

RESOLUTION OF THE ANNUAL GENERAL MEETING OF SHAREHOLDERS 2018 OF DHG PHARMACEUTICAL JSC

THE ANNUAL GENERAL MEETING OF SHAREHOLDERS 2018

- Pursuant to the Charter of Organization and Operation of DHG Pharmaceutical Joint Stock Company (DHG Pharma);
- Pursuant to the Statements and Reports submitted to the Annual General Meeting of Shareholders (“AGM”) 2018 on 11 June 2019 by the Board of Directors (“BOD”), Board of Supervisory (“BOS”) and Chief Accountant;
- Pursuant to the Meeting minutes No.003/2019/BB.DHĐCĐ of the AGM 2018 of DHG Pharma dated 11 June 2019,

RESOLUTION

The AGM 2018 of DHG Pharma unanimously approved the following contents:

Article 1: Approval of the BOD report regarding the report on the business performance in Term III (2014 – 2018); Report on the business performance in 2018; Strategic orientation 2019 – 2023; Business orientation and plans in 2019; Approval of the BOS report Term III (2014 – 2018); Approval of the audited consolidated financial statements FY 2018.

Several targets in 2018:

No.	Items	Figures in	2018
1.	Total assets as at 31 December 2018	VND Billion	4,206
2.	Owner’s equity as at 31 December 2018	VND Billion	3,144
3.	Net revenue	VND Billion	3,882
4.	Profit before tax	VND Billion	732
5.	Profit after tax	VND Billion	651
6.	Profit after tax of the parent Company’s shareholder	VND Billion	653
7.	EPS (Earnings per share)	VND	4,445
8.	ROS (Profit after tax/Net sales)	%	16.8%
9.	ROA (Profit after tax/Average total assets)	%	15.7%
10.	ROE (Profit after tax /Average owner’s equity)	%	22.1%

Strategic Orientation and Objectives 2019 - 2023: continue to implement the strategic orientation 2016 – 2020 approved by the AGM as follows:

- Maximizing the enterprise value and increasing the interests of all stakeholders
- Being the largest generic pharmaceutical enterprise in Vietnam

- Being a pharmaceutical enterprise with the most professional, deepest, broadest, and diversified distribution channel
- Being the leading enterprise in science and technology application in operation (R&D, production, information and management)
- Becoming a symbol of humanity in contributing to the society and enhancing the quality of life
- Well-improving and developing crucial resources

Business plan 2019 – 2023: The BOD of the new term is assigned to direct the development of the business plan 2019 - 2023 and report at the next AGM.

Article 2: Approval of the business targets in 2019:

Categories	Figures in	2019F	2018 Result	Growth
Net revenue	VND Billion	3,943	3,882	1.6%
<i>In which:</i>				
+ <i>In-house goods</i>	VND Billion	3,560	3,171	12.3%
+ <i>Others</i>	VND Billion	383	711	-46.1%
Profit before tax (PBT)	VND Billion	754	732	3.0%
Additionally allocating budget for bonus and welfare activities of employees in 2019 (*)	VND Billion	47.9		
PBT after additionally allocating the budget for bonus and welfare activities of employees	VND Billion	706	732	-3.5%

Article 3: Approval of the report on profit distribution in 2018.

Target	Appropriation rate in 2018	Amount (VND)
Profit after tax (PAT) in 2018 for distribution		651,089,030,818
Dividend payment in 2018 - <i>Advance dividend payment of the 1st phase: 10% par value on 31 Aug 2018</i> - <i>2nd Phase: 20% par value, payment is made on 17 June 2019.</i> - <i>The remaining: 5% of par value (projected to be spent after the AGM).</i>	<u>Plan:</u> 30% of par value <u>Proposal:</u> 35% of par value	457,611,248,500
Allocation to the Bonus and Welfare Fund	10% of consolidated PAT	65,108,903,082
Remuneration for the BOD, BOS and committees' members under the BOD and the BOD Secretariat Team	<u>Plan:</u> VND 6 B <u>Proposal:</u> Following the plan	6,000,000,000

Target	Appropriation rate in 2018	Amount (VND)
Bonus for the BOD, BOS, Committees' members under the BOD, the BOD Secretariat Team, the Executive Board and key staffs in 2018.	<u>Plan</u> : 5% of consolidated PAT growth <u>Proposal</u> : unimplemented due to not achieving targets	-
The remaining profit shall be added to the Investment & Development fund	The remaining	122,368,879,236

Article 4: Approval of the profit distribution plan 2019:

Target	Projected appropriation rate 2019
PAT	100% of PAT
Dividends in 2019	30% par value (by cash)
Allocation to the Bonus and Welfare Fund	3% of the consolidated PAT
Bonus for the BOD, BOS, committees' members under the BOD, the BOD Secretariat Team in 2019	VND 6,000,000,000
The remaining profit shall be added to the Investment & Development Fund	The remaining

Article 5: Approval to select Deloitte Vietnam Company Ltd. as the auditor of the financial statements FY 2019 of DHG Pharma.

Article 6: Dismissal from the Supervisor position to Ms. Nguyen Phuong Thao since 25 Oct 2018.

Article 7: Amendments and supplements of the business lines of DHG Pharma and approval of the adjustments of the Charter in line with the following additional business lines:

No.	Name of business line	Code
Adding 02 new business lines		
1	Retail of medication, medical equipment, cosmetic and hygiene products in specialized stores. In detail: Retail sales of cosmetics.	4772
2	Retail sale of food products in specialized stores. In detail: Retail sale of dietary supplements (health supplements).	4722
Removing 09 business lines		
1	Electrical installation activities. In detail: Electrical installation and repair.	4321
2	Plumbing, heating and air-conditioning system installation activities. In detail: Electrical refrigeration installation and repair.	4322
3	Other manufacturing n.e.c. In detail: Electrical and refrigeration manufacture.	3290
4	Manufacture of other special-purpose machinery. In detail: Manufacture of manufacture equipment of self-made drug.	2829
5	Computer programming.	6201

No.	Name of business line	Code
6	Computer consultancy and system administration.	6202
7	Other information technology and computer service activities.	6209
8	Repair of computers and peripheral equipment.	9511
9	Software publishing.	5820

The BOD is authorized to review, amend and supplement the business lines of the Company in accordance with the removal and adding of the new business lines and other contents (if any) on the basis of complying with the Enterprise Law 2014, other legal documents related to the business lines and the AGM Resolution.

General Director is authorized to carry out procedures related to the removal and adding of the new business lines as well as the establishment of retail stores in order to implement the two retail business lines mentioned above with competent State agencies in accordance with the AGM Resolution and applicable laws.

Article 8: Approval to change the organizational structure, management and control from the BOS model to the Audit Committee model under the BOD of DHG Pharma.

Article 9: Amendments and supplements of the Charter of DHG Pharma in line with the enclosed reference table.

Article 10: Amendments and supplements of the Internal Regulation on Corporate Governance of DHG Pharma in line with the enclosed reference table.

Article 11: Approval of the number of BOD members Term IV (2019 – 2023) to be seven (07) members. In which, two (02) of them are independent BOD members.

Article 12: Conducting the election of the BOD members in accordance with the method of cumulative voting. The election result and titles of members of the BOD Term IV (2019 – 2023) are as follows:

No.	Full name	Title
1.	Ms. Dang Thi Thu Ha	BOD member
2.	Mr. Jun Kuroda	BOD member
3.	Mr. Masashi Nakaura	BOD member
4.	Mr. Maki Kamijo	BOD member
5.	Mr. Doan Dinh Duy Khuong	BOD member
6.	Mr. Phan Minh Tien	Independent BOD member
7.	Mr. Do Le Hung	Independent BOD member

After the AGM, the first meeting of the BOD Term IV (2019 – 2023) will be carried out to elect the BOD Chairman and to appoint titles under the BOD authority.

Article 13: The BOD, General Director and Legal representative of DHG Pharma Term IV (2019 – 2023) have been assigned to implement the contents approved by the AGM in accordance with the Company's Charter and applicable law.

This Resolution is approved by the AGM 2018 of DHG Pharma dated 11 June 2019 and is made in 02 (two) original copies of equal legal force.

**ON BEHALF OF THE AGM 2018
CHAIRMAN**

Recipients:

- Members of the BOD and BOS;
- The Company's shareholders;
- SSC;
- HOSE;
- VSD HCMC Branch;
- DHG Pharma's website;
- Mass media;
- Archived: BOD Secretary, AT.

NGUYEN CHI THANH

[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.]