

No.: 12/TTr-HĐQT

Cao Lanh City, April 07th, 2023

*Re. Issuance of additional shares to
increase charter capital*

To: THE ANNUAL GENERAL MEETING 2023

Pursuant to the Law on Enterprises No. 59/2020/QH14 enacted by the National Assembly of the Socialist Republic of Viet Nam on June 17, 2020;

Pursuant to the Law on Securities No. 54/2019/QH14 enacted by the National Assembly of the Socialist Republic of Viet Nam on November 26, 2019;

Pursuant to Decree No. 155/2020/ND-CP dated December 31, 2020 by the Government detailing the implementation of some articles in the Law on Securities;

Pursuant to Circular No. 118/2020/TT-BTC dated December 31, 2020 of the Ministry of Finance guiding the offering and issuance of securities, tender offer, share repurchase, registration and delisting of public companies;

Pursuant to Imexpharm Corporation's Charter;

The Board of Directors of Imexpharm Corporation would like to submit to the general meeting of shareholders for approval of the plan for issuing additional shares to increase charter capital and listing additional shares on Ho Chi Minh City Stock Exchange in 2023, specifically as follows:

By December 31, 2022, the charter capital was VND667,053,700,000, equivalent to 66,705,370 shares, including 66,671,570 outstanding shares and 33,800 treasury stocks;

A. Issue 1: Plan for issuance of additional shares to increase charter capital**I. Issuance of additional shares to pay dividends in shares to existing Shareholders**

1. Issuance purpose: Pay dividends in shares to existing shareholders to increase charter capital, improve the image and scale of the company.
2. Issuance Plan:
 - Name of share: Shares of Imexpharm Corporation
 - Ticker Symbol: IMP
 - Class of share: Ordinary shares
 - Par value: VND 10,000/share
 - Number of shares issued: Expected to be 3,333,578 shares (5% of the outstanding shares)



- Total par value issued: VND 33,335,780,000
 - Eligible subscriber: Existing shareholders
 - Payment method: Right exercise
 - Dividend payment ratio: 100:5 (shareholders owning 100 shares on the record date of the list of eligible shareholders will receive 5 new shares).
 - The number of additional shares issued to pay dividends in shares will be rounded down to the nearest integer. The decimal fraction (if any) will not be counted (the number of fractional shares is considered unissued)
- For example: Shareholder A owns 559 shares at the record date of the list of eligible shareholders. With the payment ratio of 100:5, Mr. A will receive $559 \times 5 : 100 = 27.95$ new shares. Thus, Mr. A will receive 27 new shares.
- Source of capital: Profit after CIT in 2022
 - Number of shares after issuance to existing shareholders: tentative: 70,005,148 shares
 - Time of issuance: Quarters 2-4/2023

II. Offer according to the Employee Stock Option Plan (Key employees under ESOP), issued simultaneously with shares issued to pay dividends in shares to existing shareholders

1. Issuance purpose:

- Create attachment, recognize the contributions of key employees to the Company, acting as the foundation for the robust and sustainable development of the Company.
- Increase charter capital to supplement owner's equity for the needs of production and business activities of the Company.

2. Issuance plan

- Name of share: Shares of Imexpharm Corporation
- Ticker Symbol: IMP
- Class of share: Ordinary shares
- Number of outstanding shares as at December 31, 2022: 66,671,570 shares
- Number of shares issued: Expected to be 3,333,578 shares, equivalent to 5% of the outstanding shares
- Par value: VND 10,000/share
- Total par value issued: VND 33,335,780,000
- Expected time of issuance: Quarters 2-4/2023

The General Meeting of Shareholders authorizes the Board of Directors to decide the time to issue ESOP shares in compliance with law and the market situation, following the writing approval for ESOP share issuance of the State Securities Commission.

- Eligible subscriber, form of issuance: distribution according to the employee stock option plan (key employees) of the Company. Criteria for evaluation and selection, distribution list, and specific regulations are authorized by shareholders to the Board of Directors to consider and decide based on the Regulation on the issuance of shares to key employees promulgated by the Board of Directors.
 - Offering price: VND 10,000/share
 - Related restrictions: Shares issued to key employees are subject to transfer restriction for 02 years and/or 3 years from the date of completion of the offering. Specifically, each subject of transfer restriction authorizes the Board of Directors to decide as follows:
 - Transfer restriction: 02 years
 - + After 12 months from the date of offering completion: allowed to transfer 50% of the shares.
 - + After 24 months from the date of offering completion: allowed to transfer 50% of the shares.
 - Transfer restriction: 03 years
 - + After 12 months from the date of offering completion: allowed to transfer 30% of the shares.
 - + After 24 months from the date of offering completion: allowed to transfer 30% of the shares.
 - + After 36 months from the date of offering completion: allowed to transfer 40% of the shares.
 - The number of shares, which a key employee is approved to buy but refused to do so, will be considered by the Board of Directors to continue to be distributed to other employees.
3. Plan to use the proceeds from ESOP: The proceeds from the issuance of the Company will be immediately added to the capital resources for its production and business activities right after completing the report on the issuance results to the State Securities Commission.

It is expected that after issuing shares according to the proposal, the company's charter capital will be: VND733,725,260,000, equivalent to 73,372,526 shares.

B. Issue 2: Approval of the listing and depository of all additional shares issued under the above plan at the Ho Chi Minh City Stock Exchange and the Vietnam Securities Depository Center


C. Issue 3: Implementation

Approval of authorization for BOD to

- Select a consulting firm and an appropriate time to develop and implement the issuance plan, carry out the necessary procedures related to the issuance plan completion, apply for issuance permission and implement it in accordance with the Company's Charter and applicable laws, ensuring the interests of shareholders.

- Authorize the Board of Directors to consider and decide each subject according to the Evaluation Criteria, select a list of key employees entitled to buy shares based on the Regulation on the issuance of shares to key employees promulgated by the Board of Directors; the number of shares, which a key employee is approved to buy but refused to do so, will be considered by the Board of Directors to continue to be distributed to other employees.
- If needed, the Board of Directors is entitled to adjust and amend the contents of this issuance plan upon consultation of competent State agencies in compliance with the provisions of law and the Company's Charter (if any). Explain the application for issuance permission to the State Securities Commission and other authorities.
- Handle odd lots, shares not registered for subscription or suspended offering. Develop a responding plan in case the proceeds from offering are insufficient as expected.
- Approve contracts and other documents related to the issuance of shares.
- Carry out procedures for recording the list of shareholders for the share issuance. Complete the necessary procedures to increase the Charter capital of the Company
- Register to increase charter capital, while making amendments and supplements to the Company's Charter, Business Registration Certificate, and handle related issues to ensure compliance with relevant laws.
- Register for additional depository and listing of all newly issued shares in accordance with regulations on Ho Chi Minh City Stock Exchange.
- On a case-by-case basis, the Board of Directors is authorized to authorize the General Director to perform one or some of the specific tasks mentioned above.

We would like to seek consideration and approval of the General Meeting of Shareholders.

Sincerely. 

ON BEHALF OF THE BOARD OF DIRECTORS
CHAIRMAN




NGUYEN QUOC DINH