**DDN: Annual Corporate Governance Report 2023**

On January 30, 2024, Da Nang Pharmaceutical Medical Equipment JSC announced Report No. 218/2024/BC-CT on corporate governance as follows:

Company's name: Da Nang Pharmaceutical Medical Equipment JSC

Head Office Address: No. 02, Phan Dinh Phung Street, Hai Chau 1 Ward, Hai Chau District, Da Nang City

Phone number: 0236.3821642 Fax: 0236.3891752

Charter capital: VND 153,493,280,000

Securities code: DDN (UPCOM)

Corporate governance model: The General Meeting of Shareholders, the Board of Directors, the Supervisory Board, and the General Manager

On the Internal audit execution: implemented

I. Activities of the General Meeting of Shareholders:

Information about meetings and General Mandates/Decisions of the General Meeting of Shareholders (including General Mandates approved by collecting opinions via a ballot)

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| --- | --- | --- | --- |
| No. | General Mandate/Decision of the General Meeting of Shareholders No. | Date | Content |
| 1 | 09/2023/NQ-DHDCD | February 13, 2023 | General Mandates approved by collecting opinions of shareholders via a ballot |
| 2 | 27/2023/NQ-DHDCD | April 14, 2023 | Annual General Mandate 2023 |
| 3 | 43/2023/NQ-DHDCD | September 11, 2023 | General Mandates approved by collecting opinions of shareholders via a ballot |

II. The Board of Directors.

1. Information about members of the Board of Directors:

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| --- | --- | --- | --- | --- |
| No. | Member of the Board of Directors | Position (independent member of the Board of Directors, non-executive member of the Board of Directors) | Date of appointment/dismissal as member/independent member of the Board of Directors | |
| Appointment date | Dismissal date |
| 1 | Nguyen Luong Tam | Chair of the Board of Directors | February 13, 2023 |  |
| 2 | Vo Ngoc Duong | Vice Chair of the Board of Directors - Executive member of the Board of Directors |  | September 11, 2023 |
| 3 | Do Thanh Trung | Nonexecutive member of the Board of Directors | June 27, 2020 |  |
| 4 | Nguyen Cong Lam | Executive member of the Board of Directors |  | April 14, 2023 |
| 5 | Hoang Trung Dung | Independent member of the Board of Directors | April 08, 2022 |  |
| 6 | Dinh Thi Mong Van | Non-executive member of the Board of Directors | June 29, 2021 |  |

2 Board Resolutions/Board Decisions

|  |  |  |  |
| --- | --- | --- | --- |
| No. | Board Resolution/Board Decision No. | Date | Content |
| 1 | 03/2023/QD-HDQT | January 13, 2023 | Pay the 13th month's salary to the Company’s employees |
| 2 | 07/2023/QD-HDQT | February 01, 2023 | Amendment to the decentralization framework of the Board of Directors and the General Manager |
| 3 | 10/2023/QD-HDQT | February 16, 2023 | Amendment on structure of the Board of Directors and distribution of tasks for the Board of Directors in 2022-2025 term |
| 4 | 11/2023/QD-HDQT | February 16, 2023 | Change the personnel of the Company’s Chair of the Board of Directors |
| 5 | 12/2023/NQ-HDQT | February 20, 2023 | Organization of the Annual General Meeting of Shareholders 2023 |
| 6 | 17/2023/QD-HDQT | April 12, 2023 | Promulgate the Regulations on internal expenditure |
| 7 | 24/2023/QD-HDQT | April 14, 2023 | Dismiss Mr. Nguyen Cong Lam from the position of the General Manager |
| 8 | 25/2023/QD-HDQT | April 14, 2023 | Assign Mr. Vo Ngoc Duong to hold the position of permanent Vice Chair of the Board of Directors and to take the repsonsibility for running the Company. |
| 9 | 26/2023/QD-HDQT | April 14, 2023 | Change the legal representative of the Company |
| 10 | 28/2023/QD-HDQT | May 15, 2023 | Approve the plan on dividend payment in 2022 in cash |
| 11 | 31/2023/NQ-HDQT | May 23, 2023 | Adjustment of the Company’s organization structure. |
| 12 | 32/2023/QD-HDQT | May 23, 2023 | Dismissal and appointment of managerial staff |
| 13 | 33/2023/NQ-HDQT | July 21, 2023 | Select an audit company for the Financial Statements 2023 |
| 14 | 35/2023/QD-HDQT | August 01, 2023 | Change the personnel in charge of managing the Executive Board |
| 15 | 36/2023/QD-HDQT | August 03, 2023 | Amendment to the decentralization framework of the Board of Directors and the General Manager |
| 16 | 38/2023/NQ-HDQT | August 09, 2023 | On the organization of the collection of shareholders' opinions via a ballot |
| 17 | 40/2023/NQ-HDQT | August 10, 2023 | on the approval of the policy of implementing the contracts and transactions with affiliated persons |
| 18 | 44/2023/QD-HDQT | September 29, 2023 | On the approval of the investment and estimation to: Vaccination center - Danavac 2 obstetrics and pediatrics clinic at No. 284-286 Cach Mang Thang 8 Street, Khue Trung Ward, Cam Le District, Da Nang City |
| 19 | 45/2023/QD-HDQT | September 29, 2023 | On the dismissal of Manager in production workshop |
| 20 | 46/2023/QD-HDQT | October 10, 2023 | On the approval of the appointment of managerial staff: Appoint for the position of chief logistics officer -cum- GSP Inventory Management |

III. The Supervisory Board:

1. Information on members of the Supervisory Board:

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| --- | --- | --- | --- | --- |
| No. | Member of the Supervisory Board | Position | Date of appointment as member of the Supervisory Board | Qualification |
| 1 | Ms. Nguyen Thi Yen | Chief of the Supervisory Board | December 27, 2022 | Bachelor of Accounting |
| 2 | Ms. Pham Thi Minh Ngoc | Member | June 29, 2021 | Master of Business Administration |
| 3 | Ms. Nguyen Thi Thanh Thuy | Member | June 29, 2021 | Master of Accounting |

IV. The Executive Board.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| No. | Member of The Executive Board | Date of birth | Qualification | Date of appointment/dismissal as member of the Supervisory Board |
| 1 | Mr. Nguyen Cong Lam - General Manager | December 19, 1976 | Master in Business Administration | Dismissed from  April 14, 2023 |
| 2 | Mr. Vo Ngoc Duong - Executive Vice Chair of the Board of Directors | October 15, 1972 | Bachelor of Pharmacy  Master of Business Administration | Dismissed from  September 11, 2023 |
| 2 | Mr. Nguyen Trung - Deputy General Manager | December 28, 1973 | Postgraduate education junior, Bachelor of Business Administration | Appointed from  August 01, 2021 |

V. Chief accountant

|  |  |  |  |
| --- | --- | --- | --- |
| Full name | Date of birth | Qualification: | Appointment date |
| Tran Thi Anh Minh | February 23, 1976 | Bachelor of Accounting | July 06, 2020 |

VI. Training on corporate governance:

VII. List of affiliated persons of the public Company and transactions between the affiliated person of the Company with the Company itself

1. Transactions between the Company and affiliated persons of the Company or between the Company and major shareholders, PDMR and affiliated persons of PDMR:

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| No. | Name of organization/individual | Relations with the Company | NSH No., Date of issue, Place of issue | Head office address/Contact address | Approved General Mandate/Decision of the General Meeting of Shareholder No. or Board Resolution/Decision No. (including date of promulgation, if any) | Content, quantity, total value of transaction | Note |
| 1 | Megram Joint stock company | Holding Company | 0105284398, issued on April 27, 2011 by Hanoi Authority for Planning and Investment | 17th floor, Corporation 319 Building, No. 63 Le Van Luong Street, Trung Hoa Ward, Cau Giay District, Hanoi City | Resolution No. 31/2021/QD-HDQT dated May 27, 2021 (contents authorized for the General Manager to approve and implement the Contracts on goods service purchase with the affiliated person with a value of VND 500 million). | Transaction on purchasing the consultancy services with a value of VND 512,779,344 | 03 transactions with each value not exceeding VND 500 million under the authorization of the General Manager |
| 2 | Elmich Joint Stock Company | The subsidiary of Megram Joint stock company | 0700525789 first issued on March 18, 2011 by Ha Nam Authority for Planning and Investment | An My - Don Xa Industrial Cluster, Binh My Town, Binh Luc District, Ha Nam Province | + Decision No.75/2021/QD-HDQT dated September 09, 2021 (contents authorized for the General Manager to approve and implement the loaning/lending contracts with the affiliated person with a value of VND 10 billion)  + Resolution No. 31/2021/QD-HDQT dated May 27, 2021 (contents authorized for the General Manager to approve and implement the Contracts on goods service purchase with the affiliated person with a value of VND 500 million) | + Lending transaction with a value of VND 18.9 billion  Loan principal value recovered during the period of VND 25.9 million  Interest rate is equivalent to: VND 334,945,205.  + Transaction on training expenditure sharing with a total value of VND 3,48 million. | 03 transactions with each value not exceeding VND 10 billion under the authorization of the General Manager  + The value does not exceed VND 500 million under the authorization of the General Manager |
| 3 | Danapha Pharmaceutical Joint Stock Company | Major  shareholders | 04001102 issued by Danang Authority for Planning & Investment for the first time on December 20, 2006 | No. 253 Dung Si Thanh Khe Street, Thanh Khe District, Da Nang City. | Resolution No. 31/2021/QD-HDQT dated May 27, 2021 (contents authorized for the General Manager to approve and implement the Contracts on goods service purchase with the affiliated person with a value of VND 500 million) | Sales transaction with revenue amount off VND 14,164,800 | The value does not exceed VND 500 million under the authorization of the General Manager |

1. Transactions between Company’s PDMR, affiliated persons of PDMR and subsidiaries or companies controlled by the Company None.
2. Transactions between the Company and other entities: None
   1. Transactions between company and company that members of the Board of Directors, members of the Supervisory Board, the Manager (General Manager) and other managers have been founding members or members of the Board of Directors, the executive Manager (General Manager) in the last three (03) years (as of the time of making the report): None
   2. Transactions between the Company and companies where the affiliated people of members of the Board of Directors, members of the Supervisory Board, the Manager (General Manager) and other managers are members of the Board of Directors, the Executive Manager (General Manager). - None
   3. Other transactions of the Company (if any) that can bring about material or non-material benefits to members of the Board of Directors, members of the Supervisory Board, and the Manager (General Manager) and other managers; None.

VIII. Share transactions of PDMR and affiliated persons of PDMR.

1. Company’s share transaction of PDMR and affiliated persons.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| No. | Transaction conductor | Relations with PMDR | Number of shares owned at the beginning of the period | | Number of shares owned at the end of the period | | Reasons for increase or decrease (buy, sell, convert, bonus, etc.) |
| Number of shares | Rate | Number of shares | Rate |
| 1 | Do Thanh Trung | Member of the Board of Directors | 200,570 | 1.31% | 543,170 | 3.54% | Buy shares |

IX. Other significant issues: None.