

No.: 007/2017/TTr.ĐHĐCĐ

Can Tho, April 17 2017

**STATEMENT OF PROFIT-DISTRIBUTION REPORT 2016
AND PROFIT DISTRIBUTION PLAN 2017****Kind Attn: THE ANNUAL GENERAL MEETING OF DHG PHARMA**

- Based on the Enterprise Law No. 68/2014/QH13 dated 11/26/2014;
- Based on Charter of Organization and Operations issued by DHG Pharma;
- Based on the audited financial statement 2016 of DHG Pharma;
- Based on the Resolution No. 001/2016/NQ.ĐHĐCĐ dated 04/28/2016 of the Annual General Meeting 2015,
- Based on Decision No.15/2017/QĐ.HĐQT dated 04/17/2017 of the Board of Directors regarding the report's contents of the Statement No. 001/2017/TTr.ĐHĐCĐ dated 04/03/2017 was substituted by the statement No. 007/2017/TTr.ĐHĐCĐ dated 04/17/2017 submitted to the 2016 AGM,

The Board of Directors kindly submits profit distribution report 2016 and profit distribution plan 2017 to the 2016 Annual General Meeting on, detailed as followed:

I. PROFIT DISTRIBUTION 2016

Target	Appropriation rate 2016	Amount (VND)
Consolidated profit after tax of parent company's shareholders for attribution (1)		710,101,428,166
Dividends for 2016 (2)	Planned: 30% nominal value Proposed: 35% nominal value (by cash)	305,075,155,000
Deduction from Bonus and welfare fund (3)	<u>Planned</u> : 10% consolidated PAT of parent company 's shareholders <u>Proposed</u> : Additional of 2% consolidated PAT of parent company's shareholders to be used as a source of money to buy shares to reward managers, members assisting the BOD and key staffs and excellent individuals, ... under the purpose "Attract and	71,010,142,817 14,202,028,563

Target	Appropriation rate 2016	Amount (VND)
	Retain Talent". It also creates motivation to work effectively, to complete business targets 2016-2020 and to associate benefits with employees. Basis for proposal: In 2016, the company exceeded 34 billion VND of consolidated after-tax profit (Plan: 679 billion VND, Performance: 713 billion VND). The additional appropriation is approximately one quarter (1/4) of the average monthly salary of the Company.	
Remuneration for BOD, BS, and collaborators (4)	Implementation as planned	5,000,000,000
Bonus for BOD, BS, collaborators, Executive Board and key staffs (5)	Implementation as planned (5% growth of consolidated PAT of parent company's shareholders)	6,070,021,247
The remaining profit will be added to the Investment & Development Fund (6) = (1-2-3-4-5)	The remaining	308,744,080,539

II. BALANCE OF THE FUNDS AFTER PROFIT DISTRIBUTION 2016

Figure in: VND

No.	Content	Balance at 31 Dec 2016	Profit distribution 2016	Balance after profit distribution 2016
1.	Bonus, welfare fund	27,749,019,305	85,212,171,380	112,961,190,685
	+ Added by parent Company	23,284,835,838	85,212,171,380	108,497,007,218
	+ Added by subsidiaries 100% owned by DHG Pharma	4,464,183,467	-	4,464,183,467
2.	Remuneration, bonus Fund of the BOD, BS, BOM	6,862,390,429	14,068,884,894	20,931,275,323
	+ Added by parent Company	6,822,310,000	11,070,021,247	17,892,331,247
	+ Added by subsidiaries 100% owned by DHG Pharma	40,080,429	2,998,863,647	3,038,944,076

3.	Investment & Development Fund	1,204,418,584,654	308,744,080,539	1,513,162,665,193
	+ Added by parent Company	1,204,418,584,654	308,744,080,539	1,513,162,665,193
	+ Added by subsidiaries 100% owned by DHG Pharma	-	-	-

Balance of the funds does not include subsidiaries 51% owned by DHG Pharma (SH Pharma and Fuji Medic)

III. PROFIT DISTRIBUTION PLAN OF 2017

Target	Estimated appropriation rate in 2017
Consolidated profit after tax of parent company's shareholders for attribution as follows:	
Dividends for 2017	30% nominal value (by cash)
Deduct Bonus and welfare fund	10% consolidated PAT of parent company's shareholders
Remuneration for BOD, BS, and collaborators	5,000,000,000 VND
Bonus for BOD, BS, collaborators, Executive Board and key staffs who complete excellent tasks in 2017	5% growth of consolidated PAT of parent company's shareholders
The remaining profit added to the Investment & Development fund	The remaining

Respectfully submit to the AGM for consideration and approval.

Best regards./.

Recipients:

- As above;
- Archived: BOD' Secretary, BS, AT

**ON BEHALF OF BOARD OF DIRECTORS
CHAIRMAN**

Hoang Nguyen Hoc