**LDP: Board Resolution**

On June 13, 2024, Lam Dong Pharmaceutical JSC announced Resolution No. 16/NQ-HDQT/2024 on implementing the share issuance plan under the Employee Stock Ownership Plan as follows:

Article 1: Approve implementing the share issuance plan under the Employee Stock Ownership Plan according to the detailed plan approved in the Annual General Mandate 2024 of Lam Dong Pharmaceutical JSC No. 01/NQ-DHDCD/LDP/2024 dated April 10, 2024. The main contents are as follows:

|  |  |
| --- | --- |
| 1. Share name: | Shares of Lam Dong Pharmaceutical JSC |
| 1. Securities code: | LDP |
| 1. Par value: | VND10,000/share |
| 1. Share type: | Common shares |
| 1. Number of outstanding shares: | 12,703,135 shares |
| 1. Number of treasury shares: | 32 shares |
| 1. Current charter capital: | VND127,031,670,000 |
| 1. Expected maximum number of shares issued: | 635,000 shares |
| 1. Rate of issuance to current charter capital: | 4.9987% |
| 1. Expected maximum value of shares issued at par value: | VND6,350,000,000 |
| 1. Offering form: | Issue shares under the Employee Stock Ownership Plan |
| 1. Issuance price: | VND10,000/share |
| 1. Eligible buyers and selection criteria: | Issue to personnel working at LDP according to the ESOP Regulations promulgated by the Board of Directors. |
| 1. Transfer conditions: | Issued shares are subjected to 1-year transfer restriction from the date of issuance completion. |
| 1. Plan for handling fractional shares and undistributed shares in case employees do not purchase or only partially purchase | - For fractional shares: They will be proposed by the General Manager for allocation to employees in the list of allocated ESOP purchasing rights (ensuring the conditions according to current law and the ESOP Regulations) and submitted to the Board of Directors for approval.  - For undistributed shares in case employees do not purchase or only partially purchase: Based on the practical situation, the Board of Directors decides on a plan to distribute the remaining shares to other employees based on ensuring compliance with current law on procedural conditions and the same selling price for employees according to the original list. |
| 1. Expected issuance time: | Expected in 2024, after the State Securities Commission issued a written notice on full receipt of report documents of the share issuance under the Employee Stock Ownership Plan. |

1. Plan on capital use:

* The entire expected proceeds of VND6,350,000,000 will be used to supplement the Company's working capital.
* Detailed capital use plan is as follows:

|  |  |  |  |
| --- | --- | --- | --- |
| No. | Content of capital use | Expected purchasing value (VND) | Expected disbursement time |
| 1 | Payment for goods purchased to DHG Pharmaceutical Joint Stock Company’s Branch in Binh Thuan according to Contract No. 001/2024.BTN-LDP dated January 2, 2024 | 4,000,000,000 | In 2024, after completing the issuance and according to the practical capital use progress. |
| 2 | Payment for goods purchase to OPC Pharmaceutical Joint Stock Company’s Branch in Nha Trang according to Contract No. 003/HDMB\_NPP/2024 dated January 2, 2024 | 1,200,000,000 |
| 3 | Payment for medicine, cosmetics, and food supplements to Traphaco Joint Stock Company’s Southern Branch according to Contract No. 145/2023/CN-HDKT dated July 1, 2023 | 800,000,000 |
| 4 | Payment for the purchase of pharmaceutical products purchase to Danapha Pharmaceutical Joint Stock Company’s Branch in Khanh Hoa according to Contract No. 002/2024/HDKT-CNKH dated January 2, 2024 | 200,000,000 |
| 5 | Payment for the purchase of drugs, vaccines, medical-biological products, cotton pads, alcohol, swabs, nutritional products, cosmetics, medical tools and equipment, and testing chemicals for Codupha Central Pharmaceutical Joint Stock Company according to Contract No. 88/TT-CDP2024 dated January 2, 2024 | 150,000,000 |
|  | Total | 6,350,000,000 |  |

In case the issuance does not reach the expected amount, the priority order for the use of capital from the issuance for the items presented in the table above is based on the principle of using all capital raised for each item. Any remaining capital will be used for the subsequent item until all raised capital is utilized. Shortage of capital will be mobilized from other sources such as personal loans, retained profits, etc. to ensure the Company's operating requirements in 2024 and the following years.

Based on the practical situation, the Company's Board of Directors can flexibly adjust the allocation and use of capital mobilized from the issuance, and supplement, amend and develop a detailed capital use plan if necessary. The Board of Directors will report adjustments to the capital use plan to shareholders at the nearest Meeting.

Article 2: Ensure the Company's maximum foreign ownership rate.

The Company's foreign ownership rate as of February 15, 2024 is 0.21% (according to VSDC’s list of shareholders eligible to attend the Annual General Meeting of Shareholders 2024). The maximum foreign ownership rate at LDP is 0% (according to Official Dispatch No. 1041/UBCK-PTTT dated March 3, 2022 of the State Securities Commission).

Based on the list of employees eligible to participate in the Employee Stock Ownership Plan promulgated with Board Resolution No. 15/NQ-HDQT/2024 dated June 13, 2024, there are no employees of foreign nationality participating in the program.

Therefore, the share issuance under the Employee Stock Ownership Plan 2024 does not lead to an increase in foreign ownership rate at the Company. Therefore, the Company commits and ensures to meet the foreign ownership rate as prescribed by law.

Article 3: Assign/authorize the Chair of the Board of Directors and/or the General Manager to direct and perform the following tasks:

1. Prepare documents, perform issuance registration procedures with the State Securities Commission and organize the implementation after receiving written notice on full receipt of the ESOP share issuance report documents from the State Securities Commission;
2. On behalf of the Board of Directors, decide and handle arising issues and other issues related to the implementation of share issuance under the ESOP, which includes amending, supplementing, and completing the plan on share issuance according to the ESOP and the ESOP Regulations (except for the contents of quantity, type of shares issued, issuance price) when necessary to comply with the requirements of competent management agencies and the practical situation;
3. Report issuance results, information disclosure, and registration of the Company's charter capital corresponding to the actual increase after the issuance to the competent state agencies as per law;
4. Update and supplement the Company’s Charter to record the charter capital and the number of new shares according to the actual results of the issuance reported and confirmed/accepted by the competent management agencies;
5. Prepare the necessary dossiers to register additional securities at Vietnam Securities Depository and Clearing Corporation and register to list additional shares at Hanoi Stock Exchange according to regulations;
6. Perform procedures for changing business registration and charter capital according to the results of the above issuance with the competent State agency.

Article 4: Terms of enforcement:

This Resolution takes effect from the date of its signing. Members of the Board of Directors, the Board of Management, and relevant departments of the Company are responsible for implementing this Resolution.