

No.: 01/2025/BB.ĐHĐCĐ.PP

Ho Chi Minh City, April 25, 2025

## **MINUTES OF MEETING** **THE 2025 ANNUAL GENERAL MEETING OF SHAREHOLDERS** **PHONG PHU PHARMACEUTICAL JOINT STOCK COMPANY**

**To: General Meeting of Shareholders of Phong Phu Pharmaceutical Joint Stock Company**

Company Name: Phong Phu Pharmaceutical Joint Stock Company

Head office address: Lot 12, Road 8, Tan Tao Industrial Park, Tan Tao A Ward, Binh Tan District, Ho Chi Minh City

Tax code: 0301427564

Today, at 09:00 on April 25, 2025, at the Head office of Phong Phu Pharmaceutical Joint Stock Company (hereinafter referred to as "the Company"), the 2025 Annual General Meeting of Shareholders took place.

### **PART 1 – OPENING OF GENERAL MEETING**

#### **I. Report on the results of verifying eligibility of shareholders attending the General Meeting**

- Ms. Pham Thi Thach Thao - Head of the Shareholder Eligibility Verification and Vote Counting Committee, reported the results of the Shareholder Eligibility Verification at the opening of the General Meeting, specifically as follows:
  - The number of shareholders attending and authorized is 37 shareholders, representing for 6.944.333 shares out of a total of 8,799,991 shares, accounting for 78,91% of the total number of shares with voting rights (enclosed with list of shareholders attending the meeting).
- Pursuant to the provisions of the Enterprise Law No. 59/2020/QH14 dated June 17, 2020, the Securities Law No. 54/2019/QH14 dated November 26, 2019 and guiding documents, based on the Company's Charter, the General Meeting of Shareholders is held when the number of shareholders attending the meeting represents at least 51% of the shares with voting rights.



- Thus, with the total number of shareholders attending the Meeting representing for 78,91% of the total number of voting shares, today's meeting is valid and allowed to proceed.

## **II. Approval of the Agenda and Working Regulations at the General Meeting**

Mr. Huynh Phuong Lam - on behalf of the Organizing Committee, presented the content of the Agenda and Working Regulations at the General Meeting. After listening to the presentation, 100% of shareholders attending the General Meeting unanimously approved the content of the Agenda and Working Regulations above.

## **III. Approval of the list of the Presidium, Secretariat, Shareholder Eligibility Verification and Vote Counting Committee**

Mr. Huynh Phuong Lam - on behalf of the Organizing Committee, introduces the list of the Presidium, Secretariat, Shareholder Eligibility Verification and Vote Counting Committee as follows:

### **➤ Presidium:** consisting of 03 persons

- |                           |   |            |
|---------------------------|---|------------|
| 1. Ms. Le Thanh Truc      | Chairwoman of the Board                                     | Chairwoman |
| 2. Mr. Thai Nha Ngon      | Vice Chairman of Board of Directors<br>and General Director | Member     |
| 3. Ms. Nguyen Thi Anh Chi | Chief Accountant  | Member     |

### **➤ Secretariat:** consisting of 02 persons

- |                            |        |
|----------------------------|--------|
| 1. Ms. Ung Thi Minh Thuan  | Chief  |
| 2. Ms. Nguyen Thi Truc Lan | Member |

### **➤ Shareholder Eligibility Verification and Vote Counting Committee:** consisting of 03 persons

- |                            |                   |
|----------------------------|-------------------|
| 1. Ms. Pham Thi Thach Thao | Head of Committee |
| 2. Ms. Trinh Hong Trinh    | Member            |
| 3. Ms. Ta Minh Trang       | Member            |

All shareholders attending the Meeting unanimously approved the list of the Presidium, Secretariat, Shareholder Eligibility Verification and Vote Counting Committee.

## **PART 2 – AGENDA AND CONTENT OF GENERAL MEETING**

- ### **I. Report of the Board of Directors on the performance results in 2024 and the operational direction and action plan in 2025, Report of the independent member of the Board of Directors on the activities of the Board of Directors in 2024.**



Ms. Le Thanh Truc - Chairwoman of the Board of Directors presented the Board of Directors' Report on the performance results in 2024 and the operational direction and action plan for 2025 (enclosed with report).

Ms. Nguyen Thi Mai Nguyet - Independent member of the Board of Directors presented the Report of the independent member of the Board of Directors on the activities of the Board of Directors in 2024 (Report attached).

## **II. Report of the Board of Supervisors on control activities in 2024**

Ms. Nguyen Hoang Ngoc Chau - Head of the Board of Supervisors, presented the Report of the Board of Supervisors on control activities in 2024 (enclosed with report).

## **III. Introduction of the statements (enclosed with statements)**

1. Approval of the 2024 audited consolidated financial statements.
2. Approval of the selection of an independent auditor for fiscal year 2025
3. Approval of 2024 profit distribution and 2025 fund allocation plan.
4. Approval of remuneration rate for members of the Board of Directors and Board of Supervisors in 2025.
5. Approval of the number of members and list of candidates nominated to the Board of Directors and Board of Supervisors for the term of 2025-2030.

## **IV. The discussion and voting by General Meeting to approve the above issues.**

**Shareholders' opinion:** Shareholders attending the General Meeting agreed with: The Board of Directors' Report on the 2024 performance results and the operational direction and action plan in 2025; Report of the independent member of the Board of Directors on the Board of Directors' activities in 2024; Report on the 2024 control activities of the Board of Supervisors; and the Statements at the General Meeting.

**Vote to approve:** Mr. Huynh Phuong Lam – On behalf of the Organizing Committee, requested shareholders attending the General Meeting to vote to approve the reports and statements with results as follows:

1. Approval of the Board of Directors' Report on the performance results in 2024 and the operational direction and action plan in 2025, and the Board of Directors' independent member's Report on the Board of Directors' activities in 2024.

Percentage:

- Votes for: 100 %                      - Votes against: 00 %                      - Other opinions: 00 %

Number of votes:

- Votes for: 6.944.333 votes                      - Votes against: 00 votes                      - Others: 00 votes

2. Approval of the Report on Control Activities in 2024 of the Board of Supervisors.



Percentage:

- Votes for: 100 %                      - Votes against: 00 %                      - Other opinions: 00 %

Number of votes:

- Votes for: 6.944.333 votes    - Votes against: 00 votes                      - Others: 00 votes

3. Approval of the 2024 audited consolidated financial statements.

Percentage:

- Votes for: 100 %                      - Votes against: 00 %                      - Other opinions: 00 %

Number of votes:

- Votes for: 6.944.333 votes    - Votes against: 00 votes                      - Others: 00 votes

4. Approval of the selection of an independent auditor for fiscal year 2025.

Percentage:

- Votes for: 100 %                      - Votes against: 00 %                      - Other opinions: 00 %

Number of votes:

- Votes for: 6.944.333 votes    - Votes against: 00 votes                      - Others: 00 votes

5. Approval of 2024 profit distribution and 2025 fund allocation plan.

Percentage:

- Votes for: 100 %                      - Votes against: 00 %                      - Other opinions: 00 %

Number of votes:

- Votes for: 6.944.333 votes    - Votes against: 00 votes                      - Others: 00 votes

6. Approval of remuneration rate for members of the Board of Directors and Board of Supervisors in 2025.

Percentage:

- Votes for: 100 %                      - Votes against: 00 %                      - Other opinions: 00 %

Number of votes:

- Votes for: 6.944.333 votes    - Votes against: 00 votes                      - Others: 00 votes

7. Approval of the number of members and list of candidates nominated to the Board of Directors and Board of Supervisors for the term of 2025-2030.

Percentage:

- Votes for: 100 %                      - Votes against: 00 %                      - Other opinions: 00 %

Number of votes:

- Votes for: 6.944.333 votes    - Votes against: 00 votes                      - Others: 00 votes

**V. The General Meeting conducts election of members of Board of Directors and Board of Supervisors**



After the Board of Directors and the Board of Supervisors for the term of 2020-2025 announced the end of their term, the General Meeting voted to approve the number and list of members of the Board of Directors and the Board of Supervisors with the following number of votes and percentages::

Percentage:

- Votes for: 100 %                      - Votes against: 00 %                      - Other opinions: 00 %

Number of votes:

- Votes for: 6.944.333 votes    - Votes against: 00 votes    - Others: 00 votes

Based on the vote counting results approved by the General Meeting and the results of the first meeting of the Board of Directors and the Board of Supervisors, the results of the members elected for specific positions of the Board of Directors and the Board of Supervisors are as follows:

**Results of election for Board of Directors:**

- |                                 |                                |
|---------------------------------|--------------------------------|
| 1. <b>Pho Nghia Van</b>         | - Chairman of the Board        |
| 2. <b>Thai Nha Ngon</b>         | - Vice Chairman of the Board   |
| 3. <b>Nguyen Thi Mai Nguyet</b> | - Member of Board of Directors |

**Results of election for Board of Supervisors:**

- |                             |                                  |
|-----------------------------|----------------------------------|
| 1. <b>Nguyen Van Chac</b>   | - Head of Board of Supervisors   |
| 2. <b>Ho Thuy Quynh Nhu</b> | - Member of Board of Supervisors |
| 3. <b>Vo Hong Hanh</b>      | - Member of Board of Supervisors |

**VI. Introduction of Minutes and Resolutions of the 2025 Annual General Meeting of Shareholders**

Ms. Ung Thi Minh Thuan - Head of the General Meeting Secretariat read the Minutes and Resolution of the 2025 Annual General Meeting of Shareholders for the General Meeting to vote and approve.

Shareholders attending the General Meeting voted publicly to approve the Minutes and Resolution of the General Meeting with the following number of votes and percentages:

Percentage:

- Votes for: 100 %                      - Votes against: 00 %                      - Other opinions: 00 %

Number of votes:

- Votes for: 6.944.333 votes    - Votes against: 00 votes    - Others: 00 votes

Above is the Minutes of the 2025 Annual General Meeting of Shareholders of Phong Phu Pharmaceutical Joint Stock Company, which was re-read by the Secretariat before the entire General Meeting and unanimously approved.

The 2025 Annual General Meeting of Shareholders of Phong Phu Pharmaceutical Joint Stock Company ended at 12:10 p.m. on the same day.

This minutes is made in 02 copies with equal legal value./.

**SECRETARY:**

*Ung Thi Minh Thuan*



*Nguyen Thi Truc Lan*


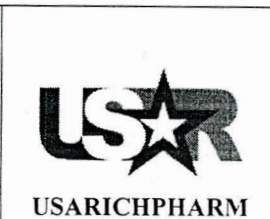


**CHAIRMAN**



**Le Thanh Truc**



	<p align="center"><b>PHONG PHU PHARMACEUTICAL JOINT STOCK COMPANY</b>  <b>USARICHPHARM FACTORY</b>          Lot No. 12, Road No. 8, Tan Tao Industrial Park, Tan Tao A Ward, Binh Tan District, Ho Chi Minh City          Tel: (028) 3754 7999 - 3754 7998; Fax: (028) 3754 7996          Website: <a href="http://www.duocphongphu.vn">www.duocphongphu.vn</a>; E-mail: <a href="mailto:info@duocphongphu.vn">info@duocphongphu.vn</a>;</p>	
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No.: 01/2025/TT.ĐHĐCĐ.PP

## STATEMENT

introducing the Presidium, Secretariat, Shareholder Eligibility Verification and Vote Counting Committee

**To: General Meeting of Shareholders of Phong Phu Pharmaceutical Joint Stock Company**

*Pursuant to the Law on Enterprises No. 59/2020/QH14 dated June 17, 2020;*

*Pursuant to the Charter of Phong Phu Pharmaceutical Joint Stock Company (hereinafter referred to as "the Company");*

*Pursuant to the Working Regulations at the 2025 Annual General Meeting of Shareholders,*

The Organizing Committee respectfully introduces the members of the Presidium, Secretariat, Shareholder Eligibility Verification and Vote Counting Committee for the General Meeting to vote as follows:

**I. PRESIDIUM:** consisting of 3 persons

- |              |                        |   |
|--------------|------------------------|---|
| 1. Chairman: | Ms. Le Thanh Truc      | Chairman of the Board                                 |
| 2. Member:   | Mr. Thai Nha Ngon      | Deputy Chairman of the Board, and<br>General Director |
| 3. Member:   | Ms. Nguyen Thi Anh Chi | Chief Accountant                                      |


**II. SECRETARIAT:** consisting of 2 persons

- |            |                         |
|------------|-------------------------|
| 1. Chief:  | Ms. Ung Thi Minh Thuan  |
| 2. Member: | Ms. Nguyen Thi Truc Lan |

**III. SHAREHOLDER ELIGIBILITY VERIFICATION AND VOTE COUNTING COMMITTEE:** consisting of 3 persons

- |            |                         |
|------------|-------------------------|
| 1. Chief:  | Ms. Pham Thi Thach Thao |
| 2. Member: | Ms. Trinh Hong Trinh    |
| 3. Member: | Ms. Ta Minh Trang       |

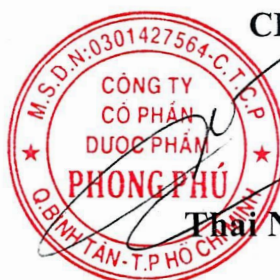
Above is the list of the Presidium, Secretariat, Shareholder Eligibility Verification and Vote Counting Committee for respectful submission to the General Meeting for approval.

Sincerely thank you. 

*Ho Chi Minh City, April 1, 2025*

**ON BEHALF OF ORGANIZING COMMITTEE**

**CHIEF**



**Thai Nha Ngon**

	<p align="center"><b>PHONG PHU PHARMACEUTICAL JOINT STOCK COMPANY</b>  <b>USARICHPHARM FACTORY</b>  Lot No. 12, Road No. 8, Tan Tao Industrial Park, Tan Tao A Ward, Binh Tan District, Ho Chi Minh City  Tel: (023) 3754 7999 - 3754 7998; Fax: (028) 3754 7996  Website: <a href="http://www.duocphongphu.vn">www.duocphongphu.vn</a>; E-mail: <a href="mailto:info@duocphongphu.vn">info@duocphongphu.vn</a></p>	
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No.: 02/2025/TT.ĐHĐCD.PP

## STATEMENT

On the approval of the 2024 audited consolidated financial statements

**To: General Meeting of Shareholders of Phong Phu Pharmaceutical Joint Stock Company**

*Pursuant to the Law on Enterprises No. 59/2020/QH14 dated June 17, 2020;*


*Pursuant to the Charter of Phong Phu Pharmaceutical Joint Stock Company (hereinafter referred to as "the Company");*

*Pursuant to Audit Report No. 210/2025/BCKTHN-HCM.00623 dated March 27, 2025 of AFC Vietnam Auditing Company Limited;*

*Pursuant to regulations on responsibilities and powers of the Board of Directors,*

The Board of Directors has approved the Company's Consolidated Financial Statements for the fiscal year 2024 ended on December 31, 2024, audited by AFC Vietnam Auditing Company Limited and disclosed in accordance with regulations.

We respectfully submit to the General Meeting for consideration and approval.

Sincerely thank you. / 

*Ho Chi Minh City, April 1, 2025*

**ON BEHALF OF BOARD OF DIRECTORS**

**CHAIRMAN**



**Le Thanh Truc**



	<p align="center"><b>PHONG PHU PHARMACEUTICAL JOINT STOCK COMPANY</b>  <b>USARICHPHARM FACTORY</b>          Lot No. 12, Road No. 8, Tan Tao Industrial Park, Tan Tao A Ward, Binh Tan District, Ho Chi Minh City          Tel: (028) 3754 7999 - 3754 7998; Fax: (028) 3754 7996          Website: <a href="http://www.duocphongphu.vn">www.duocphongphu.vn</a>; E-mail: <a href="mailto:info@duocphongphu.vn">info@duocphongphu.vn</a>;</p>	
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No.: 03/2025/TT.DHĐCĐ.PP

## STATEMENT

On approval of the selection of an independent auditor for the 2025 Financial Statements

**To: General Meeting of Shareholders of Phong Phu Pharmaceutical Joint Stock Company**

*Pursuant to the Law on Enterprises No. 59/2020/QH14 dated June 17, 2020;*

*Pursuant to the Charter of Phong Phu Pharmaceutical Joint Stock Company (hereinafter referred to as "the Company");*

*Based on the list of Auditing Companies and Auditors approved to audit issuing organizations, listing organizations and securities trading organizations in 2025 of the State Securities Commission;*

*Pursuant to the Regulations on responsibilities and powers of the Board of Directors,*

The Board of Directors respectfully submits to the General Meeting for approval the following contents:

1. Approval of the list of 02 (two) Auditing companies and auditors whose names are on the list of auditing companies approved for auditing by the State Securities Commission as follows:
  - FAC Auditing Company Ltd
  - AFC Vietnam Auditing Company Ltd
2. Authorize the Board of Directors to select one of the two above-mentioned units as the independent auditor for the Company's fiscal year 2025 and assign the General Director to negotiate and sign an audit contract with the unit selected by the Board of Directors..

We respectfully submit to the General Meeting for consideration and approval.

Sincerely thank you. 

*Ho Chi Minh City, April 1, 2025*

**ON BEHALF OF BOARD OF DIRECTORS**

  
**Le Thanh Truc**

No.: 04/2025/TT.ĐHĐCĐ.PP

## STATEMENT

On the approval of the 2024 profit distribution and 2025 fund allocation plan

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**To: General Meeting of Shareholders of Phong Phu Pharmaceutical Joint Stock Company**

*Pursuant to the Law on Enterprises No. 59/2020/QH14 dated June 17, 2020;*

*Pursuant to the Charter of Phong Phu Pharmaceutical Joint Stock Company (hereinafter referred to as "the Company");*

*Pursuant to Audit Report No. 210/2025/BCKTHN-HCM.00623 dated March 27, 2025 of AFC Vietnam Auditing Company Limited;*

*Pursuant to Resolution No. 01/2024/NQ-ĐHĐCĐ.PP dated April 19, 2024 of the Annual General Meeting of Shareholders;*

*Pursuant to regulations on responsibilities and powers of the Board of Directors;*

1. Pursuant to Resolution No. 01/2024/NQ-ĐHĐCĐ.PP dated April 19, 2024 of the 2024 Annual General Meeting of Shareholders, the General Meeting of Shareholders approved the Company's 2024 profit distribution plan as follows:

- Setting aside for reward and welfare fund : 10% of profit after tax in 2024;
- Setting aside for Development Investment Fund : 05% of profit after tax in 2024;
- Dividend payment in 2024 : 15% of par value;

Based on the results of production and business activities in 2024, specifically as follows:

No.	Target	Rate	Amount (VND)
1	Undistributed profit after tax (PAT) of previous years consolidated until 2024		20.250.207.928
2	Profit after tax from consolidated business results in 2024		17.359.146.633



3	Setting aside Reward and Welfare Fund (%/Parent company's profit after tax)	10%	1.811.601.041
4	Setting aside for Development Investment Fund (%/Parent company's profit after tax)	05%	905.800.521
5	Cash dividend payment 2024 (%/par value)	15%	13.199.986.500
6	Profit after tax carried forward to 2025		21.691.966.499

The Company has set aside 15% for the 2024 Funds and plans to pay 15% in advance of the 2024 dividend as planned.

2. Profit distribution plan for 2025 is as follows:

- Welfare and reward fund: 10%.
- Development investment fund: 05%.
- Dividend payment in 2025: 15% of par value.


We respectfully submit to the General Meeting for consideration and approval.  
Sincerely thank you. / *[Signature]*

*Ho Chi Minh City, April 1, 2025*

**ON BEHALF OF BOARD OF  
DIRECTORS**

**CHAIRMAN**

*[Signature]*  
  
**Le Thanh Truc**

	<p align="center"><b>PHONG PHU PHARMACEUTICAL JOINT STOCK COMPANY</b>  <b>USARICHPHARM FACTORY</b>  Lot No. 12, Road No. 8, Tan Tao Industrial Park, Tan Tao A Ward, Binh Tan District, Ho Chi Minh City  Tel: (028) 3754 7999 - 3754 7998; Fax: (028) 3754 7996  Website: <a href="http://www.duocphongphu.vn">www.duocphongphu.vn</a>; E-mail: <a href="mailto:info@duocphongphu.vn">info@duocphongphu.vn</a></p>	
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No.: 05/2025/TT.ĐHĐCĐ.PP

## STATEMENT

On approving the remuneration rate for the members of Board of Directors and Board of Supervisors in 2025

**To: General Meeting of Shareholders of Phong Phu Pharmaceutical Joint Stock Company**

*Pursuant to the Law on Enterprises No. 59/2020/QH14 dated June 17, 2020;*

*Pursuant to the Charter of Phong Phu Pharmaceutical Joint Stock Company (hereinafter referred to as "the Company");*


*Based on the Company's 2025 Production and Business Plan;*

*Pursuant to the Regulations on responsibilities and powers of the Board of Directors,*

The Board of Directors respectfully submits to the General Meeting for approval of the remuneration for the members of the Board of Directors and the Board of Supervisors in 2025 as follows:

No.	Position	Remuneration (VND/person/month)
1	Chairman of the Board of Directors	8.000.000
2	Vice Chairman of the Board of Directors	7.000.000
3	Member of the Board of Directors	6.000.000
4	Head of Board of Supervisors	6.000.000
5	Member of Board of Supervisors	4.000.000

We respectfully submit to the General Meeting for consideration and approval.

Sincerely thank you. 

Ho Chi Minh City, April 1, 2025

**ON BEHALF OF BOARD OF**

**DIRECTORS**

**CHAIRMAN**



**Le Thanh Truc**



No.: 06/2025/TT.DHĐCĐ.PP

## STATEMENT

On approval of the number of members and list of candidates nominated to the Board of Directors and Board of Supervisors for the term of 2025 - 2030

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**To: General Meeting of Shareholders of Phong Phu Pharmaceutical Joint Stock Company**

*Pursuant to the Law on Enterprises No. 59/2020/QH14 dated June 17, 2020;*

*Pursuant to the Charter of Phong Phu Pharmaceutical Joint Stock Company (hereinafter referred to as "the Company");*

*Pursuant to the Internal Regulations on Corporate Governance;*

*Pursuant to the Regulations on organization and operation of the Board of Directors and the Board of Supervisors,*

The Board of Directors proposes that the General Meeting of Shareholders approve the following contents related to the Board of Directors and the Board of Supervisors:

1. The number of members of the Board of Directors for the term of 2025-2030 is 03 people, including 01 independent member of the Board of Directors.
2. The number of members of the Board of Supervisors for the term of 2025-2030 is 03 people.
3. Request the General Meeting to approve the list of candidates nominated for election to the Board of Directors and the Board of Supervisors for the term of 2025-2030. The specific list is as follows:
  - a. List of candidates for the Board of Directors:

No.	Candidate's full name	Remarks	
1.	Thai Nha Ngon	Nominated	- Enclosed with CV
2.	Nguyen Thi Mai Nguyet	Nominated	- Enclosed with CV
3.	Pho Nghia Van	Nominated	- Enclosed with CV

The number of shares owned for nomination is specifically as follows::

- Mr./Ms. Thai Nha Ngon (holding 4,044,580 shares), Le Thanh Truc (holding 1,194,276 shares), Pho Nghia Van (holding 28,500 shares) and Nguyen Thi Mai Nguyet (holding 55,000 shares), the total number of shares owned by the above 4 shareholders is 5,322,356 shares in aggregate, accounting for 60.48% of the total number of outstanding shares, has nominated the following people: Thai Nha Ngon, Nguyen Thi Mai Nguyet and Pho Nghia Van.

b. List of candidates for the Board of Supervisors:

No.	Full name of Candidate	Remarks	
1.	Nguyen Van Chac	Nominated	- Enclosed with CV
2.	Ho Thuy Quynh Nhu	Nominated	- Enclosed with CV
3.	Vo Hong Hanh	Nominated	- Enclosed with CV

Mr./Ms. Nguyen Van Chac, Ho Thuy Quynh Nhu and Vo Hong Hanh were nominated by 04 shareholders Thai Nha Ngon, Le Thanh Truc, Pho Nghia Van, Nguyen Thi Mai Nguyet with a total share ownership ratio of 60.48%.

Pursuant to Clause 4, Article 24, Clause 4, Article 37 of the Company Charter, with the current ownership ratio, above candidacy and nomination are in accordance with regulations.

We respectfully submit to the General Meeting for approval of the number of members and the list of candidates for the Board of Directors and the Board of Supervisors for the term of 2025-2030 to conduct the election.

Best regards./.

*Ho Chi Minh City, April 1, 2025*

**ON BEHALF OF BOARD OF  
DIRECTORS  
CHAIRMAN**



**Le Thanh Truc**



	<p align="center"><b>PHONG PHU PHARMACEUTICAL JOINT STOCK COMPANY</b>  <b>USARICHPHARM FACTORY</b>          Lot No. 12, Road No. 8, Tan Tao Industrial Park, Tan Tao A Ward, Binh Tan District, Ho Chi Minh City          Tel: (028) 3754 7999 - 3754 7998; Fax: (028) 3754 7996          Website: <a href="http://www.duocphongphu.vn">www.duocphongphu.vn</a>; E-mail: <a href="mailto:info@duocphongphu.vn">info@duocphongphu.vn</a>;</p>	
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No. 01/2025/BC.ĐHĐCĐ.PP

## **REPORT OF THE BOARD OF DIRECTORS**

On the performance results in 2024  
and the operational direction and action plan in 2025

**To: General Meeting of Shareholders of Phong Phu Pharmaceutical Joint Stock Company**

*Pursuant to the Law on Enterprises No. 59/2020/QH14 dated June 17, 2020;*

*Pursuant to the Charter of Phong Phu Pharmaceutical Joint Stock Company (hereinafter referred to as "the Company");*

*Pursuant to Audit Report No. 210/2025/BCKTHN-HCM.00623 dated March 27, 2024 of AFC Vietnam Auditing Company Limited;*

*Pursuant to Resolution No. 01/2024/NQ-ĐHĐCĐ.PP dated April 19, 2024 of the 2024 Annual General Meeting of Shareholders;*

*Pursuant to the provisions on the responsibilities and powers of the Board of Directors,*

The Board of Directors (BOD) reports to the General Meeting of Shareholders (GMS) on the Company's production and business results in 2024 and the Company's direction and operation plan for 2025 as follows:

### **PART 1: PERFORMANCE RESULTS IN 2024**

#### **I. ACTIVITIES OF THE BOARD OF DIRECTORS:**

- The Board of Directors had 07 regular meetings and 01 extraordinary meeting. All meetings showed high consensus among the Board members.
- The Board of Directors performs the task of monitoring, evaluating operations, developing strategies and providing timely directions and instructions for production, business and investment. All directions of the Board of Directors are implemented promptly; reports of problems and difficulties are resolved quickly.

- All activities of the Board of Directors comply with the provisions of the Company Charter and the goals and tasks assigned by the General Meeting of Shareholders. The management and direction role of the Board of Management and the managerial apparatus is fully, seriously, objectively, publicly and transparently implemented.
- Remuneration and salary of members of the Board of Directors, Board of Supervisors, Board of Management and the person in charge of corporate governance in 2024 are shown in the following table:

*Unit: VND*

NO.	Full name	Position	Remuneration	Salary	Total income
01	Le Thanh Truc	Chairman of the Board	84.000.000	482.162.250	566.162.250
02	Thai Nha Ngon	Vice Chairman of the Board	72.000.000	686.137.500	758.137.500
03	Nguyen Thi Mai Nguyet	Board Member	60.000.000		60.000.000
04	Pho Nghia Van	Board Member	60.000.000		60.000.000
05	Pham Thi Thach Thao	In charge of corporate governance	48.000.000	258.763.868	306.763.868
06	Nguyen Hoang Ngoc Chau	Head of Board of Supervisors	60.000.000		60.000.000
07	Nguyen Van Chac	Member of Board of Supervisors	48.000.000	362.173.245	410.173.245
08	Pham Thi Minh Tam	Member of Board of Supervisors	48.000.000		48.000.000
09	Nguyen Thi Anh Chi	Chief Accountant	00	616.592.394	616.592.394

## II. RESULTS OF TARGET IMPLEMENTATION:

- Results of implementing some basic indicators are as follows:

*Unit: VND*

Item	Plan 2024	Implementing 2024	Completion ratio
Net revenue	160.000.000.000	137.547.862.537	86%



Profit after tax	14.000.000.000	17.359.146.633	124%
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Book value as of December 31, 2024 is: VND 15,382/share.

### **Performance evaluation:**

Factors affecting production and business activities in 2024:

#### **❖ Internal factors:**

- Continue to focus on building a managerial team, ensuring income for employees, ensuring stability and constantly improving each individual's capacity, by providing continuous internal training, updating professional knowledge from experts and external training units.
- Continue to restructure product portfolio, product grouping, and dividing areas for different business channels to optimize the performance of each channel.
- Focus on investing in the Research and Development Department to improve product quality, perfect production processes and develop new product lines to suit market needs.
- Improve production processes, renovate and continue to invest in new machinery and equipment for the Production Workshop, quality department... in order to save costs, improve the efficiency of machinery and equipment usage, and optimize labor force.
- In 2024, the Company's business results exceeded the set profit target but also faced many difficulties and challenges from external factors.

#### **❖ External factors:**

- The unstable world political and economic situation negatively affects trade and transportation activities, and the high prices of raw materials and global goods affect product prices.
- The fierce competition between domestic enterprises and foreign corporations in implementing pharmacy chains, as well as online sales systems, is a major challenge for the pharmaceutical representative team.
- People's income levels have decreased and consumer habits have also changed, greatly affecting the sales of the entire OTC channel and other sales channels of the Company.

### **RESULTS OF MONITORING THE BOARD OF MANAGEMENT**

1. The Board of Directors always monitors and directs the activities of the Board of Management to promptly resolve issues under the authority of the Board of Directors.
2. The Board of Management has implemented all tasks in accordance with the spirit of the Resolutions and decisions of the General Meeting of Shareholders and the Board of Directors.



3. The Board of Management continues to standardize and amend and supplement regulations, rules and procedures to suit the Company's production and business situation and comply with legal regulations.

## **PART 2: OPERATIONAL DIRECTION AND ACTION PLAN IN 2025.**

### **I. BUSINESS INDICATORS:**

*Unit: VND*

<b>NO.</b>	<b>Item</b>	<b>Implementing 2024</b>	<b>Plan 2025</b>
1	Net revenue	137.547.862.537	150.000.000.000
2	Profit after tax	17.359.146.633	15.000.000.000
3	Setting aside welfare and reward fund	1.811.601.041	1.500.000.000
4	Setting aside Development investment fund	905.800.521	750.000.000
5	Remaining profit after provision	14.641.745.071	12.750.000.000
6	Expected dividend payment ratio	15%	15%

Based on the 2024 business results, the Board of Directors' decision on development of the 2025 production and business plan as above is caused by the following reasons:

- It's forecasted that business situation in 2025 will still face many difficulties.
- Reinvestment, warehouse repair and upgrade, new investment and upgrading of facilities, production and testing machinery and equipment, and increased research and development of new products in 2025 and the following years are still very large.
- In 2025, the Company will re-elect members of the Board of Directors and Board of Supervisors for a new term, expecting to continue to develop plans and achieve and exceed revenue and profit targets.
- The Company's human resources continue to be strengthened and enhanced in capacity to undertake and complete many roles and tasks of the Company.

### **II. DIRECTIONS AND ACTION PLAN:**

- Continue to monitor the operation of the Board of Management and executives in implementing the resolutions of the General Meeting of Shareholders and the Board of Directors to ensure compliance with legal regulations and completion of business targets.



- Continue to develop and improve the quality of human resources, increase income for labors, help stabilize production, increase efficiency and product quality, create trust with consumers.
- Building a strong and professional sales team, acting as a bridge to develop products, contributing to bringing the PP.Pharco brand to each customer.
- Continue to invest in new modern machinery lines, improve and upgrade factory equipment to shorten production time, reduce costs, improve product quality, ensure progress and productivity. Renovate and upgrade facilities to ensure labor safety and improve productivity and work efficiency.
- Continue to restructure the complete product portfolio and promote the development of strategic products and oriental medicinal products derived from medicinal herbs, which are the Company's strengths.
- Focus on promoting the export product portfolio, contributing to sales growth and bringing the Phong Phu Pharmacy brand to many other countries around the world.
- Select potential bioequivalent products in line with current trends and regulations.
- Continue to build a humane corporate image in activities contributing to the community and society.
- Develop policies, mechanisms and products to enhance competitiveness and brand recognition in the market.
- Good control of operating expenses, effective management of funds and goods. Minimize overdue debts of customers.



### **III. STRATEGIC GOALS TO 2030:**

- Continue to promote research on high-value pharmaceutical products derived from medicinal herbs, while improving the quality of current products, increasing product competitiveness towards the goal of maximizing profits.
- Select potential bioequivalent products in line with current trends and regulations.
- Invest in a medicinal extraction line to be proactive in production.
- Complete distribution network management system nationwide.
- Build average annual revenue growth from 05% to 08%.
- Ensure annual growth in lives and incomes of employees.

With the goal of completing the tasks of the Company's General Meeting of Shareholders, the Board of Directors for the term of 2025 - 2030 looks forward to continuing to receive the

trust and support of shareholders, all employees, as well as partners, investors... to complete the tasks in 2025 and the following years.

Above is the report of the Board of Directors on the assessment of the production and business results of Phong Phu Pharmaceutical Joint Stock Company in 2024 and the operational direction and action plan for 2025, which is respectfully submit to the General Meeting for consideration and approval.



Sincerely thank you./.

*Ho Chi Minh City, April 1, 2025*

**ON BEHALF OF BOARD OF DIRECTORS**

**CHAIRMAN**  
  
**Le Thanh Truc**



 PP. Pharma	<p align="center"><b>PHONG PHU PHARMACEUTICAL JOINT STOCK COMPANY - USARICHPHARM FACTORY BRANCH</b></p> <p align="center">Lot 12, Road No. 8, Tan Tao Industrial Park, Tan Tao A Ward, Binh Tan District, Ho Chi Minh City</p> <p align="center">Tel: (028) 3754 7999 - 3754 7998; Fax: (028) 3754 7996 Website: <a href="http://www.duocphongphu.vn">www.duocphongphu.vn</a>; E-mail: <a href="mailto:info@duocphongphu.vn">info@duocphongphu.vn</a>;</p>	 USARICHPHARM
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No. 03/2025/BCH

## **REPORT OF INDEPENDENT MEMBERS OF THE BOARD OF DIRECTORS**

### **On the activities of the Board of Directors in 2024**

The Board of Directors of the Company consists of 04 members, including 02 independent members who do not run the Board of Directors.

#### **I. REGARDING THE ORGANIZATION OF MEETINGS OF THE BOARD OF DIRECTORS:**

- The meetings of the Board of Directors are convened in accordance with the provisions of law and the Company's Charter with specific documents and times. The content of the meetings of the Board of Directors is discussed, commented on, and fully and carefully evaluated by the members before voting to propose the best directions and solutions for the Company.
- All meetings of the Board of Directors have the full participation of the Supervisory Board and the Chief Accountant. Members of the Supervisory Board properly perform their functions and duties when participating in meetings of the Board of Directors.

#### **II. ACTIVITIES OF THE BOARD OF DIRECTORS:**

- The Board of Directors has had 07 regular meetings and 01 extraordinary meeting. All meetings showed high consensus among the Board Members.
- All activities of the Board of Directors comply with the provisions of the Company Charter as well as the goals and tasks assigned by the General Meeting of Shareholders. The management and direction role of the Executive Board and the management apparatus is fully, seriously, objectively, publicly and transparently implemented.

#### **III. SUPERVISORY ACTIVITIES OF THE BOARD OF DIRECTORS:**

- The Board of Directors always monitors, supervises and directs the activities of the Executive Board in accordance with the production and business situation in the unstable and recessionary economic conditions and situations due to the influence of the world situation.

- Issues of business strategy, financial strategy, facility repair, equipment investment, and management system construction are all discussed and closely controlled between the Board of Directors and the Executive Board.
- Business strategies, equipment purchases, and infrastructure repairs are fully researched based on the current status of the factory, the Company's production and business situation, the needs and trends of the market, and the Company's current financial situation as well as machinery and equipment, which are reviewed by the Board of Directors and the Executive Board in order to select the most optimal investment plan/project for the Company.

#### IV. SUPERVISION AND SUPPORT OF BUSINESS ACTIVITIES:

- In 2024, the business situation of enterprises in general and the Company in particular still faced many difficulties due to the impact of the world economy, compared to 2023, purchasing power decreased significantly. The Board of Directors has proactively worked with the Executive Board to develop a production and business plan to help the Company overcome obstacles and difficulties and achieve positive results, although not as good as in 2023.

#### V. SUPERVISION AND SUPPORT OF FINANCIAL ACTIVITIES:

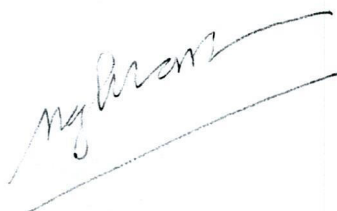
- The Board of Directors has discussed and proposed many effective and timely financial solutions with the Executive Board to ensure finance for the Company's production and business activities during difficult periods.

In general, the Board of Directors has led and managed the Company to complete the growth and profit targets of 2024, fulfill its obligations to the State budget, bring high efficiency to shareholders and stable income to employees.

*Ho Chi Minh City, day 28 March 2025*

**Independent member of the Board of Directors**

**Independent member of the Board of Directors**



**Pho Nghia Van**



**Nguyen Thi Mai Nguyet**



No.: 02/2025/BC.ĐHĐCĐ.PP

## REPORT OF THE BOARD OF SUPERVISORS

On control activities in 2024

**To: General Meeting of Shareholders of Phong Phu Pharmaceutical Joint Stock Company**

*Pursuant to the Law on Enterprises No. 59/2020/QH14 dated June 17, 2020;*

*Pursuant to the Charter of Phong Phu Pharmaceutical Joint Stock Company (hereinafter referred to as "the Company");*

*Pursuant to Audit Report No. 210/2025/BCKTHN-HCM.00623 dated March 27, 2024 of AFC Vietnam Auditing Company Limited;*

*Pursuant to Resolution No. 01/2024/NQ-ĐHĐCĐ.PP dated April 19, 2024 of the 2024 Annual General Meeting of Shareholders;*

*Pursuant to the provisions on the responsibilities and powers of the Board of Supervisors,*

The Board of Supervisors of Phong Phu Pharmaceutical Joint Stock Company has exercised control over the Company's operations for the fiscal year ended on December 31, 2024. The Board of Supervisors would like to report to the General Meeting of Shareholders on its operations in 2024 with the following contents:

### **I. SUMMARY OF ACTIVITIES:**

- In 2024, the Board of Supervisors has deployed and seriously implemented the monitoring of the company's financial situation, proactively developed a control plan and implemented the plan in accordance with the provisions of law and the Board of Supervisors' Operating Regulations.
- Check the rationality, legality, and honesty in management and operation of business activities, in the organization of accounting, statistics, and financial reporting.
- The Board of Supervisors also holds regular meetings every 6 months with all members participating to discuss and evaluate issues related to the management and operation of the Company's business activities for the Board of Supervisors' control.
- Through control activities, the Board of Control has provided opinions and recommendations to the Board of Directors and the Board of Management on



measures to strengthen control, minimize risks, ensure compliance with the provisions of the Law, the Charter and internal regulations, contributing to improving the quality and efficiency of the Company's operations.

- In 2024, the Internal Audit Department under the Board of Supervisors has performed well the functions and tasks prescribed in the Regulations, including inspecting and controlling business activities at the Company, contributing to minimizing risks and ensuring the legality of documents in production and business activities; participating in contributing opinions on regulations and management procedures.

## **II. APPRAISAL OF 2024 FINANCIAL STATEMENTS:**

### **1. Financial Statement Preparation and Auditing:**

- The Company's 2024 financial statements are prepared in accordance with current Vietnamese accounting standards and regimes.

- The 2024 Financial Statements are audited by AFC Vietnam Auditing Company Limited, which has been approved by the State Securities Commission to audit listed companies.

- The auditor's opinion on the Company's 2024 Consolidated Financial Statements is as follows: *"The consolidated financial statements have reflected fairly, in all material respects, the financial situation of the Company as at December 31, 2024, as well as the results of business operations and cash flows for the fiscal year ended then, in accordance with Vietnamese accounting standards, accounting regimes for enterprises and legal regulations related to the preparation and presentation of financial statements."*

- The Board of Supervisors has reviewed the Financial Statements and agreed with the 2024 business performance results and the indicators in the Financial Statements. The Reports fully, clearly, and honestly reflect the Company's financial situation.

**Regarding the accounting system:** Accounting books, documents, and financial statements are made clearly and promptly; assets, materials, and debts are strictly managed; provisions are made reasonably, fully, and in accordance with regulations.

**Regarding internal control system:** Recognizing the important role of the internal control system in business operations, the Company's Management has step by step built and perfected the internal document system including regulations, rules, procedures... to serve the management and operation of the Company; ensuring compliance with legal regulations and ensuring the legitimate interests of shareholders.

### **2. Production and business results in 2024:**

- The results of implementing the main production and business targets in 2024 according to the Financial Statements are as follows:



Item	Implementing in 2023	Plan 2024	Implementing 2024	Implementing/ plan 2024	Implementing 2024/ Implementing 2023
Net revenue	152,171,933,736	160,000,000,000	137,547,862,537	86%	90.4%
Profit after tax	20,101,967,280	14,000,000,000	17,359,146,633	124%	86.4%

### 3. Financial situation as of December 31, 2024:

- For fiscal year 2024, the Board of Supervisors assesses the Company's financial situation as healthy, with improved business performance.
- The indicators of solvency are guaranteed and increased in 2024, the current solvency ratio and quick solvency ratio are both greater than 1, showing that the Company's solvency of short-term financial obligations is very good; capital structure indicators continue to be maintained at a safe level in the context of complicated fluctuations in the financial market.
- Performance indicators in 2024 recorded positive improvements, contributing to improving the Company's business performance. Receivables management is improved to reduce the average number of days receivable from customers to 33 days compared to 37 days in 2023.
- Profitability indicators in 2024 decreased compared to 2023. ROE and ROA indicators reached 12.8% and 10.4% respectively, EPS in 2024 reached 1,767 VND/share, showing that the orientations of the Board of Directors and the methods of implementing business solutions of the Board of Management are generally still appropriate and maintain stable efficiency in the context of a volatile economy and many difficulties in the pharmaceutical industry.

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No.	TARGET	Year 2024	Year 2023
<b>1</b>	<b>Solvency ratio</b>		
	Current ratio	2.89	2.71
	Quick ratio	1.72	1.62
<b>2</b>	<b>Capital structure indicators</b>		
	Liability/Total Assets	0.19	0.19
	Liability/Equity	0.23	0.23
<b>3</b>	<b>Performance indicators</b>		
	Average inventory days	138	122
	Average number of receivables days	33	37

No.	TARGET	Year 2024	Year 2023
<b>4</b>	<b>Profitability ratio</b>		
	Profit after tax / Net revenue	12.6%	13.2%
	ROE	12.8%	15.4%
	ROA	10.4%	12.6%
	Earnings per share (EPS) (VND/share)	1,767	2,061

### **III. EVALUATION OF THE RESULTS OF MONITORING THE COORDINATION IN OPERATIONS BETWEEN THE BOARD OF SUPERVISORS AND THE BOARD OF DIRECTORS, AND THE BOARD OF MANAGEMENT**

Through monitoring the activities of the Board of Directors, the Board of Management and the Company's executives, the Board of Supervisors assesses as follows:

- In 2024, the Board of Supervisors was fully informed about the resolutions and decisions of the Board of Directors and the Board of Management, and regularly discussed with the Board of Directors and the Board of Management on the implementation of the business plan and the resolutions approved by the 2024 General Meeting of Shareholders.
- The coordination in operation between the Board of Supervisors, the Board of Directors, the General Director, and the Company's management staff in 2024 will be carried out smoothly and closely coordinated on the principle of the common interests of the Company and shareholders.
- The Board of Directors and the Board of Management of the Company have fully implemented the Resolutions of the 2024 General Meeting of Shareholders, and at the same time complied with the legal regulations and the Company's Charter in management and execution.
- In 2024, the Board of Supervisors did not receive any requests or complaints from shareholders or groups of shareholders in the process of performing assigned tasks.

### **IV. RECOMMENDATIONS OF THE BOARD OF SUPERVISORS:**

In 2024, the Board of Directors and the Board of Management have strived to overcome the common difficulties of the pharmaceutical industry and laid the foundation for growth in the following years, promoting the results achieved in 2024, striving to complete the 2025 targets, the Board of Supervisors recommends the following contents:

1. The Board of Supervisors recommends the Company to take measures to promote production activities, ensuring quality and efficiency, strictly managing



selling expenses, administrative and general costs, strictly managing inventories, promoting sales activities, reducing risks of slow circulation of goods, deterioration, improving business efficiency and complete all planning targets assigned by the General Meeting of Shareholders.

2. Restructuring the product portfolio towards investing in research and development and advanced technology to raise standards and improve product quality; launching new product lines with high added value, anticipating trends and aiming to meet international standards to maintain growth momentum, consolidate the company's position in the Vietnamese pharmaceutical industry and develop into the world market.

3. Have orientation to develop distribution system, develop professional business system with synchronous activities between sales and product marketing.

4. Review, evaluate, and rearrange human resources and organizational structure of departments and units under the Company; consolidate, provide training, and perfect the apparatus with high expertise and qualification personnel to promptly respond to the Company's development.

5. Monitor the issuance of detailed guidelines on the application of IFRS by the Ministry of Finance to develop a roadmap and allocate appropriate human resources to ensure the timely implementation of IFRS international accounting standards according to the Ministry's plan..

Above is the content of the results of the Board of Supervisors' inspection and supervision of the Company's activities in 2024. We respectfully submit to the General Meeting for consideration and approval.

The Board of Supervisors wishes shareholders and delegates good health and the General Meeting great success.

Sincerely, thank you./.

*Ho Chi Minh City, March 27, 2025*

**ON BEHALF OF THE BOARD OF SUPERVISORS**

**HEAD OF THE BOARD**



**Nguyễn Hoàng Ngọc Châu**