

MINUTES

THE ANNUAL GENERAL MEETING IN 2017

DOMESCO Medical Import Export JSC

66 – Highway 30 – My Phu Ward – Cao Lanh City – Dong Thap Province

Business registration certificate No. 1400460395 issued by the Planning and Investment Department of Dong Thap Province, first time on 30/12/2003 and registered for the 34th on 26/07/2016.

Today, at 9:00 a.m, April 21st, 2017, at the conference hall of DOMESCO Medical Import - Export Joint Stock Corporation, No. 66, National road 30, My Phu Ward, Cao Lanh City, Dong Thap Province hosts the Annual General Meeting (AGM) in 2017.

A/ PARTICIPANTS AND LEGALITY, VALIDITY OF THE GENERAL MEETING:

I/ PARTICIPANTS:

- Shareholders and authorized shareholders who own DOMESCO shares as of the record date (29/3/2017) issued by Securities Depository Center – Ho Chi Minh Branch.

Guests were invited to the Meeting:

- Representatives of Industry and Trade Department of Dong thap provine;
- Representatives Planning and Investment Department of Dong thap provine
- Representatives Business party committee of Dong thap provine
- Representatives State Capital Investment Corporation (SCIC).
- Representatives of Ernst & Young Viet Nam limited.

II/ LEGALITY, VALIDITY OF THE MEETING:

Mr. Nguyen Phi Thuc – Head of the Inspection Committee reports on the examination of shareholders' attendance:

1. The total shares of the Company is **34.727.465**; There are **34.727.465** shares with the voting right.

2. There are 1.739 shareholders were invited to attend the meeting, standing for **34.727.465** shares with the voting right.

3. Today, there are 34 shareholders and authorized shareholders in attendance, representing for 31.382.470 shares with the voting right, accounted for 90,37% of the total shares with the voting right; there are 53 voting shares at the Meeting.

4. All representatives are eligible to participate in the Meeting.

- Pursuant to the regulation on Enterprise Law 2014 and the Charter of DOMESCO Medical Import-Export JSC, the total shareholders and authorized shareholders at the Annual General Meeting in 2017 is over 51% of the Company's shares with the voting right, therefore, the Annual General Meeting in 2017 is legal and valid.

(Attached by the Report on the examination of shareholders' attendance of the Inspection Committee)

B. MEETING CONTENTS:

I/ Mr. Tran Thanh Thuc – representative of the organizing committee presents the working and voting regulations of the Meeting.

(Adopted by 100% shareholders and representatives at the meeting)

II/ Notice for nomination and approval of the list of Presidium; Secretariat; The Vote Counting Committee:

1. The Organizing Committee presents the number of Presidium (2 people), Secretariat (2 people), the Vote Counting Committee (3 people).

(Adopted by 100% shareholders and representatives at the meeting)

2. The Organizing Committee presents the list of Presidium, Secretariat, Voting Committee, Vote Counting Committee:

2.1. The Presidium consists of:

- 1/ Mr. Nguyen Chi Thanh - Chairman of Board of management.
- 2/ Ms. Luong Thi Huong Giang - Member of Board of management cum General Director.
- 3/ Mr. Nguyen Van Hoa - Member of Board of management cum Vice General Director.

2.2. The Secretariat consists of:

- 1/ Ms. Luong Thi Bich Nhung
- 2/ Ms. Dao Thi Thuy Trang

2.3. The Vote Counting Committee consists of:

- 1/ Mr. Tran Thanh Thuc - Head of the Committee
- 2/ Ms. Ho Thi Kim Huong - Member
- 3/ Mr. Tran Nguyen Cuong - Member

(Adopted by 100% shareholders and representatives at the meeting)

III. CONTENTS OF THE GENERAL MEETING:

1. On behalf of the organizing committee, Mr. Le Manh Tuan discloses the Agenda for the General Meeting.

(Adopted by 100% shareholders and representatives at the meeting)

2. Ms. Luong Thi Huong Giang – BOM member cum General Director presents the report of Board of management (“BOM”) in 2016 and the plan in 2017 *(File enclosed)*

3. Mr. Nguyen Phi Thuc – Head of Inspection committee presents the report of Inspection Committee in 2016 and the plan in 2017 *(File enclosed)*

4. Mr Tran Nam Dung – Representatives of Ernst & Young Viet Nam limited: presents Auditing results of consolidated financial statements in 2016 *(File enclosed)*

5. Mr. Nguyen Van Hoa – BOM Member cum Vice General Director presents Proposal for profit allocation in 2016. The profit allocation plan in 2017 *(File enclosed)*

6. Mr. Nguyen Phi Thuc – Head of Inspection committee presents proposal for choosing the auditing company for fiscal year 2017 *(File enclosed)*

* Mr. Nguyen Phi Thuc – Head of Inspection committee presents: reports on the additional examination of shareholders’ attendance

- Until 10:00 a.m, 21/4/2017, there are more 09 shareholders representing for 117.757 shares to additionally register in attendance. Therefore, from the proposal for choosing the auditing company for fiscal year 2017, there are 43 shareholders representing for **31.500.227** shares with the voting right, accounted for 90,71% of the total shares of the Company, together with 65 voting shares at the Meeting.

Shareholders discuss, contribute ideas at the meeting

Shareholders questions	Answer from the Board
1/ So far as I know, Abbott will be licensing 27 products to DOMESCO, so what is the form of these licensing? (fully licensing or lv 2 packaging process only)	Currently, SCIC has an agreement with Abbott as strategic investor to be licensing some of Abbott products to DOMESCO to raise the sales at Vietnam market. The procedure to license products takes time to process legal procedures and regulation procedures as regulated by the government as: Registries the products. Hopefully, in 2017 there will be some products will compete the process.
2/ How about the Nonbetalactam project ? as I know Abbott is having a \$300 million plant investment in Singapore. So will Abbott invest in building a new plant at DOMESCO ?	The investment for new plant is decided by the GSM. The reason why DOMESCO delays the investment is due to the change in the macro strategy so that the Company’s strategy also need to change to match with the shareholders’ benefits. Since, Abbott became the strategic investor of DOMESCO (on behalf of CFR),

	Abbott sent more than 20 expert teams to work with DOMESCO team in many aspects such as: production, trading, finance, human resources... as a result, after the restructuring in production, the existing plants of DOMESCO have capacity to meet the business demand till 2020.
3/ In Q1/2017, there is a cut in selling expenses of DOMESCO for a value about VND 13 billion, will the expense cut happen for the rest of quarters ? and does the expenses cut affect DOMESCO business results ?	The business result in quarter 1/2017 had a significant increase in profit after tax (increase by 36.5% compare to Q1/2016), this increase is based on the adjustment of the Company on the sales programs of some products which are secured the position of DOMESCO in the market. Based on the market analysis from the strategic planning team of DOMESCO, we will have other adjustment to be appropriate for the rest quarters of the year.
4/ The Nonbetalactam plant granted the PIC/s standard certificate from Phillipines, So far as I know, Phillipines is not a member of PIC/s, how can they grant the certificate to DOMESCO ?	The export sales to Phillipines occupies a large portion of DOMESCO export sales. As regulation in Phillipines, any Company wants to export medicines to Phillipines, must have met the PIC/s standards, if not, they must be approved by the Phillipines FDA as qualified and followed the regulations and standards of PIC/s. However, as Phillipines has not yet be a member of PIC/s thus the certificate is only means for the export to Phillipines.
What is the benefits after having the PIC/s: which production lines and products are granted the certificate? after having the certificate, does DOMESCO increase the selling prices? is there any advantages to sales to ETC channel?	The most benefit of inviting the Phillipines FDA to assess DOMESCO under the PIC/s standard is helping particularly DOMESCO technical staffs and generally all DOMESCO staffs to be self-improved, knowledge enhanced, and practically trained to be ready to upgrade the DOMESCO's plants to higher standards in 2017 under the support from Abbott experts.
5/ Many other pharmaceutical Companies in the market usually public the sales contribution portion in total sales of their top 5 or 10 products. Will DOMESCO public these information ?	DOMESCO is focusing in production and trading 5 main product line which contribute 91% of total sales and 88% of total profit. However, the names of the product line are confidential in accordance to our information confidential policy. So that we cannot public this information.

<p>DOMESCO in wining bidding in ETC channel (due to prices or product differentiations) ?</p>	<p>competitive ETC channel, need to have a strategy, one of them is the product differentiation. Currently, some of DOMESCO's products can participate in 03 bidding groups: GMP-WHO, BE and others. For now, the BE test is considering to take advantages in time by testing in many countries instead of waiting at Vietnam with the support from Abbott.</p>
<p>7/ The room expanding leads to reduce the sales of merchandises. Currently, what is the merchandises of DOMESCO and who are the buyers ?</p>	<p>The room expanding only affects the 3rd party medicine distribution, other medical equipment, supplement dietary products ... are not affected. Before the room expanding, the Company actively reduce the distribution of medicines from 3rd party due to the profit margin of these products are very low, about VND 2 billion profit. However, in return, the Company has big support from Abbott. We think that this is a smart and desirable trade off.</p>
<p>8/ What is the lisencing plan of Abbott for DOMESCO, is there any project be completed in 2017 ? if yes, is it counted in the sales of finished goods or sales of merchandises ?</p>	<p>Currently, DOMESCO and Abbott are completing the legal process for product licensing.</p> <p>Any products before launching to the market must complete all the process to have registration number and before trading in the market, must complete the registration of selling prices ... the normal period to registry the product is 12-15 months, selling prices registration is 6 months. So that from the registration to the launching, it takes at least 18 months so that the sales of licensing product will not be counted in 2017.</p>
<p>9/ Is there any potential drugs in DOMESCO under research and develop ?</p>	<p>Based on the data and market analysis, currently DOMESCO focusing in research and develop some products which have high demand in the future and DOMESCO have advantages. For now, we still focus in diabetic and cardiovascular products.</p>

7. Mr. Tran Thanh Thuc – Head of the Vote Counting Committee gives shareholders instructions to vote:

Shareholders carry out election

8. On behalf of the Vote Counting Committee, Mr. Tran Thanh Thuc discloses the vote counting minutes with the following result:

Content 1: Board of Management report in 2016 and the plan in 2017

Contents	Approving	Dis- approving	No opinion	Invalid	Total
Number of shares	31,399,384				31,399,384
%	100.00	0.00	0.00	0.00	100.00

Content 2: Inspection Committee report in 2016 and the plan in 2017.

Contents	Approving	Dis- approving	No opinion	Invalid	Total
Number of shares	31,399,384				31,399,384
%	100.00	0.00	0.00	0.00	100.00

Content 3: The auditing results of financial statements in 2016.

Contents	Approving	Dis- approving	No opinion	Invalid	Total
Number of shares	31,399,384				31,399,384
%	100.00	0.00	0.00	0.00	100.00

Content 4: Proposal for profit allocation in 2016 - The profit allocation plan in 2017

Contents	Approving	Dis- approving	No opinion	Invalid	Total
Number of shares	31,399,371		13		31,399,384
%	100.00	0.00	0.00	0.00	100.00

Content 5 Choose the auditing company for fiscal year 2017

Contents	Approving	Dis- approving	No opinion	Invalid	Total
Number of shares	31,399,371		13		31,399,384
%	100.00	0.00	0.00	0.00	100.00

The Minutes dated April 21st, 2017 of the Annual General Meeting 2017 of DOMESCO Medical Import-Export JSC is a legal basis for Resolution of the Annual General Meeting 2017 of DOMESCO Medical Import-Export JSC.

This Minutes disclosed at 11:45AM, April 21st, 2017 and approved by 100% shareholders and representatives at the Meeting./.

SECRETARIAT

1/ Ms. Luong Thi Bich Nhung



2/ Ms. Dao Thi Thuy Trang



**ON BEHALF OF THE ANNUAL GENERAL MEETING IN 2017
DOMESCO MEDICAL IMPORT-EXPORT JSC
CHAIRMAN OF THE MEETING**



Nguyen Chi Thanh