

**AUDITED FINANCIAL STATEMENTS FY2022 OF DHG
PHARMACEUTICAL JOINT STOCK COMPANY****Kind Attn to: THE GENERAL MEETING OF SHAREHOLDERS OF DHG PHARMA**

- Pursuant to Enterprise Law No.59/2020/QH14 dated 17 Jun 2020;
- Pursuant to the Charter of DHG Pharmaceutical Joint Stock Company (DHG Pharma) issued on 19 Apr 2021,

The financial statements FY2022 of DHG Pharma were audited by Deloitte Vietnam Company Limited. This document was published on the Company's website: www.dhgpharma.com.vn and on the website of Ho Chi Minh Stock Exchange: www.hsx.vn. At the Annual General Meeting of Shareholders 2022, the Board of Directors presents the summary of the Company's financial statements FY2022 as follows:

I. BALANCE SHEET

No.	Items	01 Jan 2022 (VND)	31 Dec 2022 (VND)
	TOTAL ASSETS	4,614,517,067,940	5,168,186,502,845
A	Current assets	3,720,882,994,624	4,218,772,327,716
I	Cash and cash equivalents	36,963,568,653	34,017,813,791
II	Short-term financial investments	2,110,000,000,000	2,355,000,000,000
III	Short-term receivables	488,071,438,874	550,503,358,957
IV	Inventories	1,072,605,509,022	1,250,833,919,138
V	Other short-term assets	13,242,478,075	28,417,235,830
B	Non-current assets	893,634,073,316	949,414,175,129
I	Long-term receivables	642,061,880	822,061,880
II	Fixed assets	767,930,673,967	787,387,089,074
III	Investment property	14,654,470,364	14,308,981,880
IV	Long-term assets in progress	69,507,677,936	92,596,259,917
V	Long-term financial investments	7,838,324,934	3,860,000,000
VI	Other long-term assets	33,060,864,235	50,439,782,378
	TOTAL RESOURCES	4,614,517,067,940	5,168,186,502,845
A	Liabilities	824,506,970,274	876,649,599,388
I	Current liabilities	757,700,006,863	811,536,702,268
II	Long-term liabilities	66,806,963,411	65,112,897,120

No.	Items	01 Jan 2022 (VND)	31 Dec 2022 (VND)
B	Owner's equity	3,790,010,097,666	4,291,536,903,457
I	Owner's contributed capital	1,307,460,710,000	1,307,460,710,000
II	Share premium	6,778,948,000	6,778,948,000
III	Investment and development fund	1,668,641,014,030	1,958,932,899,782
IV	Retained earnings	807,129,425,636	1,018,364,345,675

II. INCOME STATEMENT IN 2022

No.	Items	2021 (VND)	2022 (VND)
1	Gross revenue from goods sold and services rendered	4,522,008,123,146	5,181,739,797,774
2	Deductions	518,844,205,371	505,723,789,947
3	Net revenue from goods sold and services rendered	4,003,163,917,775	4,676,016,007,827
4	Cost of sales	2,082,259,824,914	2,418,521,064,699
5	Gross profit from goods sold and services rendered	1,920,904,092,861	2,257,494,943,128
6	Financial income	122,927,139,276	137,142,907,707
7	Financial expenses	100,163,749,092	101,162,960,616
	<i>In which: Interest expense</i>	12,080,103,631	12,558,694,966
9	Selling expenses	802,955,208,315	913,204,497,923
10	General and administration expenses	257,166,882,284	268,212,758,590
11	Operating profit	883,545,392,446	1,112,057,633,706
12	Other income	1,931,180,500	9,673,632,221
13	Other expenses	20,725,055,928	22,117,946,991
14	Losses from other activities	(18,793,875,428)	(12,444,314,770)
15	Accounting profit before tax	864,751,517,018	1,099,613,318,936
16	Current corporate income tax expense	89,184,316,760	109,468,546,668
17	Deferred corporate tax expense/(income)	(1,504,280,119)	1,690,126,196
18	Net profit after corporate income tax	777,071,480,377	988,454,646,072
19	Basic earnings per share	5,719	7,318

III. CASH FLOW STATEMENT

No.	Items	2021 (VND)	2022 (VND)
I.	Cash flows from operating activities		
1	Profit before tax	864,751,517,018	1,099,613,318,936
2	Adjustments for:		
	Depreciation and amortization of fixed assets and investment properties	83,876,191,955	81,001,086,959
	Provisions	7,185,116,299	(16,073,768,863)
	Foreign exchange gain arising from translating foreign currency items	(428,421,247)	(6,894,188,664)
	Gain from investing activities	(107,818,015,508)	(112,318,649,197)
	Interest expense	12,080,103,631	12,558,694,966
3	Operating profit before movements in working capital	859,646,492,148	1,057,886,494,137
	Change in receivables	22,427,410,406	34,205,818,824
	Change in inventories	(246,313,380,755)	(177,949,878,039)
	Change in payables	(32,417,885,879)	160,320,946,149
	Change in prepaid expenses	(1,749,149,711)	(15,714,025,517)
	Interest paid	(12,049,912,729)	(12,557,573,654)
	Corporate income tax paid	(99,613,058,758)	(100,998,733,008)
	Other cash outflows	(36,526,894,741)	(43,908,442,589)
	Net cash generated by operating activities	453,403,619,981	901,284,606,303
II.	Cash flows from investing activities		
1	Acquisition and construction of fixed assets and other long-term assets	(24,562,126,487)	(233,991,633,058)
2	Proceeds from sale, disposal of fixed assets and other long-term assets	2,277,272,726	3,334,204,498
3	Cash outflow for lending and time deposits	(2,980,000,000,000)	(3,770,000,000,000)
4	Cash recovered from lending and time deposits	2,944,109,670,254	3,525,000,000,000
5	Cash recovered from investments in other entities	84,720,000	3,205,772,441
6	Interest earned, dividends and profits received	101,418,077,380	118,722,503,640
	Net cash generated by/(used in) investing activities	43,327,613,873	(353,729,152,479)
III.	Cash flows from financing activities		
1	Proceeds from borrowings	794,683,347,097	737,940,850,410
2	Repayment of borrowings	(799,563,689,552)	(830,608,618,329)
3	Dividends and profits paid	(522,984,284,000)	(457,611,248,500)
	Net cash used in financing activities	(527,864,626,455)	(550,279,016,419)
	Net decreases in cash	(31,133,392,601)	(2,723,562,595)
	Cash and cash equivalents at the beginning of the year	68,051,723,905	36,963,568,653
	Effects of changes in foreign exchange rates	45,237,349	(222,192,267)
	Cash and cash equivalents at the end of the year	36,963,568,653	34,017,813,791

IV. BASIC FINANCIAL RATIOS

No.	Items	Unit	2021	2022
1	Asset structure ratios			
	Current assets to Total assets ratio	%	80.63%	81.63%
	Non-current assets to Total assets ratio	%	19.37%	18.37%
2	Capital structure ratios			
	Liabilities to Total resources ratio	%	17.87%	16.96%
	Owner's equity to Total resources ratio	%	82.13%	83.04%
3	Liquidity ratios			
	Current ratio	Time	4.91	5.20
	Quick ratio	Time	3.50	3.66
	Cash ratio	Time	0.05	0.04
4	Profitability ratios			
	Return on Sales (ROS)	%	19.41%	21.14%
	Return on Assets (ROA)	%	17.15%	20.21%
	Return on Equity (ROE)	%	21.12%	24.46%

Kindly submit to the General Meeting of Shareholders for consideration and approval.

Best regards.

Recipients:

- Ditto;
- Archived: BOD Secretary, AC.

**OBO. THE BOARD OF DIRECTORS
BOD MEMBER, CHIEF OPERATING OFFICER**

Doan Dinh Duy Khuong

[NOTICE: This Convocation Notice is a translation of the Vietnamese language original for convenience purpose only, and in the event of any discrepancy, the Vietnamese language original shall prevail.]

INDEPENDENT AUDITORS' REPORT

To: The shareholders
The Board of Directors, Audit Committee and Management of
DHG Pharmaceutical Joint Stock Company

We have audited the accompanying financial statements of DHG Pharmaceutical Company Joint Stock Company (the "Company"), prepared on 20 February 2023 as set out from page 4 to page 35, which comprise the balance sheet as at 31 December 2022, the statement of income and statement of cashflows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Management is responsible for the preparation and fair presentation of these financial statements in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting, and for such internal control as the Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Auditor's Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2022, and its financial performance and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting.



Nguyen Thi Thu Sang
Audit Partner
Audit Practising Registration Certificate
No. 1144-2023-001-1
BRANCH OF DELOITTE VIETNAM
AUDIT COMPANY LIMITED
20 February 2023
Ho Chi Minh City, Vietnam



Nguyen Doan Ngoc Diep
Auditor
Audit Practising Registration Certificate
No. 5036-2020-001-1