

Cantho, 26<sup>th</sup> March 2021

**ELECTION REGULATION FOR THE REPLACEMENT OF  
AN INDEPENDENT BOARD MEMBER TERM IV (2019 – 2023) OF  
DHG PHARMACEUTICAL JSC**

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- Pursuant to Enterprise Law No.59/2020/QH14 dated 17 Jun 2020;
- Pursuant to the Charter of DHG Pharmaceutical Joint Stock Company (DHG Pharma) issued on 06 Jul 2020;
- Pursuant to the Internal Regulation on Corporate Governance of DHG Pharma issued on 29 Jul 2019,

The Annual General Meeting of Shareholders (AGM) 2020 of DHG Pharma conducts the election of an Independent Board Member Term IV (2019 – 2023) as a replacement in accordance with the following provisions:

**Article 1: Scope**

This regulation includes the provisions on the election of an Independent Board Member as a replacement at the AGM 2020.

**Article 2: Criteria and conditions to become an Independent Board Member**

Pursuant to clause 1, Article 34 of the Charter of DHG PHARMA and clause 1, Article 155 of the Enterprise Law 2020, a member of the Board of Directors must meet the following criteria and conditions:

- (i). Have full civil act capacity and not being subjects banned from the management of enterprises according to the Law on Enterprises;
- (ii). Have professional qualifications, experience in business management of DHG PHARMA and not necessarily being DHG PHARMA's shareholder;
- (iii). A member of the Board of Directors can concurrently be a member of the Board of Directors of another company, but not be a member of the Board of Directors of over five (05) other companies.

Pursuant to clause 1, Article 2 of the Charter of DHG PHARMA and clause 2, Article 155 of the Law on Enterprises 2020, the Independent Board Member must have the following additional criteria and conditions:

- (i) Not being a current employee of DHG PHARMA, its parent company or its subsidiaries of DHG PHARMA; Not being a person that used to work for DHG PHARMA, its parent company or its subsidiaries of DHG PHARMA over the previous three (03) consecutive years;

(ii) Not being a person receiving salaries and wages from DHG PHARMA, except for the benefits to which the members of the Board of Directors are entitled in line with provisions;

(iii) Not having a spouse, biological parents, adoptive parents, biological children, adopted children, biological siblings being a major shareholder of DHG PHARMA; being an Enterprise Executive of DHG PHARMA or DHG PHARMA's subsidiaries;

(iv) Not directly or indirectly holding at least one percent (1%) of DHG PHARMA's voting shares;

(v) Not ever holding the position of member of the Board of Directors, the Board of Supervisory of the Company for at least previous five (05) consecutive years, unless he/she was appointed in 02 consecutive terms.

### **Article 3: Subjects have the right to vote**

All shareholders owning voting shares or their proxies, who are entitled to vote (according to the list of shareholders dated 19 Mar 2021), 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 an Independent Board Member as a replacement.

### **Article 4: Nominate candidates to the Board of Directors**

The term of the Independent Board Member to be elected as a replacement is the remaining time of Term IV (2019 – 2023).

Number of the Independent Board Member to be elected as a replacement at the AGM 2020: 01 member

### **Candidacy and nomination to the Board of Directors:**

Pursuant to the provisions of clause 1 and clause 2, Article 33 of the Charter of DHG PHARMA and clause 5, Article 115 of the Enterprise Law 2020 regarding the candidacy and nomination of members of the Board of Directors as follows:

(i). Shareholders who are holding 5% or more of their voting shares have the right to add up the number of voting rights of each other to nominate candidates for the Board of Directors. 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.

(ii). When the number of candidates for the Board of Directors through nomination and candidacy fails to reach the minimum number, the incumbent Board of Directors

can introduce or nominate more candidates in accordance with this Charter and the Internal Regulation on Corporate Governance. The introduction of candidates by the Board of Directors must be published clearly before the General Meeting of Shareholders votes for the Board of Directors' members.

**List of candidates:**

Pursuant to the nomination application of a shareholder/group of shareholders and attached documents of candidates, the Meeting Secretary will prepare a list of candidates who meet the specified conditions to be elected as the Independent Board Member;

The list of candidates for the election of the Independent Board Member as a replacement is fully inscribed with the full name on the election ballot.

**Article 5: Election ballot and guides to write on the election ballot**

(i) The list of candidate to be elected to the BOD is sorted by alphabetical order by the first name.

(ii) **Election ballot and how to write on the election ballot:**

- An election ballot is the ballot issued by the Organizing Board and stamped by DHG Pharma.
- Form of the election ballot:



**CÔNG TY CỔ PHẦN DƯỢC HẬU GIANG**  
288 Bis Nguyễn Văn Cừ, P. An Hòa, Q. Ninh Kiều, Tp. Cần Thơ  
Điện thoại: 02923 891433; Fax: 02923 895209  
Website: www.dhgpharma.com.vn



**PHIẾU BẦU CỬ/ELECTION BALLOT**

**Đại hội đồng cổ đông thường niên 2020/Annual General Meeting of Shareholders 2020**  
**Thời gian tổ chức/Time: 19/04/2021**

**Nội dung bầu cử: Bầu bổ sung thay thế thành viên độc lập HĐQT nhiệm kỳ IV (2019-2023)**  
**Election content: Election of the Independent Board Member Term IV (2019 – 2023) as a replacement**

Cổ đông/Shareholder: 04347  
Số ĐKSH/Custodian Code: Nguyễn Văn A  
Tổng số lượng cổ phần (sở hữu + ủy quyền): 10  
*Number of shares (owned + authorized):*  
**Tổng số lượng phiếu bầu/Number of votes: 10**

(Tổng số phiếu bầu = Số cổ phần \* 1)  
*(Total number of votes = Number of shares \* 1)*

STT <i>No.</i>	Họ và tên <i>Full name</i>	Đánh dấu (X) hoặc dấu (✓) <i>Marking (X) or (✓)</i>	Số phiếu bầu cho ứng viên <i>Number of votes for the candidate</i>
1.	Trần Thị C	<input type="checkbox"/>	

- Each representative attending the meeting will be issued (01) election ballot for the election of the Independent Board Member. When the election ballot is

issued, the representative must check all information on the election ballot. If there is any error, the representative must immediately inform the Vote Counting Committee.

- **Instruction on how to write on the election ballot for shareholders:**

Only choose **one of the two following methods:**

- + **Method 1:** Only mark (X) or (✓) in the box above to select the candidate. The number of votes for the selected candidate is all of the votes of shareholder.
- + **Method 2:** Directly write the number of votes. The total number of votes for the candidate does not exceed the total number of votes cast by that shareholder.

**Note:** Shareholder only selects one out of two methods. If shareholder performs both methods or leaves the votes blank, the votes will be considered invalid. In case of making modification, he/she must cross out the written content, sign next to the crossed content and vote again by using one of the two above methods.

**An invalid ballot:**

- The election ballot is not issued by the Organizing Board and not stamped by DHG Pharma.
- The election ballot is erased and added name of the person who is not on the nomination and candidacy list approved by the General Meeting of Shareholders before the election.
- 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.
- Shareholder performs both methods at the same time (marking and writing down the number of votes on the election ballot).
- The election ballot is not signed by the person exercising the right to vote.
- The election ballot is left blank and does not vote for any candidate. The election ballot is added information and symbols.

**Article 6: Method of election and principle of cumulative voting**

(i) The election for the Independent Board Member is conducted by the method of secret ballot using cumulative voting.

(ii) Each shareholder is entitled to receive 01 ballot for the election of the Independent Board Member. Accordingly, the total number of votes corresponding to the total number of shares held (including shares owned and authorized) multiplied (x) by the number of elected BOD members. Detail is as follows:

- *Total number of votes for the BOD = Number of voting shares x 1.*

(iii) Representatives have the right to put all of their votes for one or several candidates.

## **Article 7: Vote Counting Committee, procedures for voting and vote counting:**

(i) The Vote Counting Committee is appointed by the Chair and approved by the General Meeting of Shareholders.

(II) The Vote Counting Committee is responsible for:

- Counting voting ballots and election ballots.
- Supervising voting and election procedures of shareholders or proxies attending the Meeting.
- Aggregating voting shares on each content.
- Preparing the minutes of vote counting and presenting it at the Meeting.
- Handing over the minutes of vote counting and all sealed voting ballots and election ballots to the AGM Organizing Board.
- The Vote Counting Committee is obliged to be trustworthy and careful when performing tasks and be responsible for the results of its performance.

(iii) **Procedures for 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 Chair and shall end once the last shareholder puts his/her ballot into the box.
- The counting of votes must be implemented right after the voting ends.
- The Voting Counting Committee shall be responsible for aggregating the voting result and made in the minutes of vote counting. The minutes of vote counting shall be signed by members of the 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 vote counting at the Meeting. The Head of the Vote Counting Committee together with the Chair shall answer questions and complaints of shareholders (if any). After the election ballots are counted, the election ballots shall be archived at the head office of the Company in accordance with the regulations.

## **Article 8: Principles of winning the election of BOD members**

(i) The selection of the winner shall be determined based on the number of votes calculated from high to low, starting from the candidate winning the highest number of votes until meeting the sufficient number of independent BOD member to be elected - 01 (one) member.

(ii) In case where (02) two or more candidates receive the same votes, it shall be re-elected among candidates who receive the same votes in accordance with the selection principle as in point i) above.

### **Article 9: Claims on the election and vote counting**

(i) 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.

(ii) The AGM Chair shall resolve complaints about the election and the election result of the Independent Board Member as a replacement at the Meeting.

(iii) All complaints and their resolution shall be recorded in the minutes of the meeting.

### **Article 10: Announcement of election result**

Result of the election of the Independent Board Member as a replacement is recorded in the Resolution of the General Meeting of Shareholders, and also disclosed on the website of DHG PHARMA, the State Securities Commission, and the Ho Chi Minh Stock Exchange.

### **Article 11: Execution provision**

This Regulation shall be effective from the date the AGM 2020 passed this regulation and shall be the legal basis for the election of the Independent Board Member as a replacement. This Regulation will expire when the AGM 2020 of DHG Pharma ends.

**OBO. THE ORGANIZING BOARD  
DEPUTY HEAD**

**Masashi Nakaura**

[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.]