**DHD: Annual Corporate Governance Report 2023**

On January 24, 2024, Hai Duong Pharmaceutical Medical Materials Joint Stock Company announced Report No. 321/BC-DHD on the corporate governance in 2023 as follows:

* Name of company: Hai Duong Pharmaceutical Medical Materials Joint Stock Company
* Head office address: No. 102, Chi Lang Road, Nguyen Trai Ward, Hai Duong City, Hai Duong Province
* Tel: 0220.3853848; Fax: 0220.3853848; Email: info@hdpharma.vn
* Charter capital: VND 203,996,300,000
* Securities code: DHD
* Corporate Governance Model:
* The General Meeting of Shareholders, the Board of Directors, the Supervisory Board, and the General Manager.
* Internal audit execution: Implemented.
1. 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 shareholders’ opinions via a ballot)

|  |  |  |  |
| --- | --- | --- | --- |
| No. | General Mandate/Decision of the General Meeting of Shareholders No. | Date | Contents |
| 1 | 66+67/2023/NQ-DHDCD-DHD | March 31, 2023 | Annual General Mandate 2023 |

1. The Board of Directors in 2023:
2. Information about members of the Board of Directors:

|  |  |  |  |
| --- | --- | --- | --- |
| No. | Members 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 | Mr. Nguyen Trung Viet | Chair of the Board of Directors | April 23, 2019 |  |
| 2 | Ms. Nguyen Thi Tu Anh | Member of the Board of Directors | April 23, 2019 |  |
| 3 | Mr. Tran Phuc Duong | Non-executive member of the Board of Directors | April 23, 2019 |  |

5. Board Resolutions/Board Decisions:

|  |  |  |  |
| --- | --- | --- | --- |
| No. | Board Resolution/Board Decision No. | Date | Contents |
| 1 | 64/NQ/HDQT | February 8, 2023 | * Approve Financial Report data and business results in 2022
* Establish a Subcommittee to organize the General Meeting of Shareholders and prepare legal documents and procedures according to the Law and Charter to organize the Annual General Meeting of Shareholders 2023, term V (2019-2024) expected on March 31, 2023.
* Approve the expected production and business plan for 2023 to submit to the General Meeting 2023 for approval.
* Extend the project to build a new factory at the Industrial Cluster of Cam Thuong Ward - Hai Duong City - Hai Duong Province according to Decision on approving investment policy No. 1111/QD-UBND dated April 13, 2018 of People's Committee of Hai Duong Province.

Complete documents on factory design, technology design, production equipment, construction license, capital source to implement the HDPHARMA Factory project in Cam Thuong phase 2: "GMP EU modern drug delivery line for Cephalosporin antibiotics with dosage forms: tablets, powder" |
| 2 | 65/BB-NQ/HDQT | February 22, 2023 | * Approve audited financial report data in 2022.
* Approve documents and reports submitted to the meeting and organize the General Meeting of Shareholder 2023
 |
| 3 | 68+69/NQ/HDQT | April 4, 2023 | * Approve the plan to issue shares to increase share capital from equity in 2023.
* Assign the General Manager and relevant departments to carry out work related to the registration dossier to issue shares to increase share capital, from equity capital in 2023 in accordance with the Resolution of the General Meeting of Shareholders 2023
 |
| 4 | 70+71/BB-NQ/HDQT | April 24, 2023 | Re-issue working capital limit of 70 billion at BIDV - Hai Duong Branch |
| 5 | 72+73/BB-NQ/HDQT | May 4, 2023 | * Approve to record the list of shareholders to receive shares issued due to the increase in share capital from equity sources in 2023.
* The record date to receive issued shares is on May 18, 2023
 |
| 6 | 74/BB-NQ/HDQT | June 1, 2023 | * Increase charter capital from VND 149,970,850,000 to VND 203,996,300,000, the form of capital increase is issuing shares to increase share capital from equity in 2023.
* Adjust Section 1, Appendix 1 of the Charter of organization and operation of the company
* Change the business registration certificate according to charter capital: VND 203,996,300,000
* Register additional securities and register additional transactions for: 5,399,845 shares issued to increase capital.
 |
| 7 | 75/BB-NQ/HDQT | October 2, 2023 | Approve the resolution on borrowing capital and issuing guarantees, opening L/C at Vietnam Joint Stock Commercial Bank for Industry and Trade - Hai Duong branch |
| 8 | 76/BB-NQ/HDQT | October 12, 2023 | Approved the Financial Statements for 9 months of 2023 |
| 9 | 77/BB-NQ/HDQT | October 15, 2023 | Approve the Resolution to temporarily suspend the implementation of the Project to build a medicinal herb area in Chi Linh. |
| 10 | 78/BB-NQ/HDQT | October 16, 2023 | Approve the resolutions on borrowing capital and issuing guarantees at Vietnam International Commercial Joint Stock Bank - Hai Duong Branch |

1. Supervisory Board/Audit Committee: 2023
2. Information about members of the Supervisory Board/the Audit Committee:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| No. | Member of the Supervisory Board/the Audit Committee | Position | Date of appointment/dismissal as member of the Supervisory/the Audit Committee | Qualification |
| 1 | Pham Thi Thuy | Chief of the Supervisory Board | April 23, 2019 | Bachelor of Economics |
| 2 | Tran Kim Cuong | Member of Supervisory Board | April 23, 2019 | Specialist pharmacist 1 |
| 3 | Nguyen Thi Huong Lan | Member of Supervisory Board | 4/23/2019 | Bachelor of Science in Pharmacy |

1. The Executive Board

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| No. | Members of the Executive Board | Date of birth | Qualification | Date of appointment as member of the Executive Board |
| 1 | Ms. Nguyen Thi Tu Anh | September 1, 1965 | Specialist Pharmacist 1 | April 23, 2019 |

1. The Chief Accountant

|  |  |  |  |
| --- | --- | --- | --- |
| Full name | Date of birth | Qualification | Appointment date |
| Mr. Chu Van Long | February 6, 1966 | Bachelor of Economics | April 23, 2019 |

1. Training on corporate governance
2. List of affiliated persons of the public Company 2023 and transactions between the affiliated persons of the Company with the Company itself:
3. Transactions between the Company and affiliated persons of the Company; or between the Company and major shareholders, PDMR and affiliated persons of PDMR.

Notes: NSH Number\*: ID Card/Passport No. (for individuals) or the Business Registration Certificate No., License on Operation No., or equivalent legal documents (for institutions)/NSH:

1. Transactions between Company’s PDMR, affiliated persons of PDMR and subsidiaries, companies controlled by the Company:
2. Transactions between the Company and other entities
	1. Transactions between the Company and the company in which members of the Board of Directors, members of the Supervisory Board, the Manager (the General Manager) and other managers have been founding members or members of the Board of Directors, the Executive Manager (the General Manager) for the past three (03) years (calculated at the time of reporting).
	2. Transactions between the Company and companies executed by the affiliated people of members of the Board of Directors, members of the Supervisory Board, the Manager (the General Manager) and other managers who are members of the Board of Directors, the Executive Manager (the General Manager).
	3. Other transactions of the Company (if any) that can bring about material or non-material benefits to the members of the Board of Directors, the members of the Supervisory Board, the Manager (General Manager) and other managers.
3. Share transactions of PDMR and affiliated persons of PDMR 2023

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| No. | Full name | Securities trading account (if any) | Position at the Company (if any) | ID card/Passport No., Date of issue, Place of issue | Contract address: | Number of shares owned at the end ofthe period | Share ownership rate at the end of the period | Note |
| 1 | Nguyen Trung Viet |  |  |  |  | 8,331,972 | 40.84% |  |
| 2 | Tran Mai Lan |  |  |  |  | 3,343,022 | 16.39% | Wife of the Chair of the Board of Directors |
| 3 | Nguyen Thi Tu Anh |  |  |  |  | 819,944 | 4.02% |  |
| 4 | Vu Van Xuyen |  |  |  |  | 470,730 | 2.31% | Husband of the General Manager |
| 5 | Nguyen Trung Nam |  |  |  |  | 307,020 | 1.51% | Brother of the General Manager |
| 6 | Tran Phuc Duong |  |  |  |  | 828,494 | 4.06% |  |
| 7 | Pham Thi Thuy |  |  |  |  | 56,712 | 0.28% |  |
| 8 | Tran Kim Cuong |  |  |  |  | 106,409 | 0.52% |  |
| 9 | Tran Van Oanh |  |  |  |  | 200,555 | 0.98% | Father of Mr. Tran Kim Cuong - Member of the Supervisory Board |
| 10 | Pham Thi Nhan |  |  |  |  | 55,232 | 0.27% | Mother of Mr. Tran Kim Cuong |
| 11 | Tran Van Minh |  |  |  |  | 27,614 | 0.13% | Brother of Mr. Tran Kim Cuong |
| 12 | Chu Van Long |  |  |  |  | 73,463 | 0.36% |  |
| 13 | Ho Thi Ngoc Thanh |  |  |  |  | 49,164 | 0.24% | Wife of Mr. Chu Van Long |
| 14 | Nguyen Thi Huong Lan |  |  |  |  | 9,638 | 0.05% |  |

1. Transactions between PDMR and persons related to the Company’s shares

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| 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, reward,...) |
| Number of shares | Rate (%) | Number of shares | Rate (%) |
| 1 | Nguyen Trung Viet |  | 6,096,450 | 40.64% | 8,331,972 | 40.84% | Issue shares to increase shares from owners’ equity + Buy more shares |
| 2 | Tran Mai Lan | Wife of the Chairof the Board of Directors | 2,458,105 | 16.39% | 3,343,022 | 16.39% | Issue shares to increase shares from owners’ equity  |
| 3 | Nguyen Thi Tu Anh |  | 601,200 | 4.01% | 819,944 | 4.02% | Issue shares to increase shares from owners’ equity + Buy more shares |
| 4 | Vu Van Xuyen | Husband of the General Manager | 346,125 | 2.31% | 470,730 | 2.31% | Issue shares to increase shares from owners’ equity |
| 5 | Nguyen Trung Nam | Brother of the General Manager | 225,750 | 1.51% | 307,020 | 1.51% | Issue shares to increase shares from owners’ equity |
| 6 | Tran Phuc Duong |  | 609,187 | 4.06% | 828,494 | 4.06% | Issue shares to increase shares from owners’ equity |
| 7 | Pham Thi Thuy |  | 37,500 | 0.25% | 56,712 | 0.28% | Issue shares to increase shares from owners’ equity + Buy more shares |
| 8 | Tran Kim Cuong |  | 49,967 | 0.33% | 106,409 | 0.52% | Issue shares to increase shares from owners’ equity + Buy more shares |
| 9 | Tran Van Oanh | Father of Mr. Tran Kim Cuong - member of the Supervisory Board | 147,467 | 0.98% | 200,555 | 0.98% | Issue shares to increase shares from owners’ equity |
| 10 | Pham Thi Nhan | Mother of Mr. Tran Kim Cuong | 40,612 | 0.27% | 55,232 | 0.27% | Issue shares to increase shares from owners’ equity |
| 11 | Tran Van Minh | Brother of Mr. Tran Kim Cuong | 20,305 | 0.13% | 27,614 | 0.13% | Issue shares to increase shares from owners’ equity |
| 12 | Chu Van Long |  | 54,017 | 0.36% | 73,463 | 0.36% | Issue shares to increase shares from owners’ equity |
| 13 | Ho Thi Ngoc Thanh | Wife of Mr. Chu Van Long | 36,150 | 0.24% | 49,164 | 0.24% | Issue shares to increase shares from owners’ equity |
| 14 | Nguyen Thi Huong Lan |  | 7,087 | 0.05% | 9,638 | 0.05% | Issue shares to increase shares from owners’ equity |

1. Other significant issues: None.