

DHG PHARMACEUTICAL JSC

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Founded: 02/Sep/1974
Equitized: 02/Sep/2004
Listed: 21/Dec/2006

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IR ACTIVITIES IN 2013

IR activities

- Carried out more than 55 meetings with domestic and foreign investors, shareholders.
- Organized visiting tours for investors to join in DHG customers get together “Tinh dat Phuong nam” at DHG New plan on 29/Nov/2013.
- Held and introduced DHG at meetings with major shareholders
- Be selected in Top 10 of Excellent Annual Report 2013, promoted award for Sustainable Development Report with the fullest features.
- All published information has been translated into English, uploaded in Company’s website as well as being sent to investors via email.

Information most concerned by investors

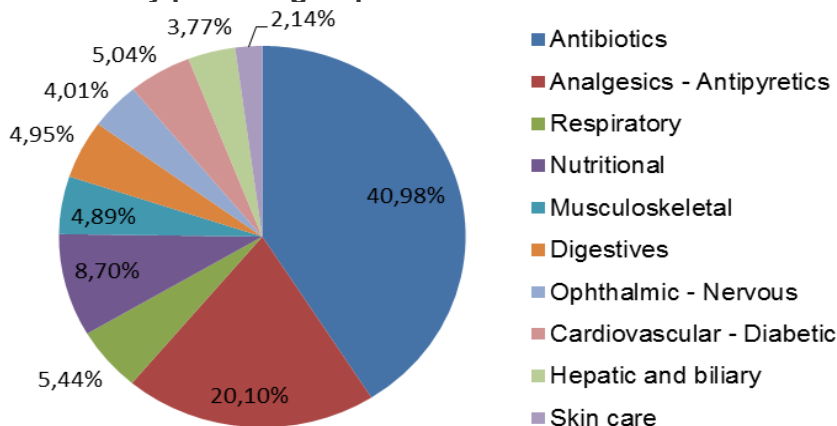
Consolidated sales (estimated) of 2013 by function:

| Consolidated sales (estimated) of 2013 | Amount (Million USD) | Yoy growth rate | Ratio |
|--|----------------------|-----------------|----------------|
| Sales of DHG’s goods | 142.2 | 11.11% | 85.18% |
| Other goods | 24.7 | 130.43% | 14.82% |
| Total net sales | 166.9 | 20.34% | 100.00% |

Export sales of 2013:

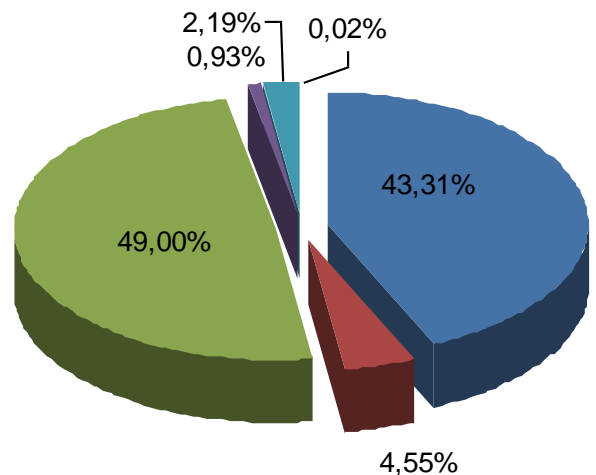
Approximately 33.5 billion VND, 112% of year-plan, 39% growth y-o-y. DHG is currently exporting to 12 nations, including as follows: Moldova, Ukraine, Myanmar, Russia, Mongolia, Cambodia, Nigeria, Laos, Singapore, Jordan, Sri Lanka. Some other emerging markets can be Afganistan, Indonesia, Philippines, Yemen, Iran, Somalia. There are 68 new products have been developed so far.

Sales by product group breakdown in 2013:



Shareholders’ structure on 19/Aug/2013

SCIC 43.31%
Foreign 49%
Internal 0.93%
Employee 2.19%
External 4.55%
Treasury 0.02%



Major shareholders: SCIC 43.31%; Franklin Templeton Investment Funds (9.04%), Portal Global Limited (7.20%)

In 2013, the Company strongly invested in professional marketing activities, advertising, scientific seminars and conferences, customer meetings, promotion programs etc to help promote sales of 10 Cates with 13% up y-o-y.

Eleven invested brands contributed 48.04% of company’s produced sales and reach 15% of y-o-y growth. The highest growth among the brands are NattoEnzym (78%), Naturenz (55%), Spivital (45%) and Apitim (49%).

Volume breakdown by factory (current plan)

| Factory | Year 2013 | | Year 2012 | | Y-o-Y Growth |
|------------------|-------------|-------------|-------------|-------------|---------------|
| | Volume | Value | Volume | Value | Value |
| Non Betalactam | 77.11% | 50.94% | 79.01% | 51.96% | 17.98% |
| Betalactam | 12.84% | 36.53% | 11.87% | 36.09% | 21.78% |
| Liquid-Cream-Gel | 0.85% | 6.60% | 1.01% | 6.76% | 17.54% |
| Soft- capsule | 9.20% | 5.92% | 8.12% | 5.19% | 37.30% |
| Total | 100% | 100% | 100% | 100% | 20.32% |

Volume breakdown by dosage form

| Dosage form | Cal. unit | Year 2012 | Year 2013 | Y-o-Y Growth |
|---------------------|-----------------|----------------------|----------------------|--------------|
| Tablet | Tablet | 1,535,482,460 | 1,666,217,643 | 8.51% |
| Sugar coated tablet | Tablet | 290,983,408 | 256,728,275 | -11.77% |
| Film coated tablet | Tablet | 675,971,964 | 669,353,641 | -0.98% |
| Hard capsule | Capsule | 702,670,173 | 898,004,383 | 27.80% |
| Soft capsule | Capsule | 338,928,015 | 421,597,610 | 24.39% |
| Ampoule | Ampoule | 8,455,700 | 8,321,940 | -1.58% |
| Liquid | Bottle , | 7,552,671 | 8,426,976 | 11.58% |
| Powder | tube, | 390,083,834 | 400,779,749 | 2.74% |
| Cream | sachet | 26,147,837 | 21,991,723 | -15.89% |
| Probiotics | Capsule, sachet | 14,061,745 | 13,571,960 | -3.48% |
| Candy (outsourcing) | Piece | 185,416,200 | 209,401,300 | 12.94% |
| Total | | 4,175,754,007 | 4,581,329,155 | 9.71% |

Business results

*Consolidated figures
in 2013
(estimated)*

| Year 2013 | Amount | Y-o-Y Growth | Compared to year plan |
|-----------------------|---------------|--------------|-----------------------|
| Production value | 194 Mln USD | 20.32% | 107.99% |
| Net sales | 166.9 Mln USD | 20.34% | 110.23% |
| Profit before tax (*) | 30.6 Mln USD | 19.29% | 113.56% |
| Profit after tax | 28.1 Mln USD | 20.83% | |

(*) Profit before tax which is not extracted for scientific & Technology fund and excluded the income from Eugica.

Decision/Decree of Board of Directors (BOD) that officially issued

In 2013, BOD of DHG Pharma carried out 17 meetings (04 periodically and 13 unscheduled). In Q4/2013, there were 01 periodical meeting and 03 unscheduled ones that approved the main contents:

- Approved the change of capital representative and Member committee of TG Pharma
- Approved the policy of signing credit contract with value of 100 billion VND
- Approved the reports of Sub-committees in Q3/2014 and plan for Q4/2013, report on the progress of new plan progress
- Approved the supplement of new investment item for DHG New Plan: Breakwater item in Ba Lang river.
- Passed the application of new organization structure from 02 Jan 2014
- Approved the dissolution of DHG PP

Export activities in 2013

Joined in Vietnam Medi-pharm Expo 2013 in HCM City
Market survey and meetings with partners in Indonesia, Singapore, Myanmar, Mongolia, Laos
Singapore Supported the customer Joyson to implement marketing activities and sampling at Mustafa center in Singapore

Customer activities in 2013

Organized program "the rose of love" Vu Lan season's signaling to customers of subsidiary units and Ho Chi Minh City with 636 participating customers
Organized successful customer conference in 2013 with the theme "The land of the South" for 6000 customers and partners, shareholders, investors attending
Combined with DHG Travel to organize 80 tours 842 million customers inbound and outbound. Organized 6 programs of summer experience for clients children in northern - Central - South

IT activities

ERP timely provided benefits to the company's strategies. Put into use software of GPP drugstore to 150 drugstores in Mekong area and HCM City. Completed network system for Tan Phu Thanh plan.

R&D and production activities in 2013

Proposed 25 new products. Deploy to produce 16 new products. Innovated 23 production lines
7 products achieved bioequivalence including (Hapacol 250, Hafixim 100 powder, Haginat 500, Klamentin 1g, Klamentin 625, Klamentin 500, Azithromycin 200 powder). Clinical doing: Naturenz, Eyclight Vita Yellow.
Supplied 5,308 tons of raw materials, 923 million capsules of various type, and more than 1,700 kinds of packaging for serving production. Material trading activity contributed 80 billion VND to the total sale, 63% up y-o-y.

PR activities in 2013

Implement free health exam for 70, 942 people of 43 provinces and cities nationwide
Organized the activities e.g "Can Tho health sector for health network basis" and the anniversary celebration for Vietnamese physician on 27 Feb with more than 3,000 participants
Guiding consumers through television programs such as "doctor-patient interface, health bridge with over 1,900 telephone exchanges and the over 3,500 watchers
Proceed for poor patients, in 2013 the National Fund for Poor Patients of DHG has received VND 1.62 billion. In particular, the contribution of partners and customers were VND 387 million, the contribution from the monthly income of DHG employees was VND 1.23 billion. Blood Bank received 248 units of blood from DHG employees.

Human resource policy

Total employees as from 31/12/2013 is 2,729. Recruited 144 people for sale-force.
Training 1,000 sale men with the theme "aspiration for life and "Night for love"
Carried out health exam for 1,608 employees and checking professional disease for 750 employees.

Quality assurance activities:

Production lines of the plan located at Nguyen Van Cu continued to be approved GMP WHO, GLP, GSP.
Quality Department continued to be complied ISO/IEC: 17025.
The finished product warehouse located at Tan Tao IZ and the General warehouse complied GSP, GDP.
Quality assurance system continued to be approved ISO 9001: 2008

Investment activities, project in progress

Associate Vinh Hao Company (SPIVIHA) – DHG Pharma owns 31.36%

SPIVIHA is struggling on the consumption of the product. It is because Spiviha sales was dependent on the consumption by DHG Pharma. During the year, Spiviha has started to actively seek out new customers, that solution has helped improve the situation. However, SPIVIHA must continue to narrow its production scale to resolve the difficulties ahead.

The results estimated in 2013: 16.7 tons algae powder of production (111% of plan year), 15.3 tons of algae powder of consumption (reaching 109%), revenue VND 6.95 billion (reaching 148 %), interest VND 2.6 billion (reaching 442% of the plan)

Investment activities, project in progress

Invested in DHG Printing & Packaging 1 (DHG PP1)

Total cost of the project is roughly VND 94.7 billion. The project was completed and put into operation on 01.01.2014. Disbursed from 31/12/2013 VND was 43.4 billion and VND 55 billion to 20/01/2014

Project of new plan of DHG at Tan Phu Thanh IZ:

Total cost provided in advance for the project from the start to 31/12/2013 is VND 363.8 billion (including VND 63.6 billion for buying land and land levelling)

Completed items

Office – Quality Department: 1,116 m² including 01 groundfloor and 02 storeys

NonBetaLactam factory: approved GMP WHO, GLP, GSP on 27/11/2013, registration of product is in progress, and plan to officially run on Q2/2014. Total construction area: 8,990 m². In which:

- + Production factories: area: 5,797 m² (including 124 rooms) for serving the manufacture of: tablet, capsule, powder, granules.
- + Raw material system, packaging, finished product systems: area: 3,193 m²



Packaging factory of DHG 1 Tan Phu Thanh IZ



Pharmaceutical factory of DHG at Tan Phu Thanh IZ

Ceramic wall in the new factory premises in Tan Phu Thanh Plan: The wall is formed from the idea of DHG Pharma Chairman and performed by artist Viet Ha. Wishing to record the historic, traditional values that had made the trade-name DHG, recognizing contributions of generations of leaders, of Staffs and customers across the country, thereby reminding DHG's inhabitants to preserve and promote the valuable traditions of their predecessors.



This bulletin is made in order to provide investors with update information on trading, production, investment activities, the progress of current projects, the strategies of Board of Directors, Board of Leadership of DHG Pharmaceutical Joint-Stock Company (DHG).

Beside, DHG's IR Function would like to share its activities with investors in order to reaffirm the role of investors in DHG's "tripod" strategy. This bulletin copyright is owned by DHG Pharma and is the asset of the Company. It may not be copied, published, reproduced or redistributed by any person or any purpose without the express consent of DHG Pharma.