

RESOLUTION ON 2016 ANNUAL GENERAL MEETING OF DHG PHARMA

2016 ANNUAL GENERAL MEETING OF DHG PHARMA

- Based on the Regulations of Organization and Operations issued by DHG Pharma;
- Based on the Statements and Reports of the Board of Directors and Board of Supervisory submitted to the Annual General Meeting 2016 dated 18 April 2017;
- Base on the Minute No.003/2017/BB.ĐHĐCĐ of the 2016 Annual General Meeting of DHG Pharma dated 18 April 2017,

RESOLUTION

The 2016 Annual General Meeting of DHG Pharma unanimously passed the contents as below:

Article 1: Approved the reports of the BOD regarding business results of DHG Pharma in 2016; Activities and Remuneration of the BOD in 2016; Investment plan and revenue target in 2017; Report of the BOS in 2016; FY 2016 Consolidated financial statement audited by Deloitte Vietnam Company Ltd.

| No. | Items | Unit | 2016 |
|-----|---|----------|--------|
| 1. | Total assets at 31 Dec 2016 | VND bil. | 3,946 |
| 2. | Owner's equity as at 31 Dec 2016 | VND bil. | 2,894 |
| 3. | Net sales | VND bil. | 3,783 |
| 4. | Profit before tax | VND bil. | 757 |
| 5. | Profit after tax | VND bil. | 713 |
| 6. | Profit after tax of parent company's shareholders | VND bil. | 710 |
| 7. | EPS (Earnings per share) | VND | 6,993 |
| 8. | ROS (PAT/ Net sales) | % | 18.85% |
| 9. | ROA (PAT / Average total assets) | % | 19.51% |
| 10. | ROE (PAT / Average owner's equity) | % | 26.34% |

In 2017, If there are arising activities such as investment of fixed assets and leases, mergers and acquisitions, pledge, mortgage and assets selling must comply with the regulations and internal charters of the Company.

Article 2: Consolidated business target in 2017:

| Target | Implementation of Year 2016 | Plan of 2017 | +/- 2017/ 2016 |
|--|-----------------------------|----------------|----------------|
| Net sales | 3,783 VND bil. | 4,369 VND bil. | 15.5% |
| PBT before deduction from Science & Technology Fund | 757 VND bil. | 820 VND bil. | 8.4% |
| Deduction from Science & Technology Fund | | 20 VND bil. | |
| PBT after the deduction from Science & Technology Fund | 757 VND bil. | 800 VND bil. | 5.7% |

Article 3: Approve profit distribution 2016 and Balance of funds after profit distribution 2016

Profit Distribution 2016:

| Target | Appropriation rate 2016 | Amount (VND) |
|--|---|------------------------|
| Consolidated profit after tax of parent company's shareholders for attribution (1) | | 710,101,428,166 |
| Dividends for 2016 (2) | 35% nominal value (by cash) | 305,075,155,000 |
| Deduction from bonus and welfare fund (3) | 12% consolidated PAT of parent company's shareholders (*) | 85,212,171,380 |
| Remuneration for BOD, BOS, and collaborators (4) | Implementation as planned | 5,000,000,000 |
| Bonus for BOD, BOS, collaborators, Executive Board and key staffs (5) | Implementation as planned | 6,070,021,247 |
| The remaining profit will be added to the Investment & Development Fund (6) = (1-2-3-4-5) | The remaining | 308,744,080,539 |

(*) In which: Additional of 2% consolidated PAT of parent company's shareholders to be used as a source of money to buy shares to reward managers, members assisting the BOD and key staffs and excellent individuals, ... under the purpose "Attract and Retain Talent". It also creates motivation to work effectively, to complete business targets 2016-2020 and to associate benefits with employees.

Balance of funds after profit distribution 2016:

| No. | Content | Balance at 12/31/2016 | Profit distribution 2016 | Balance after profit distribution 2016 |
|-----|-------------------------------|-----------------------|--------------------------|--|
| 1. | Bonus and welfare fund | 27,749,019,305 | 85,212,171,380 | 112,961,190,685 |
| | + Added by parent Company | 23,284,835,838 | 85,212,171,380 | 108,497,007,218 |
| | + Added by | 4,464,183,467 | - | 4,464,183,467 |

| | | | | |
|-----------|---|--------------------------|------------------------|--------------------------|
| | <i>subsidiaries 100% owned by DHG Pharma</i> | | | |
| 2. | Remuneration, bonus Fund of the BOD, BS, BOM | 6,862,390,429 | 14,068,884,894 | 20,931,275,323 |
| | + Added by parent Company | 6,822,310,000 | 11,070,021,247 | 17,892,331,247 |
| | + Added by subsidiaries 100% owned by DHG Pharma | 40,080,429 | 2,998,863,647 | 3,038,944,076 |
| 3. | Investment & Development Fund | 1,204,418,584,654 | 308,744,080,539 | 1,513,162,665,193 |
| | + Added by parent Company | 1,204,418,584,654 | 308,744,080,539 | 1,513,162,665,193 |
| | + Added by subsidiaries 100% owned by DHG Pharma | - | - | - |

Balance of the funds does not include subsidiaries 51% owned by DHG Pharma (SH Pharma and Fuji Medic)

Article 4: Approve profit distribution plan of 2017:

| Target | Estimated appropriation rate in 2017 |
|--|--|
| Consolidated profit after tax of parent company's shareholders for attribution | |
| Dividends for 2017 | 30% nominal value (by cash) |
| Appropriating to the Bonus, welfare fund | 10% consolidated PAT of parent company's shareholders |
| Remuneration for BOD, BS, and collaborators | 5,000,000,000 dong |
| Bonus for BOD, BS, collaborators, Executive Board, key staffs in 2017 | 5% growth of consolidated PAT of parent company's shareholders |
| The remaining profit added to the Investment & Development fund | The remaining |

Article 5: Authorize the Board of Directors in collaboration with the Board of Supervisory to select one of the following two independent audit units to audit the financial statements in 2017 of DHG Pharma and its subsidiaries:

1. Deloitte Vietnam Company Ltd.
2. Pricewaterhouse Coopers Vietnam Ltd. (PwC)

Article 6: Approve the redemption plan of treasury shares to sell to employees at preferential pricing:

- Principle: buy treasury shares to sell to employees at preferential pricing.
- Condition for implementation: The Company must exceed the consolidated PAT plan in 2017 and 2018. This target was approved by the Board of Directors in

accordance with Resolution No.004/2016/NQ.HDQT dated 05 April 2016 in the 5-year strategy (2016-2020) as follows:

| Target | 2017 | 2018 |
|--------------------------------|-------------|-------------|
| Consolidated PAT (billion VND) | 768 | 857 |

- The number of shares per year: based on the completion rate of annual after-tax profit and no more than 500,000 shares per year.
- Preferential pricing for employees: not lower than the consolidated book value of the Company in accordance with the latest audited financial statement.
- Issued subjects: Management staffs, assistants to the BOD, key staffs, excellent individuals, and other special cases approved by the BOD (including subsidiaries of DHG Pharma).
- Expected time: 2018, 2019.
- Transfer limitation of each issuance: 03 years from the date when all selected members complete the payment of shares.
- Preferential source for employees to buy treasury shares: no more than 50% of exceeded after-tax profit of 2017 and 2018 plan.
- Funds for buying of treasury shares including members who are selected to make payment, Capital surplus and Investment & Development fund.
- At the same time, Trade Union is allowed to use Bonus and Welfare fund and be a representative to buy shares rewarding the above members.
- Authorize the Board of Directors to:
 - + Develop regulations and implementation of the program.
 - + Decide the quantity of shares, the buying pricing of treasury shares, the preferential selling price for selected members and handle excess and shortage of shares.
 - + Decide selection criteria, distribution list and number of shares distributed to each selected member each year.
 - + To assign the regulation of share withdrawal in case members who are allowed to sell bonus shares quit their jobs during the period of transfer restriction.
 - + Case by case, the Board of Directors may authorize the General Director to perform one or more of the above mentioned tasks.

Article 7: Approve the plan of issuance of shares to increase share capital from owners' equity. Issued rate: 2:1

- Name of issued share: DHG Pharmaceutical Joint Stock Company
- Stock code: DHG
- Type of shares: Common share
- Share value: VND 10,000/share (Ten thousand dong/share)
- Total issued shares: 87,164,330 shares
- Outstanding shares: 87,164,330 shares

- Number of treasury shares: 0 share
- Issued rate: 2:1 (shareholders holding two (02) shares of DHG on the last registration date will receive one (01) additional issued share)
- Total number of estimated shares to be issued: 43,582,165 shares
- Total estimated value to be issued by par value: VND 435,821,650,000 (Four hundred thirty five billion, eight hundred twenty one million, six hundred and fifty thousand dong)
- Estimated share capital (charter capital) after issuance of additional shares to existing shareholders: 1,307,464,950,000 (One thousand three hundred seven billion, four hundred sixty four million, nine hundred and fifty thousand dong)
- The number of additional shares will be rounded down to the tens and the incomplete shares will be canceled.
- Solution for incomplete shares: remain in Investment and Development fund
- Implemented capital: Investment and Development fund
- Issued purpose: increase share capital from owners' equity
- Estimated time: 2nd - 3rd Quarter/2017
- The number of additional shares to be registered and deposited at HCM Vietnam Securities Depository. It is also listed and registered for transaction at HCM Stock Exchange.
- Assign the Board of Directors to complete the report submitted to the State Securities Commission and implement the plan of additional share issuance, depository, listing and registration for existing shareholders in order to increase share capital of the Company in 2017.
- Authorize the Board of Directors to carry out the procedures of amending the Charter, the change of business registration corresponding to the latest charter capital after the completion of additional issuance to existing shareholders.

Article 8: Approve the dismissal of Mrs. Dang Pham Minh Loan from 20 July 2016 and Mr. Shuhei Tabata from 24 March 2017 from the positions of BOD members in term III (2014 - 2018)

Article 9: Approve the additional election of **Mr. Jun Kuroda** as a member of the Board of Directors in term III (2014 - 2018).

Article 10: Approve the policy of opening the foreign ownership limit at DHG Pharma up to over 49% (FOL)

Authorize the Board of Directors and the Board of Management to set up a project team dealing with matter of foreign ownership limit in accordance with Vietnamese laws. Continue to exploit opportunities - strengths, limit challenges and reduce impact to the lowest level under the strategic goals to 2020, vision - mission - core values and trademark of DHG Pharma.

Article 11: Authorize the Board of Directors, the General Director and the legal representative of DHG Pharma in term III (2014 - 2018) to be responsible for implementing the approved contents at the Meeting in accordance with the Company's regulations and current laws. The Board of Supervisory in term III (2014 - 2018) is responsible for inspecting and supervising the implementation of the approved contents at the Meeting.

The resolution was approved by the 2016 Annual General Meeting of DHG Pharma on 04/18/2017 and is made in 04 (four) copies of equal legal force.

Recipients:

- Members of BOD and BS;
- Shareholders of the Company;
- State Securities Commission;
- Ho Chi Minh Stock Exchange;
- Vietnam Securities Depository;
- DHG Pharma website;
- Mass media;
- Archived: BOD's secretary, AT.

**ON BEHALF OF 2016 AGM
CHAIRMAN**

**CHAIRMAN OF THE BOD
Hoang Nguyen Hoc**