

Cantho, 11th June, 2019

VOTING RULES OF THE BOARD OF DIRECTORS
TERM IV (2019 – 2023) OF DHG PHARMACEUTICAL JSC

- Pursuant to the Law on Enterprises No.68/2014/QH13 dated 26 Nov 2014;
- Pursuant to the Charter of DHG Pharmaceutical JSC (DHG Pharma) issued on 06 Aug 2018,

The Annual General Meeting of Shareholders (AGM) 2018 of DHG Pharma conducts the election of the Board of Directors (BOD) Term IV (2019 – 2023) in accordance with the following provisions:

Article 1: Subjects to execute voting

All shareholders owning voting shares or their proxies, who are entitled to vote (according to the list of shareholders dated 15 May 2019), present at the time of voting, complete the registration procedures and sign in the list of shareholders attending the meeting shall have the right to elect the BOD members.

Article 2: Voting Principles

- a. Legitimate: The candidacy, nomination, election and announcement of voting results must comply with the provisions of law, the Charter and the Internal Regulation on Corporate Governance.
- b. Equality: Each shareholder has the right to vote corresponding to the number of ordinary shares held. No one is allowed to interfere, prohibit shareholders from exercising their voting rights.
- c. Publicity: The candidacy and election are publicly implemented under the witness of the Meeting, supervised by the Board of Supervisory and shareholders' representatives throughout the election process.

Article 3: Number of elected BOD members

Number of the BOD members Term IV (2019-2023): seven (07) BOD members. In which: the number of independent BOD members is two (02) members.

Article 4: The rights to run for election or nomination of BOD members

Pursuant to the content of Article 33 in the Charter of DHG Pharma on candidacy and nomination of the BOD:

- a. Shareholders who are holding 5% or more of their voting shares for at least six consecutive months have the right to add up the number of voting rights of each other to nominate candidates for the BOD.

A shareholder or a group of shareholders who are holding from 5% to under 10% of the total number of voting shares shall be entitled to nominate one (01) candidate; from 10% to under 30% may nominate up to two (02) candidates; from 30% to under 40% may nominate up to three (03) candidates; from 40% to under 50% shall be entitled to nominate up to four (04) candidates; from 50% to under 60% shall be entitled to nominate up to five (05) candidates; from 60% to under 70% shall be entitled to nominate up to six (06) candidates; from 70% to under 80% shall be entitled to nominate up to seven (07) candidates and from 80% to under 90% shall be entitled to nominate up to eight (08) candidates.

- b. When the number of the candidates for the BOD through the nomination and the candidacy fails to reach the minimum number, the incumbent BOD can introduce or nominate more candidates in accordance with this Charter and Internal Regulation on Corporate Governance. The introduction of candidates by the BOD must be published clearly before the General Meeting of Shareholders votes for the BOD members.

Article 5: Criteria and conditions to become a BOD member

Pursuant to the content of Article 34 in the Charter of DHG Pharma, the BOD members must have the following standards and conditions:

- Have full civil act capacity and not being subjects banned from the management of enterprises according to the provisions of Clause 2, Article 18 of the Law on Enterprises;
- Have professional qualifications, experience in business management of DHG PHARMA and not necessarily being DHG PHARMA's shareholders;
- A BOD member can concurrently be a BOD member of another company, but not be a BOD member of over five (05) other companies from 01 Aug 2019.

Pursuant to the content of Article 2 in the Charter of DHG Pharma, independent members of the BOD must satisfy the following standards and conditions:

- Not being a current employee of DHG PHARMA or its subsidiaries; Not being a person that used to work for DHG PHARMA or its subsidiaries over the previous three (03) consecutive years;
- Not being a person receiving salaries, wages from DHG PHARMA, except for the benefits to which the members of the Board of Directors are entitled in line with provisions;
- Not having a spouse, birth parent or sibling being a major shareholder of DHG PHARMA; being an Enterprise Executive of DHG PHARMA or DHG PHARMA's subsidiaries;
- Not directly or indirectly holding at least one percent (1%) of DHG PHARMA's voting shares;

- Not ever holding the position of members of the Board of Directors, the Board of Supervisory of DHG PHARMA for at least previous five (05) consecutive years.

Article 6: Application for nomination and candidacy of the BOD

A shareholder or a group of shareholders who is eligible to participate in the nomination and candidacy of the BOD members Term IV (2019 – 2023) of DHG Pharma, please kindly send your candidacy and nomination application to:

Ms. Le Thi Hong Nhung – BOD Secretary, Finance Director of DHG Pharma

Address: 288 Bis Nguyen Van Cu, An Hoa Ward, Ninh Kieu Dist., Cantho City

Email: hongnhung@dhgpharma.com.vn

Tel: 02923 891433 (242) Fax: 02923 895209

Deadline for submission of application: **4:00pm, 27 May 2019.**

Application includes:

- Application of nomination and candidacy of the BOD members Term IV (2019 – 2023).
- Curriculum vitae declared by the candidate.
- Declaration for the purpose of verifying independence for candidates of the independent members of the BOD.
- A copy of ID card/citizen identification/passport of the candidate/nominated person.
- A valid nomination letter (in case shareholders authorize others to nominate).

After the end of the above period, all cases of nomination and candidacy will not be considered for settlement. Only the nomination and candidacy records that satisfy the nomination, candidacy conditions, and candidates who meet the corresponding criteria of the new BOD members are recognized in the list of candidates announced at the Meeting.

Article 7: Method of election

- a. The election for the BOD members is conducted by the method of secret ballot using cumulative voting.
- b. Each shareholder is entitled to receive 01 vote for the BOD member with name, code of the shareholder, number of shares owned and total votes for the BOD. Accordingly, the total number of votes corresponding to the total number of shares held (including ownership and authorized) is multiplied by the number of elected BOD members.
- c. The total number of votes is filled on each vote as follows:

- **Total number of votes for the BOD = Number of shares x 7.**

d. When conducting the election, shareholder/shareholder's representative may choose one of the two following methods to elect the BOD members:

- *Electing by marking method: only mark (X) in the "Number of votes" column. In case only one (01) candidate is selected, the number of votes for the selected candidate is all the votes cast by the shareholders for the trusted candidate. In case there are two (02) or more candidates selected, the total number of votes will be divided equally among the selected candidates.*
- *Electing by writing down the number of votes method: Directly write the number of votes for selected candidates. The total number of votes for a shareholder's candidate does not exceed the total number of votes cast by that shareholder.*

Note:

- *Shareholders only select one out of two methods to elect the BOD members. If the shareholders perform both methods at the same time or leave the votes blank, the votes are considered invalid.*
- *In case shareholders/shareholders' representative(s) want to modify the votes due to mistakes, shareholders are requested not to erase or smear, and must follow one of the following two methods:*
 - + *Method 1: Cross out the checked box, sign next to the crossed out box and mark the remaining boxes.*
 - + *Method 2: Cross out the number of votes that were written incorrectly and write the new number of votes next to the crossed out and sign.*

Example of cumulative voting principle:

Shareholder A represents 1,000 shares, elects 07 BOD members, the total number of votes of shareholder A is **1,000 shares * 7 = 7,000 votes.**

Shareholder A conducts the election:

Shareholder A chooses **one** of **two** methods as follows:

Example 1: Shareholder A elects all 7,000 votes to candidate 3.

No.	Name of candidate	Number of votes (Method 1)	Number of votes (Method 2)
1.	Candidate1		
2.	Candidate2		
3.	Candidate3	X	7,000
4.	Candidate4		
5.	Candidate5		
6.	Candidate6		
7.	Candidate7		

Example 2: Shareholder A could vote for 2 candidates. Each candidate has 3,500 votes (equal division).

No.	Name of candidate	Number of votes (Method 1)	Number of votes (Method 2)
1.	Candidate1		
2.	Candidate2		
3.	Candidate3	X	3,500
4.	Candidate4		
5.	Candidate5		
6.	Candidate6	X	3,500
7.	Candidate7		

Example 3: Shareholder A evenly divides his 7,000 votes into 07 candidates (1,000 votes/candidate).

No.	Name of candidate	Number of votes (Method 1)	Number of votes (Method 2)
1.	Candidate1	X	1,000
2.	Candidate2	X	1,000
3.	Candidate3	X	1,000
4.	Candidate4	X	1,000
5.	Candidate5	X	1,000
6.	Candidate6	X	1,000
7.	Candidate7	X	1,000

Example 4: Shareholder A elects each candidate with a different number of votes. Method 2 can only be applied in this case.

No.	Name of candidate	Number of votes (Method 2)
1.	Candidate1	1,000
2.	Candidate2	500
3.	Candidate3	2,000
4.	Candidate4	1,200
5.	Candidate5	400
6.	Candidate6	600
7.	Candidate7	1,300

- e. Cases of invalid ballot:
 - Ballot is not issued by the Organizing Board.
 - The number of elected people is greater than the number of specified people.
 - Ballot is erased and revised the content.
 - Ballot includes the person who is not on the nomination and candidacy list approved by the General Meeting of Shareholders before the election.
 - Ballot has the total number of voting rights for the candidate greater than the total number of voting rights inscribed on the ballot.

- Shareholders perform both methods at the same time (method of marking and method of writing down the number of votes on the election ballot).
- Ballots are not signed by the person exercising the right to vote.

Article 8: Vote Counting Committee, Supervision of the execution of voting and vote counting:

- a. The Supervision Committee is responsible for supervising the process of delivering the ballots, voting and vote counting.
- b. The Vote Counting Committee is responsible for guiding the regulation on the election, delivering election ballots, checking and supervising the voting, counting the ballots, making minutes and declaring the vote counting result at the Meeting and submitting the minutes to the Chairman of the Meeting later on. A technical team from the Company convened by the Organizing Board shall support the Vote Counting Committee.
- c. Procedures of voting and vote-counting:
 - The Vote Counting Committee shall check the ballot box in front of all shareholders attending the Meeting.
 - The voting shall begin upon the order of the Chairman and shall end once the last shareholder put his/her ballot into the box.
 - Election results will be calculated in percentage (%) and rounded to two (02) decimal numbers.
 - The Voting Counting Committee shall be responsible for aggregating the voting result and made in minutes of the vote-counting.
 - The minutes of the vote-counting shall be signed by members of Voting Counting Committee to confirm the accuracy, transparency and in concordance with the principles and procedure of counting the votes.
 - The Head of the Vote Counting Committee shall declare the minutes of the vote-counting at the Meeting.

Article 9: Principles for selection of an elected member

- The selection of an elected member shall be determined based on the number of votes calculated from high to low, starting from the candidates winning the highest number of votes until sufficient members are obtained in accordance with the Company's Charter.
- In which, independent candidates will firstly be selected (pursuant to the rate of votes in descending order separately for independent BOD members). After having obtained a sufficient number of independent members as prescribed, the selection of BOD member will be calculated by rate of votes in

descending order (including the non-independent and remaining dependent candidates for the BOD).

- In case where two (02) or more candidates have the same votes for the position of the last member of the BOD, it shall be re-elected among candidates who have the same votes in accordance with principles of an elected member as above.

Article 10: Claims on the election and vote counting

- The Head of the Vote Counting Committee shall explain the shareholder's concerns on the Election Regulation (if any) on behalf of the Vote Counting Committee at the Meeting.
- The Chairman of the AGM shall resolve complaints about the election and the election result of the BOD members at the Meeting.
- All complaints and their resolution shall be recorded in the minutes of the meeting.

Article 11: Execution provision

- This Regulation shall be effective from the date the AGM 2018 passed this regulation and shall be the legal basis for the election of BOD members at the AGM 2018 of DHG Pharma.

**ON BEHALF OF THE ORGANIZING BOARD
DEPUTY HEAD**

Doan Dinh Duy Khuong

[NOTICE: This Convocation Notice is a translation of the Vietnamese language original for convenience purpose only, and in the event of any discrepancy, the Vietnamese language original shall prevail.]