

## REPORT

### on the Corporate Governance in 2024

To: - State Securities Commission;  
- Hanoi Stock Exchange.

- Name of Company: **PHONG PHU PHARMACEUTICAL JOINT STOCK COMPANY**
- Head office address: Lot No. 12, Road 8, Tan Tao Industrial Park, Tan Tao A Ward, Binh Tan District, Ho Chi Minh City
- Phone: (028) 3754 7999; Fax: (028) 3754 7996; Email: thachthao@duocphongphu.vn
- Charter capital: 87,999,910,000 VND (Eighty-seven billion nine hundred and ninety-nine million nine hundred and ten thousand dong).
- Security code: PPP
- Corporate governance model:
- + General Meeting of Shareholders, Board of Directors, Board of Supervisors and General Director.
- Regarding the implementation of internal audit function: The Company has established an Internal Audit Department under the Board of Supervisors.

#### I. Activities of the General Meeting of Shareholders.

Information on meetings and Resolutions/Decisions of the General Meeting of Shareholders (including Resolutions of the General Meeting of Shareholders adopted in the form of written consultation):

No.	Resolution/Decision No.	Date	Content
1	01/2024/NQ-ĐHĐCĐ.PP	19/04/2024	<ul style="list-style-type: none"><li>- Approve the report of the Board of Directors and the report of the Board of Supervisors.</li><li>- Approve the Report of the independent member of the Board of Directors.</li><li>- Approve consolidated financial statements 2023.</li></ul>

			<ul style="list-style-type: none"> <li>- Approve the list of Auditing Companies for 2024; approve the authorization for the Board of Directors to select and assign the General Director to negotiate and sign an auditing contract with the unit selected by the Board of Directors.</li> <li>- Approve 2023 profit distribution and 2024 fund allocation plan.</li> <li>- Approve dividend payment plan for 2023.</li> <li>- Approve remuneration levels for members of the Board of Directors and Board of Supervisors in 2024.</li> </ul>
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## II. Board of Directors

### 1. Information about Board of Directors (BOD) members

No.	Member of the BOD	Position ( <i>Independent Board Member, Non-Executive Board Member</i> )	Date of commencement/cease being a member of the Board of Directors/Independent Board of Directors	
			Appointment date	Dismissal date
1	Le Thanh Truc	Chairman	18/04/2020	
2	Thai Nha Ngon	Deputy Chairman	18/04/2020	
3	Nguyen Thi Mai Nguyet	Independent, non-executive member	18/04/2020	
4	Pho Nghia Van	Independent, non-executive member	18/04/2020	

### 2. Meetings of Board of Directors:

No.	Member of the Board	No. of Board of Directors meetings attended	Meeting attendance rate	Reason for not attending the meeting
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1	Le Thanh Truc	08	100%	
2	Thai Nha Ngon	08	100%	
3	Nguyen Thi Mai Nguyet	08	100%	
4	Pho Nghia Van	08	100%	

3. Supervisory activities of the Board of Directors over the Board of Management:

- The Board of Directors regularly urges and supervises the management and execution of the Board of Directors and other executives in the production, business, investment and financial management activities of the Company.
- The Board of Directors regularly meets and works with the Board of Directors on production and business results and other issues to promptly and thoroughly resolve issues in the management of the Board of Management.
- The Board of Directors regularly monitors and supports the activities of the Board of Management and other management and execution tasks; coordinates with the Company's Board of Supervisors to inspect the implementation of the Resolution of the 2023 General Meeting of Shareholders, the Resolution of the 2024 General Meeting of Shareholders, the 2024 Resolutions of the Board of Directors and the disclosure of information by the General Director in accordance with current laws.
- Implement the plan to organize the 2024 Annual General Meeting of Shareholders.
- Supervise the direction and operation of production and business activities according to the 2024 plan.
- Direct the implementation of the quarterly financial reporting regime for 2024 and the Audit Report for 2023.
- Supervise to fully and timely implement policies and regimes for employees such as salary, bonus, social insurance, and welfare. ...
- Supervise the adjustments to a number of contents of the Salary, Bonus Payment Regulations and Welfare Policy in accordance with the actual situation of the Company.

4. Activities of subcommittees under the Board of Directors (if any): no subcommittee

5. Resolutions/Decisions of the Board of Directors:

No.	Resolution/Decision No.	Date	Description	Approval percentage
1	0124/NQ-HĐQT.PP	27/01/2024	Regarding approval on changes to a number of contents of the Regulations on salary, bonus payment and welfare policies	100%

2	0224/NQ-HĐQT.PP	23/02/2024	Regarding the advance payment of dividends for 2023 and the plan to organize the Annual General Meeting of Shareholders in 2024	100%
3	0324/NQ-HĐQT.PP	27/02/2024	Regarding the change of the interim payment date for dividend payment in 2023	100%
4	0424/NQ-HĐQT.PP	27/03/2024	Regarding the approval of the agenda and documents of the 2024 General Meeting of Shareholders	100%
5	0524/NQ-HĐQT.PP	07/06/2024	Regarding approval on the selection of an independent auditor for the 2024 financial statements	100%
6	0624/NQ-HĐQT.PP	25/10/2024	Regarding the approval on the revised and supplemented Information Disclosure Regulations	100%
7	0724/NQ-HĐQT.PP	30/12/2024	Regarding the approval on contracts and transactions between the Company and insiders and related persons of insiders	100%
8	0824/NQ-HĐQT.PP	30/12/2024	Regarding the approval on provisional business results for 2024 and business plan for 2025	100%

### III. Board of Supervisors

#### 1. Information about the members of the Board of Supervisors:

No.	Board Member	Position	Date of commencement/cease being a member of the Board of Supervisors		Qualification
			Date of appointment	Date of dismissal	
1	Nguyen Hoang Ngoc Chau	Head	18/04/2020		Bachelor of Banking and Finance
2	Nguyen Van Chac	Member	18/04/2020		Chemical engineer
3	Pham Thi Minh Tam	Member	18/04/2020		Bachelor of IT



## 2. Board of Supervisors meeting

No	Member of Board of Supervisors	Number of meetings attended	Meeting attendance rate	Voting rate	Reason for not attending the meeting
1	Nguyen Hoang Ngoc Chau	03	100%	100%	
2	Nguyen Van Chac	03	100%	100%	
3	Pham Thi Minh Chau	03	100%	100%	

## 3. Supervisory activities of the Board of Supervisors towards the Board of Directors, Executive Board and shareholders:

The Board of Supervisors is regularly updated by the Board of Directors with information from the Board of Directors and the Board of Management to have a plan to control the Company's operations in accordance with the actual situation.

- Supervise the Board of Directors in organizing the 2024 Annual General Meeting of Shareholders.
- Check and review the implementation of the Resolution of the General Meeting of Shareholders and the Resolution of the Board of Directors in 2024.
- Inspect and supervise the Board of Directors and the Board of Management in all activities of the Company in terms of compliance with legal regulations, the Charter, internal regulations and rules of the Company and contents related to information disclosure according to the provisions of Circular 96/2020/TT-BTC.
- Supervise the management and operation of production and business activities and financial activities of the Board of Management.
- Check the legality, rationality, honesty and level of prudence in the management and operation of the company.
- Check the annual, semi-annual, quarterly financial statements and the Company's income statement; Appraise the Company's financial statements according to Vietnamese accounting standards and accounting systems and have been audited by AFC Vietnam Auditing Company Limited.
- Review accounting books and other documents of the Company.
- Fully participate in Board of Directors meetings and give opinions on related issues.
- Approve the implementation of its tasks, the Board of Supervisors has made proposals and recommendations to the Board of Directors and the Board of Management to strengthen governance, improve the internal control system, and meet the strategic requirements and short-term and long-term business plans of the Company.

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4. Coordination of activities between the Board of Supervisors and the Board of Directors, the Executive Board and other executives:

The Board of Supervisors has an independent relationship with the Board of Directors and the Board of Management to perform its supervisory function. However, there is always close coordination amongst the Board of Supervisors, the Board of Directors and the Executive Board to regularly update the management and operation activities of the Board of Directors and the Board of Management, specifically:

- The Board of Directors has promptly updated the Board of Supervisors on the implementation of the Resolutions of the General Meeting of Shareholders. The Board of Management regularly updates the Board of Supervisors on the implementation of the Resolutions of the Board of Directors during the year.
- The Board of Supervisors fully attends all meetings of the Board of Directors, reviews the governance situation, production and business activities, and asset management activities of the Company.
- The Board of Management and the company's functional departments and offices have coordinated and facilitated to update the production and business activities, financial situation, and corporate governance situation, collecting information and documents for inspection and supervision work in a complete, clear, and timely manner when requested.

5. Other activities of the Board of Supervisors: none

#### IV. Executive Board

No	Member of Executive Board	Date of birth	Qualification	Date of commencement/cease being a member of the Executive Board	
				Date of appointment	Date of dismissal
1	Thai Nha Ngon		Bachelor of Business Administration	2014	

#### V. Chief Accountant

Full name	Date of birth	Qualification	Date of appointment
Nguyen Thi Anh Chi		Bachelor of Accounting and Auditing	01/08/2019



## VI. Training on Corporate governance:

Training courses on Corporate governance attended by members of the Board of Directors, members of the Board of Supervisors, Director (General Director), other executives and the Company Secretary in accordance with regulations on corporate governance: none

## VII. List of related persons of public companies and transactions of related persons of the company with the Company itself

1. List of related persons of the company: according to the attached Appendix

*Note: number of Certificate of owner \*: ID card/Passport number (for individuals) or Business Registration Certificate number, Operating License or equivalent legal documents (for organizations))*

2. Transactions between the company and related persons of the company; or between the company and major shareholders, insiders, and related persons of insiders:

No.	Name of Company	Business code	Relationship with the Company	Description
1	Usar Vietnam Co., Ltd.		Usar Vietnam Co., Ltd. is a 100% owned subsidiary of Phong Phu Pharmaceutical Joint Stock Company.	Contract for sale of goods, 55,596,989,615 VND

3. Transactions between company insiders, related persons of insiders and subsidiaries, companies controlled by the company: none

4. Transactions between the company and other entities:

4.1. Transactions between the company and companies in which members of the Board of Directors, members of the Board of Supervisors, Directors (General Directors) and other executives have been founding members or members of the Board of Directors, Directors (General Directors) within the last three (03) years (calculated at the time of preparing the report).

No.	Company's name	Business code	Relationship with insiders	Description
1	AN MEDICOL PHARMA CO., LTD		General Director of AN MEDICOL PHARMA Company is a member of the Board of Directors.	Contract for the sale of goods, 11,301,014,519 VND
2	Unite Pharmaceutical Joint Stock Company		The General Director of Unite Pharmaceutical Joint Stock	Contract for the sale of goods, 4,116,467,454 VND

		Company is a member of the Board of Directors.	
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- 4.2. Transactions between the company and companies in which related persons of members of the Board of Directors, members of the Board of Supervisors, Directors (General Directors) and other managers are members of the Board of Directors, Directors (General Directors) and executives:

No.	Company's name	Business code	Relationship with insiders	Content, quantity, total transaction value
1	Minh Luan Precision Mechanical Company Limited		The Director of Minh Luan Precision Mechanical Company Limited is a related person of the Member of the Company's Board of Supervisors.	Contract for supply, repair, and processing of equipment, materials, mechanical machinery, molds, mortars and pestles with a value of 102,190,000 VND
2	Tuyen Hiep Company Limited		The Director of Tuyen Hiep Company Limited is a related person with the Board Member of the Company.	Principal contract with a value of 151,356,454 VND

- 4.3. Other transactions of the company (if any) that may bring material or non-material benefits to members of the Board of Directors, members of the Board of Supervisors, Director (General Director) and other executives: none

#### VIII. Stock transactions of insiders and related parties of insiders:

1. List of insiders and related persons of insiders: according to attached appendix.
2. Transactions of insiders and related persons on company shares: none

#### IX. Other issues to note: None.

To:

- As above;
- Kept files.

**CHAIRMAN OF THE BOARD**

(Sign, full name and seal)



**Le Thanh Truc**



# Appendix: List of insiders and related persons of insiders

Security code: PPP  
**PHONG PHU PHARMACEUTICAL JOINT STOCK COMPANY**

No.	Security code	Full name	Position at the company	Relationship with insiders	ID number/Passport	Issue date	Date of commencement of insiders and related persons of insiders	Note
1	2	3	4	5	7	8	9	10
1	PPP	Le Thanh Truc	Chairman of the Board				18/04/2020	
1.01	PPP	Thai Nha Ngon		Husband				
1.02	PPP	Thai Tu Minh Phuong		Daughter				
1.03	PPP	Thai Tu Thien Phuong		Daughter				
1.04	PPP	Nguyen Thi Thanh Nhu		Mother				
1.05	PPP	Le Viet Hung		Brother				
1.06	PPP	Nguyen Thi Minh		Sister-in-law				
1.07	PPP	Le Thi Thanh Mai		Sister				
1.08	PPP	Nguyen Tuan Khanh		Brother-in-law				
1.09	PPP	Le Viet Hung		Brother				
1.10	PPP	Le Thi Hoa Hong		Sister-in-law				
1.11	PPP	Thai Hoan		Father-in-law				
2	PPP	Thai Nha Ngon	Deputy Chairman, General Director Legal representative				18/04/2020	
2.01	PPP	Le Thanh Truc		Wife				
2.02	PPP	Thai Tu Minh Phuong		Daughter				
2.03	PPP	Thai Tu Thien Phuong		Daughter				
2.04	PPP	Thai Hoan		Father				
2.05	PPP	Thai Thi Thuc Hue		Sister				
2.06	PPP	To Xec		Brother-in-law				
2.07	PPP	Thai Thuc Dung		Sister				
2.08	PPP	Dang Trung		Brother-in-law				
2.09	PPP	Thai Thuc Ngan		Sister				
2.10	PPP	Thach Thanh Hung		Brother-in-law				
2.11	PPP	Thai Thuc Tuyen		Sister				
2.12	PPP	Pho Khanh Binh		Brother-in-law				
2.13	PPP	Nguyen Thi Thanh Nhu		Mother-in-law				
3	PPP	Nguyen Thi Mai Nguyet	Member of the Board				18/04/2020	
3.01	PPP	Hoang Xuan An		Husband				
3.02	PPP	Hoang Thi Thanh Huong		Daughter				
3.03	PPP	Hoang Chau Anh		Daughter				
3.04	PPP	Hoang Xuan Minh		Daughter				
3.05	PPP	Nguyen Van Ky		Father				
3.06	PPP	Mai Thi Thanh Ngo		Mother				
3.07	PPP	Nguyen Nguyet Hang		Sister				
3.08	PPP	Pham Thi Ranh		Mother-in-law				





No.	Security code	Full name	Position at the company	Relationship with insiders	ID number/Passport	Issue date	Date of commencement of insiders and related persons of insiders	Note
3.09	PPP	An Medicol Pharma Co., Ltd		Nguyen Thi Mai Nguyet is General Director of An Medicol				
3.10	PPP	Unite Pharmaceutical Joint Stock Company		Nguyen Thi Mai Nguyet is General Director of Unite Pharmaceutical				
4	PPP	<b>Pho Nghia Van</b>	<b>Member of the Board</b>				18/04/2020	
4.01	PPP	Dinh Hoang Yen		Wife				
4.02	PPP	Pho Vinh Sam		Son				
4.03	PPP	Pho Khanh Binh		Father				
4.04	PPP	Thai Thuc Tuyen		Mother				
4.05	PPP	Pho Kha Tuan		Brother				
4.06	PPP	Nguyen Thi Thanh Dao		Mother-in-law				
5	PPP	<b>Nguyen Thi Anh Chi</b>	<b>Chief Accountant</b>				18/04/2020	
5.01	PPP	Mai Xuan Thanh		Husband				
5.02	PPP	Mai Xuan Minh		Son				
5.03	PPP	Mai Anh Minh		Daughter				
5.04	PPP	Pham Thi To Lang		Mother				
5.05	PPP	Tran Thi To Uyen		Sister				
5.06	PPP	Tran Thi To Trinh		Sister				
5.07	PPP	Nguyen Thi To Nhu		Sister				
5.08	PPP	Sunrise Farm Co., Ltd		Nguyen Thi Anh Chi is Chief Accountant of Sunrise Farm				
6	PPP	<b>Nguyen Hoang Ngoc Chau</b>	<b>Head of the Board of Supervisors Head of Internal Audit Department</b>				18/04/2020	
6.01	PPP	Nguyen Hoang An		Father				
6.02	PPP	Nguyen Thi Nhi		Mother				
7	PPP	<b>Nguyen Van Chac</b>	<b>Members of the Board of Supervisors Member of Internal Audit Department</b>				18/04/2020	
7.01	PPP	Dang Thuc Doan		Wife				
7.02	PPP	Nguyen Ngoc Minh Khue		Daughter				
7.03	PPP	Nguyen Van Thong		Father				
7.04	PPP	Nguyen Hong Du		Sister				
7.05	PPP	Nguyen Van Tam		Brother-in-law				
7.06	PPP	Nguyen Hong Dam		Sister				
7.07	PPP	Bui Chi Kien		Brother-in-law				
7.08	PPP	Nguyen Hong Dang		Sister				
7.09	PPP	Ho Van Bay		Brother-in-law				



No.	Security code	Full name	Position at the company	Relationship with insiders	ID number/Passport	Issue date	Date of commencement of insiders and related persons of insiders	Note
7.10	PPP	Nguyen Hong Nhan		Brother				
7.11	PPP	Tran Thi Nhu		Sister-in-law				
7.12	PPP	Dang Trung		Father-in-law				
7.13	PPP	Thai Thuc Dung		Mother-in-law				
8	PPP	<b>Pham Thi Minh Tam</b>	<b>Members of the Board of Supervisors</b>				18/04/2020	
8.01	PPP	Nguyen Tien Quoc		Husband				
8.02	PPP	Pham Ngoc Dan		Father				
8.03	PPP	Nguyen Thi Mai		Mother				
8.04	PPP	Pham Minh Nhat		Brother				
8.05	PPP	Pham Minh Quan		Brother				
8.06	PPP	Pham Minh Luan		Brother				
8.07	PPP	Nguyen Thi Nga		Sister-in-law				
8.08	PPP	Dang Thi Cuc		Mother-in-law				
9	PPP	<b>Pham Thi Thach Thao</b>	<b>Company Secretary Person in charge of corporate governance</b>				18/04/2020	
9.01	PPP	Nguyen Duy Lam		Husband				
9.02	PPP	Nguyen Duy Loi		Son				
9.03	PPP	Pham Van Khanh		Father				
9.04	PPP	Huynh Thi Ha		Mother				
9.05	PPP	Pham Hoang Viet		Brother				
9.06	PPP	Ho Thi Mai Tram		Sister-in-law				
9.07	PPP	Pham Thi Dieu Hien		Sister				
9.08	PPP	Nguyen Duy An		Brother-in-law				
9.09	PPP	Nguyen Tau		Father-in-law				
9.10	PPP	Tran Thi Sam		Mother-in-law				
10	PPP	<b>Party cell of Phong Phu Pharmaceutical Joint stock Company</b>		<b>Socio-political organizations</b>				
11	PPP	<b>Company union of Phong Phu Pharmaceutical Joint stock Company</b>		<b>Socio-political organizations</b>				
12	PPP	<b>Youth union of Phong Phu Pharmaceutical Joint stock Company</b>		<b>Socio-political organizations</b>				
13	PPP	<b>Usar Vietnam Co., Ltd.</b>		<b>Subsidiary</b>				
13.01	PPP	Nguyen Van Chac		Director, Legal representative				



*Handwritten signature/initials*