#### **a. Supervision of production, business, investment, and financial management operations:**

The Board of Directors has regularly urged and supervised the management and administration of the Board of General Directors in production, business, investment, and financial management; specifically:

- Supervising the Board of General Directors in operating business activities according to the plan approved by the General Meeting of Shareholders, ensuring the operational orientation is appropriate for the country's integration and digital technology phase;
- Supervising and directing the Board of General Directors in applying advanced technical technologies to optimize costs and resources, comprehensively improve efficiency, while reviewing and improving production processes, ensuring product quality, ensuring strict implementation of good manufacturing practice standards as recommended by the World Health Organization (GMP-WHO) for manufacturing plants; complying with GPs standards (5 good practice standards in the pharmaceutical industry) and ISO 22000:2018 in production, testing, and product preservation; implementing throughout quality control from input materials to final products, including in the storage of materials as well as semi-finished and finished products after production, to ensure that all of the Company's products meet high-quality standards;
- Orienting the Board of General Directors in expanding domestic and international markets, focusing on potential markets. At the same time, promoting the marketing and branding strategy, enhancing Ladophar's brand recognition in the market.

#### **b. Other activities:**

- Supervising the Board of General Directors in organizing the Annual General Meeting of Shareholders 2025 on April 10, 2024, the Board of General Directors has implemented and thoroughly carried out the contents of the organization of the Annual General Meeting of

Shareholders on time, the General Meeting of Shareholders was successful in the first organization;

- Reviewing the organizational structure, evaluating personnel and administrative apparatus, evaluating and dismissing/appointing management positions under the authority of the Board of Directors to strengthen control and management, ensuring sufficient human resources to serve the needs of expanding the Company's production and business activities;
- Closely monitoring internal control work to improve effectiveness and compliance in all of the Company's activities;
- Always focusing on training and human resource development, building a professional and enthusiastic staff; implementing training programs, improving employee skills and knowledge;
- Creating a professional working environment to attract qualified and experienced human resources;
- Fully and promptly implementing policies and regimes for employees such as: salary, allowances, benefits, Social insurance...;
- Ensuring compliance with Occupational Safety and Hygiene and Fire Prevention and Fighting requirements at the enterprise; at the same time, paying attention to environmental protection, applying green and sustainable production measures;
- Issue regulations on Information Disclosure of the Company on the Vietnam Stock Market, clearly stipulating the coordination between affiliated units, departments, individuals of the Company and other entities in implementing the obligation to disclose information in accordance with the provisions of the Law;
- In addition, at the Annual General Meeting of Shareholders 2024 held on April 10, 2024, the General Meeting of Shareholders approved the dismissal and election of additional members of the Board of Directors.

With the positive results in revenue and profit that the Company achieved in 2024, the Board of Directors highly appreciates the management of the Board of General Directors; all activities of the Company are carried out by the Board of General Directors in accordance with the provisions of current Law, in accordance with the Charter and Internal Regulations and Regulations of the Company, closely following the contents of the Resolution of the General Meeting of Shareholders and the Board of Directors in the management process, and the Board of General Directors also pays great attention to financial management, reasonable use of expenses, effective use of capital sources in production and business activities, investment, and other activities.

#### **4. Information and activities of the Board of Directors in 2024**

##### **4.1 Members and structure of the Board of Directors**

Members of the Board of Directors in 2024 are as follows:

| No. | Members of the Board of Directors | Position  | Start date/End date as a BOD member |                           |
|-----|-----------------------------------|---|-------------------------------------|---------------------------|
|     |                                   |   | Date of appointment                 | Date of dismissal/removal |
| 1   | Pham Trung Kien                   | Non-executive members of the Board of Directors | 2022-01-14                          | 2022-05-06                |
|     |                                   | Chairman of the Board of Directors              | 2022-04-19                          | 2022-05-06                |



| No. | Members of the Board of Directors | Position   | Start date/End date as a BOD member |                           |
|-----|-----------------------------------|--|-------------------------------------|---------------------------|
|     |                                   |  | Date of appointment                 | Date of dismissal/removal |
|     |                                   | Non-executive members of the Board of Directors  | 2022-08-19                          | 2022-11-30                |
|     |                                   | Chairman of the Board of Directors   | 2022-12-01                          | 2023-12-20                |
|     |                                   | Chairman of the Board of Directors (cum Legal Representative, Representative of 100% capital of Louis Holdings JSC at LDP from 2024-01-19) | 2023-12-20 (re-appointment)         |                           |
| 2   | Le Tien Thinh                     | Non-executive members of the Board of Directors  | 2023-03-21                          | 2023-12-20                |
|     |                                   | Member of the Board of Directors (cum General Director, Legal Representative and Person to Authorized Information Disclosure)              | 2023-12-20 (re-appointment)         |                           |
| 3   | Le Xuan Thanh                     | Independent Member of the Board of Directors   | 2023-12-20                          |                           |
| 4   | Dang Thuy Linh                    | Non-executive members of the Board of Directors  | 2024-04-10                          |                           |
| 5   | Nguyen Thi Hong Giang             | Non-executive members of the Board of Directors  | 2024-04-10                          |                           |
| 6   | Nguyen Ho Hung                    | Non-executive members of the Board of Directors  | 2023-12-20                          | 2024-04-10                |
| 7   | Vo Qui Lam                        | Non-executive members of the Board of Directors  | 2023-12-20                          | 2024-04-10                |

- The Annual General Meeting of Shareholders on April 10, 2024 dismissed 02 Members of the Board of Directors and elected 02 additional Members of the Board of Directors for the 2022 – 2027 term.

#### 4.2 Sub-committees of the Board of Directors

The Board of Directors has not yet established specialized sub-committees but operates through the Company's functional departments, assigning the person in charge of the Department for each issue such as salary, bonus, personnel, investment and development to support the



activities of the Board of Directors and the Board of General Directors.

#### 4.3 Activities of the Board of Directors

##### a. Meetings of the Board of Directors

In 2024, the Board of Directors held 14 Meetings of the Board of Directors, the participation rate of Members of the Board of Directors is as follows:

| No. | Member of the Board of Directors | Number of meetings attended by Board of Directors                        | Meeting attendance Percentage | Reasons for absence       |
|-----|----------------------------------|--|-------------------------------|---------------------------|
| 1   | Pham Trung Kien                  | 14/14  | 100%                          |                           |
| 2   | Le Tien Thinh                    | 14/14  | 100%                          |                           |
| 3   | Le Xuan Thanh                    | 14/14  | 100%                          |                           |
| 4   | Dang Thuy Linh                   | 7/14   | 50%                           | Appointed from 2024-04-10 |
| 5   | Nguyen Thi Hong Giang            | 7/14<br>(Including 1/7 meetings authorized Mr. Nguyen Ho Hung to attend) | 50%                           | Appointed from 2024-04-10 |
| 6   | Nguyen Ho Hung                   | 7/14   | 50%                           | Dismissed from 2024-04-10 |
| 7   | Vo Qui Lam                       | 7/14   | 50%                           | Dismissed from 2024-04-10 |

##### b. Resolutions/Decisions of the Board of Directors:

In 2024, the Board of Directors issued 25 Resolutions/Decisions, specifically as follows:

| No. | Resolution/Decision Number | Date              | Content  | Approval rate |
|-----|----------------------------|-------------------|--|---------------|
| 1.  | 01/NQ-HĐQT/2024            | 2024-01-18        | Organize the Annual General Meeting of Shareholders 2024   | 100%          |
| 2.  | 02/NQ-HĐQT/2024            | 2024-02-05        | Approve the General Director's Contract.   | 100%          |
| 3.  | 03/NQ-HĐQT/2024            | February 23, 2024 | Time and address of the Annual General Meeting of Shareholders 2024.                                     | 100%          |
| 4.  | 04/NQ-HĐQT/2024            | February 23, 2024 | Documents for the 2024 Annual General Meeting of Shareholders.   | 100%          |
| 5.  | 05/NQ-HĐQT/2024            | February 23, 2024 | Approval of contracts and transactions between the Company and related parties in 2024.                  | 100%          |
| 6.  | No. 06/NQ-HĐQT/2024        | February 29, 2024 | Continue to temporarily suspend operations of the Western Branch - Ladophar.                             | 100%          |
| 7.  | No. 07/NQ-HĐQT/2024        | March 5, 2024     | Approve the Information Disclosure Policy of Ladophar.   | 100%          |
| 8.  | No. 08/NQ-HĐQT/2024        | March 19, 2024    | Update, adjust, and supplement documents for the Annual General Meeting of Shareholders 2024 (1st time). | 100%          |

| No. | Resolution/Decision Number | Date               | Content  | Approval rate |
|-----|----------------------------|--------------------|--|---------------|
| 9.  | No. 09/NQ-HĐQT/2024        | April 6, 2024      | Update, adjust, and supplement documents for the Annual General Meeting of Shareholders 2024 (2nd time).   | 100%          |
| 10. | No. 10/NQ-HĐQT/2024        | April 10, 2024     | Adjust and supplement documents for the Annual General Meeting of Shareholders 2024 as proposed by a major shareholder (APG Securities Joint Stock Company). | 100%          |
| 11. | No. 11/NQ-HĐQT/2024        | May 10, 2024       | Selection of an audit firm for the 2024 financial year.  | 100%          |
| 12. | No. 12/NQ-HĐQT/2024        | May 15, 2024       | Approve, assign tasks, and income level of the full-time Chairman of the Board of Directors.   | 100%          |
| 13. | No. 13/NQ-HĐQT/2024        | June 7, 2024       | Dismissal and appointment of Head of Internal Audit.   | 100%          |
| 14. | No. 14/NQ-HĐQT/2024        | June 7, 2024       | Approve the 2024-2025 capital borrowing needs plan at BIDV Bank - Bac An Giang Branch.   | 100%          |
| 15. | No. 15/NQ-HĐQT/2024        | June 13, 2024      | Approve the regulations and related contents regarding the issuance of shares under the Employee Stock Ownership Plan (ESOP).                                | 100%          |
| 16. | No. 16/NQ-HĐQT/2024        | June 13, 2024      | Development plan for share issuance under the Employee Stock Ownership Plan (ESOP).  | 100%          |
| 17. | No. 17/NQ-HĐQT/2024        | July 12, 2024      | Approve the policy for the resumption of operations of the Northern Branch of Ladophar.  | 60%           |
| 18. | No. 18/NQ-HĐQT/2024        | July 12, 2024      | Approve the policy for the resumption of operations of the Western Branch of Ladophar.   | 60%           |
| 19. | No. 19/NQ-HĐQT/2024        | December 12, 2024  | Approve the 2024-2025 Capital Needs Plan at Ho Chi Minh City Development Joint Stock Commercial Bank   | 100%          |
| 20. | No. 20/NQ-HĐQT/2024        | December 12, 2024  | Approve the medium-term capital borrowing needs plan at BIDV Bank - Bac An Giang Branch  | 100%          |
| 21. | No. 21/NQ-HĐQT/2024        | December 12, 2024  | Approve contracts and transactions between the Company and related parties under the Board of Directors' decision-making authority in 2025.                  | 100%          |
| 22. | 01/QĐ-HĐQT/2024            | February 27, 2024  | Decision on convening the Annual General Meeting of Shareholders 2024.   |               |
| 23. | 02/QĐ-HĐQT/2023            | March 05, 2024     | Decision to issue the Information Disclosure Regulations of Lam Dong Pharmaceutical Joint Stock Company.   |               |
| 24. | 07/QĐ-CT.HĐQT/2024         | September 16, 2024 | Decision on changing the registered office address of the Western Branch & Northern Branch.  |               |
| 25. | 08/QĐ-CT.HĐQT/2024         | September 16, 2024 | Decision to appoint the Director of the Northern Branch.   |               |

**c. Organizing the Annual General Meeting of Shareholders 2024:**

In 2024, the Company held the Annual General Meeting of Shareholders on April 10, 2024, the contents approved by the General Meeting of Shareholders are as follows:

| No | Resolution/Decision Number   | Date           | Content   |
|----|--|----------------|---|
| 01 | 01/NQ-ĐHĐCĐ/LDP/2024<br>Resolution of the General Meeting of Shareholders at the 2024 Annual Meeting | April 10, 2024 | <p><b>Article 1:</b> Approve the following reports:</p> <ul style="list-style-type: none"> <li>- Report for the year 2023 and Orientation 2024 of the Board of Directors.</li> <li>- Report for the year 2023 of the Independent Member of the Board of Directors.</li> <li>- Report on business and investment results in 2023 and business and investment orientation for 2024 of the General Director.</li> <li>- Report for the year 2023 of the Member of the Board of Supervisors.</li> <li>- Audited separate financial statements and consolidated financial statements for 2023.</li> </ul> <p><b>Article 2:</b> Approve the selection of an audit firm for the 2024 financial year.</p> <p><b>Article 3:</b> Approve the 2024 business, investment orientation.</p> <p><b>Article 4:</b> Approve the 2024 borrowing limit.</p> <p><b>Article 5:</b> Approve the Proposal on supplementing business lines and amending the Company's Charter.</p> <p><b>Article 6:</b> Approve the non-implementation of the share issuance plan to offer to existing shareholders according to Resolution No. 178/NQ-ĐHĐCĐ/2023 dated December 20, 2023 of the Extraordinary General Meeting of Shareholders 2023 because the Company currently does not meet the conditions for offering shares to the public according to law.</p> <p><b>Article 7:</b> Approve the private placement plan according to Proposal No. 12B/TTr-DHTN/2024 dated April 10, 2024 of the Board of Directors.</p> <p><b>Article 8:</b> Approve the plan to issue shares under the Employee Stock Ownership Plan ("ESOP") according to Proposal No. 17.TTr-DHTN/2024 dated April 10, 2024 of the Board of Directors.</p> <p><b>Article 9:</b> Approve the policy of capital contribution and share purchase in Tra My Agricultural Products and Medicinal Materials Joint Stock Company.</p> <p><b>Article 10:</b> Approve the 2024 remuneration and bonus levels for the Board of Directors, the Member of the Board of Supervisors, and the person in charge of corporate governance (concurrently the Secretary of the Board of Directors).</p> <p><b>Article 11:</b> Approve the non-distribution of profits for 2023, non-allocation to funds, and non-payment of dividends for 2023.</p> <p><b>Article 12:</b> Dismiss Mr. Nguyen Ho Hung and Mr. Vo Quy Lam from the position of Members of the Board of Directors of Lam Dong Pharmaceutical Joint Stock Company for the 2022 – 2027 term, effective from April 10, 2024.</p> <p><b>Article 13:</b> Appoint the following members to the Board of Directors of Lam Dong Pharmaceutical Joint Stock Company for the 2022 – 2027 term, effective from April 10, 2024:</p> |

| No. | Resolution/Decision Number | Date | Content                                   |                       |                                  |                   |            |
|-----|----------------------------|------|---|-----------------------|----------------------------------|-------------------|------------|
|     |                            |      | No.                                       | Name                  | Title                            | Number of ballots | Percentage |
|     |                            |      | 1   | Nguyen Thi Hong Giang | Member of the Board of Directors | 9,443,128         | 95.05%     |
|     |                            |      | 2   | Dang Thuy Linh        | Member of the Board of Directors | 10,426,142        | 104.95%    |
|     |                            |      | <b>Article 14: Implementation Clause.</b> |                       |                                  |                   |            |

## 5. Transactions, remuneration and benefits of the Board of Directors, Board of Supervisors

### 5.1 Salaries, bonuses, remuneration of the Board of Directors, Board of Supervisors, Board of General Directors and Secretary

In 2024, the salaries (GROSS), bonuses, and remuneration actually received by the Members of the Board of Directors, Members of the Board of Supervisors, and Board of General Directors are as follows:

Unit: VND

| No.       | Member                        | Title  | Salary      | Remuneration       | Other Income      |
|-----------|-------------------------------|--|-------------|--------------------|-------------------|
| <b>I</b>  | <b>Board of Directors</b>     |  | 442,452,745 | <b>694,000,000</b> | <b>19,500,000</b> |
| 1         | Pham Trung Kien               | Chairman of the Board of Directors           | 442,452,745 | 180,000,000        | -                 |
| 2         | Le Tien Thinh                 | Member of the Board of Directors             | -           | 120,000,000        | -                 |
| 3         | Dang Thuy Linh                | Member of the Board of Directors             | -           | 87,000,000         | -                 |
| 4         | Nguyen Thi Hong Giang         | Member of the Board of Directors             | -           | 87,000,000         | 19,500,000        |
| 5         | Le Xuan Thanh                 | Independent Member of the Board of Directors | -           | 154,000,000        | -                 |
| 6         | Nguyen Ho Hung<br>(Dismissed) | Formerly Member of the Board of Directors    | -           | 33,000,000         | -                 |
| 7         | Vo Quy Lam<br>(Dismissed)     | Formerly Member of the Board of Directors    | -           | 33,000,000         | -                 |
| <b>II</b> | <b>Board of Supervisors</b>   |  | -           | <b>240,000,000</b> | -                 |
| 1         | Dao Thi Nga                   | Head of the BoS                              | -           | 120,000,000        | -                 |

| No.        | Member  | Title  | Salary               | Remuneration       | Other Income      |
|------------|---|--|----------------------|--------------------|-------------------|
| 2          | Vo Kim Nguyen   | Member of the Board of Supervisors                                     | -                    | 60,000,000         | -                 |
| 3          | Nguyen Thi Quynh Nga  | Member of the Board of Supervisors                                     | -                    | 60,000,000         | -                 |
| <b>III</b> | <b>Board of General Directors</b>   |  | <b>2,571,961,889</b> | -                  | -                 |
| 1          | Le Tien Thinh   | General Director   | 1,750,777,889        | -                  | -                 |
| 2          | Ngo Van Tri   | Permanent Deputy General Director                                      | 821,184,000          | -                  | -                 |
| <b>IV</b>  | <b>Person in charge of Governance Cum Secretary of the Board of Directors</b> |  |                      | <b>60,000,000</b>  | -                 |
| 1          | Pham Thi Huyen Trang  | Person in charge of Governance Cum Secretary of the Board of Directors |                      | 60,000,000         | -                 |
|            | <b>Total</b>  |  | <b>3,014,414,634</b> | <b>994,000,000</b> | <b>19,500,000</b> |

The above figures are the actual amounts received by the members in 2024: including December 2024 salary (actually paid in January 2025); including remuneration of the Board of Directors, Board of Supervisors, Secretary in 2024

**5.2 Transactions between the company, company's subsidiaries, companies in which the public company holds 50% or more of the charter capital with members of the Board of Directors and their related persons; transactions between the company and companies in which members of the Board of Directors are founders or business managers within 03 years prior to the transaction time**

*Details in the attached Appendix.*

**5.3 Insider share transactions:** None.

**5.4 Implementation of Regulations on corporate governance:**

The Company always maintains updating and complying with legal regulations, regulations on governance and Company Governance.

## PART II. ORIENTATION 2025

### 1. Forecast of production and business activities in 2025:

According to the United Nations report on the World Economic Situation and Prospects 2025, with decreasing inflation, improving labor market conditions, and general monetary easing, growth is expected to remain below pre-pandemic rates, while the global economy will continue to face significant uncertainties. Furthermore, the report forecasts global economic growth to reach 2.9% in 2026.

Specifically for the Pharmaceutical sector, SSI Research suggests a brighter outlook for 2025, expecting growth across all main channels. The hospital/prescription drug channel (ETC) is projected to maintain its growth momentum thanks to favorable policies, while the retail channel (OTC), expected to have bottomed out, will partially recover thanks to economic growth.

## 2. Business orientation and objectives for 2025:

Based on the above forecasts, the Board of Directors' orientation 2025 is as follows:

### a. Regarding operating activities:

- Promote the signing of exclusive product distribution contracts for Ladophar with partners in South Korea, Mongolia, Poland... and exploit new customers in the North, Central, and South markets; simultaneously continue to seek potential partners in other developed countries to negotiate exclusive distribution of Ladophar's products; Promote the production group, especially the water group (high-class functional food group) to bring high gross profit.
- Continue to maintain and develop e-commerce channels on all platforms: Shopee, Lazada, Tiktok shop,... Cooperate with strong partners in online sales such as APG Eco to increase brand and product awareness of LDP to consumers. Collaborate with KOLs, KOCs to distribute goods and increase user reach as quickly as possible.
- Promote the ETC market in other provinces, focusing on manufactured goods, by increasing the number of drug registrations, promoting research on drug products to increase the portfolio and facilitate bidding/authorized bidding channels for partners.
- Focus on customer groups that are pharmacy chains and high-end functional food chains to boost profits and increase products in the high-end segment;
- Maintain and develop the company's existing sales channels, while taking advantage of available product certifications, along with the Halal certification according to GSO 2055-1:2015 standard that the company has just achieved, to promote research and expand export markets, especially the potential market in Muslim countries;
- Continue to carry out product promotion activities through participating in OCOP product programs, participating in exhibitions and high-level conferences;
- Continue to closely monitor the operations of showrooms and pharmacies under the company's branches to ensure required sales.
- Invest in developing sales services associated with tourism.

### b. Regarding production activities:

- Maintain and further invest in clean medicinal herb growing areas, medicinal herb growing areas that meet international GACP-WHO standards, to ensure the quality of input materials, meet the strict standards of the international market as well as qualify for export to demanding countries in Europe and America; simultaneously increase bidding products in group 1 with high competitive advantages;
- Upgrade and expand production lines and apply modern processes and techniques to minimize operating costs and boost output;
- Seek partners who need product processing services, maximizing the capacity of available machinery and equipment.
- Regularly review and improve product formulas.
- Launch new product lines to meet market diversity such as Wellness Tea, Atiso Plus Tea, Lado Prospan Cough Medicine, Soursop Leaf Tea, Lado Tonic, Lado Berberin, and specialized liquid product lines focused on calming and nourishing the mind.

### c. Regarding management and operations:

- Actively collect receivables and bad debts.
- Continue to reduce and utilize expenses reasonably in management, operations, and production.
- Effectively apply the KPI policy to motivate the entire company's development.



- Consolidate and complete the system of documents, regulations, rules, and processes to ensure smooth and flexible coordination principles.
- Facilitate employee participation in skills training and professional development courses to serve their work.
- Timely assess to equip assets, tools, and recruit personnel appropriately in terms of quantity and standards to serve the Company's operations well.
- According to the share issuance plans approved by the Annual General Meeting of Shareholders 2024, the company has submitted documents to the State Securities Commission for procedures to issue shares under the Employee Stock Option Program (ESOP); concurrently, the company is preparing documents and procedures for a private placement of shares to professional securities investors.

**With the economic forecast and orientation 2025 as above, the company sets the following business plan targets for 2025:**

- Consolidated revenue: 354,932,000,000 VND.
- Consolidated Profit before tax: 7,066,000,000 VND.

Above is the Annual Report 2024 and orientation 2025 of the Board of Directors of Lam Dong Pharmaceutical Joint Stock Company (Ladophar).

Respectfully reported to the General Meeting of Shareholders.

***Recipients:***

- Shareholders;
- Archived: BOD Office.

**ON BEHALF OF THE BOD  
CHAIRMAN**



**PHAM TRUNG KIEN**

## Appendix

**TRANSACTIONS BETWEEN THE COMPANY, SUBSIDIARIES, COMPANIES IN WHICH THE COMPANY HOLDS MORE THAN 50% OF CHARTER CAPITAL WITH MEMBERS OF THE BOARD OF DIRECTORS AND THEIR RELATED PARTIES;  
TRANSACTIONS BETWEEN THE COMPANY AND COMPANIES IN WHICH MEMBERS OF THE BOARD OF DIRECTORS ARE FOUNDERS OR MANAGERS WITHIN THE LAST THREE (03) YEARS BEFORE THE TRANSACTION DATE.**

(Attached to the Annual Report 2024 and Orientation 2025 of the Board of Directors of Lam Dong Pharmaceutical Joint Stock Company)

| N o.     | Name of organization/individual | Relationship with the Company  | NSH No, date of issue, place of issue of NSH                                  | Address/Contact Address   | Time of transactions with the Company | Resolution/Decision No. of the General Meeting of Shareholders/Board of Directors (specifying the date of issuance) | Content, quantity, total transaction value   | Note  |
|----------|---------------------------------|--|---|---|---------------------------------------|---|--|---|
| <b>I</b> | <b>Organization</b>             |  |   |   |                                       |   |  |   |
| 1        | Angimex Food Co., Ltd           | 100% owned subsidiary of AGM - AGM is a related organization of an internal person | 1602131107<br>2020-09-28<br>Department of Planning and Investment<br>An Giang | No. 01 Ngo Gia Tu,<br>My Long Ward,<br>Long Xuyen City,<br>An Giang | 2024-01-24                            | Resolution No. 05/NQ-HĐQT/2024 of the Board of Directors dated /2024-02-23 (*)                                      | Sale of normal goods.<br>Total transaction value is: 11,218,418 VND (before VAT)   | Sale of normal goods.   |
|          |                                 |  |   |   | From 2024-07-01 to 2024-12-31         | Resolution No. 05/NQ-HĐQT/2024 of the Board of Directors dated 2024-02-23 (*)                                       | Purchase of normal goods.<br>Total transaction value is: 564,844,808 VND (after VAT).  | Purchase of normal goods.   |
| 2        | APG Securities JSC              | Major shareholders; Related organization of an internal person                     | 63/UBCK-GP<br>2007-11-15<br>State Securities Commission                       | 5th Floor - Grand Building - 32 Hoa Ma - Hai Ba Trung - Hanoi.      | 2024-05-24                            | Resolution No. 05/NQ-HĐQT/2024 of the Board of Directors dated 02/23/2024 (*)                                       | - Advance payment for private placement advisory services: 82,500,000 VND;<br>- Advance payment for Employee Stock Ownership Plan (ESOP) advisory services: 27,500,000 VND.<br>Total transaction value is: 110,000,000 VND | According to Private Placement Advisory Services contract No. 0705-1/2024/HĐTV/LDP-APG dated 2024-05-07; and Employee Stock Ownership Plan (ESOP) Advisory Services contract No. 0705-2/2024/HĐTV/LDP-APG dated 2024-05-07. |

| N o.      | Name of organization/individual                  | Relationship with the Company   | NSH No, date of issue, place of issue of NSH   | Address/Contact Address   | Time of transactions with the Company | Resolution/Decision No. of the General Meeting of Shareholders/Board of Directors (specifying the date of issuance) | Content, quantity, total transaction value  | Note  |
|-----------|--|---|--|---|---------------------------------------|---|---|---|
| 3         | APG Eco JSC                                      | Affiliated organization of Internal person  | 2802929978<br>2021-03-23<br>Department of Planning and Investment<br>Thanh Hoa               | Lot 1a, Plot 1+4,<br>Sub-area 290, Bai Tom Hamlet, Dien Quang Commune, Ba Thuoc District, Thanh Hoa | From 2024-04-10 to 2024-12-31         | Resolution No. 05/NQ-HĐQT/2024 of the Board of Directors dated 2024-02-23 (*)                                       | Sale of regular goods.<br>Total transaction value is: 4,976,967,122 VND (before VAT)  | Sale of regular goods.<br>APG Eco JSC became an affiliated party from April 10, 2024                                      |
| 4         | DK PCF International Trading Joint Stock Company | Affiliated organization of Internal person  | 0109760055<br>October 1, 2021<br>Department of Planning and Investment<br>Hanoi City         | No. 23 B2 3 Dam Trau Area, Bach Dang Ward, Hai Ba Trung District, Hanoi                             | From 2024-11-26 to 2024-12-31         | Resolution No. 05/NQ-HĐQT/2024 of the Board of Directors dated 2024-02-23 (*)                                       | Purchase of regular goods.<br>Total transaction value is: 350,220,000 VND (after VAT) | Purchase of regular goods.<br>DK PCF International Trading Joint Stock Company became an affiliated party from 2024-11-26 |
| <b>II</b> | <b>Individual</b>                                |   |  |   |                                       |   |   |   |
| 1         | Pham Trung Kien                                  | Internal person (Chairman of the Board of Directors cum Legal Representative, Representative of 100% capital of the Parent Company LHs) | 00107700047<br>2023-05-31<br>Police Department for Administrative Management of Social Order | 20 Alley 437, Ngoc Thuy, Long Bien, Hanoi   | 2024-02-29                            | Resolution No. 05/NQ-HĐQT/2024 of the Board of Directors dated 2024-02-23 (*)                                       | Sale of regular goods.<br>Total transaction value is: 2,770,789 VND (before VAT)      | Sale of regular goods.  |

| N<br>o. | Name of<br>organization/i<br>ndividual | Relationship<br>with the<br>Company   | NSH No, date<br>of issue, place<br>of issue of<br>NSH  | Address/Contact<br>Address   | Time of<br>transactio<br>ns with<br>the<br>Company | Resolution/Decisi<br>on No. of the<br>General Meeting<br>of<br>Shareholders/Bo<br>ard of Directors<br>(specifying the<br>date of issuance) | Content, quantity,<br>total transaction value   | Note   |
|---------|--|---|--|--|--|--|---|--|
| 2       | Nguyen Thi<br>Hong Giang               | Internal<br>person<br>(Non-<br>executive<br>member of the<br>Board of<br>Directors) | 03319600409<br>2023-11-07<br>Police<br>Department<br>for<br>Administrative<br>Management<br>of Social<br>Order | 1368/29A LVL<br>Hamlet 2, Phuoc<br>Kien, Nha Be, Ho<br>Chi Minh City | 2024-06-<br>26                                     | Resolution No.<br>05/NQ-<br>HĐQT/2024 of<br>the Board of<br>Directors dated<br>2024-02-32 (*)  | Service payment.<br>Total transaction value is:<br>19,500,000 VND<br>(before Personal Income Tax) | According to Advertising<br>Service Contract<br>03/2024/HDDVQC/LDP<br>dated 2024-05-23 |

(\*) Board of Directors Resolution No. 05/NQ-HĐQT/2024 dated 2024-02-23: The Board of Directors of Lam Dong Pharmaceutical Joint Stock Company (Ladophar) approves the signing and implementation of contracts and transactions under the Board of Directors' decision-making authority in 2024 (from 2024-01-01 to 2024-12-31) between Lam Dong Pharmaceutical Joint Stock Company (Ladophar) and related parties as prescribed by law, including contracts and transactions already signed and implemented in 2024 under the authority of the Board of Directors before the issuance date of this Resolution (if any). Simultaneously, on 2024-02-23, the company made a 24-hour unusual information disclosure for this Resolution as regulated.

No.: 04/BC-DHTN/2025

*Da Lat City, March 28, 2025*

**ANNUAL REPORT 2024  
OF THE INDEPENDENT MEMBERS OF THE BOARD OF  
DIRECTORS  
LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY**

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**I. ACTIVITIES OF THE INDEPENDENT MEMBERS OF THE BOARD OF DIRECTORS**

**6. Independent member of the Board of Directors**

- The number of Independent members of the Board of Directors of Lam Dong Pharmaceutical Joint Stock Company (Ladophar) is 01 (one) out of 05 (five) members Board of Directors.
- In 2024, Mr. Le Xuan Thanh remained an Independent members of the Board of Directors with the responsibility of supervising, providing critical feedback, and ensuring transparency in the Company's operations.
- The Independent members of the Board of Directors at the Company operate in compliance with the Law on Enterprises 2020, current state regulations, and the Company's Charter.
- The Independent members of the Board of Directors conduct supervision and evaluation of the Company's operations through the activities of the Board of Directors, the Board of General Directors, financial reports, governance reports, accounting books, recommendations from internal audits and inspections, monitoring the process of addressing recommendations, and reviewing relevant documents.

**7. Activities of the Independent members of the Board of Directors**

The activities of the Independent members of the Board of Directors in 2024 include:

- The Independent members of the Board of Directors fully and actively participated in Board of Directors meetings, contributing critical feedback to enhance management effectiveness.
- Closely monitored the management and administration of the Board of General Directors, ensuring compliance with legal regulations and the Company's business strategy.
- Evaluated and verified the transparency and legality of business, financial, and management reports, as well as related documents.
- Monitored the development and amendment of internal regulations and rules to ensure effective business operations.

**II. RESULTS OF THE ACTIVITIES OF THE INDEPENDENT MEMBERS OF THE BOARD OF DIRECTORS**

**1. Evaluation of the management, administration, and integrity of the Board of Directors and the Board of General Directors.**

- The organizational structure of the Board of Directors ensures compliance with the Charter and legal regulations, and meets the requirements for corporate governance of public companies.

- In 2024, the Board of Directors held 14 meetings, issued 25 Resolutions/Decisions, and most of them have been implemented. All Board of Director' members fully attended the meetings convened during their term.
- The work of the Board of Directors in 2024 focused on the Resolution approved by the General Meeting of Shareholders.
- The dismissal/appointment of management positions was carried out in accordance with the appropriate authority to ensure suitability in the management of the Company's production and business activities.

## **2. Evaluation of the Company's business performance and financial situation.**

### Comments and assessment of the business and financial situation in 2024:

- Revenue in 2024 reached 217.9 billion VND, equivalent to 79.23% of the plan approved by the General Meeting of Shareholders (of which manufactured goods reached 76%, equivalent to 129.9 billion VND; commercial goods reached 84%, equivalent to 85.6 billion VND). Revenue in 2024 increased by 17% compared to the same period in 2023, equivalent to an increase of 32 billion VND. In particular, the increase was mainly in revenue from manufactured goods, which increased by 32%, equivalent to 31.8 billion VND; revenue from commercial goods increased slightly by 0.2%, equivalent to 210 million VND; revenue from services decreased by 3.5%, equivalent to a decrease of 87 million VND.
- In 2024, although the company exceeded the profit target compared to the set plan by 230%, equivalent to 6,919 billion VND, due to accumulated losses and provision, the company still had a negative accumulated Profit after tax of 52,095 billion VND.
- Total assets reached 207 billion VND, an increase of 1.1% compared to 2023, equivalent to an increase of 12 billion VND. The main reason for the decrease is in the value of factors such as inventory and receivables.
- Total liabilities increased by 12.9 billion VND, equivalent to a 7% increase compared to 2023. The main reason for the increase is in the value of factors such as payables to suppliers and short-term bank loans.

### Results of the appraisal of Financial Statements, financial situation in 2024:

- The company has implemented accounting organization and opened accounting books in accordance with regulations. Accounting books are recorded promptly, reflecting truthfully the economic transactions arising in the business process.
- Independent members of the Board of Directors confirm that the 2024 separate and consolidated Financial Statements of the Company have reflected truthfully and reasonably in all material aspects, the Company's financial situation as well as business results and cash flow activities in accordance with Accounting Standards, Corporate Accounting Regime and relevant accounting regulations in Vietnam.
- The Company's 2024 Financial Statements have also been audited by A&C Auditing and Consulting Co., Ltd. with an unqualified opinion.

## **3. Evaluation of the coordination between Independent members of the Board of Directors with the Board of Directors, Board of General Directors**

The Board of Directors, Board of General Directors as well as the Company's management staff always cooperate, create favorable conditions and promptly meet the requirements for information and records to serve the supervisory work of Independent members of the Board of Directors.

## **4. Evaluation of the internal control system and risk management**

- The company has an internal audit department and has issued internal audit regulations



according to law, however, the company has not yet completed the Risk Management system.

- The company always updates and perfects the system of internal governance, management and administration documents, and operating procedures of departments/divisions to standardize operations and improve the effectiveness of the internal control system.

### **III. OPERATIONAL ORIENTATION 2025 OF THE INDEPENDENT MEMBER OF THE BOARD OF DIRECTORS**

- Strengthen the role of supervision and criticism to improve transparency and management effectiveness.
- Evaluate the operating efficiency of the Board of Directors and Board of Management, and propose solutions to optimize management work.
- Coordinate with departments to focus on key issues such as costs, provisions, production and business situation, and governance.
- Closely monitor the investment process, upgrading machinery and equipment, and expanding the factory.
- Monitor the process of reviewing and updating internal documents and processes.
- Appraise financial, business and accounting reports to ensure transparency and legality.

### **IV. RECOMMENDATIONS OF INDEPENDENT MEMBERS OF THE BOARD OF DIRECTORS**

- The Board of Directors and Board of Management need to accelerate the implementation of the guidelines approved by the General Meeting of Shareholders.
- Increase the frequency of meetings between Independent members of the Board of Directors and the Board of Management to enhance the critical role of Independent members of the Board of Directors, increase supervision and minimize risks in the process of operating the Company's activities.
- Construct and implement a Risk Management system to help the Company identify arising issues early to maintain sustainability and stability in operations, maximizing investor benefits.

Above is the 2024 Report of the Independent Member of the Board of Directors of Lam Dong Pharmaceutical Joint Stock Company (Ladophar).

Respectfully reported to the General Meeting of Shareholders.

***Recipients:***

- Shareholders;
- Archived: BOD Office.

**INDEPENDENT MEMBER OF  
THE BOD**



**LE XUAN THANH**

No.: 05/BC-DHTN/2025

Da Lat City, March 28, 2025

**REPORT OF THE GENERAL DIRECTOR  
ON INVESTMENT AND BUSINESS RESULTS IN 2024  
AND INVESTMENT AND BUSINESS PLAN FOR 2025  
LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY  
(LADOPHAR)**

- Pursuant to Resolution No. 13/NQ-HĐQT/LDP/2025 dated March 28, 2025, of the Board of Directors regarding the approval of the meeting time and meeting materials for the 2025 Annual General Meeting of Shareholders;

**I. EVALUATION OF 2024 OPERATING RESULTS**

**1. Financial Situation**

|           |                                      | Unit: VND million     |                   |                       |                   |                   |                      |
|-----------|--------------------------------------|-----------------------|-------------------|-----------------------|-------------------|-------------------|----------------------|
|           | Item                                 | 2024-12-31            |                   | 2023-12-31            |                   | Increase/Decrease |                      |
|           |                                      | Value                 | %                 | Value                 | %                 | %                 | +/-                  |
| <b>A</b>  | <b>Total assets</b>                  | <b><u>207,705</u></b> |                   | <b><u>194,773</u></b> |                   | <b>7%</b>         | <b><u>12,932</u></b> |
| 1         | Cash                                 | 13,261                | 6%                | 16,013                | 8%                | -17%              | (2,752)              |
| 2         | Receivables                          | 72,264                | 35%               | 64,697                | 33%               | 12%               | 7,567                |
|           | <i>a. Receivables from customers</i> | 27,918                | 13%               | 21,205                | 11%               | 32%               | 6,713                |
|           | <i>b. Prepaid to vendors</i>         | 34,276                | 17%               | 32,723                | 17%               | 5%                | 1,553                |
|           | <i>c. Other receivables</i>          | 10,070                | 5%                | 10,769                | 6%                | -6%               | (699)                |
| 3         | inventories                          | 48,962                | 24%               | 37,751                | 19%               | 30%               | 11,211               |
| 4         | Fixed assets                         | 42,044                | 20%               | 48,929                | 25%               | -14%              | (6,885)              |
| 5         | Long-term investments                | 17,740                | 9%                | 17,742                | 9%                | 0%                | (2)                  |
| 6         | Short-term investments               | 2,692                 | 1%                | 3,121                 | 2%                | -14%              | (429)                |
| 7         | Other assets                         | 10,741                | 5%                | 6,520                 | 3%                | 65%               | 4,221                |
| <b>B</b>  | <b>Total resources</b>               | <b><u>207,705</u></b> |                   | <b><u>194,773</u></b> |                   | <b>7%</b>         | <b><u>12,932</u></b> |
| <b>I</b>  | <b>liabilities</b>                   | <b><u>108,421</u></b> | <b><u>52%</u></b> | <b><u>102,407</u></b> | <b><u>53%</u></b> | <b>6%</b>         | <b><u>6,014</u></b>  |
| 1         | Payables to suppliers                | 33,279                | 16%               | 24,495                | 13%               | 36%               | 8,784                |
| 2         | Loans and Bond                       | 55,026                | 26%               | 65,960                | 34%               | -17%              | (10,934)             |
|           | <i>a. Short-term loans</i>           | 24,806                | 12%               | 35,740                | 18%               | -31%              | (10,934)             |
|           | <i>b. Long-term loans</i>            | -                     | 0%                | -                     | 0%                | 0%                | -                    |
|           | <i>c. Bond</i>                       | 30,220                | 15%               | 30,220                | 16%               | 0%                | -                    |
| 3         | Other liabilities                    | 20,115                | 10%               | 11,952                | 6%                | 68%               | 8,163                |
| <b>II</b> | <b>Resources</b>                     | <b><u>99,284</u></b>  | <b><u>48%</u></b> | <b><u>92,366</u></b>  | <b><u>47%</u></b> | <b>7%</b>         | <b><u>6,918</u></b>  |
| 1         | Charter capital                      | 127,031               | 61%               | 127,031               | 65%               | 0%                | -                    |
| 2         | Retained earnings                    | (52,095)              | -25%              | (59,014)              | -30%              | -12%              | 6,918                |
| 3         | Other funds                          | 24,348                | 12%               | 24,348                | 13%               | 0%                | -                    |

**Analysis of the 2024 financial situation:**

**a. Total assets**

- Proportion: Within the asset structure, receivables, inventories, and fixed assets account for the highest proportions (35%, 24%, and 20%, respectively).
- Fluctuation (Compared to the previous year): Total assets fluctuated with a 7% increase, corresponding to a VND 12.9 billion increase, mainly influenced by the following factors:
  - inventories increased by 30%, corresponding to an increase of VND 11.2 billion, including commercial and manufacturing inventories. Within commercial inventories, the increase was mainly in the OTC channel commercial goods group. Within manufacturing inventories, the increase was primarily in the raw materials group due to the higher quantity of leaves purchased in 2024 compared to 2023 (from 0.5 tons of leaves to 1.7 tons of leaves/year).
  - Receivables increased by 12%, corresponding to a VND 7.6 billion increase, mainly due to an increase in customer receivables as revenue increased compared to the same period.
  - Cash on hand and bank deposits decreased by 17%, corresponding to a VND 2.8 billion decrease.
  - Fixed assets decreased by 14%, corresponding to a VND 6.9 billion decrease. The main reason was the disposal of assets worth over VND 0.8 billion and depreciation of nearly VND 6 billion during the year.
  - Other assets increased by 65%, corresponding to a VND 4.2 billion increase, mainly due to an increase in ongoing capital construction investments.

**b. liabilities**

- Proportion: Within the liabilities structure, Loans and Bond payables account for the highest proportion at 26%, mainly from short-term loans, due to the need to pay suppliers and bond payables.
- Fluctuation (Compared to the previous year): Total liabilities increased by 7%, corresponding to a VND 12.9 billion increase, mainly influenced by the following factors:
  - Accounts payable to suppliers increased by 36%, corresponding to a VND 8.8 billion increase, mainly due to an increase in purchases (manufacturing + commercial) to meet business needs. The increase in revenue led to an increase in accounts payable to suppliers.
  - Loans decreased by 31%, corresponding to a VND 10.9 billion decrease, mainly due to a VND 10.9 billion decrease in short-term bank loans, primarily due to balancing revenue sources from business activities to pay loan principal to reduce pressure on bank loan interest.
  - Other payables increased by 68%, corresponding to a VND 8.2 billion increase.

**2. Business Results**
*Unit: VND million*

| Item                          | FY 2024        |             | Plan 2024      |             | FY 2023        |            |
|-------------------------------|----------------|-------------|----------------|-------------|----------------|------------|
|                               | Value          | Weight      | Value          | % Plan      | Value          | % Change   |
| <b>1 Revenue</b>              | <b>217,958</b> | <b>100%</b> | <b>275,072</b> | <b>79%</b>  | <b>186,001</b> | <b>17%</b> |
| <i>Commerce</i>               | 85,637         | 39%         | 102,252        | 84%         | 85,427         | 0%         |
| <i>Production</i>             | 129,911        | 60%         | 170,660        | 76%         | 98,077         | 32%        |
| <i>Other</i>                  | 2,410          | 1%          | 2,160          | 112%        | 2,497          | -4%        |
| <b>2 Gross profit</b>         | <b>64,390</b>  | <b>30%</b>  | <b>62,121</b>  | <b>104%</b> | <b>37,166</b>  | <b>73%</b> |
| <i>Commerce</i>               | 4,781          | 2%          | 6,682          | 72%         | 4,787          | 0%         |
| <i>Production</i>             | 57,308         | 26%         | 53,389         | 107%        | 29,991         | 91%        |
| <i>Other</i>                  | 2,300          | 1%          | 2,051          | 112%        | 2,388          | -4%        |
| <i>% Gross profit/Revenue</i> | 30%            |             | 23%            |             | 20%            |            |
| <b>3 Operating expenses</b>   | <b>56,720</b>  | <b>26%</b>  | <b>59,121</b>  | <b>96%</b>  | <b>56,522</b>  | <b>0%</b>  |

|          |                                      |              |           |              |             |                 |              |
|----------|--------------------------------------|--------------|-----------|--------------|-------------|-----------------|--------------|
| <b>4</b> | <b>Other income/(Other expenses)</b> | <b>(752)</b> | <b>0%</b> | <b>-</b>     | <b>0%</b>   | <b>(737)</b>    | <b>2%</b>    |
| <b>5</b> | <b>Profit before tax</b>             | <b>6,918</b> | <b>3%</b> | <b>3,000</b> | <b>231%</b> | <b>(20,093)</b> | <b>-134%</b> |
|          | <i>% PBT/Revenue</i>                 | <i>3%</i>    |           | <i>1%</i>    |             | <i>-11%</i>     |              |

#### Analysis of the 2024 business results:

##### a. Revenue

- Proportion: Within the revenue structure, manufactured goods revenue accounts for 60% of total revenue, while commercial goods revenue accounts for 39% of total revenue.
- Fluctuation (compared to the previous year): Revenue reached 217.9 billion VND, a 17% increase compared to the previous year, equivalent to an increase of 32 billion VND. The increase was primarily driven by a 32% rise in manufactured goods revenue, equivalent to a 31.8 billion VND increase; commercial goods revenue remained relatively stable. The reasons are:
  - Commercial goods: a slight increase of 0.2%, equivalent to a 210 million VND increase, of which:
    - ✓ The OTC channel commercial goods group increased by 36%, equivalent to a 12.1 billion VND increase, with significant growth seen in Duc Trong Branch (4.6 billion VND), Bao Loc Branch (1.2 billion VND), and export orders for An Minh Medical Technology JSC (9 billion VND). The supportive pricing policy and timely purchasing to meet the needs of the industrial sector also contributed to boosting revenue for the OTC channel's commercial product group.
    - ✓ The ETC channel commercial product group decreased by 23%, equivalent to a decrease of 11.9 billion VND, primarily due to changes in bidding circulars, and a shift in the bidding format for the Medical supplies - Administrative package from package bidding to item-based bidding, resulting in reduced bidding revenue at major hospitals. Additionally, some partners have changed their policies, opting to participate in direct bidding instead of authorizing, leading to a corresponding decrease in bidding revenue.
  - Manufactured goods: a significant increase of 32%, equivalent to a 31.8 billion VND increase, of which:
    - ✓ Chain channels saw a strong increase of 93%, equivalent to a 12 billion VND increase, primarily from revenue generated by the exclusive Nosamin product line.
    - ✓ Supermarket channels experienced a substantial increase of 129%, equivalent to a 5.5 billion VND increase, mainly due to increased revenue from supermarkets such as Bach Hoa Xanh (3.5 billion VND), Big C & Go (3 billion VND), Kingkong Mart and Emart (1 billion VND), etc.
    - ✓ Southern Branch increased by 25%, equivalent to a 3.9 billion VND increase.
- Compared to the plan: revenue reached 79% of the plan, with production reaching 76%, equivalent to 129.9 billion VND, and commerce reaching 84%, equivalent to 85.6 billion VND.

##### b. Expenses

Details of 2024 expenses by expense group:

*Unit: million VND*

| Item                           | FY 2024 |           | FY 2023 | Change  |      |
|--------------------------------|---------|-----------|---------|---------|------|
|                                | Value   | %/Expense |         | +/-     | %    |
| 1 Salary expenses              | 28,647  | 51%       | 25,325  | 3,322   | 13%  |
| 2 Marketing and sales expenses | 9,934   | 18%       | 13,715  | (3,781) | -28% |

|              |                                    |               |             |               |            |           |
|--------------|------------------------------------|---------------|-------------|---------------|------------|-----------|
| 3            | Depreciation and premises expenses | 3,922         | 7%          | 3,701         | 221        | 6%        |
| 4            | Financial expenses                 | 5,613         | 10%         | 7,027         | (1,414)    | -20%      |
| 5            | Other operating expenses           | 8,604         | 15%         | 6,755         | 1,849      | 27%       |
| <b>Total</b> |                                    | <b>56,720</b> | <b>100%</b> | <b>56,522</b> | <b>198</b> | <b>0%</b> |

- Proportion: Within the expense structure, salary expenses account for the highest proportion at 51% of total expenses (28.6 billion VND); Marketing and sales expenses account for 18% of total expenses (9.9 billion VND); Financial expenses account for 10% of total expenses (5.6 billion VND); depreciation and rental expenses account for 7% of total expenses (3.9 billion VND), and other operating expenses for 15% of total expenses (8.6 billion VND).
- Fluctuation: Compared to the same period, operating expenses remained relatively stable, with a slight increase of 0.4%, equivalent to a 0.2 billion VND increase, of which:
  - Salary expenses increased by 13%, equivalent to a 3.3 billion VND increase, mainly due to increases in direct sales salaries (due to increased revenue) and increases in performance bonuses and KPI salaries.
  - Marketing and sales expenses decreased by 28%, equivalent to a 3.8 billion VND decrease. The decrease in sales expenses was mainly due to a decrease in the provision for doubtful debts related to the loan to Le Minh Duc, and debts from sales to Samatel, VKC, PDS, and Indico. Marketing expenses decreased primarily due to reduced investment in branding and advertising (Billboard Da Lat, Truong Son, Cau Go showroom).
  - Depreciation and premises expenses increased slightly by 6%, equivalent to a 0.2 billion VND increase, mainly due to increases in land lease and non-agricultural land use expenses (0.4 billion VND), and house rental expenses (0.4 billion VND).
  - Financial expenses decreased by 20%, equivalent to a 1.4 billion VND decrease, primarily due to a decrease in bond interest expenses.
  - Other operating expenses, including outsourced service costs and client entertainment, increased 27%, equivalent to a 1.8 billion VND increase, mainly due to increases in Oracle software licensing fees (0.4 billion VND) and debt collection fees (0.2 billion VND).

### c. Conclusion

The sharp increase in revenue from manufactured goods, especially in the beverage category (the proportion of the beverage category increased from 24% to 32%, corresponding to a revenue increase from 23 billion VND to 42 billion VND), with a strong focus on revenue from chain channels, contributed to the increase in gross profit from 37 billion VND to 64 billion VND (a 73% increase). Along with insignificant fluctuations in operating expenses, this led to a significant increase in profit after tax (from a loss of 20.1 billion VND to a profit of 6.9 billion VND).

### 3. Results of investment

| Explanation  | Value (VND)   | Note                               |
|--|---------------|------------------------------------|
| Fuel storage container   | 38,888,889    | Increased asset 2024               |
| Volkswagen 757.75 vehicle                                      | 2,259,395,000 | Increased asset 2025               |
| Oracle Netsuite software license from 2024-10-01 to 2025-09-30 | 1,523,944,648 | Increased investment expenses 2024 |
| Oracle Netsuite software implementation cost                   | 3,290,724,000 | According to progress              |
|  |               |                                    |
| Design cost for brand electrical receiver set                  | 14,000,000    | Increased investment 2024          |
| Company office repainting cost                                 | 165,495,000   | Increased investment 2024          |



|   |                      |                           |
|---|----------------------|---------------------------|
| Signboard and logo construction costs at the company office | 27,944,000           | Increased investment 2024 |
| Signboard construction costs at NQ Showroom                 | 27,631,500           | Increased investment 2025 |
|   |                      |                           |
| Northern Branch showroom construction contract              | 288,345,960          | Acceptance test 2025      |
| Northern Branch repair construction contract                | 94,015,469           | Acceptance test 2025      |
| Western Branch repair construction contract                 | 332,844,120          | Acceptance test 2025      |
| <b>Total</b>  | <b>8,063,228,586</b> |                           |

#### 4. Results of capital contribution/share purchase investment

The capital contribution/share purchase investment in Tra My Agricultural Products and Medicinal Materials Joint Stock Company, according to Official Letter No. 18/Tr-DHTN/2024, could not be implemented because the relevant parties could not agree on a reasonable plan. However, initial steps have been taken in researching and applying Ngoc Linh ginseng leaf products to processed products for Tra My Company, such as Ngoc Linh ginseng extract and Ngoc Linh ginseng water. This is the first step towards further research on Ngoc Linh ginseng and towards future investment steps, capital contribution and share purchase if the investment in researching this product is deemed highly effective and in-depth.

## II. ORIENTATION 2025

### 1. Objectives of the ORIENTATION 2025

- Continue to promote the manufactured goods category, especially beverage products (high-end health supplements), to generate high gross profit; simultaneously explore new customers in markets such as North, Central, and South Vietnam, and export markets (South Korea, Mongolia, Poland, etc.);
- Continue to maintain and develop e-commerce channels on all platforms: Shopee, Lazada, Tiktok Shop, etc. Collaborate with strong partners in online sales, , to increase brand and product awareness of LDP to consumers. Partner with KOLs and KOCs to distribute products and increase user reach quickly.
- Expand the ETC market in other provinces, focusing on manufactured goods, by increasing the number of drug registrations, promoting research on digital drug products to expand the portfolio and facilitate bidding/authorized bidding channels for partners.
- Focus on customer groups that are pharmacy chains and high-end functional food chains to boost profits and increase products in the high-end segment;
- Continue to synchronize and rejuvenate brand identity by changing some product packaging (tea group);
- Launch new products and improve existing products to enhance product quality and image, as well as user experience and trust in LDP's products.
- Along with expanding the export market, increase the quality of input materials by self-managing or contracting farming areas to strictly control input quality, meeting stringent quality inspection requirements in foreign markets;

### 2. Draft results

The 2025 business results are drafted in detail as follows:

- Total revenue of 355 billion VND, corresponding to a 63% increase compared to 2024.
- Expected profit: profit before tax of 7 billion VND.
- Estimated value of asset purchases and expansion investment: 543 billion VND.

### 3. Details of the 2025 business plan

*Unit: million VND*

| No.      | Content   | Value          | %/Revenue   |
|----------|---|----------------|-------------|
| <b>A</b> | <b>Revenue</b>  | <b>354,932</b> | <b>100%</b> |
| <b>1</b> | <b>Commercial goods</b>   | 107,010        | 30%         |
|          | <i>ETC Commercial goods</i>   | 44,430         | 13%         |
|          | <i>OTC Commercial goods</i>   | 62,580         | 18%         |
| <b>2</b> | <b>Manufactured goods</b>   | <b>245,066</b> | <b>69%</b>  |
|          | <i>ETC Manufactured goods</i>   | 5,090          | 1%          |
|          | <i>OTC Manufactured goods</i>   | 239,976        | 68%         |
| <b>3</b> | <b>Services</b>   | 2,856          | 1%          |
| <b>B</b> | <b>Gross profit</b>   | <b>118,523</b> | <b>34%</b>  |
| <b>1</b> | <b>Commercial goods</b>   | <b>5,674</b>   | <b>2%</b>   |
|          | <i>ETC Commercial goods</i>   | 3,110          | 1%          |
|          | <i>OTC Commercial goods</i>   | 2,564          | 1%          |
| <b>2</b> | <b>Manufactured goods</b>   | <b>110,137</b> | <b>31%</b>  |
|          | <i>ETC Manufactured goods</i>   | 764            | 0,2%        |
|          | <i>OTC Manufactured goods</i>   | 109,374        | 31%         |
| <b>3</b> | <b>Services</b>   | <b>2,712</b>   | <b>1%</b>   |
| <b>C</b> | <b>Operating expenses</b>   | <b>111,523</b> | <b>31%</b>  |
| 1        | <i>Salary expenses</i>  | 41,086         | 12%         |
| 2        | <i>Marketing and branding expenses</i>  | 13,583         | 3.8%        |
| 3        | <i>Financial expenses</i>   | 12,798         | 4%          |
| 4        | <i>Sales and conference organization expenses</i>                               | 15,822         | 4%          |
| 5        | <i>Outside purchasing services expenses, fixed assets, fuel, other...</i>       | 16,008         | 5%          |
| 6        | <i>External relations, reception, travel expenses, business travel expenses</i> | 5,412          | 2%          |
| 7        | <i>Premises expenses</i>  | 5,504          | 2%          |
| 8        | <i>Depreciation expenses</i>  | 1,309          | 0.4%        |
| <b>D</b> | <b>Other profit</b>   | -              | <b>0%</b>   |
| <b>E</b> | <b>Profit before tax</b>  | <b>7,000</b>   | <b>2%</b>   |

#### a. Revenue - Gross Profit

Total revenue in 2025 is projected to be 355 billion VND, of which commercial revenue is 107 billion VND and manufactured goods revenue is 245 billion VND. Compared to 2024, revenue increased by 63%, equivalent to an increase of 137 billion VND, in which manufactured goods increased sharply by 89%, equivalent to an increase of 115.2 billion VND, commercial goods increased by 25%, equivalent to an increase of 21.4 billion VND, specifically:

*Unit: million VND*

| Indicator           | FY 2024        | Plan 2025      | +/-            | %          |
|---------------------|----------------|----------------|----------------|------------|
| <b>Revenue</b>      | <b>217,958</b> | <b>354,932</b> | <b>136,974</b> | <b>63%</b> |
| Commercial          | 85,637         | 107,010        | 21,372         | 25%        |
| Production          | 129,911        | 245,066        | 115,156        | 89%        |
| Other               | 2,410          | 2,856          | 446            | 19%        |
| <b>Gross profit</b> | <b>64,381</b>  | <b>118,523</b> | <b>54,142</b>  | <b>84%</b> |
| Commercial          | 4,772          | 5,674          | 902            | 19%        |
| Production          | 57,308         | 110,137        | 52,829         | 92%        |
| Other               | 2,300          | 2,712          | 411            | 18%        |

**b. Operating Expenses**

The total planned expenses for 2025 are 112 billion VND, a 97% increase compared to 2024, equivalent to an increase of 54.8 billion VND, including the following expenses:

*Unit: million VND*

| Indicator                          | FY 2024       | Plan 2025      | +/-           | %          |
|------------------------------------|---------------|----------------|---------------|------------|
| Salary expenses                    | 28,647        | 41,086         | 12,439        | 43%        |
| Marketing and sales expenses       | 9,934         | 29,405         | 19,471        | 196%       |
| Depreciation and premises expenses | 3,922         | 6,814          | 2,891         | 74%        |
| Financial expenses                 | 5,613         | 12,798         | 7,185         | 128%       |
| Other operating expenses           | 8,604         | 21,420         | 12,816        | 149%       |
| <b>Total</b>                       | <b>56,720</b> | <b>111,523</b> | <b>54,803</b> | <b>97%</b> |

**Operating expenses increased by 97%, equivalent to an increase of 54.8 billion VND, in which:**

- Salary expenses increased by 43%, equivalent to an increase of 12.4 billion VND, due to an increase in direct sales salaries to achieve the revenue target of 355 billion VND and an increase in KPI bonus expenses;
- Marketing and sales expenses increased by 196%, equivalent to an increase of 19.5 billion VND, mainly due to an increase in investments in brand awareness at LDP's retail points/showrooms. Focus on boosting marketing expenses for customers, sales collaborator expenses, incentive bonuses for the sales team, operating expenses on e-commerce platforms, and advertising expenses on platforms to boost e-commerce revenue. Along with the strong revenue growth, expenses such as shipping, hiring PG, collaborators to develop in areas without sales staff also increased correspondingly. Provision for bad debts in 2025 (loans to Le Minh Duc and bad debts from VKC, Samatel);
- Financial expenses increased by 128%, equivalent to an increase of 7.2 billion VND, mainly due to the increase in interest expenses. In 2025, it is expected to increase the working capital limit from 60 billion to 120 billion to serve purchasing activities to support revenue growth;
- Other operating expenses increased by 149%, equivalent to an increase of 12.8 billion VND, mainly due to increases in hospitality, diplomacy, event organization, and other business trip expenses.

**c. Orientation of investment**

Based on the actual asset usage needs, the proposed investment items in 2025 include:

- Investment in brand recognition: This investment relates to repairing and synchronizing Ladophar's brand image (signs at retail counters, showroom landscapes, logos, etc.); implementing a showroom model, visiting locations, and product trials at Xuan Tho;
- New investment and improvement of machinery and equipment: These are investments in new purchases, repairs, and improvements to machinery and equipment, production lines, and systems to increase the factory's productivity. It also includes upgrading and repairing equipment for the Quality Department. Besides, investment in transportation means serves production, business activities/management;
- Investment in a supercritical CO2 extraction workshop;
- Investment in a radiopharmaceutical factory in Da Lat.

Currently, most of the main machinery and equipment in the production lines are rented from AMC Company, so to prepare for the case where AMC recalls the machinery and equipment, the Board of Management proposes new investment options for machinery and equipment, specifically as follows:

*Unit: million VND*

| No.          | Item   | User Department   | Total Value    |
|--------------|--|---|----------------|
| <b>A</b>     | <b>Investment in brand identity</b>  | <b>operating segment</b>                                  | <b>55,000</b>  |
| 1            | Renovation of Ngo Quyen showroom   | HCNS & MKT Department                                     | 10,000         |
| 2            | Renovation of Xuan Tho garden into a tourist attraction  | HCNS & MKT Department                                     | 30,000         |
| 3            | Ministerial-level project: "Application of biotechnology in breeding, cultivation and processing of some precious medicinal herbs"   | R&D and Raw Material Area Department                      | 15,000         |
| <b>B</b>     | <b>New investment and improvement of machinery, equipment, and means of transport</b>  |   | <b>488,000</b> |
| 1            | Purchase, repair, and improve machinery and equipment, production lines, and systems to increase productivity of the factory, as well as means of transport for production, business, and management | Manufacturing Plant, R&D, operating segment, Office Block | 36,000         |
| 2            | Purchase new machinery and equipment that are damaged or have low accuracy in checking input product quality   | Quality Block   | 2,000          |
| 3            | Investment in supercritical CO2 extraction workshop  | Manufacturing Plant                                       | 150,000        |
| 4            | Investment in Radiopharmaceutical Factory  | Manufacturing Plant                                       | 300,000        |
| <b>Total</b> |  |   | <b>543,000</b> |

Based on the actual needs and capital resources of the Company during the production and business process, the Board of Management will proactively submit to the Board of Directors for approval of appropriate investment plans for implementation and report to the General Meeting of Shareholders in the 2025 annual meeting.

## **5. ACTION PLAN**

### **1. Regarding operating activities**

- Based on the business plan assigned to branches/channels, units develop detailed plans for each salesperson, each product group, product, channel, and distribution area to concretize the 2025 business objectives;
- Focus on fully exploiting the potential of existing markets as well as strengthening promotion in niche markets, out-of-province markets in the Western, Central, Central Highlands regions...that have not yet been exploited. For areas without branches/agents, where coverage is still thin, expansion will be intensified through potential distributors, bringing goods into consumer and grocery channels. Besides, training, supervising, and supporting sales of agents in introducing and advising customers on product uses;
- For the system of pharmacy chains and functional food chains, focus on offering high-end products (functional food group, high-end tea group). Develop sales policies and debt policies to support chains in taking and pushing goods into the system, increasing coverage for the Company's products nationwide;
- For retail outlets directly under the Company, synchronize brand identity signs, evaluate the operating efficiency of each point of sale to make proposals to improve or close to minimize operating fixed costs (If any);
- The ETC channel market for the manufactured product group is still thin due to the lack of bidding drug items in the catalog, so it is necessary to strengthen the promotion of bids for products that have registration numbers but have not been produced or products that have been produced but have not been strongly exploited as well as new products, focusing on the product portfolio of group 1, contributing to promoting competitive advantages and increasing profits;
- In addition, to take advantage of the capacity of machinery and equipment in production lines and create jobs for production workers, strengthen the promotion of processing orders from partners by issuing processing bonus policies to encourage all employees to introduce orders, establish a team on processing & export to take care of, monitor customer feedback to promote successful orders. Besides, build a Sales Kit as a basis for offering goods, helping customers understand the production line, machinery and equipment meeting GMP standards, clean material areas meeting GACP, Organic standards...
- For the export market, strengthen contact with partners who have placed orders at the Company to learn about current needs, future directions in the upcoming product lines of customers in foreign markets, thereby consulting and supporting customers to regain lost revenue in previous years. Besides, exploit new markets through chains of links with travel companies to promote the image and quality of products to international friends....

### **2. Regarding Marketing activities**

- Regarding activities to increase brand recognition, focus on synchronizing brand identity images across the system by renovating and repairing signs at retail outlets, showrooms, logos...;
- Strengthen the promotion of brands, images, product quality, and clean material areas that meet GACP, Organic standards...
- Carry out other promotional activities through product experience for customers at fairs, high-level conferences (bringing products into provincial/city conferences), provincial programs on OCOP products. Besides, coordinate with supermarket chains to promote products;
- Along with renovating the landscape of showrooms and factories, coordinate with travel companies to conduct tours to help customers experience and shop for products;
- Other marketing and sales programs support branches in pushing products to the market, through the principle of focusing on selling products with competitive advantages in each area and region. The programs are customized and tailored for each branch as well as each different area.
- Reinforce customer care through consulting on product benefits and uses for customers, training for the sales team, etc.

### **3. Regarding production activities**



- Invest in artichoke medicinal herb gardens in Xuan Tho and Lam Ha areas to improve the source of high-quality input materials.
- Restart the Phyllanthus urinaria Cluster 1 growing area to increase bidding products with high competitive advantages.
- Research and cultivate clean medicinal herbs, meeting strict international standards as well as being eligible for export to demanding countries such as Europe, America, and South Korea.
- Enhance process and product quality improvement to optimize costs and increase competitive advantages.
- Review old equipment that does not ensure occupational safety and operating capacity to reduce costs and increase productivity.
- Coordinate with other companies to process products for partners, take advantage of available machinery and equipment, and increase factory capacity.

#### **4. Regarding management and operation activities**

- Issue and implement organizational regulations, including regulations related to the operation of the apparatus, to improve operational efficiency as well as enhance the ability to manage and supervise all activities of the Company.
- Establish KPI policies to motivate the sales team and other indirect support teams.
- Issue and implement an authorization system to further improve the Company's authorization system and empower management levels within the prescribed framework, as well as create a more flexible mechanism for departments/divisions and branches in operation.
- Develop, consolidate, and complete the system of regulatory documents, including regulations and processes, to help systematize documents within a framework and ensure more flexible operating principles for departments and branch units.
- Organize internal training courses and hire units/experts to implement skill training courses and professional development for staff.

#### **5. CONCLUSION**

2024 is a year of many difficulties and pressures for the Company. Through 2025, the General Director Board will implement specific actions and measures to help the Company and employees overcome this difficult period.

The General Director Board hopes for the support and cooperation of the Board of Directors and the Board of Supervisors so that the Company's operations can be increasingly improved and developed, effectively implementing the established strategy.

Above is the General Director's Report on the investment and business results of 2024 and the investment and business plan for 2025 of Lam Dong Pharmaceutical Joint Stock Company (Ladophar).

Respectfully report to the General Meeting of Shareholders./.

**GENERAL DIRECTOR**



**Le Tien Thinh**

No.: 06/BC-DHTN/2025

Da Lat City, March 28, 2025

**ANNUAL REPORT 2024  
OF THE BOARD OF SUPERVISORS  
LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY  
(LADOPHAR)**

**To: Annual General Meeting of Shareholders (“GMS”) of Lam Dong Pharmaceutical Joint Stock Company**

Based on the functions and duties of the Board of Supervisors (“BOS”) as stipulated in the Company's Charter and relevant regulations on the operation of the BOS, the members of the BOS have met and agreed to approve the BOS report to the 2025 Annual GMS with the following contents:

**I. Report on the Activities of the Board of Supervisors:**

In 2024, the Board of Supervisors consisted of 03 members, including 1 Head of BOS and 2 members. All members operate independently and do not work in the Company's accounting department or serve as independent auditors for the Company's financial statements. In 2023, the Company's Board of Supervisors underwent changes in personnel as follows:

| No. | Name                     | Position                   | Note |
|-----|--------------------------|----------------------------|------|
| 1   | Ms. Dao Thi Nga          | Member - Head of the Board |      |
| 2   | Ms. Vo Kim Nguyen        | Member                     |      |
| 3   | Ms. Nguyen Thi Quynh Nga | Member                     |      |

Based on the authority and responsibilities stipulated in the Company's Charter, the BOS has proactively carried out the following tasks:

- Monitoring and inspecting compliance with the Law on Enterprises, the Company's Charter, and internal regulations across all of the Company's operations;
- A BOS representative fully participated in all meetings of the Board of Directors (“BOD”) and provided input on relevant issues for the BOD's informed decision-making;
- Monitoring the implementation of the Resolutions of the 2024 Annual GMS, the Resolutions of the 2024 Extraordinary GMS, and the execution of BOD Resolutions;
- Contributing to the improvement of regulations, rules, and management processes to enhance operational efficiency within the Company;
- Reviewing annual, semi-annual, quarterly financial reports, and the Company's business performance reports; appraising the Company's financial statements in accordance with Vietnamese Accounting Standards and the Vietnamese accounting system, which were audited by A&C Auditing and Consulting Co., Ltd.;
- Through the performance of its duties, the BOS has made recommendations and proposals to the BOD and the Executive Board to strengthen corporate governance and improve the internal control system to meet the Company's short-term and long-term

strategic and business plan requirements. The BOS's recommendations and proposals have been addressed and implemented by the BOD and the General Director (“CEO”).

## II. Evaluation of Corporate Governance in 2024:

### 1. Implementation of General Meeting of Shareholders (GMS) Resolutions:

Results of the implementation of GMS Resolutions, Extraordinary GMS Resolutions, and BOD Resolutions are as follows:

#### - Regarding business results:

| Target                         | Implemented year 2023 | Implemented year 2024 | Plan year 2024  | % Implementation/Plan year 2024 |
|--------------------------------|-----------------------|-----------------------|-----------------|---------------------------------|
| Consolidated revenue           | 187,414,704,443       | 186,000,716,464       | 287,160,000,000 | 65.26%                          |
| Consolidated profit before tax | (38,865,634,456)      | (20,104,870,073)      | 3,000,000,000   | 230.63%                         |

- Revenue in 2024 reached 217.9 billion VND, equivalent to 79.23% of the plan approved by the GMS (of which manufactured goods achieved 76%, corresponding to 129.9 billion VND; commercial goods achieved 84%, corresponding to 85.6 billion VND). Revenue in 2024 increased by 17% compared to the same period in 2023, equivalent to an increase of 32 billion VND. This increase was primarily driven by a 32% rise in revenue from manufactured goods, equivalent to 31.8 billion VND; revenue from commercial goods saw a slight increase of 0.2%, equivalent to 210 million VND; while revenue from services decreased by 3.5%, equivalent to a reduction of 87 million VND.
- In 2024, although the company exceeded its profit target compared to the set plan by 230%, equivalent to 6.919 billion VND, due to accumulated losses and provision, the company still had a negative accumulated Profit after tax of 52.095 billion VND.
- Total assets reached 207 billion VND, increasing by 1.1% compared to 2023, equivalent to an increase of 12 billion VND. The main reason for the decrease was the value of factors such as inventory and receivables.
- Total liabilities increased 12.9 billion VND, equivalent to a 7% increase compared to 2023. The main reason for the increase was the value of factors such as accounts payable to suppliers and short-term bank loans.
- Financial expenses: Financial expenses increased mainly due to bond interest expenses and expenses from securities business activities. In 2024, according to Board of Directors Resolution No. 09/NQ-HĐQT/2024, LDP announced a plan to pay interest on LDPH2223001 bonds from the time the issuance results were canceled until April 18, 2024. LDP expected to negotiate and sign a memorandum of understanding with investors to convert the bond investment into a payable debt, and LDP would periodically pay the principal in stages. However, up to the present time, LDP has not yet been able to reach an agreement and sign a confirmation memorandum with investors.
- Sales and Administration expenses: In 2024, LDP continued to implement the restructuring project in the business segment, especially in sales activities. The company focused heavily on marketing activities to promote business investment in product images in a professional and meticulous manner, creating a premise for business development in the following years. The high initial marketing costs, along with the state's adjustment of land rental costs, also increased the pressure on the company's operating expenses.
- **Regarding management tools and personnel:** The company always emphasizes the improvement of the organizational structure, personnel apparatus, adjustment and

upgrading of the management system (processes, management systems, etc.) towards streamlining and efficiency, suitable to the production and business situation.

- **Other contents** (dividends, remuneration of the Board of Directors, Board of Supervisors; selection of audit units, etc.): implemented in accordance with the contents of the Annual General Meeting of Shareholders Resolution.

## **2. Corporate Governance and Administration**

### **2.1. Corporate Governance**

In 2024, the Board of Directors actively implemented many contents under the authority of the Board of Directors. Every quarter, the Board of Directors holds meetings to update the business situation and promptly direct the operational direction in 2024. In addition, the Board of Directors also holds extraordinary meetings or obtains written opinions from Board members to resolve important issues of the company. The contents of the Board of Directors' meetings are fully reflected in the Board of Directors' Resolutions and assigned to the General Director for implementation. During the implementation process, the Board of Directors inspects, supervises, and urges implementation. The Board members actively participated in providing opinions on business plans proposed by the Board of General of Directors in Board of Directors meetings.

### **2.2. Operational Management**

The General Director is tasked with implementing the tasks according to the Company Charter, Resolutions and Decisions assigned by the Board of Directors; assigning and directing the Deputy General Director, Heads of Departments/Divisions/Units to specifically implement the contents of the Resolutions and Decisions assigned by the Board of Directors and report the implementation results to the Board of Directors.

## **3. Implementation of Board of Directors Resolutions:**

- In 2024, the activities of Ladophar's Board of Directors were carried out in accordance with the law and the company's Charter;
- The Board of Directors held 14 meetings.

## **III. Review of the Audited Financial Statement:**

- The Board of Supervisors has reviewed the company's 2024 financial statements audited by the independent audit unit, A&C Auditing and Consulting Co., Ltd. The audit results were confirmed according to the Separate Independent Audit Report No. 1.0511/25/TC-AC signed by A&C Auditing and Consulting Co., Ltd. on March 22, 2025, and the Consolidated Independent Audit Report No. 1.0512/25/TC-AC signed by A&C Auditing and Consulting Co., Ltd. on March 22, 2025.
- Based on the financial statements, audit reports, and related reports, after review and inspection, the Members of the Board of Supervisors note:
  - + Accounting documents are neatly organized, meeting inspection and control requirements. Reporting forms are clear and comply with regulations.
  - + The Company has complied with current Vietnamese Accounting Standards and regulations; and
  - + The 2024 financial statement figures reflect fairly, in all material respects, the Company's financial position as of December 31, 2024, and for the financial year ended December 31, 2024.
- The Board of Supervisors agrees with the audited 2024 financial statement.

## **IV. Some recommendations of the Board of Supervisors:**

- **Regarding strategy:** The Company needs to develop a prudent short-term and medium-term business strategy to have appropriate implementation plans in the current difficult general situation, to ensure sustainable growth for the company.
- **Regarding operating activities:**
  - + The Board of Management and Board of Directors need to maintain the current growth momentum, review and evaluate the effectiveness of sales activities and domestic and foreign business networks to make adjustments appropriate to the 2024 business situation. Maximize advantages in experience, along with existing prestige, quality, and brand, strive to seek new business opportunities, expand the market for each product line, and expand the material area.
  - + Improve the efficiency of coordination of work between departments/divisions, especially in budgeting and coordinating goods between sales, supply, and production departments, to maximize the role, responsibilities, and functions of each department/division, increasing operational efficiency.
- **Regarding marketing activities:** The Company needs to further enhance the image and brand of Ladophar by implementing marketing and promotion programs, participating in international fairs, and promoting trade. Focus on building appropriate marketing plans/campaigns for each product line/product to improve business performance.
- **Regarding human resources:** It is necessary to strengthen staff training to improve professional capacity to meet the Company's business development needs in the coming time. Build a personnel structure suitable for the company's development.
- **Regarding production and research activities:** Seek new solutions to improve the production process, apply technology to minimize costs and lower prices while ensuring quality to increase the competitiveness of products in the market.
- **Regarding financial management:** balance finances and optimize capital sources suitable for the Company's business activities at each time and business cycle:
  - + Evaluate and review receivables, bad debts, and inventory.
  - + Allocate capital to potential areas to optimize existing capital sources.
  - + The Company needs to review and re-evaluate short-term loans and financial leases; borrowing from bond issuance for safe and efficient use of capital, avoiding the imbalance of the Company's capital sources.
  - + The Company needs to rebuild its pricing strategy, suitable for each market segment to be able to promote and expand more market segments, besides, the company needs to control operating costs to minimize expenses and optimize profits.
- **Regarding product and service quality:** further improve the quality of the company's products and services.
- **Regarding forecasting:** Enhance forecasting to mitigate business risks from internal and external impacts on the company.
- **Regarding governance tools:** Review and adjust current internal governance documents for brevity and effectiveness. Develop additional documents (if needed) to enhance management and operational efficiency.

#### V. **Orientation of Board of Supervisors 2025:**

Based on the functions, duties, and powers of the Board of Supervisors as stipulated in the Company Charter and relevant regulations, the Board of Supervisors proposes the following Orientation for 2025:



- Supervise compliance with legal regulations, the Company Charter, and the implementation of Resolutions of the General Meeting of Shareholders and the Board of Directors;
- Continue to perform the task of inspecting and supervising business administration and management activities according to the Law on Enterprises;
- Monitor plans, the implementation of production, business, and investment tasks of the Company;
- Organize a review of the independent auditor's management letter after the audit of the 2024 financial statements and monitor the feedback from the Board of Directors and the General Director;
- Supervise the content and progress of preparing and auditing annual financial statements;
- Submit a report appraising the audited 2024 financial statements, control the business performance, corporate governance, and administration of the Board of Directors and the Board of General Directors to the Annual General Meeting of Shareholders;
- Attend all meetings of the Board of Directors (regular and irregular) to supervise the management and administration of the Board of Directors and the General Director;
- Inspect and supervise the implementation of Resolutions of the Annual and Extraordinary General Meeting of Shareholders (if any) and Resolutions of the Board of Directors; and
- Perform other tasks as stipulated in the Company Charter, internal regulations, and relevant legal provisions.


The above is from the Board of Supervisors of Lam Dong Pharmaceutical Joint Stock Company for the financial year 2024 and Orientation of the Board of Supervisors for the financial year 2025.

Respectfully report to the General Meeting of Shareholders./.

***Recipients:***

- Shareholders;
- Archived: BOD Office.

**ON BEHALF OF THE BOS**  
**HEAD OF THE BOARD**



ĐẠO THỊ NGÀ

No.: 07/TTr-DHTN/2025

Da Lat City, March 28, 2025

**PROPOSAL****Re: The selection of the audit firm for the financial year 2025**

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**To: General Meeting of Shareholders of Lam Dong Pharmaceutical Joint Stock Company (Ladophar)**

- Pursuant to the Law on Enterprises No. 59/2020/QH14 passed by the National Assembly of the Socialist Republic of Vietnam on June 17, 2020;
- Pursuant to the Charter and internal regulations of Lam Dong Pharmaceutical Joint Stock Company;
- Pursuant to Resolution No. 04/NQ-HĐQT/2024 dated February 26, 2025, of the Board of Directors on organizing the Annual General Meeting of Shareholders 2025; Resolution No. 13/NQ-HĐQT/LDP/2025 dated March 28, 2025 of the Board of Directors on approving the time and documents for The General Meeting of Shareholders 2025;

The Board of Supervisors respectfully submits to the 2025 Annual General Meeting of Shareholders (GMS) for approval the list of proposed independent audit firms to audit the financial statements ended December 31, 2025, and authorizes the Board of Directors to select as follows:

1. Criteria for selecting an independent audit firm:
  - A company legally operating in Vietnam and approved by the Ministry of Finance to audit public interest entities in 2025;
  - Has experience auditing companies in the same business sector;
  - Has a team of honest, reputable, highly qualified, and experienced auditors to ensure the quality and progress of the Financial Statement audit;
  - Reasonable expenses, suitable for the content, scope, and audit progress requested by the Company.

2. List of proposed independent audit firms:

Based on the above criteria for selecting independent audit units, the General Meeting of Shareholders approves and authorizes the Board of Directors of the Company to select 01 (one) of the 04 (four) independent audit units below to audit the Company's 2025 Financial Statements:

- A&C Auditing and Consulting Company Limited.
  - DFK Vietnam Auditing Company Limited.
  - Southern Auditing and Accounting Financial Consulting Services Company Limited.
  - RSM Vietnam Auditing & Consulting Company Limited.
3. To facilitate the financial statement audit, in the event that the Company cannot negotiate the price and audit conditions with the above audit units, or in the event that the Company needs to change the audit unit, the General Meeting of Shareholders authorizes the Board of Directors to proactively decide to select 01 (one) other independent audit unit based on the criteria in Section 1 and on the list of audit firms approved by the State Securities Commission to review the semi-annual financial statements and audit the 2025 financial statements.


Respectfully submitted to the General Meeting of Shareholders for approval.

Sincerely./.

***Recipients:***

- Shareholders;
- Archive: BOD Office.

**ON BEHALF OF THE BOS  
HEAD OF THE BOARD**



**ĐẠO THI NGÀ**

No.: 08/TTr-DHTN/2025

Da Lat City, March 28, 2025

**PROPOSAL****Re: The approval of the audited 2024 Financial Statements**

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**To: General Meeting of Shareholders of Lam Dong Pharmaceutical Joint Stock Company (Ladophar)**

- Pursuant to the Enterprise Law No. 59/2020/QH14 passed by the National Assembly of the Socialist Republic of Vietnam on June 17, 2020;
- Pursuant to the Charter and Internal Regulations of Lam Dong Pharmaceutical Joint Stock Company (Ladophar);
- Pursuant to Resolution No. 04/NQ-HĐQT/2024 dated February 26, 2025 of the Board of Directors on the organization of the 2025 Annual General Meeting of Shareholders; Resolution No. 13/NQ-HĐQT/LDP/2025 dated March 28, 2025 of the Board of Directors on approving the time and documents for The General Meeting of Shareholders 2025;
- Based on the Company's 2024 separate financial statements and consolidated financial statements audited by A&C Auditing and Consulting Company Limited.

The Board of Directors (BOD) respectfully submits to the 2025 Annual General Meeting of Shareholders (GMS) for approval of the separate financial statements and consolidated financial statements of Lam Dong Pharmaceutical Joint Stock Company (Ladophar) for 2024, audited by A&C Auditing and Consulting Company Limited. The audit results have been verified according to:

- Independent Audit Report (separate) No. 1.0511/25/TC-AC of A&C Auditing and Consulting Company Limited signed on March 22, 2025.
- Independent Audit Report (consolidated) No. 1.0512/25/TC-AC of A&C Auditing and Consulting Company Limited signed on March 22, 2025.

*(Details as per the attached Financial Statements)*

Respectfully submitted to the General Meeting of Shareholders for approval.

Sincerely./.

**Recipients:**

- Shareholders;
- Archived: BOD Office.

**ON BEHALF OF THE BPD  
CHAIRMAN****PHAM TRUNG KIEN**

No.: 09/TTr-DHTN/2025

Da Lat City, March 28, 2025

**PROPOSAL****Re: The Investment and Business Plan for 2025**

-----

**To: General Meeting of Shareholders of Lam Dong Pharmaceutical Joint Stock Company**

- Pursuant to the Law on Enterprises No. 59/2020/QH14 passed by the National Assembly of the Socialist Republic of Vietnam on June 17, 2020;
- Pursuant to the Charter and Internal Regulations of Lam Dong Pharmaceutical Joint Stock Company;
- Pursuant to Resolution No. 04/NQ-HĐQT/2024 dated February 26, 2025 of the Board of Directors on organizing the 2025 Annual General Meeting of Shareholders; Resolution No. 13/NQ-HĐQT/LDP/2025 dated March 28, 2025 of the Board of Directors on approving the time and documents for The General Meeting of Shareholders 2025;

The Board of Directors (BOD) submits to the 2025 Annual General Meeting of Shareholders (GMS) the Investment and Business Plan for 2025 of Lam Dong Pharmaceutical Joint Stock Company (Ladophar), specifically as follows:

**1. The Investment and Business Plan for 2025:**

Unit: million VND

| No.      | Content  | Plan 2025      |
|----------|--|----------------|
| <b>1</b> | <b>Net revenue</b>   | <b>354,932</b> |
| 1.1      | Commercial goods revenue   | 107,010        |
| 1.2      | Manufactured goods revenue   | 245,066        |
| 1.3      | Service provision revenue  | 2,856          |
| <b>2</b> | <b>Total working capital costs for production and business activities</b>  | <b>111,523</b> |
| <b>3</b> | <b>Total profit before tax</b>   | <b>7,000</b>   |
| <b>4</b> | <b>Value of investment assets</b>  | <b>93,000</b>  |
| 4.1      | Renovation/upgrade investment of Ngo Quyen showroom  | 10,000         |
| 4.2      | Renovation of Xuan Tho garden into a tourist attraction  | 30,000         |
| 4.3      | Ministerial-level project: "Application of biotechnology in breeding, cultivation and processing of some precious medicinal herbs" | 15,000         |
| 4.4      | Investment in machinery and equipment/transport vehicles for production, business, management, and administration                  | 38,000         |

2. In other arising cases, the General Meeting of Shareholders authorizes the Board of Directors to adjust the Investment and Business Plan for 2025 in accordance with the actual situation and report to the General Meeting of Shareholders in the nearest meetings.
- Respectfully submitted to the General Meeting of Shareholders for consideration and

approval.

Sincerely./.

***Recipients:***

- Shareholders;
- Archived: BOD Office.

**ON BEHALF OF THE BOD  
CHAIRMAN**



**PHAM TRUNG KIEN**



No.: 10/TTr-DHTN/2025

Da Lat City, March 28, 2025

**PROPOSAL****Re: The approval of the borrowing limit for 2025**

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**To: General Meeting of Shareholders of Lam Dong Pharmaceutical Joint Stock Company**

- Pursuant to the Law on Enterprises No. 59/2020/QH14 passed by the National Assembly of the Socialist Republic of Vietnam on June 17, 2020;
- Pursuant to the Charter and Internal Regulations of Lam Dong Pharmaceutical Joint Stock Company;
- Pursuant to Resolution No. 04/NQ-HĐQT/2024 dated February 26, 2025 of the Board of Directors on organizing the Annual General Meeting of Shareholders 2025; Resolution No. 13/NQ-HĐQT/LDP/2025 dated March 28, 2025 of the Board of Directors on approving the time and documents for The General Meeting of Shareholders 2025;
- Based on the actual production and business situation of the Company.

Currently, in order to have sufficient resources to meet the 2025 business plan in the new business context, the Board of Directors (BOD) submits to the 2025 Annual General Meeting of Shareholders (GMS) the approval of the 2025 borrowing limit of Lam Dong Pharmaceutical Joint Stock Company with the following specific contents:

1. Purpose of borrowing:
  - Bank loans to supplement working capital for production and business activities;
  - Medium and long-term loans in the form of loans from credit institutions and funds supporting small and medium enterprises as well as other financial institutions to invest in renovating and upgrading factories, purchasing machinery and equipment for production activities as well as investments in brand identity for business activities.
2. Expected borrowing limit for each investment as follows:

Unit: million VND

| No. | Content  | Value          |
|-----|--|----------------|
| 1   | Bank working capital loan for production and business activities | 150,000        |
| 2   | Medium and long-term loans for investments                       | 150,000        |
|     | <b>Total</b>   | <b>300,000</b> |

3. The General Meeting of Shareholders assigns the Board of Directors to consider, select, and decide on borrowing options and forms to ensure efficiency and operating capital according to the actual situation.

Respectfully submitted to the General Meeting of Shareholders for consideration and approval.

Sincerely./.

**Recipients:**

- Shareholders;
- For filing: BOD Office.

**ON BEHALF OF THE BOD  
CHAIRMAN****PHAM TRUNG KIEN**

No.: 11/TTr-DHTN/2025

Da Lat City, March 28, 2025

**PROPOSAL****Re: On the distribution of profits for the year 2024 of Lam Dong Pharmaceutical Joint Stock Company**

-----

**To: General Meeting of Shareholders of Lam Dong Pharmaceutical Joint Stock Company**

- Pursuant to the Law on Enterprises No. 59/2020/QH14 passed by the National Assembly of the Socialist Republic of Vietnam on June 17, 2020;
- Pursuant to the Charter and Internal Regulations of Lam Dong Pharmaceutical Joint Stock Company;
- Pursuant to Resolution No. 04/NQ-HĐQT/2024 dated February 26, 2025 of the Board of Directors on the organization of the Annual General Meeting of Shareholders 2025;
- Based on the audited 2024 Financial Statements; Resolution No. 13/NQ-HĐQT/LDP/2025 dated March 28, 2025 of the Board of Directors on approving the time and documents for The General Meeting of Shareholders 2025;

The Board of Directors (BOD) reports to the 2025 Annual General Meeting of Shareholders (GMS) on the 2024 profit of Ladophar as follows:

Unit: VND

| Criteria                     | Audited separate financial statements<br>2024 | Audited consolidated financial statements<br>2024 |
|------------------------------|---|---|
| Profit after tax in 2024     | 6.918.953.001                                 | 6.918.953.001                                     |
| Accumulated profit after tax | (52,095,238,127)                              | (52,095,238,127)                                  |

According to the 2024 financial statements, the Company recorded a positive Profit after tax; however, there are still accumulated losses from previous years that need to be addressed to ensure a healthy financial situation and facilitate future business activities.

Therefore, the Board of Directors respectfully submits to the General Meeting of Shareholders for approval the plan for the distribution of the Company's 2024 profit as follows:

- No dividend payment for 2024.
- Profit after tax of 6 billion VND in 2024 to offset the Company's accumulated losses.

Respectfully submitted to the General Meeting of Shareholders for consideration and approval.

Sincerely./.

**Recipients:**

- Shareholders;
- Archived: BOD Office.

**ON BEHALF OF THE BOD  
CHAIRMAN**

CÔNG TY  
CP DƯỢC  
LÂM ĐỒNG  
(LADOPHAR)

**PHAM TRUNG KIEN**

No.: 12/TTr-DHTN/2025

Da Lat City, March 28, 2025

## PROPOSAL

**Re: the 2024 rewards and the 2025 remuneration, rewards for the Board of Directors, the Board of Supervisors, the Audit Committee and the Person in charge of Corporate Governance (concurrently Secretary of the BOD)**

-----

**To: General Meeting of Shareholders of Lam Dong Pharmaceutical Joint Stock Company**

- Pursuant to the Law on Enterprises No. 59/2020/QH14 passed by the National Assembly of the Socialist Republic of Vietnam on June 17, 2020;
- Pursuant to the Charter and Internal Regulations of Lam Dong Pharmaceutical Joint Stock Company;
- Pursuant to Resolution No. 01/NQ-ĐHĐCĐ/LDP/2024 dated April 10, 2024 of the Annual General Meeting of Shareholders 2024;
- Pursuant to Resolution No. 04/NQ-HĐQT/2024 dated February 26, 2025 of the Board of Directors on the organization of the Annual General Meeting of Shareholders 2025; Resolution No. 13/NQ-HĐQT/LDP/2025 dated March 28, 2025 of the Board of Directors on approving the time and documents for The General Meeting of Shareholders 2025;
- Based on the Financial Statement data.

The Board of Directors (BOD) respectfully submits to the Annual General Meeting of Shareholders 2025 (GMS) regarding the 2024 rewards, the 2025 remuneration, rewards for the BOD, Board of Supervisors, the Audit Committee and the Person in charge of corporate governance (concurrently Secretary of the BOD) as follows:

### 1. Report on remuneration for the year 2024

- a. Remuneration limit for the year 2024 approved by the GMS at the 2024 annual meeting:

| No. | Title  | Remuneration (VND/month) |
|-----|--|--------------------------|
| 1   | Chairman of the Board of Directors   | 15,000,000               |
| 2   | Board of Director' member  | 10,000,000               |
| 3   | Head of the Board of Supervisors   | 10,000,000               |
| 4   | Member of the Board of Supervisors   | 5,000,000                |
| 5   | Person in charge of corporate governance (concurrently Secretary of the BOD) | 5,000,000                |

- b. The remuneration for the Board of Directors (BOD), the Board of Supervisors (BOS), and the Secretary paid in 2024, with specific data before tax deduction, is as follows:

| No.      | Member                    | Title                              | Remuneration (VND) |
|----------|---------------------------|------------------------------------|--------------------|
| <b>I</b> | <b>Board of Directors</b> |                                    |                    |
| 1        | Pham Trung Kien           | Chairman of the Board of Directors | 180,000,000        |

| No.        | Member  | Title  | Remuneration (VND) |
|------------|---|--|--------------------|
| 2          | Le Tien Thinh   | Member of the Board of Directors                             | 120,000,000        |
| 3          | Dang Thuy Linh  | Member of the Board of Directors                             | 87,000,000         |
| 4          | Nguyen Thi Hong Giang   | Member of the Board of Directors                             | 87,000,000         |
| 5          | Le Xuan Thanh   | Independent Member of the Board of Directors                 | 120,000,000        |
| 6          | Vo Quy Lam (Dismissed)  | Former Member of the Board of Directors                      | 33,000,000         |
| 7          | Nguyen Ho Hung (Resigned)   | Former Member of the Board of Directors                      | 33,000,000         |
| <b>II</b>  | <b>Board of Supervisors</b>   |  |                    |
| 1          | Dao Thi Nga   | Head of the BoS  | 120,000,000        |
| 2          | Vo Kim Nguyen   | Member of the Board of Supervisors                           | 60,000,000         |
| 3          | Nguyen Thi Quynh Nga  | Member of the Board of Supervisors                           | 60,000,000         |
| <b>III</b> | <b>Person in charge of Corporate Governance cum Board Secretary</b> |  |                    |
| 1          | Pham Thi Huyen Trang  | Person in charge of Corporate Governance cum Board Secretary | 60,000,000         |
|            | <b>Total</b>  |  | <b>960,000,000</b> |

## 2. Rewards for the year 2024:

Based on the profit figures from the Company's audited 2024 Financial Statements, the Company's 2024 business results exceeded the Profit after tax plan approved by the Annual General Meeting of Shareholders 2024, specifically:

Unit: million VND

| TT | Target                                 | Plan           | Implemented    |
|----|--|----------------|----------------|
| 1  | <b>Net revenue</b>                     | <b>275,072</b> | <b>217,958</b> |
| 2  | <i>Commercial goods revenue</i>        | <i>102,252</i> | <i>85,637</i>  |
| 3  | <i>Manufactured goods revenue</i>      | <i>170,660</i> | <i>129,911</i> |
| 4  | <i>Service revenue</i>                 | <i>2,160</i>   | <i>2,410</i>   |
| 5  | <b>Total pre-tax accounting profit</b> | <b>3,000</b>   | <b>6,919</b>   |
| 6  | <b>Asset investment value</b>          | <b>50,000</b>  | <b>8,104</b>   |

Therefore, the BOD respectfully submits to the GMS for approval the rewarding of BOD members, the Board of Supervisors, and the Person in charge of corporate governance (concurrently Secretary of the BOD) with a total amount of **800,000,000 VND** taken from the 2024 Profit after tax. The BOD is authorized to decide the reward level for each member.

## 3. Remuneration and Bonus in 2025:

a. Remuneration:

| No. | Title   | Remuneration (VND/month) |
|-----|---|--------------------------|
| 1   | Chairman of the Board of Directors                  | 15,000,000               |
| 2   | Members of the Board of Directors                   | 10,000,000               |
| 3   | Head of the Board of Supervisors                    | 10,000,000               |
| 4   | Member of the Board of Supervisors                  | 5,000,000                |
| 5   | Chairman of the Audit Committee                     | 5,000,000                |
| 6   | Member of the Audit Committee                       | 3,000,000                |
| 7   | Corporate Governance Officer (cum Secretary of BOD) | 5,000,000                |

Remuneration for the Board of Directors, Board of Supervisors, the Audit Committee and Secretary in 2025 is expected to be paid in (2) two installments, in the first six months and the last six months of the year.

**b. Bonus:**

In case of exceeding the profit plan (after tax), the Board of Directors will submit to the General Meeting of Shareholders for consideration of bonuses for the Board of Directors, Board of Supervisors, and Secretary.

Respectfully submitted to the General Meeting of Shareholders for approval.

Sincerely./.

**Recipients:**

- Shareholders;
- Archived: BOD Office.

**ON BEHALF OF THE BOD  
CHAIRMAN**



**PHAM TRUNG KIEN**

No.: 13/TTr-DHTN/2025

Da Lat City, March 28, 2025

## PROPOSAL

**Re: Change in the management organizational structure; addition of business lines and sectors; amendments and supplements to the Charter, Internal Governance Regulations and Operating Regulations of the Board of Directors of Lam Dong Pharmaceutical Joint Stock Company (Ladophar)**

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**To: General Meeting of Shareholders of Lam Dong Pharmaceutical Joint Stock Company (Ladophar)**

- Pursuant to the Law on Enterprises No. 59/2020/QH14 passed by the National Assembly of the Socialist Republic of Vietnam on June 17, 2020;
- Pursuant to the Law on Securities Law No. 54/2019/QH14 passed by the National Assembly of the Socialist Republic of Vietnam on November 26, 2019;
- Pursuant to Decree 155/2020/ND-CP dated December 31, 2020 of the Government detailing the implementation of a number of articles of the Law on Securities;
- Pursuant to Circular No. 116/2020/TT-BTC dated December 31, 2020 of the Minister of Finance guiding a number of articles on corporate governance applicable to public companies in Decree No. 155/2020/ND-CP dated December 31, 2020 of the Government detailing the implementation of a number of articles of the Law on Securities;
- Pursuant to the Charter and Internal Regulations of Lam Dong Pharmaceutical Joint Stock Company;
- Pursuant to Resolution No. 04/NQ-HĐQT/2024 dated February 26, 2025 of the Board of Directors on organizing the Annual General Meeting of Shareholders 2025; Resolution No. 13/NQ-HĐQT/LDP/2025 dated March 28, 2025 of the Board of Directors on approving the time and documents for The General Meeting of Shareholders 2025;

The Board of Directors (Board of Directors) respectfully submits to the Annual General Meeting of Shareholders 2025 (GMS) regarding the change in the management organizational structure; addition of business lines and sectors; amendment and supplement to the Charter, Internal Governance Regulations and Operating Regulations of the Board of Directors of Lam Dong Pharmaceutical Joint Stock Company (Ladophar) as follows:

### **I. Change in the management organizational structure of Company:**

According to the provisions of Clause 1, Article 137 of the Law on Enterprises 2020, a Joint Stock Company has the right to choose a management and operation model within the organizational and management structure of the Company.

Based on the provisions of the Law and the actual operating situation of the Company, the Board of Directors respectfully submits to the General Meeting of Shareholders for approval of the change in the management model from point a to point b – Clause 1 – Article 137 of the Law on Enterprises, specifically as follows:

| Current management structure   | Proposed management organizational structure change   |
|--|---|
| 1. General Meeting of Shareholders;<br>2. Board of Directors;<br>3. Board of Supervisors; and<br>4. General Director | 1. General Meeting of Shareholders;<br>2. Board of Directors and the Audit Committee under the Board of Directors; and<br>3. General Director |



## II. Approval of the addition of 01 (one) business line of the Company as follows:

| Industry/Occupation Code | Name of business line/occupation to be added       |
|--------------------------|--|
| 4631                     | Wholesale of rice, wheat, other grains, and flour. |

## III. Approval of the amendment and supplement to the Company's Charter:

- a. Contents of amendments and supplements to the Company's Charter:
  - The Board of Directors respectfully submits to the General Meeting of Shareholders for approval of the amendment and supplement to a number of clauses of the Charter to be consistent with the Company's organizational structure after the change and to be consistent with the Company's development plan orientation, ensuring compliance with current law, the amended contents are as follows:

| No. | Content of current Charter                               | Content of amended Charter   |
|-----|--|--|
| 1   | Regulations, Clauses related to the Board of Supervisors | <p>Remove Regulations, Clauses related to the Board of Supervisors and replace/supplement with content related to the Audit Committee.</p> <p>Specifically, add the following Articles:</p> <p><b>Article 36.</b> Nomination of members of the Audit Committee</p> <p><b>Article 37.</b> Composition of the Audit Committee</p> <p><b>Article 38.</b> Rights and obligations of the Audit Committee</p> <p><b>Article 39.</b> Meetings of the Audit Committee</p> <p><b>Article 40.</b> Activity report of the independent member of the Board of Directors in the Audit Committee at the Annual General Meeting of Shareholders</p> |
| 2   | Other contents   | <i>Details as per the appendix and the draft full text of the Charter attached to this Proposal.</i>   |

- b. The full text of the Company's Charter after updating the amendments and supplements is attached to this Proposal.

## IV. Amendments and supplements to the Company's Internal Governance Regulations and the Board of Directors' Operating Regulations:

- a. The Board of Directors respectfully submits to the General Meeting of Shareholders for approval the amendment of certain provisions of the Company's Internal Governance Regulations and the Board of Directors' Operating Regulations to align with the Company's organizational structure after the changes.  
 The amendments are as follows:  
 The provisions related to the Supervisory Board are removed and replaced with content related to the Audit Committee. The amended and supplemented content of the Company's Internal Governance Regulations and the Board of Directors' Operating Regulations is outlined in Appendix 2 and Appendix 3, which are attached to this Proposal.
- b. The full text of the Company's Internal Governance Regulations and the Board of Directors' Operating Regulations (after amendments and additions) is attached to this Proposal.

**V. Respectfully submitted to the General Meeting of Shareholders:**

1. Approval of the changes to the Company's management organizational structure as stated in Section I of this Proposal.

After the General Meeting of Shareholders approves the changes to the management organizational structure, the Board of Supervisors will cease operations, and incumbent members of the Board of Supervisors will no longer hold this title from the date the General Meeting of Shareholders issues the Resolution.

2. Approval of the addition of 01 (one) business line of the Company as stated in Section II of this proposal.
3. Approval of the amendment to the Charter of Lam Dong Pharmaceutical Joint Stock Company as stated in Section III of this Proposal, with the full text of the Charter attached.
4. Authorization and assignment to the Company's Legal Representative:
  - Implement the amendments to the Charter as stated in Section III above and sign the issuance of the new Charter;
  - Carry out legal procedures to register the additional business lines in accordance with legal regulations.
5. Approval:
  - a. Amendments to the Company's Internal Governance Regulations and the Board of Directors' Operating Regulations as stated in Section IV of this Proposal.
  - b. The full text of the Company's Internal Governance Regulations and the Board of Directors' Operating Regulations is attached.
6. Within the scope of the amendments to the Charter, the Company's Internal Governance Regulations and the Board of Directors' Operating Regulations after being approved by the General Meeting of Shareholders as above, the General Meeting of Shareholders authorizes the Board of Directors to have full authority to decide on all arising matters related to the registration of amendments to the Charter in accordance with legal regulations, issue regulations to complete the tasks approved by the General Meeting of Shareholders, and amend other relevant internal regulations to comply with the new Charter.

Respectfully submitted to the General Meeting of Shareholders for consideration and approval.

Sincerely./.

**Recipients:**

- Shareholders;
- Archived: BOD Office.

**ON BEHALF OF THE NOD  
CHAIRMAN**



**PHAM TRUNG KIEN**

## APPENDIX 1

### AMENDMENTS AND SUPPLEMENTS TO THE CHARTER OF LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY

*(Attached to Proposal No. .../TTr-DHTN/2025 dated ... of the Board of Directors regarding the change in management organizational structure; addition of business lines and sectors; amendment and supplement of the Charter, Internal Governance Regulations and Operating Regulations of the Board of Directors of Lam Dong Pharmaceutical Joint Stock Company)*

| No. | Amended/Supplemental Clauses   | Content of current Charter   | Proposed amendment content   | Basis for amendment/supplement                                      |
|-----|--|--|--|---|
| 1   | <b>Article 2.</b> Name, form, head office, branches, representative offices, business locations, and operating duration of the Company | 3. Registered Address of the Company:<br>- Head office address: 18 Ngo Quyen, Ward 6, Da Lat City, Lam Dong Province<br>- Telephone: (0263) 3824167 – 3833251 - 3817937<br>- Fax: (0263) 3822369<br>- E-mail: ladopharcorp@gmail.com<br>- Website: http://www.ladopharcorp.com   | 3. Registered Address of the Company:<br>- Head office address: 18 Ngo Quyen, Ward 6, Da Lat City, Lam Dong Province<br>- Telephone: (0263) 3824167 – 3833251 - 3817937<br>- Fax: (0263) 3822369<br>- E-mail: ladopharcorp@gmail.com<br>- Website: http://www.ladopharcorp.com<br><b>- In case of changes, the above information is considered automatically updated in the Charter.</b>   | Add an idea for more flexibility in case of information changes.    |
| 2   | <b>Article 3. Legal Representative of the Company</b>  | The Company has 02 legal representatives: the Chairman and the General Director. The Chairman and the General Director have full rights and obligations of the legal representative as prescribed by applicable law. Specifically:<br>• Authority of the Chairman: approve, decide on contents, and sign to establish transactions and related documents for:<br>- Contents and tasks under the authority of the Board of Directors (including but | The Company has two (02) legal representatives: the Chairman and the General Director. The Chairman and the General Director have full rights and obligations of the legal representative as prescribed by applicable law. Specifically:<br><b>1. Authority of the Chairman:</b> to approve, decide on contents, and sign to establish transactions and related documents for:<br>a) Contents and tasks under the authority of the Board of Directors (including | Pursuant to Resolution No. 1A/NQ-HĐQT/2025 issued on March 26, 2025 |

| No. | Amended/Supplemental<br>Clauses | Content of current Charter  | Proposed amendment content  | Basis for<br>amendment/supplement |
|-----|---------------------------------|---|---|-----------------------------------|
|     |                                 | <p>not limited to investment decisions, projects, real estate business, arising tasks at joint ventures/affiliates/companies with capital contribution of the Company);</p> <ul style="list-style-type: none"> <li>- Directly manage and operate some of the company's activities as assigned by the Board of Directors;</li> <li>- Contents and tasks under the authority of the Chairman;</li> <li>- Other contents as decided by the Board of Directors.</li> </ul> <ul style="list-style-type: none"> <li>• Authority of the General Director:               <ul style="list-style-type: none"> <li>- Direct the implementation of business activities according to the decisions of the Board of Directors/Chairman.</li> <li>- Approve, decide on contents, and sign to establish transactions and documents for:                   <ul style="list-style-type: none"> <li>+ Daily business activities under the authority of the General Director, as assigned/authorized by the Board of Directors/Chairman.</li> <li>+ Other contents as decided by the Board of Directors/Chairman.</li> </ul> </li> </ul> </li> </ul> <p>The Board of Directors decides on the Company's legal representative to open a payment account at the Bank and a securities account. Approve, decide on contents, and sign to establish transactions and documents related to the Company's</p> | <p>but not limited to decisions on investment, projects, real estate business, and matters arising at joint ventures/affiliates/companies in which the Company has capital contribution);</p> <ul style="list-style-type: none"> <li>b) Directly manage and operate certain activities of the company as assigned by the Board of Directors;</li> <li>c) Contents and tasks under the authority of the Chairman;</li> <li>d) Other contents as decided by the Board of Directors.</li> </ul> <p><b>2. Authority of the General Director:</b></p> <ul style="list-style-type: none"> <li>a) Direct the implementation of business activities according to the Resolutions/Decisions of the Board of Directors/Chairman.</li> <li>b) Approve, decide on contents, and sign to establish transactions and documents for:               <ul style="list-style-type: none"> <li>- Daily business activities under the authority of the General Director, as assigned/authorized by the Board of Directors/Chairman.</li> <li>- Other contents as decided by the Board of Directors/Chairman.</li> </ul> </li> </ul> <p><b>3. The Board of Directors decides on the Company's legal representative to open payment accounts at the Bank and</b></p> |                                   |

| No. | Amended/Supplemental<br>Clauses | Content of current Charter   | Proposed amendment content   | Basis for<br>amendment/supplement |
|-----|---------------------------------|--|--|-----------------------------------|
|     |                                 | <p>payment account and securities account within the scope of representation.</p> <p>The Company's legal representative is an individual representing the Company to exercise the rights and obligations arising from the Company's transactions, representing the Company as a plaintiff, defendant, person with related rights and obligations before Arbitration and Court. The responsibilities of the legal representative are implemented according to Article 13 of the Enterprise Law and other rights and obligations as prescribed by applicable law.</p> <p>The Company's legal representative must reside in Vietnam; and must authorize another person in writing to exercise the rights and obligations of the Company's legal representative when exiting Vietnam.</p> <p>If the authorization period expires and the Company's legal representative has not returned to Vietnam and has no other authorization, the authorized person shall continue to exercise the rights and obligations of the Company's legal representative within the authorized scope until the Company's legal representative returns to work, or until the Board of Directors decides to appoint another person as a replacement.</p> <p>In the event of an absence from Vietnam exceeding 30 days without authorizing</p> | <p>securities accounts. Execute approvals, decide on contents, and sign to establish transactions and documents related to the Company's payment accounts and securities accounts within the scope of representation.</p> <p>4. The Company's legal representative is the individual representing the Company in exercising the rights and obligations arising from the Company's transactions, representing the Company as plaintiff, defendant, person with related rights and obligations before Arbitration and Court. The responsibilities of the legal representative are performed in accordance with Article 13 of the Law on Enterprises and other rights and obligations as prescribed by applicable law.</p> <p>5. The Company's legal representative must reside in Vietnam; and must authorize in writing another person to perform the rights and obligations of the Company's legal representative when exiting Vietnam.</p> <p>6. If the authorization period expires and the Company's legal representative has not returned to Vietnam and has not issued another authorization, the authorized person shall continue to perform the</p> |                                   |

| No. | Amended/Supplemental<br>Clauses                                  | Content of current Charter  | Proposed amendment content   | Basis for<br>amendment/supplement |
|-----|--|---|--|-----------------------------------|
|     |  | another person to execute the rights and responsibilities of the Company's legal representative, the Board of Directors will appoint a replacement.   | rights and obligations of the Company's legal representative within the authorized scope until the Company's legal representative returns to work or until the Board of Directors decides to appoint a replacement.<br><b>7.</b> In the event of an absence from Vietnam exceeding 30 days without authorizing another person to execute the rights and responsibilities of the Company's legal representative, the Board of Directors will appoint a replacement.   |                                   |
| 3   | <b>Article 4. Objectives of<br/>the Company's<br/>operations</b> | 1. The Company's business lines and industries are: production of modern medicine, traditional medicine, and functional foods. Purchase and sale of pharmaceuticals, medicinal herbs, cosmetics, medical supplies, chemicals, biological products, and vaccines. Cultivation of medicinal herbs. Import and export of pharmaceuticals, raw materials for pharmaceuticals, medical equipment and supplies, and pharmaceutical production. Accommodation services. Retail of pharmaceuticals, medical devices, cosmetics, and toiletries in specialized stores. Retail of food in specialized stores. Retail by mail order or internet. Import and export of goods traded by the Company. Consignment and acceptance of | 1. The Company's business lines and sectors are: production of modern medicine, traditional medicine, and functional foods. Purchase and sale of pharmaceuticals, medicinal herbs, cosmetics, medical supplies, chemicals, biological products, and vaccines. Cultivation of medicinal herbs. Export and import of pharmaceuticals, raw materials for pharmaceutical production, medical equipment and supplies, and pharmaceutical manufacturing. Accommodation services. Retail of pharmaceuticals, medical devices, cosmetics, and sanitary items in specialized stores. Retail of food products in specialized stores. Retail sales based on mail or internet orders. Export and import of goods traded by the Company. Consignment and acceptance of consignment for export and import of |                                   |



| No. | Amended/Supplemental Clauses  | Content of current Charter   | Proposed amendment content   | Basis for amendment/supplement   |
|-----|---|--|--|--|
|     |   | consignment for export and import of goods. Business in forms of road transport.<br><i>The Company's detailed business lines and industries are outlined in the Appendix attached to this Charter.</i>   | goods. Road transport business. <b>Wholesale of rice, wheat, other grains, and flour.</b><br><i>The Company's detailed business lines and industries are outlined in the Appendix attached to this Charter.</i>  |  |
| 4   | <b>Article 10. Organizational Structure, Management, and Control</b>                            | The Company's organizational structure for management, administration, and control comprises:<br>1. General Meeting of Shareholders;<br>2. Board of Directors, Supervisory Board;<br>3. General Director.  | The Company's organizational structure for management, administration, and control comprises:<br>1. General Meeting of Shareholders;<br>2. Board of Directors, <b>Audit Committee</b> ;<br>3. General Director.  | To enhance professionalism, strengthen financial oversight effectiveness, and approach international management standards. |
| 5   | <b>Article 17.</b>  | <b>Article 17. Convening Meetings, Meeting Agenda, and Meeting Invitations of the General Meeting of Shareholders</b><br>1. The Board of Directors convenes annual and extraordinary General Meetings of Shareholders. The Board of Directors convenes extraordinary General Meetings of Shareholders in the cases specified in Clause 3, <b>Article 14</b> of this Charter. | <b>Article 17. Convening Meetings, Meeting Agenda, and Meeting Invitations of the General Meeting of Shareholders</b><br>1. The Board of Directors convenes annual and extraordinary General Meetings of Shareholders. The Board of Directors convenes extraordinary General Meetings of Shareholders in the cases specified in Clause 3, <b>Article 13</b> of this Charter. | To ensure consistency between Articles within the Charter.   |
| 6   | <b>Article 20. Conditions for Passage of Resolutions of the General Meeting of Shareholders</b> | 1. Resolutions on the following matters are passed if approved by shareholders representing at least 65% of the total voting shares of all <b>shareholders present</b> at the meeting, except as provided in Clauses 3, 4, and 6, Article 148 of the Law on Enterprises.<br>2. Resolutions are passed when approved by shareholders holding at least 50% of the              | 1. Resolutions on the following matters are passed if approved by shareholders representing at least 65% of the total voting shares of all <b>shareholders attending</b> and voting at the meeting, except as provided in Clauses 3, 4, and 6, Article 148 of the Enterprise Law.  | Amended pursuant to Clause 5, Article 7 of Law No. 03/2022/QH15  |

| No. | Amended/Supplemental Clauses  | Content of current Charter   | Proposed amendment content   | Basis for amendment/supplement  |
|-----|---|--|--|---|
|     |   | total voting shares of all shareholders present at the meeting, except as provided in Clause 1 of this Article and Clauses 3, 4, and 6, Article 148 of the Enterprise Law.   | 2. Resolutions are passed when approved by shareholders holding at least 50% of the total voting shares of all <b>shareholders attending and voting at the meeting</b> , except as provided in Clause 1 of this Article and Clauses 3, 4, and 6, Article 148 of the Enterprise Law.  |   |
| 7   | <b>Article 21.</b>  |  | Supplementing Clause 9, Article 21:<br>9. Resolutions passed by obtaining shareholder opinions in writing have the same validity as resolutions passed at the General Meeting of Shareholders.   | Consistent with Clause 8, Article 149 of the Law on Enterprises 2020.   |
| 8   | <b>Article 23. Request for Cancellation of Resolutions of the General Meeting of Shareholders</b> | 1. The order and procedures for convening meetings and making decisions of the General Meeting of Shareholders seriously violate the provisions of the Law on Enterprises and the Company's Charter, except for the cases specified in Clause 3, <b>Article 21</b> of this Charter.  | 1. The order and procedures for convening meetings and making decisions of the General Meeting of Shareholders seriously violate the provisions of the Law on Enterprises and the Company's Charter, except for the cases specified in Clause 3, <b>Article 20</b> of this Charter.  | To ensure consistency between the Articles in the Charter   |
| 9   | <b>Article 29. Meetings of the Board of Directors</b>   | 6. The Chairman or the convener of the Board of Directors meeting must send a meeting invitation no later than <b>05 working days before the meeting date</b> . The invitation must clearly specify the time and place of the meeting, the agenda, the issues to be discussed and decided. The invitation must be accompanied by documents used at the meeting and the members' ballots. | 6. The Board of Directors meeting shall be conducted directly or online. The Chairman or the convener of the Board of Directors meeting must send a meeting invitation no later than <b>03 working days before the meeting date</b> . The invitation must clearly specify the time and place of the meeting, the agenda, the issues to be discussed and decided. The invitation must be accompanied by documents used at the meeting and the members' ballots. | <ul style="list-style-type: none"> <li>- To be consistent with the actual situation of the Company.</li> <li>- Consistent with Clause 6, Article 157 of the Law on Enterprises 2020.</li> </ul> |

| No. | Amended/Supplemental Clauses   | Content of current Charter  | Proposed amendment content   | Basis for amendment/supplement                            |
|-----|--|---|--|---|
| 10  |  | 14. The Board of Directors has the right to obtain written opinions from Board members to pass Board Resolutions when passing matters under the authority of the Board of Directors in Clause 2, <b>Article 27</b> of this Charter.   | 14. The Board of Directors has the right to obtain written opinions from Board members to pass Board Resolutions when passing matters under the authority of the Board of Directors in Clause 2, <b>Article 26</b> of this Charter.  | To ensure consistency between the Articles in the Charter |
| 11  | <b>Article 34.<br/>Appointment,<br/>Dismissal, Duties and<br/>Powers of the General<br/>Director</b> | <p>1. The Board of Directors appoints 01 member of the Board of Directors or hires another person as General Director.</p> <p>2. The General Director is the person who manages the daily business activities of the Company; is supervised by the Board of Directors; is responsible before the Board of Directors and before the law for the performance of assigned rights and obligations.</p> <p>3. The term of the General Director shall not exceed 05 years and may be reappointed with an unlimited number of terms. The General Director must meet the standards and conditions prescribed by law and the Company's Charter.</p> <p>4. The General Director has the following rights and obligations:</p> <p>a) Decision on matters related to the Company's daily business operations that are not under the jurisdiction of the Board of Directors;</p> <p>b) Organize the implementation of the Board of Directors' resolutions and decisions;</p> | <p>1. The Board of Directors appoints 01 member of the Board of Directors or hires another person as General Director.</p> <p>2. The General Director is the person who manages the daily business operations of the Company <b>according to the assignment/authorization and under the supervision of the Board of Directors</b>; is responsible to the Board of Directors and before the law for the performance of assigned rights and obligations.</p> <p>3. The term of the General Director is no more than 05 years and can be reappointed with an unlimited number of terms. The General Director must meet the standards and conditions prescribed by law and the Company's Charter.</p> <p>4. <b>The General Director has the following rights and obligations:</b></p> <p>a) <b>Decision on matters related to the Company's daily business operations according to the assignment/authorization and under the supervision of the Board of Directors;</b></p> |   |

| No. | Amended/Supplemental<br>Clauses | Content of current Charter  | Proposed amendment content  | Basis for<br>amendment/supplement |
|-----|---------------------------------|---|---|-----------------------------------|
|     |                                 | <p>c) Organize the implementation of the Company's business plan and investment plan;</p> <p>d) Propose the organizational structure and internal management regulations of the Company;</p> <p>e) Appoint, dismiss, and remove management positions within the Company, except for positions under the authority of the Board of Directors;</p> <p>f) Decision on salaries and other benefits for employees in the Company, including managers appointed by the General Director;</p> <p>g) Recruit employees;</p> <p>h) Propose a plan for dividend payment or handling business losses;</p> <p>i) Other rights and obligations as prescribed by law, the Company's Charter, and resolutions and decisions of the Board of Directors.</p> <p>5. The Board of Directors can dismiss the General Director when a majority of the Board of Directors members with voting rights attending the meeting agree and appoint a new General Director as a replacement.</p> | <p>b) Organize the implementation of the Board of Directors' resolutions and decisions;</p> <p>c) Organize the implementation of the Company's business plan and investment plan;</p> <p>d) Propose the organizational structure and internal management regulations of the Company;</p> <p>e) Appoint, dismiss, and remove management positions within the Company, except for positions under the authority of the Board of Directors;</p> <p>f) Decision on salaries and other benefits for employees in the Company, including managers appointed by the General Director;</p> <p>g) Recruit employees;</p> <p>h) Propose a plan for dividend payment or handling business losses;</p> <p>i) Other rights and obligations as prescribed by law, the Company's Charter, and resolutions and decisions of the Board of Directors.</p> <p>5. The Board of Directors can dismiss the General Director when a majority of the Board of Directors members with voting rights attending the meeting agree and appoint a new General Director as a replacement.</p> |                                   |

## APPENDIX 2

### AMENDMENTS AND SUPPLEMENTS TO THE REGULATIONS ON OPERATION OF THE BOARD OF DIRECTORS LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY

*(Attached to Proposal No. 13/TTr-DHTN/2025 dated March 28, 2025 of the Board of Directors on changing the organizational structure of management; supplementing business lines and sectors; amending and supplementing the Charter, Internal Regulations on Governance and the Regulations on Operation of the Board of Directors of Lam Dong Pharmaceutical Joint Stock Company)*

-----

| No. | Amended and supplemented clauses                    | Current Charter Content   | Proposed Amended Content   | Basis for Amendment and Supplement  |
|-----|---|---|--|---|
| 1   | <b>Section q, Clause 3, Article 11, Chapter III</b> | Decision to issue the Regulations on Operation of the Board of Directors, Internal Regulations on Corporate Governance after being approved by the General Meeting of Shareholders; Regulations on Information Disclosure of the Company; | Decision to issue the Regulations on Operation of the Board of Directors, Internal Regulations on Corporate Governance after being approved by the General Meeting of Shareholders; Regulations on Information Disclosure of the Company; <b>Decision to issue the Regulations on Operation of the Audit Committee under the Board of Directors;</b> | Change the Company's management organizational model from point a to point b – Clause 1 – Article 137 of the Law on Enterprises (no longer the Board of Supervisors, establishing the Audit Committee |
| 2   | <b>Article 13</b>                                   | Terms and abbreviations related to " <b>Board of Supervisors</b> " or " <b>Member of the Board of Supervisors</b> ".  | Remove terms and abbreviations related to " <b>Board of Supervisors</b> " or " <b>Member of the Board of Supervisors</b> ".<br>Remove section d, clause 1.   |   |
| 3   | <b>Article 15: Section a, Clause 3:</b>             | At the request of the Board of Supervisors or an independent member of the Board of Directors;  | At the request of an independent member of the Board of Directors;   |   |

| No. | Amended and supplemented clauses              | Current Charter Content   | Proposed Amended Content  | Basis for Amendment and Supplement |
|-----|---|---|---|------------------------------------|
| 4   | <b>Article 15:</b><br>Clause 7:               | The Chairman or the convener shall send a notice of meeting and accompanying documents to the members of the Board of Supervisors as to the members of the Board of Directors.<br>Members of the Board of Supervisors have the right to attend meetings of the Board of Directors; have the right to discuss but not to vote. | <i>Remove this clause</i>   | under the Board of Directors)      |
| 5   | <b>Article 15:</b><br>section e,<br>Clause 11 | Members of the Board of Supervisors have the right to attend meetings of the Board of Directors, have the right to discuss but not to vote.   | <i>Remove this clause</i>   |                                    |
| 6   | <b>Article 17, 22</b>                         | Terms and abbreviations related to <b>"Board of Supervisors"</b> or <b>"Member of the Board of Supervisors"</b> .   | Replace with terms and abbreviations related to <b>"Audit Committee"</b> or <b>"Member of the Audit Committee"</b> .  |                                    |
| 7   | <b>Article 23</b>                             | The Regulations on Operation of the Board of Directors of Lam Dong Pharmaceutical Joint Stock Company consists of 7 chapters, 23 articles and takes effect from April 26, 2021.   | The Regulations on Operation of the Board of Directors of Lam Dong Pharmaceutical Joint Stock Company consists of 7 chapters, 23 articles and takes effect from April ... , 2025. |                                    |



|    |                     |  |  |   |
|----|---------------------|--|--|---|
| 17 | Clause 1 Article 99 | This Regulation consists of 08 Chapters, 99 Articles approved by the General Meeting of Shareholders of Lam Dong Pharmaceutical Joint Stock Company on April 26, 2021, and agreed upon the full effect of this regulation. | This Regulation consists of 08 Chapters, 93 Articles approved by the General Meeting of Shareholders of Lam Dong Pharmaceutical Joint Stock Company on April 24, 2025, and agreed upon the full effect of this regulation. | Consistent with the number of clauses after the change of the Regulation. |
|----|---------------------|--|--|---|

### APPENDIX 3

## AMENDMENTS AND SUPPLEMENTS TO THE INTERNAL REGULATIONS ON CORPORATE GOVERNANCE OF LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY

*(Attached to Proposal No. 13/TTr-DHTN/2025 dated March 28, 2025 of the Board of Directors on changing the organizational structure of management; supplementing business lines and sectors; amending and supplementing the Charter, Internal Regulations on Corporate Governance and Regulations on Operation of the Board of Directors of Lam Dong Pharmaceutical Joint Stock Company)*

| No. | Amended and supplemented clauses  | Current Charter Content   | Proposed amended content   | Basis for amendment and supplement   |
|-----|---|---|--|--|
| 1   | Chapter 1:<br>Article 1: Clause 1, Clause 2; Article 2: Clause 5;<br>Chapter 6. Section 1, Section 2  | The terms, abbreviations of <b>"Board of Supervisors"</b> or <b>"member of the Board of Supervisors"</b> .        | Replaced by the terms and abbreviations of <b>"Audit Committee"</b> or "member of the <b>"Audit Committee"</b> ".        | Changing the Company's management organizational model from point a to point b - Clause 1 - Article 137 of the Law on Enterprises (no longer the Board of Supervisors, establishing an Audit Committee under the Board of Directors)   |
| 2   | Chapter 1<br>Article 2: Clause 6  | Explanation of terms and abbreviations:<br><b>VSD:</b> Vietnam Securities Depository and Clearing Corporation     | Explanation of terms and abbreviations:<br><b>VSDC:</b> Vietnam Securities Depository and Clearing Corporation           | Adjusted according to the abbreviation of Vietnam Securities Depository and Clearing Corporation   |
| 3   | Chapter 2:<br>Section 2:<br>Article 3: Clause 2 Point a;<br>Article 7: Clause 3: Point b;<br>Article 11: Clause 2, Clause 10, Clause 11, Clause 12;<br>Article 14: Clause 1;<br>Article 16: Clause 2;<br>Article 21: Point d; | Terms and abbreviations related to <b>"Board of Supervisors"</b> or <b>"member of the Board of Supervisors"</b> . | Remove terms and abbreviations related to <b>"Board of Supervisors"</b> or <b>"member of the Board of Supervisors"</b> . | Change the company's management organization model from point a to point b – Clause 1 – Article 137 of the Law on Enterprises (no longer the Board of Supervisors, establishment of the Audit Committee under the Board of Directors). |

| No. | Amended and supplemented clauses   | Current Charter Content  | Proposed amended content   | Basis for amendment and supplement   |
|-----|--|--|--|--|
|     | Article 23: Clause 4;<br>Article 31: Point b;<br>Chapter 3:<br>Section 1:<br>Article 46: Clause 5;<br>Section 4:<br>Article 58: Point a Clause 1;<br>Chapter 5:<br>Article 82 Point b. |  |  |  |
| 4   | Chapter 2<br>Section 2<br>Article 3: Clause 2 Point b  | In case the Board of Supervisors does not convene the General Meeting of Shareholders as prescribed in point a, clause 4, Article 13 of the company's Charter, within the next thirty (30) days, the Board of Supervisors must replace the Board of Directors to convene the General Meeting of Shareholders as prescribed in clause 3, Article 140 of the Law on Enterprises.   | <i>(Remove this provision)</i>   | Change the company's management organization model from point a to point b – Clause 1 – Article 137 of the Law on Enterprises (no longer the Board of Supervisors, establishment of the Audit Committee under the Board of Directors). |
| 5   | Chapter 2<br>Section 2<br>Article 3: Clause 2 Point c  | In case the <b>Board of Supervisors</b> does not convene the General Meeting of Shareholders as prescribed in <b>point b</b> , clause 4, Article 13 of the company's Charter, the shareholder or group of shareholders specified in point c, clause 3, Article 13 of the company's Charter has the right to request the company's representative to convene the General Meeting of Shareholders as prescribed by the Law on Enterprises. | In case the <b>Board of Directors</b> does not convene the General Meeting of Shareholders as prescribed in <b>point a</b> , clause 4, Article 13 of the company's Charter, the shareholder or group of shareholders specified in point c, clause 3, Article 13 of the company's Charter has the right to request the company's representative to convene the General Meeting of Shareholders as prescribed by the Law on Enterprises. | Change the company's management organization model from point a to point b – Clause 1 – Article 137 of the Law on Enterprises (no longer the Board of Supervisors, establishment of the Audit Committee under the Board of Directors). |
| 6   | Chapter 2<br>Section 2   | The Chairman of Board of Directors presides over or authorizes another member of the Board   | The Chairman of Board of Directors presides over or authorizes another   | Change the company's management organization   |

| No. | Amended and supplemented clauses   | Current Charter Content   | Proposed amended content   | Basis for amendment and supplement   |
|-----|--|---|--|--|
|     | Article 4: Clause 1 Point a  | of Directors to preside over the General Meeting of Shareholders convened by the Board of Directors. In case the Chairman is absent or temporarily incapacitated, the remaining members of the Board of Directors shall elect one of them to preside over the meeting on the majority principle. <b>In case a chairperson cannot be elected, the Head of the Board of Supervisors shall manage for the General Meeting of Shareholders to elect a chairperson from among the attendees, and the person with the highest number of votes shall preside over the meeting.</b> | member of the Board of Directors to preside over the General Meeting of Shareholders convened by the Board of Directors. In case the Chairman is absent or temporarily incapacitated, the remaining members of the Board of Directors shall elect one of them to preside over the meeting on the majority principle. | model from point a to point b – Clause 1 – Article 137 of the Law on Enterprises (no longer the Board of Supervisors, establishment of the Audit Committee under the Board of Directors).  |
| 7   | Chapter 2<br>Section 2<br>Article 11 Clause 7, Clause 8                  | 7. Report of the Board of Supervisors on the company's business results, the performance of the Board of Directors, and the General Director.<br>8. Self-assessment report on the performance of the Board of Supervisors and members of the Board of Supervisors;  | <i>(Remove this clause)</i>  | Change the Company's management organization model from point a to point b – Clause 1 – Article 137 of the Law on Enterprises (no longer has a Board of Supervisors, establishing an Audit Committee under the Board of Directors) |
| 8   | Chapter 2<br>Section 2<br>Article 11                                     |   | Add:<br>The performance report of the independent Board member in the Audit Committee ensures full compliance with the provisions of the Company's Charter.  | Pursuant to Clause 1, Article 284 of Decree 155/2020/ND-CP detailing the implementation of certain articles of the Law on Securities.  |
| 9   | Chapter 2<br>Section 2<br>Article 11: Clause 21;<br>Article 21: Point j. | Approve, supplement, and amend the Regulations on Corporate Governance, the Regulations on the Operation of the Board of Directors, and <b>the Regulations on the Operation of the Board of Supervisors;</b>  | Approve, supplement, and amend the Regulations on Corporate Governance and the Regulations on the Operation of the Board of Directors;   | Change the Company's management organization model from point a to point b – Clause 1 – Article 137 of the Law on Enterprises (no longer   |

| No. | Amended and supplemented clauses                        | Current Charter Content   | Proposed amended content       | Basis for amendment and supplement   |
|-----|---|---|--------------------------------|--|
|     |   |   |                                | has a Board of Supervisors, establishing an Audit Committee under the Board of Directors)  |
| 10  | Chapter 3<br>Section 4<br>Article 59                    | Notification of Board of Directors meetings and <b>the right of members of the Board of Supervisors to attend Board of Directors meetings</b>   | Notification of Board meetings | Change the Company's management organization model from point a to point b – Clause 1 – Article 137 of the Law on Enterprises (no longer has a Board of Supervisors, establishing an Audit Committee under the Board of Directors) |
| 11  | Chapter 3<br>Section 4<br>Clause 2, Article 59          | The Chairman of Board of Directors or the convener shall send the meeting invitation and accompanying documents to the members of the Board of Supervisors as they do to the members of the Board of Directors.<br>Members of the Board of Supervisors have the right to attend Board of Directors meetings; have the right to discuss but not to vote. | <i>(Remove this clause)</i>    | Change the Company's management organization model from point a to point b – Clause 1 – Article 137 of the Law on Enterprises (no longer has a Board of Supervisors, establishing an Audit Committee under the Board of Directors) |
| 12  | Chapter 3<br>Section 4<br>Point e, Clause 3, Article 61 | Members of the Board of Supervisors have the right to attend meetings of the Board of Directors, have the right to discuss but not to vote.   | <i>(Remove this clause)</i>    | Change the Company's management organization model from point a to point b – Clause 1 – Article 137 of the Law on Enterprises (no longer has a Board of Supervisors, establishing an Audit Committee under the Board of Directors) |

| No. | Amended and supplemented clauses      | Current Charter Content  | Proposed amended content  | Basis for amendment and supplement   |
|-----|---------------------------------------|--|---|--|
| 13  | Chapter 4                             | Chapter 4 – Board of Supervisors, including 8 articles.  | Replace with Chapter 4 - Audit Committee, including 3 articles (Details are in the full text of the Regulations attached to this Submission).   | Change the Company's management organization model from point a to point b – Clause 1 – Article 137 of the Law on Enterprises (no longer has a Board of Supervisors, establishing an Audit Committee under the Board of Directors) |
| 14  | Article 88 Chapter 6                  | Notification of Resolutions/Decisions of the Board of Directors to the Board of Supervisors  | <i>(Remove this clause)</i>   | Change the Company's management organization model from point a to point b – Clause 1 – Article 137 of the Law on Enterprises (no longer has a Board of Supervisors, establishing an Audit Committee under the Board of Directors) |
| 15  | Chapter 6, Article 88: Clause 3       | 3. Coordination between the General Director and the Board of Directors: The General Director is the representative who operates the Company's activities, ensuring the Company operates continuously and effectively. | Coordination between the General Director and the Board of Directors: The General Director manages the Company's daily business activities according to the assignment/authorization and under the supervision of the Board of Directors/Chairman of the Board of Directors, and is responsible to the Board of Directors/Chairman of the Board of Directors and before the law for the performance of assigned rights and obligations. | According to Resolution 01/NQ-HĐQT/2025 dated February 26, 2025 of the Board of Directors  |
| 16  | Point a Clause 1 Article 90 Chapter 6 | Cases where the <b>Board of Supervisors</b> and the General Director propose to convene a meeting of the Board of Directors and matters requiring consultation with the Board of Directors.                            | Cases where the General Director proposes to convene a meeting of the Board of Directors and matters requiring consultation with the Board of Directors:  | Change the Company's management organization model from point a to point b – Clause 1 – Article 137 of the   |



| No. | Amended and supplemented clauses | Current Charter Content  | Proposed amended content   | Basis for amendment and supplement  |
|-----|----------------------------------|--|--|---|
|     |                                  |  | <i>(remove Point a of this Clause)</i>   | Law on Enterprises (no longer the Board of Supervisors, establishment of an Audit Committee under the Board of Directors) |
| 17  | Clause 1 Article 99              | This Regulation consists of 08 Chapters, 99 Articles approved by the General Meeting of Shareholders of Lam Dong Pharmaceutical Joint Stock Company on April 26, 2021, and agreed upon the full effect of this regulation. | This Regulation consists of 08 Chapters, 93 Articles approved by the General Meeting of Shareholders of Lam Dong Pharmaceutical Joint Stock Company on April 24, 2025, and agreed upon the full effect of this regulation. | Consistent with the number of clauses after the change of the Regulation.   |

No.: 14/TTr-DHTN/2025

Da Lat City, March 28, 2025

## **PROPOSAL**

**Re: The investment policy for the construction of a radiopharmaceutical production plant in Dalat**

-----

**To: General Meeting of Shareholders of Lam Dong Pharmaceutical Joint Stock Company**

- Pursuant to the Law on Enterprises No. 59/2020/QH14 passed by the National Assembly of the Socialist Republic of Vietnam on June 17, 2020;
- Pursuant to the Law on Securities No. 54/2019/QH14 passed by the National Assembly of the Socialist Republic of Vietnam on November 26, 2019;
- Pursuant to Decree 155/2020/ND-CP issued on December 31, 2020, detailing the implementation of a number of articles of the Law on Securities;
- Pursuant to the Charter and Internal Regulations of Lam Dong Pharmaceutical Joint Stock Company;
- Pursuant to Resolution No. 04/NQ-HĐQT/2024 dated February 26, 2025 of the Board of Directors on organizing the Annual General Meeting of Shareholders 2025; Resolution No. 13/NQ-HĐQT/LDP/2025 dated March 28, 2025 of the Board of Directors on approving the time and documents for The General Meeting of Shareholders 2025;

The Board of Directors (BOD) respectfully reports to the General Meeting of Shareholders (GMS) as follows:

In Da Lat city, there is the Da Lat Nuclear Research Institute (which has been operating since 1963) with an operating nuclear reactor – this is the only nuclear reactor in Vietnam that researches and creates products from radiation. With the advantage of geographical location, it is convenient to obtain radioactive isotopes, the construction of a radiopharmaceutical production plant in Da Lat has a lot of development potential in the future.

Therefore, the BOD respectfully submits to the Annual General Meeting of Shareholders 2025 the policy of investing in the project to build a radiopharmaceutical production plant in Da Lat with some basic information as follows:

### **1. Project information and scale**

- Factory area: From 3,000 m<sup>2</sup> to 5,000 m<sup>2</sup>.
- Core technologies:
  - Cyclotron: Production of isotopes such as F-18, Cu-64, C-11.
  - Hot Cell: Packaging and manufacturing of radiopharmaceuticals.
  - Quality control system: Ensuring GMP-WHO standards.
- Total investment: 200 – 300 billion VND.
- Expected implementation plan:
  - Phase 1 (2025 – 2026): Market research, licensing, investment calling, research and technology transfer.
  - Phase 2 (2026 – 2027): Factory construction, equipment installation, trial operation.
  - Phase 3 (2027 onwards): Commercial production, market expansion.

### **2. Objectives and benefits of the project**

- The project aims to build a radiopharmaceutical production plant to serve the needs of diagnosis and treatment of cancer using nuclear medicine technology, meeting the domestic and international markets.
- Economic benefits: creating direct and indirect jobs for local people.
- Social benefits: meeting the urgent need for radiopharmaceuticals for hospitals and nuclear medicine centers, reducing dependence on imports.
- Environmental benefits: providing cancer treatment solutions, improving the quality of life for patients.

**3. Estimated revenue, profit and payback period**

- Total estimated revenue: **158 – 240 billion VND/year**
- Gross profit (after deducting operating expenses): 25 – 50% of revenue.
- Net profit (after tax): 25 – 35% of revenue.
- Expected capital recovery in 5 – 7 years (depending on the speed of market expansion).

**4. Fundraising options for the project**

- Owners's equity: The company contributes capital or raises funds from shareholders; and/or
- Loans from commercial banks, venture capital funds, financial institutions; and/or
- Calling for investment from strategic partners; and/or
- Combining state capital and private enterprises (Public-Private Partnership), accessing and participating in project support programs of the Ministry of Science and Technology.

**To the General Meeting of Shareholders, please consider and approve the following contents:**

1. Approve the investment policy for the radiopharmaceutical production plant construction project in Da Lat as stated above.
2. Authorization to the Board of Directors:
  - Research in detail the feasibility of the project, negotiate the terms and conditions of capital contribution;
  - Decide the specific investment amount based on the feasibility study report;
  - Complete the dossier and submit the proposal to relevant agencies and departments related to the project;
  - Decide the capital sources used to implement the investment activities (including but not limited to capital raised from share offerings approved by the General Meeting of Shareholders and within the scope decided by the Board of Directors);
  - In other arising cases, the General Meeting of Shareholders authorizes the Board of Directors to fully adjust the Project Investment Plan within the scope approved by the General Meeting of Shareholders to suit the actual situation and report to the General Meeting of Shareholders in the nearest meetings.

Submit to the General Meeting of Shareholders for review and approval.

Sincerely./.

**Recipients:**

- Shareholders;
- Archived: BOD Office.

**ON BEHALF OF THE BOD  
CHAIRMAN**



**PHAM TRUNG KIEN**

No.: 15/TTr-DHTN/2025

Da Lat City, March 28, 2025

## **PROPOSAL**

### **On the investment policy for research and application of biotechnology in medicinal herbs**

-----

**To: General Meeting of Shareholders of Lam Dong Pharmaceutical Joint Stock Company (Ladophar)**

- Pursuant to the Law on Enterprises No. 59/2020/QH14 passed by the National Assembly of the Socialist Republic of Vietnam on June 17, 2020;
- Pursuant to the Law on Securities No. 54/2019/QH14 passed by the National Assembly of the Socialist Republic of Vietnam on November 26, 2019;
- Pursuant to Decree 155/2020/ND-CP issued on December 31, 2020, detailing the implementation of a number of articles of the Law on Securities;
- Pursuant to the Charter and internal regulations of Lam Dong Pharmaceutical Joint Stock Company (Ladophar);
- Pursuant to Resolution No. 04/NQ-HĐQT/2024 dated February 26, 2025 of the Board of Directors on organizing the Annual General Meeting of Shareholders 2025; Resolution No. 13/NQ-HĐQT/LDP/2025 dated March 28, 2025 of the Board of Directors on approving the time and documents for The General Meeting of Shareholders 2025;

The Board of Directors (BOD) respectfully reports to the General Meeting of Shareholders (GMS) as follows:

Vietnam possesses rich biodiversity with over 5,000 plant species of medicinal value. The trend of using natural medicinal herbs is increasing due to their higher safety characteristics. WHO statistics show that over 80% of the world's population uses natural medicines in healthcare. Vietnam has the potential to develop the medicinal herbs industry but faces the risk of depletion due to overexploitation and climate change. The national strategy for medicinal herbs development to 2030 is aiming for conservation and sustainable development. Lam Dong, with favorable natural conditions, is promoting the development of medicinal herbs thanks to supporting policies and biotechnology. The sustainable development of the medicinal herbs industry not only conserves biodiversity but also contributes to green economic development and sustainable agriculture.

Therefore, the Board of Directors respectfully submits to the Annual General Meeting of Shareholders 2025 the investment policy for research and application of biotechnology in medicinal herbs with some basic information as follows:

#### **1. Objectives of the project**

- Applying biotechnology in breeding, cultivation, and processing of medicinal herbs to improve productivity, quality, and economic efficiency.
- Develop a sustainable raw material area, ensuring a stable supply source for pharmaceutical and functional food production.
- Contribute to the conservation and sustainable exploitation of precious medicinal herbs, enhancing the value of the Vietnamese medicinal herb industry.

#### **2. Scope of implementation:**

- **Location:** Suitable areas in Lam Dong and surrounding regions.

#### **Research and development medicinal objects:**

- *Drynaria bonii*
- *Drynaria quercifolia*
- *Drynaria fortunei*
- *Fibraurea tinctoria*

- Valeriana hardwickii
- Annona Glabra
- Santalum album
- Agarwood (Aquilaria crassna Pierre ex Lecomte)
- Several other medicinal herbs.

### 3. Main Content of the project

- **Research on propagation :** Applying tissue culture technology and in-vitro culture to propagate medicinal herbs with high quality, reducing dependence on natural seed sources.
- **Cultivation:** Building a farming model according to GACP-WHO standards, ensuring quality and exploitation efficiency.
- **Processing:** Applying freeze-drying technology, extraction with biological solvents, and microencapsulation of active ingredients to enhance product value.
- **Building value chains:** Linking with research institutes, universities, and pharmaceutical companies to develop commercial products.

### 4. Total expected investment

- Total expected investment: 15 billion
- Capital source: Equity, preferential loans, and other cooperation sources.

### 5. Research and development cooperation:

- Lam Dong Pharmaceutical Joint Stock Company (Ladophar) is the presiding unit; Forest Science Institute of Central Highlands and South of Central Vietnam; Lam Dong Province Applied Science and Technology Center are coordinating units.
- **Research cooperation:** Joint research cooperation with Vietnam Sandalwood Group Joint Stock Company (VSG) and other units in the field of application and development of biotechnology in medicinal herb cultivation and processing.

### 6. Expected effectiveness

- Ensure a stable, high-quality source of raw materials for pharmaceutical production.
- Increase the economic value of medicinal herbs, reducing dependence on imports.
- Create jobs and develop sustainable economic development in the locality.

### Submit to the General Meeting of Shareholders for consideration and approval of the following content:

1. Approve the investment policy for research and application of biotechnology in the propagation, cultivation, and processing of some rare medicinal herbs: Drynaria fortunei, Drynaria bonii, Drynaria quercifolia, Valeriana hardwickii, Fibraurea tinctoria, Annona Glabra, Santalum album, Aquilaria crassna Pierre ex Lecomte and other precious medicinal herbs in Lam Dong and surrounding areas as mentioned above.
2. Authorize the Board of Directors to:
  - Research the feasibility of the project in detail, negotiate the terms and conditions of capital contribution;
  - Decide on the specific investment amount based on the feasibility study report;
  - Complete the dossier and submit the proposal to the relevant agencies and departments related to the project;
  - Decide on the capital source to be used for investment activities (including but not limited to capital mobilized from share offerings approved by the General Meeting of Shareholders and within the scope of the Board of Directors' decision).
  - In other arising cases, the General Meeting of Shareholders authorizes the Board of Directors to fully adjust the Project Investment Plan within the scope approved by the General Meeting of Shareholders to suit the actual situation and report to the General Meeting of Shareholders in the nearest meetings.

Respectfully submitted to the General Meeting of Shareholders for consideration and approval.  
Sincerely./.

***Recipients:***

- Shareholders;
- Archived: BOD Office.

**ON BEHALF OF THE BOD  
CHAIRMAN**



**PHAM TRUNG KIEN**



No.: 17/TTr-DHTN/2025

Da Lat City, March 28, 2025

## PROPOSAL

**Re: The investment policy for the construction project of a supercritical CO<sub>2</sub> extraction facility for medicinal herbs.**

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**To: General Meeting of Shareholders of Lam Dong Pharmaceutical Joint Stock Company (Ladophar)**

- Pursuant to the Law on Enterprises No. 59/2020/QH14 passed by the National Assembly of the Socialist Republic of Vietnam on June 17, 2020;
- Pursuant to the Law on Securities No. 54/2019/QH14 passed by the National Assembly of the Socialist Republic of Vietnam on November 26, 2019;
- Pursuant to Decree No. 155/2020/ND-CP issued on December 31, 2020, detailing the implementation of a number of articles of the Law on Securities;
- Pursuant to the Charter and internal regulations of Lam Dong Pharmaceutical Joint Stock Company (Ladophar);
- Pursuant to Resolution No. 04/NQ-HĐQT/2024 dated February 26, 2025 of the Board of Directors on organizing the 2025 Annual General Meeting of Shareholders; Resolution No. 13/NQ-HĐQT/LDP/2025 dated March 28, 2025 of the Board of Directors on approving the time and documents for The General Meeting of Shareholders 2025;

The Board of Directors (BOD) respectfully reports to the General Meeting of Shareholders (GMS) as follows:

In the context of the strong development of the medicinal herbs industry and the increasing demand for natural extracts, the Board of Directors recognizes that researching, investing, and implementing the Supercritical CO<sub>2</sub> Medicinal Herbs Extraction Workshop Project will bring many development opportunities and expand the Company's production scale. This is a strategic step to take advantage of the abundant medicinal herb resources in Lam Dong province, increase the added value of products, meet international standards, and enter the export market.

Supercritical CO<sub>2</sub> extraction technology is considered the most advanced solution in the pharmaceutical and functional food industry today, helping to obtain pure active ingredients without altering their chemical structure. The application of this technology not only improves product quality but also ensures sustainability in production and is environmentally friendly. This project not only brings economic benefits to the business but also contributes to the overall development of the medicinal herbs industry in Vietnam.

Therefore, the Board of Directors respectfully submits to the Annual General Meeting of Shareholders 2025 the investment policy for the construction project of a supercritical CO<sub>2</sub> medicinal herbs extraction workshop with some basic information as follows:

### 1. General information about the project

- Project name: Construction of a supercritical CO<sub>2</sub> medicinal herbs extraction workshop at Lam Dong Pharmaceutical Joint Stock Company (Ladophar).
- Investor: Lam Dong Pharmaceutical Joint Stock Company (Ladophar).
- Project objectives:
  - Produce pure medicinal herb extracts, including sandalwood seed oil, sandalwood essential oil, herbal essential oils (green tea, ginger), and bioactive substances (curcumin, lycopene).

- Meet domestic and export market demand with organic and pure products.
- Utilize medicinal herb resources in Lam Dong and develop sandalwood to increase economic value.
- Implementation period: 2025-2030.
- Location: Phu Hoi Industrial Zone, Duc Trong District, Lam Dong Province.

## **2. Basis for the development of the plan**

- Current status of the medicinal herbs industry in Lam Dong:
  - Lam Dong is one of the localities with favorable climate and soil conditions for developing various medicinal herbs, especially sandalwood, green tea, turmeric, and ginger.
  - Currently, the deep processing of medicinal herbs in Lam Dong has not been fully exploited, mainly exporting raw or simply preliminary processed products, leading to low economic value.
  - Local authorities are encouraging the development of high-tech projects in medicinal herb processing to increase product value and promote the sustainable development of the medicinal herbs industry.
- Market demand:
  - Sandalwood seed oil: International price 150-300 USD/liter, used in high-end cosmetics.
  - Sandalwood essential oil: Price 1,000-2,000 USD/liter, serving the perfume and traditional medicine industries.
  - Herbal essential oils and bioactive compounds have a growth rate of 10-15%/year.
- Advantages of supercritical CO<sub>2</sub> technology:
  - Pure essential oil extraction, no solvent residue, meeting export standards.
  - Preserves beneficial bioactive compounds, causing no chemical changes in the product.
  - Environmentally friendly, CO<sub>2</sub> recycling up to 95%, no exhaust pollution.
  - Flexible application for various medicinal herbs, from woody plants (sandalwood) to herbs (green tea, ginger).

## **3. Project Content:**

- Investment scale:
  - Workshop area: 5,000 m<sup>2</sup>.
  - Supercritical CO<sub>2</sub> technology line with a capacity of 100 liters/batch.
  - Material area: 300 ha (100 ha of sandalwood, 200 ha of other medicinal herbs).
- Implementation phase:
  - 2025: Research, apply for licenses, purchase equipment.
  - 2026: Construction and installation of production lines.
  - 2027: Trial operation, production of the first batch.
  - 2028-2030: Increase capacity, expand the market.
- Expected products:
  - Sandalwood seed oil: 5,000 liters/year.
  - Sandalwood essential oil: 2,000 liters/year.
  - Herbal essential oil: 18,000 liters/year.
  - Bioactive compounds: 5 tons/year.

## **4. Economic - financial analysis**

- Total investment capital: 157.5 billion VND (~6.3 million USD), including:
  - Workshop construction: 50 billion VND.
  - Supercritical CO<sub>2</sub> line: 20 billion VND.
  - Auxiliary equipment, material area, working capital: 87.5 billion VND.
- Capital sources used for the project:
  - Equity capital: 52.5 billion VND (33%).
  - Bank loan: 105 billion VND (67%), 7-year term, interest rate 8.2%/year.
- Expected revenue: 9.2 million USD/year (~230 billion VND).
- Profit after tax: ~97 billion VND/year.
- Payback period: 4 years (2028-2032).

**Respectfully submitted to the General Meeting of Shareholders for consideration and approval of the following contents:**

1. Approval of the investment policy for the construction project of a supercritical CO<sub>2</sub> extraction facility for medicinal herbs as outlined above.
2. Authorization for the Board of Directors:
  - Research the feasibility of the project in detail, negotiate the terms and conditions of capital contribution;
  - Decide the specific investment amount based on the feasibility study report;
  - Complete the dossier and submit the proposal to the relevant authorities related to the project;
  - Decision on the capital source to be used for investment activities (including but not limited to capital mobilized from share offerings approved by the General Meeting of Shareholders and within the scope decided by the Board of Directors);
  - In other arising cases, the General Meeting of Shareholders authorizes the Board of Directors to fully adjust the Project Investment Plan within the scope approved by the General Meeting of Shareholders to suit the actual situation and report to the General Meeting of Shareholders in the nearest meetings.

Respectfully submitted to the General Meeting of Shareholders for consideration and approval.  
Sincerely./.

**Recipients:**

- Shareholders;
- Archived: BOD Office.

**ON BEHALF OF THE BOD  
CHAIRMAN**



**PHAM TRUNG KIEN**

No.: 18/TTr-DHTN/2025

Da Lat City, March 28, 2025

## PROPOSAL

***Re: Report on the results of the implementation of the assigned/authorized contents from the Annual General Meeting of Shareholders 2024 and approval for the continuation of the stock issuance plans.***

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**To: General Meeting of Shareholders of Lam Dong Pharmaceutical Joint Stock Company**

- Pursuant to the Enterprise Law No. 59/2020/QH14 passed by the National Assembly of the Socialist Republic of Vietnam on June 17, 2020;
- Pursuant to the Charter and Internal Regulations of Lam Dong Pharmaceutical Joint Stock Company;
- Pursuant to Resolution No. 01/NQ-ĐHĐCĐ/LDP/2024 dated April 10, 2024 of the Annual General Meeting of Shareholders of Lam Dong Pharmaceutical Joint Stock Company;
- Pursuant to Resolution No. 04/NQ-HĐQT/2025 dated February 26, 2025 of the Board of Directors on organizing the Annual General Meeting of Shareholders 2025; Resolution No. 13/NQ-HĐQT/LDP/2025 dated March 28, 2025 of the Board of Directors on approving the time and documents for The General Meeting of Shareholders 2025;
- Based on the 2024 Financial Statement data;

At the 2024 Annual General Meeting of Shareholders (GMS), the GMS approved some contents, and at the same time, the GMS assigned/authorized the Board of Directors to implement them. Therefore, the Board of Directors respectfully reports and submits to the Annual General Meeting of Shareholders 2025 (GMS) for approval the following contents:

**I. Report on the results of implementing the contents assigned/authorized by the GMS 2024**

In 2024, the Board of Directors received the tasks assigned/authorized by the General Meeting of Shareholders and has completed the tasks. Specifically:

1. Selecting an independent audit unit for the 2024 fiscal year according to report No. 08/TTr-DHTN/2024 dated March 19, 2024;
2. Reviewing, selecting, and deciding on capital borrowing options and forms according to report No. 10/TTr-DHTN/2024 dated March 19, 2024;
3. Supplementing business lines and amending the Company's Charter according to report 11A/TTr-DHTN/2024 dated April 6, 2024;

**II. Report on the contents assigned/authorized from the Annual General Meetings of Shareholders 2023 and 2024 that have not yet been completed.**

The Board of Directors has been authorized by the General Meeting of Shareholders for the following contents but has not yet completed:

1. Regarding the recall and management of the seal according to Resolution No. 178/NQ-ĐHĐCĐ/LDP/2023 dated December 20, 2023 of the 2023 Extraordinary General Meeting of Shareholders, in which the Board of Directors asked the General Meeting of Shareholders to cancel 01 company seal held/managed by Mrs. Le Thi Minh Thuy – Former General Director. However, it was not until February 28, 2025 that the Company received the seal returned by Ms. Le Thi Minh Thuy according to the proactive enforcement Decision No. 899/QĐ-CCTHADS dated February 25, 2025 of the Civil Judgment Enforcement Department of Da Lat City. The Company proceeded to destroy this seal after receiving it according to the above-mentioned Resolution of the Extraordinary General Meeting of Shareholders 2023.

2. Investment policy for capital contribution and share purchase at Tra My Agricultural Products and Medicinal Materials Joint Stock Company according to Proposal No. 18/Tr-DHTN/2024. After a period of detailed research on the project's feasibility, the Board of Directors finds that this is not the right time to invest in this item, therefore the Board of Directors reports to the General Meeting of Shareholders that it will temporarily suspend the development of the capital contribution and share purchase project at Tra My Agricultural Products and Medicinal Materials Joint Stock Company.
3. Regarding the development of the Private Placement Offering Plan according to Proposal No. 12A/TTr-DHTN/2024 dated April 6, 2024: Details are in Report No. 19/BC-HĐQT/LDP/2025 attached to this Proposal.
4. Regarding the development of the Employee Stock Ownership Plan according to Proposal No. 17/TTr-DHTN/2024 dated April 10, 2024: Details are in Report 01 attached to this Proposal.

### **III. The Board of Directors seeks the opinion of the Annual General Meeting of Shareholders 2025:**

In order to continue the development of the Private Placement Offering Plan and the Employee Stock Ownership Plan approved at Resolution No. 01/NQ-ĐHĐCĐ/LDP/2024 of the Annual General Meeting of Shareholders 2024 dated April 10, 2024, and to ensure issuance progress as planned, the Board of Directors respectfully submits to the General Meeting of Shareholders the authorization for the Board of Directors to continue deciding and implementing tasks related to issuance, including but not limited to the following:

- Continue the development of related tasks to implement the Employee Stock Ownership Plan (ESOP) according to the plan approved in Resolution No. 01/NQ-ĐHĐCĐ/LDP/2024 of the Annual General Meeting of Shareholders 2024 dated April 10, 2024;
- Provide detailed explanations of issuance dossiers as requested by competent state agencies to implement issuance plan, ensuring the best interests of the Shareholders and the Company, and meeting regulations on foreign ownership ratios in accordance with the law;
- Develop a plan to use the proceeds from issuance for the purposes approved at the 2024 Annual General Meeting of Shareholders;
- Report on the progress of the offering/issuance plan development at the next General Meeting of Shareholders;
- Carry out necessary procedures and tasks as required by competent state agencies to complete issuance;
- After completing issuance, the Board of Directors shall carry out procedures and tasks related to the registration of additional securities with the Vietnam Securities Depository and Clearing Corporation, registration of additional trading securities with the Hanoi Stock Exchange, and changes in charter capital at competent authorities in accordance with the law.
- The General Meeting of Shareholders approves the amendment to the Charter regarding the Charter Capital content in Clause IV, Article 6, according to the charter capital level approved by the State management agency, assigning the Board of Directors to amend the charter and consolidate the amended contents into the Charter, and report to the General Meeting of Shareholders at the nearest General Meeting of Shareholders on the charter amendment.

Respectfully submit to the General Meeting of Shareholders for consideration and approval.  
Sincerely./.

**Recipients:**

- Shareholders;
- Archived: BOD Office.

**ON BEHALF OF THE BOD  
CHAIRMAN**



CÔNG TY  
CP DƯỢC  
LÂM ĐỒNG  
(LADOPHAR)  
TP. ĐÀ LẠT - T. LÂM ĐỒNG

**PHẠM TRUNG KIẾN**



No.: 19/BC-HDQT/LDP/2025

Da Lat City, March 28, 2025

**REPORT*****Re: Implementation of the Employee Stock Ownership Plan ("ESOP") and the Private Placement of Shares Plan*****To: General Meeting of Shareholders of  
Lam Dong Pharmaceutical Joint Stock Company (Ladophar)**

Based on Proposal No. 12B/TTr-DHTN/2024 regarding the Private Placement Plan and Proposal No. 17/TTr-DHTN/2024 regarding the Employee Stock Ownership Plan ("ESOP") issuance, approved by Resolution No. 01/NQ-ĐHĐCĐ/LDP/2024 of the Annual General Meeting of Shareholders 2024 (GMS) on Date April 10, 2024, and the actual implementation status, the Board of Directors (BOD) respectfully reports to the GMS on the implementation of the private placement plan as follows:

**I. Implementation progress****1. Phase 1: From after the Annual General Meeting of Shareholders 2024 on Date April 10, 2024 to before Date March 19, 2025**

According to the authorization content in Section IV of Proposal No. 12B/TTr-DHTN/2024 and Proposal No. 17/TTr-DHTN/2024 approved at the Annual General Meeting of Shareholders 2024, the GMS authorized the BOD to carry out tasks related to the ESOP issuance. Specifically, the BOD has proactively reviewed and implemented the following tasks:

- Negotiated and signed a consulting contract with the Securities Company;
- Compiled actual data to develop a detailed capital utilization plan;
- Developed the ESOP regulations; selected and compiled a list of employees eligible to participate in the ESOP.
- .
- Developed a detailed issuance and offering plan according to the contents approved and authorized by the GMS.

**2. Phase 2: Submitting documents to the State Securities Commission**

- On Date June 13, 2024, the BOD held a meeting and passed BOD Resolution No. 15/NQ-HĐQT/2024 approving the regulations and related contents of the Employee Stock Ownership Plan (ESOP) issuance and Resolution No. 16/NQ-HĐQT/2024 on implementing the Employee Stock Ownership Plan (ESOP) issuance.
- On Date June 19, 2024, the Company submitted the share issuance report documents to the State Securities Commission.
- Due to the prolonged processing time, the provisions in the ESOP regulations and the figures on the financial statements were not updated to reflect the current situation. Therefore, on Date March 17, 2025, the Board of Directors held a meeting and issued Resolution No. 10/NQ-HĐQT/LDP/2025 approving the continued implementation of the Employee Stock Ownership Plan (ESOP) issuance and Resolution No. 11/NQ-HĐQT/LDP/2025 approving the amendment and supplement to the regulations and related contents of the Employee Stock Ownership Plan (ESOP) issuance.
- On Date March 19, 2025, the Company submitted the Employee Stock Ownership Plan (ESOP) issuance report documents to the State Securities Commission and is awaiting a response.

**II. Implementation plan**

The Board of Directors will continue to carry out the tasks related to the ESOP share issuance in accordance with the authorized contents, while directing and urging relevant departments, divisions, and individuals to closely monitor the progress of the work and report immediately upon arising difficulties to ensure the planned offering time that the company has set forth.

To ensure compliance with legal regulations and the Company's Charter, the Board of Directors commits to continue reporting on the progress of implementing the ESOP Share Issuance Plan in the next General Meeting of Shareholders.

The Board of Directors respectfully reports./.

**Recipients:**

- Shareholders;
- *Archived: BOD Office.*

**ON BEHALF OF THE BOD  
CHAIRMAN**



**PHAM TRUNG KIEN**

No: 18/TTr-DHTN/2025

Da Lat City, March 28, 2025

**PROPOSAL*****Re: Approval of the Private Share Offering Plan for  
Professional stock investor***

-----

**To: The General Meeting of Shareholders  
of Lam Dong Pharmaceutical Joint Stock Company (Ladophar)**

- Pursuant to the Law on Enterprises No. 59/2020/QH14 passed by the National Assembly of the Socialist Republic of Vietnam on June 17, 2020;
- Pursuant to the Securities Law No. 54/2019/QH14 passed by the National Assembly of the Socialist Republic of Vietnam on November 26, 2019;
- Pursuant to Decree No. 155/2020/ND-CP issued on December 31, 2020 detailing the implementation of a number of articles of the Securities Law;
- Pursuant to Circular No. 116/2020/TT-BTC dated December 31, 2020 of the Ministry of Finance guiding a number of contents on offering, issuing securities, public offering, repurchasing shares, registering public companies and canceling public company status;
- Pursuant to the Charter and Internal Regulations of Lam Dong Pharmaceutical Joint Stock Company ("Company");
- Based on the Company's audited consolidated financial statements for 2024;
- Pursuant to Resolution No. 04/NQ-HĐQT/2025 dated February 26, 2025 of the Board of Directors on organizing the Annual General Meeting of Shareholders 2025; Resolution No. 13/NQ-HĐQT/LDP/2025 dated March 28, 2025 of the Board of Directors on approving the time and documents for The General Meeting of Shareholders 2025;
- Resolution of the 2024 Annual General Meeting of Shareholders No. 01/NQ-DHCD/LDP/2024 dated April 10, 2024 of Lam Dong Pharmaceutical Joint Stock Company (Ladophar).

The Board of Directors (BOD) respectfully reports to the 2025 Annual General Meeting of Shareholders (AGM) as follows:

Pursuant to Resolution No. 01/NQ-ĐHĐCĐ/LDP/2024 of the 2024 Annual General Meeting of Shareholders dated April 10, 2024, which approved Document No. 12A/TTr-DHTN/2024 on approving the plan to offer individual shares to professional securities investors (hereinafter referred to as "Private Share Offering"), the Board of Directors has undertaken tasks related to the Private Share Offering. However, due to objective factors stemming from the market and business situation, the implementation of the original offering plan has encountered some difficulties as follows:

- The Company's business situation has fluctuated, so it is necessary to adjust the capital usage plan to suit the actual situation.
- The time for processing the application is prolonged, leading to discrepancies between the contents of the Offering Plan and the figures on the Financial Report no longer fully reflecting the current situation, and it is necessary to update the above contents.

Therefore, to ensure the success of the Share Offering to increase charter capital, the Board of Directors respectfully submits to the 2025 Annual General Meeting of Shareholders for consideration and approval of the following content:

1. Approval of the cancellation of the Private Share Offering plan approved at the 2024 Annual General Meeting of Shareholders.

2. Through the **"Private Share Offering Plan"**, specifically as follows:

**A. APARTMENT KEEP FRANCE REASON GIVE BATCH OFFERING**

- Enterprise Law No. 59/2020/QH14 was passed by the National Assembly of the Socialist Republic of Vietnam on June 17, 2020;
  - Securities Law No. 54/2019/QH14 was passed by the National Assembly of the Socialist Republic of Vietnam on November 26, 2019;
  - Decree No. 155/2020/ND-CP issued on December 31, 2020 detailing the implementation of a number of articles of the Law on Securities;
  - The Charter and internal regulations of Lam Dong Pharmaceutical Joint Stock Company;
- The company's production and business situation, as well as its capital needs. The Board has now developed the plan for a **Private Share Offering** to increase charter capital, as follows:

**B. PRIVATE SHARES OFFERING PLAN TO PROFESSIONAL SECURITIES INVESTORS**

**I. Offering Plan**

|     |   |   |  |
|-----|---|---|--|
| 1.  | Name of Shares  | : | Shares of Lam Dong Pharmaceutical Joint Stock Company (Ladophar)   |
| 2.  | Stock symbol  | : | LDP  |
| 3.  | Par Value of Shares   | : | 10,000 VND ( <i>Ten thousand dong</i> )/per share  |
| 4.  | Type of Shares  | : | Common Shares  |
| 5.  | Number of Outstanding Shares  | : | 12,703,135 shares  |
| 6.  | Number of Outstanding treasury shares   | : | 32 shares  |
| 7.  | Charter capital before offering   | : | 127,031,670,000 VND<br>( <i>In words: One hundred twenty seven billion thirty one million six hundred seventy thousand dong even</i> ).              |
| 8.  | Maximum Expected Offering Shares  | : | 13,640,000 shares  |
| 9.  | Maximum Expected offering Value at par  | : | 136,400,000,000 VND<br>( <i>In words: One hundred thirty-six billion four hundred million VND exactly.</i> )   |
| 10. | Expected increase in Charter Capital  | : | 136,400,000,000 VND<br>( <i>In words: One hundred thirty-six billion four hundred million VND exactly.</i> )   |
| 11. | Number of Shares Expected to be Outstanding After Private Offering Completion | : | 26,343,135 shares  |
| 12. | Expected Charter Capital after Private offering completion                    | : | 263,431,670,000VND<br>( <i>In words: Two hundred sixty-three billion four hundred thirty-one million six hundred seventy thousand VND exactly.</i> ) |

|     |  |   |   |
|-----|--|---|---|
| 13. | Offering Method  | : | Private offering of shares.   |
| 14. | The Offering Price                                       | : | The General Shareholders' Meeting authorizes the Board of Directors to determine the offering price, but it should not be lower than VND 11,000 per share.  |
| 15. | Target Investors   | : | Individuals and/or organizations that are domestic professional securities investors.   |
| 16. | Criteria for selecting Target Investors                  | : | <p>Domestic investor must meet the criteria of being a professional securities investor according to Article 11 of the Securities Law , being an investor with financial capacity or having professional qualifications in securities, including:</p> <p>(1) Commercial banks, foreign bank branches, financial companies, insurance business organizations, securities companies, securities investment fund management companies, securities investment companies, securities investment funds, international financial organizations, non-budgetary state financial funds, and state financial organizations are allowed to purchase securities in accordance with relevant laws;</p> <p>(2) A company with contributed charter capital of over 100 billion VND or a listed organization or an organization registered for trading;</p> <p>(3) Person with securities practice certificate;</p> <p>(4) Individuals holding a listed securities portfolio, registered for trading with a minimum value of VND 2 billion as confirmed by the securities company at the time the individual is identified as a professional securities investor;</p> <p>(5) An individual with a taxable income of at least VND 1 billion in the most recent year up to the time of being identified as a professional securities investor, based on the tax declaration submitted to the tax authority or tax withholding documents issued by the paying organizations or individuals.</p> |
| 17. | Number of investors expected to offer                    | : | Expected to be offered to less than 100 Investors who are professional securities investors.  |
| 18. | Number of shares expected to be offered to each Investor | : | <p>Depending on the financial capacity and commitment of investors on the basis of agreement and cooperation contents of the parties.</p> <p>The General Meeting of Shareholders assigns and authorizes the Board of Directors to proactively search for, select and approve the list and number of investors</p>   |

|     |   |   |   |
|-----|---|---|---|
|     |   |   | eligible to participate in purchasing privately offered shares; and decides on the number of shares offered to each investor.   |
| 19. | Direction sentence treat reason stock no distribution out (if any)  | : | The General Meeting of Shareholders authorizes the Board of Directors to decide to offer the undistributed shares to other entities under offering conditions that are not more favorable than the offering conditions for Investors in this plan after being approved by the General Meeting of Shareholders and in compliance with the provisions of law.   |
| 20. | Transfer Condition  | : | The number of shares offered shall be subject to a one (01) year transfer restriction for professional securities investors from the date of completion of the offering, except for transfers between professional securities investors, transfers made in accordance with legally effective court judgments or decisions, arbitral awards, or inheritance as prescribed by law.  |
| 21. | Expected Issuance Time  | : | It is expected that in 2025, after the Company obtains approval from the State Securities Commission to conduct a private share offering, the General Meeting of Shareholders shall authorize the Board of Directors to determine the issuance timing in accordance with legal regulations and to ensure the maximum benefits for the shareholders and the Company.   |
| 22. | Plan to Ensure the Offering Complies with Foreign Ownership Ratio Regulations                                 | : | <p>All shares in this offering shall be allocated to domestic investors. The number of shares to be issued or reallocated (if any) to foreign investors in this private placement is zero (0) shares, accounting for 0% of the Company's charter capital, ensuring full compliance with legal regulations.</p> <p>The General Meeting of Shareholders authorizes and assigns the Board of Directors to carry out the necessary procedures (if any) in accordance with regulations to ensure that the share issuance complies with the foreign ownership ratio requirements.</p> |
| 23. | Plan for covering the capital shortfall in case the proceeds from the share offering are lower than expected. | : | In case the offering period and extension period (if any) end and the Company does not offer all the registered shares, the amount of money collected from the offering is not enough as expected, The General Meeting of Shareholders authorizes the Board of Directors to choose to use other capital sources such as bank loans, personal loans, and/or other solutions  |



|  |  |  |
|--|--|--|
|  |  | ensuring compliance with the provisions of law and internal regulations of the Company to implement the set plans. |
|--|--|--|

## 24 . Evaluation of Share Dilution Impact:

The private offering of shares may cause dilution risks such as: (i) dilution of share price; (ii) dilution of earnings per share (EPS); (iii) dilution of book value per share; (iv) dilution of ownership and voting rights, as detailed below:

### (i) Share Price Dilution

The private offering will not technically affect the trading price of shares on the market. Additionally, the privately placed shares shall be subject to a transfer restriction of at least one (01) year from the completion date of the offering, except for transfers between professional securities investors, transfers made in accordance with legally effective court judgments or decisions, arbitral awards, or inheritance as prescribed by law. As a result, the supply pressure on the market will be low, thereby minimizing the impact on the market price of the circulating shares.

### (ii) Risk of dilution of earnings per share (EPS)

Net income per share is calculated using the formula:

$$\text{Adjusted EPS} = \frac{\text{Net Profit After Tax}}{\text{Average Number of Outstanding Shares during the Period}}$$

After the offering is completed, net income per share will be changed in a downward direction due to the increase in the number of outstanding shares while profit growth will have a certain lag.

### (iii) Risk of book value dilution

The Company's book value of shares is calculated according to the following formula:

$$\text{Book value of shares after dilution} = \frac{\text{Equity} - \text{Intangible Assets}}{\text{Total Number of Shares After the Offering}}$$

After the offering is completed, the book value of each share may decrease in the event that the offering price is lower than the book value of each share at the time of the offering.

However, the decrease in EPS and adjusted book value per share is only temporary. With the capital raised from the offering, the Company's business operations in the coming time are expected to achieve certain results, creating significant growth momentum in the following years.

### (iv) Risk of dilution of holdings and voting rights

Issuing additional shares to entities other than existing shareholders also reduces the holding ratio and voting rights of existing shareholders by a ratio corresponding to the additional issuance ratio.

## II. Purpose and plan for using capital raised from the offering

In case the Company successfully privately offers 13,640,000,000 shares at VND 11,000/share, the Company will use all proceeds as follows:

| STT | Content history use capital  | Value attend ants (copper) | Estimated disbursement time                           |
|-----|--|----------------------------|---|
| 1   | Payment of the Company's debts (including bank loans and bond debts) | 65,000,000,000             | Expected in 2025 After completion of the offering and |

| STT          | Content history use capital   | Value attend ants<br>(copper) | Estimated<br>disbursement time                 |
|--------------|---|-------------------------------|--|
| 2            | Purchase of machinery and equipment for the Company's production and business activities.   | 25,750,000,000                | according to the actual capital usage progress |
| 3            | Investment in infrastructure and machinery for the project of constructing an herbal extraction plant using supercritical CO2 technology. | 59.290.000.000                |  |
| <b>Total</b> |   | <b>150,040,000,000</b>        |  |

The General Meeting of Shareholders authorizes the Board of Directors to decide on the specific details and to flexibly adjust the capital use plan, detailed items of capital utilization, and disbursement schedule, and to report to the General Meeting of Shareholders at the nearest meeting.

The General Meeting of Shareholders authorizes the Board of Directors to change the capital use plan and the amount of money collected from the offering. with a change value of less than 50% of the total amount raised and reported to the General Meeting of Shareholders at the nearest meeting.

The General Meeting of Shareholders authorizes the Board of Directors to proactively allocate the additional amount (in case the total amount collected from the offering exceeds the total estimated amount raised above) to supplement working capital and report to the General Meeting of Shareholders at the nearest meeting.

### III. Additional listing and Additional Securities Registration

All additional shares offered for sale will be additionally deposited and listed by the Company fig according to rule determined

### IV. Authority

In addition to the above separately authorized contents, the General Meeting of Shareholders authorizes the Board of Directors to decide all related issues. to the private offering of shares , including including But Are not limit:

a) Carry out development work Khai Phuong sentence stock offering vote private odd give home head private proof contractspecialized career:

- To develop a detailed Share Offering Plan for submission to the State Securities Commission.

- Actively prepare and explain the registration dossier for private securities offering to the State Securities Commission;

- Choose select time point prefer fit develop declare job Offer for sale after receiving written approval from the State Securities Commission on receipt of complete documents, ensuring compliance with legal regulations;

- Build, thing adjust direction sentence history use capital spend section give edema fit with love image real economy eachtime period belong to Company.

- Implement the necessary procedures to register additional securities with the Vietnam Securities Depository and Clearing Corporation, and register the additional shares issued for listing with the Vietnam Securities Depository and Clearing Corporation and the Hanoi Stock Exchange in accordance with legal regulations.

- Supplement, amend, complete the Issuance Plan or change this plan according to the requirements of the state management agency so that the Company's capital mobilization is carried out legally, in accordance with regulations, ensuring the rights of shareholders and the Company.

b) Make amendments to the terms related to charter capital, shares, and stocks in Charter of organization and operation of the Company after completion of the stock offering according to the results real economy belong to offering

c) Carry out procedures to change the Company's license related to changing the charter capital. rate according to conclude fruit real economy of offering with muscle mandarin home water has judge rights

d) Decision determine history use part capital surplus residual collect Okay from batch offer/issue in school fit neck vote for sale High than destiny price.

e) To have full authority to carry out any other related tasks deemed necessary by the Board of Directors in order to complete the issuance in accordance with the plan approved by the General Meeting of Shareholders.

f) The Board of Directors is authorized to delegate the Chairman of the Board of Directors to perform one or more of the aforementioned tasks.

Respectfully submit to the General Meeting of Shareholders for consideration and approval.

Best regards./.

***Recipient:***

- Dear Shareholders;
- Save: Office of the Board of Directors.

**ON BEHALF OF THE BOD  
CHAIRMAN**



**PHAM TRUNG KIEN**



Da Lat City, April 24, 2025

## VOTING BALLOT

at the Annual General Meeting of Shareholders 2025

Shareholder's name / Authorized representative:.....

Code:.....

Number of voting shares:.....

Including: + Number of owned shares:.....

+ Number of authorized shares:.....

### CONTENTS OF THE RESOLUTION FOR APPROVAL

(Please mark "X" or "✓" in 1 of the 3 selection boxes)

| No. | Content of the vote   | Voting opinion           |                          |                          |
|-----|---|--------------------------|--------------------------|--------------------------|
|     |   | Agree                    | Disagree                 | Abstain                  |
| 1   | Annual Report 2024 and Orientation 2025 of the Board of Directors.<br>(according to Report No.03/BC-DHTN/2025 dated 28/03/2025 of the Company's Board of Directors)   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2   | Annual Report 2024 of the Independent Member of the Board of Directors.<br>(according to Report No.04/BC-DHTN/2025 dated 28/03/2025 of the Company's Independent Member of the Board of Directors)                    | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3   | General Director's Report on Business and Investment Results in 2024 and Business and Investment Orientation in 2025.<br>(according to Report No. 05/BC-DHTN/2025 dated 28/03/2025 of the Company's General Director) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4   | Annual Report 2024 of the Board of Supervisors.<br>(according to Report No. 06/BC-DHTN/2025 dated 28/03/2025 of the Company's Board of Supervisors)   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

| No. | Content of the vote  | Voting opinion           |                          |                          |
|-----|--|--------------------------|--------------------------|--------------------------|
|     |  | Agree                    | Disagree                 | Abstain                  |
| 5   | Proposal on the selection of an audit firm for the 2025 financial year.<br>(according to Proposal No.07/TTr-DHTN/2025 dated 28/03/2025 of the Company's Board of Supervisors)  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 6   | Audited separate 2024 Financial Statements and consolidated 2024 Financial Statements.<br>(according to Proposal No. 08/TTr-DHTN/2025 dated 28/03/2025 of the Company's Board of Directors)  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 7   | Proposal on the 2025 investment plan and business plan.<br>(according to Proposal No. 09/TTr-DHTN/2025 dated 28/03/2025 of the Company's Board of Directors)   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 8   | Proposal on approving the 2025 borrowing limit.<br>(according to Proposal No. 10/TTr-DHTN/2025 dated 28/03/2025 of the Company's Board of Directors)   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 9   | Proposal on profit distribution for 2024.<br>(according to Proposal No. 11/TTr-DHTN/2025 dated 28/03/2025 of the Company's Board of Directors)   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 10  | Proposal on 2024 rewards and 2025 remuneration, rewards for the Board of Directors, Board of Supervisors, and the person in charge of corporate governance (concurrently the Secretary of the Board of Directors).<br>(according to Proposal No. 12/TTr-DHTN/2025 dated 28/03/2025 of the Company's Board of Directors)                                  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 11  | Proposal regarding changes in management organizational structure; adding business lines and sectors; amending and supplementing the Charter, Internal Regulations on Governance, and the Board of Directors' Operating Regulations of the Company.<br>(according to Proposal No. 13/TTr-DHTN/2025 dated 28/03/2025 of the Company's Board of Directors) | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 12  | Proposal on investment policy for the radiopharmaceutical production plant construction project in Da Lat.<br>(according to Proposal No. 14/TTr-DHTN/2025 dated 28/03/2025 of the Company's Board of Directors)  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 13  | Proposal on investment policy for research on the application of biotechnology in medicinal herbs.<br>(according to Proposal No. 15/TTr-DHTN/2025 dated 28/03/2025 of the Company's Board of Directors)  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 14  | Proposal on investment policy for the project of constructing a medicinal herb extraction workshop using supercritical CO <sub>2</sub> technology.<br>(according to Proposal No. 16/TTr-DHTN/2025 dated 28/03/2025 of the Company's Board of Directors)  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 14  | Proposal on reporting the results of implementing the contents assigned/authorized from the Annual General Meeting of Shareholders 2024 and approving the continued implementation of the share issuance plans.  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

| No. | Content of the vote  | Voting opinion           |                          |                          |
|-----|--|--------------------------|--------------------------|--------------------------|
|     |  | Agree                    | Disagree                 | Abstain                  |
|     | <i>(according to Proposal No. 17/TTr-DHTN/2025 dated 28/03/2025 of the Company's Board of Directors)</i>   |                          |                          |                          |
| 15  | Proposal on Approval of the Private Share Offering Plan for Professional stock investor.<br><i>(according to Proposal No. 18/TTr-DHTN/2025 dated 28/03/2025 of the Company's Board of Directors)</i> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

**Voter**

*(Sign and print full name)*

No: 01/NQ-ĐHĐCĐ/LDP/2025

Da Lat City, April 24 2025

DRAFT

## RESOLUTION

### ANNUAL GENERAL MEETING OF SHAREHOLDERS 2025 LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY (LADOPHAR)

- Pursuant to the Law on Enterprises No. 59/2020/QH14 passed by the National Assembly of the Socialist Republic of Vietnam on June 17, 2020;
- Pursuant to the Law on Securities No. 54/2019/QH14 passed by the National Assembly of the Socialist Republic of Vietnam on November 26, 2019;
- Pursuant to Decree No. 155/2020/ND-CP dated December 31, 2020, of the Government detailing the implementation of a number of articles of the Law on Securities;
- Pursuant to the Charter of Organization and Operation of Lam Dong Pharmaceutical Joint Stock Company (Ladophar, hereinafter referred to as the "Company");
- Pursuant to the Minutes of the Annual General Meeting of Shareholders 2025 No. 01/BB-DHĐCĐ/LDP /2025 dated April..., 2025 of the Company's General Meeting of Shareholders.

The Annual General Meeting of Shareholders 2025 (GMS) of Lam Dong Pharmaceutical Joint Stock Company (the Meeting) was held on April..., 2025 at Lam Dong Pharmaceutical Joint Stock Company (No. 18 Ngo Quyen, Ward 6, Da Lat City, Lam Dong Province), with the total number of shareholders attending directly and by proxy being... shareholders, representing... voting shares at the Meeting, accounting for...% of the Company's total shares, discussed and agreed:

## RESOLUTIONS:

### Article 1: Approval of the following reports:

- 1.1. Annual Report 2024 and 2025 Orientation of the Board of Directors.
- 1.2. Annual Report 2024 of the Independent Member of the Board of Directors.



- 1.3. Report on Business and Investment Results in 2024 and Business and Investment Plan for 2025 of the General Director.
- 1.4. Annual Report 2024 of the Board of Supervisors.
- 1.5. Audited separate 2024 Financial Statements and consolidated 2024 Financial Statements.

**Article 2: Approval of the selection of an audit firm for the 2025 financial year as follows:**

2.1. Criteria for selecting an independent audit firm:

- Is a legally operating company in Vietnam and approved by the Ministry of Finance for auditing enterprises and practicing auditors to audit public interest entities in 2025;
- Has experience auditing companies in the same business sector;
- Has a team of honest, reputable, highly qualified, and experienced auditors to ensure the quality and progress of the financial statement audit;
- Reasonable expenses, suitable for the content, scope, and audit schedule requested by the Company.

2.2. Approval of the list of independent audit firms:

Based on the above criteria for selecting independent audit units, the General Meeting of Shareholders approves the list of independent audit firms and authorizes the Board of Directors of the Company to select 01 (one) of the 04 (four) independent audit firms below to audit the Company's 2025 financial statements:

- A&C Auditing and Consulting Company Limited.
- DFK Vietnam Auditing Company Limited.
- Southern Auditing and Accounting Financial Consulting Services Company Limited.
- RSM Vietnam Auditing & Consulting Company Limited.

2.3. To facilitate the financial statement audit, in case the Company cannot negotiate the price and audit conditions with the above audit units, or in case the Company needs to change the audit unit, the General Meeting of Shareholders authorizes the Board of Directors to proactively decide to select 01 (one) other independent audit unit based on the criteria in Section 1 and on the list of audit firms approved by the State Securities Commission to review the semi-annual financial statements and audit the 2025 financial statements.

**Article 3: Approval of the Investment and Business Plan for 2025 as follows:**

3.1. 2025 Investment and business plan:

Unit: million VND

| No.      | Content   | Plan year 2025 |
|----------|---|----------------|
| <b>1</b> | <b>Net revenue</b>  | <b>354,932</b> |
|          | <i>Commercial goods revenue</i>   | <i>107,010</i> |
|          | <i>Manufactured goods revenue</i>   | <i>245,066</i> |
|          | <i>Service provision revenue</i>  | <i>2,856</i>   |
| <b>2</b> | <b>Total working capital costs for production and business activities</b> | <b>111,523</b> |
| <b>3</b> | <b>Total accounting profit before tax</b>                                 | <b>7,000</b>   |
| <b>4</b> | <b>Value of investment assets</b>   | <b>93,000</b>  |
|          | <i>Renovation/upgrade investment for Ngo Quyen showroom</i>               | <i>10,000</i>  |

| No. | Content  | Plan year 2025 |
|-----|--|----------------|
|     | <i>Renovation of Xuan Tho garden into a tourist attraction</i>   | 30,000         |
|     | <i>Ministerial-level project: "Application of biotechnology in breeding, cultivation, and processing of some precious medicinal herbs"</i> | 15,000         |
|     | <i>Investment in equipment/vehicles for production, business, management, and customer service</i>   | 38,000         |

3.2. In cases of other arising issues, the General Meeting of Shareholders authorizes the Board of Directors to adjust the Business and Investment Plan for 2025 according to the actual situation and report to the General Meeting of Shareholders in the nearest meetings.

#### **Article 4: Approval of the Company's loan limit for 2025 as follows:**

##### **4.1. Approval of:**

- Bank loans to supplement working capital for business and production activities;
- Medium and long-term loans in the form of borrowings from credit institutions, small and medium enterprise (SME) support funds, and other financial institutions to invest in factory renovation, upgrades, procurement of machinery and equipment for production activities, as well as investments in brand identity development to support business operations.

##### **4.2. Estimated loan limits for each investment category are as follows:**

Unit: VND million

| No. | Description  | Amount         |
|-----|--|----------------|
| 1   | Bank loans for working capital in business and production activities | 150.000        |
| 2   | Medium and long-term loans for investment projects                   | 150.000        |
|     | <b>Total</b>   | <b>300.000</b> |

4.3. The General Meeting of Shareholders authorizes the Board of Directors to review, select, and decide on appropriate loan plans and forms of borrowing to ensure efficiency and sufficient funding for business operations based on actual circumstances.

#### **Article 5: Approval of the distribution of 2024 profit as follows:**

Although the Company recorded a positive after-tax profit in 2024, there remains an accumulated loss from previous years that needs to be addressed to ensure a healthy financial position and create favorable conditions for future business activities.

Therefore, the after-tax profit for 2024 shall be distributed as follows:

- An amount of VND 6 billion from the 2024 after-tax profit shall be used to offset the Company's accumulated losses in order to improve financial stability, enhance competitiveness, and establish a sustainable foundation for the Company's development in the coming years.
- No dividend payment shall be made for the year 2024

#### **Article 6: Approval of the rewarding of members of the Board of Directors, the Board of Supervisors, and the Person in charge of corporate governance (concurrently the Secretary of the Board of Directors) as follows:**

- Total reward amount: 800,000,000 VND.
- Source of reward: deducted from the Company's 2024 profit.

- The reward level of each member will be discussed and agreed upon by the Chairman with the members.

**Article 7: Approval of the remuneration and bonus levels for 2025 for the Board of Directors, the Board of Supervisors, and the Person in charge of corporate governance (concurrently the Secretary of the Board of Directors) as follows:**

**6.1. Remuneration:**

| No. | Title   | Remuneration (VND/month) |
|-----|---|--------------------------|
| 1   | Chairman of Board of Directors  | 15.000.000               |
| 2   | Members of the Board of Directors   | 10.000.000               |
| 3   | Head of the Board of Supervisors  | 10.000.000               |
| 4   | Member of the Board of Supervisors  | 5.000.000                |
| 5   | Person in charge of corporate governance (concurrently Secretary of the Board of Directors) | 5.000.000                |

The remuneration of the Board of Directors, Supervisory Board, and Secretary in 2025 is expected to be paid in two installments, in the first six months and the last six months of the year.

**6.2. Bonus:**

In case of exceeding the profit plan (after tax), the Board of Directors will submit to the General Meeting of Shareholders for consideration of bonuses for the Board of Directors, Board of Supervisors, and Secretary.

**Article 8: Approval of the Proposal on Changing to the management organizational structure; addition of business lines and sectors; amendments and supplements to the Charter, Internal Governance Regulations, and the Board of Directors' Operating Rules of the Company.**

8.1. To change the management model of Lam Dong Pharmaceutical Joint Stock Company (Ladophar) from Point a to Point b, Clause 1, Article 137 of the Law on Enterprises 2020. The management structure after the change shall be as follows:

- General Meeting of Shareholders;
- Board of Directors and the Audit Committee under the Board of Directors; and
- General Director.

8.2. Pursuant to the change in the management structure as stated in Clause 8.1, Article 8 of this Resolution, the Board of Supervisors shall cease its operations, and the current members of the Board of Supervisors will no longer hold their respective positions.

8.3. To amend and supplement the Company's Charter, internal corporate governance regulations, and the Board of Directors' operational regulations accordingly.

*Details are provided in Proposal No.13/TTr-DHTN/2025 dated March 28, 2025, of the Board of Directors attached to this Resolution.*

**Article 9: Approval of the Proposal on the investment policy for the radio pharmaceutical production plant construction project in Da Lat.**

*Details are provided in Proposal No. 14/TTr-DHTN/2025 dated March 28, 2025, of the Board of Directors attached to this Resolution.*

**Article 10: Approval of the Proposal on the investment policy for research on the application**

**of biotechnology in medicinal herbs.**

*Details are provided in Proposal No. 15/TTr-DHTN/2025 dated March 28, 2025, of the Board of Directors attached to this Resolution.*

**Article 11: Approval of the Proposal on the investment policy for the project to build a medicinal herb extraction workshop using supercritical CO2 technology.**

*Details are provided in Proposal No.16/TTr-DHTN/2025 dated March 28, 2025, of the Board of Directors attached to this Resolution.*

**Article 12: Approval of the report on the results of implementing the tasks assigned/authorized by the Annual General Meeting of Shareholders 2024 and approval for the continued implementation of the share issuance plans.**

*Details are provided in Proposal No.17/TTr-DHTN/2025 dated March 28, 2025, of the Board of Directors attached to this Resolution.*

**Article 13: Approval of the cancellation of the Private Share Offering plan previously approved at the 2024 Annual General Meeting of Shareholders.**

*Details are provided in Proposal No. 18/TTr-DHTN/2025 dated March 28, 2025, from the Board of Directors, which is attached to this Resolution.*

**Article 14: : Approval of the Private Share Offering Plan for Professional stock investor.**

*Details are provided in Proposal No. 18./TTr-DHTN/2025 dated March 28, 2025, of the Board of Directors attached to this Resolution*

**Article 15: The Implementation Clauses**

- The Resolution of the Annual General Meeting of Shareholders 2025 of Lam Dong Pharmaceutical Joint Stock Company (Ladophar) was unanimously approved before all shareholders/authorized shareholder representatives attending the Meeting and is effective from April...., 2025.
- Members of the Board of Directors, Board of Supervisors, Board of General Directors, and departments and units directly under Lam Dong Pharmaceutical Joint Stock Company (Ladophar) are responsible for implementing this Resolution in accordance with the provisions of the Law and the Company's Charter.

**Recipients:**

- Shareholders of Lam Dong Pharmaceutical Joint Stock Company;
- *Members of the BOD, BOS;*
- *SSC, Hanoi Stock Exchange;*
- *Archived: BOD Office.*

**ON BEHALF OF THE GENERAL MEETING  
OF SHAREHOLDERS  
CHAIRPERSON OF THE MEETING**

**PHAM TRUNG KIEN**

**CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED 31 DECEMBER 2024**

**LAM DONG PHARMACEUTICAL  
JOINT STOCK COMPANY**



## **CONTENTS**

|   | <b>Page</b>    |
|---|----------------|
| <b>1. Contents</b>  | <b>1</b>       |
| <b>2. Statement of the Board of Directors</b>   | <b>2 - 4</b>   |
| <b>3. Independent auditor's report</b>  | <b>5 - 6</b>   |
| <b>4. Consolidated balance sheet as of 31 December 2024</b>   | <b>7 - 10</b>  |
| <b>5. Consolidated income statement<br/>for the fiscal year ended 31 December 2024</b>                  | <b>11</b>      |
| <b>6. Consolidated cash flow statement<br/>for the fiscal year ended 31 December 2024</b>               | <b>12 - 13</b> |
| <b>7. Notes to the consolidated financial statements<br/>for the fiscal year ended 31 December 2024</b> | <b>14 - 40</b> |
| <b>8. Appendix</b>  | <b>41 - 42</b> |

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## **STATEMENT OF THE BOARD OF DIRECTORS**

The Board of Directors of Lam Dong Pharmaceutical Joint Stock Company (Ladophar) (hereinafter referred to as “the Company”) presents this statement together with the Consolidated Financial Statements for the fiscal year ended 31 December 2024, including the Financial Statements of the Company and those of its subsidiaries (hereinafter collectively referred to as “the Group”).

### **Business highlights**

Lam Dong Pharmaceutical Joint Stock Company (Ladophar) has been operating in accordance with the Business Registration Certificate No. 5800000047, registered for the 1<sup>st</sup> time on 04 January 2000 and amended for the 31<sup>st</sup> time on 22 December 2023, granted by the Department of Planning and Investment of Lam Dong Province.

The Company’s shares have been listed on Hanoi Stock Exchange (HNX) under the stock code of LDP according to the Decision No. 604/TB-SGDCKHN dated 29 June 2010 of Hanoi Stock Exchange (HNX).

### **Head office**

- Address : No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam.
- Tel. : 026 33 817 937

The Company’s has following affiliates: 3 extra-provincial branches and other branches and business locations in Lam Dong Province:

| Affiliates  | Address  |
|---|--|
| Southern Branch - Lam Dong Pharmaceutical Joint Stock Company (Ladophar)                | B8 Commercial Building No. 319 Ly Thuong Kiet Street, Ward 15, District 11, Ho Chi Minh City |
| Northern Branch - Lam Dong Pharmaceutical Joint Stock Company (Ladophar) <sup>(i)</sup> | No. 77 Nguyen Cong Hoan Street, Ngoc Khanh Ward, Ba Dinh District, Hanoi City                |
| Western Branch - Lam Dong Pharmaceutical Joint Stock Company (Ladophar) <sup>(ii)</sup> | 6-7 B4 Trinh Van An Street, Dong Xuyen Ward, Long Xuyen City, An Giang Province              |
| Other branches and business locations in Lam Dong Province                              |  |

- (i) Northern Branch - Lam Dong Pharmaceutical Joint Stock Company (Ladophar) has temporarily ceased its operations from 01 January 2023 to 30 June 2024 according to the Confirmation dated 16 January 2024 and resumed its operations according to the 9<sup>th</sup> amended Branch Operation Registration Certificate dated 11 October 2024, granted by Hanoi City Department of Planning and Investment.
- (ii) Western Branch - Lam Dong Pharmaceutical Joint Stock Company (Ladophar) has temporarily ceased its operations from 14 March 2024 to 04 September 2024 according to the Confirmation No. 2511/GXN-ĐKKD dated 12 March 2024 of the Department of Planning and Investment of Can Tho City. This Branch has resumed its operations according to the 1<sup>st</sup> amended Branch Operation Registration Certificate dated 04 December 2024, granted by the Department of Planning and Investment of An Giang Province.

The Company’s principal business activities are to produce oriental pharmaceuticals; trade medicines, pharmaceutical materials, medical equipment; export and import medicines and pharmaceutical materials.

### **Board of Management, Supervisory Board and Executive Board**

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



**LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY****STATEMENT OF THE BOARD OF DIRECTORS (cont.)*****The Board of Management***

| Full name                 | Position           | Appointing/resigning/re-appointing date |
|---------------------------|--------------------|---|
| Mr. Pham Trung Kien       | Chairman           | Re-appointed on 20 December 2023        |
| Mr. Le Tien Thinh         | Member             | Appointed on 21 March 2023              |
|                           |                    | Re-appointed on 20 December 2023        |
| Mr. Le Xuan Thanh         | Independent Member | Appointed on 20 December 2023           |
| Mr. Nguyen Ho Hung        | Member             | Resigned on 10 April 2024               |
| Mr. Vo Qui Lam            | Member             | Resigned on 10 April 2024               |
| Ms. Nguyen Thi Hong Giang | Member             | Appointed on 10 April 2024              |
| Ms. Dang Thuy Linh        | Member             | Appointed on 10 April 2024              |

***The Supervisory Board***

| Full name                | Position          | Appointing date               |
|--------------------------|-------------------|-------------------------------|
| Ms. Dao Thi Nga          | Head of the Board | Appointed on 20 December 2023 |
| Mr. Vo Kim Nguyen        | Member            | Appointed on 20 December 2023 |
| Ms. Nguyen Thi Quynh Nga | Member            | Appointed on 20 December 2023 |

***The Board of Directors***

| Full name         | Position                | Appointing date               |
|-------------------|-------------------------|-------------------------------|
| Mr. Le Tien Thinh | General Director        | Appointed on 20 December 2023 |
| Mr. Ngo Van Tri   | Deputy General Director | Appointed on 21 December 2021 |

**Legal representative**

The Company's legal representatives during the year and as at the date of this statement are as follows:

| Full name           | Position         | Appointing date               |
|---------------------|------------------|-------------------------------|
| Mr. Pham Trung Kien | Chairman         | Appointed on 20 December 2023 |
| Mr. Le Tien Thinh   | General Director | Appointed on 20 December 2023 |

**Auditors**

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

**Responsibilities of the Board of Directors**

The Board of Directors of the Company is responsible for the preparation of the Consolidated Financial Statements to give a true and fair view of the consolidated financial position, the consolidated financial performance and the consolidated cash flows of the Group during the year. In order to prepare these Consolidated 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 Group are followed or not, and all the material differences from these standards are disclosed and explained in the Consolidated Financial Statements;
- prepare the Consolidated Financial Statements of the Group 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 Group have been fully recorded and can fairly reflect the financial position of the Group 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 Group'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 Consolidated Financial Statements.

**LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY**  
**STATEMENT OF THE BOARD OF DIRECTORS (cont.)**

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**Approval of the Financial Statements**

The Board of Directors hereby approves the accompanying Consolidated Financial Statements, which give a true and fair view of the consolidated financial position as at 31 December 2024 of the Group, its consolidated financial performance and its consolidated 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 Consolidated Financial Statements.

For and on behalf of the Board of Directors,



**Le Tien Thinh**  
**General Director**

Date: 22 March 2025



No. 1.0512/25/TC-AC

## INDEPENDENT AUDITOR'S REPORT

**To: THE SHAREHOLDERS, THE BOARD OF MANAGEMENT AND THE BOARD OF DIRECTORS  
LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY (LADOPHAR)**

We have audited the accompanying Consolidated Financial Statements of Lam Dong Pharmaceutical Joint Stock Company (Ladophar) (hereinafter referred to as "the Company") and its subsidiaries (hereinafter collectively referred to as "the Group"), which were prepared on 22 March 2025 (from page 07 to page 42), including the Consolidated Balance Sheet as at 31 December 2024, the Consolidated Income Statement, the Consolidated Cash Flow Statement for the fiscal year then ended and the Notes to the Consolidated Financial Statements.

### Responsibility of the Board of Directors

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

### Responsibility of Auditors

Our responsibility is to express an opinion on these Consolidated 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 Consolidated Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Consolidated Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Group's preparation and true and fair presentation of the Consolidated 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 Group's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors, as well as evaluating the overall presentation of the Consolidated Financial Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

### Basis for qualified audit opinion

As of 31 December 2024, the Group has a receivable amount of VND 50.050.000.000 from Bao Thu Industrial Development and Investment Joint Stock Company (hereinafter referred to as "Bao Thu Company") (see Note No. V.4 in the Notes to the Consolidated Financial Statements). This is the amount that the Group made investment under the Entrustment Contract on development consultancy on Nguyen Kim Da Lat Shopping Center Project and the two contracts on leasing land use right at Thang Hai 1 Industrial Cluster signed between the Group and Bao Thu Company. However, after more than 2 years since the Group transferred the investment amount, both projects could not be implemented and Bao Thu Company has not yet returned the above investment amount to the Group. On 18 February 2025 and 03 March 2025, the People's Court of La Gi Town, Binh Thuan Province issued the Judgments No. 01/2025/KDTM-ST and No. 02/2025/KDTM-ST, requesting Bao Thu Company to return the total amount of VND 32.500.000.000 to the Group. However, with the available documents and information, we do not have enough basis to assess the recoverability and losses (if any) of this balance.



### Qualified opinion of Auditors

In our opinion, except for the effects of the matters described in the “Basis for qualified audit opinion” paragraph, the Consolidated Financial Statements give a true and fair view, in all material respects, of the consolidated financial position as of 31 December 2024 of the Group, its consolidated financial performance and its consolidated 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 Consolidated Financial Statements.

For and on behalf of  
A&C Auditing and Consulting Co., Ltd.



**Hoang Thai Vuong**  
**Partner**

*Audit Practice Registration Certificate No. 2129-2023-008-1*  
**Authorized Signatory**



**Phan Vu Cong Ba**  
**Auditor**

*Audit Practice Registration Certificate No. 0197-2023-008-1*

Ho Chi Minh City, 22 March 2025

**LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY**

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

**CONSOLIDATED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**CONSOLIDATED BALANCE SHEET**

As at 31 December 2024

Unit: VND

| ITEMS   | Code       | Note       | Ending balance         | Beginning balance      |
|---|------------|------------|------------------------|------------------------|
| <b>A - CURRENT ASSETS</b>   | <b>100</b> |            | <b>156.732.832.822</b> | <b>139.992.656.837</b> |
| <b>I. Cash and cash equivalents</b>                               | <b>110</b> | <b>V.1</b> | <b>11.451.460.827</b>  | <b>16.204.906.948</b>  |
| 1. Cash   | 111        |            | 4.451.460.827          | 7.204.906.948          |
| 2. Cash equivalents   | 112        |            | 7.000.000.000          | 9.000.000.000          |
| <b>II. Short-term financial investments</b>                       | <b>120</b> |            | <b>4.692.324.000</b>   | <b>3.121.184.000</b>   |
| 1. Trading securities   | 121        | V.2a       | 8.132.580.000          | 6.101.680.000          |
| 2. Provisions for devaluation of trading securities               | 122        | V.2a       | (5.440.256.000)        | (4.980.496.000)        |
| 3. Held-to-maturity investments                                   | 123        | V.2b       | 2.000.000.000          | 2.000.000.000          |
| <b>III. Short-term receivables</b>                                | <b>130</b> |            | <b>89.103.640.638</b>  | <b>82.246.942.927</b>  |
| 1. Short-term trade receivables                                   | 131        | V.3        | 35.456.284.741         | 27.859.116.481         |
| 2. Short-term prepayments to suppliers                            | 132        | V.4        | 51.826.302.557         | 50.273.152.766         |
| 3. Short-term inter-company receivables                           | 133        |            | -                      | -                      |
| 4. Receivables according to the progress of construction contract | 134        |            | -                      | -                      |
| 5. Receivables for short-term loans                               | 135        | V.5        | 8.000.333.300          | 8.000.333.300          |
| 6. Other short-term receivables                                   | 136        | V.6a       | 2.359.994.427          | 2.768.206.408          |
| 7. Allowance for short-term doubtful debts                        | 137        | V.7        | (8.539.274.387)        | (6.653.866.028)        |
| 8. Deficit assets for treatment                                   | 139        |            | -                      | -                      |
| <b>IV. Inventories</b>  | <b>140</b> |            | <b>48.962.000.419</b>  | <b>37.751.221.722</b>  |
| 1. Inventories  | 141        | V.8        | 48.962.000.419         | 37.751.221.722         |
| 2. Allowance for devaluation of inventories                       | 149        |            | -                      | -                      |
| <b>V. Other current assets</b>                                    | <b>150</b> |            | <b>2.523.406.938</b>   | <b>668.401.240</b>     |
| 1. Short-term prepaid expenses                                    | 151        | V.9a       | 2.075.828.721          | 220.823.023            |
| 2. Deductible VAT   | 152        |            | -                      | -                      |
| 3. Taxes and other receivables from the State                     | 153        | V.17       | 447.578.217            | 447.578.217            |
| 4. Trading Government bonds                                       | 154        |            | -                      | -                      |
| 5. Other current assets   | 155        |            | -                      | -                      |



**LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY**

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

**CONSOLIDATED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**Consolidated Balance Sheet (cont.)**

| ITEMS  | Code       | Note        | Ending balance         | Beginning balance      |
|--|------------|-------------|------------------------|------------------------|
| <b>B- NON-CURRENT ASSETS</b>                                     | <b>200</b> |             | <b>50.424.285.919</b>  | <b>54.779.935.447</b>  |
| <b>I. Long-term receivables</b>                                  | <b>210</b> |             | <b>162.400.000</b>     | -                      |
| 1. Long-term trade receivables                                   | 211        |             | -                      | -                      |
| 2. Long-term prepayments to suppliers                            | 212        |             | -                      | -                      |
| 3. Working capital in affiliates                                 | 213        |             | -                      | -                      |
| 4. Long-term inter-company receivables                           | 214        |             | -                      | -                      |
| 5. Receivables for long-term loans                               | 215        |             | -                      | -                      |
| 6. Other long-term receivables                                   | 216        | V.6b        | 162.400.000            | -                      |
| 7. Allowance for long-term doubtful debts                        | 219        |             | -                      | -                      |
| <b>II. Fixed assets</b>  | <b>220</b> |             | <b>39.773.409.103</b>  | <b>46.558.515.051</b>  |
| 1. Tangible fixed assets   | 221        | V.10        | 39.704.811.854         | 46.329.044.488         |
| - Historical cost  | 222        |             | 124.320.268.122        | 125.073.639.053        |
| - Accumulated depreciation                                       | 223        |             | (84.615.456.268)       | (78.744.594.565)       |
| 2. Financial leased assets                                       | 224        |             | -                      | -                      |
| - Historical cost  | 225        |             | -                      | -                      |
| - Accumulated depreciation                                       | 226        |             | -                      | -                      |
| 3. Intangible fixed assets                                       | 227        | V.11        | 68.597.249             | 229.470.563            |
| - Initial cost   | 228        |             | 2.198.133.777          | 2.208.153.777          |
| - Accumulated amortization                                       | 229        |             | (2.129.536.528)        | (1.978.683.214)        |
| <b>III. Investment property</b>                                  | <b>230</b> | <b>V.12</b> | <b>2.270.906.487</b>   | <b>2.370.089.871</b>   |
| - Historical costs   | 231        |             | 4.170.339.679          | 3.821.604.177          |
| - Accumulated depreciation                                       | 232        |             | (1.899.433.192)        | (1.451.514.306)        |
| <b>IV. Long-term assets in process</b>                           | <b>240</b> |             | <b>2.850.681.000</b>   | -                      |
| 1. Long-term work in process                                     | 241        |             | -                      | -                      |
| 2. Construction-in-progress                                      | 242        | V.13        | 2.850.681.000          | -                      |
| <b>V. Long-term financial investments</b>                        | <b>250</b> |             | -                      | -                      |
| 1. Investments in subsidiaries                                   | 251        |             | -                      | -                      |
| 2. Investments in joint ventures and associates                  | 252        |             | -                      | -                      |
| 3. Investments in other entities                                 | 253        |             | -                      | -                      |
| 4. Provisions for devaluation of long-term financial investments | 254        |             | -                      | -                      |
| 5. Held-to-maturity investments                                  | 255        |             | -                      | -                      |
| <b>VI. Other non-current assets</b>                              | <b>260</b> |             | <b>5.366.889.329</b>   | <b>5.851.330.525</b>   |
| 1. Long-term prepaid expenses                                    | 261        | V.9b        | 5.366.889.329          | 5.851.330.525          |
| 2. Deferred income tax assets                                    | 262        | V.14        | -                      | -                      |
| 3. Long-term components and spare parts                          | 263        |             | -                      | -                      |
| 4. Other non-current assets                                      | 268        |             | -                      | -                      |
| 5. Goodwill  | 269        |             | -                      | -                      |
| <b>TOTAL ASSETS</b>  | <b>270</b> |             | <b>207.157.118.741</b> | <b>194.772.592.284</b> |

**LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY**

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

**CONSOLIDATED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**Consolidated Balance Sheet (cont.)**

| ITEMS   | Code       | Note  | Ending balance         | Beginning balance      |
|---|------------|-------|------------------------|------------------------|
| <b>C - LIABILITIES</b>  | <b>300</b> |       | <b>107.872.622.506</b> | <b>102.407.049.050</b> |
| <b>I. Current liabilities</b>                                   | <b>310</b> |       | <b>106.102.892.506</b> | <b>100.687.319.050</b> |
| 1. Short-term trade payables                                    | 311        | V.15  | 31.544.895.647         | 23.549.023.169         |
| 2. Short-term advances from customers                           | 312        | V.16  | 733.950.194            | 945.667.536            |
| 3. Taxes and other obligations to the State Budget              | 313        | V.17  | 990.363.739            | 562.224.459            |
| 4. Payables to employees  | 314        | V.18  | 7.536.730.224          | 3.577.839.287          |
| 5. Short-term accrued expenses                                  | 315        | V.19  | 7.683.875.760          | 3.632.217.403          |
| 6. Short-term inter-company payables                            | 316        |       | -                      | -                      |
| 7. Payables according to the progress of construction contracts | 317        |       | -                      | -                      |
| 8. Short-term unearned revenue                                  | 318        | V.20  | 134.181.820            | -                      |
| 9. Other short-term payables                                    | 319        | V.21a | 1.938.596.095          | 1.335.986.332          |
| 10. Short-term borrowings and financial leases                  | 320        | V.22  | 55.026.209.724         | 65.960.116.553         |
| 11. Provisions for short-term payables                          | 321        |       | -                      | -                      |
| 12. Bonus and welfare funds                                     | 322        | V.23  | 514.089.303            | 1.124.244.311          |
| 13. Price stabilization fund                                    | 323        |       | -                      | -                      |
| 14. Trading Government bonds                                    | 324        |       | -                      | -                      |
| <b>II. Non-current liabilities</b>                              | <b>330</b> |       | <b>1.769.730.000</b>   | <b>1.719.730.000</b>   |
| 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        | V.21b | 1.769.730.000          | 1.719.730.000          |
| 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        |       | -                      | -                      |

**LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY**

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

**CONSOLIDATED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**Consolidated Balance Sheet (cont.)**

| ITEMS   | Code       | Note | Ending balance         | Beginning balance      |
|---|------------|------|------------------------|------------------------|
| <b>D - OWNER'S EQUITY</b>                                       | <b>400</b> |      | <b>99.284.496.235</b>  | <b>92.365.543.234</b>  |
| <b>I. Owner's equity</b>  | <b>410</b> |      | <b>99.284.496.235</b>  | <b>92.365.543.234</b>  |
| 1. Owner's capital  | 411        | V.24 | 127.031.670.000        | 127.031.670.000        |
| - Ordinary shares carrying voting rights                        | 411a       |      | 127.031.670.000        | 127.031.670.000        |
| - Preferred shares  | 411b       |      | -                      | -                      |
| 2. Share premiums   | 412        |      | -                      | -                      |
| 3. Bond conversion options                                      | 413        |      | -                      | -                      |
| 4. Other sources of capital                                     | 414        |      | -                      | -                      |
| 5. Treasury stocks  | 415        | V.24 | (320.000)              | (320.000)              |
| 6. Differences on asset revaluation                             | 416        |      | -                      | -                      |
| 7. Foreign exchange differences                                 | 417        |      | -                      | -                      |
| 8. Investment and development fund                              | 418        | V.24 | 24.348.384.362         | 24.348.384.362         |
| 9. Business arrangement supporting fund                         | 419        |      | -                      | -                      |
| 10. Other funds   | 420        |      | -                      | -                      |
| 11. Retained losses   | 421        | V.24 | (52.095.238.127)       | (59.014.191.128)       |
| - Retained losses accumulated to the end of the previous period | 421a       |      | (59.014.191.128)       | (59.014.191.128)       |
| - Retained earnings of the current period                       | 421b       |      | 6.918.953.001          | -                      |
| 12. Construction investment fund                                | 422        |      | -                      | -                      |
| 13. Benefits of non-controlling shareholders                    | 429        |      | -                      | -                      |
| <b>II. Other sources and funds</b>                              | <b>430</b> |      | <b>-</b>               | <b>-</b>               |
| 1. Sources of expenditure                                       | 431        |      | -                      | -                      |
| 2. Fund to form fixed assets                                    | 432        |      | -                      | -                      |
| <b>TOTAL LIABILITIES AND OWNER'S EQUITY</b>                     | <b>440</b> |      | <b>207.157.118.741</b> | <b>194.772.592.284</b> |



**Truong Thi Ngoc Hien**  
Chief Accountant/Preparer



Lam Dong, 22 March 2025

**Le Tien Thinh**  
General Director



**LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY**

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

**CONSOLIDATED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**CONSOLIDATED 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   | VL.1  | 218.430.916.713 | 186.308.476.729  |
| 2. Revenue deductions                                     | 02   | VL.2  | 473.159.410     | 307.760.265      |
| 3. Net revenue  | 10   |       | 217.957.757.303 | 186.000.716.464  |
| 4. Cost of sales  | 11   | VL.3  | 153.567.357.354 | 148.835.019.074  |
| 5. Gross profit   | 20   |       | 64.390.399.949  | 37.165.697.390   |
| 6. Financial income                                       | 21   | VL.4  | 331.278.579     | 846.132.157      |
| 7. Financial expenses                                     | 22   | VL.5  | 7.040.737.944   | 7.664.322.348    |
| In which: Loan interest expenses                          | 23   |       | 4.978.613.417   | 7.026.592.246    |
| 8. Gain or loss in joint ventures, associates             | 24   |       | -               | -                |
| 9. Selling expenses                                       | 25   | VL.6  | 30.928.157.490  | 29.943.047.377   |
| 10. General and administration expenses                   | 26   | VL.7  | 20.182.106.170  | 19.569.325.820   |
| 11. Net operating profit/(loss)                           | 30   |       | 6.570.676.924   | (19.164.865.998) |
| 12. Other income  | 31   | VL.8  | 583.253.468     | 251.032.039      |
| 13. Other expenses  | 32   | VL.9  | 234.977.391     | 1.191.036.114    |
| 14. Other profit/(loss)                                   | 40   |       | 348.276.077     | (940.004.075)    |
| 15. Total accounting profit/(loss) before tax             | 50   |       | 6.918.953.001   | (20.104.870.073) |
| 16. Current income tax                                    | 51   | V.17  | -               | -                |
| 17. Deferred income tax                                   | 52   |       | -               | -                |
| 18. Profit/(loss) after tax                               | 60   |       | 6.918.953.001   | (20.104.870.073) |
| 19. Profit/(loss) after tax of the Parent Company         | 61   |       | 6.918.953.001   | (20.104.870.073) |
| 20. Profit after tax of non-controlling shareholders      | 62   |       | -               | -                |
| 21. Basic earnings per share                              | 70   | VL.10 | 545             | (1.583)          |
| 22. Diluted earnings per share                            | 71   | VL.10 | 545             | (1.583)          |



Trương Thị Ngọc Hiền  
Chief Accountant/Preparer



Lam Dong, 22 March 2025

Le Tien Thinh  
General Director

**LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY**

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

**CONSOLIDATED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**CONSOLIDATED CASH FLOW STATEMENT**

(Indirect method)

For the fiscal year ended 31 December 2024

Unit: VND

| ITEMS   | Code      | Note             | Current year           | Previous year          |
|---|-----------|------------------|------------------------|------------------------|
| <b>I. Cash flows from operating activities</b>                                    |           |                  |                        |                        |
| 1. Profit/(loss) before tax   | 01        |                  | 6.918.953.001          | (20.104.870.073)       |
| 2. Adjustments  |           |                  |                        |                        |
| - Depreciation/Amortization of fixed assets and investment properties             | 02        | V.10, V.11, V.12 | 6.964.078.221          | 8.237.159.694          |
| - Provisions and allowances   | 03        | V.2a, V.7        | 2.345.168.359          | 4.641.651.603          |
| - Exchange gain/(loss) due to revaluation of monetary items in foreign currencies | 04        |                  | -                      | -                      |
| - Gain/(loss) from investing activities   | 05        | VI.4, VI.8       | (345.184.666)          | 140.986.025            |
| - Interest expenses   | 06        | VI.5             | 4.978.613.417          | 7.026.592.246          |
| - Others  | 07        |                  | -                      | 690.200.000            |
| 3. Operating profit before changes of working capital                             | 08        |                  | 20.861.628.332         | 631.719.495            |
| - Increase/(decrease) of receivables  | 09        |                  | (8.904.506.070)        | (2.572.400.690)        |
| - Increase/(decrease) of inventories  | 10        |                  | (11.210.778.697)       | 18.201.146.248         |
| - Increase/(decrease) of payables   | 11        |                  | 13.960.417.900         | (9.415.232.283)        |
| - Increase/(decrease) of prepaid expenses   | 12        |                  | (1.370.564.502)        | 5.355.022.779          |
| - Increase/(decrease) of trading securities                                       | 13        | V.2a             | (2.030.900.000)        | 31.500.000             |
| - Interests paid  | 14        | V.19, VI.5       | (1.929.396.024)        | (5.413.382.105)        |
| - Corporate income tax paid   | 15        |                  | -                      | -                      |
| - Other cash inflows  | 16        |                  | -                      | -                      |
| - Other cash outflows   | 17        | V.23             | (610.155.008)          | (782.378.384)          |
| <b>Net cash flows from operating activities</b>                                   | <b>20</b> |                  | <b>8.765.745.931</b>   | <b>6.035.995.060</b>   |
| <b>II. Cash flows from investing activities</b>                                   |           |                  |                        |                        |
| 1. Purchases and construction of fixed assets and other non-current assets        | 21        | V.13             | (2.930.469.889)        | (59.054.050)           |
| 2. Proceeds from disposals of fixed assets and other non-current assets           | 22        | V.10, VI.8       | 63.636.364             | -                      |
| 3. Cash outflow for lending, buying debt instruments of other entities            | 23        |                  | -                      | (2.000.000.000)        |
| 4. Cash recovered from lending, selling debt instruments of other entities        | 24        |                  | -                      | -                      |
| 5. Investments in other entities  | 25        |                  | -                      | -                      |
| 6. Withdrawals of investments in other entities                                   | 26        |                  | -                      | -                      |
| 7. Interest earned, dividends and profits received                                | 27        | VI.4             | 281.548.302            | 538.641.616            |
| <b>Net cash flows from investing activities</b>                                   | <b>30</b> |                  | <b>(2.585.285.223)</b> | <b>(1.520.412.434)</b> |

**LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY**

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

**CONSOLIDATED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**Consolidated Cash Flow Statement (cont.)**

| ITEMS  | Code      | Note       | Current year                   | Previous year                 |
|--|-----------|------------|--------------------------------|-------------------------------|
| <b>III. Cash flows from financing activities</b>                                 |           |            |                                |                               |
| 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.22       | 118.841.525.996                | 117.631.774.534               |
| 4. Repayment for loan principal  | 34        | V.22       | (129.775.432.825)              | (122.561.006.247)             |
| 5. Payments for financial leased assets  | 35        |            | -                              | -                             |
| 6. Dividends and profit paid to the owners                                       | 36        |            | -                              | -                             |
| <i>Net cash flows from financing activities</i>                                  | <b>40</b> |            | <u><b>(10.933.906.829)</b></u> | <u><b>(4.929.231.713)</b></u> |
| <b>Net cash flows during the year</b>  | <b>50</b> |            | <b>(4.753.446.121)</b>         | <b>(413.649.087)</b>          |
| <b>Beginning cash and cash equivalents</b>                                       | <b>60</b> | <b>V.1</b> | <b>16.204.906.948</b>          | <b>16.618.556.035</b>         |
| Effects of fluctuations in foreign exchange rates                                | 61        |            | -                              | -                             |
| <b>Ending cash and cash equivalents</b>  | <b>70</b> | <b>V.1</b> | <u><b>11.451.460.827</b></u>   | <u><b>16.204.906.948</b></u>  |



**Trương Thị Ngọc Hiền**  
Chief Accountant/Preparer



Lam Dong, 22 March 2025

**Le Tien Thinh**  
General Director



# **LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY (LADOPHAR)**

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

## **CONSOLIDATED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

### **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**For the fiscal year ended 31 December 2024**

#### **I. GENERAL INFORMATION**

##### **1. Ownership form**

Lam Dong Pharmaceutical Joint Stock Company (Ladophar) (hereinafter referred to as "the Company" or "the Parent Company") is a joint stock company.

##### **2. Operating field**

Operating fields of the Company are manufacturing and trading.

##### **3. Principal business activities**

The Company's principal business activities are to produce oriental pharmaceuticals; trade medicines, pharmaceutical materials, medical equipment; export and import medicines and pharmaceutical materials.

##### **4. Normal operating cycle**

The Company's normal operating cycle is within 12 months.

##### **5. Effects of the Company's operation during the year on the Financial Statements**

The revenue in the current year increased significantly against that in the previous year, mainly attributable to the growth in the revenue from manufacturing activity. Apart from the economic recovery, other factors such as proactive marketing and communication promotion also contributed to increase in revenue from sales in all channels, especially sales network, sales channels on e-commerce platforms, etc. Along with the insignificant fluctuations in operating costs, the Company earned profit in the current year.

##### **6. Structure of the Group**

The Group includes the Parent Company and 1 subsidiary under the control of the Parent Company. The subsidiary is consolidated in these Consolidated Financial Statements.

##### *List of subsidiary to be consolidated*

The Group only invests in its subsidiary which is Ladophar Herbal Beverage One-Member Company Limited located at No. 18 Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province with the benefit rate and voting rate of 100%. The principal business activity of this subsidiary is to produce non-alcoholic beverages, mineral water.

##### **7. Statement of information comparability on the Consolidated Financial Statements**

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

##### **8. Headcount**

As at the balance sheet date, the Group's headcount is 247 (headcount at the beginning of the year: 213).

#### **II. FISCAL YEAR AND ACCOUNTING CURRENCY**

##### **1. Fiscal year**

The Group's fiscal year is from 01 January to 31 December annually.

##### **2. Accounting currency unit**

The accounting currency unit is Vietnamese Dong (VND) because transactions of the Group are primarily made in VND.



# **LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY (LADOPHAR)**

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

## **CONSOLIDATED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

### **Notes to the Consolidated Financial Statements (cont.)**

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#### **III. ACCOUNTING STANDARDS AND SYSTEM**

##### **1. Accounting System**

The Group 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 guiding the Vietnamese Enterprise Accounting System, the Circular No. 53/2016/TT-BTC dated 21 March 2016, the Circular No. 202/2014/TT-BTC dated 22 December 2014 in preparation and presentation of the Consolidated Financial Statements as well as other Circulars guiding the implementation of the Accounting Standards of the Ministry of Finance in the preparation and presentation of the Consolidated 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, the Circular No. 202/2014/TT-BTC dated 22 December 2014 as well as other Circulars guiding the implementation of the Accounting Standards of the Ministry of Finance in the preparation and presentation of the Consolidated Financial Statements.

#### **IV. ACCOUNTING POLICIES**

##### **1. Accounting convention**

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

##### **2. Consolidation bases**

The Consolidated Financial Statements include the Financial Statements of the Parent Company and those of its subsidiaries. A subsidiary is an enterprise that is controlled by the Parent Company. The control exists when the Parent Company has the power to directly or indirectly govern the financial and operating policies of the subsidiary to obtain economic benefits from its activities. In determining the control power, the potential voting right arising from options or debt and capital instruments that can be converted into common shares as of the balance sheet date should also be taken into consideration.

The financial performance of the subsidiaries, which are acquired or disposed during the year, are included in the Consolidated Income Statement from the date of acquisition or disposal of investments in these subsidiaries.

The Financial Statements of the Parent Company and those of subsidiaries used for consolidation are prepared in the same fiscal year and apply consistently accounting policies to the same types of transactions and events in similar circumstances. In the case that the accounting policy of a subsidiary is different from the accounting policy applied consistently in the Group, the Financial Statements of that subsidiary will be properly adjusted before being used for the preparation of the Consolidated Financial Statements.

Intra-group balances in the Balance Sheet and intra-group transactions and unrealized profits resulting from these transactions must be completely eliminated. Unrealized losses resulting from intra-group transactions are also eliminated unless costs cannot be recovered.

##### **3. Foreign currency transactions**

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



## LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY (LADOPHAR)

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

### CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

#### Notes to the Consolidated Financial Statements (cont.)

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 Group and the Bank.
- For capital contribution made or received: the buying rate of the bank where the Group opens its account to receive capital contributed from investors as at the date of capital contribution.
- For receivables: the buying rate ruling as at the time of transaction of the commercial bank where the Group designates the customers to make payments.
- For payables: the selling rate ruling as at the time of transaction of the commercial bank where the Group 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 Group makes payments.

The exchange rate used to re-evaluate the ending balances of monetary items in foreign currencies (only bank deposits) is the buying rate of the bank where the Group opens its foreign currency account.

#### 4. Cash and cash equivalents

Cash includes cash on hand and demand deposits. Cash equivalents are short-term investments of which the due dates do not exceed 3 months from the dates of the investments that are readily convertible into known amounts of cash and that are subject to an insignificant risk of change in value as of the balance sheet date.

#### 5. Financial investments

##### *Trading securities*

Investments classified as trading securities are those held by the Group for the trading purpose with the aim of making profit.

Trading securities are recognized at original costs which include fair value of the payments made at the time of the transaction plus other costs attributable to transaction costs.

The time of recognizing trading securities is when the Group acquires the ownership, as follows:

- For listed securities: recognized at the time of order-matching (T+0).
- For unlisted securities: recognized at the time of acquiring official ownership as stipulated by law.

Dividends the periods prior to the acquisition of trading securities are deducted to the cost of such securities. Dividends of the periods after the acquisition of such securities are recorded in the Group's financial income. Particularly, the dividends paid in form of shares are not recorded as an increase in value, but the increasing quantity of shares is followed up.

Provisions for devaluation of trading securities are made for each particular type of securities in the market of which the fair value is lower than original costs. The fair value of securities listed on the stock market is the closing price at the most recent trading date by the balance sheet date.



# **LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY (LADOPHAR)**

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

## **CONSOLIDATED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

### **Notes to the Consolidated Financial Statements (cont.)**

Increases/decreases in the provisions for devaluation of trading securities as at the balance sheet date are recorded into financial expenses.

Gain or loss from transfer of trading securities is recognized into financial income or financial expenses. The costs are determined in accordance with the mobile weighted average method.

#### ***Held-to-maturity investments***

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

Held-to-maturity investments are initially recognized at cost including the purchase costs 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. Interest arising prior to the Group's acquisition of held-to-maturity investments is deducted to the costs as at the acquisition time.

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

#### **6. 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 to the following principles:

- Trade receivables reflect receivables concerning the commercial nature arising from purchase and sale transactions between the Group and customers who are independent to the Group.
- 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.

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

#### **7. Inventories**

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

Costs of inventories are 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 comprise costs of main materials, labor and other directly relevant costs.
- 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 are determined in accordance with the specific identification method and recorded in line with the perpetual 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.



# **LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY (LADOPHAR)**

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

## **CONSOLIDATED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

### **Notes to the Consolidated Financial Statements (cont.)**

Allowance for devaluation of inventories is recognized for each type of inventories when their costs are higher than their net realizable values. Increases/decreases in the obligatory allowance for devaluation of inventories as at the balance sheet date are recorded into costs of sales.

#### **8. Prepaid expenses**

Prepaid expenses comprise actual expenses incurred and relevant to financial performance in several fiscal years. Prepaid expenses of the Group mainly include expenses of tools, repair expenses, software license fees, premises rental and land rental. These prepaid expenses are allocated over the prepayment period or period in which corresponding benefits are realized.

##### ***Tools***

Expenses of tools being put into use are allocated into costs in accordance with the straight-line method for the maximum period of 3 years.

##### ***Repair expenses***

Expenses of fixed asset repairs incurred once with high value are allocated into costs in accordance with the straight-line method in 3 years.

##### ***Software license fees***

Software license fees incurred once with high value are allocated into costs in accordance with the straight-line method in 1 year.

##### ***Premises rental***

Premises rental incurred once with high value are allocated into costs in accordance with the straight-line method over the lease term of the contract.

##### ***Land rental***

Prepaid land rental reflects the rental prepaid for the land being used by the Group and is allocated into costs in accordance with the straight-line method over the lease term (i.e. 48 years).

#### **9. Operating leased assets**

A lease is classified as an operating lease if it transfers substantially all the risks and rewards incident to ownership belonging to the lessor. The lease expenses are allocated in the Group's operation costs in accordance with the straight-line method over the lease term and do not depend on the method of lease payment.

#### **10. 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 Group 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 | 03 - 30      |
| Machinery and equipment  | 04 - 20      |
| Vehicles                 | 06 - 10      |
| Office equipment         | 03 - 08      |



## **LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY (LADOPHAR)**

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

### **CONSOLIDATED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

#### **Notes to the Consolidated Financial Statements (cont.)**

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#### **11. 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 Group 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 assets.

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 Group's intangible fixed assets include:

##### ***Land use right***

Land use right includes all the actual expenses paid by the Group directly related to the land being used such as expenses to obtain the land use right, expenses for house removal, land clearance and ground leveling, registration fees, etc.

The land use right of the Group is amortized as follows:

- Land use right granted by the State with collection of land use fees: if the land use right is permanent, it is not amortized.
- Land use right legally transferred: is amortized in accordance with the straight-line method over the land granting period.

##### ***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 Group until the date the software is put into use. Computer software is amortized in accordance with the straight-line method in 5 years.

#### **12. Investment properties**

Investment property is property which is land use right, a building held by the Group or by the lessee under a finance lease to earn rentals or for capital appreciation. Investment properties for lease are measured at their historical costs less accumulated depreciation. Investment properties for capital appreciation are measured at their historical costs less impairment. Historical cost includes all the expenses paid by the Group or the fair value of other considerations given to acquire the assets up to the date of its acquisition or construction.

Expenses related to investment property arising subsequent to initial recognition should be added to the historical cost of the investment property when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing investment property, will flow to the Group.

When the investment property is sold or disposed, its historical cost and accumulated depreciation are written off, then any gain or loss arising from such disposals is included in the income or the expenses during the year.

The transfer from owner-occupied property or inventories into investment property shall be made when, and only when, there is a change in use evidenced by the end of owner-occupation and the commencement of an operating lease to another party or the end of construction. The transfer from investment property to owner-occupied property or inventories shall be made when, and only when, there is a change in use evidenced by the commencement of owner-occupation or the commencement of development with a view to sale. The transfer from investment property to owner-occupied property or inventories does not change the historical cost or net book value of investment property at the date of transfer.



**LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY (LADOPHAR)**

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

**CONSOLIDATED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**Notes to the Consolidated Financial Statements (cont.)**

Investment property for lease is depreciated in accordance with the straight-line method over their estimated useful lives. The depreciation years of the investment property are as follows:

| <u>Fixed assets</u> | <u>Years</u> |
|---------------------|--------------|
| Land use right      | 42           |
| Building            | 25           |

**13. Construction-in-progress**

Construction-in-progress reflects the expenses (including relevant loan interest expenses following the accounting policies of the Group) directly attributable to assets under construction, machinery and equipment under installation for purposes of production, leasing and management as well as the repair of fixed assets in progress. These assets are recorded at historical costs and not depreciated.

**14. Business combination and goodwill**

The business combination is accounted by applying acquisition method. The costs of business combination include the fair values as at the acquisition date of the exchanged assets, the incurred or assumed liabilities as well as the equity instruments issued by the Group in exchange for control of the acquiree, plus any cost directly attributable to the business combination. The acquired assets, the identifiable and contingent liabilities assumed from the business combination are recognized at their fair values as at the acquisition date.

If the business combination covers some accounting periods, the cost of business combination equals the total investment made at the date of obtaining the control of subsidiaries plus the amount of previous investments which are re-evaluated at fair value as at the date of obtaining the control of subsidiaries. The difference between the re-evaluated amount and the cost of investment shall be recorded in the financial performance provided that the Group does not have any significant influence on subsidiaries prior the date of obtaining the control and the investment in subsidiaries is presented in line with the cost method. In case where the Group has significant influence on the subsidiaries prior the date of obtaining the control the investment in subsidiaries is presented in line with the equity method, the difference between the re-evaluated amount and the cost of investment determined in line with the equity method shall be recorded in the financial performance; and the difference between the investment determined in line with the equity method and the cost of investment shall be directly recorded in "Retained earnings" of the Consolidated Balance Sheet.

**15. 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 Group.
- 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 Consolidated Balance Sheet on the basis of their remaining terms as at the balance sheet date.



## LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY (LADOPHAR)

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

### CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

#### Notes to the Consolidated Financial Statements (cont.)

#### 16. Ordinary bonds

These are ordinary bonds, which are unconvertible into shares.

The carrying value of ordinary bonds is reflected on the net value of the face value minus discount and plus bond premium.

The Group follows discount and premium for each type of issued ordinary bonds and the allocation of each discount and premium when determining borrowing costs included into expenses or capitalized for each period. Details are as follows:

- Bond discounts are gradually allocated into borrowing costs for each period during the term of bonds.
- Bond premiums are gradually allocated as a decrease into borrowing costs for each period during the term of bonds.

The Group may choose to apply the effective interest method or straight-line method to allocate discounts or premiums:

- For the effective interest method, discounts or premiums are allocated to each period by the differences between the interest expenses payable in each interest payment period (calculated by the beginning balance of the bonds multiplied by the actual market interest rate) with the amount payable for each period.
- For straight-line method: discounts or premiums are gradually allocated throughout the term of bonds.

Issuing costs of bonds are allocated matching the term of bonds under the straight-line method or the effective interest rate method and recognized in financial expenses or capitalized.

#### 17. Owner's equity

##### *Owner's capital*

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

##### *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".

#### 18. 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 General Meeting of Shareholders.

The distribution of profit 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.

Dividends are recorded as payables upon approval of the General Meeting of Shareholders and notification on dividend payment of the Board of Management.



## **LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY (LADOPHAR)**

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

### **CONSOLIDATED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

#### **Notes to the Consolidated Financial Statements (cont.)**

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#### **19. Recognition of revenue and income**

##### ***Revenues from sales of merchandise, finished goods***

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

- The Group transfers most of risks and benefits incident to the ownership of products or merchandise to customers.
- The Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the merchandise, products sold.
- The amount of sales can be measured reliably. When the contracts stipulate that buyers have the right to return products, merchandise purchased under specific conditions, sales are recorded only when those specific conditions are no longer exist and buyers retains no right to return products, merchandise (except for the case that such returns are in exchange for other merchandises or services).
- The Group 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 provisions of services***

Revenue from provisions of services 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 Group received or shall probably receive the economic benefits associated with the provision of services.
- The stage of completion of the transaction at the end of reporting period can be measured reliably.
- The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

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

##### ***Revenue from operating lease***

Revenue from operating lease is recognized in accordance with the straight-line method during the lease term. Rentals received in advance for several periods are allocated to revenues in consistence with the lease term.

##### ***Interest***

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

#### **20. Revenue deductions**

Revenue deductions only include sales returns incurred in the same period of providing products, merchandise, services, in which revenues are derecognized.

In case of products, merchandise, services provided in the previous years but sales returns incurred in the current year, revenues are derecognized as follows:

- If sales returns incur prior to the release of the Consolidated Financial Statements, revenues are derecognized on the Consolidated Financial Statements of the current year.
- If sales returns incur after the release of the Consolidated Financial Statements, revenues are derecognized on the Consolidated Financial Statements of the following year.



# **LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY (LADOPHAR)**

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

## **CONSOLIDATED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

### **Notes to the Consolidated Financial Statements (cont.)**

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#### **21. Borrowing costs**

Borrowing costs are interests and other costs that the Group 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.

#### **22. 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.

#### **23. Corporate income tax**

Corporate income tax includes current income tax and deferred income tax.

##### ***Current income tax***

Current income tax is the tax amount computed based on the taxable income. Taxable income is different from accounting profit due to the adjustments of temporary differences between tax and accounting figures, non-deductible expenses as well as those of non-taxable income and losses brought forward.

##### ***Deferred 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 Consolidated 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.

Carrying values of deferred corporate income tax assets are considered as at the balance sheet date and will be reduced to the rate that ensures enough taxable income against which the benefits from part of or all of the deferred income tax can be used. Deferred corporate income tax assets, which have not been recorded before, are considered as at the balance sheet date and are recorded when there is certainly enough taxable income to use these unrecognized deferred corporate income tax assets.



# LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY (LADOPHAR)

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

## CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

### Notes to the Consolidated Financial Statements (cont.)

Deferred income tax assets and deferred income tax liabilities are determined at the estimated rate to be applied in the year when the assets are recovered or the liabilities are settled based on the effective tax rates as at the balance sheet date. Deferred income tax is recognized in the Consolidated Income Statement. In the case that deferred income tax is related to the items of the owner's equity, corporate income tax will be included in the owner's equity.

The Group shall offset deferred tax assets and deferred tax liabilities if:

- The Group has the legal right to offset current income tax assets against current income tax liabilities; and
- Deferred income tax assets and deferred income tax liabilities are relevant to corporate income tax which is under the management of one tax authority either:
  - Of the same subject to corporate income tax; or
  - The Group has intention to pay current income tax liabilities and current income tax assets on a net basis or recover tax assets and settle tax liability simultaneously in each future period to the extent that the majority of deferred income tax liabilities or deferred income tax assets are paid or recovered.

#### 24. Related parties

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

#### 25. Segment reporting

A business segment is a distinguishable component of the Group 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 Group 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 Consolidated Financial Statements of the Group.

### V. ADDITIONAL INFORMATION ON THE ITEMS OF THE CONSOLIDATED BALANCE SHEET

#### 1. Cash and cash equivalents

|   | <u>Ending balance</u>        | <u>Beginning balance</u>     |
|---|------------------------------|------------------------------|
| Cash on hand  | 147.190.000                  | 97.557.000                   |
| Cash in bank  | 4.304.270.827                | 7.107.349.948                |
| Cash equivalents ( <i>Bank deposits of which the principal maturity is from or under 3 months</i> ) | 7.000.000.000                | 9.000.000.000                |
| <b>Total</b>  | <b><u>11.451.460.827</u></b> | <b><u>16.204.906.948</u></b> |

#### 2. Financial investments

The financial investments of the Group include trading securities and held-to-maturity investments. The Group's financial investments are as follows:



**LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY (LADOPHAR)**

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

**CONSOLIDATED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**Notes to the Consolidated Financial Statements (cont.)****2a. Trading securities**

|  | Ending balance       |                      |                        | Beginning balance    |                      |                        |
|--|----------------------|----------------------|------------------------|----------------------|----------------------|------------------------|
|  | Original amount      | Fair values          | Provisions             | Original amount      | Fair values          | Provisions             |
| An Giang Import-Export Company                   | 6.101.680.000        | 608.224.000          | (5.440.256.000)        | 6.101.680.000        | 1.121.184.000        | (4.980.496.000)        |
| AAV Group Joint Stock Company                    | 2.029.100.000        | 2.202.410.000        | -                      |                      |                      |                        |
| VICEM Energy and Environment Joint Stock Company | 1.800.000            | 2.560.000            | -                      |                      |                      |                        |
| <b>Total</b>                                     | <b>8.132.580.000</b> | <b>2.813.194.000</b> | <b>(5.440.256.000)</b> | <b>6.101.680.000</b> | <b>1.121.184.000</b> | <b>(4.980.496.000)</b> |

Reasons for changes in trading securities:

- Shares of AAV Group Joint Stock Company: increase due to additional acquisition of 301.700 shares at the acquisition price and acquisition expenses of VND 2.029.100.000
- Shares of VICEM Energy and Environment Joint Stock Company: increase due to additional acquisition of 400 shares at the acquisition price and acquisition expenses of VND 1.800.000.

Changes in provisions for impairments of trading securities are as follows:

|                                    | Current year         | Previous year        |
|------------------------------------|----------------------|----------------------|
| Beginning balance                  | 4.980.496.000        | 4.488.792.000        |
| Additional provisions              | 459.760.000          | 635.704.000          |
| Decrease due to sale of securities |                      | (144.000.000)        |
| <b>Ending balance</b>              | <b>5.440.256.000</b> | <b>4.980.496.000</b> |

**2b. Held-to-maturity investments**

This item reflects the 6-month deposit at BIDV – Lam Dong Branch.

**3. Short-term trade receivables**

|  | Ending balance        | Beginning balance     |
|--|-----------------------|-----------------------|
| <b>Receivables from related party</b>    | <b>1.192.550.003</b>  | -                     |
| APG ECO Joint Stock Company              | 1.192.550.003         | -                     |
| <b>Receivables from other customers</b>  | <b>34.263.734.738</b> | <b>27.859.116.481</b> |
| FPT Long Chau Pharma Joint Stock Company | 4.118.257.702         | 1.582.604.794         |
| Lam Dong General Hospital                | 3.200.199.437         | 4.343.104.489         |
| In Di Co Co., Ltd.                       | 2.635.337.320         | 2.728.388.095         |
| Lam Dong II General Hospital             | 2.172.833.193         | 2.291.212.881         |
| Other customers                          | 22.137.107.086        | 16.913.806.222        |
| <b>Total</b>                             | <b>35.456.284.741</b> | <b>27.859.116.481</b> |

**4. Short-term prepayments to suppliers**

|  | Ending balance        | Beginning balance     |
|--|-----------------------|-----------------------|
| <b>Prepayments to related party</b>  | <b>1.110.000.000</b>  | -                     |
| APG Securities Joint Stock Company   | 1.110.000.000         | -                     |
| <b>Prepayments to other suppliers</b>  | <b>50.716.302.557</b> | <b>50.273.152.766</b> |
| Bao Thu Industrial Development and Investment Joint Stock Company (formerly known as Louis Land Joint Stock Company) (*) | 50.050.000.000        | 50.050.000.000        |
| Other suppliers  | 666.302.557           | 223.152.766           |
| <b>Total</b>   | <b>51.826.302.557</b> | <b>50.273.152.766</b> |



**LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY (LADOPHAR)**

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

**CONSOLIDATED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**Notes to the Consolidated Financial Statements (cont.)**

(\*) The prepayment to Bao Thu Industrial Development and Investment Joint Stock Company (formerly known as Louis Land Joint Stock Company) includes:

- The advance for the land rental for implementation of the Entrustment Contract No. 0104/2022/HĐTV/LL-LDH dated 04 April 2022 with Louis Land Joint Stock Company (currently known as Bao Thu Industrial Development and Investment Joint Stock Company) regarding development consultancy on Nguyen Kim Da Lat Shopping Center Project. However, this project could not be implemented and Bao Thu Industrial Development and Investment Joint Stock Company is responsible for returning the Group the amount of VND 20.900.000.000 according to the Judgment No. 01/2025/KDTM-ST dated 18 February 2025 of the People's Court of Lagi Town, Binh Thuan Province.
- The deposit for leasing land at Thang Hai 1 Industrial Cluster under the Land Use Right Lease Contract No. 0504/2022/HĐTD/LL-LDP dated 05 April 2022 signed with Louis Land Joint Stock Company (currently known as Bao Thu Industrial Development and Investment Joint Stock Company). However, this project also could not be implemented and Bao Thu Industrial Development and Investment Joint Stock Company is responsible for returning the Group the amount of VND 11.600.000.000 according to the Judgment No. 02/2025/KDTM-ST dated 03 March 2025 of the People's Court of Lagi Town, Binh Thuan Province.
- The first prepayment for the land rental for Hai Thang 1 Industrial Cluster under the Land Use Right Lease Contract No. 010/2022/HĐTD/LL-LDP dated 14 April 2023 with Louis Land Joint Stock Company (currently known as Bao Thu Industrial Development and Investment Joint Stock Company). However, this project also could not be implemented and Bao Thu Industrial Development and Investment Joint Stock Company is responsible for returning the Group the remaining amount of VND 17.550.000.000 as of 31 December 2024.

**5. Receivables for short-term loans**

This item reflects the loan given to Mr. Le Minh Duc at the interest rate of 12%/year. The balance as of 31 December 2024 was VND 8.000.333.300 (beginning balance: VND 8.000.333.300).

As of 31 December 2024, the allowance for the receivables for loans was made at the rate of 50% because this amount has been overdue for 1 year and 9 months.

**6. Other receivables****6a. Other short-term receivables**

|  | Ending balance       |                      | Beginning balance    |                      |
|--|----------------------|----------------------|----------------------|----------------------|
|  | Value                | Allowance            | Value                | Allowance            |
| Mr. Le Minh Duc – Interest on loan given | 1.097.778.518        | (548.889.259)        | 1.097.778.518        | (329.333.555)        |
| Input VAT undeclared                     | -                    | -                    | 753.041.573          | -                    |
| Advances                                 | 38.400.000           | -                    | -                    | -                    |
| Short-term deposits and mortgages        | 1.013.602.020        | -                    | 895.800.000          | -                    |
| Other short-term receivables             | 210.213.889          | -                    | 21.586.317           | -                    |
| <b>Total</b>                             | <b>2.359.994.427</b> | <b>(548.889.259)</b> | <b>2.768.206.408</b> | <b>(329.333.555)</b> |

**6b. Other long-term receivables**

This item reflects long-term deposits and mortgages.

**LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY (LADOPHAR)**

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

**CONSOLIDATED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**Notes to the Consolidated Financial Statements (cont.)****7. Doubtful debts**

|   | Overdue period                    | Ending balance        |                      | Overdue period                    | Beginning balance     |                      |
|---|-----------------------------------|-----------------------|----------------------|-----------------------------------|-----------------------|----------------------|
|   |                                   | Original amount       | Recoverable amount   |                                   | Original amount       | Recoverable amount   |
| In Di Co Co., Ltd.                          | From 3 years or more              | 2.635.337.320         | -                    | From 3 years or more              | 2.750.337.320         | -                    |
| PDS International Group Joint Stock Company | From 3 years or more              | 625.202.434           | -                    | From 3 years or more              | 625.202.434           | -                    |
| VKC Holdings Joint Stock Company            | From 2 years to less than 3 years | 584.101.610           | 175.230.483          | From 1 year to less than 2 years  | 584.101.610           | 292.050.805          |
| Sametel Corporation                         | From 2 years to less than 3 years | 319.828.370           | 95.948.511           | From 1 year to less than 2 years  | 319.828.370           | 159.914.185          |
| Mr. Le Minh Duc – Receivables for loans     | From 1 year to less than 2 years  | 8.000.333.300         | 4.000.166.651        | From 6 months to less than 1 year | 8.000.333.300         | 5.600.233.310        |
| Mr. Le Minh Duc - Interest on loan given    | From 1 year to less than 2 years  | 1.097.778.518         | 548.889.259          | From 6 months to less than 1 year | 1.097.778.518         | 768.444.963          |
| Other individuals and organizations         | From 3 years or more              | 96.927.739            | -                    | From 3 years or more              | 96.927.739            | -                    |
| <b>Total</b>                                |                                   | <b>13.359.509.291</b> | <b>4.820.234.904</b> |                                   | <b>13.474.509.291</b> | <b>6.820.643.263</b> |

Changes in allowances for doubtful debts are as follows:

|                                     | Current year         | Previous year        |
|-------------------------------------|----------------------|----------------------|
| Beginning balance                   | 6.653.866.028        | 2.655.963.860        |
| Extraction of additional allowances | 1.885.408.359        | 4.005.947.603        |
| Writing off debts                   | -                    | (8.045.435)          |
| <b>Ending balance</b>               | <b>8.539.274.387</b> | <b>6.653.866.028</b> |

**8. Inventories**

|                        | Ending balance        |           | Beginning balance     |           |
|------------------------|-----------------------|-----------|-----------------------|-----------|
|                        | Original costs        | Allowance | Original costs        | Allowance |
| Goods in transit       | 1.264.221.513         | -         | 641.043.796           | -         |
| Materials and supplies | 11.124.858.515        | -         | 8.082.271.034         | -         |
| Tools                  | 254.938.287           | -         | 315.956.515           | -         |
| Work-in-process        | 1.597.176.706         | -         | 1.749.927.382         | -         |
| Finished goods         | 21.595.267.791        | -         | 17.301.355.157        | -         |
| Merchandise            | 12.903.016.917        | -         | 9.660.652.288         | -         |
| Goods on consignment   | 222.520.690           | -         | 15.550                | -         |
| <b>Total</b>           | <b>48.962.000.419</b> | <b>-</b>  | <b>37.751.221.722</b> | <b>-</b>  |

**9. Prepaid expenses****9a. Short-term prepaid expenses**

|                                   | Ending balance       | Beginning balance  |
|-----------------------------------|----------------------|--------------------|
| Tools                             | 163.997.455          | 11.927.272         |
| Repair expenses                   | 127.153.201          | 81.679.568         |
| Software license fees             | 1.143.000.000        | -                  |
| Other short-term prepaid expenses | 641.678.065          | 127.216.183        |
| <b>Total</b>                      | <b>2.075.828.721</b> | <b>220.823.023</b> |



**LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY (LADOPHAR)**

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

**CONSOLIDATED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**Notes to the Consolidated Financial Statements (cont.)****9b. Long-term prepaid expenses**

|                                     | <b>Ending balance</b> | <b>Beginning balance</b> |
|-------------------------------------|-----------------------|--------------------------|
| Tools                               | 459.606.715           | 484.961.282              |
| Land rental                         | 2.015.810.026         | 2.111.800.978            |
| Premises rental                     | 2.050.107.418         | 1.988.105.098            |
| Initial investment in Phu Hoi Plant | 108.556.180           | 238.823.548              |
| Repair expenses                     | 424.661.552           | 561.357.396              |
| Other long-term prepaid expenses    | 308.147.438           | 466.282.223              |
| <b>Total</b>                        | <b>5.366.889.329</b>  | <b>5.851.330.525</b>     |

The land rental, of which the carrying value is VND 2.015.810.026, has been mortgaged to secure the loans from BIDV - Northern An Giang Branch (see Note No. V.22).

**10. Tangible fixed assets**

|   | <b>Buildings and structures</b> | <b>Machinery and equipment</b> | <b>Vehicles</b>      | <b>Office equipment</b> | <b>Total</b>           |
|---|---------------------------------|--------------------------------|----------------------|-------------------------|------------------------|
| <b>Historical costs</b>                   |                                 |                                |                      |                         |                        |
| Beginning balance                         | 62.903.489.128                  | 50.996.592.533                 | 10.455.800.210       | 717.757.182             | 125.073.639.053        |
| Acquisition during the year               | 38.888.889                      | -                              | -                    | 40.900.000              | 79.788.889             |
| Transfer to investment properties         | (338.715.502)                   | -                              | -                    | -                       | (338.715.502)          |
| Disposal and liquidation                  | -                               | -                              | (494.444.318)        | -                       | (494.444.318)          |
| <b>Ending balance</b>                     | <b>62.603.662.515</b>           | <b>50.996.592.533</b>          | <b>9.961.355.892</b> | <b>758.657.182</b>      | <b>124.320.268.122</b> |
| <i>In which:</i>                          |                                 |                                |                      |                         |                        |
| Assets fully depreciated but still in use | 15.203.622.708                  | 15.682.297.251                 | 7.151.914.075        | 437.983.955             | 38.475.817.989         |
| Assets waiting for liquidation            | -                               | -                              | -                    | -                       | -                      |
| <b>Depreciation</b>                       |                                 |                                |                      |                         |                        |
| Beginning balance                         | 36.413.192.782                  | 33.026.389.302                 | 8.756.794.619        | 548.217.862             | 78.744.594.565         |
| Depreciation during the year              | 2.730.393.347                   | 3.551.612.747                  | 370.777.485          | 51.237.944              | 6.704.021.523          |
| Transfer to investment properties         | (338.715.502)                   | -                              | -                    | -                       | (338.715.502)          |
| Disposal and liquidation                  | -                               | -                              | (494.444.318)        | -                       | (494.444.318)          |
| <b>Ending balance</b>                     | <b>38.804.870.627</b>           | <b>36.578.002.049</b>          | <b>8.633.127.786</b> | <b>599.455.806</b>      | <b>84.615.456.268</b>  |
| <b>Carrying value</b>                     |                                 |                                |                      |                         |                        |
| Beginning balance                         | 26.490.296.346                  | 17.970.203.231                 | 1.699.005.591        | 169.539.320             | 46.329.044.488         |
| <b>Ending balance</b>                     | <b>23.798.791.888</b>           | <b>14.418.590.484</b>          | <b>1.328.228.106</b> | <b>159.201.376</b>      | <b>39.704.811.854</b>  |
| <i>In which:</i>                          |                                 |                                |                      |                         |                        |
| Assets temporarily not in use             | -                               | -                              | -                    | -                       | -                      |
| Assets waiting for liquidation            | -                               | -                              | -                    | -                       | -                      |

**LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY (LADOPHAR)**

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

**CONSOLIDATED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**Notes to the Consolidated Financial Statements (cont.)****11. Intangible fixed assets**

|   | <b>Land use right</b> | <b>Computer software</b> | <b>Total</b>         |
|---|-----------------------|--------------------------|----------------------|
| <b>Initial costs</b>                    |                       |                          |                      |
| Beginning balance                       | 163.783.777           | 2.044.370.000            | 2.208.153.777        |
| Transfer to investment properties       | (10.020.000)          | -                        | (10.020.000)         |
| <b>Ending balance</b>                   | <b>153.763.777</b>    | <b>2.044.370.000</b>     | <b>2.198.133.777</b> |
| <i>In which:</i>                        |                       |                          |                      |
| Assets fully amortized but still in use | 153.763.777           | 1.595.370.000            | 1.749.133.777        |
| <b>Amortization</b>                     |                       |                          |                      |
| Beginning balance                       | 153.763.777           | 1.824.919.437            | 1.978.683.214        |
| Amortization during the year            | -                     | 150.853.314              | 150.853.314          |
| <b>Ending balance</b>                   | <b>153.763.777</b>    | <b>1.975.772.751</b>     | <b>2.129.536.528</b> |
| <b>Carrying value</b>                   |                       |                          |                      |
| Beginning balance                       | 10.020.000            | 219.450.563              | 229.470.563          |
| <b>Ending balance</b>                   | <b>-</b>              | <b>68.597.249</b>        | <b>68.597.249</b>    |
| <i>In which:</i>                        |                       |                          |                      |
| Assets temporarily not in use           | -                     | -                        | -                    |
| Assets waiting for liquidation          | -                     | -                        | -                    |

**12. Investment property***Investment property for lease*

|  | <b>Land use right</b> | <b>Building</b>      | <b>Total</b>         |
|--|-----------------------|----------------------|----------------------|
| <b>Historical/Initial costs</b>                      |                       |                      |                      |
| Beginning balance                                    | 2.696.695.000         | 1.124.909.177        | 3.821.604.177        |
| Transfer from tangible fixed assets                  | -                     | 338.715.502          | 338.715.502          |
| Transfer from intangible fixed assets                | 10.020.000            | -                    | 10.020.000           |
| <b>Ending balance</b>                                | <b>2.706.715.000</b>  | <b>1.463.624.679</b> | <b>4.170.339.679</b> |
| <i>In which:</i>                                     |                       |                      |                      |
| Assets fully depreciated/amortized but still leasing | -                     | 338.715.502          | 338.715.502          |
| <b>Depreciation/Amortization</b>                     |                       |                      |                      |
| Beginning balance                                    | 642.009.083           | 809.505.223          | 1.451.514.306        |
| Depreciation/Amortization during the year            | 64.207.020            | 44.996.364           | 109.203.384          |
| Transfer from tangible fixed assets                  | -                     | 338.715.502          | 338.715.502          |
| <b>Ending balance</b>                                | <b>706.216.103</b>    | <b>1.193.217.089</b> | <b>1.899.433.192</b> |
| <b>Carrying value</b>                                |                       |                      |                      |
| Beginning balance                                    | 2.054.685.917         | 315.403.954          | 2.370.089.871        |
| <b>Ending balance</b>                                | <b>2.000.498.897</b>  | <b>270.407.590</b>   | <b>2.270.906.487</b> |

According to Vietnamese Accounting Standard No. 05 "Investment property", it is required to present fair value of investment property as at the balance sheet date. However, the Group has not had conditions to measure fair value of investment property. Based on the actual lease and market value, the Parent Company's Board of Directors believes that the fair value of investment property is greater than the carrying value as at the balance sheet date.



**LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY (LADOPHAR)**

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

**CONSOLIDATED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**Notes to the Consolidated Financial Statements (cont.)**

List of investment properties as at the balance sheet date is as follows:

|                | <b>Historical/Initial<br/>costs</b> | <b>Accumulated<br/>depreciation/amortization</b> | <b>Carrying value</b> |
|----------------|-------------------------------------|--|-----------------------|
| Land use right | 2.706.715.000                       | 706.216.103                                      | 2.000.498.897         |
| Building       | 1.463.624.679                       | 1.193.217.089                                    | 270.407.590           |
| <b>Total</b>   | <b>4.170.339.679</b>                | <b>1.899.433.192</b>                             | <b>2.270.906.487</b>  |

Land use right, of which the carrying value is VND 1.990.478.897, has been mortgaged to secure the loans from BIDV – Northern An Giang Branch (see Note No. V.22).

**13. Construction-in-progress**

This item reflects expenses for acquisition of fixed assets. Details are as follows:

|                               | <b>Beginning<br/>balance</b> | <b>Increase during<br/>the year</b> | <b>Inclusion into<br/>fixed assets during<br/>the year</b> | <b>Ending balance</b> |
|-------------------------------|------------------------------|-------------------------------------|--|-----------------------|
| Software development expenses | -                            | 822.681.000                         | -  | 822.681.000           |
| Acquisition of 7-seat car     | -                            | 2.028.000.000                       | -  | 2.028.000.000         |
| Other fixed assets            | -                            | 79.788.889                          | (79.788.889)   | -                     |
| <b>Total</b>                  | <b>-</b>                     | <b>2.930.469.889</b>                | <b>(79.788.889)</b>  | <b>2.850.681.000</b>  |

**14. Deferred income tax assets****14a. Unrecognized deferred income tax assets**

The Group has not recognized deferred income tax assets for the following items:

|                                       | <b>Ending balance</b> | <b>Beginning balance</b> |
|---------------------------------------|-----------------------|--------------------------|
| Loan interest expenses <sup>(i)</sup> | 17.688.674.887        | 18.460.888.617           |
| Taxable losses <sup>(ii)</sup>        | 29.899.274.909        | 38.719.407.967           |
| <b>Total</b>                          | <b>47.587.949.796</b> | <b>57.180.296.584</b>    |

The previous year's figures were re-presented for the year 2022 and the year 2023 according to the Tax Inspection Minutes dated 25 October 2024.

<sup>(i)</sup> Details of loan interest expenses brought forward are as follows:

|              |                       |
|--------------|-----------------------|
| 2020         | 3.117.840.204         |
| 2022         | 7.544.242.437         |
| 2023         | 7.026.592.246         |
| <b>Total</b> | <b>17.688.674.887</b> |

According to the Government's Decree No. 132/2020/NĐ-CP dated 05 November 2020, from the tax period of 2019 onwards, the non-deductible loan interest is carried forward to the next tax period for the determination of total deductible loan interest if the actually incurred loan interest in the next tax period is lower than the amount of prescribed deductible loan interest. The loan interest may be carried forward for a maximum consecutive period of 5 years, counting from the year following the year of incurring non-deductible loan interest. Deferred income tax assets are not recognized since there is little possibility on use of such loan interest expenses.

<sup>(ii)</sup> Details of unrecognized taxable losses are as follows:

|              |                       |
|--------------|-----------------------|
| 2022         | 23.218.163.600        |
| 2023         | 6.678.833.071         |
| 2024         | 2.278.238             |
| <b>Total</b> | <b>29.899.274.909</b> |



**LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY (LADOPHAR)**

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

**CONSOLIDATED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**Notes to the Consolidated Financial Statements (cont.)**

According to the current Law on Corporate Income Tax, the loss of any tax year is brought forward to offset against the profit of the following years for the maximum period of 5 years from year after the loss suffering year and the temporary differences can be deducted without any limit on time. Deferred income tax assets are not recognized for these accounts since there is little possibility on the availability of taxable income in the future against which these accounts can be used.

**15. Short-term trade payables**

|  | <u>Ending balance</u> | <u>Beginning balance</u> |
|--|-----------------------|--------------------------|
| <i>Payables to related parties</i>                             | <i>1.238.470.000</i>  | <i>862.500.000</i>       |
| Louis Angimex Commercial Company Limited                       | 700.000.000           | 700.000.000              |
| Louis Rice Import and Export Joint Stock Company               | 162.500.000           | 162.500.000              |
| DK PCF International Trading Joint Stock Company               | 350.220.000           | -                        |
| Angimex Food Company Limited                                   | 25.750.000            | -                        |
| <i>Payables to other suppliers</i>                             | <i>30.306.425.647</i> | <i>22.686.523.169</i>    |
| Branch of OPC Pharmaceutical Joint-Stock Company in Nha Trang  | 5.568.006.897         | 1.970.953.585            |
| Branch of DHG Pharmaceutical Joint Stock Company in Binh Thuan | 4.191.751.422         | 4.500.454.058            |
| Other suppliers  | 20.546.667.328        | 16.215.115.526           |
| <b>Total</b>   | <b>31.544.895.647</b> | <b>23.549.023.169</b>    |

In which, the ending balance of trade payables for acquisition of fixed assets is VND 299.667.000 (beginning balance: VND 299.667.000).

The Group has no overdue trade payables.

**16. Short-term advances from customers**

|  | <u>Ending balance</u> | <u>Beginning balance</u> |
|--|-----------------------|--------------------------|
| Thanhdat Company Ltd.                    | 375.859.159           | 375.859.159              |
| FPT Long Chau Pharma Joint Stock Company | 287.117.999           | -                        |
| Rohto-Mentholatum (Vietnam) Co., Ltd.    | -                     | 551.627.188              |
| Other customers                          | 70.973.036            | 18.181.189               |
| <b>Total</b>                             | <b>733.950.194</b>    | <b>945.667.536</b>       |

**17. Taxes and other obligations to the State Budget**

|                      | <u>Beginning balance</u> |                    | <u>Increase during the year</u> |                        | <u>Ending balance</u> |                    |
|----------------------|--------------------------|--------------------|---------------------------------|------------------------|-----------------------|--------------------|
|                      | <u>Payables</u>          | <u>Receivables</u> | <u>Amount payable</u>           | <u>Amount paid</u>     | <u>Payables</u>       | <u>Receivables</u> |
| VAT on local sales   | 405.035.493              | -                  | 6.444.856.291                   | (6.032.218.659)        | 817.673.125           | -                  |
| Corporate income tax | -                        | 447.578.217        | -                               | -                      | -                     | 447.578.217        |
| Personal income tax  | 157.188.966              | -                  | 1.263.927.657                   | (1.248.426.009)        | 172.690.614           | -                  |
| Land rental          | -                        | -                  | 776.608.757                     | (776.608.757)          | -                     | -                  |
| Property tax         | -                        | -                  | 33.084.014                      | (33.084.014)           | -                     | -                  |
| Other taxes          | -                        | -                  | 193.602.888                     | (193.602.888)          | -                     | -                  |
| <b>Total</b>         | <b>562.224.459</b>       | <b>447.578.217</b> | <b>8.712.079.607</b>            | <b>(8.283.940.327)</b> | <b>990.363.739</b>    | <b>447.578.217</b> |

**Value added tax (VAT)**

The Group has paid VAT in accordance with the deduction method. The tax rates applied are as follows:

|   |     |
|---|-----|
| - Goods with drug registration numbers    | 5%  |
| - Other goods and services <sup>(i)</sup> | 10% |

**LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY (LADOPHAR)**

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

**CONSOLIDATED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**Notes to the Consolidated Financial Statements (cont.)**

- (i) From 01 January 2024 to 31 December 2024, the VAT rate applied to some goods and services is 8% according to the Government's Decree No. 94/2023/NĐ-CP dated 28 December 2023 specifying the VAT reduction policy under the Resolution No. 110/2023/QH15 dated 29 November 2023 of the National Assembly and the Government's Decree No. 72/2024/NĐ-CP dated 30 June 2024 specifying the VAT reduction policy under the Resolution No. 142/2024/QH15 dated 29 June 2024 of the National Assembly.

**Import duty**

The Group companies have declared and paid this duty in line with the Customs' notices.

**Corporate income tax**

The Group companies have to pay corporate income tax on taxable income at the rate of 20%.

The Group companies have incurred no corporate income tax obligations during the year.

Determination of corporate income tax liability of the Group 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 Consolidated Financial Statements can be changed upon the inspection of tax authorities.

**Property tax**

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

**Other taxes**

The Group companies have declared and paid these taxes in line with the prevailing regulations.

**18. Payables to employees**

The salary payable to the employees as of the balance sheet date is VND 7.536.730.224 (beginning balance: VND 3.577.839.287).

**19. Short-term accrued expenses**

|   | <b>Ending balance</b> | <b>Beginning balance</b> |
|---|-----------------------|--------------------------|
| Bond interest expenses                  | 5.698.146.000         | 2.614.403.000            |
| Bank loan interest expenses             | 5.496.036             | 40.021.643               |
| Remuneration to the Board of Management | 630.194.612           | 583.742.612              |
| Selling expenses                        | 1.262.439.112         | 309.050.148              |
| Other short-term accrued expenses       | 87.600.000            | 85.000.000               |
| <b>Total</b>                            | <b>7.683.875.760</b>  | <b>3.632.217.403</b>     |

**20. Short-term unearned revenues**

The revenue from leasing premises as of 31 December 2024 is VND 134.181.820 (beginning balance: VND 0).

**21. Other payables****21a. Other short-term payables**

|                           | <b>Ending balance</b> | <b>Beginning balance</b> |
|---------------------------|-----------------------|--------------------------|
| Trade Union's expenditure | 152.932.000           | 147.924.000              |
| Dividends payable         | 89.663.784            | 89.663.784               |
| Other short-term payables | 1.696.000.311         | 1.098.398.548            |
| <b>Total</b>              | <b>1.938.596.095</b>  | <b>1.335.986.332</b>     |



**LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY (LADOPHAR)**

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

**CONSOLIDATED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**Notes to the Consolidated Financial Statements (cont.)****21b. Other long-term payables**

|                                   | <u>Ending balance</u> | <u>Beginning balance</u> |
|-----------------------------------|-----------------------|--------------------------|
| Receipt of deposits and mortgages | 546.500.000           | 496.500.000              |
| Other long-term payables          | 1.223.230.000         | 1.223.230.000            |
| <b>Total</b>                      | <b>1.769.730.000</b>  | <b>1.719.730.000</b>     |

**21c. Overdue debts**

The Group has no other overdue payables.

**22. Short-term borrowings**

|   | <u>Ending balance</u> | <u>Beginning balance</u> |
|---|-----------------------|--------------------------|
| Loan from BIDV – Northern An Giang Branch <sup>(i)</sup>      | 27.206.209.724        | 35.148.471.567           |
| Current portions of short-term ordinary bonds <sup>(ii)</sup> | 27.820.000.000        | 30.220.000.000           |
| Current portions of long-term loans                           | -                     | 591.644.986              |
| <b>Total</b>  | <b>55.026.209.724</b> | <b>65.960.116.553</b>    |

(i) The loan from BIDV – Northern An Giang Branch under the Loan Agreement No. 01/2024/S90445/HĐTD is to supplement the working capital at the interest rate applied to each loan receipt. The loan term is 12 months. This loan is secured by mortgaging the land use right with the total collateral value of VND 66.587.361.400 according to the Valuation Minutes dated 19 April 2024 (see Notes No. V.9b and V.12).

(ii) On 14 April 2022, according to the Resolution No. 50/NQ-HĐQT/LDP-2022 of the Board of Management, the Parent Company announced the private placement of secured, unconvertible bonds without warrants, with the term of 12 months, face value of VND 100.000, interest rate of 12%/year, to professional securities investors who are allowed to acquire bonds in accordance with the laws of Vietnam. The bonds are to supplement the capital for cooperative investment in construction of a beverage plant and to supplement capital for other activities. The total maximum issuance value is VND 300.000.000.000.

As to 01 July 2022, according to the Resolution No. 62/NQ-HĐQT/2022 of the Board of Management, the Parent Company's Board of Management approved to close the LDPH2223001 bond package, which was issued on 18 April 2022. The Group got consent with bondholders, paid off all bond obligations, and actively used capital sources to make repayments as committed to investors.

On 15 July 2022, the Parent Company issued the Official Letter No. 360/CV-LDP/2022 announcing the payment plan to investors. According to this Official Letter, the Company will carry out procedures to prematurely redeem bonds within 40 days, from the date of the notice on cancellation of issuance of LDPH2223001 bond. The Parent Company commits to paying principal and interest obligations to bondholders up to the time of bond redemption.

On 17 April 2023, according to the Resolution No. 09/NQ-HĐQT/2023 of the Board of Management, the Parent Company announced the payment plan for interest of LDPH22233001 bond from the date of bond issuance cancellation by the end of 18 April 2023. The Parent Company expects to get consent and sign on an agreement with the investors regarding the conversion of bond investment into liability. Then the Parent Company will repay the principal by instalments. During the year, the Parent Company only got consent and made payments to two investors with an amount of VND 2.400.000.000.

The Group is solvent over short-term loans.

**LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY (LADOPHAR)**

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

**CONSOLIDATED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**Notes to the Consolidated Financial Statements (cont.)**

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

|   | Beginning<br>balance  | Increase during<br>the year | Amount repaid<br>during the year | Ending balance        |
|---|-----------------------|-----------------------------|----------------------------------|-----------------------|
| Short-term loans from banks               | 35.148.471.567        | 113.848.575.520             | (121.790.837.363)                | 27.206.209.724        |
| Short-term loans from other organizations | -                     | 4.992.950.476               | (4.992.950.476)                  | -                     |
| Current portions of ordinary bonds        | 30.220.000.000        | -                           | (2.400.000.000)                  | 27.820.000.000        |
| Current portions of long-term loans       | 591.644.986           | -                           | (591.644.986)                    | -                     |
| <b>Total</b>                              | <b>65.960.116.553</b> | <b>118.841.525.996</b>      | <b>(129.775.432.825)</b>         | <b>55.026.209.724</b> |

**Overdue borrowings**

The Group has no overdue loans except for current portions of short-term ordinary bonds (The Group is negotiating to sign on an agreement with investors on the conversion of bond investment into liability).

**23. Bonus and welfare funds**

|                              | Current year       | Previous year        |
|------------------------------|--------------------|----------------------|
| Beginning balance            | 1.124.244.311      | 1.906.622.695        |
| Disbursement during the year | (610.155.008)      | (782.378.384)        |
| <b>Ending balance</b>        | <b>514.089.303</b> | <b>1.124.244.311</b> |

**24. Owner's equity****24a. Statement of changes in owner's equity**

|  | Owner's capital        | Treasury<br>stocks | Investment and<br>development<br>fund | Retained<br>earnings    | Total                 |
|--|------------------------|--------------------|---------------------------------------|-------------------------|-----------------------|
| Beginning balance of the previous year     | 127.031.670.000        | (320.000)          | 24.348.384.362                        | (38.909.321.055)        | 112.470.413.307       |
| Profit/(loss) in the previous year         | -                      | -                  | -                                     | (20.104.870.073)        | (20.104.870.073)      |
| <b>Ending balance of the previous year</b> | <b>127.031.670.000</b> | <b>(320.000)</b>   | <b>24.348.384.362</b>                 | <b>(59.014.191.128)</b> | <b>92.365.543.234</b> |
| Beginning balance of the current year      | 127.031.670.000        | (320.000)          | 24.348.384.362                        | (59.014.191.128)        | 92.365.543.234        |
| Profit in the current year                 | -                      | -                  | -                                     | 6.918.953.001           | 6.918.953.001         |
| <b>Ending balance of the current year</b>  | <b>127.031.670.000</b> | <b>(320.000)</b>   | <b>24.348.384.362</b>                 | <b>(52.095.238.127)</b> | <b>99.284.496.235</b> |

**24b. Details of owner's capital**

|                                    | Ending balance         | Beginning balance      |
|------------------------------------|------------------------|------------------------|
| Louis Holdings Joint Stock Company | 64.807.250.000         | 64.807.250.000         |
| APG Securities Joint Stock Company | 23.977.000.000         | 23.977.000.000         |
| Other shareholders                 | 38.247.100.000         | 38.247.100.000         |
| <b>Total</b>                       | <b>127.031.350.000</b> | <b>127.031.350.000</b> |



**LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY (LADOPHAR)**

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

**CONSOLIDATED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**Notes to the Consolidated Financial Statements (cont.)****24c. Shares**

|  | <b>Ending balance</b> | <b>Beginning balance</b> |
|--|-----------------------|--------------------------|
| Number of shares registered to be issued | 12.703.167            | 12.703.167               |
| Number of shares issued                  | 12.703.167            | 12.703.167               |
| - Common shares                          | 12.703.167            | 12.703.167               |
| - Preferred shares                       | -                     | -                        |
| Number of shares repurchased             | 32                    | 32                       |
| - Common shares                          | 32                    | 32                       |
| - Preferred shares                       | -                     | -                        |
| Number of outstanding shares             | 12.703.135            | 12.703.135               |
| - Common shares                          | 12.703.135            | 12.703.135               |
| - Preferred shares                       | -                     | -                        |

Face value of outstanding shares: VND 10.000.

**24d. Information on additional share issuance**

According to the Resolution No. 01/NQ-ĐHĐCĐ/LDP/2024 dated 10 April 2024 of 2024 Annual General Meeting of Shareholders, the private offering plan was approved at the General Meeting of Shareholders as follows:

- Offering subjects: Individuals and/or organizations who are professional securities investors.
- Maximum number of shares expected to be offered: 8.250.000 shares.
- Value of shares expected to be offered at face value: VND 82.500.000.000.
- Expected offering price: The General Meeting of Shareholders authorized the Board of Management to decide on the offering price but not lower than VND 11.000/share.
- Expected issuance time: in 2024.

Additionally, the Employee Stock Ownership Plan (ESOP) was approved at the General Meeting of Shareholders as follows:

- Offering subjects: Members of the Board of Management, members of the Board of Directors, key managers and other employees of the Company.
- Maximum number of shares expected to be offered: 635.000 shares.
- Value of shares expected to be offered at face value: VND 6.350.000.000.
- Expected offering price: The General Meeting of Shareholders authorized the Board of Management to decide on the offering price but not lower than VND 10.000/share.
- Transfer conditions: The issued shares are restricted from transfer for at least 1 year from the completion of the issuance tranche.
- Expected issuance time: in 2024.

However, because the documents have not been completed as prescribed, it is expected to continue to prepare documents for issuing shares in 2025.

**25. Off- consolidated balance sheet items****25a. External leased assets**

The total minimum lease payment in the future for irrevocable leasing contracts (Contract on Leasing Land of the State) will be settled as follows:

|                             | <b>Ending balance</b> | <b>Beginning balance</b> |
|-----------------------------|-----------------------|--------------------------|
| 1 year or less              | 1.553.217.514         | 1.509.202.892            |
| More than 1 year to 5 years | 6.212.870.056         | 7.546.014.460            |
| More than 5 years           | 13.937.807.414        | 13.996.302.243           |
| <b>Total</b>                | <b>21.703.894.984</b> | <b>23.051.519.595</b>    |



**LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY (LADOPHAR)**

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

**CONSOLIDATED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**Notes to the Consolidated Financial Statements (cont.)****25b. Foreign currencies**

As at the balance sheet date, cash includes USD 66,32 (beginning balance: USD 119,12).

**25c. Treated doubtful debts**

The Group's receivables from Hoang Kim Tuyen Drugstore for an amount of VND 16.090.871 as at the balance sheet date (beginning balance: VND 16.090.871) have been written off due to being irrecoverable.

**VI. ADDITIONAL INFORMATION ON THE ITEMS OF THE CONSOLIDATED INCOME STATEMENT****1. Revenue from sales of goods and provisions of services****1a. Gross revenue**

|                                      | <u>Current year</u>    | <u>Previous year</u>   |
|--------------------------------------|------------------------|------------------------|
| Revenue from sales of merchandise    | 85.653.267.392         | 85.482.197.815         |
| Revenue from sales of finished goods | 130.368.103.870        | 98.329.213.218         |
| Revenue from provisions of services  | 2.409.545.451          | 2.497.065.696          |
| <b>Total</b>                         | <b>218.430.916.713</b> | <b>186.308.476.729</b> |

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

Sales of goods and service provisions to related parties are as follows:

|  | <u>Current year</u> | <u>Previous year</u> |
|--|---------------------|----------------------|
| <b>Board Member</b>                                |                     |                      |
| Mr. Pham Trung Kien                                | 2.770.789           | -                    |
| <b>Other related parties</b>                       |                     |                      |
| An Giang Import-Export Company                     | -                   | 15.250.286           |
| APG Securities Joint Stock Company                 | -                   | 25.956.895           |
| Long An Transport Construction Joint Stock Company | -                   | 6.807.713            |
| Angimex Food Company Limited                       | 11.218.418          | -                    |
| APG ECO Joint Stock Company                        | 4.976.967.122       | -                    |

**2. Revenue deductions**

The sales returns in the current year are VND 473.159.410 (previous year: VND 307.760.265).

**3. Costs of sales**

|                              | <u>Current year</u>    | <u>Previous year</u>   |
|------------------------------|------------------------|------------------------|
| Costs of merchandise sold    | 80.856.051.399         | 80.639.610.729         |
| Costs of finished goods sold | 72.602.102.572         | 68.086.204.962         |
| Costs of services provided   | 109.203.383            | 109.203.383            |
| <b>Total</b>                 | <b>153.567.357.354</b> | <b>148.835.019.074</b> |

**4. Financial income**

|                              | <u>Current year</u> | <u>Previous year</u> |
|------------------------------|---------------------|----------------------|
| Bank deposit interest        | 281.548.302         | 538.641.616          |
| Interest on loans given      | -                   | 236.722.191          |
| Discount/bonus received      | 49.522.327          | 67.663.763           |
| Gain from securities trading | -                   | 3.104.587            |
| Other financial income       | 207.950             | -                    |
| <b>Total</b>                 | <b>331.278.579</b>  | <b>846.132.157</b>   |

**LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY (LADOPHAR)**

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

**CONSOLIDATED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**Notes to the Consolidated Financial Statements (cont.)****5. Financial expenses**

|                                 | <b>Current year</b>  | <b>Previous year</b> |
|---------------------------------|----------------------|----------------------|
| Loan interest expenses          | 1.894.870.417        | 3.306.657.190        |
| Bond interest expenses          | 3.083.743.000        | 3.719.935.056        |
| Cash discounts                  | 634.334.887          | -                    |
| Expenses for securities holding | 1.427.789.640        | 637.730.102          |
| <b>Total</b>                    | <b>7.040.737.944</b> | <b>7.664.322.348</b> |

**6. Selling expenses**

|   | <b>Current year</b>   | <b>Previous year</b>  |
|---|-----------------------|-----------------------|
| Expenses for employees                      | 17.225.172.160        | 14.259.872.130        |
| Materials, packages                         | 519.497.275           | 274.853.572           |
| Tools, supplies                             | 94.574.090            | 130.712.131           |
| Depreciation/(amortization) of fixed assets | 355.378.600           | 1.000.917.576         |
| Expenses for external services              | 7.402.799.886         | 7.497.889.067         |
| Other expenses                              | 5.330.735.479         | 6.778.802.901         |
| <b>Total</b>                                | <b>30.928.157.490</b> | <b>29.943.047.377</b> |

**7. General and administration expenses**

|   | <b>Current year</b>   | <b>Previous year</b>  |
|---|-----------------------|-----------------------|
| Expenses for employees                      | 9.723.380.440         | 9.507.753.315         |
| Office supplies                             | 58.944.572            | 27.623.662            |
| Office stationery                           | 22.522.947            | 22.929.965            |
| Depreciation/(amortization) of fixed assets | 550.105.938           | 616.122.464           |
| Allowance for doubtful debts                | 1.885.408.359         | 4.005.947.603         |
| Expenses for external services              | 3.990.692.624         | 2.091.109.377         |
| Other expenses                              | 3.951.051.290         | 3.297.839.434         |
| <b>Total</b>                                | <b>20.182.106.170</b> | <b>19.569.325.820</b> |

**8. Other income**

|  | <b>Current year</b> | <b>Previous year</b> |
|--|---------------------|----------------------|
| Proceeds from liquidation of tools                     | -                   | 22.340.905           |
| Proceeds from liquidation and disposal of fixed assets | 63.636.364          | -                    |
| Proceeds from support                                  | 280.232.421         | -                    |
| Compensation, sales discount                           | 9.481.156           | 48.405.000           |
| Other income   | 229.903.527         | 180.286.134          |
| <b>Total</b>   | <b>583.253.468</b>  | <b>251.032.039</b>   |

**9. Other expenses**

|                                       | <b>Current year</b> | <b>Previous year</b> |
|---------------------------------------|---------------------|----------------------|
| Loss from liquidation of fixed assets | -                   | 916.349.832          |
| Tax and administrative fines          | 229.846.188         | 67.812.757           |
| Other expenses                        | 5.131.203           | 206.873.525          |
| <b>Total</b>                          | <b>234.977.391</b>  | <b>1.191.036.114</b> |



**LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY (LADOPHAR)**

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

**CONSOLIDATED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**Notes to the Consolidated Financial Statements (cont.)****10. Earnings per share****10a. Basic/diluted earnings per share**

|   | <u>Current year</u> | <u>Previous year</u> |
|---|---------------------|----------------------|
| Accounting profit/(loss) after corporate income tax   | 6.918.953.001       | (20.104.870.073)     |
| Increases/(decreases) in accounting profit used to determine profit distributed to ordinary equity holders: | -                   | -                    |
| Profit/(loss) used to calculate basic/diluted earnings per share  | 6.918.953.001       | (20.104.870.073)     |
| The weighted average number of ordinary shares outstanding during the year                                  | 12.703.167          | 12.703.167           |
| <b>Basic/diluted earnings per share</b>   | <b>545</b>          | <b>(1.583)</b>       |

**10b. Other information**

There are no transactions over the common share or potential common share from the balance sheet date until the date of these Consolidated Financial Statements.

**11. Operating costs by factors**

|   | <u>Current year</u>    | <u>Previous year</u>   |
|---|------------------------|------------------------|
| Materials and supplies                      | 76.303.606.914         | 58.163.322.323         |
| Labor costs                                 | 46.373.827.621         | 38.789.629.838         |
| Depreciation/(amortization) of fixed assets | 6.964.078.221          | 8.237.159.694          |
| Expenses for external services              | 18.641.141.482         | 15.799.667.164         |
| Other expenses                              | 12.588.132.054         | 14.826.172.939         |
| <b>Total</b>                                | <b>160.870.786.292</b> | <b>135.815.951.958</b> |

**VII. OTHER DISCLOSURES****1. Transactions and balances with related parties**

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

*Transactions with the key managers and their related individuals*

Apart from sales of goods and service provisions to other related parties as presented in Note No. VI.1b, the Group has no sales of goods and service provisions and other transactions with the key managers and their related individuals.

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

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

*Remuneration of the key managers and the Supervisory Board*

|                           | <u>Position</u> | <u>Current year</u> | <u>Previous year</u> |
|---------------------------|-----------------|---------------------|----------------------|
| Mr. Pham Trung Kien       | Chairman        | 622.452.745         | 212.000.000          |
| Mr. Le Tien Thinh         | Board Member    | 120.000.000         | 93.548.387           |
| Mr. Le Xuan Thanh         | Board Member    | 154.000.000         | 3.871.000            |
| Ms. Dang Thuy Linh        | Board Member    | 87.000.000          | -                    |
| Ms. Nguyen Thi Hong Giang | Board Member    | 106.500.000         | -                    |

**LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY (LADOPHAR)**

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

**CONSOLIDATED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**Notes to the Consolidated Financial Statements (cont.)**

|   | <b>Position</b>           | <b>Current year</b>  | <b>Previous year</b> |
|---|---------------------------|----------------------|----------------------|
| Resigned members of the Board of Management |                           | 66.000.000           | 406.580.613          |
| Ms. Dao Thi Nga                             | Head of Supervisory Board | 120.000.000          | 3.871.000            |
| Mr. Vo Kim Nguyen                           | Supervisory Board Member  | 60.000.000           | 1.935.000            |
| Ms. Nguyen Thi Quynh Nga                    | Supervisory Board Member  | 60.000.000           | 1.935.000            |
| Resigned members of the Supervisory Board   |                           | -                    | 204.194.000          |
| Mr. Le Tien Thinh                           | General Director          | 1.750.777.889        | -                    |
| Mr. Ngo Van Tri                             | Deputy General Director   | 821.184.000          | 824.184.000          |
| Resigned members of the Board of Directors  |                           | -                    | 2.570.494.431        |
| <b>Total</b>                                |                           | <b>3.967.914.634</b> | <b>4.322.613.431</b> |

**1b. Transactions and balances with other related parties**

Other related parties of the Group include:

| <b>Other related parties</b>                       | <b>Relationship</b>  |
|--|--|
| Louis Holdings Joint Stock Company                 | Parent Company   |
| APG Securities Joint Stock Company                 | Shareholder owning 18,87% of charter capital                   |
| Louis Rice Import and Export Joint Stock Company   | Fellow subsidiary  |
| Long An Louis Rice Co., Ltd.                       | Fellow subsidiary  |
| Kien Giang Louis Rice Co., Ltd.                    | Fellow subsidiary  |
| Long An Transport Construction Joint Stock Company | Fellow subsidiary  |
| An Giang Import-Export Company                     | Company having the same key managers                           |
| APG ECO Joint Stock Company                        | Company having the same key managers                           |
| DK PCF International Trading Joint Stock Company   | Company having the same key managers                           |
| Angimex Food Company Limited                       | Subsidiary of An Giang Import-Export Company                   |
| Louis Angimex Commercial Company Limited           | Subsidiary of Louis Rice Import and Export Joint Stock Company |
| Angimex Food Processing Company Limited            | Subsidiary of An Giang Import-Export Company                   |

**Transactions with other related parties**

Apart from sales of goods and service provisions to other related parties presented in Note No. VI.1b, other transactions between the Group and other related parties are as follows:

|   | <b>Current year</b> | <b>Previous year</b> |
|---|---------------------|----------------------|
| <b>Angimex Food Processing Company Limited</b>          |                     |                      |
| Purchase of merchandise                                 | -                   | 59.400.000           |
| <b>Angimex Food Company Limited</b>                     |                     |                      |
| Purchase of merchandise                                 | 564.844.810         | -                    |
| <b>DK PCF International Trading Joint Stock Company</b> |                     |                      |
| Purchase of merchandise                                 | 318.381.817         | -                    |
| <b>APG Securities Joint Stock Company</b>               |                     |                      |
| Advance for stock issuance service fees                 | 1.110.000.000       | -                    |



## LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY (LADOPHAR)

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

### CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

#### Notes to the Consolidated Financial Statements (cont.)

The prices of merchandise, services supplied to other related parties are mutually agreed prices. The purchases of merchandise, 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 Notes No.V.3, V.4 and V.15.

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 primary reporting format is the business segment based on the internal organizational and management structure as well as the system of internal financial reporting of the Group.

### 2a. Information on business segment

The Group has the following business segment:

- Trading: to trade medicines, pharmaceutical materials, medical equipment.
- Manufacturing: to manufacture medicines, pharmaceutical materials.
- Others: to lease assets, cooperative business.

Information on business segments of the Group is presented in the attached Appendix.

### 2b. Information on geographical segment

All activities of the Group take place only in the territory of Vietnam.

## 3. Subsequent events

On 18 February 2025, the People's Court of La Gi Town, Binh Thuan Province issued the Judgment No. 01/2025/KDTM-ST requesting Bao Thu Industrial Development and Investment Joint Stock Company to return an amount of VND 20.900.000.000 to the Group.

On 03 March 2025, the People's Court of La Gi Town, Binh Thuan Province issued the Judgment No. 02/2025/KDTM-ST requesting Bao Thu Industrial Development and Investment Joint Stock Company to return an amount of VND 11.600.000.000 to the Group.

Apart from the foregoing events, there are no other material subsequent events which are required adjustments or disclosures in the Consolidated Financial Statements.

Lam Dong, 22 March 2025

**Truong Thi Ngoc Hien**  
Chief Accountant/Preparer



**Le Tien Thinh**  
General Director

**LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY**

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

**CONSOLIDATED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**Appendix: Segment information on business segment**

Unit: VND

The information on financial performance, fixed assets, other non-current assets and remarkable non-cash expenses according to business segments of the Group is as follows:

|   | Trading               | Manufacture            | Others               | Total                  |
|---|-----------------------|------------------------|----------------------|------------------------|
| <b>Current year</b>   |                       |                        |                      |                        |
| Net external sales  | 85.637.336.871        | 129.910.874.981        | 2.409.545.451        | 217.957.757.303        |
| Net inter-segment sales   | -                     | -                      | -                    | -                      |
| <b>Total net sales</b>  | <b>85.637.336.871</b> | <b>129.910.874.981</b> | <b>2.409.545.451</b> | <b>217.957.757.303</b> |
| Segment financial performance   | 4.781.285.472         | 57.308.772.409         | 2.300.342.068        | 64.390.399.949         |
| Expenses not attributable to segments   |                       |                        |                      | (51.110.263.660)       |
| Operating profit  |                       |                        |                      | 13.280.136.289         |
| Financial income  |                       |                        |                      | 331.278.579            |
| Financial expenses  |                       |                        |                      | (7.040.737.944)        |
| Other income  |                       |                        |                      | 583.253.468            |
| Other expenses  |                       |                        |                      | (234.977.391)          |
| Current income tax  |                       |                        |                      | -                      |
| Deferred income tax   |                       |                        |                      | -                      |
| <b>Profit after tax</b>   |                       |                        |                      | <b>6.918.953.001</b>   |
| <b>Total expenses on acquisition of fixed assets and other non-current assets</b> | <b>-</b>              | <b>-</b>               | <b>-</b>             | <b>2.930.469.889</b>   |
| <b>Total depreciation/(amortization) and allocation of long-term prepayments</b>  | <b>-</b>              | <b>-</b>               | <b>-</b>             | <b>8.379.359.579</b>   |

**LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY**

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

**CONSOLIDATED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**Appendix: Segment information on business segment (cont.)**

|   | Trading               | Manufacture           | Others               | Total                   |
|---|-----------------------|-----------------------|----------------------|-------------------------|
| <b>Previous year</b>  |                       |                       |                      |                         |
| Net external sales  | 85.426.522.425        | 98.077.128.343        | 2.497.065.696        | 186.000.716.464         |
| Net inter-segment sales   | -                     | -                     | -                    | -                       |
| <b>Total net sales</b>  | <b>85.426.522.425</b> | <b>98.077.128.343</b> | <b>2.497.065.696</b> | <b>186.000.716.464</b>  |
| Segment financial performance   | 4.786.911.697         | 29.990.923.382        | 2.387.862.312        | 37.165.697.390          |
| Expenses not attributable to segments   |                       |                       |                      | (49.512.373.197)        |
| Operating profit  |                       |                       |                      | (12.346.675.807)        |
| Financial income  |                       |                       |                      | 846.132.157             |
| Financial expenses  |                       |                       |                      | (7.664.322.348)         |
| Other income  |                       |                       |                      | 251.032.039             |
| Other expenses  |                       |                       |                      | (1.191.036.114)         |
| Current income tax  |                       |                       |                      | -                       |
| Deferred income tax   |                       |                       |                      | -                       |
| <b>Profit after tax</b>   |                       |                       |                      | <b>(20.104.870.073)</b> |
| <b>Total expenses on acquisition of fixed assets and other non-current assets</b> | <b>-</b>              | <b>-</b>              | <b>-</b>             | <b>59.054.050</b>       |
| <b>Total depreciation/(amortization) and allocation of long-term prepayments</b>  | <b>-</b>              | <b>-</b>              | <b>-</b>             | <b>13.121.637.150</b>   |



**Truong Thi Ngoc Hien**  
Chief Accountant/Preparer



Lam Dong, 22 March 2025

**Le Tien Thinh**  
General Director





**FINANCIAL STATEMENTS**  
FOR THE FISCAL YEAR ENDED 31 DECEMBER 2024

**LAM DONG PHARMACEUTICAL  
JOINT STOCK COMPANY  
(LADOPHAR)**





## **CONTENTS**

|  | <b>Page</b>    |
|--|----------------|
| <b>1. Contents</b>   | <b>1</b>       |
| <b>2. Statement of the Board of Directors</b>  | <b>2 - 4</b>   |
| <b>3. Independent auditor's report</b>   | <b>5 - 6</b>   |
| <b>4. Balance sheet as of 31 December 2024</b>   | <b>7 - 10</b>  |
| <b>5. Income statement<br/>for the fiscal year ended 31 December 2024</b>                  | <b>11</b>      |
| <b>6. Cash flow statement<br/>for the fiscal year ended 31 December 2024</b>               | <b>12 - 13</b> |
| <b>7. Notes to the financial statements<br/>for the fiscal year ended 31 December 2024</b> | <b>14 - 40</b> |
| <b>8. Appendix</b>   | <b>41 - 42</b> |

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# LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY (LADOPHAR)

## STATEMENT OF THE BOARD OF DIRECTORS

The Board of Directors of Lam Dong Pharmaceutical Joint Stock Company (Ladophar) (hereinafter referred to as "the Company") present this statement together with the Financial Statements for the fiscal year ended 31 December 2024.

### Business highlights

Lam Dong Pharmaceutical Joint Stock Company (Ladophar) has been operating in accordance with the Business Registration Certificate No. 5800000047, registered for the 1<sup>st</sup> time on 04 January 2000 and amended for the 31<sup>st</sup> time on 22 December 2023, granted by the Department of Planning and Investment of Lam Dong Province.

The Company's shares have been listed on Hanoi Stock Exchange (HNX) under the stock code of LDP according to the Decision No. 604/TB-SGDCKHN dated 29 June 2010 of Hanoi Stock Exchange (HNX).

### Head office

- Address : No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam
- Tel. : 026 33 817 937

The Company's has following affiliates: 3 extra-provincial branches and other branches and business locations in Lam Dong Province:

| Affiliates  | Address  |
|---|--|
| Southern Branch - Lam Dong Pharmaceutical Joint Stock Company (Ladophar)                | B8 Commercial Building No. 319 Ly Thuong Kiet Street, Ward 15, District 11, Ho Chi Minh City |
| Northern Branch - Lam Dong Pharmaceutical Joint Stock Company (Ladophar) <sup>(i)</sup> | No. 77 Nguyen Cong Hoan Street, Ngoc Khanh Ward, Ba Dinh District, Hanoi City                |
| Western Branch - Lam Dong Pharmaceutical Joint Stock Company (Ladophar) <sup>(ii)</sup> | 6-7 B4 Trinh Van An Street, Dong Xuyen Ward, Long Xuyen City, An Giang Province              |
| Other branches and business locations in Lam Dong Province                              |  |

- (i) Northern Branch - Lam Dong Pharmaceutical Joint Stock Company (Ladophar) has temporarily ceased its operations from 01 January 2023 to 30 June 2024 according to the Confirmation dated 16 January 2024 and resumed its operations according to the 9<sup>th</sup> amended Branch Operation Registration Certificate dated 11 October 2024, granted by Hanoi City Department of Planning and Investment.
- (ii) Western Branch - Lam Dong Pharmaceutical Joint Stock Company (Ladophar) has temporarily ceased its operations from 14 March 2024 to 04 September 2024 according to the Confirmation No. 2511/GXN-ĐKKD dated 12 March 2024 of the Department of Planning and Investment of Can Tho City. This Branch has resumed its operations according to the 1<sup>st</sup> amended Branch Operation Registration Certificate dated 04 December 2024, granted by the Department of Planning and Investment of An Giang Province.

The Company's principal business activities are to produce oriental pharmaceuticals; trade medicines, pharmaceutical materials, medical equipment; export and import medicines and pharmaceutical materials.

### Board of Management, Supervisory Board and Executive Board

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



**LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY (LADOPHAR)****STATEMENT OF THE BOARD OF DIRECTORS (cont.)*****The Board of Management***

| Full name                 | Position           | Appointing/resigning/re-appointing date |
|---------------------------|--------------------|---|
| Mr. Pham Trung Kien       | Chairman           | Re-appointed on 20 December 2023        |
| Mr. Le Tien Thinh         | Member             | Re-appointed on 20 December 2023        |
| Mr. Le Xuan Thanh         | Independent Member | Appointed on 20 December 2023           |
| Mr. Nguyen Ho Hung        | Member             | Resigned on 10 April 2024               |
| Mr. Vo Qui Lam            | Member             | Resigned on 10 April 2024               |
| Ms. Nguyen Thi Hong Giang | Member             | Appointed on 10 April 2024              |
| Ms. Dang Thuy Linh        | Member             | Appointed on 10 April 2024              |

***The Supervisory Board***

| Full name                | Position          | Appointing date               |
|--------------------------|-------------------|-------------------------------|
| Ms. Dao Thi Nga          | Head of the Board | Appointed on 20 December 2023 |
| Mr. Vo Kim Nguyen        | Member            | Appointed on 20 December 2023 |
| Ms. Nguyen Thi Quynh Nga | Member            | Appointed on 20 December 2023 |

***The Board of Directors***

| Full name         | Position                | Appointing date               |
|-------------------|-------------------------|-------------------------------|
| Mr. Le Tien Thinh | General Director        | Appointed on 20 December 2023 |
| Mr. Ngo Van Tri   | Deputy General Director | Appointed on 21 December 2021 |

**Legal representative**

The Company's legal representatives during the year and as at the date of this statement are as follows:

| Full name           | Position         | Appointing date               |
|---------------------|------------------|-------------------------------|
| Mr. Pham Trung Kien | Chairman         | Appointed on 20 December 2023 |
| Mr. Le Tien Thinh   | General Director | Appointed on 20 December 2023 |

**Auditors**

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 Board of Directors of the Company 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.

# LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY (LADOPHAR)

## STATEMENT OF THE BOARD OF DIRECTORS (cont.)

### Approval of the Financial Statements

The Board of Directors hereby approves the accompanying Financial Statements, which give a true and fair view of the financial position as at 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 the Financial Statements.

For and on behalf of the Board of Directors,



**Le Tien Thinh**  
**General Director**

Date: 22 March 2025



No. 1.0511/25/TC-AC

## INDEPENDENT AUDITOR'S REPORT

**To: THE SHAREHOLDERS, THE BOARD OF MANAGEMENT AND THE BOARD OF DIRECTORS  
LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY (LADOPHAR)**

We have audited the accompanying Financial Statements of Lam Dong Pharmaceutical Joint Stock Company (Ladophar) (hereinafter referred to as "the Company"), which were prepared on 22 March 2025 (from page 07 to page 42), including the Balance Sheet as at 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 the Financial Statements in accordance with the Vietnamese Accounting Standards, the Vietnamese Enterprise Accounting System and relevant statutory requirements on the preparation and presentation of the Financial Statements; and responsible for the 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 fraud or error.

### 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 evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

### Basis for qualified audit opinion

As of 31 December 2024, the Company has a receivable amount of VND 32.500.000.000 from Bao Thu Industrial Development and Investment Joint Stock Company (hereinafter referred to as "Bao Thu Company") (see Note No. V.4 in the Notes to the Financial Statements). This is the amount that the Company made investment under the Entrustment Contract on development consultancy on Nguyen Kim Da Lat Shopping Center Project and the Contract on leasing land use right at Thang Hai 1 Industrial Cluster signed between the Company and Bao Thu Company. However, after more than 2 years since the Company transferred the investment amount, both projects could not be implemented and Bao Thu Company has not yet returned the above investment amount to the Company. On 18 February 2025 and 03 March 2025, the People's Court of La Gi Town, Binh Thuan Province issued the Judgments No. 01/2025/KDTM-ST and No. 02/2025/KDTM-ST, requesting Bao Thu Company to return the total amount of VND 32.500.000.000 to the Company. However, with the available documents and information, we do not have enough basis to assess the recoverability and losses (if any) of this balance.



### Qualified opinion of Auditors

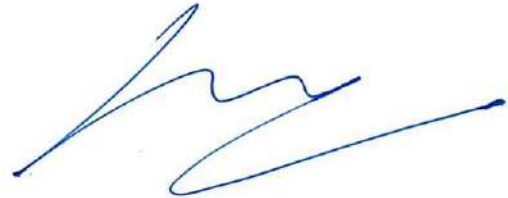
In our opinion, except for the effects of the matters described in the “Basis for qualified audit opinion” paragraph, the Financial Statements give a true and fair view, in all material respects, of the financial position as of 31 December 2024 of Lam Dong Pharmaceutical Joint Stock Company (Ladophar), 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.

For and on behalf of  
A&C Auditing and Consulting Co., Ltd.



**Hoàng Thái Vương**  
**Partner**

*Audit Practice Registration Certificate No. 2129-2023-008-1*  
**Authorized Signatory**



**Phan Vu Cong Ba**  
**Auditor**

*Audit Practice Registration Certificate No. 0197-2023-008-1*

Ho Chi Minh City, 22 March 2025

**LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY**

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

**FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**BALANCE SHEET**

As at 31 December 2024

Unit: VND

| ITEMS   | Code       | Note       | Ending balance         | Beginning balance      |
|---|------------|------------|------------------------|------------------------|
| <b>A - CURRENT ASSETS</b>   | <b>100</b> |            | <b>138,992,796.875</b> | <b>122,250,342.652</b> |
| <b>I. Cash and cash equivalents</b>                               | <b>110</b> | <b>V.1</b> | <b>11,261,424.880</b>  | <b>16,012,592.763</b>  |
| 1. Cash   | 111        |            | 4,261,424.880          | 7,012,592.763          |
| 2. Cash equivalents   | 112        |            | 7,000,000.000          | 9,000,000.000          |
| <b>II. Short-term financial investments</b>                       | <b>120</b> |            | <b>4,692,324.000</b>   | <b>3,121,184.000</b>   |
| 1. Trading securities   | 121        | V.2a       | 8,132,580.000          | 6,101,680.000          |
| 2. Provisions for devaluation of trading securities               | 122        | V.2a       | (5,440,256.000)        | (4,980,496.000)        |
| 3. Held-to-maturity investments                                   | 123        | V.2b       | 2,000,000.000          | 2,000,000.000          |
| <b>III. Short-term receivables</b>                                | <b>130</b> |            | <b>71,553,640.638</b>  | <b>64,696,942.927</b>  |
| 1. Short-term trade receivables                                   | 131        | V.3        | 35,456,284.741         | 27,859,116.481         |
| 2. Short-term prepayments to suppliers                            | 132        | V.4        | 34,276,302.557         | 32,723,152.766         |
| 3. Short-term inter-company receivables                           | 133        |            | -                      | -                      |
| 4. Receivables according to the progress of construction contract | 134        |            | -                      | -                      |
| 5. Receivables for short-term loans                               | 135        | V.5        | 8,000,333.300          | 8,000,333.300          |
| 6. Other short-term receivables                                   | 136        | V.6a       | 2,359,994.427          | 2,768,206.408          |
| 7. Allowance for short-term doubtful debts                        | 137        | V.7        | (8,539,274.387)        | (6,653,866.028)        |
| 8. Deficit assets for treatment                                   | 139        |            | -                      | -                      |
| <b>IV. Inventories</b>  | <b>140</b> |            | <b>48,962,000.419</b>  | <b>37,751,221.722</b>  |
| 1. Inventories  | 141        | V.8        | 48,962,000.419         | 37,751,221.722         |
| 2. Allowance for devaluation of inventories                       | 149        |            | -                      | -                      |
| <b>V. Other current assets</b>                                    | <b>150</b> |            | <b>2,523,406.938</b>   | <b>668,401.240</b>     |
| 1. Short-term prepaid expenses                                    | 151        | V.9a       | 2,075,828.721          | 220,823.023            |
| 2. Deductible VAT   | 152        |            | -                      | -                      |
| 3. Taxes and other receivables from the State                     | 153        | V.17       | 447,578.217            | 447,578.217            |
| 4. Trading Government bonds                                       | 154        |            | -                      | -                      |
| 5. Other current assets   | 155        |            | -                      | -                      |

**LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY**

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

**FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**Balance Sheet (cont.)**

| ITEMS  | Code       | Note        | Ending balance         | Beginning balance      |
|--|------------|-------------|------------------------|------------------------|
| <b>B- NON-CURRENT ASSETS</b>                                     | <b>200</b> |             | <b>68.164.321.866</b>  | <b>72.522.249.632</b>  |
| <b>I. Long-term receivables</b>                                  | <b>210</b> |             | <b>162.400.000</b>     | -                      |
| 1. Long-term trade receivables                                   | 211        |             | -                      | -                      |
| 2. Long-term prepayments to suppliers                            | 212        |             | -                      | -                      |
| 3. Working capital in affiliates                                 | 213        |             | -                      | -                      |
| 4. Long-term inter-company receivables                           | 214        |             | -                      | -                      |
| 5. Receivables for long-term loans                               | 215        |             | -                      | -                      |
| 6. Other long-term receivables                                   | 216        | V.6b        | 162.400.000            | -                      |
| 7. Allowance for long-term doubtful debts                        | 219        |             | -                      | -                      |
| <b>II. Fixed assets</b>  | <b>220</b> |             | <b>39.773.409.103</b>  | <b>46.558.515.051</b>  |
| 1. Tangible fixed assets   | 221        | V.10        | 39.704.811.854         | 46.329.044.488         |
| - Historical cost  | 222        |             | 124.320.268.122        | 125.073.639.053        |
| - Accumulated depreciation                                       | 223        |             | (84.615.456.268)       | (78.744.594.565)       |
| 2. Financial leased assets                                       | 224        |             | -                      | -                      |
| - Historical cost  | 225        |             | -                      | -                      |
| - Accumulated depreciation                                       | 226        |             | -                      | -                      |
| 3. Intangible fixed assets                                       | 227        | V.11        | 68.597.249             | 229.470.563            |
| - Initial cost   | 228        |             | 2.198.133.777          | 2.208.153.777          |
| - Accumulated amortization                                       | 229        |             | (2.129.536.528)        | (1.978.683.214)        |
| <b>III. Investment property</b>                                  | <b>230</b> | <b>V.12</b> | <b>2.270.906.487</b>   | <b>2.370.089.871</b>   |
| - Historical costs   | 231        |             | 4.170.339.679          | 3.821.604.177          |
| - Accumulated depreciation                                       | 232        |             | (1.899.433.192)        | (1.451.514.306)        |
| <b>IV. Long-term assets in process</b>                           | <b>240</b> |             | <b>2.850.681.000</b>   | -                      |
| 1. Long-term work in process                                     | 241        |             | -                      | -                      |
| 2. Construction-in-progress                                      | 242        | V.13        | 2.850.681.000          | -                      |
| <b>V. Long-term financial investments</b>                        | <b>250</b> |             | <b>17.740.035.947</b>  | <b>17.742.314.185</b>  |
| 1. Investments in subsidiaries                                   | 251        | V.2c        | 18.000.000.000         | 18.000.000.000         |
| 2. Investments in joint ventures and associates                  | 252        |             | -                      | -                      |
| 3. Investments in other entities                                 | 253        |             | -                      | -                      |
| 4. Provisions for devaluation of long-term financial investments | 254        | V.2c        | (259.964.053)          | (257.685.815)          |
| 5. Held-to-maturity investments                                  | 255        |             | -                      | -                      |
| <b>VI. Other non-current assets</b>                              | <b>260</b> |             | <b>5.366.889.329</b>   | <b>5.851.330.525</b>   |
| 1. Long-term prepaid expenses                                    | 261        | V.9b        | 5.366.889.329          | 5.851.330.525          |
| 2. Deferred income tax assets                                    | 262        | V.14        | -                      | -                      |
| 3. Long-term components and spare parts                          | 263        |             | -                      | -                      |
| 4. Other non-current assets                                      | 268        |             | -                      | -                      |
| <b>TOTAL ASSETS</b>  | <b>270</b> |             | <b>207.157.118.741</b> | <b>194.772.592.284</b> |



**LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY**

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

**FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**Balance Sheet (cont.)**

| ITEMS   | Code       | Note  | Ending balance         | Beginning balance      |
|---|------------|-------|------------------------|------------------------|
| <b>C - LIABILITIES</b>  | <b>300</b> |       | <b>107.872.622.506</b> | <b>102.407.049.050</b> |
| <b>I. Current liabilities</b>                                   | <b>310</b> |       | <b>106.102.892.506</b> | <b>100.687.319.050</b> |
| 1. Short-term trade payables                                    | 311        | V.15  | 31.544.895.647         | 23.549.023.169         |
| 2. Short-term advances from customers                           | 312        | V.16  | 733.950.194            | 945.667.536            |
| 3. Taxes and other obligations to the State Budget              | 313        | V.17  | 990.363.739            | 562.224.459            |
| 4. Payables to employees  | 314        | V.18  | 7.536.730.224          | 3.577.839.287          |
| 5. Short-term accrued expenses                                  | 315        | V.19  | 7.683.875.760          | 3.632.217.403          |
| 6. Short-term inter-company payables                            | 316        |       | -                      | -                      |
| 7. Payables according to the progress of construction contracts | 317        |       | -                      | -                      |
| 8. Short-term unearned revenue                                  | 318        | V.20  | 134.181.820            | -                      |
| 9. Other short-term payables                                    | 319        | V.21a | 1.938.596.095          | 1.335.986.332          |
| 10. Short-term borrowings and financial leases                  | 320        | V.22  | 55.026.209.724         | 65.960.116.553         |
| 11. Provisions for short-term payables                          | 321        |       | -                      | -                      |
| 12. Bonus and welfare funds                                     | 322        | V.23  | 514.089.303            | 1.124.244.311          |
| 13. Price stabilization fund                                    | 323        |       | -                      | -                      |
| 14. Trading Government bonds                                    | 324        |       | -                      | -                      |
| <b>II. Non-current liabilities</b>                              | <b>330</b> |       | <b>1.769.730.000</b>   | <b>1.719.730.000</b>   |
| 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        | V.21b | 1.769.730.000          | 1.719.730.000          |
| 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        |       | -                      | -                      |

**LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY**

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

**FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**Balance Sheet (cont.)**

| ITEMS   | Code       | Note | Ending balance         | Beginning balance      |
|---|------------|------|------------------------|------------------------|
| <b>D - OWNER'S EQUITY</b>                                       | <b>400</b> |      | <b>99.284.496.235</b>  | <b>92.365.543.234</b>  |
| <b>I. Owner's equity</b>  | <b>410</b> |      | <b>99.284.496.235</b>  | <b>92.365.543.234</b>  |
| 1. Owner's capital  | 411        | V.24 | 127.031.670.000        | 127.031.670.000        |
| - Ordinary shares carrying voting rights                        | 411a       |      | 127.031.670.000        | 127.031.670.000        |
| - Preferred shares  | 411b       |      | -                      | -                      |
| 2. Share premiums   | 412        |      | -                      | -                      |
| 3. Bond conversion options                                      | 413        |      | -                      | -                      |
| 4. Other sources of capital                                     | 414        |      | -                      | -                      |
| 5. Treasury stocks  | 415        | V.24 | (320.000)              | (320.000)              |
| 6. Differences on asset revaluation                             | 416        |      | -                      | -                      |
| 7. Foreign exchange differences                                 | 417        |      | -                      | -                      |
| 8. Investment and development fund                              | 418        | V.24 | 24.348.384.362         | 24.348.384.362         |
| 9. Business arrangement supporting fund                         | 419        |      | -                      | -                      |
| 10. Other funds   | 420        |      | -                      | -                      |
| 11. Retained losses   | 421        | V.24 | (52.095.238.127)       | (59.014.191.128)       |
| - Retained losses accumulated to the end of the previous period | 421a       |      | (59.014.191.128)       | (59.014.191.128)       |
| - Retained earnings of the current period                       | 421b       |      | 6.918.953.001          | -                      |
| 12. Construction investment fund                                | 422        |      | -                      | -                      |
| <b>II. Other sources and funds</b>                              | <b>430</b> |      | <b>-</b>               | <b>-</b>               |
| 1. Sources of expenditure                                       | 431        |      | -                      | -                      |
| 2. Fund to form fixed assets                                    | 432        |      | -                      | -                      |
| <b>TOTAL LIABILITIES AND OWNER'S EQUITY</b>                     | <b>440</b> |      | <b>207.157.118.741</b> | <b>194.772.592.284</b> |



**Truong Thi Ngoc Hien**  
Chief Accountant/Preparer



Lam Dong, 22 March 2025

**Le Tien Thinh**  
General Director

**LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY**

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

**FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**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  | 218.430.916.713 | 186.308.476.729  |
| 2. Revenue deductions                                     | 02   | VI.2  | 473.159.410     | 307.760.265      |
| 3. Net revenue  | 10   |       | 217.957.757.303 | 186.000.716.464  |
| 4. Cost of sales  | 11   | VI.3  | 153.567.357.354 | 148.835.019.074  |
| 5. Gross profit   | 20   |       | 64.390.399.949  | 37.165.697.390   |
| 6. Financial income                                       | 21   | VI.4  | 330.896.817     | 874.646.076      |
| 7. Financial expenses                                     | 22   | VI.5  | 7.043.016.182   | 7.698.197.904    |
| In which: Loan interest expenses                          | 23   |       | 4.978.613.417   | 7.026.592.246    |
| 8. Selling expenses                                       | 25   | VI.6  | 30.928.157.490  | 29.943.047.377   |
| 9. General and administration expenses                    | 26   | VI.7  | 20.179.446.170  | 19.552.900.820   |
| 10. Net operating profit/(loss)                           | 30   |       | 6.570.676.924   | (19.153.802.635) |
| 11. Other income  | 31   | VI.8  | 583.253.468     | 251.032.039      |
| 12. Other expenses  | 32   | VI.9  | 234.977.391     | 1.191.036.114    |
| 13. Other profit/(loss)                                   | 40   |       | 348.276.077     | (940.004.075)    |
| 14. Total accounting profit/(loss) before tax             | 50   |       | 6.918.953.001   | (20.093.806.710) |
| 15. Current income tax                                    | 51   | V.17  | -               | -                |
| 16. Deferred income tax                                   | 52   |       | -               | -                |
| 17. Profit/(loss) after tax                               | 60   |       | 6.918.953.001   | (20.093.806.710) |
| 18. Basic earnings per share                              | 70   | VI.10 |                 |                  |
| 19. Diluted earnings per share                            | 71   | VI.10 |                 |                  |



Trương Thị Ngọc Hien  
Chief Accountant/Preparer



Lam Dong, 22 March 2025

Le Tien Thinh  
General Director



**LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY**

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

**FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**CASH FLOW STATEMENT**

(Indirect method)

For the fiscal year ended 31 December 2024

Unit: VND

| ITEMS   | Code      | Note       | Current year           | Previous year          |
|---|-----------|------------|------------------------|------------------------|
| <b>I. Cash flows from operating activities</b>                                    |           |            |                        |                        |
| 1. Profit/(loss) before tax   | 01        |            | 6.918.953.001          | (20.093.806.710)       |
| 2. Adjustments  |           |            |                        |                        |
| - Depreciation/Amortization of fixed assets and investment properties             | 02        | V.10,11,12 | 6.964.078.221          | 8.237.159.694          |
| - Provisions and allowances   | 03        | V.2a,2c,7  | 2.347.446.597          | 4.677.219.628          |
| - Exchange gain/(loss) due to revaluation of monetary items in foreign currencies | 04        |            | -                      | -                      |
| - Gain/(loss) from investing activities   | 05        | VI.4, VI.8 | (344.802.904)          | 112.461.083            |
| - Interest expenses   | 06        | VI.5       | 4.978.613.417          | 7.026.592.246          |
| - Others  | 07        |            | -                      | 690.200.000            |
| 3. Operating profit before changes of working capital                             | 08        |            | 20.864.288.332         | 649.825.941            |
| - Increase/(decrease) of receivables  | 09        |            | (8.904.506.070)        | (2.578.400.690)        |
| - Increase/(decrease) of inventories  | 10        |            | (11.210.778.697)       | 18.201.146.248         |
| - Increase/(decrease) of payables   | 11        |            | 13.960.417.900         | (9.415.232.283)        |
| - Increase/(decrease) of prepaid expenses   | 12        |            | (1.370.564.502)        | 5.349.522.779          |
| - Increase/(decrease) of trading securities                                       | 13        |            | (2.030.900.000)        | -                      |
| - Interests paid  | 14        | V.19, VI.5 | (1.929.396.024)        | (5.413.382.105)        |
| - Corporate income tax paid   | 15        |            | -                      | -                      |
| - Other cash inflows  | 16        |            | -                      | -                      |
| - Other cash outflows   | 17        | V.23       | (610.155.008)          | (782.378.384)          |
| <b>Net cash flows from operating activities</b>                                   | <b>20</b> |            | <b>8.768.405.931</b>   | <b>6.011.101.506</b>   |
| <b>II. Cash flows from investing activities</b>                                   |           |            |                        |                        |
| 1. Purchases and construction of fixed assets and other non-current assets        | 21        | V.13       | (2.930.469.889)        | (59.054.050)           |
| 2. Proceeds from disposals of fixed assets and other non-current assets           | 22        | V.10, VI.8 | 63.636.364             | -                      |
| 3. Cash outflow for lending, buying debt instruments of other entities            | 23        |            | -                      | (2.000.000.000)        |
| 4. Cash recovered from lending, selling debt instruments of other entities        | 24        |            | -                      | -                      |
| 5. Investments in other entities  | 25        |            | -                      | -                      |
| 6. Withdrawals of investments in other entities                                   | 26        |            | -                      | 149.332.563            |
| 7. Interest earned, dividends and profits received                                | 27        | VI.4       | 281.166.540            | 567.166.558            |
| <b>Net cash flows from investing activities</b>                                   | <b>30</b> |            | <b>(2.585.666.985)</b> | <b>(1.342.554.929)</b> |



**LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY**

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

**FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**Cash Flow Statement (cont.)**

| ITEMS  | Code      | Note       | Current year            | Previous year          |
|--|-----------|------------|-------------------------|------------------------|
| <b>III. Cash flows from financing activities</b>                                 |           |            |                         |                        |
| 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.22       | 118.841.525.996         | 117.631.774.534        |
| 4. Repayment for loan principal  | 34        | V.22       | (129.775.432.825)       | (122.561.006.247)      |
| 5. Payments for financial leased assets  | 35        |            | -                       | -                      |
| 6. Dividends and profit paid to the owners                                       | 36        |            | -                       | -                      |
| <i>Net cash flows from financing activities</i>                                  | <i>40</i> |            | <i>(10.933.906.829)</i> | <i>(4.929.231.713)</i> |
| <b>Net cash flows during the year</b>  | <b>50</b> |            | <b>(4.751.167.883)</b>  | <b>(260.685.136)</b>   |
| <b>Beginning cash and cash equivalents</b>                                       | <b>60</b> | <b>V.1</b> | <b>16.012.592.763</b>   | <b>16.273.277.899</b>  |
| Effects of fluctuations in foreign exchange rates                                | 61        |            | -                       | -                      |
| <b>Ending cash and cash equivalents</b>  | <b>70</b> | <b>V.1</b> | <b>11.261.424.880</b>   | <b>16.012.592.763</b>  |



**Truong Thi Ngoc Hien**  
Chief Accountant/Preparer



Lam Dong, 22 March 2025

**Le Tien Thinh**  
General Director

**LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY (LADOPHAR)**

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

**FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**NOTES TO THE FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**I. GENERAL INFORMATION****1. Ownership form**

Lam Dong Pharmaceutical Joint Stock Company (Ladophar) (hereinafter referred to as "the Company") is a joint stock company.

**2. Operating field**

Operating fields of the Company are manufacturing and trading.

**3. Principal business activities**

The Company's principal business activities are to produce oriental pharmaceuticals; trade medicines, pharmaceutical materials, medical equipment; export and import medicines and pharmaceutical materials.

**4. Normal operating cycle**

The Company's normal operating cycle is within 12 months.

**5. Effects of the Company's operation during the year on the Financial Statements**

The revenue in the current year increased significantly against that in the previous year, mainly attributable to the growth in the revenue from manufacturing activity. Apart from the economic recovery, other factors such as proactive marketing and communication promotion also contributed to increase in revenue from sales in all channels, especially sales network, sales channels on e-commerce platforms, etc. Along with the insignificant fluctuations in operating costs, the Company earned profit in the current year.

**6. Structure of the Company*****Subsidiary***

The Company only invests in its subsidiary which is Ladophar Herbal Beverage One-Member Company Limited located at No. 18 Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province. The principal business activity of this subsidiary is to produce non-alcoholic beverages, mineral water. As at the balance sheet date, the Company's capital contribution rate at this subsidiary is 100%, equivalent to the benefit rate and voting rate.

***Affiliates that do accounting works dependently***

| Affiliates   | Address  |
|--|--|
| Southern Branch - Lam Dong Pharmaceutical Joint Stock Company                | B8 Commercial Building No. 319 Ly Thuong Kiet Street, Ward 15, District 11, Ho Chi Minh City |
| Northern Branch - Lam Dong Pharmaceutical Joint Stock Company <sup>(i)</sup> | No. 77 Nguyen Cong Hoan Street, Ngoc Khanh Ward, Ba Dinh District, Hanoi City                |
| Western Branch - Lam Dong Pharmaceutical Joint Stock Company <sup>(ii)</sup> | 6-7 B4 Trinh Van An Street, Dong Xuyen Ward, Long Xuyen City, An Giang Province              |
| Other branches and business locations in Lam Dong Province                   |  |

- <sup>(i)</sup> Northern Branch - Lam Dong Pharmaceutical Joint Stock Company (Ladophar) has temporarily ceased its operations from 01 January 2023 to 30 June 2024 according to the Confirmation dated 16 January 2024 and resumed its operations according to the 9<sup>th</sup> amended Branch Operation Registration Certificate dated 11 October 2024, granted by Hanoi City Department of Planning and Investment.



# **LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY (LADOPHAR)**

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

## **FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

### **Notes to the Financial Statements (cont.)**

- (ii) Western Branch - Lam Dong Pharmaceutical Joint Stock Company (Ladophar) has temporarily ceased its operations from 14 March 2024 to 04 September 2024 according to the Confirmation No. 2511/GXN-ĐKKD dated 12 March 2024 of the Department of Planning and Investment of Can Tho City. This Branch has resumed its operations according to the 1<sup>st</sup> amended Branch Operation Registration Certificate dated 04 December 2024, granted by the Department of Planning and Investment of An Giang Province.

#### **7. Statement of information comparability on the Financial Statements**

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

#### **8. Headcount**

As at the balance sheet date, the Company's headcount is 247 (headcount at the beginning of the year: 213).

## **II. FISCAL YEAR AND ACCOUNTING CURRENCY**

#### **1. Fiscal year**

The Company's fiscal year is from 01 January to 31 December annually.

#### **2. Accounting currency unit**

The accounting currency unit is Vietnamese Dong (VND) because transactions of the Company are primarily made in VND.

## **III. ACCOUNTING STANDARDS AND SYSTEM**

#### **1. Accounting System**

The Company applies the Vietnamese Accounting Standards, the Vietnamese Enterprise Accounting System issued in accordance with the Circular No. 200/2014/TT-BTC dated 22 December 2014, the Circular No. 53/2016/TT-BTC dated 21 March 2016 and 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 at the transaction dates. The ending balances of monetary items in foreign currencies are converted at the actual exchange rates ruling as at the balance sheet date.



## **LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY (LADOPHAR)**

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

### **FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

#### **Notes to the Financial Statements (cont.)**

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 capital contribution made or received: the buying rate of the bank where the Company opens its account to receive capital contributed from investors as at the date of capital contribution.
- 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 rate used to re-evaluate the ending balances of monetary items in foreign currencies (only bank deposits) is the buying rate of the bank where the Company opens its foreign currency account.

### **3. Cash and cash equivalents**

Cash includes cash on hand and demand deposits. Cash equivalents are short-term investments of which the due dates do not exceed 3 months from the dates of the investments that are readily convertible into known amounts of cash and that are subject to an insignificant risk of change in value as of the balance sheet date.

### **4. Financial investments**

#### ***Trading securities***

Investments classified as trading securities are those held by the Company for the trading purpose with the aim of making profit.

Trading securities are recognized at original costs which include fair value of the payments made at the time of the transaction plus other costs attributable to transaction costs.

The time of recognizing trading securities is when the Company acquires the ownership, as follows:

- For listed securities: recognized at the time of order-matching (T+0).
- For unlisted securities: recognized at the time of acquiring official ownership as stipulated by law.

Dividends of the years prior to the acquisition of trading securities are deducted to the cost of such securities. Dividends of the years after the acquisition of such securities are recorded in the Company's financial income. Particularly, the dividends paid in form of shares are not recorded as an increase in value, but the increasing quantity of shares is followed up.

Provisions for devaluation of trading securities are made for each particular type of securities in the market of which the fair value is lower than original costs. The fair value of trading securities listed on the stock market is the closing price at the balance sheet date.

Increases/decreases in the provisions for devaluation of trading securities as at the balance sheet date are recorded into financial expenses.



# **LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY (LADOPHAR)**

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

## **FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

### **Notes to the Financial Statements (cont.)**

Gain or loss from transfer of trading securities is recognized into financial income or financial expenses. The costs are determined in accordance with the mobile weighted average method.

#### ***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 only include term deposits for the purpose of receiving periodical interest.

Held-to-maturity investments are initially recognized at cost including the purchase costs 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. Interest arising prior to the Company's acquisition of held-to-maturity investments is deducted to the costs as at the acquisition time.

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

#### ***Loans***

Loans are measured at costs less allowance for doubtful debts. Allowance for doubtful debts of loans is made on the basis of estimated losses.

#### ***Investments in subsidiary***

Subsidiary is an entity that is controlled by the Company. Control is the Company's power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

#### ***Initial recognition***

Investments in subsidiary are initially recognized at costs, including the cost of purchase or capital contributions plus other directly attributable transaction cost. In case of investment in non-monetary assets, the costs of the investment are recognized at the fair value of non-monetary assets at the arising time.

Profit incurred prior to the acquisition of investments is deducted into the investment costs. Profit incurred after the acquisition of investments is recorded into the Company's financial income.

#### ***Provisions for impairment of investments in subsidiaries***

Provisions for impairment of investments in subsidiary is made when the subsidiary suffers from losses at the rate equal to the difference between the actual capital invested by investors in subsidiary and the actual owner's equity multiplying (x) by the Company's rate of capital contribution over the total actual capital invested by investors in subsidiary. If the subsidiary is consolidated into Consolidated Financial Statements, the basis for impairment provisions is the Consolidated Financial Statements.

Increases/decreases in the provisions for impairment of investments in subsidiary as at the balance sheet date are recorded into financial expenses.

## **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 to 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.
- Other receivables reflect receivables not concerning the commercial nature and irrelevant to purchase and sale transactions.



## **LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY (LADOPHAR)**

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

### **FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

#### **Notes to the Financial Statements (cont.)**

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

Increases/decreases in the obligatory allowance for doubtful debts as at 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.

Costs of inventories are 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 comprise costs of main materials, labor and other directly relevant costs.
- 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 are determined in accordance with the specific identification method and recorded in line with the perpetual 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 inventories when their costs are higher than their net realizable values. Increases/decreases in the obligatory allowance for devaluation of inventories as at the balance sheet date are recorded into costs of sales.

#### **7. Prepaid expenses**

Prepaid expenses comprise actual expenses incurred and relevant to financial performance in several fiscal years. Prepaid expenses of the Company mainly include expenses of tools, repair expenses, software license fees, premises rental and land rental. These prepaid expenses are allocated over the prepayment period or period in which corresponding benefits are realized.

##### ***Tools***

Expenses of tools being put into use are allocated into costs in accordance with the straight-line method for the maximum period of 3 years.

##### ***Repair expenses***

Expenses of fixed asset repairs incurred once with high value are allocated into costs in accordance with the straight-line method in 3 years.

##### ***Software license fees***

Software license fees incurred once with high value are allocated into costs in accordance with the straight-line method in 1 year.

##### ***Premises rental***

Premises rental incurred once with high value are allocated into costs in accordance with the straight-line method over the lease term of the contract.

##### ***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 (i.e. 48 years).



## LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY (LADOPHAR)

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

### FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

#### Notes to the Financial Statements (cont.)

#### 8. Operating leased assets

A lease is classified as an operating lease if it transfers substantially all the risks and rewards incident to ownership belonging to the lessor. The lease expenses are allocated in the Company's operation costs in accordance with the straight-line method over the lease term and do not depend on the method of lease payment.

#### 9. 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 | 03 – 30      |
| Machinery and equipment  | 04 – 20      |
| Vehicles                 | 06 – 10      |
| Office equipment         | 03 – 08      |

#### 10. 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 assets.

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:

##### ***Land use right***

Land use right includes all the actual expenses paid by the Company directly related to the land being used such as expenses to obtain the land use right, expenses for house removal, land clearance and ground leveling, registration fees, etc.

The land use right of the Company is amortized as follows:

- Land use right granted by the State with collection of land use fees: if the land use right is permanent, it is not amortized.
- Land use right legally transferred: is amortized in accordance with the straight-line method over the land granting period.

##### ***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 5 years.



# **LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY (LADOPHAR)**

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

## **FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

### **Notes to the Financial Statements (cont.)**

#### **11. Investment properties**

Investment property is property which is land use right, a building held by the Company or by the lessee under a finance lease to earn rentals or for capital appreciation. Investment properties for lease are measured at their historical costs less accumulated depreciation. Investment properties for capital appreciation are measured at their historical costs less impairment. Historical cost includes all the expenses paid by the Company or the fair value of other considerations given to acquire the assets up to the date of its acquisition or construction.

Expenses related to investment property arising subsequent to initial recognition should be added to the historical cost of the investment property when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing investment property, will flow to the Company.

When the investment property is sold or disposed, its historical cost and accumulated depreciation are written off, then any gain or loss arising from such disposals is included in the income or the expenses during the year.

The transfer from owner-occupied property or inventories into investment property shall be made when, and only when, there is a change in use evidenced by the end of owner-occupation and the commencement of an operating lease to another party or the end of construction. The transfer from investment property to owner-occupied property or inventories shall be made when, and only when, there is a change in use evidenced by the commencement of owner-occupation or the commencement of development with a view to sale. The transfer from investment property to owner-occupied property or inventories does not change the historical cost or net book value of investment property at the date of transfer.

Investment property for lease is depreciated in accordance with the straight-line method over their estimated useful lives. The depreciation years of the investment property are as follows:

| <u>Fixed assets</u> | <u>Years</u> |
|---------------------|--------------|
| Land use right      | 42           |
| Building            | 25           |

#### **12. Construction-in-progress**

Construction-in-progress reflects the expenses (including relevant loan interest expenses following the accounting policies of the Company) directly attributable to assets under construction, machinery and equipment under installation for purposes of production, leasing and management as well as the repair of fixed assets in progress. These assets are recorded at historical costs and not depreciated.

#### **13. 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 Interim Balance Sheet on the basis of their remaining term as at the balance sheet date.



## LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY (LADOPHAR)

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

### FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

### Notes to the Financial Statements (cont.)

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#### 14. Ordinary bonds

These are ordinary bonds, which are unconvertible into shares.

The carrying value of ordinary bonds is reflected on the net value of the face value minus discount and plus bond premium.

The Company follows discount and premium for each type of issued ordinary bonds and the allocation of each discount and premium when determining borrowing costs included into expenses or capitalized for each year. Details are as follows:

- Bond discounts are gradually allocated into borrowing costs for each period during the term of bonds.
- Bond premiums are gradually allocated as a decrease into borrowing costs for each period during the term of bonds.

The Company may choose to apply the effective interest method or straight-line method to allocate discounts or premiums:

- For the effective interest method, discounts or premiums are allocated to each period by the differences between the interest expenses payable in each interest payment period (calculated by the beginning balance of the bonds multiplied by the actual market interest rate) with the amount payable for each period.
- For straight-line method: discounts or premiums are gradually allocated throughout the term of bonds.

Issuing costs of bonds are allocated matching the term of bonds under the straight-line method or the effective interest rate method and recognized in financial expenses or capitalized.

#### 15. Owner's equity

##### *Owner's capital*

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

##### *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".

#### 16. 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 General Meeting of Shareholders.

The distribution of profit to the shareholders is made with consideration toward non-cash items in the retained earnings that may affect cash flows and payment of profit 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.

Dividends are recorded as payables upon approval of the General Meeting of Shareholders and notification on dividend payment of the Board of Management.



## **LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY (LADOPHAR)**

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

### **FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

#### **Notes to the Financial Statements (cont.)**

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#### **17. 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 merchandise to customers.
- The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the merchandise, products sold.
- The amount of sales can be measured reliably. When the contracts stipulate that buyers have the right to return products, merchandise purchased under specific conditions, sales are recorded only when those specific conditions are no longer exist and buyers retains no right to return products, merchandise (except for the case that such returns are in exchange for other merchandises 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 provisions of services***

Revenue from provisions of services 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 provision of services.
- The stage of completion of the transaction at the end of reporting period can be measured reliably.
- The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

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

##### ***Revenue from operating lease***

Revenue from operating lease is recognized in accordance with the straight-line method during the lease term. Rentals received in advance for several periods are allocated to revenues in consistence with the lease term.

##### ***Interest***

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

##### ***Profit shared***

Profit shared are recognized when the Company has the right to receive profit from the capital contribution.

#### **18. Revenue deductions**

Revenue deductions only include sales returns incurred in the same period of providing merchandise, services, in which revenues are derecognized.

In case of merchandise, services provided in the previous years but sales returns incurred in the current year, revenues are derecognized as follows:

- If sales returns incur prior to the release of the Financial Statements, revenues are derecognized on the Financial Statements of the current year.
- If sales returns incur after the release of the Financial Statements, revenues are derecognized on the Financial Statements of the following year.



# **LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY (LADOPHAR)**

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

## **FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

### **Notes to the Financial Statements (cont.)**

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#### **19. Borrowing costs**

Borrowing costs are interest 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.

#### **20. 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.

#### **21. Corporate income tax**

Corporate income tax includes current income tax and deferred income tax.

##### ***Current income tax***

Current income tax is the tax amount computed based on the taxable income. Taxable income is different from accounting profit due to the adjustments of temporary differences between tax and accounting figures, non-deductible expenses as well as those of non-taxable income and losses brought forward.

##### ***Deferred 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.

Carrying values of deferred corporate income tax assets are considered as at the balance sheet date and will be reduced to the rate that ensures enough taxable income against which the benefits from part of or all of the deferred income tax can be used. Deferred corporate income tax assets, which have not been recorded before, are considered as at the balance sheet date and are recorded when there is certainly enough taxable income to use these unrecognized deferred corporate income tax assets.

Deferred income tax assets and deferred income tax liabilities are determined at the estimated rate to be applied in the year when the assets are recovered or the liabilities are settled based on the effective tax rates as at the balance sheet date. Deferred income tax is recognized in the Income Statement. In the case that deferred income tax is related to the items of the owner's equity, corporate income tax will be included in the owner's equity.



**LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY (LADOPHAR)**

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

**FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**Notes to the Financial Statements (cont.)**

The Company shall offset deferred tax assets and deferred tax liabilities if:

- The Company has the legal right to offset current income tax assets against current income tax liabilities; and
- Deferred income tax assets and deferred income tax liabilities are relevant to corporate income tax which is under the management of one tax authority either:
  - Of the same subject to corporate income tax; or
  - The Company has intention to pay current income tax liabilities and current income tax assets on a net basis or recover tax assets and settle tax liability simultaneously in each future period to the extent that the majority of deferred income tax liabilities or deferred income tax assets are paid or recovered.

**22. 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.

**23. 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**

|   | <u>Ending balance</u>        | <u>Beginning balance</u>     |
|---|------------------------------|------------------------------|
| Cash on hand  | 147.190.000                  | 97.557.000                   |
| Demand deposits in banks  | 4.114.234.880                | 6.915.035.763                |
| Cash equivalents ( <i>Bank deposits of which the principal maturity is from or under 3 months</i> ) | <u>7.000.000.000</u>         | <u>9.000.000.000</u>         |
| <b>Total</b>  | <b><u>11.261.424.880</u></b> | <b><u>16.012.592.763</u></b> |

**2. Financial investments**

The financial investments of the Company include trading securities, held-to-maturity investments and investments in subsidiary. The Company's financial investments are as follows:



**LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY (LADOPHAR)**

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

**FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**Notes to the Financial Statements (cont.)****2a. Trading securities**

|  | Ending balance       |                      |                        | Beginning balance    |                      |                        |
|--|----------------------|----------------------|------------------------|----------------------|----------------------|------------------------|
|  | Original amount      | Fair values          | Provisions             | Original amount      | Fair values          | Provisions             |
| An Giang Import-Export Company                   | 6.101.680.000        | 608.224.000          | (5.440.256.000)        | 6.101.680.000        | 1.121.184.000        | (4.980.496.000)        |
| AAV Group Joint Stock Company                    | 2.029.100.000        | 2.202.410.000        | -                      |                      |                      |                        |
| VICEM Energy and Environment Joint Stock Company | 1.800.000            | 2.560.000            | -                      |                      |                      |                        |
| <b>Total</b>                                     | <b>8.132.580.000</b> | <b>2.813.194.000</b> | <b>(5.440.256.000)</b> | <b>6.101.680.000</b> | <b>1.121.184.000</b> | <b>(4.980.496.000)</b> |

Reasons for changes in trading securities:

- Shares of AAV Group Joint Stock Company: increase due to additional acquisition of 301.700 shares at the acquisition price and acquisition expenses of VND 2.029.100.000
- Shares of VICEM Energy and Environment Joint Stock Company: increase due to additional acquisition of 400 shares at the acquisition price and acquisition expenses of VND 1.800.000.

Changes in provisions for impairments of trading securities are as follows:

|                       | Current year         | Previous year        |
|-----------------------|----------------------|----------------------|
| Beginning balance     | 4.980.496.000        | 4.344.792.000        |
| Additional provisions | 459.760.000          | 635.704.000          |
| <b>Ending balance</b> | <b>5.440.256.000</b> | <b>4.980.496.000</b> |

**2b. Held-to-maturity investments**

This item reflects the 6-month deposit at BIDV – Lam Dong Branch.

**2c. Investments in subsidiary**

According to the Business Registration Certificate No. 5801479136 dated 19 January 2022, granted by the Department of Planning and Investment of Lam Dong Province, the Company invests an amount of VND 1.000.000.000 in Ladophar Herbal Beverage One-Member Company Limited, equivalent to 100% of charter capital. As of the balance sheet date, the Company invested VND 18.000.000.000 according to the Resolution No. 47/NQ-HĐQT/2022 dated 12 April 2022 of the Board of Management. Up to now, Ladophar Herbal Beverage One Member Company Limited has not registered to change its charter capital.

**(ii) Fair value**

The Company has not measured the fair value of the investments because there is no specific instruction on measurement of fair value.

**Operation of the subsidiary**

During the year, the subsidiary has not had business operations.

**Provisions for investments in other entities**

Changes in provisions for investments in the subsidiary are as follows:

|                             | Current year       | Previous year      |
|-----------------------------|--------------------|--------------------|
| Beginning balance           | 257.685.815        | 372.785.227        |
| Additional provisions       | 2.278.238          | 35.568.025         |
| Transfer of investment loss | -                  | (150.667.437)      |
| <b>Ending balance</b>       | <b>259.964.053</b> | <b>257.685.815</b> |

**Transactions with the subsidiary**

During the year, the Company has no transactions with the subsidiary.



**LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY (LADOPHAR)**

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

**FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**Notes to the Financial Statements (cont.)****3. Short-term trade receivables**

|  | <u>Ending balance</u> | <u>Beginning balance</u> |
|--|-----------------------|--------------------------|
| <i>Receivables from related party</i>    | <i>1.192.550.003</i>  | -                        |
| APG ECO Joint Stock Company              | 1.192.550.003         | -                        |
| <i>Receivables from other customers</i>  | <i>34.263.734.738</i> | <i>27.859.116.481</i>    |
| FPT Long Chau Pharma Joint Stock Company | 4.118.257.702         | 1.582.604.794            |
| Lam Dong General Hospital                | 3.200.199.437         | 4.343.104.489            |
| In Di Co Co., Ltd.                       | 2.635.337.320         | 2.728.388.095            |
| Lam Dong II General Hospital             | 2.172.833.193         | 2.291.212.881            |
| Other customers                          | 22.137.107.086        | 16.913.806.222           |
| <b>Total</b>                             | <b>35.456.284.741</b> | <b>27.859.116.481</b>    |

**4. Short-term prepayments to suppliers**

|  | <u>Ending balance</u> | <u>Beginning balance</u> |
|--|-----------------------|--------------------------|
| <i>Prepayments to related party</i>  | <i>1.110.000.000</i>  | -                        |
| APG Securities Joint Stock Company   | 1.110.000.000         | -                        |
| <i>Prepayments to other suppliers</i>  | <i>33.166.302.557</i> | <i>32.723.152.766</i>    |
| Bao Thu Industrial Development and Investment Joint Stock Company (formerly known as Louis Land Joint Stock Company) (*) | 32.500.000.000        | 32.500.000.000           |
| Other suppliers  | 666.302.557           | 223.152.766              |
| <b>Total</b>   | <b>34.276.302.557</b> | <b>32.723.152.766</b>    |

(\*) The prepayment to Bao Thu Industrial Development and Investment Joint Stock Company (formerly known as Louis Land Joint Stock Company) includes:

- The deposit for the land rental for implementation of the Entrustment Contract No. 0104/2022/HĐTV/LL-LDH dated 04 April 2022 with Louis Land Joint Stock Company (currently known as Bao Thu Industrial Development and Investment Joint Stock Company) regarding development consultancy on Nguyen Kim Da Lat Shopping Center Project. However, this project could not be implemented and Bao Thu Industrial Development and Investment Joint Stock Company is responsible for returning the Company the amount of VND 20.900.000.000 according to the Judgment No. 01/2025/KDTM-ST dated 18 February 2025 of the People's Court of Lagi Town, Binh Thuan Province.
- The deposit for leasing land at Thang Hai 1 Industrial Cluster under the Land Use Right Lease Contract No. 0504/2022/HĐTD/LL-LDP dated 05 April 2022 signed with Louis Land Joint Stock Company (currently known as Bao Thu Industrial Development and Investment Joint Stock Company). However, this project also could not be implemented and Bao Thu Industrial Development and Investment Joint Stock Company is responsible for returning the Company the amount of VND 11.600.000.000 according to the Judgment No. 02/2025/KDTM-ST dated 03 March 2025 of the People's Court of Lagi Town, Binh Thuan Province.

**5. Receivables for short-term loans**

This item reflects the loan given to Mr. Le Minh Duc at the interest rate of 12%/year. The balance as of 31 December 2024 was VND 8.000.333.300 (beginning balance: VND 8.000.333.300).

As of 31 December 2024, the allowance for the receivables for loans was made at the rate of 50% because this amount has been overdue 1 year and 9 months.

**LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY (LADOPHAR)**

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

**FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

Notes to the Financial Statements (cont.)

**6. Other receivables****6a. Other short-term receivables**

|  | Ending balance       |                      | Beginning balance    |                      |
|--|----------------------|----------------------|----------------------|----------------------|
|  | Value                | Allowance            | Value                | Allowance            |
| Mr. Le Minh Duc - Interest on loan given | 1.097.778.518        | (548.889.259)        | 1.097.778.518        | (329.333.555)        |
| Input VAT undeclared                     | -                    | -                    | 753.041.573          | -                    |
| Advances                                 | 38.400.000           | -                    | -                    | -                    |
| Short-term deposits and mortgages        | 1.013.602.020        | -                    | 895.800.000          | -                    |
| Other short-term receivables             | 210.213.889          | -                    | 21.586.317           | -                    |
| <b>Total</b>                             | <b>2.359.994.427</b> | <b>(548.889.259)</b> | <b>2.768.206.408</b> | <b>(329.333.555)</b> |

**6b. Other long-term receivables**

This item reflects long-term deposits and mortgages.

**7. Overdue debts**

|   | Overdue period                    | Ending balance        |                      | Overdue period                    | Beginning balance     |                      |
|---|-----------------------------------|-----------------------|----------------------|-----------------------------------|-----------------------|----------------------|
|   |                                   | Original amount       | Recoverable amount   |                                   | Original amount       | Recoverable amount   |
| In Di Co Co., Ltd.                          | From 3 years or more              | 2.635.337.320         | -                    | From 3 years or more              | 2.750.337.320         | -                    |
| PDS International Group Joint Stock Company | From 3 years or more              | 625.202.434           | -                    | From 3 years or more              | 625.202.434           | -                    |
| VKC Holdings Joint Stock Company            | From 2 years to less than 3 years | 584.101.610           | 175.230.483          | From 1 year to less than 2 years  | 584.101.610           | 292.050.805          |
| Sametel Corporation                         | From 2 years to less than 3 years | 319.828.370           | 95.948.511           | From 1 year to less than 2 years  | 319.828.370           | 159.914.185          |
| Mr. Le Minh Duc - Receivables for loans     | From 1 year to less than 2 years  | 8.000.333.300         | 4.000.166.651        | From 6 months to less than 1 year | 8.000.333.300         | 5.600.233.310        |
| Mr. Le Minh Duc - Interest on loan given    | From 1 year to less than 2 years  | 1.097.778.518         | 548.889.259          | From 6 months to less than 1 year | 1.097.778.518         | 768.444.963          |
| Other individuals and organizations         | From 3 years or more              | 96.927.739            | -                    | From 3 years or more              | 96.927.739            | -                    |
| <b>Total</b>                                |                                   | <b>13.359.509.291</b> | <b>4.820.234.904</b> |                                   | <b>13.474.509.291</b> | <b>6.820.643.263</b> |

Changes in allowances for doubtful debts are as follows:

|                       | Current year         | Previous year        |
|-----------------------|----------------------|----------------------|
| Beginning balance     | 6.653.866.028        | 2.655.963.860        |
| Additional allowances | 1.885.408.359        | 4.005.947.603        |
| Writing off debts     | -                    | (8.045.435)          |
| <b>Ending balance</b> | <b>8.539.274.387</b> | <b>6.653.866.028</b> |

**8. Inventories**

|                        | Ending balance        |           | Beginning balance     |           |
|------------------------|-----------------------|-----------|-----------------------|-----------|
|                        | Original costs        | Allowance | Original costs        | Allowance |
| Goods in transit       | 1.264.221.513         | -         | 641.043.796           | -         |
| Materials and supplies | 11.124.858.515        | -         | 8.082.271.034         | -         |
| Tools                  | 254.938.287           | -         | 315.956.515           | -         |
| Work-in-process        | 1.597.176.706         | -         | 1.749.927.382         | -         |
| Finished goods         | 21.595.267.791        | -         | 17.301.355.157        | -         |
| Merchandise            | 12.903.016.917        | -         | 9.660.652.288         | -         |
| Goods on consignment   | 222.520.690           | -         | 15.550                | -         |
| <b>Total</b>           | <b>48.962.000.419</b> | <b>-</b>  | <b>37.751.221.722</b> | <b>-</b>  |



**LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY (LADOPHAR)**

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

**FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**Notes to the Financial Statements (cont.)****9. Prepaid expenses****9a. Short-term prepaid expenses**

|                                   | <b>Ending balance</b> | <b>Beginning balance</b> |
|-----------------------------------|-----------------------|--------------------------|
| Tools                             | 163.997.455           | 11.927.272               |
| Repair expenses                   | 127.153.201           | 81.679.568               |
| Software license fees             | 1.143.000.000         | -                        |
| Other short-term prepaid expenses | 641.678.065           | 127.216.183              |
| <b>Total</b>                      | <b>2.075.828.721</b>  | <b>220.823.023</b>       |

**9b. Long-term prepaid expenses**

|                                     | <b>Ending balance</b> | <b>Beginning balance</b> |
|-------------------------------------|-----------------------|--------------------------|
| Tools                               | 459.606.715           | 484.961.282              |
| Land rental                         | 2.015.810.026         | 2.111.800.978            |
| Premises rental                     | 2.050.107.418         | 1.988.105.098            |
| Initial investment in Phu Hoi Plant | 108.556.180           | 238.823.548              |
| Repair expenses                     | 424.661.552           | 561.357.396              |
| Other long-term prepaid expenses    | 308.147.438           | 466.282.223              |
| <b>Total</b>                        | <b>5.366.889.329</b>  | <b>5.851.330.525</b>     |

The land rental, of which the carrying value is VND 2.015.810.026, has been mortgaged to secure the loans from BIDV - Northern An Giang Branch (see Note No. V.22).

**10. Tangible fixed assets**

|   | <b>Buildings and structures</b> | <b>Machinery and equipment</b> | <b>Vehicles</b>      | <b>Office equipment</b> | <b>Total</b>           |
|---|---------------------------------|--------------------------------|----------------------|-------------------------|------------------------|
| <b>Historical costs</b>                   |                                 |                                |                      |                         |                        |
| Beginning balance                         | 62.903.489.128                  | 50.996.592.533                 | 10.455.800.210       | 717.757.182             | 125.073.639.053        |
| Acquisition during the year               | 38.888.889                      | -                              | -                    | 40.900.000              | 79.788.889             |
| Transfer to investment properties         | (338.715.502)                   | -                              | -                    | -                       | (338.715.502)          |
| Disposal and liquidation                  | -                               | -                              | (494.444.318)        | -                       | (494.444.318)          |
| <b>Ending balance</b>                     | <b>62.603.662.515</b>           | <b>50.996.592.533</b>          | <b>9.961.355.892</b> | <b>758.657.182</b>      | <b>124.320.268.122</b> |
| <i>In which:</i>                          |                                 |                                |                      |                         |                        |
| Assets fully depreciated but still in use | 15.203.622.708                  | 15.682.297.251                 | 7.151.914.075        | 437.983.955             | 38.475.817.989         |
| Assets waiting for liquidation            | -                               | -                              | -                    | -                       | -                      |
| <b>Depreciation</b>                       |                                 |                                |                      |                         |                        |
| Beginning balance                         | 36.413.192.782                  | 33.026.389.302                 | 8.756.794.619        | 548.217.862             | 78.744.594.565         |
| Depreciation during the year              | 2.730.393.347                   | 3.551.612.747                  | 370.777.485          | 51.237.944              | 6.704.021.523          |
| Transfer to investment properties         | (338.715.502)                   | -                              | -                    | -                       | (338.715.502)          |
| Disposal and liquidation                  | -                               | -                              | (494.444.318)        | -                       | (494.444.318)          |
| <b>Ending balance</b>                     | <b>38.804.870.627</b>           | <b>36.578.002.049</b>          | <b>8.633.127.786</b> | <b>599.455.806</b>      | <b>84.615.456.268</b>  |
| <b>Carrying value</b>                     |                                 |                                |                      |                         |                        |
| Beginning balance                         | 26.490.296.346                  | 17.970.203.231                 | 1.699.005.591        | 169.539.320             | 46.329.044.488         |
| <b>Ending balance</b>                     | <b>23.798.791.888</b>           | <b>14.418.590.484</b>          | <b>1.328.228.106</b> | <b>159.201.376</b>      | <b>39.704.811.854</b>  |
| <i>In which:</i>                          |                                 |                                |                      |                         |                        |
| Assets temporarily not in use             | -                               | -                              | -                    | -                       | -                      |
| Assets waiting for liquidation            | -                               | -                              | -                    | -                       | -                      |

**LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY (LADOPHAR)**

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

**FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**Notes to the Financial Statements (cont.)****11. Intangible fixed assets**

|   | <b>Land use right</b> | <b>Computer software</b> | <b>Total</b>         |
|---|-----------------------|--------------------------|----------------------|
| <b>Initial costs</b>                    |                       |                          |                      |
| Beginning balance                       | 163.783.777           | 2.044.370.000            | 2.208.153.777        |
| Transfer to investment properties       | (10.020.000)          | -                        | (10.020.000)         |
| <b>Ending balance</b>                   | <b>153.763.777</b>    | <b>2.044.370.000</b>     | <b>2.198.133.777</b> |
| <i>In which:</i>                        |                       |                          |                      |
| Assets fully amortized but still in use | 153.763.777           | 1.595.370.000            | 1.749.133.777        |
| <b>Amortization</b>                     |                       |                          |                      |
| Beginning balance                       | 153.763.777           | 1.824.919.437            | 1.978.683.214        |
| Amortization during the year            | -                     | 150.853.314              | 150.853.314          |
| <b>Ending balance</b>                   | <b>153.763.777</b>    | <b>1.975.772.751</b>     | <b>2.129.536.528</b> |
| <b>Carrying value</b>                   |                       |                          |                      |
| Beginning balance                       | 10.020.000            | 219.450.563              | 229.470.563          |
| <b>Ending balance</b>                   | <b>-</b>              | <b>68.597.249</b>        | <b>68.597.249</b>    |
| <i>In which:</i>                        |                       |                          |                      |
| Assets temporarily not in use           | -                     | -                        | -                    |
| Assets waiting for liquidation          | -                     | -                        | -                    |

**12. Investment property*****Investment property for lease***

|  | <b>Land use right</b> | <b>Building</b>      | <b>Total</b>         |
|--|-----------------------|----------------------|----------------------|
| <b>Historical/Initial costs</b>                      |                       |                      |                      |
| Beginning balance                                    | 2.696.695.000         | 1.124.909.177        | 3.821.604.177        |
| Transfer from tangible fixed assets                  | -                     | 338.715.502          | 338.715.502          |
| Transfer from intangible fixed assets                | 10.020.000            | -                    | 10.020.000           |
| <b>Ending balance</b>                                | <b>2.706.715.000</b>  | <b>1.463.624.679</b> | <b>4.170.339.679</b> |
| <i>In which:</i>                                     |                       |                      |                      |
| Assets fully depreciated/amortized but still leasing | -                     | 338.715.502          | 338.715.502          |
| <b>Depreciation/Amortization</b>                     |                       |                      |                      |
| Beginning balance                                    | 642.009.083           | 809.505.223          | 1.451.514.306        |
| Depreciation/Amortization during the year            | 64.207.020            | 44.996.364           | 109.203.384          |
| Transfer from tangible fixed assets                  | -                     | 338.715.502          | 338.715.502          |
| <b>Ending balance</b>                                | <b>706.216.103</b>    | <b>1.193.217.089</b> | <b>1.899.433.192</b> |
| <b>Carrying value</b>                                |                       |                      |                      |
| Beginning balance                                    | 2.054.685.917         | 315.403.954          | 2.370.089.871        |
| <b>Ending balance</b>                                | <b>2.000.498.897</b>  | <b>270.407.590</b>   | <b>2.270.906.487</b> |

According to Vietnamese Accounting Standard No. 05 "Investment property", it is required to present fair value of investment property as at the balance sheet date. However, the Company has not had conditions to measure fair value of investment property. Based on the actual lease and market value, the Board of Directors believes that the fair value of investment property is greater than the carrying value as at the balance sheet date.



**LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY (LADOPHAR)**

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

**FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**Notes to the Financial Statements (cont.)**

List of investment properties as at the balance sheet date is as follows:

|                | <b>Historical/Initial<br/>costs</b> | <b>Accumulated<br/>depreciation/amortization</b> | <b>Carrying value</b> |
|----------------|-------------------------------------|--|-----------------------|
| Land use right | 2.706.715.000                       | 706.216.103                                      | 2.000.498.897         |
| Building       | 1.463.624.679                       | 1.193.217.089                                    | 270.407.590           |
| <b>Total</b>   | <b>4.170.339.679</b>                | <b>1.899.433.192</b>                             | <b>2.270.906.487</b>  |

Land use right, of which the carrying value is VND 1.990.478.897, has been mortgaged to secure the loans from BIDV – Northern An Giang Branch (see Note No. V.22).

**13. Construction-in-progress**

This item reflects expenses for acquisition of fixed assets. Details are as follows:

|                               | <b>Beginning<br/>balance</b> | <b>Increase during<br/>the year</b> | <b>Inclusion into<br/>fixed assets during<br/>the year</b> | <b>Ending<br/>balance</b> |
|-------------------------------|------------------------------|-------------------------------------|--|---------------------------|
| Software development expenses | -                            | 822.681.000                         | -  | 822.681.000               |
| Acquisition of 7-sea car      | -                            | 2.028.000.000                       | -  | 2.028.000.000             |
| Other fixed assets            | -                            | 79.788.889                          | (79.788.889)   | -                         |
| <b>Total</b>                  | <b>-</b>                     | <b>2.930.469.889</b>                | <b>(79.788.889)</b>  | <b>2.850.681.000</b>      |

**14. Deferred income tax assets*****Unrecognized deferred income tax assets***

The Company has not recognized deferred income tax assets for following items:

|                                       | <b>Ending balance</b> | <b>Beginning balance</b> |
|---------------------------------------|-----------------------|--------------------------|
| Loan interest expenses <sup>(i)</sup> | 17.688.674.887        | 18.460.888.617           |
| Taxable losses <sup>(ii)</sup>        | 29.639.310.856        | 38.461.722.152           |
| <b>Total</b>                          | <b>47.327.985.743</b> | <b>56.922.610.769</b>    |

The figures were re-presented for the year 2022 and the year 2023 according to the Tax Inspection Minutes dated 25 October 2024.

**(i) Details of loan interest expenses brought forward are as follows:**

|              |                       |
|--------------|-----------------------|
| 2020         | 3.117.840.204         |
| 2022         | 7.544.242.437         |
| 2023         | 7.026.592.246         |
| <b>Total</b> | <b>17.688.674.887</b> |

According to the Government's Decree No. 132/2020/NĐ-CP dated 05 November 2020, from the tax period of 2019 onwards, the non-deductible loan interest is carried forward to the next tax period for the determination of total deductible loan interest if the actually incurred loan interest in the next tax period is lower than the amount of prescribed deductible loan interest. The loan interest may be carried forward for a maximum consecutive period of 5 years, counting from the year following the year of incurring non-deductible loan interest. Deferred income tax assets are not recognized since there is little possibility on use of such loan interest expenses.

**(ii) Details of unrecognized taxable losses are as follows:**

|              |                       |
|--------------|-----------------------|
| 2022         | 22.962.753.820        |
| 2023         | 6.676.557.036         |
| <b>Total</b> | <b>29.639.310.856</b> |



**LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY (LADOPHAR)**

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

**FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**Notes to the Financial Statements (cont.)**

According to the current Law on Corporate Income Tax, the loss of any tax year is brought forward to offset against the profit of the following years for the maximum period of 5 years from year after the loss suffering year. Deferred income tax assets are not recognized for these accounts since there is little possibility on the availability of taxable income in the future against which these accounts can be used.

**15. Short-term trade payables**

|  | <b>Ending balance</b>        | <b>Beginning balance</b>     |
|--|------------------------------|------------------------------|
| <b><i>Payables to related parties</i></b>                      | <b><i>1.238.470.000</i></b>  | <b><i>862.500.000</i></b>    |
| Louis Angimex Commercial Company Limited                       | 700.000.000                  | 700.000.000                  |
| Louis Rice Import and Export Joint Stock Company               | 162.500.000                  | 162.500.000                  |
| DK PCF International Trading Joint Stock Company               | 350.220.000                  | -                            |
| Angimex Food Company Limited                                   | 25.750.000                   | -                            |
| <b><i>Payables to other suppliers</i></b>                      | <b><i>30.306.425.647</i></b> | <b><i>22.686.523.169</i></b> |
| Branch of OPC Pharmaceutical Joint-Stock Company in Nha Trang  | 5.568.006.897                | 1.970.953.585                |
| Branch of DHG Pharmaceutical Joint Stock Company in Binh Thuan | 4.191.751.422                | 4.500.454.058                |
| Other suppliers  | 20.546.667.328               | 16.215.115.526               |
| <b>Total</b>   | <b><u>31.544.895.647</u></b> | <b><u>23.549.023.169</u></b> |

In which, the ending balance of trade payables for acquisition of fixed assets is VND 299.667.000 (beginning balance: VND 299.667.000).

The Company has no overdue trade payables.

**16. Short-term advances from customers**

|  | <b>Ending balance</b>     | <b>Beginning balance</b>  |
|--|---------------------------|---------------------------|
| Thanhdat Company Ltd.                    | 375.859.159               | 375.859.159               |
| Rohto-Mentholatum (Vietnam) Co., Ltd.    | -                         | 551.627.188               |
| FPT Long Chau Pharma Joint Stock Company | 287.117.999               | -                         |
| Other customers                          | 70.973.036                | 18.181.189                |
| <b>Total</b>                             | <b><u>733.950.194</u></b> | <b><u>945.667.536</u></b> |

**17. Taxes and other obligations to the State Budget**

|                      | <b>Beginning balance</b>  |                           | <b>Increase during the year</b> |                               | <b>Ending balance</b>     |                           |
|----------------------|---------------------------|---------------------------|---------------------------------|-------------------------------|---------------------------|---------------------------|
|                      | <b>Payables</b>           | <b>Receivables</b>        | <b>Amount payable</b>           | <b>Amount paid</b>            | <b>Payables</b>           | <b>Receivables</b>        |
| VAT on local sales   | 405.035.493               | -                         | 6.444.856.291                   | (6.032.218.659)               | 817.673.125               | -                         |
| Corporate income tax | -                         | 447.578.217               | -                               | -                             | -                         | 447.578.217               |
| Personal income tax  | 157.188.966               | -                         | 1.263.927.657                   | (1.248.426.009)               | 172.690.614               | -                         |
| Land rental          | -                         | -                         | 776.608.757                     | (776.608.757)                 | -                         | -                         |
| Property tax         | -                         | -                         | 33.084.014                      | (33.084.014)                  | -                         | -                         |
| Other taxes          | -                         | -                         | 191.602.888                     | (191.602.888)                 | -                         | -                         |
| <b>Total</b>         | <b><u>562.224.459</u></b> | <b><u>447.578.217</u></b> | <b><u>8.710.079.607</u></b>     | <b><u>(8.281.940.327)</u></b> | <b><u>990.363.739</u></b> | <b><u>447.578.217</u></b> |

**LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY (LADOPHAR)**

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

**FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**Notes to the Financial Statements (cont.)****Value added tax (VAT)**

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

- Goods with drug registration numbers 05%
- Other goods and services <sup>(i)</sup> 10%

- (i) From 01 January 2024 to 31 December 2024, the VAT rate applied to some goods and services is 8% according to the Government's Decree No. 94/2023/NĐ-CP dated 28 December 2023 specifying the VAT reduction policy under the Resolution No. 110/2023/QH15 dated 29 November 2023 of the National Assembly and the Government's Decree No. 72/2024/NĐ-CP dated 30 June 2024 specifying the VAT reduction policy under the Resolution No. 142/2024/QH15 dated 29 June 2024 of the National Assembly.

**Corporate income tax**

The Company has to pay corporate income tax on taxable income at the rate of 20%.

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

|   | <b>Current year</b> | <b>Previous year</b> |
|---|---------------------|----------------------|
| Total accounting profit/(loss) before tax   | 6.918.953.001       | (20.093.806.710)     |
| Increases/(decreases) of accounting profit to determine profit subject to corporate income tax: |                     |                      |
| - Non-deductible loan interest expenses   | (772.213.730)       | 7.026.592.246        |
| - Other increases   | 2.776.754.607       | 6.533.237.606        |
| - Decreases   | (101.082.582)       | (142.580.178)        |
| Income subject to tax   | 8.822.411.296       | (6.676.557.036)      |
| Loss of previous years brought forward  | (8.822.411.296)     | -                    |
| Taxable income  | -                   | -                    |
| Corporate income tax rate   | 20%                 | 20%                  |
| <b>Corporate income tax payable</b>   | <b>-</b>            | <b>-</b>             |

The previous year's figures were re-presented for the year 2022 and the year 2023 in accordance with the Tax Inspection Minutes dated 25 October 2024.

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.

**Property tax**

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

**Other taxes**

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

**18. Payables to employees**

The salary payable to the employees as of the balance sheet date is VND 7.536.730.224 (beginning balance: VND 3.577.839.287).



**LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY (LADOPHAR)**

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

**FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**Notes to the Financial Statements (cont.)****19. Short-term accrued expenses**

|   | <b>Ending balance</b> | <b>Beginning balance</b> |
|---|-----------------------|--------------------------|
| Bond interest expenses                  | 5.698.146.000         | 2.614.403.000            |
| Bank loan interest expenses             | 5.496.036             | 40.021.643               |
| Remuneration to the Board of Management | 630.194.612           | 583.742.612              |
| Selling expenses                        | 1.262.439.112         | 309.050.148              |
| Other short-term accrued expenses       | 87.600.000            | 85.000.000               |
| <b>Total</b>                            | <b>7.683.875.760</b>  | <b>3.632.217.403</b>     |

**20. Short-term unearned revenues**

The revenue from leasing premises as of 31 December 2024 is VND 134.181.820 (beginning balance: VND 0).

**21. Other payables****21a. Other short-term payables**

|                           | <b>Ending balance</b> | <b>Beginning balance</b> |
|---------------------------|-----------------------|--------------------------|
| Trade Union's expenditure | 152.932.000           | 147.924.000              |
| Dividends payable         | 89.663.784            | 89.663.784               |
| Other short-term payables | 1.696.000.311         | 1.098.398.548            |
| <b>Total</b>              | <b>1.938.596.095</b>  | <b>1.335.986.332</b>     |

**21b. Other long-term payables**

|                                   | <b>Ending balance</b> | <b>Beginning balance</b> |
|-----------------------------------|-----------------------|--------------------------|
| Receipt of deposits and mortgages | 546.500.000           | 496.500.000              |
| Other long-term payables          | 1.223.230.000         | 1.223.230.000            |
| <b>Total</b>                      | <b>1.769.730.000</b>  | <b>1.719.730.000</b>     |

**21c. Overdue debts**

The Company has no other overdue payables.

**22. Short-term borrowings**

|   | <b>Ending balance</b> | <b>Beginning balance</b> |
|---|-----------------------|--------------------------|
| Loan from BIDV – Northern An Giang Branch <sup>(i)</sup>      | 27.206.209.724        | 35.148.471.567           |
| Current portions of short-term ordinary bonds <sup>(ii)</sup> | 27.820.000.000        | 30.220.000.000           |
| Current portions of long-term loans                           | -                     | 591.644.986              |
| <b>Total</b>  | <b>55.026.209.724</b> | <b>65.960.116.553</b>    |

The Company is solvent over short-term loans.

<sup>(i)</sup> The loan from BIDV – Northern An Giang Branch under the Loan Agreement No. 01/2024/590445/HĐTD is to supplement the working capital at the interest rate applied to each loan receipt. The loan term is 12 months. This loan is secured by mortgaging the land use right with the total collateral value of VND 66.587.361.400 according to the Valuation Minutes dated 19 April 2024 (see Notes No. V.9b and V.12).

<sup>(ii)</sup> On 14 April 2022, according to the Resolution No. 50/NQ-HĐQT/LDP-2022 of the Board of Management, the Company announced the private placement of secured, unconvertible bonds without warrants, with the term of 12 months, face value of VND 100.000, interest rate of 12%/year, to professional securities investors who are allowed to acquire bonds in accordance with the laws of Vietnam. The bonds are to supplement the capital for cooperative investment in construction of a beverage plant and to supplement capital for other activities. The total maximum issuance value is VND 300.000.000.000.



**LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY (LADOPHAR)**

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

**FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**Notes to the Financial Statements (cont.)**

As to 01 July 2022, according to the Resolution No. 62/NQ-HĐQT/2022 of the Board of Management, the Board of Management approved to close the LDPH2223001 bond package, which was issued on 18 April 2022. The Company got consent with bondholders, paid off all bond obligations, and actively used capital sources to make repayments as committed to investors.

On 15 July 2022, the Company issued the Official Letter No. 360/CV-LDP/2022 announcing the payment plan to investors. According to this Official Letter, the Company will carry out procedures to prematurely redeem bonds within 40 days, from the date of the notice on cancellation of issuance of LDPH2223001 bond. The Company commits to paying principal and interest obligations to bondholders up to the time of bond redemption.

On 17 April 2023, according to the Resolution No. 09/NQ-HĐQT/2023 of the Board of Management, the Company announced the payment plan for interest of LDPH2223001 bond from the date of bond issuance cancellation by the end of 18 April 2023. The Company expects to get consent and sign on an agreement with the investors regarding the conversion of bond investment into liability. Then the Company will repay the principal by instalments. During the year, the Company only got consent and made payments to two investors with an amount of VND 2.400.000.000.

The Company is solvent over short-term loans.

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

|   | <b>Beginning<br/>balance</b> | <b>Increase during<br/>the year</b> | <b>Amount repaid<br/>during the year</b> | <b>Ending balance</b> |
|---|------------------------------|-------------------------------------|--|-----------------------|
| Short-term loans from banks               | 35.148.471.567               | 113.848.575.520                     | (121.790.837.363)                        | 27.206.209.724        |
| Short-term loans from other organizations | -                            | 4.992.950.476                       | (4.992.950.476)                          | -                     |
| Current portions of ordinary bonds        | 30.220.000.000               | -                                   | (2.400.000.000)                          | 27.820.000.000        |
| Current portions of long-term loans       | 591.644.986                  | -                                   | (591.644.986)                            | -                     |
| <b>Total</b>                              | <b>65.960.116.553</b>        | <b>118.841.525.996</b>              | <b>(129.775.432.825)</b>                 | <b>55.026.209.724</b> |

**Overdue borrowings**

The Company has no overdue loans except for current portions of short-term ordinary bonds (the Company is negotiating to sign on an agreement with investors on the conversion of bond investment into liability).

**23. Bonus and welfare funds**

|                              | <b>Current year</b> | <b>Previous year</b> |
|------------------------------|---------------------|----------------------|
| Beginning balance            | 1.124.244.311       | 1.906.622.695        |
| Disbursement during the year | (610.155.008)       | (782.378.384)        |
| <b>Ending balance</b>        | <b>514.089.303</b>  | <b>1.124.244.311</b> |

**LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY (LADOPHAR)**

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

**FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**Notes to the Financial Statements (cont.)****24. Owner's equity****24a. Statement of changes in owner's equity**

|  | Owner's capital        | Treasury stocks  | Investment and development fund | Retained earnings       | Total                 |
|--|------------------------|------------------|---------------------------------|-------------------------|-----------------------|
| Beginning balance of the previous year | 127.031.670.000        | (320.000)        | 24.348.384.362                  | (38.920.384.418)        | 112.459.349.944       |
| Profit/(loss) in the previous year     | -                      | -                | -                               | (20.093.806.710)        | (20.093.806.710)      |
| Ending balance of the previous year    | <u>127.031.670.000</u> | <u>(320.000)</u> | <u>24.348.384.362</u>           | <u>(59.014.191.128)</u> | <u>92.365.543.234</u> |
| Beginning balance of the current year  | 127.031.670.000        | (320.000)        | 24.348.384.362                  | (59.014.191.128)        | 92.365.543.234        |
| Profit in the current year             | -                      | -                | -                               | 6.918.953.001           | 6.918.953.001         |
| Ending balance of the current year     | <u>127.031.670.000</u> | <u>(320.000)</u> | <u>24.348.384.362</u>           | <u>(52.095.238.127)</u> | <u>99.284.496.235</u> |

**24b. Details of owner's capital**

|                                    | Ending balance         | Beginning balance      |
|------------------------------------|------------------------|------------------------|
| Louis Holdings Joint Stock Company | 64.807.250.000         | 64.807.250.000         |
| APG Securities Joint Stock Company | 23.977.000.000         | 23.977.000.000         |
| Other shareholders                 | 38.247.100.000         | 38.247.100.000         |
| <b>Total</b>                       | <b>127.031.350.000</b> | <b>127.031.350.000</b> |

**24c. Shares**

|  | Ending balance | Beginning balance |
|--|----------------|-------------------|
| Number of shares registered to be issued | 12.703.167     | 12.703.167        |
| Number of shares issued                  | 12.703.167     | 12.703.167        |
| - Common shares                          | 12.703.167     | 12.703.167        |
| - Preferred shares                       | -              | -                 |
| Number of shares repurchased             | 32             | 32                |
| - Common shares                          | 32             | 32                |
| - Preferred shares                       | -              | -                 |
| Number of outstanding shares             | 12.703.135     | 12.703.135        |
| - Common shares                          | 12.703.135     | 12.703.135        |
| - Preferred shares                       | -              | -                 |

Face value of outstanding shares: VND 10.000.

**24d. Information on additional share issuance**

According to the Resolution No. 01/NQ-ĐHĐCĐ/LDP/2024 dated 10 April 2024 of 2024 Annual General Meeting of Shareholders, the private offering plan was approved at the General Meeting of Shareholders as follows:

- Offering subjects: Individuals and/or organizations who are professional securities investors.
- Maximum number of shares expected to be offered: 8.250.000 shares.
- Value of shares expected to be offered at face value: VND 82.500.000.000.
- Expected offering price: The General Meeting of Shareholders authorized the Board of Management to decide on the offering price but not lower than VND 11.000/share.
- Expected issuance time: in 2024.

Additionally, the Employee Stock Ownership Plan (ESOP) was approved at the General Meeting of Shareholders as follows:

- Offering subjects: Members of the Board of Management, members of the Board of Directors, key managers and other employees of the Company.



**LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY (LADOPHAR)**

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

**FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**Notes to the Financial Statements (cont.)**

- Maximum number of shares expected to be offered: 635.000 shares.
- Value of shares expected to be offered at face value: VND 6.350.000.000.
- Expected offering price: The General Meeting of Shareholders authorized the Board of Management to decide on the offering price but not lower than VND 10.000/share.
- Transfer conditions: The issued shares are restricted from transfer for at least 1 year from the completion of the issuance tranche.
- Expected issuance time: in 2024.

However, because the documents have not been completed as prescribed, it is expected to continue to prepare documents for issuing shares in 2025.

**25. Off- balance sheet items****25a. External leased assets**

The total minimum lease payment in the future for irrevocable leasing contracts (Contract on Leasing Land of the State) will be settled as follows:

|                             | <b>Ending balance</b> | <b>Beginning balance</b> |
|-----------------------------|-----------------------|--------------------------|
| 1 year or less              | 1.553.217.514         | 1.509.202.892            |
| More than 1 year to 5 years | 6.212.870.056         | 7.546.014.460            |
| More than 5 years           | 13.937.807.414        | 13.996.302.243           |
| <b>Total</b>                | <b>21.703.894.984</b> | <b>23.051.519.595</b>    |

**25b. Foreign currencies**

As at the balance sheet date, cash includes USD 66,32 (beginning balance: USD 119,12).

**25c. Treated doubtful debts**

The Company's receivables from Hoang Kim Tuyen Drugstore for an amount of VND 16.090.871 as at the balance sheet date (beginning balance: VND 16.090.871) have been written off due to being irrecoverable.

**VI. ADDITIONAL INFORMATION ON THE ITEMS OF THE INCOME STATEMENT****1. Revenue from sales of goods and provisions of services****1a. Gross revenue**

|                                      | <b>Current year</b>    | <b>Previous year</b>   |
|--------------------------------------|------------------------|------------------------|
| Revenue from sales of merchandise    | 85.653.267.392         | 85.482.197.815         |
| Revenue from sales of finished goods | 130.368.103.870        | 98.329.213.218         |
| Revenue from provisions of services  | 2.409.545.451          | 2.497.065.696          |
| <b>Total</b>                         | <b>218.430.916.713</b> | <b>186.308.476.729</b> |

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

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

|  | <b>Current year</b> | <b>Previous year</b> |
|--|---------------------|----------------------|
| <b>Board Member</b>                                |                     |                      |
| Mr. Pham Trung Kien                                | 2.770.789           | -                    |
| <b>Other related parties</b>                       |                     |                      |
| An Giang Import-Export Company                     | -                   | 15.250.286           |
| APG Securities Joint Stock Company                 | -                   | 25.956.895           |
| Long An Transport Construction Joint Stock Company | -                   | 6.807.713            |
| Angimex Food Company Limited                       | 11.218.418          | -                    |
| APG ECO Joint Stock Company                        | 4.976.967.122       | -                    |



**LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY (LADOPHAR)**

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

**FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**Notes to the Financial Statements (cont.)****2. Revenue deductions**

The sales returns in the current year are VND 473.159.410 (previous year: VND 307.760.265).

**3. Costs of sales**

|                              | <b>Current year</b>    | <b>Previous year</b>   |
|------------------------------|------------------------|------------------------|
| Costs of merchandise sold    | 80.856.051.399         | 80.639.610.729         |
| Costs of finished goods sold | 72.602.102.572         | 68.086.204.962         |
| Costs of services provided   | 109.203.383            | 109.203.383            |
| <b>Total</b>                 | <b>153.567.357.354</b> | <b>148.835.019.074</b> |

**4. Financial income**

|                         | <b>Current year</b> | <b>Previous year</b> |
|-------------------------|---------------------|----------------------|
| Bank deposit interest   | 281.166.540         | 537.980.125          |
| Discount/bonus received | 49.522.327          | 67.663.763           |
| Interest on loans given | -                   | 236.722.191          |
| Profit from subsidiary  | -                   | 29.186.433           |
| Other financial income  | 207.950             | 3.093.564            |
| <b>Total</b>            | <b>330.896.817</b>  | <b>874.646.076</b>   |

**5. Financial expenses**

|                                 | <b>Current year</b>  | <b>Previous year</b> |
|---------------------------------|----------------------|----------------------|
| Loan interest expenses          | 1.894.870.417        | 3.306.657.190        |
| Cash discounts                  | 634.334.887          | -                    |
| Expenses for securities holding | 1.427.789.640        | 636.037.633          |
| Bond interest                   | 3.083.743.000        | 3.719.935.056        |
| Provisions for investment loss  | 2.278.238            | 35.568.025           |
| <b>Total</b>                    | <b>7.043.016.182</b> | <b>7.698.197.904</b> |

**6. Selling expenses**

|   | <b>Current year</b>   | <b>Previous year</b>  |
|---|-----------------------|-----------------------|
| Expenses for employees                      | 17.225.172.160        | 14.259.872.130        |
| Materials, packages                         | 519.497.275           | 274.853.572           |
| Tools, supplies                             | 94.574.090            | 130.712.131           |
| Depreciation/(amortization) of fixed assets | 355.378.600           | 1.000.917.576         |
| Expenses for external services              | 7.402.799.886         | 7.497.889.067         |
| Other expenses                              | 5.330.735.479         | 6.778.802.901         |
| <b>Total</b>                                | <b>30.928.157.490</b> | <b>29.943.047.377</b> |

**7. General and administration expenses**

|   | <b>Current year</b>   | <b>Previous year</b>  |
|---|-----------------------|-----------------------|
| Expenses for employees                      | 9.723.380.440         | 9.507.753.315         |
| Office supplies                             | 58.944.572            | 27.623.662            |
| Office stationery                           | 22.522.947            | 22.929.965            |
| Depreciation/(amortization) of fixed assets | 550.105.938           | 616.122.464           |
| Allowance for doubtful debts                | 1.885.408.359         | 4.005.947.603         |
| Expenses for external services              | 3.990.032.624         | 2.080.684.377         |
| Other expenses                              | 3.949.051.290         | 3.291.839.434         |
| <b>Total</b>                                | <b>20.179.446.170</b> | <b>19.552.900.820</b> |

**LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY (LADOPHAR)**

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

**FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**Notes to the Financial Statements (cont.)****8. Other income**

|  | <u>Current year</u> | <u>Previous year</u> |
|--|---------------------|----------------------|
| Proceeds from liquidation of tools                     | -                   | 22.340.905           |
| Proceeds from liquidation and disposal of fixed assets | 63.636.364          | -                    |
| Proceeds from support                                  | 280.232.421         | -                    |
| Compensation, sales discount                           | 9.481.156           | 48.405.000           |
| Other income   | 229.903.527         | 180.286.134          |
| <b>Total</b>   | <b>583.253.468</b>  | <b>251.032.039</b>   |

**9. Other expenses**

|                                       | <u>Current year</u> | <u>Previous year</u> |
|---------------------------------------|---------------------|----------------------|
| Loss from liquidation of fixed assets | -                   | 916.349.832          |
| Tax and administrative fines          | 229.846.188         | 67.812.757           |
| Other expenses                        | 5.131.203           | 206.873.525          |
| <b>Total</b>                          | <b>234.977.391</b>  | <b>1.191.036.114</b> |

**10. Earnings per share**

Information on earnings per share is presented in the Consolidated Financial Statements.

**11. Operating costs by factors**

|   | <u>Current year</u>    | <u>Previous year</u>   |
|---|------------------------|------------------------|
| Materials and supplies                      | 76.303.606.914         | 58.163.322.323         |
| Labor costs                                 | 46.373.827.621         | 38.789.629.838         |
| Depreciation/(amortization) of fixed assets | 6.964.078.221          | 8.237.159.694          |
| Expenses for external services              | 18.640.481.482         | 15.796.062.164         |
| Other expenses                              | 12.586.132.054         | 14.824.172.939         |
| <b>Total</b>                                | <b>160.868.126.292</b> | <b>135.810.346.958</b> |

**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, the Supervisory Board and the Board of Directors. The key managers' related individuals are their close family members.

*Transactions with the key managers and their related individuals*

Apart from sales of goods to the key managers as presented in Note No. VI.1b, the Company has no other transactions with 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*

|                     | <u>Position</u> | <u>Current year</u> | <u>Previous year</u> |
|---------------------|-----------------|---------------------|----------------------|
| Mr. Pham Trung Kien | Chairman        | 622.452.745         | 212.000.000          |
| Mr. Le Tien Thinh   | Board Member    | 120.000.000         | 93.548.387           |
| Mr. Le Xuan Thanh   | Board Member    | 154.000.000         | 3.871.000            |
| Ms. Dang Thuy Linh  | Board Member    | 87.000.000          | -                    |



**LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY (LADOPHAR)**

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

**FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**Notes to the Financial Statements (cont.)**

|   | <b>Position</b>           | <b>Current year</b>  | <b>Previous year</b> |
|---|---------------------------|----------------------|----------------------|
| Ms. Nguyen Thi Hong Giang                   | Board Member              | 106.500.000          | -                    |
| Resigned members of the Board of Management |                           | 66.000.000           | 406.580.613          |
| Ms. Dao Thi Nga                             | Head of Supervisory Board | 120.000.000          | 3.871.000            |
| Mr. Vo Kim Nguyen                           | Supervisory Board Member  | 60.000.000           | 1.935.000            |
| Ms. Nguyen Thi Quynh Nga                    | Supervisory Board Member  | 60.000.000           | 1.935.000            |
| Resigned members of the Supervisory Board   |                           | -                    | 204.194.000          |
| Mr. Le Tien Thinh                           | General Director          | 1.750.777.889        | -                    |
| Mr. Ngo Van Tri                             | Deputy General Director   | 821.184.000          | 824.184.000          |
| Resigned members of the Board of Directors  |                           | -                    | 2.570.494.431        |
| <b>Total</b>                                |                           | <b>3.967.914.634</b> | <b>4.322.613.431</b> |

**1b. Transactions and balances with other related parties**

Other related parties of the Company include:

| <b>Other related parties</b>                        | <b>Relationship</b>  |
|---|--|
| Louis Holdings Joint Stock Company                  | Parent Company   |
| APG Securities Joint Stock Company                  | Shareholder owning 18,87% of charter capital                   |
| Ladophar Herbal Beverage One-Member Company Limited | Subsidiary   |
| Louis Rice Import and Export Joint Stock Company    | Fellow subsidiary  |
| Long An Louis Rice Co., Ltd.                        | Fellow subsidiary  |
| Kien Giang Louis Rice Co., Ltd.                     | Fellow subsidiary  |
| Long An Transport Construction Joint Stock Company  | Fellow subsidiary  |
| An Giang Import-Export Company                      | Company having the same key managers                           |
| APG ECO Joint Stock Company                         | Company having the same key managers                           |
| DK PCF International Trading Joint Stock Company    | Company having the same key managers                           |
| Angimex Food Company Limited                        | Subsidiary of An Giang Import-Export Company                   |
| Louis Angimex Commercial Company Limited            | Subsidiary of Louis Rice Import and Export Joint Stock Company |
| Angimex Food Processing Company Limited             | Subsidiary of An Giang Import-Export 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 also has other following transactions with other related parties:

|   | <b>Current year</b> | <b>Previous year</b> |
|---|---------------------|----------------------|
| <b>Angimex Food Processing Company Limited</b>          |                     |                      |
| Purchase of merchandise                                 | -                   | 59.400.000           |
| <b>Angimex Food Company Limited</b>                     |                     |                      |
| Purchase of merchandise                                 | 564.844.810         | -                    |
| <b>DK PCF International Trading Joint Stock Company</b> |                     |                      |
| Purchase of merchandise                                 | 318.381.817         | -                    |
| <b>APG Securities Joint Stock Company</b>               |                     |                      |
| Advance for stock issuance service fees                 | 1.110.000.000       | -                    |



# LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY (LADOPHAR)

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

## FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

### Notes to the Financial Statements (cont.)

The prices of merchandise, services supplied to other related parties are mutually agreed prices. The purchases of merchandise, 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 Notes No.V.3, V.4 and V.15.

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 primary reporting format is the business segment based on the internal organizational and management structure as well as the system of internal financial reporting of the Company.

### 2a. Information on business segment

The Company has the following business segments:

- Trading: to trade medicines, pharmaceutical materials, medical equipment.
- Manufacturing: to manufacture medicines, pharmaceutical materials.
- Others: to lease assets, cooperative business.

Information on business segment of the Company is presented in the attached Appendix.

### 2b. Information on geographical segment

All activities of the Company take place only in the territory of Vietnam.

## 3. Subsequent events

On 18 February 2025, the People's Court of La Gi Town, Binh Thuan Province issued the Judgment No. 01/2025/KDTM-ST requesting Bao Thu Industrial Development and Investment Joint Stock Company to return an amount of VND 20.900.000.000 to the Company.

On 03 March 2025, the People's Court of La Gi Town, Binh Thuan Province issued the Judgment No. 02/2025/KDTM-ST requesting Bao Thu Industrial Development and Investment Joint Stock Company to return an amount of VND 11.600.000.000 to the Company.

Apart from the foregoing events, there are no other material subsequent events which are required adjustments or disclosures in the Financial Statements.



**Truong Thi Ngoc Hien**  
Chief Accountant/Preparer



Lam Dong, 22 March 2025

**Le Tien Thinh**  
General Director

**LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY**

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

**FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**Appendix: Segment information on business segment**

Unit: VND

The information on financial performance, fixed assets, other non-current assets and remarkable non-cash expenses according to business segments of the Company is as follows:

|   | Trading               | Manufacture            | Others               | Total                  |
|---|-----------------------|------------------------|----------------------|------------------------|
| <b>Current year</b>   |                       |                        |                      |                        |
| Net external revenues   | 85.637.336.871        | 129.910.874.981        | 2.409.545.451        | 217.957.757.303        |
| Net inter-segment revenues  | -                     | -                      | -                    | -                      |
| <b>Total net revenues</b>   | <b>85.637.336.871</b> | <b>129.910.874.981</b> | <b>2.409.545.451</b> | <b>217.957.757.303</b> |
| Segment financial performance   | 4.781.285.472         | 57.308.772.409         | 2.300.342.068        | 64.390.399.949         |
| Expenses not attributable to segments   |                       |                        |                      | (51.107.603.660)       |
| Operating profit  |                       |                        |                      | 13.282.796.289         |
| Financial income  |                       |                        |                      | 330.896.817            |
| Financial expenses  |                       |                        |                      | (7.043.016.182)        |
| Other income  |                       |                        |                      | 583.253.468            |
| Other expenses  |                       |                        |                      | (234.977.391)          |
| Current income tax  |                       |                        |                      | -                      |
| Deferred income tax   |                       |                        |                      | -                      |
| <b>Profit after tax</b>   |                       |                        |                      | <b>6.918.953.001</b>   |
| <b>Total expenses on acquisition of fixed assets and other non-current assets</b> | <b>-</b>              | <b>-</b>               | <b>-</b>             | <b>2.930.469.889</b>   |
| <b>Total depreciation/(amortization) and allocation of long-term prepayments</b>  | <b>-</b>              | <b>-</b>               | <b>-</b>             | <b>8.379.359.579</b>   |

Address: No. 18, Ngo Quyen Street, Ward 6, Da Lat City, Lam Dong Province, Vietnam

For the fiscal year ended 31 December 2024

**Appendix: Segment information on business segment (cont.)**

|   | Trading               | Manufacture           | Others               | Total                   |
|---|-----------------------|-----------------------|----------------------|-------------------------|
| Previous year   |                       |                       |                      |                         |
| Net external revenues   | 85.426.522.425        | 98.077.128.343        | 2.497.065.696        | 186.000.716.464         |
| Net inter-segment revenues  | -                     | -                     | -                    | -                       |
| <b>Total net revenues</b>   | <b>85.426.522.425</b> | <b>98.077.128.343</b> | <b>2.497.065.696</b> | <b>186.000.716.464</b>  |
| Segment financial performance   | 4.786.911.697         | 29.990.923.382        | 2.387.862.312        | 37.165.697.390          |
| Expenses not attributable to segments   |                       |                       |                      | (49.495.948.197)        |
| Operating profit  |                       |                       |                      | (12.330.250.807)        |
| Financial income  |                       |                       |                      | 874.646.076             |
| Financial expenses  |                       |                       |                      | (7.698.197.904)         |
| Other income  |                       |                       |                      | 251.032.039             |
| Other expenses  |                       |                       |                      | (1.191.036.114)         |
| Current income tax  |                       |                       |                      | -                       |
| Deferred income tax   |                       |                       |                      | -                       |
| <b>Profit after tax</b>   |                       |                       |                      | <b>(20.093.806.710)</b> |
| <b>Total expenses on acquisition of fixed assets and other non-current assets</b> | <b>-</b>              | <b>-</b>              | <b>-</b>             | <b>59.054.050</b>       |
| <b>Total depreciation/(amortization) and allocation of long-term prepayments</b>  | <b>-</b>              | <b>-</b>              | <b>-</b>             | <b>13.121.637.150</b>   |

Paul

**Truong Thi Ngoc Hien**  
**Chief Accountant/Preparer**

Lam Dong, 22 March 2025



**Le Tien Thinh**  
**General Director**





**SOCIALIST REPUBLIC OF VIETNAM**

**Independence - Freedom - Happiness**

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**DRAFT**

**THE CHARTER  
JOINT STOCK COMPANY  
LAM DONG PHARMACY  
(LADOPHAR)**

*(Revised XVIII)*

*Da Lat City , April 24, 2025*

## **Table of Contents**

|   |          |
|---|----------|
| <b>I. DEFINITION OF TERMS IN ARTICLE .....</b>  | <b>4</b> |
| Article 1. Interpretation of terms .....  | 4        |
| <b>II. NAME, FORM, HEADQUARTERS, BRANCHES, REPRESENTATIVE OFFICES, BUSINESS LOCATIONS, TERM OF OPERATIONS AND LEGAL REPRESENTATIVE OF THE COMPANY .....</b> | <b>5</b> |
| Article 2. Name, form, headquarters, branches, representative offices, business locations and term of operation of the Company .....                        | 5        |
| Article 3. Legal representative of the Company .....  | 5        |
| <b>III. OBJECTIVES, SCOPE OF BUSINESS AND ACTIVITIES OF THE COMPANY .....</b>   | <b>7</b> |
| Article 4. Company's operational objectives .....   | 7        |
| Article 5. Scope of business and operations of the Company .....  | 7        |
| <b>IV. CHARTER CAPITAL, SHARES, FOUNDING SHAREHOLDERS .....</b>   | <b>7</b> |
| Article 6. Charter capital, shares, founding shareholders .....   | 7        |
| Article 7. Stock certificates .....   | 8        |
| Article 8. Other securities certificates .....  | 9        |
| Article 9. Transfer of shares .....   | 9        |
| <b>V. ORGANIZATIONAL STRUCTURE, MANAGEMENT AND CONTROL ....</b>   | <b>9</b> |
| Article 10. Organizational structure, administration and control .....  | 9        |
| <b>VI. SHAREHOLDERS AND GENERAL MEETING OF SHAREHOLDERS ....</b>  | <b>9</b> |
| Article 11. Rights of shareholders .....  | 9        |
| Article 12. Obligations of shareholders .....   | 11       |
| Article 13. General Meeting of Shareholders .....   | 12       |
| Article 14. Rights and obligations of the General Meeting of Shareholders .....   | 13       |
| Article 15. Authorization to attend the General Meeting of Shareholders .....   | 15       |
| Article 16. Change of rights .....  | 16       |
| Article 17. Convening meetings, meeting agenda and notice of invitation to General Meeting of Shareholders .....  | 17       |
| Article 18. Conditions for holding the General Meeting of Shareholders .....  | 19       |
| Article 19. Procedures for conducting meetings and voting at the General Meeting of Shareholders .....  | 19       |
| Article 20. Conditions for the Resolution of the General Meeting of Shareholders to be passed .....   | 21       |
| Article 21. Authority and procedures for obtaining shareholders' written opinions to pass Resolutions of the General Meeting of Shareholders .....          | 22       |

|  |           |
|--|-----------|
| Article 22. Resolutions and Minutes of Shareholders' Meeting .....   | 24        |
| Article 23. Request to cancel the Resolution of the General Meeting of Shareholders  |           |
| 25   |           |
| <b>VII. BOARD OF DIRECTORS .....</b>   | <b>26</b> |
| Article 24. Nomination and candidacy for members of the Board of Directors .....   | 26        |
| Article 25. Composition and term of office of members of the Board of Directors ..   | 27        |
| Article 26. Powers and obligations of the Board of Directors .....   | 27        |
| Article 27. Remuneration, bonuses and other benefits of members of the Board of Directors  | 29        |
| Article 28. Chairman of the Board of Directors .....   | 30        |
| Article 29. Meeting of the Board of  | 31        |
| Article 30. Subcommittees of the Board of Directors .....  | 33        |
| Article 31. Person in charge of corporate governance .....   | 34        |
| <b>VIII. GENERAL DIRECTOR AND OTHER EXECUTIVE OFFICERS .....</b>   | <b>34</b> |
| Article 32. Organization of management apparatus .....   | 34        |
| Article 33. Business Operator .....  | 35        |
| Article 34. Appointment, dismissal, duties and powers of the General Director .....  | 35        |
| Article 35. Company Secretary .....  | 36        |
| <b>IX. AUDIT COMMITTEE UNDER THE BOARD OF DIRECTORS .....</b>  | <b>36</b> |
| Article 36. Nomination and candidacy for members of the Audit Committee .....  | 36        |
| Article 37. .... Composition of the Audit Committee .....  | 36        |
| Article 38. .... Rights and obligations of the Audit Committee .....   | 37        |
| Article 39. .... Meeting of the Audit Committee .....  | 38        |
| Article 40. .... Report on the activities of independent members of the Board of Directors in the Audit Committee at the annual General Meeting of Shareholders .. | 38        |
| <b>X. RESPONSIBILITIES OF BOARD OF DIRECTORS MEMBERS, AUDIT COMMITTEE MEMBERS, GENERAL DIRECTOR AND OTHER EXECUTIVES .....</b>                                     | <b>39</b> |
| Article 41. .... Responsibility to be honest and avoid conflicts of interest   | 39        |
| Article 4 2. Liability for damages and compensation .....  | 40        |
| <b>XI. RIGHT TO SEARCH COMPANY BOOKS AND RECORDS .....</b>   | <b>41</b> |
| Article 4 3. Right to look up books and records .....  | 41        |



|  |           |
|--|-----------|
| <b>XII. EMPLOYEES AND TRADE UNIONS .....</b>   | <b>42</b> |
| Article 4 4. Employees and trade unions .....  | 42        |
| <b>XIII. PROFIT DISTRIBUTION .....</b>   | <b>42</b> |
| Article 4 5. Profit distribution .....   | 42        |
| <b>XIV. BANK ACCOUNTS, FINANCIAL YEAR AND ACCOUNTING REGIME .....</b>                              | <b>42</b> |
| Article 4 6. Bank accounts .....   | 42        |
| Article 4 7. Fiscal year .....   | 43        |
| Article 4 8. Accounting regime .....   | 43        |
| <b>XV. FINANCIAL REPORTS, ANNUAL REPORTS AND RESPONSIBILITIES FOR INFORMATION DISCLOSURE .....</b> | <b>43</b> |
| Article 49. Annual, semi-annual and quarterly financial reports .....                              | 43        |
| Article 5 0 . Annual report .....  | 43        |
| <b>XVI. COMPANY AUDIT .....</b>  | <b>44</b> |
| Article 5 1. Auditing .....  | 44        |
| <b>XVII. BUSINESS SEAL .....</b>   | <b>44</b> |
| Article 5 2. Enterprise seal .....   | 44        |
| <b>XVIII. DISSOLUTION OF COMPANY .....</b>   | <b>44</b> |
| Article 5 3. Dissolution of the company .....  | 44        |
| Article 5 4. Liquidation .....   | 44        |
| <b>XIX. RESOLUTION OF INTERNAL DISPUTES .....</b>  | <b>45</b> |
| Article 5 5. Resolution of internal disputes .....   | 45        |
| <b>XX. SUPPLEMENTS AND AMENDMENTS TO ARTICLE .....</b>   | <b>46</b> |
| Article 5 6. Company charter .....   | 46        |
| <b>XXI. EFFECTIVE DATE .....</b>   | <b>46</b> |
| Article 5 7. Effective date .....  | 46        |

## **I. DEFINITION OF TERMS IN THE CHARTER**

### **Điều 1. Terminology explained**

2. In this Charter, the following terms are construed as follows:

- a) *Charter capital* is the total par value of shares sold or registered to be purchased upon establishment of a joint stock company and as prescribed in Article 6 of this Charter;
- b) *The Law on Enterprises* is the Law on Enterprises No. 59/2020/QH14 passed by the National Assembly of the Socialist Republic of Vietnam on June 17, 2020;
- c) *The Securities Law* is the Securities Law No. 54/2019/QH14 passed by the National Assembly of the Socialist Republic of Vietnam on November 26, 2019;
- d) *Vietnam* is the Socialist Republic of Vietnam;
- e) *The date of establishment* is the date the Company is first granted the Certificate of Business Registration;
- f) *The business operators* are the General Director, Deputy General Director, Chief Accountant and other operators as prescribed in the Company Charter;
- g) *A business manager* is a person who manages a company, including the Chairman of the Board of Directors, members of the Board of Directors, the General Director and individuals holding other management positions as prescribed in the Company Charter;
- h) *Related persons* are individuals and organizations specified in Clause 46, Article 4 of the Law on Securities;
- i) *A shareholder* is an individual or organization that owns at least one share of a joint stock company;
- j) *A founding shareholder* is a shareholder who owns at least one common share and signs the list of founding shareholders of a joint stock company;
- k) *Major shareholder* is a shareholder as prescribed in Clause 18, Article 4 of the Law on Securities;
- l) *Term of operation* is the term of operation of the Company as stipulated in Article 2 of this Charter and the extension period (if any) approved by the Company's General Meeting of Shareholders;
- m) *The stock exchange* is the Vietnam Stock Exchange and its subsidiaries.
- n) *Delegate*: is a Shareholder, representative (person authorized by the shareholder)

3. In this Charter, references to one or more other provisions or documents include amendments, supplements or replacement documents.

4. The headings (Sections, Articles of this Charter) are used for convenience of understanding the content and do not affect the content of this Charter.

## **II. NAME, FORM, HEADQUARTERS, BRANCHES, REPRESENTATIVE OFFICES, BUSINESS LOCATIONS, TERM OF OPERATIONS AND LEGAL REPRESENTATIVE OF THE COMPANY**

### **Điều 2. Name, form, headquarters, branches, representative offices, business locations and term of operation of the Company**

#### **1. Company Name**

- Company name in Vietnamese: **LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY (LADOPHAR)**
- Company name written in foreign language: **LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY**
- Abbreviated Company Name: **LADOPHAR**

#### **2. The company is a joint stock company with legal status in accordance with current laws of Vietnam.**

#### **3. Company registered office:**

- Head office address: 18 Ngo Quyen, Ward 6, Da Lat City, Lam Dong Province
- Phone: (0263) 3824167 – 3833251 - 3817937
- Fax: (0263) 3822369
- E-mail: ladopharcorp@gmail.com
- Website: <http://www.ladopharcorp.com>
- In case of any changes, the above information shall be deemed to be automatically updated in the Charter.

#### **4. The Company may establish branches and representative offices in the business area to carry out the Company's operational objectives in accordance with the decision of the Board of Directors and within the scope permitted by law.**

#### **5. Unless terminated before the deadline specified in Clause 2, Article 55 of this Charter, the Company's term of operation is indefinite.**

### **Điều 3. Legal representative of the Company**

The Company has 02 legal representatives, the Chairman of the Board of Directors and the General Director. In which, the Chairman of the Board of Directors and the General Director have full rights and obligations of the Legal Representative according to the provisions of current law. Specifically as follows:

#### **1. Authority of the Chairman of the Board of Directors: approve, decide on the contents and sign to confirm transactions and related documents for:**

- a) Contents and tasks under the authority of the Board of Directors (including but not limited to investment decisions, projects, real estate business, tasks arising at



- joint ventures/associated companies/companies with capital contributions of the Company);
- b) Directly manage and operate some activities of the company as assigned by the Board of Directors ;
  - c) Contents and tasks under the authority of the Chairman of the Board of Directors;
  - d) Other contents as decided by the Board of Directors.
2. Authority of the General Director:
- a) Direct the implementation of business activities according to the decisions of the Board of Directors/Chairman of the Board of Directors.
  - b) Approve, decide on the contents and sign to confirm transactions and documents for:
    - Daily business activities are under the authority of the General Director, as assigned/authorized by the Board of Directors/Chairman of the Board of Directors.
    - Other contents as decided by the Board of Directors/Chairman of the Board of Directors.
3. The Board of Directors decides on the Legal Representative of The Company opens a payment account at the Bank and a securities account. Approves, decides on the contents and signs to confirm transactions and documents related to the Company's payment account and securities account within the scope of representation.
4. The legal representative of the Company is an individual who represents the Company in exercising the rights and obligations arising from the Company's transactions, representing the Company as a plaintiff, defendant, or person with related rights and obligations before the Arbitration and the Court. The responsibilities of the legal representative are implemented in accordance with Article 13 of the Law on Enterprises and other rights and obligations as prescribed by current laws.
5. The legal representative of the Company must reside in Vietnam; and must authorize in writing another person to exercise the rights and obligations of the legal representative of the Company when leaving Vietnam.
6. In case the authorization period expires and the legal representative of the Company has not returned to Vietnam and there is no other authorization, the authorized person shall continue to exercise the rights and obligations of the legal representative of the Company within the scope of authorization until the legal representative of the Company returns to work, or until the Board of Directors decides to appoint another person to replace him/her.

7. In case of absence from Vietnam for more than 30 days without authorizing another person to exercise the rights and duties of the Company's legal representative, the Board of Directors will appoint another person to replace him/her.

### **III. OBJECTIVES, SCOPE OF BUSINESS AND ACTIVITIES OF THE COMPANY**

#### **Điều 4. Company's operating objectives**

1. The Company's business lines are: manufacturing modern medicine, oriental medicine, functional foods. Buying and selling medicine, medicinal herbs, cosmetics, medical supplies, chemicals, biological products, vaccines. Cultivation of medicinal herbs. Exporting and importing medicine, raw materials for making medicine, supplies, medical equipment and machinery and manufacturing medicine. Accommodation services. Retailing medicine, medical equipment, cosmetics and hygiene products in specialized stores. Retailing food in specialized stores. Retailing by postal or internet orders. Importing and exporting the Company's business items. Entrusting and receiving entrustment for exporting and importing goods. Trading in forms of road transport. Wholesale of rice, wheat, other cereals, flour.

*( Details of the Company's business lines are stated in the Appendix attached to this Charter ).*

2. The Company's operational objectives: to mobilize and use capital effectively to develop production and business of products according to licensed functions and industries. At the same time, to improve efficiency and optimize profits, create jobs and stable income for employees, profits for shareholders, contribute to the State budget and continuously develop the Company. To become the largest pharmaceutical manufacturer and distributor in Vietnam.

#### **Điều 5. Scope of business and operations of the Company**

The Company is permitted to conduct business activities in the fields specified in this Charter, has registered, notified changes to the registration content to the business registration authority and has announced on the National Business Registration Information Portal. *In case the Company conducts business in the field of conditional investment and business, the Company must satisfy all business conditions as prescribed by the Investment Law and relevant specialized laws.*

### **IV. CHARTER CAPITAL, SHARES, FOUNDING SHAREHOLDERS**

#### **Điều 6. Charter capital, shares, founding shareholders**

1. The Company's charter capital is **VND 127,031,670,000** (In words: One hundred twenty seven billion, thirty one million, six hundred seventy thousand Vietnamese Dong).

2. The total charter capital of the Company is divided into **12,703,167 shares** with a par value of VND 10,000/share.
3. The company may change its charter capital when approved by the General Meeting of Shareholders and in accordance with the provisions of law.
4. The Company's shares on the date of approval of this Charter include common shares and preferred shares (if any). The rights and obligations of shareholders holding each type of shares are stipulated in Article 11 and Article 12 of this Charter.
5. The Company may issue other types of preferred shares after approval by the General Meeting of Shareholders and in accordance with the provisions of law.
6. The company has no founding shareholders.
7. Ordinary shares must be offered to existing shareholders in proportion to their ownership of ordinary shares in the Company, unless otherwise decided by the General Meeting of Shareholders. The number of shares that shareholders do not register to buy in full will be decided by the Board of Directors of the Company. The Board of Directors may distribute such shares to shareholders and others on conditions no more favorable than those offered to existing shareholders, unless otherwise approved by the General Meeting of Shareholders or otherwise provided by the law on securities.
8. The Company may purchase shares issued by the Company itself in the manner prescribed in this Charter and applicable laws.
9. The Company may issue other types of securities as prescribed by law.

#### **Điều 7. Stock certificate**

1. Shareholders of the Company are issued stock certificates corresponding to the number of shares and type of shares owned.
2. Shares are securities that confirm the legal rights and interests of the owner to a part of the capital stock of the issuing organization. Shares must have full contents as prescribed in Clause 1, Article 121 of the Law on Enterprises.
3. Within 30 days from the date of submission of a complete application for transfer of ownership of shares as prescribed by the Company or within 30 days from the date of full payment for the purchase of shares as prescribed in the Company's share issuance plan (or another period as prescribed by the issuance terms), the owner of the shares shall be issued a share certificate. The owner of shares shall not have to pay the Company the cost of printing the share certificate.
4. In case a share certificate is lost, damaged or otherwise destroyed, the shareholder shall be reissued a share certificate by the Company upon the shareholder's request. The shareholder's request must include the following contents:
  - a) Information about shares that have been lost, damaged or otherwise destroyed;



- b) Commit to take responsibility for disputes arising from the re-issuance of new shares.

#### **Điều 8. Other securities certificates**

Bond certificates or other securities certificates issued by the Company shall be signed by the legal representative and sealed by the Company.

#### **Điều 9. Share transfer**

1. All shares are freely transferable unless otherwise provided by this Charter and the law. Shares listed and registered for trading on the Stock Exchange are transferred in accordance with the provisions of the law on securities and the stock market.
2. Shares that have not been fully paid for cannot be transferred and cannot enjoy related rights such as the right to receive dividends, the right to receive shares issued to increase share capital from equity, the right to purchase newly offered shares and other rights as prescribed by law.

### **V. ORGANIZATIONAL STRUCTURE, MANAGEMENT AND CONTROL**

#### **Điều 10. Organizational structure, governance and control**

The Company's organizational, management, administration and control structure includes:

1. General meeting of shareholders;
2. Board of Directors, Audit Committee ;
3. General Director.

### **VI. SHAREHOLDERS AND GENERAL MEETING OF SHAREHOLDERS**

#### **Điều 11. Shareholder rights**

1. Common shareholders have the following rights:
  - a) Attend and speak at the General Meeting of Shareholders and exercise voting rights directly or through an authorized representative or in other forms as prescribed by the Company Charter or the law. Each common share has one vote;
  - b) Receive dividends at the level decided by the General Meeting of Shareholders;
  - c) Priority to purchase new shares corresponding to the ratio of common shares owned by each shareholder in the Company;
  - d) Freely transfer his/her shares to others, except in the cases specified in Clause 3, Article 120, Clause 1, Article 127 of the Law on Enterprises and other relevant legal provisions;
  - e) Review, look up and extract information about names and contact addresses in the list of shareholders with voting rights; request correction of incorrect information;
  - f) Review, look up, extract or copy the Company Charter, minutes of the Shareholders' Meeting and Resolutions of the Shareholders' Meeting;

- g) When the Company is dissolved or bankrupt, receive a portion of the remaining assets corresponding to the percentage of shares owned in the Company;
  - h) Request the Company to repurchase shares in the cases specified in Article 132 of the Law on Enterprises;
  - i) Equal treatment. Each share of the same type gives the shareholder equal rights, obligations and benefits. In case the Company has preferential shares, the rights and obligations attached to the preferential shares must be approved by the General Meeting of Shareholders and fully disclosed to the shareholders;
  - j) Have full access to periodic and irregular information published by the Company in accordance with the law;
  - k) To protect one's legitimate rights and interests; to request the suspension or cancellation of resolutions and decisions of the General Meeting of Shareholders and the Board of Directors in accordance with the provisions of the Law on Enterprises;
  - l) Other rights as prescribed by law and this Charter.
2. Shareholders or groups of shareholders owning 5% or more of total common shares have the following rights:
- a) Request the Board of Directors to convene a meeting of the General Meeting of Shareholders in accordance with the provisions of Clause 3, Article 115 and Article 140 of the Law on Enterprises;
  - b) Review, look up, and extract minutes, resolutions, and decisions of the Board of Directors, semi-annual and annual financial reports, reports of the Audit Committee, contracts, transactions that must be approved by the Board of Directors, and other documents, except for documents related to the Company's trade secrets and business secrets;
  - c) Request the Audit Committee to inspect each specific issue related to the management and operation of the Company when deemed necessary. The request must be in writing and must include the following contents: full name, contact address, nationality, legal document number of the individual for individual shareholders; name, enterprise code or legal document number of the organization, head office address for institutional shareholders; number of shares and time of share registration of each shareholder, total number of shares of the entire group of shareholders and ownership ratio in the total number of shares of the Company; issues to be inspected, purpose of inspection;
  - d) Propose issues to be included in the agenda of the General Meeting of Shareholders. Proposals must be in writing and sent to the Company at least 07 working days before the opening date. Proposals must clearly state the name of the

- shareholder, the number of each type of shares of the shareholder, and the issues proposed to be included in the agenda;
- e) Other rights as prescribed by law and this Charter.
3. Shareholders or groups of shareholders owning 10% or more of the total number of common shares have the right to nominate people to the Board of Directors. Nomination of people to the Board of Directors is carried out as follows:
- a) Ordinary shareholders forming a group to nominate candidates for the Board of Directors must notify the attending shareholders of the group meeting before the opening of the General Meeting of Shareholders;
- b) Based on the number of members of the Board of Directors, shareholders or groups of shareholders specified in this clause have the right to nominate one or several people as decided by the General Meeting of Shareholders as candidates for the Board of Directors. In case the number of candidates nominated by shareholders or groups of shareholders is lower than the number of candidates they are entitled to nominate as decided by the General Meeting of Shareholders, the remaining candidates shall be selected by the Board of Directors. and other shareholders nominated.

## **Điều 12. Shareholder obligations**

Common shareholders have the following obligations:

1. Pay in full and on time for the number of shares committed to purchase.
2. Capital contributed in common shares shall not be withdrawn from the Company in any form, except in cases where the Company or another person buys back the shares. In case a shareholder withdraws part or all of the contributed capital in violation of the provisions of this clause, that shareholder and the person with related interests in the Company shall be jointly liable for the debts and other property obligations of the Company within the value of the withdrawn shares and any damages incurred.
3. Comply with the Company's Charter and Internal Management Regulations.
4. Comply with resolutions and decisions of the General Meeting of Shareholders and Board of Directors.
5. Keep confidential the information provided by the Company according to the provisions of the Company Charter and the law; only use the information provided to exercise and protect one's legitimate rights and interests; strictly prohibit the dissemination or copying or sending of information provided by the Company to other organizations and individuals.
6. Attend the General Meeting of Shareholders and exercise voting rights through the following forms:
  - a) Attend and vote directly at the meeting;



- b) Authorize other individuals and organizations to attend and vote at the meeting;
  - c) Attend and vote via online conference, electronic voting or other electronic form;
  - d) Send voting ballots to the meeting via mail, fax, email.
  - e) Send ballots by *other means* as prescribed by current law.
7. Be personally responsible when performing one of the following acts on behalf of the Company in any form:
- a) Violation of the law;
  - b) Conduct business and other transactions for personal gain or to serve the interests of other organizations or individuals;
  - c) Pay off outstanding debts before financial risks to the Company.
8. Fulfill other obligations as prescribed by current laws.

### **Điều 13. General meeting of shareholders**

1. The General Meeting of Shareholders, comprising all shareholders with voting rights, is the highest decision-making body of the Company. The General Meeting of Shareholders meets annually once a year and within four (04) months from the end of the fiscal year. The Board of Directors decides to extend the annual General Meeting of Shareholders if necessary, but not more than 06 months from the end of the fiscal year. In addition to the annual meeting, the General Meeting of Shareholders may hold extraordinary meetings. The venue of the General Meeting of Shareholders is determined to be the place where the chair attends the meeting and must be in Vietnam.
2. The Board of Directors convenes the Annual General Meeting of Shareholders and selects a suitable location. The Annual General Meeting of Shareholders decides on matters in accordance with the provisions of law and the Company's Charter, especially approving the audited annual financial statements. In case the Audit Report of the Company's annual financial statements contains material exceptions, contrary audit opinions or rejections, the Company must invite a representative of the approved auditing organization to audit the Company's financial statements to attend the Annual General Meeting of Shareholders and the representative of the above approved auditing organization is responsible for attending the Annual General Meeting of Shareholders of the Company.
3. The Board of Directors must convene an extraordinary meeting of the General Meeting of Shareholders in the following cases:
  - a) The Board of Directors deems it necessary for the benefit of the Company;
  - b) Number of Board members remaining less than the minimum number of members as prescribed by law;

- c) At the request of a shareholder or group of shareholders as prescribed in Clause 2, Article 115 of the Law on Enterprises; the request to convene a meeting of the General Meeting of Shareholders must be made in writing, clearly stating the reason and purpose of the meeting, with sufficient signatures of the relevant shareholders or the request must be made in multiple copies and must include sufficient signatures of the relevant shareholders;
  - d) Other cases as prescribed by law and this Charter.
4. Convening an extraordinary meeting of shareholders
- a) The Board of Directors must convene a meeting of the General Meeting of Shareholders within 60 days from the date the number of remaining members of the Board of Directors and independent members of the Board of Directors is as prescribed in Point b, Clause 3 of this Article or from the date of receipt of the request prescribed in Point c and Point d, Clause 3 of this Article.
  - b) The Board of Directors must notify the case where an independent member of the Board of Directors no longer meets the standards and conditions at the nearest General Meeting of Shareholders or convene a General Meeting of Shareholders to elect additional or replace an independent member of the Board of Directors within 06 months from the date of receipt of the notice of the relevant independent member of the Board of Directors;
  - c) In case the Board of Directors fails to convene a meeting of the General Meeting of Shareholders as prescribed in Point a, Clause 4 of this Article, within the next 30 days, the shareholder or group of shareholders prescribed in Point c, Clause 3 of this Article shall have the right to request the Company representative to convene a meeting of the General Meeting of Shareholders as prescribed in Clause 3, Article 140 of the Law on Enterprises;
  - d) In this case, the shareholder or group of shareholders convening the General Meeting of Shareholders may request the Business Registration Authority to supervise the order and procedures for convening, conducting the meeting and making decisions of the General Meeting of Shareholders. All costs for convening and conducting the General Meeting of Shareholders shall be reimbursed by the Company. These costs do not include expenses incurred by shareholders when attending the General Meeting of Shareholders, including accommodation and travel expenses.
  - e) Procedures for organizing a General Meeting of Shareholders as prescribed in Clause 5, Article 140 of the Law on Enterprises.

#### **Điều 14. Rights and obligations of the General Meeting of Shareholders**

1. The General Meeting of Shareholders has the following rights and obligations:

- a) Through the Company's development orientation;
  - b) Decide on the types of shares and the total number of shares of each type that are allowed to be offered for sale; decide on the annual dividend rate for each type of shares;
  - c) Elect, dismiss, remove members of the Board of Directors;
  - d) Decision to invest or sell assets with a value of 35% or more of the total asset value recorded in the Company's most recent financial report;
  - e) Decision to amend and supplement the Company Charter;
  - f) Through annual financial reports;
  - g) Decision to buy back more than 10% of total sold shares of each type;
  - h) Review and handle violations by members of the Board of Directors and members of the Audit Committee that cause damage to the Company and its shareholders;
  - i) Decision to reorganize and dissolve the Company;
  - j) Decide on the budget or total remuneration, bonuses and other benefits for the Board of Directors;
  - k) Approve/ Amend and supplement the Internal Governance Regulations; Regulations on the operation of the Board of Directors;
  - l) Approve the list of approved auditing firms; decide on the approved auditing firm to conduct audits of the Company's operations, and dismiss approved auditors when deemed necessary;
  - m) Other rights and obligations as prescribed by law.
2. The General Meeting of Shareholders discussed and approved the following issues:
- a) The Company's annual business plan;
  - b) Audited annual financial statements;
  - c) Report of the Board of Directors on the management and performance of the Board of Directors and each member of the Board of Directors;
  - d) Report of the Audit Committee on the Company's business results, performance of the Board of Directors and General Director;
  - e) Self-assessment report on the performance of the Audit Committee and Audit Committee members ;
  - f) Dividend level for each share of each type;
  - g) Number of Board members;
  - h) Elect, dismiss, remove members of the Board of Directors;
  - i) Decide on the budget or total remuneration, bonuses and other benefits for the Board of Directors;
  - j) Approve the list of approved auditing firms; decide on approved auditing firms to conduct audits of the company's operations when deemed necessary;



- k) Supplement and amend the Company Charter;
  - l) Types of shares and number of new shares issued for each type of shares and transfer of shares by founding members within the first 03 years from the date of establishment;
  - m) Division, separation, consolidation, merger or conversion of the Company;
  - n) Reorganize and dissolve (liquidate) the Company and appoint a liquidator;
  - o) Decision to invest or sell assets with a value of 35% or more of the total asset value recorded in the Company's most recent Financial Statement;
  - p) Decision to buy back more than 10% of total sold shares of each type;
  - q) The Company signs contracts and transactions with the subjects specified in Clause 1, Article 167 of the Enterprise Law with a value equal to or greater than 35% of the total value of the Company's assets recorded in the most recent financial report;
  - r) Approve the transactions specified in Clause 4, Article 293 of Decree No. 155/2020/ND-CP dated December 31, 2020 of the Government detailing the implementation of a number of articles of the Law on Securities;
  - s) Approve the internal regulations on corporate governance and the Board of Directors' operating regulations;
  - t) Other issues as prescribed by law and this Charter.
3. All resolutions and issues included in the agenda must be discussed and voted on at the General Meeting of Shareholders.

#### **Điều 15. Authorization to attend the General Meeting of Shareholders**

1. Shareholders and authorized representatives of organizational shareholders may directly attend the meeting or authorize one or more other individuals or organizations to attend the meeting or attend the meeting through one of the forms prescribed in Clause 3, Article 144 of the Law on Enterprises, with the specific ratio as follows:
- a) For individual shareholders, only a maximum of 1 other individual or organization may be authorized to attend the meeting;
  - b) In case a shareholder is an organization that owns less than 10% of the total number of common shares, it has the right to authorize a maximum of one (01) person to attend the General Meeting of Shareholders, and from 10% or more of the total number of common shares, it has the right to authorize a maximum of three (03) people to attend the meeting. In case there is more than one authorized representative, the number of shares and votes authorized for each representative must be specifically determined. In case the owner, member, or shareholder of the company does not determine the capital contribution and the corresponding

number of shares for each authorized representative, the number of shares will be divided equally among the number of authorized representatives.

2. The authorization for an individual or organization to represent them in attending the General Meeting of Shareholders as prescribed in Clause 1 of this Article must be made in writing. The authorization document must be made in accordance with the provisions of civil law and must clearly state the name of the authorizing shareholder, the name of the authorized individual or organization, the number of authorized shares, the content of the authorization, the scope of authorization, the duration of authorization, and the signatures of the authorizing party and the authorized party.

The person authorized to attend the General Meeting of Shareholders must submit a power of attorney when registering to attend the meeting. In case of re-authorization, the person attending the meeting must also present the original power of attorney of the shareholder or the authorized representative of the shareholder being an organization (if not previously registered with the Company).

3. The voting ballot of the person authorized to attend the meeting within the scope of authorization remains valid when one of the following cases occurs, except in the case:
  - a) The authorized person has died, has limited civil capacity or has lost civil capacity;
  - b) The principal has revoked the appointment of the proxy;
  - c) The principal has revoked the authority of the agent.
  - a) This provision shall not apply in the event that the Company receives notice of one of the above events before the opening of the General Meeting of Shareholders or before the meeting is reconvened.

#### **Điều 16. Change permissions**

1. The change or cancellation of special rights attached to a type of preferred shares shall be effective when approved by shareholders representing 65% or more of the total number of votes of all shareholders attending the meeting. A resolution of the General Meeting of Shareholders on the content of an adverse change in the rights and obligations of shareholders owning preferred shares shall only be approved if approved by the number of preferred shareholders of the same type attending the meeting owning 75% or more of the total number of preferred shares of that type or approved by the preferred shareholders of the same type owning 75% or more of the total number of preferred shares of that type in the case of a resolution being approved by way of written opinion.
2. The organization of a meeting of shareholders holding a type of preferred shares to approve the above-mentioned change of rights is only valid when there are at least 02 shareholders (or their authorized representatives) and holding at least 1/3 of the par

value of the issued shares of that type. In case there are not enough delegates as mentioned above, the meeting will be re-organized within the next 30 days and the holders of shares of that type (regardless of the number of people and shares) present in person or through authorized representatives are considered to have sufficient number of delegates required. At the meetings of shareholders holding the above-mentioned preferred shares, the holders of shares of that type present in person or through representatives may request a secret ballot. Each share of the same type has equal voting rights at the above-mentioned meetings.

3. The procedures for conducting such separate meetings are similar to the provisions in Articles 19, 20 and 21 of this Charter.
4. Unless otherwise provided in the terms of issue of shares, the special rights attached to the classes of shares with preferential rights in respect of some or all matters relating to the distribution of the Company's profits or assets shall not be changed when the Company issues additional shares of the same class.

#### **Điều 17. Convening meetings, meeting agenda and notice of invitation to General Meeting of Shareholders**

1. The Board of Directors convenes the annual and extraordinary General Meetings of Shareholders. The Board of Directors convenes extraordinary General Meetings of Shareholders in the cases specified in Clause 3, Article 13 of this Charter.
2. The person convening the General Meeting of Shareholders must perform the following tasks:
  - a) Prepare a list of shareholders eligible to attend and vote at the General Meeting of Shareholders. The list of shareholders entitled to attend the General Meeting of Shareholders shall be prepared no later than 10 days before the date of sending the notice of invitation to the General Meeting of Shareholders. The Company must disclose information on the preparation of the list of shareholders entitled to attend the General Meeting of Shareholders at least 20 days before the last registration date;
  - b) Prepare conference program and content;
  - c) Prepare documents for the congress;
  - d) Draft resolution of the General Meeting of Shareholders according to the expected content of the meeting;
  - e) Determine the time and place of the congress;
  - f) Notify and send notice of the General Meeting of Shareholders to all shareholders entitled to attend the meeting;
  - g) Other work serving the congress.



3. The notice of the General Meeting of Shareholders shall be sent to all shareholders by a method that ensures that it reaches the shareholders' contact addresses, and shall be published on the Company's website and the State Securities Commission and the Stock Exchange where the Company's shares are listed or registered for trading. The person convening the General Meeting of Shareholders shall send the notice of the meeting to all shareholders on the List of Shareholders entitled to attend the meeting at least 21 days before the opening date of the meeting (calculated from the date on which the notice is validly sent or transmitted). The agenda of the General Meeting of Shareholders and documents related to the issues to be voted on at the meeting shall be sent to the shareholders and/or posted on the Company's website. In the event that the documents are not enclosed with the notice of the General Meeting of Shareholders, the notice of invitation to the meeting must clearly state the link to all meeting documents for shareholders to access, including:
  - a) Meeting agenda, documents used in the meeting;
  - b) List and details of candidates in case of election of members of the Board of Directors ;
  - c) Voting ballot;
  - d) Draft resolutions for each issue on the agenda.
4. Shareholders or groups of shareholders as prescribed in Clause 2, Article 12 of this Charter have the right to propose issues to be included in the agenda of the General Meeting of Shareholders. The proposal must be in writing and must be sent to the Company at least 07 working days before the opening date of the meeting. The proposal must clearly state the name of the shareholder, the number of each type of shares of the shareholder, and the issues proposed to be included in the agenda.
5. The convener of the General Meeting of Shareholders has the right to reject the proposal specified in Clause 4 of this Article if it falls under one of the following cases:
  - a) The petition was sent in violation of the provisions of Clause 4 of this Article;
  - b) At the time of the proposal, the shareholder or group of shareholders does not hold 5% or more of common shares as prescribed in Clause 2, Article 12 of this Charter;
  - c) The proposed issue is not within the scope of decision-making authority of the General Meeting of Shareholders;
  - d) Other cases as prescribed by law and this Charter.
6. The convener of the General Meeting of Shareholders must accept and include the proposal specified in Clause 4 of this Article in the proposed agenda and content of the meeting, except for the case specified in Clause 5 of this Article; the proposal

shall be officially added to the agenda and content of the meeting if approved by the General Meeting of Shareholders.

**Điều 18. Conditions for holding a General Meeting of Shareholders**

1. The General Meeting of Shareholders is held when the number of shareholders attending the meeting represents at least 51% of the total number of votes.
2. In case the first meeting does not meet the conditions for holding it as prescribed in Clause 1 of this Article, the notice of invitation to the second meeting shall be sent within 30 days from the date of the first meeting. The second General Meeting of Shareholders shall be held when the number of shareholders attending the meeting represents 33% or more of the total number of votes.
3. In case the second meeting does not meet the conditions for holding it as prescribed in Clause 2 of this Article, the notice of invitation to the third meeting must be sent within 20 days from the date of the intended second meeting. The third General Meeting of Shareholders shall be held regardless of the total number of votes of the shareholders attending the meeting.

**Điều 19. Procedures for conducting meetings and voting at the General Meeting of Shareholders**

1. Before opening the meeting, the Company must carry out shareholder registration procedures and must carry out the registration until all shareholders entitled to attend the meeting are present and have registered in the following order:
  - a) When registering shareholders, the Company shall issue to each shareholder or authorized representative with voting rights a voting card/ballot/election ballot, on which is stated the registration number, full name of the shareholder, full name of the authorized representative and the number of votes of that shareholder. The General Meeting of Shareholders shall discuss and vote on each issue in the agenda. Voting shall be conducted by voting in favor, against, and without opinion. The vote counting results shall be announced by the Chairman/ Vote Counting Committee immediately before the closing of the meeting. The General Meeting shall elect those responsible for counting or supervising the counting of votes at the request of the Chairman. The number of members of the Vote Counting Committee shall be decided by the General Meeting of Shareholders based on the request of the Chairman of the meeting;
  - b) Shareholders, authorized representatives of institutional shareholders or authorized persons arriving after the meeting has opened have the right to register immediately and then have the right to participate and vote at the meeting immediately after registration. The chairperson is not responsible for stopping the

meeting to allow late shareholders to register and the validity of the contents voted on previously will not change.

2. The election of the chairman, secretary and counting committee is regulated as follows:
  - a) The Chairman of the Board of Directors shall chair or authorize another member of the Board of Directors to chair the General Meeting of Shareholders convened by the Board of Directors. In case the Chairman is absent or temporarily unable to work, the remaining members of the Board of Directors shall elect one of them to chair the meeting according to the majority principle. In case no one can be elected as the chairperson, the General Meeting of Shareholders shall elect the meeting chairperson from among the attendees and the person with the highest number of votes shall chair the meeting;
  - b) Except for the case specified in Point a of this Clause, the person who signs the convening of the General Meeting of Shareholders shall direct the General Meeting of Shareholders to elect the meeting chairman and the person with the highest number of votes shall chair the meeting;
  - c) The chairman appoints one or more people to act as meeting secretaries; the Shareholder/Delegate Qualifications Committee serves the meeting;
  - d) The General Meeting of Shareholders elects one or more people to the vote counting committee at the request of the meeting chairman.
3. The agenda and content of the meeting must be approved by the General Meeting of Shareholders in the opening session. The agenda must clearly and specifically specify the time for each issue in the agenda.
4. The Chairman of the meeting has the right to take necessary and reasonable measures to conduct the General Meeting of Shareholders in an orderly manner, in accordance with the approved agenda and reflecting the wishes of the majority of attendees.
  - a) Seating arrangement at the venue of the General Meeting of Shareholders;
  - b) Ensure the safety of everyone present at meeting locations;
  - c) Facilitate shareholders to attend (or continue to attend) the meeting. The convener of the General Meeting of Shareholders has the full right to change the above measures and apply all necessary measures. The measures applied may be to issue admission tickets or use other forms of selection.
5. The person convening or chairing the meeting of the General Meeting of Shareholders has the following rights:
  - a) Require all meeting attendees to submit to screening or other reasonable, lawful security measures;



- b) Request the competent authority to maintain order at the meeting; expel those who do not comply with the chairman's authority, intentionally disrupt order, prevent the normal progress of the meeting or do not comply with security check requirements from the General Meeting of Shareholders.
6. The Chairman has the right to postpone a General Meeting of Shareholders with a sufficient number of registered attendees for no more than 03 working days from the date of the scheduled opening of the meeting and may only postpone the meeting or change the meeting location in the following cases:
- a) The meeting location does not have enough comfortable seating for all attendees;
  - b) The media at the meeting location does not ensure that shareholders attending the meeting can participate, discuss and vote;
  - c) There are people attending the meeting who obstruct, disrupt order, and risk making the meeting not be conducted fairly and legally.
7. In case the chairman postpones or suspends the General Meeting of Shareholders contrary to the provisions of Clause 6 of this Article, the General Meeting of Shareholders shall elect another person from among the attendees to replace the chairman in conducting the meeting until its conclusion; all resolutions passed at that meeting shall be effective.
8. In case the Company applies modern technology to organize the General Meeting of Shareholders through online meetings, the Company is responsible for ensuring that shareholders attend and vote by electronic voting or other electronic forms as prescribed in Article 144 of the Law on Enterprises and Clause 3, Article 273 of Decree No. 155/ND-CP dated December 31, 2020 of the Government detailing the implementation of a number of articles of the Law on Securities.

**Điều 20. Conditions for the Resolution of the General Meeting of Shareholders to be passed**

1. Resolutions on the following contents shall be passed if approved by shareholders representing 65% or more of the total votes of all shareholders attending and voting at the meeting , except for the cases specified in Clauses 3 , 4 and 6, Article 148 of the Law on Enterprises:
- a) Types of shares and total number of shares of each type;
  - b) Change of industry, profession and business field;
  - c) Change the Company's management structure;
  - d) Investment project or sale of assets with a value of 35% or more of the total asset value recorded in the Company's most recent financial report;
  - e) Reorganization and dissolution of the Company;
  - f) Amendment and supplement to the charter.

2. Resolutions are passed when they are approved by shareholders holding at least 50% of the total number of votes of all shareholders attending and voting at the meeting, except for the cases specified in Clause 1 of this Article and Clauses 3, 4 and 6, Article 148 of the Law on Enterprises.
3. Voting to elect members of the Board of Directors must be carried out by cumulative voting, whereby each shareholder has a total number of votes corresponding to the total number of shares owned multiplied by the number of elected members of the Board of Directors and shareholders have the right to accumulate all or part of their total votes for one or several candidates. The elected members of the Board of Directors are determined by the number of votes from high to low, starting from the candidate with the highest number of votes until the number of members specified in the Company Charter is sufficient. In case there are 02 or more candidates with the same number of votes for the final member of the Board of Directors, a re-election will be conducted among the candidates with the same number of votes or selection will be made according to the criteria specified in the election regulations or the Company Charter.

In case of election of members of the Board of Directors, if the number of candidates is less than or equal to the number of members of the Board of Directors to be elected, the election of members of the Board of Directors can be carried out by cumulative voting as prescribed in Clause 3, Article 148 of the Law on Enterprises or by voting as prescribed in Clause 2, Article 21 of the Company Charter.
4. Resolutions of the General Meeting of Shareholders passed by 100% of the total number of voting shares are legal and effective even if the order and procedures for convening the meeting and passing the resolution violate the provisions of the Law on Enterprises and the Company Charter.

**Điều 21. Authority and procedures for obtaining written opinions of shareholders to pass Resolutions of the General Meeting of Shareholders**

The authority and procedures for obtaining written opinions of shareholders to pass the Resolution of the General Meeting of Shareholders shall be implemented according to the following provisions:

1. The Board of Directors has the right to obtain written opinions from shareholders to pass resolutions of the General Meeting of Shareholders at any time and on any matter when deemed necessary for the benefit of the Company, including the cases specified in Clause 2, Article 147 of the Law on Enterprises.
2. The Board of Directors must prepare the voting ballot, draft resolution of the General Meeting of Shareholders, documents explaining the draft resolution and send them to all shareholders with voting rights at least 10 days before the deadline for returning

the voting ballot. The requirements and method for sending the voting ballot and accompanying documents shall be implemented in accordance with the provisions of Clause 3, Article 18 of this Charter.

3. The opinion form must have the following main contents:
  - a) Name, head office address, business registration number;
  - b) Purpose of consultation;
  - c) Full name, contact address, nationality, legal document number of the individual for individual shareholders; name, enterprise code or legal document number of the organization, head office address for organizational shareholders or full name, contact address, nationality, legal document number of the individual for the representative of the organizational shareholder; number of shares of each type and number of votes of the shareholder;
  - d) Issues requiring consultation to pass decisions;
  - e) Voting options include approval, disapproval and no opinion on each issue being voted on;
  - f) Deadline for returning completed opinion forms to the Company;
  - g) Full name and signature of the Chairman of the Board of Directors.
4. Shareholders may send completed ballots to the Company by mail, fax or email according to the following provisions:
  - a) In case of sending by mail, the answered opinion form must be signed by the individual shareholder, the authorized representative or the legal representative of the shareholder being an organization. The opinion form sent to the Company must be contained in a sealed envelope and no one is allowed to open it before the vote counting;
  - b) In case of sending by fax or email, the opinion form sent to the Company must be kept confidential until the time of vote counting;
  - c) Voting forms sent to the Company after the deadline specified in the voting form or opened in the case of mailing and disclosed in the case of faxing or emailing are invalid. Voting forms that are not returned are considered as non-voting forms.
5. The Board of Directors shall count the votes and prepare a vote counting record under the witness of the Audit Committee or of shareholders who do not hold management positions in the Company. The vote counting record must contain the following main contents:
  - a) Name, head office address, business registration number;
  - b) Purpose and issues to be consulted to pass the resolution;



- c) Number of shareholders with total number of votes participated in voting, in which distinguishing between valid and invalid votes and method of sending votes, with appendix of list of shareholders participating in voting;
- d) Total number of votes for, against and abstentions on each issue;
- e) The matter passed and the corresponding passing percentage;
- f) Full name and signature of the Chairman of the Board of Directors, the vote counter and the vote counting supervisor.

Members of the Board of Directors, vote counters and vote counting supervisors shall be jointly responsible for the truthfulness and accuracy of the vote counting minutes; and jointly responsible for damages arising from decisions passed due to dishonest and inaccurate vote counting.

- 6. The minutes of the vote counting and resolutions must be sent to shareholders within 15 days from the date of completion of the vote counting. The sending of the minutes of the vote counting and resolutions can be replaced by posting them on the Company's website within 24 hours from the date of completion of the vote counting.
- 7. The completed ballots, vote counting minutes, adopted resolutions and related documents attached to the ballots must all be kept at the Company's head office.
- 8. A resolution is passed by way of obtaining written opinions from shareholders if approved by shareholders holding more than 50% of the total votes of all shareholders with voting rights and has the same value as a resolution passed at a meeting of the General Meeting of Shareholders.
- 9. Resolutions passed by way of written shareholder voting have the same value as resolutions passed at the General Meeting of Shareholders.

## **Điều 22. Resolution, Minutes of Shareholders' Meeting**

- 1. Minutes of the General Meeting of Shareholders must be recorded and may be audio-recorded or recorded and stored in other electronic forms. Minutes must be prepared in Vietnamese, may be prepared in a foreign language, and have the following main contents:
  - a) Name, head office address, business registration number;
  - b) Time and place of the General Meeting of Shareholders;
  - c) Meeting agenda and content;
  - d) Full name of the chairman and secretary;
  - e) Summarize the meeting proceedings and opinions expressed at the General Meeting of Shareholders on each issue in the meeting agenda;
  - f) Number of shareholders and total number of votes of shareholders attending the meeting, appendix of list of shareholders registered, shareholder representatives attending the meeting with corresponding number of shares and votes;

- g) Total number of votes for each voting issue, clearly stating the voting method, total number of valid, invalid, approving, disapproving and abstaining votes; corresponding ratio to the total number of votes of shareholders attending the meeting;
  - h) Total number of votes for candidates (if any)
  - i) Issues passed and corresponding percentage of votes passed;
  - j) Full name and signature of the chairman and secretary. In case the chairman and secretary refuse to sign the meeting minutes, the minutes shall be valid if signed by all other members of the Board of Directors attending the meeting and contain all the contents as prescribed in this clause. The meeting minutes shall clearly state the refusal of the chairman and secretary to sign the meeting minutes.
2. Minutes of the General Meeting of Shareholders must be completed and approved before the end of the meeting. The chairman and secretary of the meeting or other person signing the minutes of the meeting must be jointly responsible for the truthfulness and accuracy of the contents of the minutes.
  3. Minutes made in Vietnamese and foreign languages have the same legal effect. In case of any difference in content between the minutes in Vietnamese and in foreign languages, the content in the minutes in Vietnamese shall prevail.
  4. Resolutions, Minutes of the General Meeting of Shareholders, appendix of list of shareholders registered to attend the meeting with shareholders' signatures, authorization documents to attend the meeting, all documents attached to the Minutes (if any) and related documents attached to the meeting invitation must be disclosed in accordance with the law on information disclosure on the stock market and must be kept at the Company's head office.

Resolutions, Minutes of the General Meeting of Shareholders, appendix of list of shareholders registered to attend the meeting, authorization documents to attend the meeting, all documents attached to the minutes in Vietnamese and in foreign languages, the content in the Vietnamese minutes shall apply.

**Điều 23. Request to cancel the Resolution of the General Meeting of Shareholders**

Within 90 days from the date of receipt of the resolution or minutes of the General Meeting of Shareholders or the minutes of the results of the vote counting to obtain opinions of the General Meeting of Shareholders, the shareholder or group of shareholders specified in Clause 2, Article 115 of the Law on Enterprises has the right to request the Court or Arbitration to review and cancel the resolution or part of the content of the resolution of the General Meeting of Shareholders in the following cases:

1. The order and procedures for convening meetings and making decisions of the General Meeting of Shareholders seriously violate the provisions of the Law on

Enterprises and the Company Charter, except for the case specified in Clause 3, Article 20 of this Charter.

2. The content of the resolution violates the law or this Charter.

## **VII. BOARD OF DIRECTORS**

### **Điều 24. Nominate and run for Board of Directors**

1. In case the Board of Directors candidates have been identified, the Company must disclose information related to the candidates at least 10 days before the opening date of the General Meeting of Shareholders on the Company's website so that shareholders can learn about these candidates before voting. The Board of Directors candidates must have a written commitment to the honesty and accuracy of the disclosed personal information and must commit to performing their duties honestly, carefully and in the best interests of the Company if elected as a member of the Board of Directors. Information related to the Board of Directors candidates to be disclosed includes:
  - a) Full name, date of birth;
  - b) Professional qualifications;
  - c) Work process;
  - d) Other management positions (including positions on the Board of Directors of other companies);
  - e) Interests related to the Company and its related parties;
  - f) Other information (if any) as prescribed in the Company Charter;
  - a) The Company must be responsible for disclosing information about the companies in which the candidate is holding the position of Board member, other management positions and the interests related to the Company of the candidate for the Board of Directors (if any).
2. Shareholders or groups of shareholders holding 10% or more of the total number of common shares have the right to nominate candidates for the Board of Directors in accordance with the provisions of the Enterprise Law and the Company's Charter. Shareholders or groups of shareholders holding 10% to less than 20% of the total number of voting shares may nominate one (01) candidate; 20% to less than 30% may nominate up to two (02) candidates; 30% to less than 40% may nominate up to three (03) candidates; 40% to less than 50% may nominate up to four (04) candidates; 50% to less than 65% may nominate up to five (05) candidates; and 65% or more may nominate up to seven (07) candidates.
3. In case the number of candidates for the Board of Directors through nomination and candidacy is still not enough as required in Clause 5, Article 115 of the Law on Enterprises, the incumbent Board of Directors shall introduce additional candidates



or organize nominations in accordance with the provisions of the Company Charter, the Internal Regulations on Corporate Governance and the Operating Regulations of the Board of Directors. The introduction of additional candidates by the incumbent Board of Directors must be clearly announced before the General Meeting of Shareholders votes to elect members of the Board of Directors in accordance with the provisions of law.

4. Members of the Board of Directors must meet the standards and conditions prescribed in Clause 1 and Clause 2, Article 155 of the Law on Enterprises and the Company Charter.

#### **Điều 25. Composition and term of office of Board of Directors members**

1. Number of Board members: 05 people.
2. The term of office of a member of the Board of Directors shall not exceed 05 years and may be re-elected for an unlimited number of terms. An individual may only be elected as an independent member of the Board of Directors of a company for no more than 02 consecutive terms. In case all members of the Board of Directors end their terms at the same time, such members shall continue to be members of the Board of Directors until a new member is elected to replace them and take over the work.

3. The composition of the Board of Directors is as follows:

The structure of the Board of Directors of a public company must ensure that at least 1/3 of the total number of Board members are non-executive members. The Company shall limit the number of Board members who concurrently hold executive positions of the Company to ensure the independence of the Board of Directors.

The total number of independent members of the Board of Directors must ensure that there is at least 01 independent member.

The rights, obligations and methods of organization and coordination of activities of independent members of the Board of Directors will be specifically stipulated in the Board of Directors' Operating Regulations.

4. A member of the Board of Directors shall no longer be eligible to be a member of the Board of Directors in the event that he/she is dismissed, removed or replaced by the General Meeting of Shareholders in accordance with the provisions of Article 160 of the Law on Enterprises.
5. The appointment of members of the Board of Directors must be announced in accordance with the law on information disclosure on the stock market.
6. A member of the Board of Directors need not be a shareholder of the Company.

#### **Điều 26. Powers and obligations of the Board of Directors**

1. The Board of Directors is the Company's management body, with full authority to decide and exercise the Company's rights and obligations on behalf of the Company,

except for the rights and obligations under the authority of the General Meeting of Shareholders.

2. The rights and obligations of the Board of Directors are stipulated by law, the Company Charter and the General Meeting of Shareholders. Specifically, the Board of Directors has the following rights and obligations:
  - a) Decide on the Company's strategy, medium-term development plan and annual business plan;
  - b) Propose the type of shares and the total number of shares of each type that can be offered;
  - c) Decision to sell unsold shares within the number of shares allowed to be offered for sale of each type; decision to raise additional capital in other forms;
  - d) Decide on the selling price of the Company's shares and bonds;
  - e) Decision to repurchase shares as prescribed in Clause 1 and Clause 2, Article 133 of the Law on Enterprises;
  - f) Decide on investment plans and investment projects within the authority and limits prescribed by law;
  - g) Decide on market development, marketing and technology solutions;
  - h) Approving contracts for purchase, sale, borrowing, lending and other contracts and transactions with a value of 35% or more of the total asset value recorded in the Company's most recent financial report, except for contracts and transactions under the decision-making authority of the General Meeting of Shareholders as prescribed in Point d, Clause 2, Article 138, Clauses 1 and 3, Article 167 of the Law on Enterprises;
  - i) Elect, dismiss, remove the Chairman of the Board of Directors; appoint, dismiss, sign contracts, terminate contracts with the General Director and other important managers as prescribed in the Company Charter; decide on salaries, remuneration, bonuses and other benefits of those managers; appoint authorized representatives to participate in the Board of Members or General Meeting of Shareholders at other companies, decide on remuneration and other benefits of those people;
  - j) Supervise and direct the General Director and other managers in the daily business operations of the Company;
  - k) Decide on the organizational structure and internal management regulations of the Company, decide on the establishment of subsidiaries, branches, representative offices and capital contribution and purchase of shares of other enterprises;
  - l) Approve the agenda and content of documents for the General Meeting of Shareholders, convene the General Meeting of Shareholders or collect opinions for the General Meeting of Shareholders to pass resolutions;

- m) Submit audited annual financial statements to the General Meeting of Shareholders;
  - n) Propose the level of dividends to be paid; decide on the time limit and procedures for paying dividends or handling losses arising during the business process;
  - o) Proposing the reorganization and dissolution of the Company; requesting the bankruptcy of the Company;
  - p) Decision to promulgate the Board of Directors' Operating Regulations, Internal Regulations on Corporate Governance after being approved by the General Meeting of Shareholders; decision to promulgate the Operating Regulations of the Audit Committee under the Board of Directors (if any), Regulations on information disclosure of the company;
  - q) Request the General Director, Deputy General Director, and other managers in the Company to provide information and documents on the financial situation and business activities of the Company and of units within the Company;
  - a) r) The manager is required to promptly, fully and accurately provide information and documents as requested by the members of the Board of Directors. The order and procedures for requesting and providing information are specifically stipulated in the Board of Directors' Operating Regulations;
  - i. Other rights and obligations as prescribed by the Law on Enterprises, the Law on Securities, other provisions of law and the Company Charter.
3. The Board of Directors must report to the General Meeting of Shareholders on the results of the Board of Directors' activities in accordance with Article 280 of Decree No. 155/2020/ND-CP dated December 31, 2020 of the Government detailing the implementation of a number of articles of the Law on Securities.

#### **Điều 27. Remuneration, bonuses and other benefits of Board members**

1. The Company has the right to pay remuneration and bonuses to members of the Board of Directors based on business results and efficiency.
2. Board members are entitled to remuneration and bonuses. The remuneration is calculated based on the number of working days required to complete the duties of the Board members and the daily remuneration. The Board of Directors estimates the remuneration for each member based on the principle of consensus. The total remuneration and bonuses of the Board of Directors are decided by the General Meeting of Shareholders at the annual meeting.
3. The remuneration of each member of the Board of Directors is included in the Company's business expenses according to the provisions of the law on corporate income tax, shown as a separate item in the Company's annual financial statements and must be reported to the General Meeting of Shareholders at the annual meeting.



4. A member of the Board of Directors holding an executive position or a member of the Board of Directors serving on a subcommittee of the Board of Directors or performing other duties beyond the scope of the normal duties of a member of the Board of Directors may be paid additional remuneration in the form of a lump sum , salary, commission, percentage of profits or in other forms as decided by the Board of Directors.
5. Members of the Board of Directors are entitled to be reimbursed for all travel, accommodation, meals and other reasonable expenses incurred by them in performing their responsibilities as members of the Board of Directors, including expenses incurred in attending meetings of the General Meeting of Shareholders, the Board of Directors or subcommittees of the Board of Directors.
6. The Board of Directors may purchase liability insurance from the Company upon approval by the General Meeting of Shareholders. This insurance does not cover the Board of Directors' liabilities related to violations of the law and the Company's Charter.

#### **Điều 28. Chairman of the Board of Directors**

1. The Chairman of the Board of Directors is elected, dismissed, and removed from among the members of the Board of Directors by the Board of Directors.
2. The Chairman of the Board of Directors may not concurrently hold the position of General Director.
3. The Chairman of the Board of Directors has the following rights and obligations:
  - a) Develop programs and plans of activities of the Board of Directors;
  - b) Prepare agenda, content, and documents for meetings; convene, chair and preside over Board of Directors meetings;
  - c) Organize the adoption of resolutions and decisions of the Board of Directors;
  - d) Monitor the implementation of resolutions and decisions of the Board of Directors;
  - e) Chair of the General Meeting of Shareholders;
  - f) Other rights and obligations as prescribed by the Law on Enterprises and the Company Charter.
4. In case the Chairman of the Board of Directors submits a resignation or is dismissed or removed from office, the Board of Directors must elect a replacement within 10 days from the date of receipt of the resignation or dismissal or removal.
5. In case the Chairman of the Board of Directors is absent or unable to perform his/her duties, he/she must authorize in writing another member to exercise the rights and obligations of the Chairman of the Board of Directors in accordance with the principles prescribed in the Company Charter. In case there is no authorized person or the Chairman of the Board of Directors dies, goes missing, is detained, is serving

a prison sentence, is serving an administrative penalty at a compulsory drug rehabilitation facility, a compulsory education facility, has fled from his/her place of residence, has limited or lost civil capacity, has difficulty in cognition, controlling his/her behavior, is prohibited by the Court from holding a position, practicing a profession or doing certain work, the remaining members shall elect one of the members to hold the position of Chairman of the Board of Directors according to the principle of majority approval of the remaining members until a new decision of the Board of Directors is made.

#### **Điều 29. Board of Directors Meeting**

1. The Chairman of the Board of Directors shall be elected at the first meeting of the Board of Directors within 07 working days from the date of completion of the election of the Board of Directors. This meeting shall be convened and chaired by the member with the highest number of votes or the highest percentage of votes. In case there is more than one member with the highest number of votes or the highest percentage of votes and equal, the members shall vote by majority to select one of them to convene the meeting of the Board of Directors.
2. The Board of Directors must meet at least once a quarter and may hold extraordinary meetings.
3. The Chairman of the Board of Directors convenes a meeting of the Board of Directors in the following cases:
  - a) At the request of the Audit Committee or an independent member of the Board of Directors;
  - b) At the request of the General Director or at least 05 other managers;
  - c) At the request of at least 02 members of the Board of Directors;
  - d) Other cases as prescribed by the Company Charter.
4. The proposal specified in Clause 3 of this Article must be made in writing, clearly stating the purpose, issues to be discussed and decisions within the authority of the Board of Directors.
5. The Chairman of the Board of Directors must convene a meeting of the Board of Directors within 07 working days from the date of receipt of the request specified in Clause 3 of this Article. In case the meeting of the Board of Directors is not convened as requested, the Chairman of the Board of Directors shall be responsible for any damage caused to the Company; the person requesting shall have the right to replace the Chairman of the Board of Directors in convening a meeting of the Board of Directors.
6. The Board of Directors' meeting shall be conducted in person or online. The Chairman of the Board of Directors or the person convening the Board of Directors'

meeting shall send a notice of meeting at least 03 working days before the meeting date. The notice of meeting shall specify the time and place of the meeting, the agenda, the issues to be discussed and decided. The notice of meeting shall be accompanied by documents used at the meeting and the members' voting ballots.

Notice of Board of Directors' meeting may be sent by invitation, email, telephone, fax, electronic means or other methods as prescribed in the Company's Charter and guaranteed to reach the contact address of each member of the Board of Directors registered with the Company.

7. The Chairman of the Board of Directors or the convener shall send the meeting invitation and accompanying documents to the members of the Audit Committee as to the members of the Board of Directors.

Audit Committee members have the right to attend Board of Directors meetings; have the right to discuss but not to vote.

8. A meeting of the Board of Directors shall be held when at least 3/4 of the total number of members attend the meeting. In case the meeting convened in accordance with the provisions of this clause does not have the required number of members, it shall be convened for the second time within 07 days from the date of the first scheduled meeting. In this case, the meeting shall be held if more than half of the members of the Board of Directors attend the meeting.
9. A member of the Board of Directors is considered to attend and vote at the meeting in the following cases:
  - a) Attend and vote directly at the meeting;
  - b) Authorize another person to attend the meeting and vote as prescribed in Clause 11 of this Article;
  - c) Attend and vote via online conference, electronic voting or other electronic form;
  - d) Send voting ballots to the meeting via mail, fax, email.
10. In case of sending the ballot to the meeting by mail, the ballot must be contained in a sealed envelope and must be delivered to the Chairman of the Board of Directors at least 01 hour before the opening. The ballot may only be opened in the presence of all attendees.
11. A member of the Board of Directors who directly or indirectly benefits from a contract or transaction that has been signed or is expected to be signed with the Company and knows that he or she has an interest in it is responsible for publicly disclosing this interest at the first meeting of the Board of Directors discussing the signing of this contract or transaction. In case a member of the Board of Directors does not know that he or she and the related person have a related interest at the first



meeting of the Board of Directors held after this member knows that he or she has an interest or will have an interest in the above transaction or contract.

12. Members must attend all Board of Directors meetings. Members may authorize others to attend meetings and vote if approved by a majority of Board of Directors members.
13. Resolutions and decisions of the Board of Directors are passed if approved by the majority of members attending the meeting; in case of equal votes, the final decision belongs to the side with the opinion of the Chairman of the Board of Directors.
14. The Board of Directors has the right to seek written opinions from Board members to pass Board Resolutions when passing matters under the authority of the Board of Directors in Clause 2, Article 26 of this Charter.

Resolutions adopted by written vote are approved by the majority of the members of the Board of Directors with voting rights. This resolution has the same effect and validity as a resolution adopted at a meeting.

15. The Chairman of the Board of Directors is responsible for sending the minutes of the Board of Directors' meetings to the members and the minutes are valid evidence of the work conducted during the meeting unless there is an objection to the content of the minutes within ten (10) days from the date of sending. The minutes of the Board of Directors' meetings are prepared in Vietnamese and may be prepared in English. The minutes must be signed by the chairman and the person taking the minutes.

### **Điều 30. Subcommittees of the Board of Directors**

1. The Board of Directors may establish a subcommittee to be responsible for development policies, personnel, remuneration, internal audit, and risk management. The number of members of the subcommittee shall be decided by the Board of Directors, with a minimum of 02 people, including members of the Board of Directors and external members. Independent members of the Board of Directors/non-executive members of the Board of Directors should make up the majority of the subcommittee and one of these members shall be appointed as Head of the subcommittee according to the decision of the Board of Directors. The activities of the subcommittee must comply with the regulations of the Board of Directors. The resolution of the subcommittee shall only be effective when the majority of members attend and vote for it at the subcommittee meeting.
2. The implementation of decisions of the Board of Directors or of subcommittees under the Board of Directors must comply with current legal regulations and provisions in the Company Charter and Internal Regulations on corporate governance.

### **Điều 31. Corporate governance officer**

1. The Board of Directors of the Company must appoint at least 01 person in charge of corporate governance to support corporate governance at the enterprise. The person in charge of corporate governance may concurrently hold the position of Company Secretary as prescribed in Clause 5, Article 156 of the Law on Enterprises.
2. The person in charge of corporate governance shall not concurrently work for an approved auditing organization that is auditing the Company's financial statements.
3. The person in charge of corporate governance has the following rights and obligations:
  - a) Advise the Board of Directors on organizing the General Meeting of Shareholders in accordance with regulations and related work between the Company and shareholders;
  - b) Prepare meetings of the Board of Directors, Audit Committee and General Meeting of Shareholders as requested by the Board of Directors or Audit Committee ;
  - c) Advice on meeting procedures;
  - d) Attend meetings;
  - e) Consulting on procedures for preparing resolutions of the Board of Directors in accordance with legal regulations;
  - f) Provide financial information, copies of Board of Directors meeting minutes and other information to Board members;
  - g) Monitor and report to the Board of Directors on the Company's information disclosure activities;
  - h) Act as a point of contact with stakeholders;
  - i) Keep information confidential according to the provisions of law and the Company Charter;
  - j) Other rights and obligations as prescribed by law and the Company Charter.

## **VIII. GENERAL DIRECTOR AND OTHER EXECUTIVE OFFICERS**

### **Điều 32. Management organization**

The Company's management system must ensure that the management apparatus is responsible to the Board of Directors and is subject to the supervision and direction of the Board of Directors in the Company's daily business operations. The Company has a General Director, Deputy General Directors, Chief Accountant and other management positions appointed by the Board of Directors. The appointment, dismissal and removal of the above positions must be approved by resolution or decision of the Board of Directors.

### **Điều 33. Business Operator**

1. Upon the proposal of the General Director and with the approval of the Board of Directors, the Company may recruit other executives with the number and qualifications appropriate to the Company's management structure and regulations as prescribed by the Board of Directors. Business executives must be responsible for supporting the Company in achieving its operational and organizational goals.
2. The General Director is paid a salary and bonus. The General Director's salary and bonus are decided by the Board of Directors.
3. The salary of the executive is included in the Company's business expenses according to the provisions of the law on corporate income tax, shown as a separate item in the Company's annual financial statements and must be reported to the General Meeting of Shareholders at the annual meeting.

### **Điều 34. Appointment, dismissal, duties and powers of the General Director**

1. The Board of Directors appoints 01 member of the Board of Directors or hires another person as General Director.
2. The General Director is the person who runs the daily business operations of the Company as assigned /authorized and under the supervision of the Board of Directors , and is responsible to the Board of Directors and before the law for the implementation of assigned rights and obligations.
3. The term of office of the General Director shall not exceed 05 years and may be reappointed for an unlimited number of terms. The General Director must meet the standards and conditions prescribed by law and the Company Charter.
4. The General Director has the following rights and obligations:
  - a) Decide on matters related to the Company's daily business operations as assigned/authorized and under the supervision of the Board of Directors;
  - b) Organize the implementation of resolutions and decisions of the Board of Directors;
  - c) Organize the implementation of the Company's business plan and investment plan;
  - d) Proposing organizational structure plan and internal management regulations of the Company;
  - e) Appoint, dismiss, and remove management positions in the Company, except for positions under the authority of the Board of Directors;
  - f) Decide on salaries and other benefits for employees in the Company, including managers under the appointment authority of the General Director;
  - g) Labor recruitment;
  - h) Propose plans to pay dividends or handle business losses;



- i) Other rights and obligations as prescribed by law, the Company Charter and resolutions and decisions of the Board of Directors.
5. The Board of Directors may dismiss the General Director when the majority of the Board members with voting rights present at the meeting agree and appoint a new General Director to replace him.

### **Điều 35. Company Secretary**

When deemed necessary, the Board of Directors shall decide to appoint one (01) or more persons as Company Secretary for a term of office as decided by the Board of Directors. The Board of Directors may dismiss the Company Secretary when necessary but not contrary to current labor laws. The Company Secretary shall have the following rights and obligations:

- a) Support the organization in convening meetings of the General Meeting of Shareholders, Board of Directors, and recording meeting minutes;
- b) Support Board members in performing assigned rights and obligations;
- c) Support the Board of Directors in applying and implementing corporate governance principles;
- d) Support the Company in building shareholder relations and protecting the legitimate rights and interests of shareholders; compliance with information provision obligations, information disclosure and administrative procedures;
- e) Other rights and obligations as prescribed in the Company Charter and the Company's internal regulations.

## **IX. AUDIT COMMITTEE UNDER THE BOARD OF DIRECTORS**

### **Điều 36. Nomination and candidacy for Audit Committee members**

- 1. The Chairman of the Audit Committee and other members of the Audit Committee are nominated by the Board of Directors and are not executives of the Company.
- 2. The appointment of the Chairman of the Audit Committee and other members of the Audit Committee must be approved by the Board of Directors at a meeting of the Board of Directors.

### **Điều 37. Audit Committee Composition**

- 1. The Audit Committee shall consist of two or more members. The Chairman of the Audit Committee shall be an independent member of the Board of Directors. The other members of the Audit Committee shall be non-executive members of the Board of Directors.
- 2. Audit Committee members must have knowledge of accounting and auditing, have general understanding of the law and operations of the Company and must not fall into the following cases:
  - a) Work in the accounting and finance department of the Company;

- b) Be a member or employee of an auditing organization approved to audit the company's financial statements for the previous 3 consecutive years.
- 3. The Chairman of the Audit Committee must have a university degree or higher in one of the following majors: economics, finance, accounting, auditing, law, or business administration.

### **Điều 38. Rights and obligations of the Audit Committee**

The Audit Committee has the rights and obligations as prescribed in Article 161 of the Law on Enterprises and the Company Charter, including the following rights and obligations:

1. Have the right to access documents related to the Company's operations, discuss with other members of the Board of Directors, General Director, Financial Director, Chief Accountant and other managers to collect information for the Audit Committee's operations.
2. Has the right to request representatives of approved auditing organizations to attend and answer questions related to audited financial statements at meetings of the Audit Committee.
3. Use outside legal, accounting or other consulting services as needed;
4. Develop and submit to the Board of Directors policies on risk detection and management; propose to the Board of Directors solutions to handle risks arising in the Company's operations.
5. Monitor the integrity of the company's financial statements and official announcements regarding the company's financial results;
6. Review related party transactions within the approval authority of the Board of Directors or General Meeting of Shareholders and make recommendations on transactions requiring approval of the Board of Directors or General Meeting of Shareholders;
7. Supervise the Company's internal audit department;
8. Recommend the independent auditing company, remuneration level and related terms in the contract with the auditing company for the Board of Directors to approve before submitting to the Annual General Meeting of Shareholders for approval;
9. Monitor and evaluate the independence and objectivity of the auditing firm and the effectiveness of the auditing process, especially in cases where the Company uses non-audit services of the auditor;
10. Supervision is to ensure that the Company complies with legal regulations, regulatory requirements and other internal regulations of the Company.

11. Prepare a written report to the Board of Directors when discovering that a member of the Board of Directors, the General Director and other managers do not fully perform their responsibilities as prescribed in the Law on Enterprises and the Company Charter.
12. Develop the Audit Committee's operating regulations and submit them to the Board of Directors for approval.

**Điều 39. Audit Committee Meeting**

1. The Audit Committee must meet at least twice a year. Minutes of the meeting must be detailed, clear and fully retained. The person taking the minutes and the Audit Committee members attending the meeting must sign the minutes of the meeting.
2. The Audit Committee shall pass decisions by voting at meetings, by collecting written opinions or by other forms in accordance with regulations. Each member of the Audit Committee shall have one vote. Decisions of the Audit Committee shall be passed if approved by the majority of members attending the meeting; in case of equal votes, the final decision shall belong to the side with the opinion of the Chairman of the Audit Committee.

**Điều 40. Report on the activities of the independent members of the Board of Directors in the Audit Committee at the Annual General Meeting of Shareholders**

1. The independent Board member in the Audit Committee is responsible for reporting on its activities at the Annual General Meeting of Shareholders.
2. The performance report of the independent member of the Board of Directors in the Audit Committee at the annual General Meeting of Shareholders must ensure the following contents:
  - a. Remuneration, operating expenses and other benefits of the Audit Committee and each member of the Audit Committee as prescribed in the Law on Enterprises and the Company Charter;
  - b. Summary of Audit Committee meetings and conclusions and recommendations of the Audit Committee;
  - c. Results of monitoring of financial reports, operations and financial status of the Company;
  - d. Report on the assessment of transactions between the Company, subsidiaries, other companies in which the Company controls 50% or more of the charter capital with members of the Board of Directors, General Directors, other executives of the enterprise and related persons of that entity; transactions between the Company and companies in which members of the Board of Directors, General Directors, other executives of the enterprise are founding

members or business managers within the last 3 years before the time of the transaction;

e. Results of supervision of the Board of Directors, General Director and other executives of the enterprise;

f. Results of the assessment of the coordination of activities between the Audit Committee, the Board of Directors, the General Director and shareholders;

## **X. RESPONSIBILITIES OF BOARD OF DIRECTORS MEMBERS, AUDIT COMMITTEE MEMBERS , GENERAL DIRECTOR AND OTHER EXECUTIVES**

Members of the Board of Directors, members of the Audit Committee , the General Director and other executives are responsible for performing their duties, including those as members of subcommittees of the Board of Directors, honestly and carefully for the benefit of the Company.

### **Điều 41. Responsibility to be honest and avoid conflicts of interest**

1. Members of the Board of Directors, members of the Audit Committee , the General Director and other managers must publicly disclose related interests in accordance with the provisions of the Enterprise Law and relevant legal documents.
2. Members of the Board of Directors, members of the Audit Committee , the General Director, other managers and their related persons may only use information obtained through their positions to serve the interests of the Company.
3. Members of the Board of Directors, members of the Audit Committee , the General Director and other managers are obliged to notify in writing the Board of Directors and the Audit Committee of transactions between the Company, its subsidiaries, other companies in which the public company controls 50% or more of the charter capital with that entity itself or with related persons of that entity in accordance with the provisions of law. For the above transactions approved by the General Meeting of Shareholders or the Board of Directors, the Company must disclose information about these resolutions in accordance with the provisions of the securities law on information disclosure.
4. A member of the Board of Directors is not allowed to vote on transactions that benefit that member or a related person of that member according to the provisions of the Law on Enterprises and the Company Charter.
5. Members of the Board of Directors, members of the Audit Committee , the General Director, other managers and related persons of these subjects are not allowed to use or disclose to others inside information to carry out related transactions.
6. Transactions between the Company and one or more members of the Board of Directors, members of the Audit Committee , the General Director, other executives



and individuals and organizations related to these subjects are not invalid in the following cases:

- a) For transactions with a value less than (35%) of the total asset value recorded in the most recent financial report, the important contents of the contract or transaction as well as the relationships and interests of the Board of Directors members, Audit Committee members , General Director, and other executives have been reported to the Board of Directors and approved by the Board of Directors by a majority vote of the Board of Directors members who have no related interests ;
- b) For transactions with a value of (35%) or transactions resulting in a transaction value arising within 12 months from the date of the first transaction with a value of 35% or more of the total asset value recorded in the most recent financial report, the important contents of this transaction as well as the relationships and interests of the members of the Board of Directors, members of the Audit Committee , the General Director, and other executives have been announced to shareholders and approved by the General Meeting of Shareholders by votes of shareholders with no related interests.
- c) Contracts, loan transactions, and asset sales with a value greater than 10% of the total asset value recorded in the most recent financial report between the Company and shareholders owning 5% or more of the total number of voting shares or related persons of such shareholders have been announced to shareholders and approved by the General Meeting of Shareholders by votes of shareholders with no related interests.

#### **Điều 42. Liability for damages and compensation**

- 1. Members of the Board of Directors, members of the Audit Committee , the General Director and other executives who violate their obligations and responsibilities of honesty and prudence and fail to fulfill their obligations shall be responsible for damages caused by their violations.
- 2. The Company shall indemnify any person who has been, is or may become a party to any claim, lawsuit or prosecution (including civil and administrative cases and not lawsuits initiated by the Company) if such person has been or is a member of the Board of Directors, a member of the Audit Committee , the General Director , another executive, an employee or a representative authorized by the Company who has been or is performing duties as authorized by the Company, acting honestly and prudently for the benefit of the Company on the basis of compliance with the law and there is no evidence confirming that such person has breached his or her responsibilities.

3. Compensation costs include judgment costs, fines, payments that arise in practice (including attorney fees) or are considered reasonable, with valid invoices and documents when resolving these cases within the framework of the law. The Company may purchase insurance for these people to avoid the above compensation responsibilities.

## **XI. RIGHT TO SEARCH COMPANY BOOKS AND RECORDS**

### **Điều 43. Right to search books and records**

1. Common shareholders have the right to examine books and records, specifically as follows:
  - a) Ordinary shareholders have the right to review, look up and extract information about their names and contact addresses in the list of shareholders with voting rights; request correction of their inaccurate information; review, look up, extract or copy the Company Charter, minutes of the General Meeting of Shareholders and resolutions of the General Meeting of Shareholders;
  - b) Shareholders or groups of shareholders owning 5% or more of the total number of common shares have the right to review, look up, and extract the minutes and resolutions and decisions of the Board of Directors, mid-year and annual financial reports, reports of the Audit Committee , contracts, transactions that must be approved by the Board of Directors and other documents, except for documents related to trade secrets and business secrets of the Company.
2. In case an authorized representative of a shareholder or group of shareholders requests to look up books and records, he/she must attach a power of attorney from the shareholder or group of shareholders that he/she represents or a notarized copy of this power of attorney.
3. Members of the Board of Directors, members of the Audit Committee , the General Director and other executives have the right to look up the Company's shareholder register, list of shareholders, books and other records of the Company for purposes related to their positions, provided that such information must be kept confidential.
4. The Company must keep this Charter and amendments to the Charter, the Certificate of Business Registration, regulations, documents proving ownership of assets, resolutions of the General Meeting of Shareholders and the Board of Directors, minutes of meetings of the General Meeting of Shareholders and the Board of Directors, reports of the Board of Directors, reports of the Audit Committee , annual financial statements, accounting books and other documents as prescribed by law at the head office or another place provided that shareholders and the Business Registration Authority are notified of the location where these documents are stored.
5. The company charter must be published on the Company's website.

## **XII. EMPLOYEES AND TRADE UNIONS**

### **Điều 44. Employees and unions**

1. The General Director must plan for the Board of Directors to approve issues related to recruitment, employee termination, salary, social insurance, benefits, rewards and discipline for employees and business executives.
2. The General Director must plan for the Board of Directors to approve issues related to the Company's relations with trade unions in accordance with best management standards, practices and policies, the practices and policies stipulated in this Charter, the Company's regulations and current legal regulations.

## **XIII. PROFIT DISTRIBUTION**

### **Điều 45. Profit Distribution**

1. The General Meeting of Shareholders decides on the level of dividend payment and the form of annual dividend payment from the Company's retained earnings.
2. The Company does not pay interest on dividends or payments relating to a class of shares.
3. The Board of Directors may propose to the General Meeting of Shareholders to approve the payment of all or part of dividends in shares and the Board of Directors is the body implementing this decision.
4. In case dividends or other amounts related to a type of shares are paid in cash, the Company must pay in Vietnamese Dong. Payments can be made directly or through banks based on the bank account details provided by the shareholder. In case the Company has transferred money according to the bank details provided by the shareholder but the shareholder does not receive the money, the Company is not responsible for the amount the Company has transferred to this shareholder. Payment of dividends for shares listed/registered for trading on the Stock Exchange can be made through a securities company or the Vietnam Securities Depository and Clearing Corporation.
5. Pursuant to the Law on Enterprises and the Law on Securities, the Board of Directors shall adopt a resolution or decision to determine a specific date to close the list of shareholders. Based on that date, those who register as shareholders or holders of other securities are entitled to receive dividends in cash or shares, receive notices or other documents.
6. Other issues related to profit distribution are carried out in accordance with the provisions of law.

## **XIV. BANK ACCOUNTS, FINANCIAL YEAR AND ACCOUNTING REGIME**

### **Điều 46. Bank account**

1. The company opens accounts at Vietnamese banks or at foreign bank branches licensed to operate in Vietnam.
2. Subject to prior approval of the competent authority, if necessary, the Company may open a bank account abroad in accordance with the provisions of law.
3. The Company conducts all payments and accounting transactions through Vietnamese or foreign currency accounts at banks where the Company opens accounts.

#### **Điều 47. Fiscal year**

The Company's fiscal year begins on the first day of January each year and ends on December 31 each year. The first fiscal year begins on the date of issuance of the Business Registration Certificate and ends on December 31 of that year.

#### **Điều 48. Accounting mode**

1. The accounting regime used by the Company is the corporate accounting regime or a specific accounting regime issued and approved by a competent authority.
2. The Company shall prepare accounting books in Vietnamese and maintain accounting records in accordance with the provisions of the law on accounting and related laws. These records must be accurate, up-to-date, systematic and sufficient to demonstrate and explain the Company's transactions.
3. The Company uses Vietnamese Dong as its accounting currency. In case the Company has economic transactions arising mainly in a foreign currency, it may freely choose that foreign currency as its accounting currency, be responsible for that choice before the law and notify the direct tax authority.

### **XV. FINANCIAL REPORTS, ANNUAL REPORTS AND RESPONSIBILITIES FOR INFORMATION DISCLOSURE**

#### **Điều 49. Annual, semi-annual and quarterly financial reports**

1. The Company must prepare annual financial statements and the annual financial statements must be audited in accordance with the provisions of law. The Company shall publish the audited annual financial statements in accordance with the provisions of law on information disclosure on the stock market and submit them to the competent state agency.
2. The annual financial report must include all reports, appendices, and explanations in accordance with the law on corporate accounting. The annual financial report must honestly and objectively reflect the Company's operations.
3. The Company must prepare and publish audited semi-annual financial statements and quarterly financial statements in accordance with the law on information disclosure on the stock market and submit them to competent state agencies.

#### **Điều 50. Annual Report**



The Company must prepare and publish the Annual Report in accordance with the provisions of the law on securities and the stock market.

## **XVI. COMPANY AUDIT**

### **Điều 51. Auditing**

1. The General Meeting of Shareholders shall appoint an independent auditing company or approve a list of independent auditing companies and authorize the Board of Directors to decide on one of these units to audit the Company's financial statements for the following fiscal year based on the terms and conditions agreed with the Board of Directors.
2. The audit report is attached to the Company's annual financial statements.
3. The independent auditor performing the audit of the Company's financial statements is entitled to attend the General Meeting of Shareholders and is entitled to receive notices and other information related to the General Meeting of Shareholders and to express opinions at the meeting on issues related to the audit of the Company's financial statements.

## **XVII. BUSINESS SEAL**

### **Điều 52. Company seal**

1. Seals include seals made at seal engraving establishments or seals in the form of digital signatures according to the provisions of law on electronic transactions.
2. The Board of Directors decides on the type, quantity, form and content of the seal of the Company, branches and representative offices of the Company (if any).
3. The Board of Directors and General Director use and manage the seal in accordance with current laws.

## **XVIII. DISSOLUTION OF COMPANY**

### **Điều 53. Dissolution of the company**

1. The company may be dissolved in the following cases:
  - a) According to the resolution and decision of the General Meeting of Shareholders;
  - b) Having the Certificate of Business Registration revoked, except in cases where the Law on Tax Administration provides otherwise;
  - c) Other cases as prescribed by law.
2. The dissolution of the Company before the deadline (including the extended deadline) is decided by the General Meeting of Shareholders and implemented by the Board of Directors. This dissolution decision must be notified or approved by the competent authority (if required) as prescribed.

### **Điều 54. Liquidation**

1. At least 06 months before the end of the Company's term of operation or after the decision to dissolve the Company, the Board of Directors must establish a Liquidation

Committee consisting of 03 members, of which 02 members are appointed by the General Meeting of Shareholders and 01 member is appointed by the Board of Directors from an independent auditing company. The Liquidation Committee shall prepare its operating regulations. Members of the Liquidation Committee may be selected from among the Company's employees or independent experts. All costs related to the liquidation shall be paid by the Company prior to other debts of the Company.

2. The Liquidation Board is responsible for reporting to the Business Registration Office on the date of establishment and the date of commencement of operations. From that time on, the Liquidation Board represents the Company in all matters related to the Company's liquidation before the Court and administrative agencies.
3. Proceeds from liquidation are paid in the following order:
  - a) Liquidation costs;
  - b) Debts of wages, severance pay, social insurance and other benefits of employees according to collective labor agreements and signed labor contracts;
  - c) Tax debt;
  - d) Other debts of the Company;
  - e) The remainder after all debts from items (a) to (d) above have been paid shall be distributed to the shareholders. Preferred shares have priority in payment.

## **XIX. RESOLUTION OF INTERNAL DISPUTES**

### **Điều 55. Internal dispute resolution**

1. In case of disputes or complaints related to the Company's operations, the rights and obligations of shareholders as prescribed in the Law on Enterprises, the Company Charter, other legal regulations or agreements between:
  - a) Shareholders with the Company;
  - b) Shareholders with the Board of Directors, Audit Committee , General Director or other executives;
2. The parties concerned shall attempt to resolve such dispute through negotiation and conciliation. Except in the case of a dispute involving the Board of Directors or the Chairman of the Board of Directors, the Chairman of the Board of Directors shall preside over the dispute resolution and shall request each party to present information relating to the dispute within 07 working days from the date the dispute arises. In the case of a dispute involving the Board of Directors or the Chairman of the Board of Directors, any party may request the Chairman of the Board of Directors to appoint an independent expert to act as a mediator for the dispute resolution process.

2. In case no conciliation decision is reached within 06 weeks from the start of the conciliation process or if the conciliator's decision is not accepted by the parties, a party may bring the dispute to Arbitration or Court.
3. The parties shall bear their own costs related to the negotiation and conciliation procedures. Payment of court costs shall be made according to the Court's judgment.

## **XX. SUPPLEMENTS AND AMENDMENTS TO THE CHARTER**

### **Điều 56. Company charter**

1. Amendments and supplements to this Charter must be considered and decided by the General Meeting of Shareholders.
2. In case the law has provisions related to the Company's operations that are not mentioned in this Charter or in case there are new legal provisions that are different from the provisions in this Charter, those provisions shall be applied to regulate the Company's operations.

## **XXI. EFFECTIVE DATE**

### **Điều 57. Effective Date**

1. This charter consists of 21 Chapters , 5 7 This Charter was unanimously approved by the General Meeting of Shareholders of Lam Dong Pharmaceutical Joint Stock Company (Ladophar) on April 2025 and the full text of this Charter was approved.
2. The Charter is made in 10 copies, of equal value and must be kept at the Company's head office .
3. This charter is the sole and official charter of the Company.
4. Copies or extracts of the Company Charter are valid when signed by the Chairman of the Board of Directors or at least half of the total number of members of the Board of Directors.

**LEGAL REPRESENTATIVE**  
**CEO**

**(Draft)**

**LE TIEN THINH**

## APPENDIX: COMPANY'S BUSINESS LINES

| Industry code                | Name of industry, business   |
|------------------------------|--|
| <b>4649</b><br><b>(Main)</b> | <b>Wholesale other household items.</b><br><i>Details: buying and selling drugs, medicinal herbs, cosmetics, medical supplies and equipment.</i>   |
| 2100                         | Production of drugs, pharmaceutical chemicals and pharmaceutical materials.<br><i>Details: production of modern medicine and oriental medicine.</i>  |
| 1079                         | Production of other food products not elsewhere classified.<br><i>Details: production of functional foods.</i>   |
| 1101                         | Distillation, rectification and blending of spirits.<br><i>Details: production of wine and alcoholic beverages.</i>  |
| 1104                         | Production of non-alcoholic beverages, mineral water.<br><i>Details: production of carbonated and non-carbonated drinks.</i>   |
| 5510                         | Short-term accommodation services  |
| 4669                         | Other specialized wholesale not elsewhere classified.<br><i>Detail:</i><br>- <i>Import and export of drugs, medicinal herbs, raw materials for drug production, medical equipment and supplies.</i><br>- <i>Trading in biological products, vaccines, chemicals (for testing, biochemical, chemical, hematological experiments).</i> |



| Industry code | Name of industry, business  |
|---------------|---|
|               | - Wholesale of all kinds of plastic packaging (container packaging), PP and PE fabrics, PE bags, PP belts, PP forks and all kinds of accessories for the packaging industry (container packaging), PP and PE fabrics, PE bags, PP belts, PP forks and all kinds of accessories for the packaging industry). |
| 4722          | Retail sale of food in specialized stores.<br><i>Details: retail of functional foods.</i>   |
| 4772          | Retail sale of medicines, medical equipment, cosmetics and toiletries in specialized stores.  |
| 4632          | Food wholesale.   |
| 4633          | Wholesale beverages.<br><i>Details: trading in wine, alcoholic and non-alcoholic beverages.</i>   |
| 4791          | Retail by mail order or internet.   |
| 4933          | Transport of goods by road.   |
| 6810          | Real estate business, land use rights owned, used or rented.  |
| 0128          | Growing spices, medicinal plants, and perennial aromatic plants.  |
| 4721          | Retail sale of food in specialized stores.  |
| 1010          | Processing and preserving meat and meat products.   |
| 1020          | Processing and preserving aquatic products and aquatic products.  |
| 1075          | Production of food, processed food.   |
| 1080          | Production of animal feed, poultry and aquatic products.  |
| 4773          | Retail sale of other new goods in specialized stores.<br>Retailing packaging, PP and PE plastic granules, colorants, plastic additives, UV granules; retailing plastic packaging (container packaging), PP and PE fabrics, PE bags, PP straps, PP forks and other accessories for the packaging industry.   |
| 8299          | Other remaining business support service activities not elsewhere classified.<br><i>Detail:</i><br>- Import and export of company products.<br>- Entrust and receive entrustment for export and import of goods.  |
| 4932          | Other forms of road transport.<br><i>Detail:</i><br>- Passenger transport by bus within the province and inter-province.  |

| Industry code | Name of industry, business   |
|---------------|--|
|               | <i>- Car rental with driver for passenger transport, including contracts to transport passengers for sightseeing, tourism or other purposes.</i> |
| 4631          | Wholesale rice, wheat, other cereals, flour.   |

# **LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY (LADOPHAR)**

Address: 18 Ngo Quyen, Ward 6, Da Lat City, Lam Dong Province



**DRAFT**

## **OPERATING REGULATIONS OF THE BOARD OF DIRECTORS**

*(Issued under Resolution of the General Meeting of Shareholders No. 01/NQ-ĐHĐCĐ/2025  
dated April 24, 2025)*

*Da Lat City , April 24 , 2025*

# Table of Contents

|   |           |
|---|-----------|
| <b>CHAPTER I. GENERAL PROVISIONS .....</b>  | <b>2</b>  |
| Article 1. Scope of regulation and applicable subjects .....  | 2         |
| Article 2. Operating principles of the Board of Directors .....   | 2         |
| <b>CHAPTER II. MEMBERS OF THE BOARD OF DIRECTORS .....</b>  | <b>2</b>  |
| Article 3. Rights and obligations of members of the Board of Directors .....  | 2         |
| Article 4. Right to information provision of Board of Directors members .....   | 3         |
| Article 5. Number , term, and structure of members of the Board of .....  | 3         |
| Article 6. Standards and conditions for members of the Board of Directors .....   | 4         |
| Article 7. Chairman of the Board of Directors .....   | 4         |
| Article 8. Dismissal, removal, replacement and addition of members of the Board of Directors .....                                      | 5         |
| Article 9. Method of electing, dismissing and removing members of the Board of Directors .....  | 6         |
| Article 10. Notice of election, dismissal and removal of members of the Board of Directors .....  | 7         |
| <b>CHAPTER III. BOARD OF DIRECTORS .....</b>  | <b>9</b>  |
| Article 11. Rights and obligations of the Board of Directors .....  | 9         |
| Article 12. Duties and powers of the Board of Directors in approving and signing transaction contracts .....                            | 10        |
| Article 13. Responsibilities of the Board of Directors in convening extraordinary meetings of the General Meeting of Shareholders ..... | 11        |
| Article 14. Subcommittees assisting the Board of Directors. ....  | 12        |
| <b>CHAPTER IV. BOARD OF DIRECTORS MEETING .....</b>   | <b>13</b> |
| Article 15. Board of Directors Meeting .....  | 13        |
| Article 16. Minutes of Board of Directors meeting .....   | 15        |
| <b>CHAPTER V. REPORTING AND DISCLOSURE OF BENEFITS .....</b>  | <b>16</b> |
| Article 17. Annual report submission .....  | 16        |
| Article 18. Remuneration, bonuses and other benefits of members of the Board of Directors .....   | 16        |
| Article 19. Disclosure of related interests .....   | 17        |
| <b>CHAPTER VI. RELATIONSHIP OF THE BOARD OF DIRECTORS .....</b>   | <b>18</b> |
| Article 20. Relationship between members of the Board of Directors .....  | 18        |
| Article 21. Relationship with the Executive Board .....   | 18        |
| Article 22. Relationship with the Audit Committee .....   | 18        |
| <b>CHAPTER VII. IMPLEMENTATION PROVISIONS .....</b>   | <b>19</b> |
| Article 23. Effective date .....  | 19        |



## **CHAPTER I. GENERAL PROVISIONS**

### **Article 1. Scope of regulation and applicable subjects**

1. Scope of regulation: The Board of Directors' operating regulations stipulate the organizational structure, personnel, operating principles, powers and obligations of the Board of Directors and its members to operate in accordance with the provisions of the Enterprise Law, the Company Charter and other relevant legal provisions.
2. Applicable subjects: This regulation applies to the Board of Directors, members of the Board of Directors and related subjects mentioned in this regulation.

### **Article 2. Operating principles of the Board of Directors**

1. The Board of Directors operates on the principle of collective responsibility. Members of the Board of Directors are individually responsible for their work and are jointly responsible before the General Meeting of Shareholders and before the law for the resolutions and decisions of the Board of Directors regarding the development of the Company.
2. The Board of Directors assigns responsibility to the General Director to organize and implement the resolutions and decisions of the Board of Directors.

## **CHAPTER II . MEMBERS OF THE BOARD OF DIRECTORS**

### **Article 3. Rights and obligations of members of the Board of Directors**

1. Members of the Board of Directors have full rights and responsibilities as prescribed by the Law on Enterprises, the Law on Securities, relevant laws and the Company Charter , including being provided with information and documents on the financial situation and business activities of the Company and of the units within the Company.
2. Members of the Board of Directors have obligations as prescribed by the Law on Enterprises , the Company Charter and the following obligations:
  - a) Perform their duties honestly and carefully for the best interests of shareholders and the Company;
  - b) Fully attend meetings of the Board of Directors and give opinions on issues discussed;
  - c) Timely and fully report to the Board of Directors on remuneration received from Subsidiaries, Affiliates and other organizations;
  - d) Report to the Board of Directors at the most recent meeting on transactions between the Company, Subsidiaries, and other Companies in which the Company controls 50% or more of the charter capital with members of the Board of Directors and related persons of such members; transactions between the Company and Companies in which members of the Board of Directors are founding members or business managers within the last 3 years prior to the time of the transaction;
  - d) Disclose information when trading the Company's shares in accordance with the provisions of law.
3. The Company's independent Board of Directors must prepare an evaluation report on the Board of Directors' performance.

**Article 4. Right to information provision of Board of Directors members**

1. Members of the Board of Directors have the right to request the General Director, Deputy General Director, and other managers in the Company to provide information and documents on the financial situation and business activities of the Company and of units within the Company.

enterprise manager is required to promptly, fully and accurately provide information and documents as requested by the members of the Board of Directors. The order and procedures for requesting and providing information are prescribed as follows:

- Board members must submit the requested information to the company's Board of Directors.
- If deemed necessary, the Board of Directors will convene a meeting to obtain opinions within 07 working days from the date of receipt of the request of a Board member regarding the content of the requested information.
- If the above content is approved by the Board of Directors, the manager requested to provide information will provide the requested information within 07 days.

**Article 5. Number , term, and structure of members of the Board of Directors**

1. The number of members of the Board of Directors is 05 people .
2. The term of office of a member of the Board of Directors shall not exceed 05 years and may be re-elected for an unlimited number of terms. An individual may only be elected as an independent member of the Board of Directors of a Company for no more than 02 consecutive terms.
3. In case all members of the Board of Directors end their term at the same time, those members shall continue to be members of the Board of Directors until a new member is elected to replace them and take over the work.
4. Board of Directors composition:
  - a) The structure of the Board of Directors of the Company must ensure that at least 1/3 of the total number of Board members are non-executive members. The Company shall limit the number of Board members who concurrently hold executive positions of the Company to ensure the independence of the Board of Directors.

The total number of independent members of the Board of Directors must ensure that there is at least 01 independent member in case the Company has from 03 to 05 members on the Board of Directors;

4. Independent members of the Board of Directors have full rights and obligations of members of the Board of Directors as prescribed in the Law on Enterprises, the Law on Securities, the Company Charter and this regulation.
5. Independent members of the board of directors are organized and coordinated in their activities according to the following principles:
  - a) Exercise assigned rights and obligations honestly, carefully and to the best of one's ability to ensure the maximum legitimate interests of the Company;
  - b) Be loyal to the interests of the Company and shareholders; do not use the Company's information, secrets, business opportunities, position, and assets for personal gain or to serve the interests of other organizations or individuals;

c) All activities of independent board members must comply with the provisions of law and the Company Charter.

**Article 6. Standards and conditions for members of the Board of Directors**

1. Members of the Board of Directors must meet the following standards and conditions:

- a) Not subject to the provisions of Clause 2, Article 17 of the Law on Enterprises;
- b) Have professional qualifications and experience in business administration or in the Company's business fields, industries and professions and do not necessarily have to be a shareholder of the Company, unless otherwise provided in the Company's Charter;
- c) A member of the Board of Directors of a Company may concurrently be a member of the Board of Directors of another Company;
- d) Other standards and conditions according to the Company Charter.

2. Independent members of the Board of Directors as prescribed in Point b, Clause 1, Article 137 of the Law on Enterprises must meet the following standards and conditions:

- a) Not being a person currently working for the Company, the Parent Company or a Subsidiary of the Company; not being a person who has worked for the Company, the Parent Company or a Subsidiary of the Company for at least the previous 03 consecutive years;
- b) Not being a person receiving salary or remuneration from the Company, except for allowances that Board of Directors members are entitled to according to regulations;
- c) Not being a person whose wife or husband, biological father, adoptive father, biological mother, adoptive mother, biological child, adopted child, biological brother, biological sister, or biological sibling is a major shareholder of the Company; is a manager of the Company or a subsidiary of the Company;
- d) Not directly or indirectly owning at least 01% of the total voting shares of the Company;
- d) Not a person who has been a member of the Board of Directors or Supervisory Board of the Company for at least the previous 5 consecutive years, except in the case of being appointed for 2 consecutive terms;
- e) Other standards and conditions according to the Company Charter.

3. An independent member of the Board of Directors must notify the Board of Directors of the fact that he/she no longer meets the standards and conditions specified in Clause 2 of this Article and is automatically no longer an independent member of the Board of Directors from the date of non-fulfillment of the standards and conditions. The Board of Directors must notify the case where an independent member of the Board of Directors no longer meets the standards and conditions at the nearest General Meeting of Shareholders or convene a General Meeting of Shareholders to elect additional or replace an independent member of the Board of Directors within 06 months from the date of receipt of the notice of the relevant independent member of the Board of Directors.

**Article 7. Chairman of the Board of Directors**

- 1. The Chairman of the Board of Directors is elected, dismissed, or removed from office by the Board of Directors from among the members of the Board of Directors.
- 2. The Chairman of the Board of Directors of the Company may not concurrently hold the position of General Director.

3. The Chairman of the Board of Directors has the following rights and obligations:
  - a) Develop programs and plans for the Board of Directors' activities;
  - b) Prepare agenda, content, and documents for meetings; convene, chair and preside over meetings of the Board of Directors;
  - c) Organize the adoption of resolutions and decisions of the Board of Directors;
  - d) Supervise the implementation of resolutions and decisions of the Board of Directors;
  - d) Chair the General Meeting of Shareholders;
  - e) Other rights and obligations as prescribed by the Law on Enterprises and the Company Charter .
4. In case the Chairman of the Board of Directors resigns or is dismissed, the Board of Directors must elect a replacement within 10 days from the date of receipt of the resignation or dismissal.
5. In case the Chairman of the Board of Directors is absent or unable to perform his/her duties, he/she must authorize in writing another member to exercise the rights and obligations of the Chairman of the Board of Directors in accordance with the principles prescribed in the Company's Charter. In case there is no authorized person or the Chairman of the Board of Directors dies, goes missing, is detained, is serving a prison sentence, is serving an administrative penalty at a compulsory drug rehabilitation facility, a compulsory education facility, has fled from his/her place of residence, has limited or lost civil capacity, has difficulty in cognition, controlling his/her behavior, is prohibited by the Court from holding a position, practicing a profession or doing certain work, the remaining members shall elect one of the members to hold the position of Chairman of the Board of Directors according to the principle of majority approval of the remaining members until a new decision of the Board of Directors is made.
6. When deemed necessary, the Board of Directors shall decide to appoint one (01) or more persons as Company Secretary for a term of office as decided by the Board of Directors. The Board of Directors may dismiss the Company Secretary when necessary but not contrary to current labor laws. The Company Secretary shall have the following rights and obligations:
  - a) Support the organization in convening meetings of the General Meeting of Shareholders and the Board of Directors; record meeting minutes;
  - b) Support Board members in performing assigned rights and obligations;
  - c) Support the Board of Directors in applying and implementing corporate governance principles;
  - d) Support the Company in building shareholder relations and protecting the legitimate rights and interests of shareholders; compliance with the obligation to provide information, publicize information and administrative procedures;
  - d) Other rights and obligations as prescribed in the Company Charter and the Company's internal governance regulations .

**Article 8. Dismissal, removal, replacement and addition of members of the Board of Directors**

1. The General Meeting of Shareholders shall dismiss a member of the Board of Directors in the following cases:
  - a) Not meeting the standards and conditions prescribed in Article 155 of the Law on Enterprises;



- b) Have a resignation letter and it is accepted;
  - c) Other cases specified in the Company Charter.
2. The General Meeting of Shareholders shall dismiss a member of the Board of Directors in the following cases:
- a) Not participating in the activities of the Board of Directors for 06 consecutive months, except in cases of force majeure;
  - b) Other cases specified in the Company Charter.
3. When deemed necessary, the General Meeting of Shareholders shall decide to replace members of the Board of Directors; dismiss or remove members of the Board of Directors, except in the cases specified in Clause 1 and Clause 2 of this Article.
4. The Board of Directors must convene a meeting of the General Meeting of Shareholders to elect additional members of the Board of Directors in the following cases:
- a) The number of members of the Board of Directors is reduced by more than one-third compared to the number prescribed in the Company's Charter. In this case, the Board of Directors must convene a General Meeting of Shareholders within 60 days from the date the number of members is reduced by more than one-third;
  - b) The number of independent members of the Board of Directors is reduced, not ensuring the ratio as prescribed in Point b, Clause 1, Article 137 of the Law on Enterprises;
  - c) Except for the cases specified in Point a and Point b of this Clause, the General Meeting of Shareholders shall elect new members to replace members of the Board of Directors who have been dismissed or removed at the most recent meeting.

**Article 9. Method of electing, dismissing and removing members of the Board of Directors**

1. Shareholders or groups of shareholders owning 10% or more of the total number of common shares have the right to nominate candidates for the Board of Directors in accordance with the provisions of the Enterprise Law and the Company Charter. Nomination of candidates for the Board of Directors is carried out as follows:
- a) Ordinary shareholders forming a group to nominate candidates for the Board of Directors must notify the shareholders attending the meeting of the group meeting before the opening of the General Meeting of Shareholders. Shareholders or groups of shareholders holding from 10% to less than 20% of the total number of voting shares may nominate one (01) candidate; from 20% to less than 30% may nominate up to two (02) candidates; from 30% to less than 40% may nominate up to three (03) candidates; from 40% to less than 50% may nominate up to four (04) candidates; from 50% to less than 65% may nominate up to five (05) candidates; from 65% or more may nominate up to seven (07) candidates;
  - b) Based on the number of members of the Board of Directors, shareholders or groups of shareholders specified in this clause have the right to nominate one or several people according to the decision of the General Meeting of Shareholders as candidates for the Board of Directors.
2. In case the number of candidates for the Board of Directors through nomination and candidacy is still not enough as required in Clause 5, Article 115 of the Law on Enterprises, the incumbent Board of Directors shall introduce additional candidates or organize nominations in accordance with the provisions of the Company Charter, the Internal Regulations on Corporate Governance

and the Operating Regulations of the Board of Directors. The introduction of additional candidates by the incumbent Board of Directors must be clearly announced before the General Meeting of Shareholders votes to elect members of the Board of Directors in accordance with the provisions of law.

3. Voting to elect members of the Board of Directors must be carried out by cumulative voting, whereby each shareholder has a total number of votes corresponding to the total number of shares owned multiplied by the number of elected members of the Board of Directors and shareholders have the right to accumulate all or part of their total votes for one or several candidates. The elected members of the Board of Directors are determined by the number of votes from high to low, starting from the candidate with the highest number of votes until the number of members specified in the Company's Charter is sufficient. In case there are 02 or more candidates with the same number of votes for the last member of the Board of Directors, a re-election will be conducted among the candidates with the same number of votes or selection will be made according to the criteria of the election regulations or the Company's Charter.

4. The dismissal and removal of members of the Board of Directors shall be carried out by the General Meeting of Shareholders by voting (approval, disapproval, no opinion). The percentage of votes passed by the voting method shall be carried out in accordance with Clause 2, Article 21 of the Company Charter .

5. If the number of candidates is less than or equal to the number of members of the Board of Directors to be elected, the election of members of the Board of Directors can be carried out by cumulative voting as above or by voting (approval, disapproval, no opinion). The percentage of votes passed by the voting method is carried out according to Clause 2, Article 21 of the Company Charter.

#### **Article 10. Notice of election, dismissal and removal of members of the Board of Directors**

1. In case the Board of Directors candidates have been identified, the Company must disclose information related to the candidates at least 10 days before the opening date of the General Meeting of Shareholders on the Company's website so that shareholders can learn about these candidates before voting. The Board of Directors candidates must have a written commitment to the honesty and accuracy of the published personal information and must commit to performing their duties honestly, carefully and in the best interests of the Company if elected as a member of the Board of Directors. Information related to the Board of Directors candidates to be disclosed includes:

- a) Full name, date of birth;
- b) Professional qualifications;
- c) Work process;
- d) Other management positions (including positions on the Board of Directors of other Companies);
- d) Benefits related to the Company and its related parties;
- e) Other information (if any) as prescribed in the Company Charter;

g) The Company must be responsible for disclosing information about the Companies in which the candidate is holding the position of Board of Directors member, other management positions and the interests related to the Company of the candidate for the Board of Directors (if any).

2. The announcement of the results of the election, dismissal and removal of members of the Board of Directors shall comply with the regulations guiding information disclosure.

### **CHAPTER III . BOARD OF DIRECTORS**

#### **Article 11. Rights and obligations of the Board of Directors**

1. The Board of Directors is the Company's management body, with full authority to decide and exercise the Company's rights and obligations on behalf of the Company, except for the rights and obligations under the authority of the General Meeting of Shareholders.
2. The rights and obligations of the Board of Directors are stipulated by law, the Company Charter and the General Meeting of Shareholders. Specifically, the Board of Directors has the following rights and obligations:
  - a) Decide on the Company's strategy, medium-term development plan and annual business plan;
  - b) Propose the type of shares and the total number of shares of each type that can be offered for sale;
  - c) Decision to sell unsold shares within the number of shares allowed to be offered for sale of each type; decision to raise additional capital in other forms;
  - d) Decide on the selling price of the Company's shares and bonds;
  - d) Decision to repurchase shares as prescribed in Clause 1 and Clause 2, Article 133 of the Law on Enterprises;
  - e) Decide on investment plans and investment projects within the authority and limits prescribed by law;
  - g) Decide on solutions for market development, marketing and technology;
  - h) Approve contracts for purchase, sale, borrowing, lending and other contracts and transactions with a value of 35% or more of the total asset value recorded in the Company's most recent financial report, except in cases where the Company's Charter stipulates a different ratio or value, except for contracts and transactions under the decision-making authority of the General Meeting of Shareholders as prescribed in Point d, Clause 2, Article 138, Clauses 1 and 3, Article 167 of the Law on Enterprises;
  - i) Elect, dismiss, remove the Chairman of the Board of Directors; appoint, dismiss, sign contracts, terminate contracts with the General Director and other important managers as prescribed in the Company Charter; decide on salaries, remuneration, bonuses and other benefits of such managers; appoint authorized representatives to participate in the Board of Members or General Meeting of Shareholders at other companies, decide on remuneration and other benefits of such persons;
  - k) Supervise and direct the General Director and other managers in the daily business operations of the Company;
  - l) Decide on the organizational structure and internal management regulations of the Company, decide on the establishment of subsidiaries, branches, representative offices and capital contribution and purchase of shares of other enterprises;
  - m) Approve the agenda and content of documents for the shareholders' meeting, convene the shareholders' meeting or collect opinions for the shareholders' meeting to pass resolutions;
  - n) Submit audited annual financial statements to the General Meeting of Shareholders;
  - o) Propose the level of dividends to be paid; decide on the time limit and procedures for paying dividends or handling losses arising during the business process;



- p) Proposing the reorganization and dissolution of the Company; requesting the bankruptcy of the Company;
- q) Decision to promulgate the Board of Directors' Operating Regulations, Internal Regulations on Company Governance after being approved by the General Meeting of Shareholders; Regulations on information disclosure of the Company; Decision to promulgate the Operating Regulations of the Audit Committee under the Board of Directors;
- r) Request the General Director, Deputy General Director, and other managers in the Company to provide information and documents on the financial situation and business activities of the Company and of units within the Company.
- s) The manager is required to promptly, fully and accurately provide information and documents as requested by the Board of Directors members. The order and procedures for requesting and providing information are specifically stipulated in the Board of Directors' Operating Regulations.
- t ) Other rights and obligations as prescribed by the Law on Enterprises, the Law on Securities, other provisions of law and the Company Charter , and the Company's internal governance regulations .

3. The Board of Directors must report to the General Meeting of Shareholders on the results of the Board of Directors' activities in accordance with Article 280 of Decree No. 155/2020/ND-CP dated December 31, 2020 of the Government detailing the implementation of a number of articles of the Law on Securities.

4. The Board of Directors shall pass resolutions and decisions by voting at meetings, obtaining written opinions or other forms as prescribed by the Company's Charter. Each member of the Board of Directors shall have one vote.

5. In case a resolution or decision passed by the Board of Directors is contrary to the provisions of law, resolutions of the General Meeting of Shareholders, or the Company's Charter, causing damage to the Company, the members who agree to pass such resolution or decision shall jointly bear personal responsibility for such resolution or decision and shall compensate the Company for the damage; members who oppose the passage of the above resolution or decision shall be exempted from liability. In this case, the Company's shareholders have the right to request the Court to suspend or annul the above resolution or decision.

**Article 12. Duties and powers of the Board of Directors in approving and signing transaction contracts**

1. The Board of Directors approves contracts and transactions with a value of less than 35 % or transactions that result in the total transaction value arising within 12 months from the date of the first transaction having a value of less than 35 % of the total asset value recorded in the most recent financial statement or another smaller ratio or value as prescribed in the Company Charter between the Company and one of the following entities:

- Members of the Board of Directors, members of the Audit Committee , General Director, other managers and related persons of these subjects;
- Shareholders, authorized representatives of shareholders owning more than 10% of the total common equity of the Company and their related persons;
- Enterprises related to the subjects specified in Clause 2, Article 164 of the Law on Enterprises.

2. The Board of Directors approves contracts, loan transactions, and asset sales with a value of less than or equal to 10% of the total asset value of the enterprise recorded in the most recent financial report between the company and shareholders owning 51% or more of the total number of voting shares or related persons of such shareholders.

3. The representative of the Company signing a contract or transaction must notify the members of the Board of Directors and members of the Audit Committee of the entities involved in that contract or transaction and enclose a draft contract or the main content of the transaction. The Board of Directors shall decide on the approval of the contract or transaction within 15 days from the date of receipt of the notification, unless the Company Charter stipulates another time limit; members of the Board of Directors with interests related to the parties in the contract or transaction shall not have the right to vote.

**Article 13. Responsibilities of the Board of Directors in convening extraordinary meetings of the General Meeting of Shareholders**

1. The Board of Directors must convene an extraordinary meeting of the General Meeting of Shareholders in the following cases:

- a) The Board of Directors deems it necessary for the benefit of the Company;
- b) Number of members of the Board of Directors, remaining less than the minimum number of members as prescribed by law;
- c) At the request of a shareholder or group of shareholders as prescribed in Clause 2, Article 115 of the Law on Enterprises; the request to convene a meeting of the General Meeting of Shareholders must be made in writing, clearly stating the reason and purpose of the meeting, with sufficient signatures of the relevant shareholders or the request must be made in multiple copies and must include sufficient signatures of the relevant shareholders;
- d) ;
- d. Other cases as prescribed by law and the Company Charter.

**2. Convening an extraordinary meeting of shareholders**

Unless otherwise provided in the Company Charter, the Board of Directors must convene a General Meeting of Shareholders within 30 days from the date the number of remaining members of the Board of Directors and independent members of the Board of Directors is less than the minimum number of members as prescribed in the Company Charter or from the date of receipt of the request specified in Point c and Point d, Clause 1 of this Article;

The Board of Directors must notify the case where an independent member of the Board of Directors no longer meets the standards and conditions at the nearest General Meeting of Shareholders or convene a General Meeting of Shareholders to elect additional or replace an independent member of the Board of Directors within 06 months from the date of receipt of the notice of the relevant independent member of the Board of Directors;

3. The person convening the General Meeting of Shareholders must perform the following tasks:

- a) Prepare a list of shareholders eligible to attend and vote/elect at the General Meeting of Shareholders. The list of shareholders entitled to attend the General Meeting of Shareholders shall be prepared no later than 10 days before the date of sending the notice of invitation to the General Meeting of Shareholders unless the Company's Charter stipulates a shorter period. The Company

must disclose information on the preparation of the list of shareholders entitled to attend the General Meeting of Shareholders at least 20 days before the last registration date;

- b) Prepare the conference program and content;
- c) Prepare documents for the congress;
- d) Draft resolution of the General Meeting of Shareholders according to the expected content of the meeting;
- d) Determine the time and place of the congress;
- e) Notify and send notice of the General Meeting of Shareholders to all shareholders entitled to attend the meeting;
- g) Other tasks serving the congress.

**Article 14. Subcommittees assisting the Board of Directors.**

1. The Board of Directors may establish a subcommittee to be responsible for development policies, personnel, remuneration, internal audit, and risk management. The number of members of the subcommittee shall be decided by the Board of Directors, with a minimum of 02 people, including members of the Board of Directors and external members. Independent members of the Board of Directors/non-executive members of the Board of Directors should make up the majority of the subcommittee and one of these members shall be appointed as Head of the subcommittee according to the decision of the Board of Directors. The activities of the subcommittee must comply with the regulations of the Board of Directors. Resolutions of the subcommittee shall only be effective when a majority of members attend and vote for them at the subcommittee meeting.
2. The implementation of decisions of the Board of Directors or of subcommittees under the Board of Directors must comply with current legal regulations and provisions in the Company Charter and Internal Regulations on Corporate Governance.

## **CHAPTER IV . BOARD OF DIRECTORS MEETING**

### **Article 15. Board of Directors Meeting**

1. The Chairman of the Board of Directors shall be elected at the first meeting of the Board of Directors within 07 working days from the date of completion of the election of the Board of Directors. This meeting shall be convened and chaired by the member with the highest number of votes or the highest percentage of votes. In case there is more than one member with the highest number of votes or the highest percentage of votes and equal, the members shall vote by majority to select one of them to convene the meeting of the Board of Directors.

2. The Board of Directors must meet at least once a quarter and may hold extraordinary meetings.

3. The Chairman of the Board of Directors convenes a meeting of the Board of Directors in the following cases:

- a) At the request of an independent member of the Board of Directors;
- b) At the request of the General Director or at least 05 other managers;
- c) Requested by at least 02 members of the Board of Directors;
- d) Other cases as prescribed by the Company Charter.

4. The proposal specified in Clause 3 of this Article must be made in writing, clearly stating the purpose, issues to be discussed and decisions within the authority of the Board of Directors.

5. The Chairman of the Board of Directors must convene a meeting of the Board of Directors within 07 working days from the date of receipt of the request specified in Clause 3 of this Article. In case the meeting of the Board of Directors is not convened as requested, the Chairman of the Board of Directors shall be responsible for any damage caused to the Company; the person requesting shall have the right to replace the Chairman of the Board of Directors in convening a meeting of the Board of Directors.

6. The Chairman of the Board of Directors or the person convening the Board of Directors meeting must send a meeting invitation at least 05 working days before the meeting date unless otherwise provided in the Company Charter. The meeting invitation must specify the time and location of the meeting, the agenda, the issues to be discussed and decided. The meeting invitation must be accompanied by documents used at the meeting and the members' voting ballots.

Notice of Board of Directors' meeting may be sent by invitation, telephone, fax, electronic means or other methods as prescribed in the Company's Charter and guaranteed to reach the contact address of each member of the Board of Directors registered with the Company.

7. A meeting of the Board of Directors shall be held when at least 3/4 of the total number of members attend the meeting. In case the meeting convened in accordance with the provisions of this clause does not have the required number of members, it shall be convened for the second time within 07 days from the date of the first scheduled meeting. In this case, the meeting shall be held if more than half of the members of the Board of Directors attend the meeting.

8. A member of the Board of Directors is considered to attend and vote at the meeting in the following cases:

- a) Attend and vote directly at the meeting;



b) Authorize another person to attend the meeting and vote as prescribed in Clause 11 of this Article;

c) Attend and vote via online conference, electronic voting or other electronic form;

d) Send voting ballots to the meeting via mail, fax, or email;

d) Send voting ballots by other means as prescribed in the Company Charter.

9. In case of sending the ballot to the meeting by mail, the ballot must be contained in a sealed envelope and must be delivered to the Chairman of the Board of Directors at least 01 hour before the opening. The ballot may only be opened in the presence of all attendees.

**10. Vote**

a. Except for the provisions at Point b, Clause 11, Article 15 of this Charter , each member of the Board of Directors or authorized person as prescribed in Clause 8 of this Article who is present in person as an individual at the meeting of the Board of Directors has one (01) vote;

b. A member of the Board of Directors shall not vote on contracts, transactions or proposals in which the member or a person related to the member has an interest and such interest conflicts or may conflict with the interests of the Company. A member of the Board of Directors shall not be counted in the minimum number of members present to be able to hold a meeting of the Board of Directors on decisions on which the member does not have the right to vote;

c. Pursuant to Point d, Clause 11, Article 15 of this Regulation , when an issue arises at a meeting related to the interests or voting rights of a member of the Board of Directors and that member does not voluntarily give up his/her voting rights, the decision of the chairperson is the final decision, except in cases where the nature or scope of the interests of the relevant member of the Board of Directors has not been fully disclosed;

d. A member of the Board of Directors who benefits from a contract specified in Point a and Point b, Clause 6, Article 42 of the Company's Charter is considered to have a significant interest in that contract;

11. A member of the Board of Directors who directly or indirectly benefits from a contract or transaction that has been signed or is expected to be signed with the Company and knows that he or she has an interest in it shall be responsible for disclosing this interest at the first meeting of the Board discussing the signing of this contract or transaction. In case a member of the Board of Directors does not know that he or she or a related person has an interest at the time the contract or transaction is signed with the Company, this member of the Board of Directors must disclose the related interests at the first meeting of the Board of Directors held after this member knows that he or she has an interest or will have an interest in the above transaction or contract.

12. Members must attend all Board of Directors meetings. Members may authorize others to attend meetings and vote if approved by a majority of Board of Directors members.

13. Resolutions and decisions of the Board of Directors are passed if approved by the majority of members attending the meeting; in case of equal votes, the final decision belongs to the side with the opinion of the Chairman of the Board of Directors.

14. The Board of Directors has the right to seek written opinions from the Board of Directors' members to pass the Board of Directors' Resolution when passing matters under the Board of Directors' authority in Clause 2, Article 26 of the Company's Charter.

Resolutions adopted by written vote are approved by the majority of the members of the Board of Directors with voting rights. This resolution has the same effect and validity as a resolution adopted at a meeting.

**Article 16. Minutes of Board of Directors meeting**

1. Board of Directors meetings must be recorded in minutes and may be recorded, recorded and stored in other electronic forms. Minutes must be prepared in Vietnamese and may be prepared in a foreign language, including the following main contents:

- a) Name, head office address, business registration number;
- b) Time and place of meeting;
- c) Purpose, agenda and content of the meeting;
- d) Full name of each member attending the meeting or authorized person attending the meeting and method of attending the meeting; full name of members not attending the meeting and reason;
- d) Issues discussed and voted on at the meeting;
- e) Summarize the opinions of each member attending the meeting in the order of the meeting;
- g) Voting results, clearly stating the members who approve, disapprove and have no opinion;
- h) The matter passed and the corresponding percentage of votes passed;
- i) Full name and signature of the chairman and the person taking the minutes, except for the case specified in Clause 2 of this Article.

2. In case the chair or the minute taker refuses to sign the meeting minutes, but if all other members of the Board of Directors attending the meeting sign them and they contain all the contents as prescribed in points a, b, c, d, dd, e, g and h, Clause 1 of this Article, the minutes shall be valid.

3. The chairman, the minute taker and the signatories of the minutes shall be responsible for the truthfulness and accuracy of the content of the Board of Directors' meeting minutes.

4. Minutes of Board of Directors meetings and documents used in the meetings must be kept at the Company's head office.

5. Minutes drawn up in Vietnamese and in a foreign language have the same legal effect. In case of any difference in content between the minutes in Vietnamese and in a foreign language, the content in the minutes in Vietnamese shall prevail.

## **CHAPTER V. REPORTING AND DISCLOSURE OF BENEFITS**

### **Article 17. Annual report submission**

1. At the end of the fiscal year, the Board of Directors must submit to the General Meeting of Shareholders the following report:

- a) Report on the Company's business results;
- b) Financial statements;
- c) Report on evaluation of the Company's management and operation;

Audit Committee 's audit report .

2. The reports specified in Points a, b and c, Clause 1 of this Article must be submitted to the Audit Committee for appraisal no later than 30 days before the opening date of the Annual General Meeting of Shareholders unless otherwise provided in the Company's Charter.

3. The reports specified in Clauses 1 and 2 of this Article, the audit committee 's appraisal report and the audit report must be kept at the Company's head office at least 10 days before the opening date of the annual General Meeting of Shareholders unless the Company's Charter stipulates a longer period . Shareholders who have continuously owned shares of the Company for at least 01 year have the right to directly review the reports specified in this Article, either by themselves or together with lawyers, accountants or auditors with practice certificates.

### **Article 18. Remuneration, bonuses and other benefits of members of the Board of Directors**

1. The Company has the right to pay remuneration and bonuses to members of the Board of Directors based on business results and efficiency.

2. Members of the Board of Directors are entitled to remuneration and bonuses. The remuneration is calculated based on the number of working days required to complete the duties of the Board of Directors members and the daily remuneration. The Board of Directors estimates the remuneration for each member based on the principle of consensus. The total remuneration and bonuses of the Board of Directors are decided by the General Meeting of Shareholders at the annual meeting.

3. The remuneration of each member of the Board of Directors is included in the Company's business expenses according to the provisions of the law on corporate income tax, shown as a separate item in the Company's annual financial statements and must be reported to the General Meeting of Shareholders at the annual meeting.

4. A member of the Board of Directors holding an executive position or a member of the Board of Directors serving on subcommittees of the Board of Directors or performing other tasks beyond the scope of the normal duties of a member of the Board of Directors may be paid additional remuneration in the form of a lump sum, salary, commission, percentage of profits or in other forms as decided by the Board of Directors.

5. Members of the Board of Directors are entitled to be reimbursed for all travel, accommodation, meals and other reasonable expenses they have incurred in performing their responsibilities as members of the Board of Directors, including expenses incurred in attending meetings of the General Meeting of Shareholders, the Board of Directors or subcommittees of the Board of Directors.

6. The Company may purchase liability insurance for members of the Board of Directors after approval by the General Meeting of Shareholders. This insurance does not include insurance for the responsibilities of members of the Board of Directors related to violations of the law and the Company's Charter.

**Article 19. Disclosure of related interests**

In case the Company Charter does not have other stricter provisions, the disclosure of the Company's interests and related persons shall be carried out in accordance with the following provisions:

1. Members of the Company's Board of Directors must declare to the Company their related interests, including:
  - a) Name, enterprise code, head office address, business lines of the enterprise in which they own capital contributions or shares; ratio and time of ownership of such capital contributions or shares;
  - b) Name, enterprise code, head office address, business lines of the enterprise whose related persons jointly own or separately own capital contribution or shares of more than 10% of charter capital.
2. The declaration specified in Clause 1 of this Article must be made within 07 working days from the date of arising of related interests; any amendment or supplement must be notified to the Company within 07 working days from the date of such amendment or supplement.
3. Members of the Board of Directors who, on their own behalf or on behalf of others, perform work in any form within the scope of the Company's business operations must explain the nature and content of that work to the Board of Directors and may only do so with the approval of the majority of the remaining members of the Board of Directors; if they do so without reporting or without the approval of the Board of Directors, all income derived from that activity shall belong to the Company.



## **CHAPTER VI . RELATIONSHIP OF THE BOARD OF DIRECTORS**

### **Article 20. Relationship between members of the Board of Directors**

1. The relationship between members of the Board of Directors is a cooperative relationship. Members of the Board of Directors are responsible for informing each other about related issues in the process of handling assigned work.
2. In the process of handling work, the member of the Board of Directors assigned with primary responsibility must proactively coordinate in handling, if there is an issue related to the field under the responsibility of another member of the Board of Directors. In case there are different opinions among the members of the Board of Directors, the member with primary responsibility shall report to the Chairman of the Board of Directors for consideration and decision according to authority or organize a meeting or seek opinions of the members of the Board of Directors according to the provisions of law, the Company Charter and this Regulation.
3. In case of reassignment between members of the Board of Directors, the members of the Board of Directors must hand over the work, records and related documents. This handover must be made in writing and reported to the Chairman of the Board of Directors about such handover.

### **Article 21. Relationship with the Executive Board**

In its governance role, the Board of Directors issues resolutions for the General Director and the executive apparatus to implement. At the same time, the Board of Directors inspects and supervises the implementation of the resolutions.

### **Article 22. Relationship with the Audit Committee**

1. The relationship between the Board of Directors and the Audit Committee is a cooperative relationship. The working relationship between the Board of Directors and the Audit Committee is based on the principles of equality and independence, while closely coordinating and supporting each other in the performance of their duties.
2. Upon receiving the audit reports or summary reports of the Audit Committee , the Board of Directors is responsible for studying and directing relevant departments to develop plans and promptly implement corrections.

## **CHAPTER VII . IMPLEMENTATION PROVISIONS**

### **Article 23. Entry into force**

Regulations on the operation of the Board of Directors of the Joint Stock Company Lam Dong Pharmaceutical (Ladophar) includes 7 chapters, 23 articles and takes effect from the date of April 2025 .

**TM. BOARD OF  
DIRECTORS CHAIRMAN**

**PHAM TRUNG KIEN**

# **LAM DONG PHARMACEUTICAL JOINT STOCK COMPANY (LADOPHAR)**

Address: 18 Ngo Quyen, Ward 6, Da Lat City, Lam Dong Province



**DRAFT**

## **INTERNAL GOVERNANCE REGULATIONS ABOUT CORPORATE GOVERNANCE**

*(Issued under Resolution of the General Meeting of Shareholders No. 01/NQ-DHĐCĐ/2025  
April 24, 2025)*

*Da Lat City , April 24 , 2025*

## **Table of Contents**

|   |           |
|---|-----------|
| <b>CHAPTER 1 – GENERAL PROVISIONS</b>   | <b>5</b>  |
| Article 1. Scope of regulation and applicable subjects  | 5         |
| Article 2. Interpretation of terms and abbreviations  | 5         |
| <b>CHAPTER 2 – GENERAL MEETING OF SHAREHOLDERS</b>  | <b>6</b>  |
| <b>I. REGULATIONS FOR THE GENERAL MEETING OF SHAREHOLDERS PASSING<br/>RESOLUTIONS BY VOTING AT THE GENERAL MEETING OF SHAREHOLDERS</b>  | <b>6</b>  |
| <b>Section 1. Roles, rights and obligations of the General Meeting of Shareholders</b>  | <b>6</b>  |
| <b>Section 2. Regulations on procedures for convening and voting at the General Meeting of<br/>Shareholders</b>   | <b>6</b>  |
| Article 3. Authority to convene General Meeting of Shareholders   | 6         |
| Article 4. Personnel of the General Meeting of Shareholders   | 7         |
| Article 5. Participate in counting votes and other contents before establishing the Vote Counting<br>Committee . Prepare a list of shareholders entitled to attend the meeting and notify the closing of the<br>list of shareholders entitled to attend the General Meeting of Shareholders | 9         |
| Article 6. Notice of convening the General Meeting of Shareholders  | 9         |
| Article 7. Agenda and content of the General Meeting of Shareholders  | 9         |
| Article 8. How to register and authorize to attend the General Meeting of Shareholders  | 11        |
| Article 9. Conditions for holding the General Meeting of Shareholders   | 12        |
| Article 10. Form of passing resolutions of the General Meeting of Shareholders  | 13        |
| Article 11. Contents approved at the General Meeting of Shareholders  | 13        |
| Article 12. Voting to approve issues at the   | 14        |
| Article 13. Voting method   | 15        |
| Article 14. Method of voting  | 15        |
| Article 15. Method of counting votes  | 16        |
| Article 16. Conditions for resolution to be passed  | 16        |
| Article 17. Announcement of vote counting results   | 17        |
| Article 18. How to object to decisions of the General Meeting of Shareholders   | 17        |
| Article 19. Minutes of the General Meeting of Shareholders  | 18        |
| Article 20. Announcement of Resolutions and Minutes of Shareholders' Meeting  | 19        |
| <b>II. REGULATIONS FOR THE GENERAL MEETING OF SHAREHOLDERS PASSING<br/>RESOLUTIONS BY FORM OF COLLECTING WRITTEN OPINIONS</b>   | <b>19</b> |
| Article 21. Cases in which shareholders' opinions may be obtained in writing  | 19        |
| Article 22. Cases where written opinions cannot be obtained   | 19        |
| Article 23. Procedures for the General Meeting of Shareholders to pass Resolutions by collecting<br>written opinions  | 19        |



|   |           |
|---|-----------|
| <b>III. REGULATIONS FOR THE GENERAL MEETING OF SHAREHOLDERS PASSING RESOLUTIONS IN THE FORM OF ONLINE MEETINGS</b>          | <b>21</b> |
| Article 24. Notice of convening an online General Meeting of Shareholders   | 21        |
| Article 25. How to register to attend the online General Meeting of Shareholders  | 21        |
| Article 26. Providing login information and conducting electronic voting  | 22        |
| Article 27. Authorization for representatives to attend online General Meeting of Shareholders                              | 22        |
| Article 28. Conditions for implementation   | 23        |
| Article 29. Discussion at the online General Meeting of Shareholders  | 23        |
| Article 30. Form of passing Resolutions of the online General Meeting of Shareholders                                       | 23        |
| Article 31. Method of online voting   | 23        |
| Article 32. Method of online vote counting  | 24        |
| Article 33. Announcement of vote counting results   | 24        |
| Article 34. Minutes of the General Meeting of Shareholders  | 24        |
| Article 35. Announcement of Resolutions and Minutes of Shareholders' Meeting  | 24        |
| <b>IV. REGULATIONS FOR THE GENERAL MEETING OF SHAREHOLDERS PASSING RESOLUTIONS BY COMBINED PERSONAL AND ONLINE MEETINGS</b> | <b>25</b> |
| Article 36. Notice of convening the General Meeting of Shareholders   | 25        |
| Article 37. How to register to attend the General Meeting of Shareholders   | 25        |
| Article 38. Authorization of representatives to attend the General Meeting of Shareholders                                  | 25        |
| Article 39. Conditions for implementation   | 25        |
| Article 40. Forms of passing resolutions of the General Meeting of Shareholders   | 25        |
| Article 41. Voting method   | 25        |
| Article 42. Method of counting votes  | 25        |
| Article 43. Announcement of vote counting results   | 25        |
| Article 44. Minutes of the General Meeting of Shareholders  | 25        |
| Article 45. Announcement of Resolutions and Minutes of Shareholders' Meeting  | 25        |
| <b>CHAPTER 3 – BOARD OF DIRECTORS</b>   | <b>25</b> |
| <b>Section 1. General provisions</b>  | <b>25</b> |
| Article 46. Roles, Rights and Obligations of the Board of Directors   | 25        |
| Article 47. Rights, obligations and responsibilities of members of the Board of Directors                                   | 26        |
| <b>Section 2 – Regulations on Nomination, Candidacy, Election, Dismissal and Removal of Board Members</b>                   | <b>27</b> |
| Article 48. Number, term and structure of members of the Board of Directors   | 27        |
| Article 49. Standards and conditions for Board of Directors members   | 27        |
| Article 50. Nomination and candidacy for members of the Board of Directors  | 27        |
| Article 51. Method of electing members of the Board of Directors  | 28        |

|  |           |
|--|-----------|
| Article 52. Cases of dismissal, removal, replacement and addition of members of the Board of Directors .....                 | 28        |
| Article 53. Notice of election, dismissal and removal of members of the Board of Directors .....                             | 29        |
| Article 54. Method of introducing candidates for Board of Directors members .....  | 29        |
| Article 55. Election, dismissal and removal of the Chairman of the Board of Directors .....                                  | 30        |
| <b>Section 3 – Remuneration, salary and other benefits of Board of Directors members .....</b>                               | <b>30</b> |
| Article 56. Remuneration, bonuses and other benefits of members of the Board of Directors .....                              | 30        |
| <b>Section 4 – Regulations on the order and procedures for organizing Board of Directors meetings .....</b>                  | <b>31</b> |
| Article 57. Minimum number of meetings per month/quarter/year .....  | 31        |
| Article 58. Cases where an extraordinary meeting of the Board of Directors must be convened ..                               | 31        |
| Article 59. Notice of Board of Directors meeting .....   | 32        |
| Article 60. Conditions for organizing meetings of the Board of Directors .....   | 32        |
| Article 61. Voting method .....  | 32        |
| Article 62. Method of passing resolutions of the Board of Directors .....  | 34        |
| Article 63. Authorization of other persons to attend meetings of Board of Directors members ..                               | 34        |
| Article 64. Making minutes of Board of Directors meetings .....  | 34        |
| Article 65. Cases in which the chairman and/or secretary refuses to sign the Minutes of the Board of Directors meeting ..... | 34        |
| Article 66. Notification of resolutions and decisions of the Board of Directors .....  | 35        |
| <b>Section 5. Subcommittees of the Board of Directors .....</b>  | <b>35</b> |
| Article 67. Subcommittees under the Board of Directors .....   | 35        |
| <b>Section 6. Selection, appointment and dismissal of the person in charge of corporate governance .....</b>                 | <b>35</b> |
| Article 68. Standards of the person in charge of corporate governance .....  | 35        |
| Article 69. Appointment of the person in charge of corporate governance .....  | 35        |
| Article 70. Cases of dismissal of the person in charge of corporate governance .....   | 35        |
| Article 71. Notice of appointment and dismissal of the person in charge of corporate governance ..                           | 36        |
| Article 72. Rights and Obligations of the Company's Administrator .....  | 36        |
| <b>CHAPTER 4 - AUDIT COMMITTEE UNDER THE BOARD OF DIRECTORS .....</b>  | <b>37</b> |
| Article 73. Rights and obligations of the Audit Committee .....  | 37        |
| Article 74. Nomination and candidacy for members of the Audit Committee .....  | 37        |
| Article 75. Activities of the Audit Committee .....  | 37        |
| <b>CHAPTER 5 - GENERAL DIRECTOR .....</b>  | <b>39</b> |
| Article 76. Roles, responsibilities, rights and obligations of the General Director .....                                    | 39        |
| Article 77. Term of office, standards and conditions of the General Director .....   | 39        |
| Article 78. .... Candidacy and nomination of General Director .....  | 39        |

|   |           |
|---|-----------|
| Article 80. Notice of appointment, dismissal, signing of contract, termination of contract with General Director .....  | 40        |
| Article 81. Salary and other benefits of the General Director .....   | 40        |
| <b>CHAPTER 6 – OTHER ACTIVITIES .....</b>   | <b>41</b> |
| <b>Section 1 – Regulations on coordination of activities between the Board of Directors, Audit Committee and General Director .....</b>   | <b>41</b> |
| Article 82. Procedures and order of convening, notice of meeting, recording of minutes, notification of meeting results between the Board of Directors, Audit Committee and General Director .....                                      | 41        |
| Article 83. Notification of Resolutions / Decisions of the Board of Directors to the General Director .....   | 41        |
| Article 84. Cases in which the General Director proposes to convene a meeting of the Board of Directors and issues requiring the Board of Directors' opinion .....  | 41        |
| Article 85. Report of the General Director to the Board of Directors on the performance of assigned duties and powers .....   | 42        |
| Article 86. Review of the implementation of resolutions and other matters authorized by the Board of Directors to the General Director .....  | 42        |
| Article 87. Issues that the General Director must report, provide information and methods of notification to the Board of Directors and Audit Committee .....   | 42        |
| Article 88. Coordination of control, operation and supervision activities between members of the Board of Directors, members of the Audit Committee and the General Director according to the specific tasks of the above members ..... | 43        |
| <b>Section 2 – Regulations on annual assessment of rewards and disciplinary actions for members of the Board of Directors, members of the Audit Committee , General Director and other business executives .....</b>                    | <b>45</b> |
| Article 89. Regulations on performance assessment of Board of Directors members, Audit Committee members , Directors and other executives .....   | 45        |
| Article 90. Rewards .....   | 46        |
| Article 91. Discipline .....  | 46        |
| <b>CHAPTER 7 - AMENDMENT OF INTERNAL REGULATIONS ON CORPORATE GOVERNANCE .....</b>  | <b>47</b> |
| Article 92. Supplementing and amending the internal regulations on corporate governance .....   | 47        |
| <b>CHAPTER 8 - EFFECTIVE DATE .....</b>   | <b>47</b> |
| Article 93. Effective date .....  | 47        |

## **CHAPTER 1 – GENERAL PROVISIONS**

### **Điều 1. Scope of regulation and applicable subjects**

1. Scope of regulation: This regulation is formulated according to Circular No. 116/2020/TT-BTC dated December 31, 2020 of the Minister of Finance, stipulating the contents on the roles, rights and obligations of the General Meeting of Shareholders, the Board of Directors, the General Director; the order and procedures for holding the General Meeting of Shareholders; nomination, candidacy, election, dismissal and removal of members of the Board of Directors, the Audit Committee, the General Director and other activities as prescribed in the Company Charter and other current provisions of law.
2. Applicable subjects: This regulation applies to members of the Board of Directors, Audit Committee, General Director and related persons mentioned in this regulation.

### **Điều 2. Explanation of terms and abbreviations**

1. A non-executive member of the Board of Directors is a member of the Board of Directors who is not the General Director, Deputy General Director, Chief Accountant and other executives as prescribed in the Company Charter.

Independent member of the Board of Directors (hereinafter referred to as independent member) is a member specified in Clause 2, Article 151 of the Law on Enterprises.

2. Company: Lam Dong Pharmaceutical Joint Stock Company (Ladophar)
3. Board of Directors: is the Board of Directors
4. Candidacy: is self-nomination
5. Audit Committee: is the Audit Committee
6. VSDC: is Vietnam Securities Depository and Clearing Corporation
7. Delegate: is a Shareholder, representative (person authorized by the shareholder)
8. Corporate governance officer: is the person with the responsibilities and powers prescribed in Article 281 of Decree 155/2020/ND-CP.



## **CHAPTER 2 – GENERAL MEETING OF SHAREHOLDERS**

### **I. REGULATIONS FOR THE GENERAL MEETING OF SHAREHOLDERS PASSING RESOLUTIONS BY VOTING AT THE GENERAL MEETING OF SHAREHOLDERS**

#### **Section 1. Roles, rights and obligations of the General Meeting of Shareholders**

The roles, rights and obligations of the General Meeting of Shareholders are prescribed in Article 138 of the Enterprise Law No. 59/2020/QH14, the Securities Law No. 54/2019/QH14 and Articles 13 and 14 of the Company Charter.

#### **Section 2. Regulations on procedures for convening and voting at the General Meeting of Shareholders**

#### **Điều 3. Authority to convene General Meeting of Shareholders**

*(Based on the provisions of Article 13 of the Company Charter)*

1. *Authority to convene the Annual General Meeting of Shareholders:* The Annual General Meeting of Shareholders shall meet once a year and within four (04) months from the end of the fiscal year. Unless otherwise provided in the Company Charter, the Board of Directors shall decide to extend the Annual General Meeting of Shareholders if necessary, but not more than six months . ( 06 ) months from the end of the fiscal year.

2. *Authority to convene extraordinary general meeting of shareholders:*

a. The Board of Directors must convene a meeting of the General Meeting of Shareholders within sixty ( 60 ) days from the date the number of remaining Board members is as prescribed in Point b, Clause 3, Article 13 of the Company Charter or from the date of receipt of the request prescribed in Point c and Point d, Clause 3, Article 13 of the Company Charter;

The Board of Directors must notify the case where an independent member of the Board of Directors no longer meets the standards and conditions at the nearest General Meeting of Shareholders or convene a General Meeting of Shareholders to elect additional or replace an independent member of the Board of Directors within 06 months from the date of receipt of the notice of the relevant independent member of the Board of Directors;

b. In case the Board of Directors does not convene the General Meeting of Shareholders as prescribed in Point a, Clause 4, Article 13 of the Company Charter, the shareholder or group of shareholders as prescribed in Point c, Clause 3, Article 13 of the Company Charter has the right to request the Company representative to convene the General Meeting of Shareholders as prescribed in the Law on Enterprises.

In this case, the shareholder or group of shareholders convening the General Meeting of Shareholders may request the Business Registration Authority to supervise the order and procedures for convening, conducting the meeting and making decisions of the General Meeting of Shareholders. All costs for convening and conducting the General Meeting of Shareholders shall be reimbursed by the Company. These costs do not include expenses incurred by shareholders when attending the General Meeting of Shareholders, including accommodation and travel expenses.

- c. Procedures for organizing a General Meeting of Shareholders as prescribed in Clause 5, Article 140 of the Law on Enterprises.

#### **Điều 4. Shareholders' Meeting Personnel**

*(Pursuant to the provisions of Article 14.6 of Enterprise Law No. 59/2020/QH14 ; Clause 2, Article 19 of the Company Charter)*

##### **1. Chairman and Presidium :**

- a. The Chairman of the Board of Directors shall chair or authorize another member of the Board of Directors to chair the General Meeting of Shareholders convened by the Board of Directors. In case the Chairman is absent or temporarily unable to work, the remaining members of the Board of Directors shall elect one of them to chair the meeting according to the majority principle .
- b. Except for the case specified in Point a of this Clause, the person who signs the convening of the General Meeting of Shareholders shall direct the General Meeting of Shareholders to elect the meeting chairman and the person with the highest number of votes shall chair the meeting;
- c. The chairperson has the right to take necessary measures to control the meeting in a reasonable, orderly manner, in accordance with the approved agenda and reflecting the wishes of the majority of the meeting attendees.
- d. The chairman of the General Meeting of Shareholders has the following rights:
  - Require all meeting attendees to submit to screening or other reasonable, lawful security measures;
  - Request the competent authority to maintain order at the meeting; expel those who do not comply with the chairman's authority, intentionally disrupt order, prevent the normal progress of the meeting or do not comply with security check requirements from the General Meeting of Shareholders.
- e. The Chairman has the right to postpone a General Meeting of Shareholders with a sufficient number of registered attendees for no more than 03 working days from the date of the scheduled opening of the meeting and may only postpone the meeting or change the meeting location in the following cases:
  - The meeting location does not have enough comfortable seating for all attendees;
  - The media at the meeting location does not ensure that shareholders attending the meeting can participate, discuss and vote;
  - There are people attending the meeting who obstruct, disrupt order, and risk making the meeting not be conducted fairly and legally.
- f. Some other rights and obligations of the Chairman as prescribed by current law.
- g. The Presidium consists of 02 people, including 01 Chairman and 1 Member.
- h. Duties of the Presidium:
  - Manage the activities of the Company's General Meeting of Shareholders according to the Board of Directors' planned agenda approved by the General Meeting of Shareholders;
  - Guide delegates and the Congress to discuss the contents of the program;
  - Draft and conclude necessary issues for the Congress to vote on;

- Respond to questions requested by the Congress;
- Resolve issues arising during the Congress.
- i. Working principles of the Presidium: The Presidium works according to the principles of collective, democratic centralism, and majority decision.

**2. Secretary of the congress :**

- a. The chairman appoints one or more people to act as meeting secretaries;
- b. Duties of the Congress Secretary:
  - Record fully and honestly the content of the Congress;
  - Receive registration forms for speaking from shareholders/ delegates;
  - Prepare meeting minutes and draft resolutions of the General Meeting of Shareholders;
  - Assist the Chairman in disclosing information related to the General Meeting of Shareholders and notifying Shareholders in accordance with the law and the Company's Charter;
  - Other duties as required by the Chairman.

**3. Counting Committee :**

- a. The General Meeting of Shareholders elects one or more people to the vote counting committee at the request of the meeting chairman;
- b. Duties of the Counting Committee:
  - Disseminate principles, rules, and instructions on voting methods.
  - Check and record the voting ballots, prepare the vote counting minutes, announce the results; transfer the minutes to the Chairman for approval of the voting results.
  - Promptly notify the secretary of the voting results.
  - Review and report to the Congress any violations of voting rules or complaints about voting results.

**4. of shareholders/ delegates qualification verification :**

- a. The Chairman shall appoint one or more members of the Shareholder/Delegate Qualification Examination Committee to serve the meeting. The Congress's Delegate Qualification Examination Committee consists of 3 people, including 1 Head of the Committee and 2 members.
- b. **the Shareholders/ Delegate Inspection Committee :**
  - Check the qualifications and status of shareholders and shareholder representatives attending the meeting.
  - The Head of the Delegate Qualifications Examination Committee reports to the General Meeting of Shareholders on the situation of shareholders attending the meeting. If the meeting has a sufficient number of shareholders and authorized representatives with the right

to attend the meeting representing at least 51% of the total number of votes, the General Meeting of Shareholders of the Company will be held.

**Điều 5. Participate in counting other contents before establishing the counting committee .**

**Prepare a list of shareholders entitled to attend the meeting and notify the closing of the list of shareholders entitled to attend the General Meeting of Shareholders**

*(Based on the provisions of Point a, Clause 2 , Article 17) Company Charter ; Regulations on exercising rights of Vietnam Securities Depository and Clearing Corporation)*

1. The company must disclose information about the list of shareholders entitled to attend the General Meeting of Shareholders at least 20 days before the final registration date.
2. The Company shall carry out procedures for preparing a list of shareholders and related procedures in accordance with the provisions of the Regulations on exercising rights of the Vietnam Securities Depository and Clearing Corporation .

**Điều 6. Notice of convening General Meeting of Shareholders**

*( Pursuant to Article 14.3 of Enterprise Law No. 59/2020/QH14)*

1. The person convening the General Meeting of Shareholders must send a notice of meeting to all shareholders on the list of shareholders entitled to attend the meeting at least 21 days before the opening date, unless the Company Charter stipulates a longer period. The notice of meeting must include the name, head office address, enterprise code; the name and contact address of the shareholder, the time and place of the meeting, and other requirements for meeting attendees.
2. The meeting notice shall be sent by a method that ensures it reaches the shareholders' contact addresses and posted on the company's website; if the company deems it necessary, it shall be posted in a central or local daily newspaper in accordance with the provisions of the company's Charter.
3. The meeting notice must be accompanied by the following documents:
  - a. Meeting agenda, documents used in the meeting and draft resolutions for each issue in the meeting agenda;
  - b. Voting ballot / election ballot .
4. In case the company has a website, sending meeting documents together with the meeting invitation as prescribed in Clause 3 of this Article can be replaced by posting them on the company's website. In this case, the meeting invitation must clearly state where and how to download the documents.

**Điều 7. Agenda and content of the General Meeting of Shareholders**

*(Based on the provisions of Article 17 of the Company Charter)*

1. The General Meeting of Shareholders is convened in accordance with the cases specified in Article 3 of these Regulations.
2. The person convening the General Meeting of Shareholders must perform the following tasks:
  - a. Prepare a list of shareholders eligible to participate and vote /elect at the General Meeting of Shareholders. The list of shareholders entitled to attend the General Meeting of Shareholders shall be prepared no later than *10 days* before the date of sending the notice of invitation to the General Meeting of Shareholders. The Company must disclose information on the preparation of the list of shareholders entitled to attend the General Meeting of Shareholders at least 20



days before the last registration date . The order and procedures shall be implemented in accordance with the provisions of Article 6 of this Regulation;

- b. Prepare conference program and content;
  - c. Prepare documents for the congress;
  - d. Draft resolution of the General Meeting of Shareholders according to the expected content of the meeting;
  - e. Determine the time and place of the congress;
  - f. Notify and send notice of the General Meeting of Shareholders to all shareholders entitled to attend the meeting;
  - g. Other work serving the congress.
3. The notice of the General Meeting of Shareholders shall be sent to all shareholders by a method that ensures that it reaches the shareholders' contact addresses, and shall be published on the Company's website and the State Securities Commission and the Stock Exchange where the Company's shares are listed or registered for trading. The person convening the General Meeting of Shareholders shall send the notice of the meeting to all shareholders on the List of Shareholders entitled to attend the meeting at least 21 days before the opening date of the meeting (calculated from the date on which the notice is validly sent or transmitted). The agenda of the General Meeting of Shareholders and documents related to the issues to be voted on at the meeting shall be sent to the shareholders and/or posted on the Company's website. In the event that the documents are not enclosed with the notice of the General Meeting of Shareholders, the notice of invitation to the meeting must clearly state the link to all meeting documents for shareholders to access, including:
- a. Meeting agenda, documents used in the meeting;
  - b. List and details of candidates in case of election of members of the Board of Directors;
  - c. Voting / Election ;
  - d. Draft resolutions for each issue on the agenda.
4. Shareholders or groups of shareholders as prescribed in Clause 2, Article 11 of the Company Charter have the right to propose issues to be included in the agenda of the General Meeting of Shareholders. The proposal must be in writing and must be sent to the Company at least 03 working days before the opening date of the meeting . The proposal must clearly state the name of the shareholder, the number of each type of shares of the shareholder and the issue proposed to be included in the meeting agenda.
5. The convener of the General Meeting of Shareholders has the right to reject the proposal specified in Clause 4 of this Article if it falls under one of the following cases:
- a. The petition was sent in violation of the provisions of Clause 4 of this Article;
  - b. At the time of the proposal, the shareholder or group of shareholders does not hold 5% or more of common shares as prescribed in Clause 2, Article 11 . Company charter ;
  - c. The proposed issue is not within the scope of decision-making authority of the General Meeting of Shareholders;
  - d. Other cases as prescribed by law and the Company Charter .
6. The convener of the General Meeting of Shareholders must accept and include the proposal specified in Clause 4 of this Article in the proposed agenda and content of the meeting, except

for the case specified in Clause 5 of this Article; the proposal shall be officially added to the agenda and content of the meeting if approved by the General Meeting of Shareholders.

**Điều 8. How to register and authorize to attend the General Meeting of Shareholders**

*(Pursuant to the provisions of Article 14 4 of Enterprise Law No. 59/2020/QH14 ; Article 1 5 of the Company Charter; Clauses 1, 2, 5, Article 19 of the Company Charter)*

1. How to register to attend the General Meeting of Shareholders before the opening date of the General Meeting of Shareholders:
  - a. The method of registration to attend the General Meeting of Shareholders is clearly stated in the Notice of the General Meeting of Shareholders, including contacting the Company or sending the Registration Form to attend the General Meeting (attached to the Notice of the General Meeting of Shareholders sent to shareholders) to the Company.
  - b. Shareholders choose the form of registration to attend the General Meeting of Shareholders in the manner stated in the notice, including:
    - Attend and vote/elect directly at the meeting;
    - Authorize another representative to attend and vote/elect at the meeting and comply with the provisions of Clause 2 of this Article; (In case there is more than one representative appointed, the number of shares and the number of votes/elects authorized for each representative must be specifically determined).
    - Attend and vote/elect via online conference, electronic voting or other electronic form;
    - Send ballots/election papers to the meeting via mail, fax, email;
    - forms of registration to attend the General Meeting of Shareholders in accordance with the provisions of the Law.
    - The Company must make every effort to apply modern information technology so that shareholders can attend and express their opinions at the General Meeting of Shareholders in the best way, including guiding shareholders to vote through online General Meeting of Shareholders, electronic voting or other electronic forms as prescribed in Article 14.4 of the Law on Enterprises and the Company Charter.
2. Regulations on authorization to attend congress
  - a. Shareholders and authorized representatives of shareholders shall exercise authorization in accordance with the provisions of Article 15 of the Company Charter ;
  - b. The authorization for an individual or organization to represent the General Meeting of Shareholders as prescribed in Point aK Clause 2 of this Article must be made in writing. The authorization document must be made in accordance with the provisions of civil law and must clearly state the name of the authorizing shareholder, the name of the authorized individual or organization, the number of authorized shares, the content of the authorization, the scope of authorization, the duration of authorization, and the signatures of the authorizing party and the authorized party.

The person authorized to attend the General Meeting of Shareholders must submit a power of attorney when registering to attend the meeting. In case of re-authorization, the person attending

the meeting must also present the original power of attorney of the shareholder or the authorized representative of the shareholder being an organization (if not previously registered with the Company).

- c. The voting ballot/election ballot of the authorized person attending the meeting within the scope of authorization remains valid when one of the following cases occurs:
  - The authorized person has died, has limited civil capacity or has lost civil capacity;
  - The principal has revoked the appointment of the proxy;
  - The principal has revoked the authority of the agent.
  - This provision shall not apply in the event that the Company receives notice of one of the above events before the opening of the General Meeting of Shareholders or before the meeting is reconvened.
3. How to register to attend the General Meeting of Shareholders and Check the qualifications of delegates on the day of the General Meeting of Shareholders

Before opening the meeting, the Company must carry out shareholder registration procedures and must carry out the registration until all shareholders entitled to attend the meeting are present and have registered in the following order:

- a. When registering shareholders, the Company shall issue to each shareholder or authorized representative with voting rights a voting card /ballot/election ballot , on which is stated the registration number, full name of the shareholder, full name of the authorized representative and the number of votes /election ballots of that shareholder. The General Meeting of Shareholders shall discuss and vote on each issue in the agenda. Voting shall be conducted by voting in favor, against, and without opinion. The vote counting results shall be announced by the Chairman /Vote Counting Committee immediately before the closing of the meeting. The General Meeting shall elect those responsible for counting votes or supervising the counting of votes at the request of the Chairman. The number of members of the vote counting committee shall be decided by the General Meeting of Shareholders based on the request of the Chairman of the meeting;
- b. Shareholders, authorized representatives of institutional shareholders or authorized persons arriving after the meeting has opened have the right to register immediately and then have the right to participate and vote /elect at the meeting immediately after registration. The chairperson is not responsible for stopping the meeting to allow late shareholders to register and the validity of the contents previously voted /elected remains unchanged.

## **Điều 9. Conditions for holding a General Meeting of Shareholders**

*( Based on the provisions of Article 18 of the Company Charter)*

1. The General Meeting of Shareholders is held when the number of shareholders attending the meeting represents at least 51% of the total number of shares with voting rights .
2. In case the first meeting does not meet the conditions for holding it as prescribed in Clause 1 of this Article, the notice of invitation to the second meeting shall be sent within *30 days* from the date of the first meeting. The second General Meeting of Shareholders shall be held when the number of shareholders attending the meeting represents *33% or more* of the total number of voting shares.

3. In case the second meeting does not meet the conditions for holding it as prescribed in Clause 2 of this Article, the notice of invitation to the third meeting must be sent within 20 days from the date of the intended second meeting. The third General Meeting of Shareholders shall be held regardless of the total number of votes of the shareholders attending the meeting.

#### **Điều 10. Form of passing resolutions of the General Meeting of Shareholders**

*(Pursuant to the provisions of Article 14.7 of Enterprise Law No. 59/2020/QH14 ; Article 21 of the Company Charter)*

1. The General Meeting of Shareholders shall pass resolutions within its authority by voting at meetings, obtaining written opinions and other forms as prescribed by current laws.

#### **Điều 11. Contents approved at the General Meeting of Shareholders**

*(Pursuant to the provisions of Article 16.7 of Enterprise Law No. 59/2020/QH14 ; Article 1.4 of the Company Charter)*

1. Through the Company's development orientation;
2. Review and handle violations by members of the Board of Directors that cause damage to the Company and its shareholders;
3. Approve the list of approved auditing companies; decide on the approved auditing company to conduct audits of the Company's operations, and dismiss approved auditors when deemed necessary ;
4. The Company's annual business plan;
5. Audited annual financial statements;
6. Report of the Board of Directors on the management and performance of the Board of Directors and each member of the Board of Directors;
7. The performance report of the independent Board member in the Audit Committee ensures full content as prescribed in the Company Charter.
8. Dividend level for each share of each type;
9. Number of Board members,
10. Elect, dismiss, remove members of the Board of Directors;
11. Decide on the budget or total remuneration, bonuses and other benefits for the Board of Directors;
12. Supplement and amend the Company Charter;
13. Types of shares and number of new shares issued for each type of shares and transfer of shares by founding members within the first 03 years from the date of establishment;
14. Division, separation, consolidation, merger or conversion of the Company;
15. Reorganize and dissolve (liquidate) the Company and appoint a liquidator;
16. Decision to invest or sell assets with a value of 35% or more of the total asset value recorded in the Company's most recent Financial Statement;
17. Decision to buy back more than 10% of total sold shares of each type;
18. The Company signs contracts and transactions with the subjects specified in Clause 1, Article 167 of the Enterprise Law with a value equal to or greater than 35 % of the total value of the Company's assets recorded in the most recent financial report;
19. Approve the transactions specified in Clause 4, Article 293 of Decree No. 155/2020/ND-CP dated December 31, 2020 of the Government detailing the implementation of a number of articles of the Law on Securities;



20. Approve , supplement and amend the internal regulations on corporate governance and the Board of Directors' operating regulations;
21. Other issues as prescribed by law and the Company Charter.

## **Điều 12. Voting on issues at the congress**

*(Based on the provisions of the Working Regulations; Election Regulations at the General Meeting of Shareholders)*

### **1. General principles**

- a. All issues in the agenda and meeting content of the General Meeting must be discussed and voted publicly by the General Meeting of Shareholders.
- b. Voting cards, ballots and election ballots are printed, stamped and sent directly to delegates at the meeting by the Company (attached with the documents for attending the General Meeting of Shareholders). Each delegate is issued a Voting card, ballot and election ballot. The Voting card, ballot and election ballot clearly state the delegate's code, full name, number of shares owned and authorized to vote of that delegate.

### **2. Regulations on the validity of voting ballots and election ballots**

#### **a. Voting ballot**

- **Valid ballot** The ballot is a pre-printed form issued by the Organizing Committee, without erasures, scratches, tears, or damage, etc., without any additional content other than the regulations for this ballot, and must have a signature, with the full name of the delegate handwritten below the signature, and sent to the Ballot Counting Committee before the ballot box is opened.

On the voting ballot, the voting content is valid when the delegate checks one (01) out of three (03) voting squares .

- **Invalid ballot:**

- The content is not in accordance with the provisions of the valid Voting Form.

#### **b. Ballot**

- **Valid ballots:** are ballots printed in the form issued by the organizing committee, without erasures, scratches, or any other content other than those specified for the ballot; must be signed, clearly stating the full name of the attending delegate, and sent to the Counting Committee before the ballot box is opened.

- **Invalid ballot:**

- Content not in accordance with the provisions of the valid ballot
- The number of candidates elected by the delegates is greater than the number of candidates needed to be elected;
- The ballot has the total number of votes for the shareholder or representative candidates greater than the total number of votes allowed to be cast;

- Other regulations according to the Regulations on election of shareholders' meeting and the Company's Charter.

### **Điều 13. How to vote**

*(Based on the provisions of the Working Regulations at the General Meeting of Shareholders)*

#### **1. General principles**

- The General Meeting of Shareholders discusses and votes on each issue in the agenda. Voting is conducted by raising cards, direct voting, electronic voting or other electronic forms.
- Delegates vote to approve, disapprove or abstain from voting on an issue put to vote at the Congress by raising the Voting Card or filling in the options on the Voting Card.

#### **2. Forms of voting**

- a. Voting by voting card: When voting by raising the Voting Card, the front of the Voting Card must be raised towards the Presidium. In case a delegate does not raise the Voting Card in all three votes of Approval, Disapproval or No Opinion on an issue, it is considered as voting in favor of that issue. In case a delegate raises the Voting Card more than once (01) when voting Approval, Disapproval or No Opinion on an issue, it is considered as an invalid vote. In the form of voting by raising the Voting Card, the Member of the Delegate Qualification Examination Committee/Vote Counting Committee marks the delegate code and the corresponding number of votes of each shareholder Approval, Disapproval, No Opinion and Invalid.
- b. Voting by ballot: When voting by filling out the ballot, for each content, delegates choose one of the three options "Agree", "Disagree", "No opinion" printed in the ballot by marking "X" or "✓" in the box they choose. After completing all the content to be voted on at the Congress, delegates send the ballot to the sealed ballot box at the Congress according to the instructions of the Ballot Counting Committee. The ballot must be signed and clearly state the full name of the delegate.
- c. Electronic voting is similar to the provisions of Article 31 of these regulations.

### **Điều 14. How to vote**

*(Based on the provisions of the Election Regulations at the General Meeting of Shareholders)*

#### **1. General principles**

- Comply with the provisions of law and the Company Charter;
- Members of the ballot counting committee must not be on the nomination list and must nominate themselves to the Board of Directors .

#### **2. Forms of voting**

##### **a. Election by cumulative voting method**

- Accordingly, each delegate has a total number of votes corresponding to the total number of shares owned, represented by ownership multiplied by the number of elected members ;
- Delegates have the right to cast all their votes for one or more candidates;

- In case there are more candidates on the day of the congress, delegates can contact the Ballot Counting Committee to request a new ballot and must return the old ballot (before putting it in the ballot box);
- In case of a wrong selection, the delegate must contact the Ballot Counting Committee to be issued a new ballot and must submit the old ballot;
- How to write ballots: Each delegate is given ballots. Instructions on how to write ballots are as follows:
  - + Delegates elect a maximum number of candidates equal to the number of candidates to be elected;
  - + If the entire number of votes is to be accumulated for one or more candidates, the delegate shall check the "Cumulative Vote" box of the respective candidates;
  - + If the number of votes is not equal for multiple candidates, the delegate shall clearly write the number of votes in the "Number of votes" box of the respective candidates.
  - + Other regulations according to election regulations.

**Note:** In case the delegate both ticks the "Cumulative voting" box and writes the number in the "Number of votes" box, the result will be based on the number of votes in the "Number of votes" box.

- Principles of election:
  - + The elected person is determined by the number of votes cast from high to low, starting with the candidate with the highest number of votes until the required number of members is reached.
  - + In case two (02) or more candidates receive the same number of votes for the final member, a re-election will be held among the candidates with the same number of votes.
  - + If the first election results are not enough to elect the required number of members, the election will be held until the required number of members are elected.
- b. Election by voting method: Implement according to the provisions at Point b Clause 2 Article 13 of these Regulations.
- c. Electronic voting is similar to the provisions of Article 31 of these regulations.

## **Điều 15. How to count votes**

*(Based on the provisions of the Working Regulations at the General Meeting of Shareholders)*

The vote counting method is conducted by summarizing the cards/ballots for approval , disapproval , ~~and~~ no opinion.

For sensitive issues and if requested by shareholders, the Company must appoint an independent organization to collect and count votes.

## **Điều 16. Conditions for resolution to be passed**

*(Based on the provisions of Article 20 of the Company Charter)*

1. Resolutions on the following contents shall be passed if approved by shareholders representing 65 % or more of the total votes of all shareholders attending the meeting, except for the cases specified in Clauses 3, 4 and 6, Article 148 of the Law on Enterprises:
  - a. Types of shares and total number of shares of each type;
  - b. Change of industry, profession and business field;
  - c. Change the company's management structure;
  - d. Investment project or sale of assets with value equal to or greater than 35% of the total asset value recorded in the company's most recent financial report;
  - e. Reorganization, dissolution of the company;
2. Resolutions are passed when approved by shareholders owning 51% or more of the total votes of all shareholders attending the meeting, except for the cases specified in Clause 1 of this Article and Clauses 3, 4 and 6, Article 148 of the Law on Enterprises.

In case of election of members of the Board of Directors, if the number of candidates is less than or equal to the number of members of the Board of Directors to be elected, the election of members of the Board of Directors can be carried out by cumulative voting as prescribed in Clause 3, Article 148 of the Law on Enterprises or by voting (approval, disapproval, no opinion). The percentage of votes passed by the voting method is carried out according to Clause 2, Article 20 of the Company Charter .
3. Resolutions of the General Meeting of Shareholders passed by 100% of the total number of voting shares are legal and effective even if the order and procedures for convening the meeting and passing the resolution violate the provisions of the Law on Enterprises and the Company Charter .

#### **Điều 17. Announcement of vote counting results**

*(Based on the provisions of the Working Regulations at the General Meeting of Shareholders)*

The Counting Committee will check and summarize and report to the Chairman the results of each issue. The vote counting results will be announced by the Chairman /Counting Committee immediately before the closing of the meeting .

#### **Điều 18. How to object to the decision of the General Meeting of Shareholders**

*(Pursuant to the provisions of Article 132 & Article 151 of Enterprise Law No. 59/2020/QH14 )*

1. Shareholders who have voted against the resolution on the reorganization of the company or the change of the rights and obligations of shareholders as stipulated in the company's charter have the right to request the company to buy back their shares. The request must be in writing, stating clearly the name and address of the shareholder, the number of shares of each type, the intended selling price, and the reason for requesting the company to buy back. The request must be sent to the company within 10 days from the date the General Meeting of Shareholders passes the resolution on the matters stipulated in this clause.
2. The Company must repurchase shares at the request of shareholders as prescribed in Clause 1 of this Article at market price or price calculated according to the principles prescribed in the Company Charter within 90 days from the date of receipt of the request. In case of failure to reach an agreement on the price, the parties may request a valuation organization to determine the price. The



Company shall introduce at least 03 valuation organizations for shareholders to choose from and that choice shall be the final decision.

3. Within 90 days from the date of receipt of the resolution or minutes of the General Meeting of Shareholders or the minutes of the results of the vote counting to obtain opinions of the General Meeting of Shareholders, shareholders and groups of shareholders specified in Clause 2, Article 115 of this Law have the right to request the Court or Arbitration to review and cancel the resolution or part of the content of the resolution of the General Meeting of Shareholders in the following cases:
  - a. The order and procedures for convening meetings and making decisions of the General Meeting of Shareholders seriously violate the provisions of this Law and the Company Charter, except for the case specified in Clause 2, Article 152 of this Law;
  - b. The content of the resolution violates the law or the company's charter .

### **Điều 19. Minutes of the General Meeting of Shareholders**

*(Based on the provisions of Article 22 of the Company Charter)*

1. Minutes of the General Meeting of Shareholders must be recorded and may be audio-recorded or recorded and stored in other electronic forms. Minutes must be prepared in Vietnamese, may be prepared in a foreign language, and have the following main contents:
  - a. Name, head office address, business registration number;
  - b. Time and place of the General Meeting of Shareholders;
  - c. Meeting agenda and content;
  - d. Full name of the chairman and secretary;
  - e. Summarize the meeting proceedings and opinions expressed at the General Meeting of Shareholders on each issue in the meeting agenda;
  - f. Number of shareholders and total number of votes of shareholders attending the meeting, appendix of list of shareholders registered, shareholder representatives attending the meeting with corresponding number of shares and votes;
  - g. Total number of votes for each voting issue, clearly stating the voting method, total number of valid, invalid, approving, disapproving and abstaining votes; corresponding ratio to the total number of votes of shareholders attending the meeting;
  - h. Total number of votes for each candidate (if any);
  - i. Issues passed and corresponding percentage of votes passed;
  - j. Full name and signature of the chairman and secretary. In case the chairman and secretary refuse to sign the meeting minutes, the minutes shall be valid if signed by all other members of the Board of Directors attending the meeting and contain all the contents as prescribed in this clause. The meeting minutes shall clearly state the refusal of the chairman and secretary to sign the meeting minutes.
2. Minutes of the General Meeting of Shareholders must be completed and approved before the end of the meeting. The chairman and secretary of the meeting or other person signing the minutes of the meeting must be jointly responsible for the truthfulness and accuracy of the contents of the minutes.
3. Minutes made in Vietnamese and foreign languages have the same legal effect. In case of any difference in content between the minutes in Vietnamese and in foreign languages, the content in the minutes in Vietnamese shall prevail.

**Điều 20. Announcement of Resolutions and Minutes of Shareholders' Meeting**

*(Based on the provisions of Article 2 2 of the Company Charter)*

Resolutions, Minutes of the General Meeting of Shareholders, appendix of list of shareholders registered to attend the meeting, authorization letter to attend the meeting, all documents attached to the Minutes (if any) and related documents attached to the meeting invitation must be kept at the Company's head office.

Resolutions, Minutes of the General Meeting of Shareholders and documents attached to the minutes and resolutions must be disclosed in accordance with the law on information disclosure on the stock market.

**II. REGULATIONS FOR THE GENERAL MEETING OF SHAREHOLDERS PASSING  
RESOLUTIONS BY FORM OF COLLECTING WRITTEN OPINIONS**

**Điều 21. Cases where shareholders' opinions are obtained in writing**

*(Based on the provisions of Article 2 1 of the Company Charter)*

The following contents may be approved by way of written shareholder voting:

- a. Amend and supplement the contents of the Company Charter;
- b. Company development orientation;
- c. Types of shares and total number of shares of each type;
- d. Elect, dismiss, remove members of the Board of Directors;
- e. Decision to invest or sell assets with a value equal to or greater than 35% of the total asset value recorded in the company's most recent financial report;
- f. Through annual financial reports;
- g. Reorganization, dissolution of the company;
- h. Change of industry, profession and business field;
- i. Change the company's management structure;
- j. Approve, supplement and amend the internal regulations on corporate governance and the operating regulations of the Board of Directors;
- k. Other matters as deemed necessary for the benefit of the Company.

**Điều 22. Cases where written opinions are not obtained**

The Board of Directors is not allowed to collect shareholders' opinions in writing in case of organizing an annual general meeting of shareholders.

**Điều 23. Procedures for the General Meeting of Shareholders to pass Resolutions by obtaining written opinions**

*(Based on the provisions of Point a, Clause 2 , Article 18 ; Article 2, 1 , 2 , 3 of the Company Charter)*

1. The company must disclose information about the list of shareholders entitled to attend the General Meeting of Shareholders at least 20 days before the final registration date.

2. The Board of Directors must prepare the opinion ballot, draft resolution of the General Meeting of Shareholders, documents explaining the draft resolution and send them to all shareholders with voting rights at least 10 days before the deadline for returning the opinion ballot. The requirements and method of sending the opinion ballot and accompanying documents are implemented according to the provisions in Clause 3, Article 17 of the Company Charter .

3. Regulations on Opinion Form

a. The opinion form must have the following main contents:

- Name, head office address, business registration number;
- Purpose of consultation;
- Full name, contact address, nationality, legal document number of the individual for individual shareholders; name, enterprise code or legal document number of the organization, head office address for organizational shareholders or full name, contact address, nationality, legal document number of the individual for the representative of the organizational shareholder; number of shares of each type and number of votes /election ballots of the shareholder;
- Issues requiring consultation to pass decisions;
- Voting options include approval, disapproval and no opinion on each issue being voted on;
- Election plan (if any);
- Deadline for returning completed opinion forms to the Company;
- Full name and signature of the Chairman of the Board of Directors.

b. Shareholders may send completed ballots to the Company by mail, fax or email according to the following provisions:

- In case of sending by mail, the answered opinion form must be signed by the individual shareholder, the authorized representative or the legal representative of the shareholder being an organization. The opinion form sent to the Company must be contained in a sealed envelope and no one is allowed to open it before the vote counting;
- In case of sending by fax or email, the opinion form sent to the Company must be kept confidential until the time of vote counting;
- Voting forms sent to the Company after the deadline specified in the voting form or opened in the case of mailing and disclosed in the case of faxing or emailing are invalid. Voting forms that are not returned are considered as non-voting forms.

4. Vote counting and vote counting minutes

The Board of Directors shall count the votes and prepare a vote counting record in the presence of shareholders who do not hold management positions in the Company. The vote counting record must contain the following main contents:

- Name, head office address, business registration number;
- Purpose and issues to be consulted to pass the resolution;
- Number of shareholders with total number of votes/elections participated in voting/election, in which distinguishing between valid votes/elections and invalid votes/elections and method of sending votes/elections, with appendix of list of shareholders participating in voting/election;
- Total number of votes for, against and abstentions on each issue, total number of votes for each candidate (if any);

- The matter passed and the corresponding passing percentage;
- Full name and signature of the Chairman of the Board of Directors, the vote counter and the vote counting supervisor.

Members of the Board of Directors, vote counters and vote counting supervisors shall be jointly responsible for the truthfulness and accuracy of the vote counting minutes; and jointly responsible for damages arising from decisions passed due to dishonest and inaccurate vote counting.

**5. Resolution and Minutes of Vote Counting**

- a. The minutes of the vote counting and resolutions must be sent to shareholders within 15 days from the date of completion of the vote counting. The sending of the minutes of the vote counting and resolutions can be replaced by posting them on the Company's website within 24 hours from the date of completion of the vote counting.
- b. Resolutions passed by way of written shareholder voting have the same value as resolutions passed at the General Meeting of Shareholders .

**6. Save document:**

The completed ballots, vote counting minutes, adopted resolutions and related documents attached to the ballots must all be kept at the Company's head office.

**7. Request to cancel the Decision of the General Meeting of Shareholders through the form of written opinion collection**

Within 90 days from the date of receipt of the resolution or minutes of the General Meeting of Shareholders or the minutes of the results of the vote counting to obtain opinions of the General Meeting of Shareholders, the shareholder or group of shareholders specified in Clause 2, Article 115 of the Law on Enterprises has the right to request the Court or Arbitration to review and cancel the resolution or part of the content of the resolution of the General Meeting of Shareholders in the following cases:

- a. The order and procedures for convening meetings and making decisions of the General Meeting of Shareholders seriously violate the provisions of the Law on Enterprises and the Company Charter, except for the case specified in Clause 3, Article 20 of the Company Charter.
- b. The content of the resolution violates the law or the company's charter.

**III. REGULATIONS FOR THE GENERAL MEETING OF SHAREHOLDERS PASSING RESOLUTIONS IN THE FORM OF ONLINE MEETINGS**

**Điều 24. Notice of convening online General Meeting of Shareholders**

Comply with the provisions of Article 6 of this Regulation .

Note: Voting/election ballots do not need to be sent with the meeting invitation .

**Điều 25. How to register to attend the online General Meeting of Shareholders**

The method of registering to attend the online General Meeting of Shareholders before the opening date of the General Meeting of Shareholders is clearly stated in the Notice of the General Meeting of Shareholders, including :

- 1. Conditions of participation:



- Names on the list of shareholders (DSCĐ) entitled to attend the General Meeting of Shareholders established according to the notice of exercise of rights of the Company.
- Authorized representatives are eligible to attend according to the provisions of law and the company's charter.

2. Technical requirements:

Delegates need to have an electronic device with internet connection (e.g. computer, tablet, mobile phone, other electronic device with internet connection...).

3. How to record delegates attending the online shareholders' meeting:

A delegate is recorded by the electronic voting system as attending the online shareholders' meeting when that delegate accesses the system using the access information provided as prescribed in Article 26 of this Regulation and has voted electronically on any issue of the online shareholders' meeting agenda.

**Điều 26. Provide login information and perform electronic voting**

1. Information on the access link to the electronic voting system, login name, access password and other identification factors (if any) to attend the online General Meeting of Shareholders will be provided in the meeting invitation (or the form of login information notification as prescribed by the Board of Directors). Delegates must be responsible for keeping their login name, password and other identification factors provided confidential to ensure that only Delegates have the right to vote on the electronic voting system and are fully responsible for this registered information.
2. When a delegate requests to re-provide login information, the Organizing Committee of the General Meeting may notify via the following methods: directly or via email/phone. The form of providing login information via email or phone is only implemented based on shareholder information from the list of shareholders with voting rights established by the Vietnam Securities Depository Center according to the Company's notice of exercising rights.
3. Delegates use their login name, password or other identification factors (if any) to access the electronic voting system and conduct electronic voting according to the content of the online shareholders' meeting agenda.

**Điều 27. Authorization for representative to attend online General Meeting of Shareholders**

1. Shareholders shall exercise authorization in accordance with the provisions of Clause 2, Article 8 of this Regulation.
2. Some regulations to note when performing online authorization:

Shareholders must comply with providing full information to perform online authorization, especially providing information of the authorized party: phone number, contact address and email address. This is the basis for providing login name, access password and other identification factors (if any) for the authorized party.

Validity of online authorization: authorization is only legally effective when the following conditions are satisfied:

- When shareholders fill in all information in the online authorization form and complete the online authorization.

- The authorization letter is printed according to the online authorization form with full signature, full name, and seal (if an organization) of the authorizing party and the authorized party.
- The Company receives the original Power of Attorney sent before the official opening of the meeting.

Cancellation of authorization for shareholders who have authorized online: Shareholders send an official document requesting to cancel the online authorization to the company before the official opening of the meeting. Note that the time for recording the effective cancellation of authorization is calculated from the time the Company receives the official document requesting to cancel the online authorization.

The revocation of authorization will be invalid if the authorized representative has voted/elected on any issue of the online shareholders' meeting agenda.

## **Điều 28. Conditions of implementation**

Comply with the provisions of Article 9 of this Regulation.

## **Điều 29. Discussion at the Online Shareholders' Meeting**

### **a. Principle:**

- Discussions shall only be conducted within the prescribed time and within the scope of the issues presented in the agenda of the Shareholders' Meeting;
- Only Delegates are allowed to participate in the discussion;
- Delegates have the right to register their opinions on discussion content in the form specified in the working regulations of the congress;
- The Secretariat will arrange the Delegates' discussion contents in the order of registration and forward them to the Chair.

### **b. Answering the Delegates' opinions:**

- Based on the discussion content of the Delegates, the Chair or a member designated by the Chair will answer the Delegates' opinions;
- In case of time constraints, questions that are not answered directly at the General Meeting will be answered by the Company later.

## **Điều 30. Form of passing Resolution of online General Meeting of Shareholders**

The General Meeting of Shareholders passes Resolutions within its authority by electronic voting.

## **Điều 31. How to vote online**

### **a. Voting method:**

- Delegates choose one of three voting options: Approve, Disapprove or No Opinion for each issue put to vote at the Congress that has been installed in the electronic voting system.
- The Delegate then confirms the vote so that the electronic voting system can record the results.

### **b. Voting method:**

- Election by cumulative voting method: Unless otherwise provided by the Company's charter, voting to elect members of the Board of Directors must be conducted by cumulative voting method (even voting or numbered voting). Accordingly, the Delegate conducts the election by checking the

"Cumulative voting" box or clearly recording the number of votes in the "Number of votes" box of the corresponding candidates on the Ballot Paper installed in the electronic voting system. Then, the Delegate confirms the election so that the electronic voting system can record the results.

- Election by voting method (if any): Implement according to the voting regulations stated in Clause a of this Article.
- c. Some other regulations when conducting electronic voting:
  - In case a Delegate does not carry out all voting and election issues according to the Congress agenda, the issues that have not been voted or elected will be considered as the Delegate not voting or electing that issue.
  - In case of issues arising outside the submitted congress agenda, Delegates can vote and elect additional members. If Delegates do not vote or elect on the issues arising, it is considered that Delegates did not vote or elect on those issues arising.
  - Delegates can change the voting and election results (but cannot cancel the voting and election results); including the voting and election results for additional issues arising outside the Congress program. The online system only records the vote count for the final voting and election results at the end of the electronic voting of each vote counting period as stipulated in the working regulations of the congress.
  - In case the Delegate performs the voting by recording the number: Invalid ballots will be specified in detail in the working regulations/election regulations.
  - The time for electronic voting is specifically stipulated in the working regulations at the congress. Delegates can access the electronic voting system and vote 24 hours a day and 07 days a week except in case of system maintenance or other reasons beyond the control of the Company. After the voting time ends, the system will not record any more electronic voting results from Delegates.

### **Điều 32. How to count votes online**

When Delegates vote/elect, the number of votes and ballots are recorded on the system according to the principle of the number of votes in favor, votes against, and votes without opinion.

### **Điều 33. Announcement of vote counting results**

Based on the minutes of the vote counting as stipulated in Article 32 of this Regulation, the Ballot Counting Committee will check, summarize and report to the Chairman the vote counting results of each issue according to the content of the congress agenda. The vote counting results will be announced by the Chairman/Ballot Counting Committee immediately before the closing of the meeting.

### **Điều 34. Minutes of the General Meeting of Shareholders**

- Comply with the provisions of Article 19 of this Regulation.
- The venue recorded in the minutes of the online General Meeting of Shareholders is the location where the Chairman of the General Meeting is present to preside over the General Meeting. This location must be within the territory of Vietnam.
- The form of approval of minutes of the General Meeting of Shareholders is specifically stipulated in the Company's Working Regulations at the General Meeting of Shareholders.

### **Điều 35. Announcement of Resolutions and Minutes of Shareholders' Meeting**

Comply with the provisions of Article 20 of this Regulation.

#### **IV. REGULATIONS FOR SHAREHOLDERS' GENERAL MEETINGS PASSING RESOLUTIONS BY COMBINED PERSONAL AND ONLINE MEETINGS**

##### **Điều 36. Notice of convening the General Meeting of Shareholders**

Comply with the provisions of Article 6 of this Regulation.

##### **Điều 37. How to register to attend the General Meeting of Shareholders**

Comply with the provisions of Clause 1, Article 8 and Article 25 of this Regulation.

##### **Điều 38. Authorization for representative to attend the General Meeting of Shareholders**

Comply with the provisions of Clause 2, Article 8 and Article 27 of this Regulation.

##### **Điều 39. Conditions of implementation**

Comply with the provisions of Article 9 of this Regulation.

##### **Điều 40. Form of passing resolutions of the General Meeting of Shareholders**

Comply with the provisions of Article 10 and Article 30 of this Regulation.

##### **Điều 41. How to vote**

Comply with the provisions of Article 13, Article 14 and Article 31 of this Regulation.

##### **Điều 42. How to count votes**

Comply with the provisions of Article 15 and Article 32 of this Regulation.

##### **Điều 43. Announcement of vote counting results**

Comply with the provisions of Article 17 and Article 33 of this Regulation.

##### **Điều 44. Minutes of the General Meeting of Shareholders**

Comply with the provisions of Article 19 and Article 34 of this Regulation.

##### **Điều 45. Announcement of Resolutions and Minutes of Shareholders' Meeting**

Comply with the provisions of Article 20 of this Regulation.

### **CHAPTER 3 – BOARD OF DIRECTORS**

#### **Section 1. General provisions**

##### **Điều 46. Roles, Rights and Obligations of the Board of Directors**

*(Pursuant to the provisions of Articles 278 and 297 of Decree No. 155/2020/ND-CP)*

The Board of Directors must fully comply with the responsibilities and obligations as prescribed by the Law on Enterprises and the Company Charter. In addition, the Board of Directors has the following responsibilities and obligations:

1. Responsible to shareholders for the company's operations;
2. Treat all shareholders equally and respect the interests of those with interests related to the company  
;
3. Ensure that the company's operations comply with the provisions of law, the Company's Charter and internal regulations;



4. Develop the Board of Directors' Operating Regulations for approval by the General Meeting of Shareholders and publish them on the company's website in accordance with the instructions in Circular 116/2020/TT-BTC dated December 31, 2020 guiding a number of provisions on corporate governance applicable to public companies in Decree No. 155/2020/ND-CP dated December 31, 2020 of the Government detailing the implementation of a number of articles of the Law on Securities ;
5. Monitor and prevent conflicts of interest of Board members, General Director and other managers, including misuse of company assets and abuse of related party transactions;
6. Develop internal regulations on corporate governance and submit them to the General Meeting of Shareholders for approval in accordance with Article 270 of Decree No. 155/2020/ND-CP dated December 31, 2020 of the Government detailing the implementation of a number of articles of the Law on Securities ;
7. Appointment of Corporate Governance Officer;
8. Organize training and coaching on corporate governance and necessary skills for members of the Board of Directors, General Director and other managers of the company;
9. Report on the activities of the Board of Directors at the General Meeting of Shareholders in accordance with current laws.
10. Other rights and obligations as prescribed in the Company Charter and internal corporate governance regulations.

**Điều 47. Rights, obligations and responsibilities of members of the Board of Directors**

*(Pursuant to Article 277 of Decree No. 155/2020/ND-CP)*

1. Members of the Board of Directors have full rights as prescribed by the Law on Securities, relevant laws and the Company Charter, the Company's internal governance regulations , including the right to be provided with information and documents on the financial situation and business activities of the Company and of the units within the Company.
2. Members of the Board of Directors have obligations as prescribed in the Company Charter and the following obligations:
  - a. Perform their duties honestly and carefully in the best interests of shareholders and the company;
  - b. Attend all meetings of the Board of Directors and give opinions on the issues discussed;
  - c. Timely and fully report to the Board of Directors the remuneration received from subsidiaries, affiliates and other organizations;
  - d. Report to the Board of Directors at the most recent meeting on transactions between the company, subsidiaries, companies in which the public company controls 50% or more of the charter capital with members of the Board of Directors and related persons of such members; transactions between the company and companies in which members of the Board of Directors are founding members or business managers within the last 3 years prior to the time of the transaction;
  - e. Disclose information when trading company shares in accordance with the law.

company 's independent Board of Directors must prepare an evaluation report on the Board of Directors' performance.

## **Section 2 – Regulations on Nomination, Candidacy, Election, Dismissal and Removal of Board Members**

### **Điều 48. Number, term and structure of members of the Board of Directors**

*(Based on the provisions of Article 25 of the Company Charter)*

1. The number of members of the Board of Directors is 05 people.
2. The term of office of a member of the Board of Directors shall not exceed 05 years and may be re-elected for an unlimited number of terms. An individual may only be elected as an independent member of the Board of Directors of a company for no more than 02 consecutive terms. In case all members of the Board of Directors end their terms at the same time, such members shall continue to be members of the Board of Directors until a new member is elected to replace them and take over the work.
3. The composition of the Board of Directors is as follows:
  - a. The structure of the Board of Directors of the company must ensure that at least 1/3 of the total number of Board members are non-executive members. The company limits the number of Board members who concurrently hold executive positions of the Company to ensure the independence of the Board of Directors.

The number of independent members of the Board of Directors must ensure that there is at least 01 independent member;

The rights, obligations and methods of organization and coordination of activities of independent members of the Board of Directors will be specifically stipulated in the Board of Directors' Operating Regulations.

- a. A member of the Board of Directors shall no longer be eligible to be a member of the Board of Directors in case he/she is dismissed, removed or replaced by the General Meeting of Shareholders in accordance with the provisions of Article 160 of the Law on Enterprises .
  - b. The appointment of members of the Board of Directors must be announced in accordance with the law on information disclosure on the stock market.
  - c. A member of the Board of Directors need not be a shareholder of the Company.

### **Điều 49. Standards and conditions for Board of Directors members**

*(Pursuant to the provisions of Clause 1 , Clause 2, Article 15.5 of Enterprise Law No. 59/2020/QH14 , Article 275 of Decree No. 155/2020/ND-CP)*

1. Members of the Board of Directors must meet the standards and conditions prescribed in Clause 1 and Clause 2, Article 155 of the Law on Enterprises and the Company Charter.
2. The Chairman of the Board of Directors may not concurrently hold the position of General Director of the company.
3. A member of the Board of Directors of a public company may concurrently be a member of the Board of Directors of a maximum of 05 other companies.

### **Điều 50. Nominate, run for Board of Directors member**

*(Pursuant to the provisions of Article 274 of Decree No. 155/2020/ND-CP ; Clauses 1, 2, 3, Article 24 of the Company Charter)*

1. Shareholders or groups of shareholders holding 10% or more of the total number of common shares have the right to nominate candidates for the Board of Directors in accordance with the provisions of the Enterprise Law and the Company Charter. Shareholders or groups of shareholders holding 10% to less than 20% of the total number of voting shares may nominate one (01) candidate; 20% to less than 30% may nominate up to two (02) candidates; 30% to less than 40% may nominate up to three (03) candidates; 40% to less than 50% may nominate up to four (04) candidates; 50% to less than 65% may nominate up to five (05) candidates; 65% or more may nominate up to seven (07) candidates.
2. In case the number of candidates for the Board of Directors through nomination and candidacy is still not enough, the current Board of Directors will introduce additional candidates or organize nominations according to the regulations in the Board of Directors' Operating Regulations . The introduction of additional candidates by the current Board of Directors must be clearly announced before the General Meeting of Shareholders votes to elect members of the Board of Directors according to the provisions of law .

#### **Điều 51. How to elect members of the Board of Directors**

*(Pursuant to Clause 3, Article 14.8 of Enterprise Law No. 59/2020/QH14 , Clause 2, Article 20 of the Company Charter)*

1. Voting to elect members of the Board of Directors must be carried out by cumulative voting, whereby each shareholder has a total number of votes corresponding to the total number of shares owned multiplied by the number of elected members of the Board of Directors and shareholders have the right to accumulate all or part of their total votes for one or several candidates. The elected members of the Board of Directors are determined by the number of votes from high to low, starting from the candidate with the highest number of votes until the number of members specified in the Company Charter is sufficient. In case there are 02 or more candidates with the same number of votes for the final member of the Board of Directors, a re-election will be conducted among the candidates with the same number of votes or selection will be made according to the criteria specified in the election regulations or the Company Charter.
2. If the number of candidates is less than or equal to the number of members of the Board of Directors to be elected, the election of members of the Board of Directors can be carried out by the cumulative voting method prescribed in Clause 3, Article 148 of the Law on Enterprises or by the voting method (approval, disapproval, no opinion). The percentage of votes passed by the voting method is carried out according to Clause 2, Article 20 of the Company Charter.

#### **Điều 52. Cases of dismissal, removal , replacement and addition of members of the Board of Directors**

*(Pursuant to Article 160 of Enterprise Law No. 59/2020/QH14 )*

1. The General Meeting of Shareholders shall dismiss a member of the Board of Directors in the following cases:
  - a. Not meeting the standards and conditions prescribed in Article 155 of the Law on Enterprises ;
  - b. Have a resignation letter and it is accepted;

- c. Other cases specified in the Company Charter.
- 2. The General Meeting of Shareholders shall dismiss a member of the Board of Directors in the following cases:
  - a. Not participating in the activities of the Board of Directors for 06 consecutive months, except in cases of force majeure;
  - b. Other cases specified in the Company Charter.
- 3. When deemed necessary, the General Meeting of Shareholders shall decide to replace members of the Board of Directors; dismiss or remove members of the Board of Directors, except in the cases specified in Clause 1 and Clause 2 of this Article.
- 4. The Board of Directors must convene a meeting of the General Meeting of Shareholders to elect additional members of the Board of Directors in the following cases:
  - a. The number of members of the Board of Directors is reduced by more than one-third (1/3) compared to the number specified in the Company Charter. In this case, the Board of Directors must convene a General Meeting of Shareholders within 60 days from the date the number of members is reduced by more than one-third;
  - b. The number of independent members of the Board of Directors has decreased, not ensuring the ratio as prescribed in Point b, Clause 1, Article 137 of the Law on Enterprises ;
  - c. Except for the cases specified in Point a and Point b of this Clause, the General Meeting of Shareholders shall elect new members to replace members of the Board of Directors who have been dismissed or removed at the most recent meeting.

**Điều 53. Notice of election, dismissal and removal of members of the Board of Directors**

After the decision to elect, dismiss, or remove a member of the Board of Directors is made, the Company is responsible for disclosing information internally within the Company and to relevant agencies, on the mass media, and on the Company's website in accordance with the procedures and regulations of current Law.

**Điều 54. How to introduce candidates for Board of Directors**

In case the Board of Directors candidates have been identified, the company must publish information related to the candidates at least 10 days before the opening date of the General Meeting of Shareholders on the company's website so that shareholders can learn about these candidates before voting. The Board of Directors candidates must have a written commitment to the honesty and accuracy of the published personal information and must commit to performing their duties honestly, carefully and in the best interests of the company if elected as a member of the Board of Directors. Information related to the Board of Directors candidates to be published includes:

- a. Full name, date of birth;
- b. Professional qualifications;
- c. Work process;
- d. Other management positions (including positions on the Board of Directors of other companies);
- e. Benefits related to the company and its stakeholders;
- f. Other information (if any) as prescribed in the Company Charter.



The company must be responsible for disclosing information about the companies in which the candidate is holding the position of Board member, other management positions and the interests related to the company of the candidate for Board of Directors (if any).

**Điều 55. Election, dismissal, removal of Chairman of the Board of Directors**

*(Based on the provisions of Article 28 of the Company Charter)*

1. The Chairman of the Board of Directors is elected, dismissed, and removed from among the members of the Board of Directors by the Board of Directors.
2. The Chairman of the Board of Directors may not concurrently hold the position of General Director.
3. The Chairman of the Board of Directors has the following rights and obligations:
  - a. Develop programs and plans of activities of the Board of Directors;
  - b. Prepare agenda, content, and documents for meetings; convene, chair and preside over Board of Directors meetings;
  - c. Organize the adoption of resolutions and decisions of the Board of Directors;
  - d. Monitor the implementation of resolutions and decisions of the Board of Directors;
  - e. Chair of the General Meeting of Shareholders;
  - f. Other rights and obligations as prescribed by the Law on Enterprises and the Company Charter.
4. In case the Chairman of the Board of Directors submits a resignation or is dismissed or removed from office, the Board of Directors must elect a replacement within 10 days from the date of receipt of the resignation or dismissal or removal.
5. In case the Chairman of the Board of Directors is absent or unable to perform his/her duties, he/she must authorize in writing another member to exercise the rights and obligations of the Chairman of the Board of Directors. In case there is no authorized person or the Chairman of the Board of Directors dies, goes missing, is detained, is serving a prison sentence, is serving an administrative penalty at a compulsory drug rehabilitation facility, a compulsory education facility, has fled from his/her place of residence, has limited or lost civil capacity, has difficulty in cognition, controlling his/her behavior, is prohibited by the Court from holding a position, practicing a profession or doing certain work, the remaining members shall elect one of the members to hold the position of Chairman of the Board of Directors according to the principle of majority approval of the remaining members until a new decision of the Board of Directors is made.

**Section 3 – Remuneration , salary and other benefits of Board of Directors members**

**Điều 56. Remuneration, bonuses and other benefits of Board members**

*(Based on the provisions of Article 27 of the Company Charter)*

1. The Company has the right to pay remuneration and bonuses to members of the Board of Directors based on business results and efficiency.
2. Board members are entitled to remuneration and bonuses. The remuneration is calculated based on the number of working days required to complete the duties of the Board members and the daily remuneration. The Board of Directors estimates the remuneration for each member based on the principle of consensus. The total remuneration and bonuses of the Board of Directors are decided by the General Meeting of Shareholders at the annual meeting.

3. The remuneration of each member of the Board of Directors is included in the Company's business expenses according to the provisions of the law on corporate income tax, shown as a separate item in the Company's annual financial statements and must be reported to the General Meeting of Shareholders at the annual meeting.
4. A member of the Board of Directors holding an executive position or a member of the Board of Directors serving on a subcommittee of the Board of Directors or performing other duties beyond the scope of the normal duties of a member of the Board of Directors may be paid additional remuneration in the form of a lump sum, salary, commission, percentage of profits or in other forms as decided by the Board of Directors.
5. Members of the Board of Directors are entitled to be reimbursed for all travel, accommodation, meals and other reasonable expenses incurred by them in performing their responsibilities as members of the Board of Directors, including expenses incurred in attending meetings of the General Meeting of Shareholders, the Board of Directors or subcommittees of the Board of Directors.
6. The Board of Directors may purchase liability insurance from the Company upon approval by the General Meeting of Shareholders. This insurance does not cover the Board of Directors' liabilities related to violations of the law and the Company's Charter.

#### **Section 4 – Regulations on the order and procedures for organizing Board of Directors meetings**

##### **Điều 57. Minimum number of meetings per month/quarter/year**

*(Pursuant to the provisions of Article 157 of Enterprise Law No. 59/2020/QH14 ; Article 29 of the Company Charter)*

1. The Chairman of the Board of Directors shall be elected at the first meeting of the Board of Directors within 07 working days from the date of completion of the election of the Board of Directors. This meeting shall be convened and chaired by the member with the highest number of votes or the highest percentage of votes. In case there is more than one member with the highest number of votes or the highest percentage of votes and equal, the members shall vote by majority to select one of them to convene the meeting of the Board of Directors.
2. The Board of Directors meets at least quarterly and may hold extraordinary meetings.

##### **Điều 58. Cases where an extraordinary meeting of the Board of Directors must be convened**

*(Pursuant to the provisions of Article 157 of Enterprise Law No. 59/2020/QH14; Article 29 of the Company Charter)*

1. The Chairman of the Board of Directors convenes a meeting of the Board of Directors in the following cases:
  - a. At the request of an independent member of the Board of Directors;
  - b. At the request of the General Director or at least 05 other managers;
  - c. At the request of at least 02 members of the Board of Directors;
  - d. Other cases as prescribed by the Company Charter;
2. The proposal specified in Clause 3 of this Article must be made in writing, clearly stating the purpose, issues to be discussed and decisions within the authority of the Board of Directors.
3. The Chairman of the Board of Directors must convene a meeting of the Board of Directors within 07 working days from the date of receipt of the request specified in Clause 3 of this Article. In case the meeting of the Board of Directors is not convened as requested, the Chairman of the Board of

Directors shall be responsible for any damage caused to the Company; the person requesting shall have the right to replace the Chairman of the Board of Directors in convening a meeting of the Board of Directors.

#### **Điều 59. Notice of Board of Directors meeting**

*(Pursuant to the provisions of Article 157 of Enterprise Law No. 59/2020/QH14; Article 29 of the Company Charter)*

1. The Chairman of the Board of Directors or the person convening the Board of Directors meeting must send a meeting invitation at least 05 working days before the meeting date. The meeting invitation must specify the time and location of the meeting, the agenda, the issues to be discussed and decided. The meeting invitation must be accompanied by documents used at the meeting and the members' voting ballots.

Notice of Board of Directors' meeting may be sent by invitation, telephone, fax, electronic means or other methods as prescribed in the Company's Charter and guaranteed to reach the contact address of each member of the Board of Directors registered with the Company.

#### **Điều 60. Conditions for holding Board of Directors meetings**

*(Pursuant to the provisions of Article 157 of Enterprise Law No. 59/2020/QH14; Article 29 of the Company Charter)*

A meeting of the Board of Directors shall be held when at least 3/4 of the total number of members attend the meeting. In case the meeting convened in accordance with the provisions of this clause does not have the required number of members, it shall be convened for the second time within 07 days from the date of the first scheduled meeting. In this case, the meeting shall be held if more than half of the members of the Board of Directors attend the meeting.

#### **Điều 61. Voting method**

*(Pursuant to Article 29 of the Company Charter)*

1. A member of the Board of Directors is considered to attend and vote at the meeting in the following cases:
  - a. Attend and vote directly at the meeting;
  - b. Authorize another person to attend the meeting and vote as prescribed in this Article;
  - c. Attend and vote via online conference, electronic voting or other electronic form;
  - d. Send voting ballots to the meeting via mail, fax, email;
2. In case of sending the ballot to the meeting by mail, the ballot must be contained in a sealed envelope and must be delivered to the Chairman of the Board of Directors at least 01 hour before the opening. The ballot may only be opened in the presence of all attendees.
3. Vote
  - a. Except for the provisions at Point b, Clause 3 of this Article, each member of the Board of Directors or authorized person as prescribed in Clause 1 of this Article present in person as an individual at the meeting of the Board of Directors has one (01) vote;
  - b. A member of the Board of Directors shall not vote on contracts, transactions or proposals in which the member or a person related to the member has an interest and such interest conflicts or may conflict with the interests of the Company. A member of the Board of Directors shall not be counted

in the minimum number of members present to be able to hold a meeting of the Board of Directors on decisions on which the member does not have the right to vote;

- c. According to the provisions of Point d, Clause 11, Article 29 of the Company Charter, when an issue arises at a meeting related to the interests or voting rights of a member of the Board of Directors and that member does not voluntarily give up his/her voting rights, the decision of the chairperson is the final decision, except in cases where the nature or scope of the interests of the relevant member of the Board of Directors has not been fully disclosed;
- d. A member of the Board of Directors who benefits from a contract specified in Point a and Point b, Clause 6, Article 42 of the Company Charter is considered to have a significant interest in that contract;
- 4. A member of the Board of Directors who directly or indirectly benefits from a contract or transaction that has been signed or is expected to be signed with the Company and knows that he or she has an interest in it shall be responsible for disclosing this interest at the first meeting of the Board discussing the signing of this contract or transaction. In case a member of the Board of Directors does not know that he or she or a related person has an interest at the time the contract or transaction is signed with the Company, this member of the Board of Directors must disclose the related interests at the first meeting of the Board of Directors held after this member knows that he or she has an interest or will have an interest in the above transaction or contract.
- 5. The Board of Directors has the right to seek written opinions from the Board of Directors' members to pass the Board of Directors' Resolution when passing matters under the Board of Directors' authority in Clause 2, Article 26 of the Company's Charter.  
Resolutions in the form of written opinions are passed on the basis of the approval of the majority of members of the Board of Directors with voting rights. This resolution has the same effect and value as a resolution passed at a meeting .
- 6. A meeting of the Board of Directors may be held by video conference between members of the Board of Directors when all or some of the members are in different locations provided that each member attending the meeting is able to:
  - a. Hear each other Board member speak at the meeting;
  - b. Address all other members present simultaneously. Discussion among members may be conducted directly by telephone or other means of communication or a combination of these methods. A member of the Board of Directors participating in such a meeting shall be considered “present” at that meeting. The place of a meeting held under this provision shall be the place where the majority of the members of the Board of Directors are present, or the place where the Chairman of the meeting is present.

Decisions passed in telephone meetings are properly organized and conducted, effective immediately upon the end of the meeting but must be confirmed by the signatures in the minutes of all members of the Board of Directors attending this meeting.

- 7. The Chairman of the Board of Directors is responsible for sending the minutes of the Board of Directors' meetings to the members and the minutes are valid evidence of the work conducted during the meeting unless there is an objection to the content of the minutes within ten (10) days from the date of sending. The minutes of the Board of Directors' meetings are prepared in Vietnamese and may be prepared in English. The minutes must be signed by the chairman and the person taking the minutes.



**Điều 62. How to pass a resolution of the Board of Directors**

*(Pursuant to Article 29 of the Company Charter)*

Resolutions and decisions of the Board of Directors are passed if approved by the majority of members attending the meeting; in case of equal votes, the final decision belongs to the side with the opinion of the Chairman of the Board of Directors.

**Điều 63. Authorization of other persons to attend meetings of Board of Directors members**

*(Pursuant to Article 29 of the Company Charter)*

Members must attend all Board of Directors meetings. Members may authorize others to attend meetings and vote if approved by a majority of Board of Directors members.

**Điều 64. Take minutes of Board of Directors meeting**

*(Pursuant to Article 158 of Enterprise Law No. 59/2020/QH14)*

Board of Directors meetings must be recorded in minutes and may be recorded, transcribed and stored in other electronic forms. Minutes must be prepared in Vietnamese and may be prepared in a foreign language, including the following main contents:

- a. Name, head office address, business registration number;
- b. Time and place of meeting;
- c. Purpose, agenda and content of the meeting;
- d. Full name of each member attending the meeting or authorized person attending the meeting and method of attending the meeting; full name of members not attending the meeting and reason;
- e. Issues discussed and voted on at the meeting;
- f. Summarize the opinions of each member attending the meeting in chronological order;
- g. Voting results, clearly stating the members who approve, disapprove and have no opinion;
- h. The matter passed and the corresponding passing percentage;
- i. Full name and signature of the chairman and the person taking the minutes, except for the case specified in Article 65 of these Regulations.

Minutes of Board of Directors meetings and documents used in the meetings must be kept at the company's head office.

Minutes drawn up in Vietnamese and in a foreign language have the same legal effect. In case of any difference in content between the minutes in Vietnamese and in a foreign language, the content in the minutes in Vietnamese shall prevail.

The chairman, the minute taker and the signatories of the minutes shall be responsible for the truthfulness and accuracy of the content of the Board of Directors meeting minutes.

Minutes of Board of Directors meetings and documents used in the meetings must be kept at the company's head office.

**Điều 65. In case the chairman and/or secretary refuses to sign the Board of Directors meeting minutes**

*(Pursuant to Article 158 of Enterprise Law No. 59/2020/QH14)*

In case the chairman or the minutes taker refuses to sign the meeting minutes, but if all other members of the Board of Directors attending the meeting sign them and they contain all the contents as prescribed in points a, b, c, d, dd, e, g and h, Article 64 of these Regulations, then these minutes shall be valid.

#### **Điều 66. Notice of resolutions and decisions of the Board of Directors**

After issuing the Resolution/Decision of the Board of Directors, the Company is responsible for disclosing information internally within the Company and to relevant agencies, on mass media, and on the Company's website in accordance with current procedures and regulations.

### **Section 5. Subcommittees of the Board of Directors**

#### **Điều 67. Subcommittees under the Board of Directors**

*(Based on Article 30 of the Company Charter)*

1. The Board of Directors may establish a subcommittee to be responsible for development policies, personnel, remuneration, internal audit, and risk management. The number of members of the subcommittee shall be decided by the Board of Directors, with a minimum of 02 people, including members of the Board of Directors and external members. Independent members of the Board of Directors/non-executive members of the Board of Directors should make up the majority of the subcommittee and one of these members shall be appointed as Head of the subcommittee according to the decision of the Board of Directors. The activities of the subcommittee must comply with the regulations of the Board of Directors. The resolution of the subcommittee shall only be effective when the majority of members attend and vote for it at the subcommittee meeting.
2. The implementation of decisions of the Board of Directors or of subcommittees under the Board of Directors must comply with current legal regulations and provisions in the Company Charter and Internal Regulations on corporate governance.

### **Section 6. Selection, appointment and dismissal of the person in charge of corporate governance**

#### **Điều 68. Standards for Corporate Governance Officers**

*(Pursuant to Clause 2, Article 31 of the Company Charter)*

The person in charge of corporate governance shall not concurrently work for an approved auditing organization that is auditing the Company's financial statements.

#### **Điều 69. Appointment of Corporate Governance Officer**

*(Pursuant to Clause 1, Article 31 of the Company Charter)*

The Board of Directors of the Company must appoint at least 01 person in charge of corporate governance to support corporate governance at the enterprise. The person in charge of corporate governance may concurrently hold the position of Company Secretary as prescribed in Clause 5, Article 156 of the Law on Enterprises.

#### **Điều 70. Cases of dismissal of the person in charge of corporate governance**

1. The Board of Directors may dismiss/remove the Corporate Governance Officer when necessary, but not in violation of current labor laws.
2. The person in charge of corporate governance may be removed by resolution of the General Meeting of Shareholders.

**Điều 71. Notice of appointment and dismissal of the person in charge of corporate governance**

After the decision to appoint or dismiss the Company's Administrator is made, the Company is responsible for disclosing information internally within the Company and to relevant agencies, on mass media, and on the Company's website in accordance with the procedures and regulations of current law.

**Điều 72. Rights and Obligations of the Company's Administrator**

*(Pursuant to Clause 3, Article 3.1 of the Company Charter)*

The person in charge of corporate governance has the following rights and obligations:

- a. Advise the Board of Directors on organizing the General Meeting of Shareholders in accordance with regulations and related work between the Company and shareholders;
- b. Prepare meetings of the Board of Directors, Audit Committee and General Meeting of Shareholders as required by the Board of Directors;
- c. Advice on meeting procedures;
- d. Attend meetings;
- e. Consulting on procedures for preparing resolutions of the Board of Directors in accordance with legal regulations;
- f. Provide financial information, copies of Board of Directors meeting minutes and other information to Board members;
- g. Monitor and report to the Board of Directors on the Company's information disclosure activities;
- h. Act as a point of contact with stakeholders;
- i. Keep information confidential according to the provisions of law and the Company Charter;
- j. Other rights and obligations as prescribed by law and the Company Charter.

## **CHAPTER 4 - AUDIT COMMITTEE UNDER THE BOARD OF DIRECTORS**

### **Điều 73. Rights and obligations of the Audit Committee**

*(Pursuant to Article 161 of Enterprise Law No. 59/2020/QH14; Article 38 of the Company Charter )*

Rights and obligations of the Audit Committee: as prescribed in Article 38 of the Company Charter.

### **Điều 74. Nomination and candidacy for Audit Committee members**

#### **1. Term of the Audit Committee**

The term of office of the Audit Committee corresponds to the term of office of the Board of Directors. Accordingly, the term of office of a member of the Audit Committee is no more than five (05) years.

#### **2. Number, structure and standards of the Audit Committee**

a. The Audit Committee shall have at least 02 (two) members. The specific number of members of the Audit Committee shall be decided by the Board of Directors at the first meeting of the Board of Directors' term. In which:

- The Chairman of the Audit Committee must be an independent member of the Board of Directors appointed by the Board of Directors; and
- Members of the Audit Committee must be non-executive Board members.

#### **b. Audit Committee Standards**

Audit Committee members must have knowledge of accounting and auditing, have general understanding of the law and operations of the Company and must not fall into the following cases:

- Work in the accounting and finance department of the Company;
- Be a member or employee of an auditing organization approved to audit the company's financial statements for the previous 3 consecutive years.

#### **3. Nomination and candidacy for Audit Committee members**

- a. After the General Meeting of Shareholders elects the members of the Board of Directors for the new term, at the first meeting of the new term, the members of the Board of Directors will elect the Chairman of the Board of Directors. The Chairman of the Board of Directors will, based on the profiles of the candidates for the Board of Directors, nominate a list of members of the Audit Committee.
- b. Other board members may nominate themselves for membership in the Audit Committee if they are deemed to meet the qualifications.
- c. The entire Board of Directors shall vote to elect the Chairman of the Audit Committee and the remaining members of the Audit Committee based on the list of candidates prepared in the manner described above.

### **Điều 75. Audit Committee Activities**

The Audit Committee is responsible for activities related to:

- Financial statements;
- Internal audit activities;
- Services provided by independent auditors;



- Internal control, risk management;
- Follow.

1. Financial report

- a. Review quarterly, six-month and annual financial reports before the General Director submits them to the Board of Directors, General Meeting of Shareholders or publicly announces them in accordance with the law; give opinions on the truthfulness, completeness, timeliness and conformity of the financial reports with the Accounting Regime, Accounting Standards and current legal regulations;
- b. Review key accounting and financial reporting issues; impact of legal and professional regulations on the Company's financial statements;
- c. Discuss and review the results of the financial statement audit with the CFO, Chief Accountant and Independent Auditor;
- d. Review the management letter of the Independent Auditor; advise the Board of Directors on material findings, recommendations and related implementation plans;

2. Internal audit activities

The Audit Committee oversees matters relating to the internal audit function, including:

- a. Internal audit plan;
- b. Audit method;
- c. Audit quality and efficiency;
- d. Review internal audit reports, with emphasis on relevant recommendations and implementation plans;

3. Services provided by independent auditors

- a. Propose the selection of an independent auditing company, auditing fees and all related issues for the Board of Directors to submit to the General Meeting of Shareholders for approval;
- b. Consider the nature and scope of the audit and the approach proposed by the Independent Auditor, including coordination with the Internal Auditor (if any);
- c. The Audit Committee and the Independent Auditor shall discuss matters that the Committee or the Independent Auditor deems necessary (Management letter, difficulties and shortcomings discovered from audit results, ...).

4. Internal control, risk management

- a. Monitor internal control system, risk management system;
- b. Review the independent audit report, internal audit assessment of internal control system, risk management, note the audit findings, recommendations and feedback from the Board of Directors;

5. Follow

- a. Monitor the effectiveness of activities, measures to prevent fraud, violations of internal regulations, Company Charter, professional ethics or violations of law;
- b. Discuss with the General Director and/or members of the Executive Board about measures to prevent fraud and violations of professional ethics.

## **CHAPTER 5 - GENERAL DIRECTOR**

### **Điều 76. Roles, responsibilities, rights and obligations of the General Director**

*(Pursuant to Clause 2, 4, Article 34 of the Company Charter)*

1. The General Director is the person who runs the daily business operations of the Company; is supervised by the Board of Directors; is responsible to the Board of Directors and before the law for the implementation of assigned rights and obligations .
2. The General Director has the following rights and obligations:
  - a. Decide on matters related to the Company's daily business that are not under the authority of the Board of Directors;
  - b. Organize the implementation of resolutions and decisions of the Board of Directors;
  - c. Organize the implementation of the Company's business plan and investment plan;
  - d. Proposing organizational structure plan and internal management regulations of the Company;
  - e. Appoint, dismiss, and remove management positions in the Company, except for positions under the authority of the Board of Directors;
  - f. Decide on salaries and other benefits for employees in the Company, including managers under the appointment authority of the General Director;
  - g. Labor recruitment;
  - h. Propose plans to pay dividends or handle business losses;
  - i. Other rights and obligations as prescribed by law, the Company Charter and resolutions and decisions of the Board of Directors.

### **Điều 77. Term of office, qualifications and conditions of the General Director**

*(Pursuant to the provisions of Clause 5 , Article 162 of Enterprise Law No. 59/2020/QH14; Clause 3, Article 34 of the Company Charter)*

The term of office of the General Director shall not exceed 05 years and may be reappointed for an unlimited number of terms.

The Director or General Director must meet the following standards and conditions:

- a. Not subject to the provisions of Clause 2, Article 17 of the Law on Enterprises ;
- b. Not be a family member of the business manager, the company and the parent company; the representative of state capital, the representative of enterprise capital at the company and the parent company;
- c. Have professional qualifications and experience in corporate business administration.

### **Điều 78. Candidate, nominate General Director**

The Board of Directors and members of the Board of Directors have the right to nominate candidates for the position of General Director in accordance with the standards and conditions specified in Article 77 of this Regulation and submit them to the Board of Directors for consideration when the Company needs to find a General Director.

### **Điều 79.. Appoint, dismiss, sign contract, terminate contract with General Director**

*(Pursuant to Clause 1, Clause 5, Article 34 of the Company Charter)*

The Board of Directors appoints 01 member of the Board of Directors or hires another person as General Director.

The Board of Directors may dismiss the General Director when the majority of the Board members with voting rights present at the meeting agree and appoint a new General Director to replace him.

The Board of Directors has the authority to sign /terminate contracts and decide on the terms of the labor contract as stipulated in Point i, Clause 2, Article 26 and Article 34 of the Company Charter.

**Điều 80. Notice of appointment, dismissal, contract signing, contract termination for General Director**

After the decision to elect, dismiss or remove the General Director is made, the Company is responsible for disclosing information internally within the Company and to relevant agencies, on the mass media, and on the Company's website in accordance with the procedures and regulations of current law.

**Điều 81. Salary and other benefits of the General Director**

*(Pursuant to Clause 2, Clause 3, Article 33 of the Company Charter)*

1. The General Director is paid a salary and bonus. The General Director's salary and bonus are decided by the Board of Directors.
2. The salary of the executive is included in the Company's business expenses according to the provisions of the law on corporate income tax, shown as a separate item in the Company's annual financial statements and must be reported to the General Meeting of Shareholders at the annual meeting.

## **CHAPTER 6 – OTHER ACTIVITIES**

### **Section 1 – Regulations on coordination of activities between the Board of Directors, Audit Committee and General Director**

#### **Điều 82. Procedures and order of convening, meeting invitations, recording minutes, and announcing meeting results between the Board of Directors, Audit Committee and General Director**

The procedures and order of convening, inviting meetings, recording minutes, and announcing meeting results between the Board of Directors, the Audit Committee, and the Director shall be carried out in accordance with the procedures and order of convening Board meetings specified in Section 4, Chapter 3 of these Regulations.

#### **Điều 83. Notification of Resolution / Decision of the Board of Directors to the General Director**

Resolutions /Decisions of the Board of Directors (with contents related to the responsibilities, powers and obligations of the Director) after being issued must be sent to the General Director at the same time and in the same manner as for members of the Board of Directors.

#### **Điều 84. Cases in which the General Director requests to convene a meeting of the Board of Directors and issues requiring the Board of Directors' opinion**

*(Based on the provisions of Point h Clause 3 Article 162 Enterprise Law No. 59/2020/QH14, Article 2 88 Decree No. 155/2020/ND-CP, Clause 4 Article 35, Article 39 Company Charter)*

1. Cases of request to convene a meeting of the Board of Directors

General Director may request to convene a meeting of the Board of Directors in the following cases:

- When it is found that the rights of the General Director as prescribed in Article 34 of the Company Charter are not exercised;
  - When detecting violations of the law or violations of the Company Charter by other business executives after having notified the Board of Directors in writing but the violator has not yet stopped the violation or has a solution to remedy the consequences;
2. Issues requiring the Board of Directors' opinion:
- a. Recommend to the Board of Directors on the organizational structure plan and internal management regulations of the Company;
  - b. Propose measures to improve the Company's operations and management;
  - c. The General Director must plan for the Board of Directors to approve issues related to recruitment, employee termination, salary, social insurance, benefits, rewards and discipline for employees and business executives.
  - d. The General Director must plan for the Board of Directors to approve issues related to the Company's relations with trade unions in accordance with best management standards, practices and policies, practices and policies stipulated in the Company's Charter, the Company's regulations and current legal regulations.



- e. Ask the Board of Directors for their opinion on the Draft Audited financial statements (including balance sheet, income statement and projected cash flow statement) for each fiscal year must be submitted for approval by the Board of Directors;
- f. Propose plans to pay dividends or handle business losses;
- g. Request the Board of Directors to approve the detailed business plan for the next fiscal year;
- h. Other contents when considered in the interests of the Company.

**Điều 85. Report of the General Director to the Board of Directors on the performance of assigned duties and powers**

*(Based on the provisions of Appendix IV of Circular No. 96/2020/TT-BTC, Clause 4 , Article 3 4 of the Company Charter)*

- 1. Report on the implementation of the Resolutions of the Board of Directors and the General Meeting of Shareholders, the business plan and investment plan of the Company approved by the Board of Directors and the General Meeting of Shareholders;
- 2. Quarterly and annually report on the financial situation and business performance of the Company;
- 3. Report on improvements in organizational structure, policies, management;
- 4. Annual report on implementation of obligations towards the environment, community and workers;
- 5. Report on the implementation of other contents authorized by the Board of Directors and the General Meeting of Shareholders;
- 6. Report other issues as required by the Board of Directors.

**Điều 86. Review the implementation of resolutions and other authorizations of the Board of Directors to the General Director**

Based on the General Director's report on the performance of assigned duties and powers as prescribed in Article 76 of this Regulation, the Board of Directors will review the results of the implementation of resolutions and other matters authorized by the Board of Directors to the General Director.

**Điều 87. Issues that the General Director must report, provide information and methods of notification to the Board of Directors and Audit Committee**

*(Pursuant to the provisions of Clause 3, Article 291 of Decree No. 155/2020/ND-CP, Article 35, Clause 3, Article 43 , Article 44 of the Company Charter)*

- 1. Issues that the General Director must report, provide information and how to notify the Board of Directors
  - a. Contents according to Article 84 of this regulation;
  - b. The General Director is obliged to notify the Board of Directors of transactions between the Company, its subsidiaries, and other companies in which the Company controls 50% or more of the charter capital with that entity itself or with related persons of that entity in accordance with the provisions of law .

- c. Other contents need to be consulted and reported to the Board of Directors must be sent at least seven (07) working days in advance and the Board of Directors will respond within seven (07) working days.
- 2. In particular, in case of approval of contracts and transactions according to the provisions of Clause 1, Article 167 of the Law on Enterprises and with a value of less than 20 % The total value of the enterprise's assets recorded in the most recent financial report or a smaller ratio or value as prescribed in the Company Charter, the company representative signing the contract or transaction must notify the members of the Board of Directors and the Audit Committee members of the entities related to the contract or transaction and send along the draft contract or the main content of the transaction. The Board of Directors shall decide on the approval of the contract or transaction within 15 days from the date of receipt of the notification, unless the Company Charter stipulates a different time limit; members of the Board of Directors with interests related to the parties in the contract or transaction shall not have the right to vote.
- 3. Issues that the General Director must report, provide information and how to notify the Audit Committee
  - a. the Audit Committee Members at the same time and in the same manner as to the Board of Directors members.
  - b. The General Director and other business executives must provide complete, accurate and timely information and documents on the management, operation and business activities of the company at the request of the Audit Committee members or the Audit Committee .
  - c. The method of notification to the Audit Committee is the same as that for the Board of Directors.

**Điều 88. Coordinate control, operation and supervision activities between members of the Board of Directors, members of the Audit Committee and the General Director according to the specific tasks of the above members.**

- 1. Coordination of activities between the Audit Committee and the Board of Directors :

The Inspection Committee has the role of supervising, coordinating, advising and providing complete, timely and accurate information. Specifically as follows:

- a. Regularly inform the Board of Directors about the performance results, consult the Board of Directors before submitting reports, conclusions and recommendations to the General Meeting of Shareholders ;
- b. In meetings of the Audit Committee , the Audit Committee has the right to request members of the Board of Directors, the General Director and representatives of approved auditing organizations to attend and answer questions that need to be clarified ;
- c. Periodic and unscheduled inspections by the Audit Committee must have written conclusions (no later than fifteen (15) days from the end date) sent to the Board of Directors to provide additional basis to assist the Board of Directors in managing the Company. Depending on the level and results of the above inspection, the Audit Committee must discuss and reach an agreement with the Board of Directors and the General Director before reporting to the General Meeting of Shareholders. In case of disagreement, the Chairman of the Audit Committee is

authorized to reserve his/her opinion and record it in the minutes and the Chairman of the Audit Committee is responsible for reporting to the nearest General Meeting of Shareholders;

- d. In case the Audit Committee discovers any violations of the law or the Company Charter by members of the Board of Directors, the Audit Committee shall notify the Board of Directors in writing within forty-eight (48) hours, requesting the violator to stop the violation and take measures to remedy the consequences ;
- e. Audit Committee members are obliged to notify the Board of Directors of transactions between the Company, its subsidiaries, and other companies in which the Company controls 50% or more of the charter capital with that entity itself or with related persons of that entity in accordance with the provisions of law ;
- f. For recommendations related to the Company's operations and finances, the Audit Committee must send a written document and related documents at least fifteen (15) days before the expected date of receiving feedback;
- g. Recommendations to the Board of Directors must be submitted at least seven (07) working days in advance and the Board of Directors will respond within seven (07) working days.

The Board of Directors shall facilitate the Audit Committee to exercise its rights and obligations.

**2. Coordination of activities between the Audit Committee and the General Director :**

The Inspection Committee has the function of inspecting and supervising :

- a. In the meetings of the Audit Committee , the Audit Committee has the right to request the General Director (at the same time requesting the members of the Board of Directors, the General Director and representatives of the approved auditing organization) to attend and answer questions that need to be clarified and issues that the Audit Committee members are interested in;
- b. Periodic and unscheduled audits by the Audit Committee must have written conclusions (no later than fifteen (15) days from the end date) sent to the General Director. to have more basis to assist the General Director in the management of the Company. Depending on the level and results of the above inspection, the Audit Committee must discuss and reach an agreement with the General Director before reporting to the General Meeting of Shareholders. In case of disagreement, the authorized person shall reserve his/her opinion and record it in the minutes and the Audit Committee shall be responsible for reporting to the nearest General Meeting of Shareholders;
- c. Members of the Audit Committee have the right to request the General Director to facilitate access to records and documents related to the Company's business activities at the Head Office or where the records are stored;
- d. For information and documents on management, business operations and business situation reports, financial reports, the Audit Committee 's request for information must be sent to the Company at least forty-eight (48) working hours before the expected time of receiving a response. The Audit Committee must not use information that has not been authorized for disclosure by the Company or disclose it to others to carry out related transactions .

- e. The Audit Committee's recommendations on measures to amend, supplement, and improve the organizational structure for management, supervision, and operation of the company's business activities must be sent to the General Director at least seven working days before the expected date of receiving feedback.

The General Director shall facilitate the Audit Committee to exercise its rights and perform its obligations.

- 3. Coordination of activities between the General Director and the Board of Directors : The General Director is the person who represents the Company in managing its activities, ensuring the Company operates continuously and effectively.
  - a. When there is a proposal for the company's organizational structure and internal management regulations, the General Director shall send it to the Board of Directors as soon as possible but no less than seven (07) days before the date on which the content needs to be decided;
  - b. The General Director must plan for the Board of Directors to approve issues related to recruitment, dismissal, salary, social insurance, benefits, rewards and discipline for employees and managers;
  - c. The General Director must plan for the Board of Directors to approve issues related to the Company's relationship with trade unions in accordance with best management standards, practices and policies, practices and policies stipulated in the Company's Charter, the Company's regulations and current legal regulations;
  - d. The General Director is obliged to notify the Board of Directors of transactions between the Company, subsidiaries, and other companies in which the Company controls 50% or more of the charter capital with that entity itself or with related persons of that entity in accordance with the provisions of law;
  - e. Other contents requiring the Board of Directors' opinion must be sent at least seven (07) business days prior to the intended date of receipt of the response .

**Section 2 – Regulations on annual assessment of rewards and disciplinary actions for members of the Board of Directors, members of the Audit Committee , General Director and other business executives**

**Điều 89. Regulations on performance assessment of Board of Directors members, Audit Committee members , Directors and other executives**

- 1. The Board of Directors is responsible for establishing performance evaluation standards for all members of the Board of Directors, the General Director and other executives.
- 2. The performance evaluation criteria must harmonize the interests of the business operator with the long-term interests of the Company and shareholders. The financial and non-financial indicators used in the evaluation are carefully considered and decided by the Board of Directors at each time. In particular, non-financial indicators can be mentioned as: the interests of related parties, operational efficiency, progress and improvements achieved, etc.
- 3. Annually, based on assigned functions, tasks and established evaluation criteria/achieved results, the Board of Directors organizes an evaluation of the performance of Board members.



4. the Audit Committee Members is organized and implemented in the manner mentioned in the organizational structure and operation of the Audit Committee .
5. The performance evaluation of other operators is carried out according to internal regulations or may be based on the self-evaluation of the performance of these operators.

**Điều 90. Reward**

1. The Board of Directors or the Remuneration Subcommittee (if any) is responsible for developing a reward policy . Rewards are implemented based on the results of performance evaluation in Article 95 of this Regulation.
2. Forms of rewards: in cash, in shares (issuing shares under the employee stock option program in the company) or other forms developed by the Board of Directors or the Compensation and Benefits Subcommittee. The General Director must plan the forms of rewards and submit them to the Board of Directors for approval. In case of exceeding the authority, it will be submitted to the General Meeting of Shareholders for approval.
3. The reward regime for members of the Board of Directors and members of the Audit Committee will be decided by the General Meeting of Shareholders.
4. For business executives: the bonus fund is drawn from the Company's Welfare Bonus Fund and other legal sources. The bonus level is based on actual annual business results. The General Director will propose to the Board of Directors for approval. In case of exceeding authority, it will be submitted to the General Meeting of Shareholders for approval.

**Điều 91. Discipline**

1. The Board of Directors is responsible for establishing disciplinary measures based on the nature and severity of the violation. Discipline must include the highest form of dismissal or removal from office.
2. Members of the Board of Directors, members of the Audit Committee , and business executives who fail to fulfill their duties with honesty, diligence, and prudence as required will be personally liable for the damages they cause.
3. Members of the Board of Directors, members of the Audit Committee , and business executives who violate the law or the Company's regulations while performing their duties shall, depending on the severity of the violation, be subject to disciplinary action, administrative sanctions, or criminal prosecution in accordance with the law and the Company's Charter. In case of causing damage to the interests of the Company, shareholders or others shall be required to compensate in accordance with the law.

## **CHAPTER 7 - AMENDMENT OF INTERNAL REGULATIONS ON CORPORATE GOVERNANCE**

### **Điều 92. Supplement and amend the internal regulations on corporate governance**

1. Any addition or amendment to this Charter must be considered and decided by the Company's General Meeting of Shareholders.
2. In case there are provisions of law related to the company's operations that are not mentioned in this charter or in case there are new provisions of law that are different from the provisions in this charter, the provisions of that law shall of course be applied and regulate the company's operations.

## **CHAPTER 8 - EFFECTIVE DATE**

### **Điều 93. Effective Date**

1. This regulation includes 08 chapters , 93 Thing approved by the General Meeting of Shareholders of the Joint Stock Company Lam Dong Pharmaceutical (Ladophar) unanimously approved on April 24, 2025 and jointly accepted the full validity of this regulation.
2. This regulation is the sole and official of the company .
3. Copies or extracts of the Internal Regulations on Corporate Governance must be signed by the Chairman of the Board of Directors .

**TM. BOARD OF DIRECTORS  
CHAIRPERSON**

**PHAM TRUNG KIEN**