

**AUDITED FINANCIAL STATEMENTS FY2023 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 FY2023 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 2023, the Board of Directors presents the summary of the Company's financial statements FY2023 as follows:

I. BALANCE SHEET

No.	Items	01 Jan 2023 (VND)	31 Dec 2023 (VND)
	TOTAL ASSETS	5,168,186,502,845	6,110,474,220,572
A	Current assets	4,218,772,327,716	4,642,192,911,354
I	Cash and cash equivalents	34,017,813,791	94,134,026,358
II	Short-term financial investments	2,355,000,000,000	2,230,000,000,000
III	Short-term receivables	550,503,358,957	720,853,339,751
IV	Inventories	1,250,833,919,138	1,534,636,314,655
V	Other short-term assets	28,417,235,830	62,569,230,590
B	Non-current assets	949,414,175,129	1,468,281,309,218
I	Long-term receivables	822,061,880	205,000,000
II	Fixed assets	787,387,089,074	816,151,349,895
III	Investment property	14,308,981,880	31,481,004,375
IV	Long-term assets in progress	92,596,259,917	553,593,578,887
V	Long-term financial investments	3,860,000,000	4,175,000,000
VI	Other long-term assets	50,439,782,378	62,675,376,061
	TOTAL RESOURCES	5,168,186,502,845	6,110,474,220,572
A	Liabilities	876,649,599,388	1,257,539,546,302
I	Current liabilities	811,536,702,268	1,189,241,981,081
II	Long-term liabilities	65,112,897,120	68,297,565,221

No.	Items	01 Jan 2023 (VND)	31 Dec 2023 (VND)
B	Owner's equity	4,291,536,903,457	4,852,934,674,270
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	1,958,932,899,782	2,458,122,657,972
IV	Retained earnings	1,018,364,345,675	1,080,572,358,298

II. INCOME STATEMENT IN 2023

No.	Items	2022 (VND)	2023 (VND)
1	Gross revenue from goods sold and services rendered	5,181,739,797,774	5,767,734,511,921
2	Deductions	505,723,789,947	752,339,471,200
3	Net revenue from goods sold and services rendered	4,676,016,007,827	5,015,395,040,721
4	Cost of sales	2,418,521,064,699	2,671,849,997,386
5	Gross profit from goods sold and services rendered	2,257,494,943,128	2,343,545,043,335
6	Financial income	137,142,907,707	217,890,286,468
7	Financial expenses	101,162,960,616	90,909,165,233
	<i>In which: Interest expense</i>	<i>12,558,694,966</i>	<i>29,529,505,062</i>
8	Selling expenses	913,204,497,923	978,424,470,755
9	General and administration expenses	268,212,758,590	312,839,173,012
10	Operating profit	1,112,057,633,706	1,179,262,520,803
11	Other income	9,673,632,221	5,105,942,083
12	Other expenses	22,117,946,991	25,194,077,802
13	Losses from other activities	(12,444,314,770)	(20,088,135,719)
14	Accounting profit before tax	1,099,613,318,936	1,159,174,385,084
15	Current corporate income tax expense	109,468,546,668	109,539,123,098
16	Deferred corporate tax expense/(income)	1,690,126,196	(1,027,396,709)
17	Net profit after corporate income tax	988,454,646,072	1,050,662,658,695
18	Basic earnings per share	7,318	7,780

III. CASH FLOW STATEMENT

No.	Items	2022 (VND)	2023 (VND)
I.	Cash flows from operating activities		
1	Profit before tax	1,099,613,318,936	1,159,174,385,084
2	Adjustments for:		
	Depreciation and amortization of fixed assets and investment properties	81,001,086,959	88,703,980,639
	Provisions	(16,073,768,863)	3,723,124,554
	Foreign exchange gain arising from translating foreign currency items	(6,894,188,664)	7,141,016
	Gain from investing activities	(112,318,649,197)	(203,609,379,866)
	Interest expense	12,558,694,966	29,529,505,062
3	Operating profit before movements in working capital	1,057,886,494,137	1,077,528,756,489
	Change in receivables	34,205,818,824	(268,588,751,196)
	Change in inventories	(177,949,878,039)	(286,890,004,025)
	Change in payables	160,320,946,149	(129,051,280,927)
	Change in prepaid expenses	(15,714,025,517)	772,148,681
	Interest paid	(12,557,573,654)	(29,298,951,564)
	Corporate income tax paid	(100,998,733,008)	(104,854,037,567)
	Other cash outflows	(43,908,442,589)	(19,446,665,124)
	Net cash generated by operating activities	901,284,606,303	240,171,214,767
II.	Cash flows from investing activities		
1	Acquisition and construction of fixed assets and other long-term assets	(233,991,633,058)	(486,342,533,930)
2	Proceeds from sale, disposal of fixed assets and other long-term assets	3,334,204,498	1,654,183,545
3	Cash outflow for lending and time deposits	(3,770,000,000,000)	(2,560,000,000,000)
4	Cash recovered from lending and time deposits	3,525,000,000,000	2,685,000,000,000
5	Cash recovered from investments in other entities	3,205,772,441	-
6	Interest earned, dividends and profits received	118,722,503,640	179,869,198,694
	Net cash generated by/(used in) investing activities	(353,729,152,479)	(179,819,151,691)
III.	Cash flows from financing activities		
1	Proceeds from borrowings	737,940,850,410	1,524,390,415,627
2	Repayment of borrowings	(830,608,618,329)	(1,066,949,277,141)
3	Dividends and profits paid	(457,611,248,500)	(457,611,248,500)
	Net cash used in financing activities	(550,279,016,419)	(170,110,014)
	Net decreases in cash	(2,723,562,595)	60,181,953,062
	Cash and cash equivalents at the beginning of the year	36,963,568,653	34,017,813,791
	Effects of changes in foreign exchange rates	(222,192,267)	(65,740,495)
	Cash and cash equivalents at the end of the year	34,017,813,791	94,134,026,358

IV. BASIC FINANCIAL RATIOS

No.	Items	Unit	2022	2023
1	Asset structure ratios			
	Current assets to Total assets ratio	%	81.63%	75.97%
	Non-current assets to Total assets ratio	%	18.37%	24.03%
2	Capital structure ratios			
	Liabilities to Total resources ratio	%	16.96%	20.58%
	Owner's equity to Total resources ratio	%	83.04%	79.42%
3	Liquidity ratios			
	Current ratio	Time	5.20	3.90
	Quick ratio	Time	3.66	2.61
4	Profitability ratios			
	Return on Sales (ROS)	%	21.14%	20.95%
	Return on Assets (ROA)	%	20.21%	18.63%
	Return on Equity (ROE)	%	24.46%	22.98%

We look forward to your consideration and approval.

Best regards.

Recipients:

- Ditto;
- Archived: BOD Secretary, AC.

**OBO. THE BOARD OF DIRECTORS
BOD MEMBER, GENERAL DIRECTOR**

Toshiyuki Ishii

[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.]

No.: 0328 /VN1A-HC-BC

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 27 February 2024 as set out from page 4 to page 37, which comprise the balance sheet as at 31 December 2023, 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.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2023, 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
27 February 2024
Ho Chi Minh City, Vietnam

Vong My Thanh
Auditor
Audit Practising Registration Certificate
No. 3460-2020-001-1