**DVM: Annual General Mandate 2024**

On May 31, 2024, Vietnam Medicinal Materials Joint Stock Company announced General Mandate No. 01/2024/NQ- DHDCD-DLVN as follows:

‎‎Article 1. Approve the Report of the Board of Directors on activities in 2023 and Plan for 2024.

Production and business results in 2023

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| --- | --- | --- | --- | --- |
| Targets | Unit | Results 2023 | Compared to 2022 | Compared to Plan 2023 |
| Results 2022 | Increase/decrease (%) | Plan 2023 | Plan completion rate (%) |
| Net revenue | Billion VND | 1,481.72 | 1,178.95 | 25.68% | 1,251.28 | 118.42% |
| Total profit before tax | Billion VND | 49.50 | 63.70 | -22.29% | 70.43 | 70.28% |
| Total profit after tax | Billion VND | 43.16 | 54.42 | -20.64% | 60.86 | 70.92% |
| Basic earnings per share | VND | 1,211 | 1,603 | -24.45% | 1,533 | 79.00% |

Plan 2024

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| --- | --- | --- |
| Targets | Unit | Plan 2024 |
| Net revenue | Billion VND | 1,200 |
| Total profit before tax | Billion VND | 59.7 |
| Expected dividend payment | % | At least 10% |

‎‎Article 2. Approve the Report of the Supervisory Board on activities in 2023 and Plan for 2024.

‎‎Article 3. Approve the Audited Financial Statements 2023.

‎‎Article 4. Approve the audited Report on using owners’ contributed capital with the contributed capital of 8,650,000 issued shares as of December 31, 2023.

‎‎Article 5. Approve selecting the audit company to review the Financial Statements 2024.

‎‎Article 6. Approve the remuneration payment for members of the Board of Directors and the Supervisory Board in 2023 and the remuneration plan for the Board of Directors and the Supervisory Board in 2024.

‎‎Article 7. Approve the plan on profit distribution, and dividend payment in 2023 and plan on profit distribution, dividend payment in 2024.

1. Plan on profit distribution and dividend payment in 2023:

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| --- | --- | --- | --- |
| No. | Plan on profit distribution and dividend payment | Unit | Value |
| (1) | Accumulated undistributed profit after tax as of the end of the previous period | VND | 117,201,798,247 |
| (2) | Undistributed profit after tax of this period | VND | 43,162,348,835 |
| (3) | Profit distribution, dividend payment |  |  |
| 3.1 | Dividend rate in 2022 is 20%, paid by shares, equivalent to the expected number of issued shares of 7,130,000 shares, par value of VND 10,000/share. The rate of exercising rights to receive dividends by shares is 10:02 (shareholders owning 10 shares will receive 02 shares issued to pay dividends) | VND | 71,300,000,000 |
| 3.2 | Dividend rate in 2023 is 0% (\*) | VND | 0 |
| 3.3 | Appropriation for Investment and Development fund (20%) | VND | 32,072,829,416 |
| 3.4 | Appropriation for corporate restructuring fund | VND | 0 |
| 3.5 | Appropriation for other funds under owners’ equity | VND | 0 |
| (4) | Remaining undistributed profit after tax (4) = (1) + (2) - (3) | VND | 56,991,317,666 |

(\*) The dividend rate in 2023 was submitted to the Annual General Meeting of Shareholders 2023 by the Board of Directors of the Company with the expected rate of 10%.

‎‎Article 8. Approve the plan on share issuance to pay dividends in 2022.

1. Plan on share issuance to pay dividends in 2022.

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| --- | --- | --- |
| 1 | Share name | Share of Vietnam Medicinal Materials Joint Stock Company |
| 2 | Share type | Common shares, no transfer restrictions. |
| 3 | Par value | VND 10,000/share. |
| 4 | Securities code | DVM |
| 5 | Issuance method | Issue shares to pay dividends in 2022 to existing shareholders. |
| 6 | Charter capital before issuance | VND 356,500,000,000. |
| 7 | Number of outstanding shares | 35,650,000 shares. |
| 8 | Number of treasury shares | 0 shares. |
| 9 | Number of expected issued shares | 7,130,000 shares. |
| 10 | Total expected issuance value at par value | VND 71,300,000,000. |
| 11 | Issuance rate | 20% (number of expected issued shares/number of outstanding shares) |
| 12 | Right exercise rate | 10:2 (based on the record date to allocate rights, existing shareholders owning 01 share will be entitled to 01 right to receive dividends, for every 10 rights they will receive 2 new shares to pay dividends) |
| 13 | Eligible buyer | Existing shareholders of the Company on the list of shareholders recorded by Vietnam Securities Depository and Clearing Corporation on the recorded date for the list to exercise rights to receive shares issued to pay dividends. |
| 14 | Plan on handling fractional shares | Plan on handling incurred fractional shares from paying dividends by shares: Shares issued to pay dividends by shares and to each shareholder will be rounded to the nearest unit. Incurred fractional shares (decimal part) (if any) will be canceled and not issued.For example: On the record date to exercise rights to receive dividends, shareholder Nguyen Van A owns 186 shares. With the right exercise rate of 10:2, shareholder A will receive dividends as follows: (186\*2)/10 = 37.2 shares. According to the plan on rounding and handling fractional shares, the number of shares that shareholder A will receive is 37 shares, the 0.2 fractional shares will be canceled. |
| 15 | Transfer Restrictions | - Shares issued to pay dividends to existing shareholders are not subject to transfer restrictions.- The shares in transfer restriction status are still entitled to receive shares from the issuance. Treasury shares (if any) are not allowed to exercise rights.- The right to receive shares issued to pay dividends is not transferable. |
| 16 | Expected issuance time | The plan on share issuance to pay dividends in 2022 was implemented in 2024, after the State Securities Commission notified the Company in writing and posted it on the website of the State Securities Commission upon receiving complete documents on reporting the share issuance to pay dividends of the Company. |
| 17 | Capital source for implementation | Undistributed profit after tax as of December 31, 2023Based on the audited Financial Statements 2023 of the Company, ensuring compliance with the provisions of law. |
| 18 | Issuance purpose | Issuing additional shares to pay dividends to increase the scale of charter capital to serve the activities of the Company. |
| 19 | Amend Clause 1, Article 5 of the Company’s Charter | Approve amending Clause 1, Article 5 - Charter capital, shares, and founding shareholders in Section IV of the Company's Charter according to the new charter capital after the Company completes the share issuance to pay dividends. |

1. Registration, securities depository, and additional listing registration
* All additional shares issued to pay dividends will be registered, deposited for additional securities at the Vietnam Securities Depository and Clearing Corporation, and registered for additional listing on the Hanoi Stock Exchange after completing the issuance.
* The General Meeting of Shareholders authorized the Board of Directors to implement necessary procedures to register, deposit additional securities, and register to list additional shares to pay dividends by shares at the Vietnam Securities Depository and Clearing Corporation and the Hanoi Stock Exchange in accordance with the provisions of law.

‎‎Article 9. Approve the Plan on offering additional shares to the public to existing shareholders.

I. Plan on offering additional shares to the public to existing shareholders.

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| 1. Name of the Issuer
 | Vietnam Medicinal Materials Joint Stock Company. |
| 1. Share name
 | Share of Vietnam Medicinal Materials Joint Stock Company |
| 1. Type of offered shares
 | Common shares |
| 1. Par value of share
 | VND 10,000/share. |
| 1. Expected number of shares before issuance
 | 42,780,000 shares (including the expected number of shares issued to pay dividends in 2022 to existing shareholders) |
| 1. Expected number of outstanding shares before issuance
 | 42,780,000 shares (including the expected number of shares issued to pay dividends in 2022 to existing shareholders) |
| 1. Number of treasury shares as of March 31, 2024
 | 0 shares. |
| 1. Maximum expected number of additional offered shares
 | 25,000,000 shares. |
| 1. Expected total offering value (calculated at par value).
 | VND 250,000,000,000. |
| 1. Issuance rate
 | ~58.44% (Expected number of offered shares/expected number of outstanding shares after the Company completes the share issuance to pay dividends) |
| 1. Right exercise rate
 | The General Meeting of Shareholders authorized the Board of Directors to decide on the appropriate right exercise rate, based on the expected number of issued shares and the actual number of outstanding shares at the time of issuance. |
| 12. Rounding principle | For incurred fractional shares (if any), when shareholders exercise their rights, to ensure that the number of issued shares does not exceed the offered number, the number of shares that shareholders are entitled to buy will be rounded to the nearest unit. |
| 13. Offering price | VND 10,000/share |
| 14. Eligible buyer | Existing shareholders of the Company according to the list of shareholders on the record date for the list to exercise rights to buy shares offered to the public to existing shareholders. |
| 15. Offering method | Offering shares to the public to existing shareholders by exercising rights to buy. |
| 16. Expected time of the offering | The public offering to existing shareholders is implemented after the share issuance to pay dividends in 2022. Expected in 2024-2025, after the State Securities Commission issues the Registration Certificate for offering additional shares to the public to the Company. |
| 17 Transfer of rights to buy | - Shareholders are entitled to transfer rights to buy to other persons but can only transfer once within the allowed time (the transferee of the right to buy is not allowed to transfer that right to buy to a third person);Shareholders under transfer restrictions are still entitled to receive rights to buy shares.The number of additional shares purchased from this right to buy is not subject to transfer restrictions;The rights to buy shares can be divided and transferred to different investors according to the agreement between the two parties. |
| 1. Ensure compliance with the regulations on foreign ownership rate
 | Assign and authorize the Board of Directors to approve the plan to ensure that the share offering is in accordance with the regulations on foreign ownership rate |
| 1. Offering purposes
 | Mobilize capital to increase owners’ equity and improve the financial capacity of the Company.Details of the plan on using proceeds from the offering are in section IV below |
| 1. Minimum successful offering rate
 | Not applicable due to the Issuer does not mobilize capital to implement the project. |
| 1. Plan on handling remaining shares that are not fully distributed
 | Remaining shares that are not fully distributed to existing shareholders include:1. Number of remaining shares due to existing shareholders refusing to buy part or all of the shares during the issuance;
2. Number of fractional shares incurred due to rounding down when calculating the shares bought by existing shareholders according to the right exercise rate, and
3. The difference between the maximum total number of shares expected to be offered (25,000,000 shares) and the actual total number of shares offered according to the right exercise rate
* The General Meeting of Shareholders authorized the Board of Directors to offer to other investors all of the shares that are not fully distributed mentioned above, with offering conditions no more favorable than conditions issued to existing shareholders (including the offering price not lower than the selling price to existing shareholders).
* The remaining shares that are not fully distributed to existing shareholders when offered to other Investors according to the decision of the Board of Directors will be subject to transfer restrictions within 01 year from the date of completion of the offering;
* The handling of the remaining shares that are not fully distributed to existing shareholders must comply with the regulations of Article 42 of Decree No. 155/2020/ND-CP dated December 31, 2020 and ensure other conditions according to regulations in Clause 2, Article 195 of the Law on Enterprises 2020: “Subsidiary are not allowed to invest in buying shares or contributing capital to the holding company. Subsidiaries of the same holding company are not allowed to simultaneously contribute capital or buy shares for cross-ownership" and other relevant current provisions of law.
* In case of the expiration of the share distribution deadline according to the provisions of law (including the extended time (if any)), if there are still shares that are not fully distributed, these shares will be canceled and the Board of Directors will decide on ending the issuance.
* Assign and authorize the Board of Directors to decide on offering shares that are not fully distributed due to existing shareholders not exercising their right to buy for other investors/shareholders based on the principle that the price offered to other investors is not lower than the price issued to existing shareholders according to the method of exercising rights.
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| 22 Transfer restriction conditions | All shares issued to existing shareholders according to the right exercise rate will be freely transferable;Number of remaining shares that are not fully distributed to existing shareholders offered to other investors will be restricted from transfer within 01 year from the date of completion of the offering. |
| 23 Amend Clause 1, Article 5 of the Company’s Charter | Approve amending Clause 1, Article 5 - Charter capital, shares, and founding shareholders in Section IV of the Company’s Charter according to the new charter capital after the Company completes the offering of additional shares to the public. |

II. Plan on using the proceeds from the issuance

The total proceeds from the issuance of VND 250,000,000,000 will be used by Vietnam Medicinal Materials Joint Stock Company to pay the Company's debts/payables (including but not limited to bank loans, payables, and/or expected payables to creditors, customers, suppliers, etc.).

The General Meeting of Shareholders assigned and authorized the Board of Directors to develop a detailed plan for using capital mobilized from the offering to pay the Company's debts/payables on a basis consistent with the actual situation of the business operations of the Company, ensuring compliance with the provisions of law and the interests of shareholders and the Company. In case the shares are not fully distributed as expected and the amount of capital mobilized does not reach as expected, the General Meeting of Shareholders authorizes the Company's Board of Directors to rebalance the capital source or come up with a plan that is consistent with the Company's reality and provisions of law, and at the same time actively seek other capital sources to make up for the mobilized capital shortfall such as bond issuance and other sources (if any) according to the provisions of law.

1. Registration, securities depository, and additional listing registration
* All additional issued shares will be registered, deposited for additional securities at the Vietnam Securities Depository and Clearing Corporation, and registered for additional listing on the Hanoi Stock Exchange after completing the issuance.
* The General Meeting of Shareholders authorized the Board of Directors to implement necessary procedures to register, deposit additional securities, and register to list all additional shares at the Vietnam Securities Depository and Clearing Corporation and the Hanoi Stock Exchange in accordance with the provisions of law.

‎‎Article 10. Approve the amendment of the operation and organization Charter; the internal regulations on corporate governance; the operational regulations of the Board of Directors; the operational regulations of the Supervisory Board of the Company.

‎‎Article 11. Approve the dismissal of the position of the Board of Directors and the position of the Supervisory Board for members of the Board of Directors, members of the Supervisory Board having resignations as follows:

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| --- | --- | --- |
| No. | Full name | Position |
| 1 | Mr. Tran Binh Duyen | Chair of the Board of Directors |
| 2 | Mr. Pham Hoang Linh | Independent member of the Board of Directors |
| 3 | Ms. Doan Thi Thu Hoai | Member of the Board of Directors |
| 4 | Ms. Nguyen Thi Tuyet Mai | Chief of the Supervisory Board |
| 5 | Ms. Tran Thi Thanh Tam | Members of the Supervisory Board |
| 6 | Ms. Duong Thi Ngoc | Members of the Supervisory Board |

‎‎Article 12. Approve the list of candidates for the position of independent members of the Board of Directors and members of the Supervisory Board for the remaining period of the 2021-2026 term

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| --- | --- | --- |
| No. | Full name | Candidate/nominated position |
| 1 | Nguyen Thi Ha | Independent member of the Board of Directors |
| 2 | Nguyen Diep Khanh Linh | Members of the Supervisory Board |
| 3 | Bui Cong Tuan | Members of the Supervisory Board |
| 4 | Dang Thi Khanh Ngan | Members of the Supervisory Board |

‎‎Article 13. Approve the list of elected candidates for positions of independent members of the Board of Directors and members of the Supervisory Board for the remaining period of the 2021-2026 term

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| --- | --- | --- |
| No. | Full name | Position |
| 1 | Nguyen Thi Ha | Independent member of the Board of Directors |
| 2 | Nguyen Diep Khanh Linh | Member of the Supervisory Board |
| 3 | Bui Cong Tuan | Member of the Supervisory Board |
| 4 | Dang Thi Khanh Ngan | Member of the Supervisory Board |

‎‎Article 14. Terms enforcement:

This General Mandate was approved at the Annual General Meeting of Shareholders 2024 and takes effect from May 31, 2024.

Members of the Board of Directors, the Board of Management, based on the General Mandate, to organize the implementation and implement according to their functions, tasks and authorities in accordance with the current provisions of law, the Operational Charter of Vietnam Medicinal Materials Joint Stock Company.