

DRAFT

HCMC, 25th April 2020

**REGULATIONS ON ELECTING
AN ADDITIONAL MEMBER OF THE BOARD OF DIRECTORS FOR THE TERM 2020–2023
PHAT DAT REAL ESTATE DEVELOPMENT CORPORATION
2020 ANNUAL GENERAL MEETING**

- Pursuant to the Enterprise Law No.68/2014/QH13 promulgated by the National Assembly of the Socialist Republic of Vietnam on 26th November 2014, effective as of 1st July 2015.
- Pursuant to Decree No.71/2017/NĐ-CP dated 6th June 2017 guiding on corporate governance of public companies;
- Pursuant to Circular No.95/2017/TT-BTC guiding Decree No.71/2017/NĐ-CP guiding on corporate governance of public companies;
- Pursuant to the Charter of Phat Dat Real Estate Development Corporation.

The additional election of the Board of Directors (BOD) of Phat Dat Real Estate Development Corporation (the Company) shall abide by the following regulations:

I. Election of an additional member of the BOD:

1. Number of members of the BOD to be additionally elected: 01 member.
2. The office term of the member of the BOD: 03 years, from April 2020 to March 2023
3. The maximum number of candidates: No limit
4. Criteria and conditions to become a member of the BOD:
 - Having full capacity for civil acts and not belonging to the subjects banned from acting as managers and executives by Laws.
 - Having a university degree or higher.
 - Having expertise, capacity, and experience in investing, operating, managing and developing real estate project.
 - Being healthy and honest, possessing a professional code of ethics and a general understanding of the laws

II. Rights of Self-nomination and Nomination:

- A shareholder or a group of shareholders possessing 5% or more of the total number of voting shares for a consecutive period of six months or more shall have the rights to self-nominate or nominate candidates for the additional election of the BOD.
- Shareholders possessing less than 5% of the total number of voting for a consecutive period of six months or more may combine their voting shares to be eligible to nominate candidates for the additional election of the BOD.
- Shareholders and groups of Shareholders possessing the following proportions of voting shares for a consecutive period of six months or more:
 - ✓ From 05% to below 10% shall have the right to nominate a maximum of one (01) candidate;
 - ✓ From 10% to below 30% shall have the right to nominate a maximum of two (02) candidates;
 - ✓ From 30% to below 40% shall have the right to nominate a maximum of three (03) candidates;
 - ✓ From 40% to below 50% shall have the right to nominate a maximum of four (04) candidates;
 - ✓ From 50% to below 60% shall have the right to nominate a maximum of five (05) candidates;
 - ✓ From 60% to below 70% shall have the right to nominate a maximum of six (06) candidates;
 - ✓ From 70% to below 80% shall have the right to nominate a maximum of seven (07) candidates;

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✓ From 80% to below 90% shall have the right to nominate a maximum of eight (08) candidates; If the number of candidates nominated or self-nominated is insufficient or the candidates failed to meet the criteria and conditions as regulated, the BOD may nominate additional candidates (in accordance with Point 29 of the Charter of the Company).

III. Election Method:

1. The election shall be implemented according to the method of cumulative voting. Accordingly, each Shareholder has a total number of votes corresponding to the total owned shares multiplied by 01 elected member of the BOD.
2. **As for attending in person with direct voting or remote voting via mail/fax:** Electing ballot of each Shareholder shall have Shareholder's full name, Shareholder's code, the number of common shares owned, and the corresponding number of votes. On each electing ballot, there are columns named: "Candidate's Full Name" and "Number of Votes." Shareholders write the number of votes they give to a candidate on the corresponding row in the "Number of Vote" column. The total number of votes given by one shareholder must not exceed the total number of votes he/she is allowed to give.
3. **As for online attendance with remote voting via email:** Electing ballots shall be provided to Shareholders with the following content: Shareholder's full name, Shareholder's code, number of voting shares, the number of common shares owned, and the corresponding number of votes. Electing ballots shall be verified by using Shareholder's Confirmation Code. The total number of votes given by one shareholder must not exceed the total number of votes he/she is allowed to give.
4. The following ballots shall be considered invalid:
 - a. As for attending in person with direct voting or remote voting via mail/fax:
 - Ballots that do not comply with the issued form and do not bear the stamp of the Company;
 - Ballots that are erased or revised or contain additional information; Ballots that are torn, scratched;
 - Ballots that do not belong to the total number of ballots approved by the AGM;
 - Ballots with the total number of votes given by one shareholder exceeding the total number of votes that he/she is allowed to give;
 - Ballots that indicate a percentage (%) of votes written in the "Number of Vote" column.
 - b. As for online attendance with remote voting via email:
 - Ballots with insufficient information filled in the form
 - Ballots with the total number of votes given by one shareholder exceeding the total number of votes that he/she is allowed to give;
 - Ballots sent back to the Organizing Committee later than 05 (five) minutes since the Organizing Committee announces the beginning of the vote.
5. Principles on Vote counting:
 - As for attending in person with direct voting or remote voting via mail/fax: The election will be started when the distribution of Electing Ballots finishes and closed as soon as the last Shareholder puts his/her ballot into the Ballot-box. The Ballot-box must be checked by the Vote-counting Committee and supervised by all shareholders.
 - As for online attendance with remote voting via email: The Vote-counting Committee shall carry out the vote counting of ballots that Shareholders sent via emails.
 - Vote counting process will be conducted after the election is closed.
 - The vote counting results shall be recorded in written and announced by the Head of Vote Counting Committee in the AGM.

IV. Principles of the Election results:

1. The candidate elected as an additional member of the BOD has the highest number of votes.

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2. If two or more candidates reach the same highest number of votes, they shall be re-elected in the second election abiding by the principle of choosing the candidate with the highest number of votes. In case two or more candidates in the second election reach the same highest number of votes, the AGM shall decide whether to conduct another election.

V. Dossiers of nomination for an additional member of the BOD:

Dossiers include:

1. Nomination/Self-nomination application for an additional member for the BOD (form attached);
2. Curriculum vitae of the candidate (form attached)
3. Certified copies of Identity card, Permanent Residence Card, Degrees, and documents showing qualifications of the candidate;
4. List of Shareholders to nominate candidates for the BOD (in case candidate nominated by a group of Shareholders).

The Chairperson at the AGM shall chair the Election of an additional member of the BOD, have responsibility for introducing the list of nominated and self-nominated candidates, supervise the voting, vote counting, result counting, and settling complaints (if any) regarding the election.

This draft of the Regulations on Electing an additional member of the BOD shall be presented at the AGM for approval and will be immediately effective after it is approved at the 2020 Annual General Meeting of Shareholders of Phat Dat Real Estate Development Corporation.

**ON BEHALF OF THE BOARD OF DIRECTORS
CHAIRMAN**

NGUYEN VAN DAT

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