**LDP: Annual General Mandate 2024**

On April 10, 2024, Lam Dong Pharmaceutical JSC announced General Mandate No. 01/NQ-DHDCD/LDP/2024 as follows:

Article 1: Approve the following reports:

1. Report in 2023 and orientation for 2024 of the Board of Directors.
2. Report in 2023 of the independent member of the Board of Directors.
3. Report on Business and Investment Results in 2023 and Business and Investment Plan for 2024 of the General Manager.

Business results:

Unit: million VND

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | Item | 2023 Results | | 2023 Plan | | 2022 Results | |
| Amount | Rate | Amount | Compare to the Plan (%) | Amount | Compared to the Same period (%) |
| 1 | Revenue | 186,001 | 100% | 287,160 | 65% | 187,419 | -1% |
|  | Commerce | 85,427 | 46% | 104,969 | 81% | 87,758 | -3% |
|  | Production | 98,077 | 53% | 180,031 | 54% | 97,277 | 1% |
|  | Others | 2,497 | 1% | 2,160 | 116% | 2,383 | 5% |
| 2 | Gross profit | 37,166 | 20% | 64,521 | 58% | 36,735 | 1% |
|  | Commerce | 4,787 | 3% | 7,079 | 68% | 5,486 | -13% |
|  | Production | 29,991 | 16% | 55,391 | 54% | 28,975 | 4% |
|  | Others | 2,388 | 1% | 2,051 | 116% | 2,274 | 5% |
|  | Gross profit/Revenue (%) | 20% |  | 22% |  | 20% |  |
| 3 | Operating expenses | 56,522 | 30% | 63,971 | 88% | 70,094 | -19% |
| 4 | Other incomes/(Other expenses) | (737) | 0% | (550) | 134% | (5,561) | -87% |
| 5 | Profit before tax | (20,093) | -11% | - | 0% | (38,920) | -48% |
|  | Profit before tax/Revenue (%) | -11% |  | 0% |  | -21% |  |

Business plan for 2024

Unit: million VND

|  |  |  |  |
| --- | --- | --- | --- |
| No. | Content | Amount | Compared to revenue (%) |
| A | Revenue | 275,072 | 100% |
| 1 | Commercial goods | 102,252 | 37% |
|  | ETC commercial goods | 54,660 | 20% |
|  | OTC commercial goods | 47,592 | 17% |
| 2 | Manufactured goods | 170,660 | 62% |
|  | ETC manufactured goods | 2,806 | 1% |
|  | OTC manufactured goods | 167,854 | 61% |
| 3 | Service | 2,160 | 1% |
| B | Gross profit | 62,121 | 23% |
| 1 | Commercial goods | 6,682 | 2% |
|  | ETC commercial goods | 3,826 | 1% |
|  | OTC commercial goods | 2,855 | 1% |
| 2 | Manufactured goods | 53,389 | 19% |
|  | ETC manufactured goods | 196 | 0.1% |
|  | OTC manufactured goods | 53,192 | 19% |
| 3 | Service | 2,051 | 0.7% |
| C | Fixed operating costs | 47,218 | 17% |
| 1 | Salary expenses | 22,376 | 8% |
| 2 | Marketing and branding costs | 1,775 | 1% |
| 3 | Financial expenses | 7,817 | 3% |
| 4 | Sales and conference expenses | 3,485 | 1% |
| 5 | Cost of outsourcing, tools and equipment, fuel, other... | 5,920 | 2% |
| 6 | Expenses for diplomatic, guest reception, per diem, working capacity | 1,742 | 1% |
| 7 | Premises costs | 2,465 | 1% |
| 8 | Depreciation expenses | 1,638 | 1% |
| D | Variable operating costs | 11,903 | 4% |
| 1 | Salary expenses | 6,587 | 2% |
| 2 | Marketing and branding costs | 2,283 | 1% |
| 3 | Sales and conference expenses | 3,033 | 1% |
| E | Other profits | - | 0% |
| F | Profit before tax | 3,000 | 1% |

1. Report in 2023 of the Supervisory Board.
2. Audited Separate Financial Statements and Consolidated Financial Statements 2023.

Article 2: Approve the selection of audit company for the fiscal year 2024 as follows:

1. Criteria for selecting an independent audit company:

* Being a company legally operating in Vietnam and approved by the Ministry of Finance for auditing firms and practicing auditors to audit public interest entities in 2024;
* Have experience auditing companies in the same business field;
* Have a team of honest, reputable, highly qualified and experienced auditors to ensure the quality and progress of Financial Statements audits;
* Have reasonable costs, consistent with the content, scope and progress of the audit required by the Company

1. Approve the list of independent audit companies:

Based on the criteria for selecting an independent audit company above, the General Meeting of Shareholders approves the list of independent audit companies and authorize the Company's Board of Directors to select 01 of 04 independent audit companies below to audit the Financial Statements 2024 of the Company:

* A&C Auditing and Consulting Company Limited.
* DFK Vietnam Auditing Co., Ltd.
* Southern Auditing & Accounting Financial Consulting Services Company Limited.
* RSM Vietnam Auditing & Consulting Limited.

1. To facilitate the audit of Financial Statements, in case the Company cannot negotiate the price and audit conditions with the above audit companies or in case the Company needs to change the audit company. The General Meeting of Shareholders authorized the Board of Directors to proactively decide to select another independent audit company based on the criteria in Section 1 and on the list of audit companies approved by the State Securities Commission to review the semi-annual Financial Statements and audit the Financial Statements 2024.

Article 3: Approve the Investment Plan and Business Plan for 2024 as follows:

1. Investment plan and business plan for 2024:

|  |  |  |
| --- | --- | --- |
| No. | Content | 2024 Plan |
| 1 | Net revenue | 275,072 |
|  | Revenue from commercial goods | 102,252 |
|  | Revenue from manufactured goods | 170,660 |
|  | Revenue from the provision of services | 2,160 |
| 2 | Total profit before tax | 3,000 |
| 3 | Asset investment value | 50,000 |

1. In other cases, the General Meeting of Shareholders authorizes the Board of Directors to adjust the Business Plan and investment plan 2024 appropriately according to the actual situation and report to the General Meeting of Shareholders in the nearest meetings.

Article 4: Approve the loan limit in 2024, as follows:

1. Loan purpose:

* Bank loans to supplement working capital for production and business activities;
* Medium and long-term loans in the form of loans at credit institutions, support funds for small and medium-sized enterprises, and other financial institutions to invest in renovating and upgrading factories, procurement of machinery and equipment for production activities as well as investments in brand recognition to serve business activities.

1. The expected loan limit of each investment is as follows:

Unit: million VND

|  |  |  |
| --- | --- | --- |
| No. | Content | Amount |
| 1 | Working capital loan from banks for production and business activities | 150,000 |
| 2 | Borrow medium and long-term loans for investments | 50,000 |
|  | Total | 200,000 |

1. The General Meeting of Shareholders assigned the Board of Directors to consider, choose and decide on the options, the form of loan to ensure effectiveness and operating capital in accordance with the actual situation.

Article 5: Approve the Proposal on the supplement to business lines and adjustment of the Company’s Charter.

Article 6: Approve not implementing the plan to issue shares to offer to existing shareholders according to the Extraordinary General Mandate No. 178/NQ-DHDCD/2023 dated December 21, 2023 because the Company does not meet the conditions for offering shares to the public according to the law.

Article 7: Approve the plan on private placement

1. Offering plan
   1. Share name: Shares of Lam Dong Pharmaceutical JSC
   2. Securities code: LDP
   3. Par value: VND 10,000/share
   4. Share type: Common shares
   5. Number of outstanding shares: 12,703,135 shares
   6. Number of treasury shares: 32 shares
   7. Charter capital before the offering: VND 127,031,670,000
   8. Maximum number of shares expected to be offered: 8,250,000 shares
   9. Maximum expected value of shares to be offered at par value: VND 82,500,000,000
   10. Expected increase in charter capital: VND 82,500,000,000
   11. Expected number of outstanding shares after the private placement: 20,953,135 shares
   12. Expected charter capital after the private placement: VND 209,531,670,000
   13. Offering form: Private placement.
   14. Offering price: The General Meeting of Shareholders authorizes the Board of Directors to decide the offering price but not lower than VND 11,000/share.
   15. Eligible buyers: Individuals and/or organizations who are professional securities investors.
   16. Criteria for selecting subjects of the offering: Investors must meet the criteria of being a professional securities investor according to Article 11 of the Law on Securities.

The General Meeting of Shareholders authorizes the Board of Directors to make detailed decisions and adjust criteria to suit the actual situation.

* 1. Number of investors expected to offer Expected to offer to less than 100 investors who are professional securities investors.
  2. Number of shares expected to be offered to each investor: Depending on the financial capacity and commitment of investors based on the agreement and cooperation content of the parties.

The General Meeting of Shareholders authorizes the Board of Directors to actively search, select and approve the list and number of investors that are eligible to purchase the shares from the private placement, and decide the number of shares to be offered to each investor.

* 1. Plan for handling undistributed shares (if any): The General Meeting of Shareholders authorizes the Board of Directors to issue a decision to offer the undistributed shares to other subjects under offering conditions that are no more favorable than the offering conditions to investors in this Plan, after it has been approved by the General Meeting of Shareholders and complies with the provisions of law.
  2. Transfer conditions: The number of shares offered is restricted from transfer for one year for professional securities investors from the date of completion of the offering, except in the case of transfer between professional securities investors or if the law has provisions that state otherwise.
  3. Expected issue date: Expected in 2024.

The General Meeting of Shareholders authorizes the Board of Directors to decide on a specific time to suit the actual situation. The Company will announce the specific offering time after the State Securities Commission has written approval of the Company's private placement dossier.

* 1. Plan on ensuring that the offering is in compliance with regulations on foreign ownership rate: The General Meeting of Shareholders authorizes the Board of Directors to approve a plan to ensure that the share offering meets the regulations on the foreign ownership rate in the Company.
  2. Capital mobilization plan in case the proceeds from the offering are not enough as expected: At the end of the offering period and extension period (if any), if the Company does not offer all shares as registered, or the proceeds from the offering are not enough as expected, the General Meeting of Shareholders authorizes the Board of Directors to use other capital sources such as bank loans, personal loans, and/or other solutions to ensure compliance with the provisions of law and internal regulations of the Company to implement the set plans.

## Purpose and the plan on using the proceeds from the offering

In case the Company successfully offers 8,250,000 shares at a price of VND 11,000/share, the Company will use the entire proceeds as follows:

|  |  |  |  |
| --- | --- | --- | --- |
| No. | Content of capital use | Expected purchasing value (VND) | Expected disbursement time |
| 1 | Repay the Company's loans (including bank loans and bond debts) | 65,000,000,000 | Expected in 2024 (Q2 and/or Q3); after completing the offering and according to actual capital use schedule |
| 2 | Procurement of machinery and equipment to serve the Company's production and business activities | 25,750,000,000 |
| Total | | 90,750,000,000 |  |

The General Meeting of Shareholders authorizes the Board of Directors to make decisions and can flexibly adjust detailed capital use plans, detailed usage categories and disbursement time.

The General Meeting of Shareholders authorizes the Board of Directors to change the capital/proceeds use plan if the change is less than 50% of the total amount raised.

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

## Additional listing and additional depository

All additional shares offered will be additionally deposited and listed by the Company according to regulations.

Article 8: Approve the plan on share issuance under the Employee Stock Ownership Plan

1. Offering plan
   1. Share name: Shares of Lam Dong Pharmaceutical JSC
   2. Securities code: LDP
   3. Par value: VND 10,000/share
   4. Share type: Common shares
   5. Number of outstanding shares: 12,703,135 shares
   6. Number of treasury shares: 32 shares
   7. Charter capital before the issuance: VND 127,031,670,000
   8. Maximum number of shares expected to be issued: 635,000 shares
   9. Current issuance rate compared to charter capital: 4.9987% (calculated based on charter capital at the time the General Meeting of Shareholders approved the plan)
   10. Value of shares expected to be issued based on par value: VND 6,350,000,000
   11. Expected increase in charter capital: VND 6,350,000,000
   12. Estimated number of outstanding shares after completing the share issuance under the ESOP: 13,338,135 shares
   13. Expected charter capital after completing the issuance of shares under the ESOP: VND 133,381,670,000
   14. Offering form: Share issuance under the Employee Stock Ownership Plan
   15. Offering price: Authorize the Board of Directors to decide but ensure not less than VND 10,000/share.
   16. Eligible buyers: Members of the Board of Directors, members of the Board of Management, key managers and other employees in the Company.
   17. Criteria for selecting subjects of the offering: The General Meeting of Shareholders authorizes the Board of Directors to approve the Regulations on issuance of shares to employees; criteria and list of employees eligible to participate in the ESOP; principles for determining the number of shares distributed to each of the above subjects; and execution time.
   18. List of employees participating in the offering: The General Meeting of Shareholders authorizes the Board of Directors to decide on a specific list of the Board of Leaders and employees eligible to participate in purchasing shares.
   19. Transfer conditions: Issued shares are subject to transfer restrictions of at least 01 year from the end of the issuance.
   20. Plan for handling fractional shares and shares not fully offered for sale in case employees do not buy or only buy a part: The General Meeting of Shareholders authorizes the Board of Directors to determine criteria and distribute the number of shares that need to be distributed to other subjects being employees at a price not lower than VND 10,000/share.
   21. Expected issue date: Expected in 2024.

The General Meeting of Shareholders authorizes the Board of Directors to decide on a specific time to suit the actual situation.

## Purpose and the plan on using the proceeds from the offering

The entire expected proceeds of VND 6,350,000,000 will be used to supplement the Company's working capital.

## Additional listing and additional depository

All additional shares issued will be additionally deposited and listed by the Company according to regulations.

Article 9: Approve the investment policy of contributing capital and buying shares at Công ty Cổ phần Nông sản và Dược Liệu Trà My (tentatively translated as Tra My Agricultural Products and Medicinal Materials Joint Stock Company).

Article 10: Approve the remuneration and bonus levels in 2024 for the Board of Directors, the Supervisory Board and the person in charge of corporate governance-cum-Secretariat of the Board of Directors as follows:

1. Remuneration:

|  |  |  |
| --- | --- | --- |
| No. | Position | Remuneration (VND/month) |
| 1 | Chair of the Board of Directors | 15,000,000 |
| 2 | Members of the Board of Directors | 10,000,000 |
| 3 | Chief of the Supervisory Board | 10,000,000 |
| 4 | Member of the Supervisory Board | 5,000,000 |
| 5 | Person in charge of corporate governance -cum-Secretariat of the Board of Directors | 5,000,000 |

Remuneration of the Board of Directors, the Supervisory Board and the Secretariat in 2024 is expected to be paid in 2 installments in the first 6 months of the year and the last 6 months of the year.

1. Bonus:

In case of exceeding the profit after tax plan, the Board of Directors propose to the General Meeting of Shareholders to consider a bonus for the Board of Directors, the Supervisory Board and the Secretariat.

Article 11: Approve not distributing profits for 2023, not making appropriations for funds, and not making dividend payments for 2023.

Article 12: Dismiss Mr. Nguyen Ho Hung and Mr. Vo Qui Lam from the position of member of the Board of Directors of Lam Dong Pharmaceutical JSC (Ladophar) in the 2022-2027 term, from April 10, 2024.

Article 13: Appoint the following persons as members of the Board of Directors of Lam Dong Pharmaceutical JSC (Ladophar) for the 2022 - 2027 term, starting on April 10, 2024:

|  |  |  |
| --- | --- | --- |
| No. | Full name | Position |
| 1 | Nguyen Thi Hong Giang | Members of the Board of Directors |
| 2 | Dang Thuy Linh | Members of the Board of Directors |

As a result, the list of Members of the Board of Directors for the 2022-2027 term of Lam Dong Pharmaceutical JSC (Ladophar) currently includes the following:

1. Pham Trung Kien - Chair of the Board of Directors
2. Le Xuan Thanh - Independent member of the Board of Directors
3. Le Tien Thinh - Member of the Board of Directors
4. Dang Thuy Linh - Member of the Board of Directors
5. Nguyen Thi Hong Giang - Member of the Board of Directors

Article 14: Terms of enforcement

* The Annual General Mandate 2024 of Lam Dong Pharmaceutical JSC (Ladophar) has been unanimously approved in front of all shareholders/authorized representatives of shareholders attending the Meeting and takes effect from April 10, 2024.
* Members of the Board of Directors, the Supervisory Board, the Board of Management and departments, units under Lam Dong Pharmaceutical JSC (Ladophar) is responsible for implementing this General Mandate in accordance with the provisions of Law and the Company's Charter.