

**DHG PHARMACEUTICAL JOINT STOCK COMPANY**

**STOCK CODE: DHG**



# **ANNUAL REPORT**

## **2024**

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## MESSAGE FROM THE CHAIRWOMAN OF THE BOARD OF DIRECTORS

With a strong foundation built over 50 years, DHG Pharma is determined to innovate, expand, and maintain its leading position in Vietnam's pharmaceutical industry. The year 2024 marked the beginning of a new decade for DHG Pharma, presenting both opportunities and challenges. We are committed to creating sustainable value for society and fulfilling our mission: "For a more beautiful & healthier life."

### **Dear Shareholders, Partners, Customers, and All Employees,**

The year 2024 marks a significant milestone - DHG Pharma's 50th anniversary since its establishment and development. This is not only a memorable historical milestone but, above all, also a source of pride for generations of individuals who have dedicated their intellect and efforts to building a strong and thriving DHG Pharma over the past five decades. It is not only a solid foundation but also a driving force for DHG Pharma to continue growing in the future.

**"50 Years – Transforming with Strength, Advancing with Confidence"** tells the story of our aspirations from the very beginning. These are the concerns faced during a time when the country was still struggling, the determination to break through and conquer new peaks amid a fluctuating and challenging market, the pride in achieving remarkable accomplishments and prestigious awards, etc. All of these have shaped DHG Pharma into a 50-year-old pioneering enterprise in Vietnam's pharmaceutical industry.

**"50 Years – Transforming with Strength, Advancing with Confidence"** tells the story of the aspirations from the early days of establishment, the concerns during years of hardship when the country faced many difficulties, the determination to break through and conquer new heights in a period full of market fluctuations and challenges, and the pride in achieving remarkable accomplishments and prestigious awards. All of these have shaped DHG Pharma into a 50-year-old pioneering enterprise in Vietnam's pharmaceutical industry.

In 2024, although we have not yet achieved all our anticipated goals, we have nonetheless recorded many encouraging results: total sales of VND 4,885 billion and profit before tax of VND 904 billion. These accomplishments are the result of the continuous efforts and dedication of all DHG Pharma employees. The challenges of the past year have strengthened our resilience, allowing us to look back and draw valuable lessons for future growth. The year 2024 also witnessed significant achievements, as all three production lines at the Non-Betalactam Plant met EU-GMP standards. This milestone serves as a foundation for future growth, international market expansion, and enhanced competitiveness in the coming period.

### **Transforming with Strength**

With the experience and foundation accumulated over 50 years of operation and development, DHG Pharma is always prepared to face both opportunities and challenges, proactively seeking solutions in all aspects of its business operations. Furthermore, DHG

Pharma continuously improves its governance model, enhances product and service quality, and always towards increases sustainable value for all stakeholders. With a long-term vision and the belief that "*Innovation is the key to sustainable development*," DHG Pharma aims to drive proactive change and adapt flexibly to seize business, cooperation, and development opportunities.

### **Advancing with Confidence**

Our current position is built upon strong foundational values in technology, human resources, scientific management, and an unceasing spirit of innovation. DHG Pharma is committed to continuously optimizing resources to create long-term value, investing significantly in research and development, and applying advanced technologies to produce superior-quality products that best serve public health. Beyond sustainable business growth, we aspire to become a symbol of quality, credibility, and dedication, delivering lasting value to our customers, partners, and society while contributing to the elevation of Vietnam's pharmaceutical industry and affirming our increasingly strong presence in the international market.

On behalf of DHG Pharma, I would like to extend my deepest gratitude to all of you for your trust, support, and companionship throughout our half-century journey of development. We remain committed to continuous innovation, improving operational efficiency, increasing value, and achieving even greater successes in the future.

Wishing you all good health, happiness, and success!

**Sincerely,**

**Dang Thi Thu Ha**

Chairwoman of the Board of Directors

## **CHAPTER 1: OVERVIEW OF DHG PHARMA**

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## I. OVERVIEW OF DHG PHARMA

### **Vision**

*For a more beautiful & healthier life*

### **Mission**

“DHG Pharma always provides high-quality products and services to satisfy the aspiration for a more beautiful and healthier life.”

### **Core values**

1. Our highest commitments are quality, safety, & effectiveness.
2. Our foundation for development is knowledge & creativity
3. Our ways of doing business are with responsibility, cooperation, & promotion.
4. Our pride is DHG Pharma’s cultures and identity.
5. Our long-term goal is mutual prosperity with partners.
6. Our competitive advantage is the superior differentiation.
7. Our activities all centered around the benefits of the community.

### **Overview of the Company**

The Company’s name in Vietnamese	:	Công ty Cổ phần Dược Hậu Giang
The Company’s name in English	:	DHG Pharmaceutical Joint Stock Company
Abbreviation	:	DHG Pharma
Stock code	:	DHG
Stock exchange	:	Ho Chi Minh Stock Exchange (HOSE)
Headquarters	:	288 Bis Nguyen Van Cu, An Hoa Ward, Ninh Kieu District, Cantho City
Owner’s equity (As at 31 Dec 2024)	:	VND 4,094,755,097,969
Charter capital (As at 31 Dec 2024)	:	VND 1,307,460,710,000
Telephone	:	(+84) 2923 891 433
Fax	:	(+84) 2923 895 209
Email	:	dhgpharma@dhgpharma.com.vn
Website	:	www.dhgpharma.com.vn
Certificate of business registration and tax code	:	1800156801

## II. JOURNEY TO AFFIRM THE POSITION

1974: Established and was formerly known as the 2/9 Pharmaceutical SOE Factory

2004: Hau Giang Pharmaceutical Integrated Factory was equitized to become DHG Pharmaceutical Joint Stock Company

2006: DHG Pharma's stocks were listed on HOSE

2007: Reconfirmed the vision, mission and 7 core values. Increased the charter capital from VND 80 billion to VND 200 billion

2011: Successfully implemented the **"Factory Productivity Improvement Project"** and the **"Project to improve performance of subsidiaries"**.

2013: Completed the construction of the new Non-Betalactam factory and DHG Printing and Packaging 1 Plant Project in Tan Phu Thanh Industrial Zone

2014: Celebrated 40<sup>th</sup> years of establishing DHG Pharmaceutical Joint Stock Company and 10 years of equitization

2018: Lifted the foreign ownership limit at DHG Pharma from 49% to 100% of charter capital. PIC/s-GMP and Japan-GMP standards were granted for production lines.

2019: Marked the 45<sup>th</sup> historical milestone and the first year to become a member of Multinational Pharmaceutical Companies when Taisho officially owned 51.01% of the Company's capital

2020: The film-coated tablet production line was certified Japan-GMP and the tablet line continued to be re-granted Japan-GMP certificate.

2022: Commenced construction of the new Betalactam factory meeting global standards.

2024: Marking the historic 50-year journey of growth – transforming with strength, advancing with confidence

Achieved EU-GMP certification for all 3 production lines: tablets, film-coated tablets, and hard capsules.

The new Betalactam factory has been in operation since May 2024.

## 50-YEAR MILESTONE – CORPORATE CULTURE SHAPING THE DHG PHARMA BRAND

**"Taking corporate culture as a solid foundation, DHG Pharma constantly aspires and strikes to be ready to conquer new heights."**

### **50 YEARS OF PERSISTENTLY NURTURING THE WILL TO "TURN THE GROUND INTO ROADS"**

Born from its first cradle as a field medicine factory deep in the sacred U Minh Ha Forest, DHG Pharma has grown into the largest pharmaceutical company in the country. The first

generation of pharmacists, among the earliest formally trained in the Southwest region, braved bullets day and night to save soldiers, wading through streams and trekking through forests to deliver each anti-malaria pill to people in remote areas.

In the years 1988-1992, the country went through subsidy period, the pioneering team brought the will and hospitality culture of the Southwestern people, finding a way to bring products to every corner of the nation. Then came the milestone year of 1997—when the GMP-ASEAN pharmaceutical quality standards entered Vietnam. The entire workforce worked tirelessly through countless nights to carry out the "60 Days and Nights for survival and growth" campaign, making DHG Pharma the first pharmaceutical company in the country to achieve this standard.

The Company's history has witnessed many innovative products that go beyond the industry's stereotypes - from the non-bitter antibiotic sachets and the first sweet orange-flavored fever-reducers, which were launched the market in 2004, to help children overcome the fear of taking bitter medicines, to the stroke prevention product inheriting the Japanese quintessence for thousands of years, which were previously unavailable in the domestic market, etc.

Since 2016, with the official expansion of international cooperation with Japan's Taisho Group, DHG Pharma has owned 4 more JAPAN-GMP production lines, 2 Non-Betalactam factories, and 1 Betalactam factory meeting EU-GMP standards. Thanks to that, people in both urban and rural areas can easily access international quality drugs "made in Vietnam".

"It is precisely because we continuously 'choose the difficult path' that the company has firmly maintained its No.1 position domestically and reached out to the world. However, looking back on the journey we have taken, what we are most proud of is that we have always put the health and interests of consumers at the heart of every innovation. When holding any product in our hands, every employee feels proud to be part of DHG Pharma's 50-year journey of dedication to the health of the Vietnamese people," shared DHG Pharma General Director Toshiyuki Ishii.

## **50 YEARS OF EVER ASPIRING**

50 years – half a century has affirmed the position of a brand. This is a proud history that not many domestic enterprises can have as DHG Pharma has witnessed many ups and downs of history, from serving the national resistance to accompanying the country in the period of innovation, integration and development.

Marking the milestone of 50 years old, on 31 Aug 2024, DHG Pharma organized an annual walking ceremony to celebrate its 50<sup>th</sup> birthday with the theme "50 years of Ever Aspiring". 50 years of endless efforts and strong growth, generations of DHG Pharma through the ages have constantly innovated, but still maintained their identity of gratitude, dedication and steadfast aspiration "For a more beautiful and healthier life". The future generation, that DHG Pharma is nurturing and placing a trust with the culture of unity – empowering the successors of DHG Pharma, will bring the brand further in the international arena, but still maintaining the traditional identity of the Company.



## **ACCOMPANYING AND MUTUAL BENEFITS WITH CUSTOMERS**

During its 50 years of construction and development, DHG Pharma always understands that success not only comes from its own efforts, but also comes from cooperation and mutual benefits with customers and partners. This close connection has helped us develop together, creating practical values and sustainable benefits. It is your trust and support that have contributed to the brilliant achievements of DHG Pharma today, and at the same time, it is the motivation for us to endlessly innovate, improve the quality of products and services, and provide the best community health care.

To express gratitude for the companionship and support of customers, on 21-30 Oct 2024, DHG Pharma organized Customer Conference 2024 named “Southern Imprint” to introduce the culture of the South, including DHG Pharma – a pharmaceutical company born in the land of U Minh Ha. Unlike every year, Customer Conference 2024 was a special event to express gratitude to customers who have accompanied DHG Pharma for the past 50 years. The “Southern Imprint” program once again brought DHG Pharma customers back to the proud 50-year historical flow, introducing prominent locations, experiencing the colorful culture of the four ethnic groups i.e. Kinh, Cham, Hoa, and Khmer, and enjoying special dishes with an impressive Southern imprint.

## **PUTTING PEOPLE AT THE CENTER OF DEVELOPMENT**

Going through 50 years of continuous development, DHG Pharma has increasingly inherited and nurtured a “happy working environment”, using salary and bonus as a lever to promote creativity and comprehensive welfare for employees – family – relatives as a long-term bond. Every year, the Company organizes a ceremony to commend and reward collectives and individuals with outstanding achievements to encourage employees who have devoted themselves and contributed to the development of the Company.

At the ceremony for summarizing the 2024 production and business activities, DHG Pharma has commended and rewarded collectives and individuals with outstanding achievements in the labor emulation and innovation movement in 2024 with typical results:

**+ For Collective Emulation Title**, there were 25 Advanced Labor groups; 25 Excellent Labor groups; 12 collectives received City-level Certificates of Merit; 12 collectives received Certificates of Merit from the General Director for excellent performance; and 25 collectives received Certificates of Merit from the General Director for successful performance.

**+ For Individual Emulation Title**, there are 2,328 individuals achieving the title of Advanced Worker. In which, 217 were honored as grassroots emulation fighters, 86 individuals received City-level Certificates of Merit, 721 individuals received Certificates of Merit from General Director for excellent performance, and 1,521 individuals received Certificates of Merit from General Director for good performance in 224. In particular, 12 individuals received Certificates of Merit from the Prime Minister.

The ceremony not only marked the bright beginning of a new year of emulation but also inspired all employees to continue working together for the Company's outstanding development.

Besides caring for the material and spiritual life of employees, DHG Pharma pays special attention to cultivate strong family values which are the foundation of happiness, fostering employee peace of mind and encouraging a long-term commitment to the Company. That has been proven through many activities for children of employees such as building kindergartens, organizing summer experience programs and mid-autumn festivals, or giving rewards to students with excellent achievements. In addition, the Company pays visits to employees' parents every Vu Lan season and has policies to support the spouses, children, and parents of employees. Those practical actions and programs have shown that at DHG Pharma, employees and their families are a valuable part in the development journey of the Company.

### **INTACT HUMAN VALUES FOR THE COMMUNITY**

The 50-year journey of development has witnessed constant changes, but there are many things remain intact. That is the bond of warm humanities in the digital age. The humanistic values from the early days have been like a bright torch shining through generations, nurturing a "corporate citizen" for the community and society.

Celebrating 50-year establishment anniversary, DHG Pharma has returned to its birthplace – Kenh 5 Dat Set, U Minh – to pay tribute to the previous generations and enrich the determination to preserve corporate culture. Together with more than 40 doctors from Ho Chi Minh City, the Company has distributed free medicine to 1,000 people with limited access to healthcare. 50 years of reaching out to the world but never forgetting our roots, as an unwritten rule, every year the Company returns to this land of nurturing the South of the country.

In particular, in 2024, the total amount donated to community activities by DHG Pharma was up to VND 5 billion with 24 free medicine distribution and medical examinations to remote areas and extreme points of the country. In the relief campaign for the historic typhoon Yagi, DHG Pharma supported 4 provinces severely damaged in the North with 10,000 family medicine kits.

"The current team is proud to be the next generation of DHG Pharma, not only inheriting the responsibility of production and business to build the brand reputation domestically and internationally, but also continuing the cultural identity and tradition of accompanying employee – customer – community, improving the quality of life and health for people", shared General Director Ishii.

## **MARKET POSITION**

### **1. MAINTAINING NUMBER ONE POSITION IN VIETNAM'S PHARMACEUTICAL INDUSTRY**

- Pioneering in brand positioning, maintaining the leading position in Vietnam's Pharmaceutical Industry for 28 consecutive years
- Top 3 pharmaceutical enterprises with the largest market share in Vietnam's Pharmaceutical Industry.
- Leading enterprises with the best corporate governance with a professional organizational apparatus, approaching international standards.

### **2. DIFFERENTIAL STRENGTHS AND COMPETITIVE ADVANTAGES**

- Promoting synergistic power from Parent company Taisho Group – the Japanese leading pharmaceutical company with a rich history spanning over 100 years.
- Large-scale distribution network with 34 branches nationwide from urban to rural areas (distribution through 3 levels of city, district, commune).
- Owning a factory system meeting global GMP standards. DHG Pharma is the only pharmaceutical company in Vietnam to simultaneously achieve both Japan-GMP and EU-GMP certifications for production lines.

### **3. AFFIRMING POSITION BY QUALITY AND CONSUMER TRUST**

- DHG Pharma has developed more than 300 SKUs. In which, more than 150 SKUs are manufactured on the production lines meeting EU-GMP/Japan-GMP standards and 53 products are bioequivalent.
- DHG Pharma's products satisfy international quality, have reasonable prices, and increasingly gain the trust of consumers and professionals.
- Outstanding brands:
  - Hapacol – A leading in pain reliever and fever reducer in Vietnam.
  - NattoEnzym – Pioneering in applying nattokinase in stroke prevention.
  - Naturenz – Solution to support liver detoxification, health care for Vietnamese people.
  - Bipp – A leading nutritional candy for children.

### **4. HEALTHY FINANCE, GREAT GROWTH POTENTIAL**

- Top pharmaceutical companies with effective business and sustainable growth
- Affirming financial health of the enterprise through stable and sustainable growth in revenue and profit over the years.
- Always in the leading group of companies with the highest ROE and ROA ratios.

### **5. STOCKS ATTRACTING INVESTORS**

- DHG securities is among the leading companies in Vietnam's pharmaceutical production and business.
- As a listed company with large market capitalization, DHG shares are always attractive to domestic and foreign shareholders and investors.
- Among the leading companies with stable and increasing dividend rates over the years.

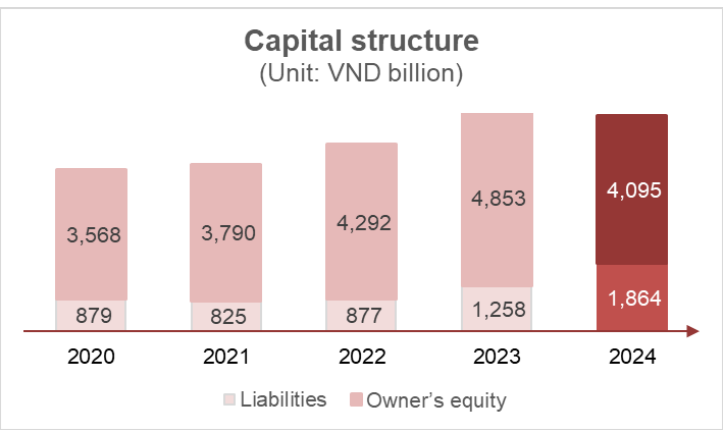
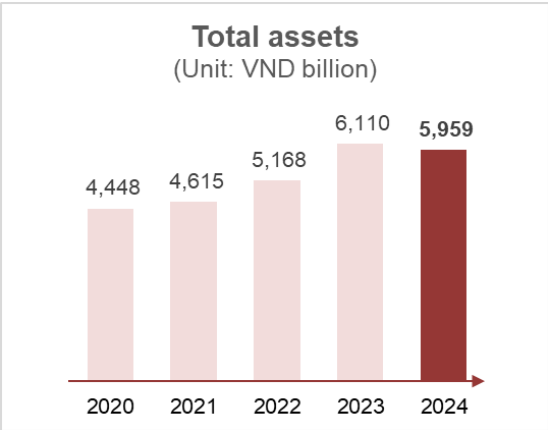
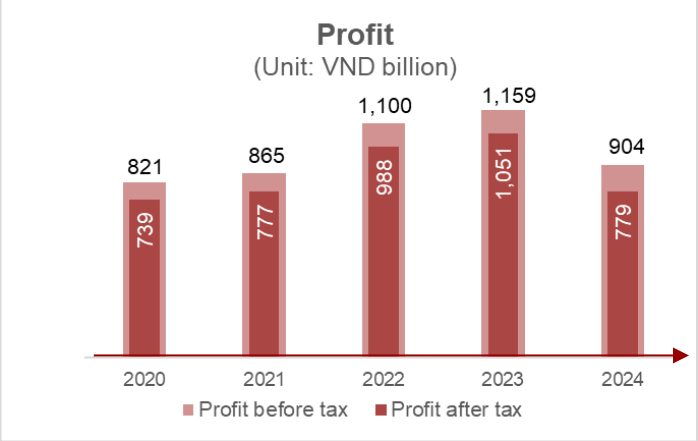
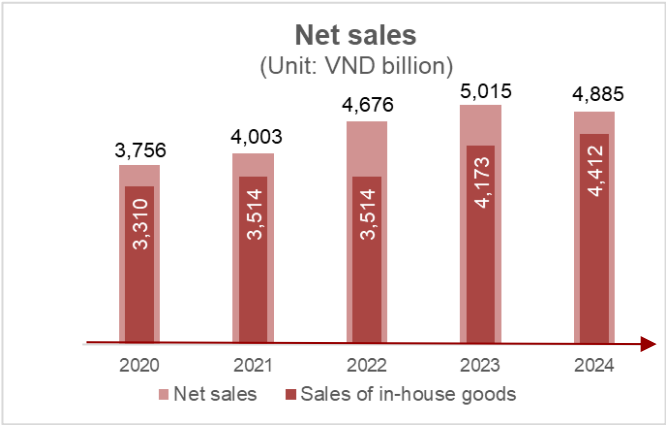
## AWARDS ACHIEVED IN 2024

- + 12 consecutive years – Top 50 Listed Companies voted by Forbes Vietnam
- + 13 consecutive years - Top 50 Best-Performing Companies in Vietnam, organized and recognized by Nhip Cau Dau Tu Magazine
- + 08 consecutive years –Top 10 Reputable Pharmaceutical Companies, selected by Vietnam Report JSC (Vietnam Report)
- + 28 consecutive years - High-quality Vietnamese Goods title, voted by consumers
- + 03 consecutive years - Top 10 Best Working Environments in the Pharmaceutical, Medical Equipment, and Healthcare sectors
- + 03 consecutive years – Top 100 Best Workplaces in Vietnam
- + 04 consecutive years – Top 100 Sustainable Enterprises in Vietnam by the Vietnam Chamber of Commerce and Industry (VCCI)
- + 07 consecutive years - Best Corporate Governance Report awarded by Ho Chi Minh Stock Exchange (HOSE), Hanoi Stock Exchange (HNX), and Investment Newspaper.
- + Top 20 Best Annual Reports (non-financial group) awarded by HOSE, HNX, and Investment Newspaper.
- + Top 50 Most Reputable & Effective Public Companies in 2024 voted by Forbes Vietnam.
- + Top 5 pioneering enterprises in fostering diversity, equity, and inclusion values in 2024
- + Certificate of Merit from the State Securities Commission of Vietnam for contributions to the development of HOSE and the stock market from 2015-2020
- + **"Prescription for the Community"** by DHG Pharma was honored as the "Perseverance Project" at the 2024 Human Act Prize Awards.

## KEY FINANCIAL INDICATORS

No.	Indicators	Unit	2020	2021	2022	2023	2024
<b>1</b>	<b>Income statement</b>						
1.1	Net sales	VND Billion	3,756	4,003	4,676	5,015	4,885
1.2	Operating profit	VND Billion	830	884	1,112	1,179	979
1.3	Other profits	VND Billion	-9	-19	-12	-20	-74
1.4	Profit before tax	VND Billion	821	865	1,100	1,159	904
1.5	Profit after tax	VND Billion	739	777	988	1,051	779
<b>2</b>	<b>Balance sheet</b>						
2.1	Total assets	VND Billion	4,448	4,615	5,168	6,110	5,959
2.2	Current assets	VND Billion	3,481	3,721	4,219	4,642	4,604
2.3	Non-currents assets	VND Billion	967	894	949	1,468	1,355
2.4	Liabilities	VND Billion	879	825	877	1,258	1,864
2.5	Owner's equity	VND Billion	3,568	3,790	4,292	4,853	4,095
<b>3</b>	<b>Basic financial ratios</b>						
<b>3.1</b>	<b>Solvency ratio</b>						
3.1.1	Current ratio	Time	4.3	4.9	5.2	3.9	2.6
3.1.2	Quick ratio	Time	3.3	3.5	3.7	2.6	1.9
3.1.3	Cash ratio	Time	2.6	2.8	2.9	2.0	1.6
<b>3.2</b>	<b>Capital structure ratio</b>						
3.2.1	Debt/Total assets ratio	%	19.8%	17.9%	17.0%	20.6%	31.3%
3.2.2	Debt/Owner's Equity ratio	%	24.6%	21.8%	20.4%	25.9%	45.5%
<b>3.3</b>	<b>Operation capability ratio</b>						
3.3.1	Total asset turnover	Turnover	0.9	0.9	1.0	0.9	0.8
3.3.2	Working capital turnover	Turnover	1.1	1.1	1.2	1.1	1.1
3.3.3	Inventory turnover	Turnover	2.5	2.2	2.1	1.9	2.1
3.3.4	Accounts payable turnover	Turnover	10.4	9.2	8.6	9.2	14.3
3.3.5	Accounts receivable turnover	Turnover	8.1	10.3	13.7	11.3	8.7
<b>3.4</b>	<b>Profitability ratio</b>						
3.4.1	Operating profit/net sales	%	22.1%	22.1%	23.8%	23.5%	20.0%
3.4.2	ROS	%	19.7%	19.4%	21.1%	20.9%	15.9%
3.4.3	ROA	%	17.2%	17.2%	20.2%	18.6%	12.9%
3.4.4	ROE	%	21.3%	21.1%	24.5%	23.0%	17.4%
<b>4</b>	<b>Shares information</b>						
4.1	Earnings per share (EPS)	VND/share	5,443	5,719	7,318	7,780	5,763
4.2	Dividend	VND/share	4,000	3,500	3,500	7,500	(*)
4.3	Dividend payout ratio	%	70.8%	58.9%	46.3%	93.3%	(*)

(\*) Dividend for 2024: A 40% advance dividend has been announced for 2024; the remaining portion will be submitted for the GMS approval in April 2025.



### III. BUSINESS LINES AND MARKET REGIONS

#### **BUSINESS LINES**

The core business lines of DHG Pharma are to manufacture and trade pharmaceutical, health supplement, and cosmeceutical. Besides, DHG Pharma also has other business segments such as processing, raw material trading, OEM, etc.

The products are divided into the following 9 categories:

- Category 1: Antibiotics
- Category 2: Analgesic – Antipyretic
- Category 3: Respiratory
- Category 4: Nutrition
- Category 5: Musculoskeletal
- Category 6: Gastrointestinal – Hepatobiliary
- Category 7: Neurology – Ophthalmology
- Category 8: Cardiovascular – Diabetes
- Category 10: Skin care

#### **MARKET REGIONS**

##### **DOMESTIC MARKET**

Domestic sales in 2024:

+ DHG in-house sales: VND 4,124 billion, contributing 82% of the total revenue

+ Other sales: VND 631 billion, contributing 13% of the total revenue

- The business network of DHG Pharma spreads over the country and is known as an enterprise with the most widespread and largest distribution network in Vietnam. As of early 2024, DHG Pharma has **34 branches** distributing goods nationwide from city to countryside (distributing to 3 stages: City, District, Commune).
- One of the remarkable activities of DHG Pharma is to support technology for sales staff and customers in the context of competition in the 4.0 Technology Revolution. DHG Pharma's CoProsperity App is designed to be data-linked, allowing customers to actively track sales, debts, invoices, product information, promotional news,... via mobile devices.
- Thanks to the professionalism and dedication of more than 500 salesmen, DHG Pharma's products have covered pharmacies and hospitals nationwide with a total of over 30,000 customers.

- DHG Pharma's products are distributed to customers through the following channels:

Distribution channel	Definition	Quantity
Pharmacy Channel	Agents, counters, private pharmacies, hospital pharmacies, distribution companies, and retail stores, etc.	~ 30,000 customers
Hospital Channel	Hospitals, clinics, and health centers, etc. with a separate and specialized medical representative system.	~ 3,200 hospitals, clinics and medical centers
Modern Trade Channel	Supermarkets, major pharmacy chains, etc.	3,546 stores belonging to the 5 major pharmacy chains: Long Chau, Trung Son, Pharmacy, An Khang, and Hachi Hachi.

## EXPORT MARKET

Export sales in 2024: VND 130 billion, contributed 3% of the total sales

- Export markets: exporting more than 250 million units of products to 20 countries; 27 distribution partners and pharmacy chains.
- Exporting more than 110 SKU pharmaceutical and health supplement products: Antibiotics, Analgesic – Antipyretic and vitamin C.

### Approaching & developing activities for new products

Proactively developing new products in line with consumer trends to satisfy the market. In 2024, DHG Pharma has developed and exported products under effervescent and sachet forms for pain relief and fever reducer for children and adults to replace the habit of using fever-reducing syrups for children in Malaysia and the Philippines.

### Customer relationship activities

Export activities ensured a stable supply of goods in terms of volume and quality. We also focused on building customer relationships with timely care and support programs for product training activities. Point of Sales Marketing (POSM) activities are one of the three key export strategies that DHG Pharma has implemented. At the same time, we build and strengthen the traditional customer group to build a long-term partnership, accompany, support & aim for sustainable development.



## **DETAILED INFORMATION OF THE PARENT COMPANY**

### **COMPANY HOLDS MORE THAN 51% OF DHG PHARMA'S EQUITY/ CONTRIBUTED CAPITAL:**

#### **TAISHO PHARMACEUTICAL CO., LTD.**

Taisho Pharmaceutical Co., Ltd. is a leading Japanese pharmaceutical company specializing in manufacturing pharmaceuticals and health supplements. With a history of over 100 years, Taisho Pharmaceutical Co., Ltd. always follows the corporate principle, that is "**contribute to the health and welfare of consumers**".

Date of foundation: 12 Oct 1912

Headquarters: Tokyo, Japan

Taisho lifted its ownership at DHG Pharma to 51.01% on 17 May 2019.

#### **Business characteristics:**

The core business of the Taisho Pharmaceutical Group is OTC drugs. Unlike prescription pharmaceuticals, which are prescribed to the patient after examination by a physician, OTC drugs are characterized by the fact that they are selected by the consumers who use them.

Today, the Group is the leader in the Japanese OTC drug market. Taisho offers over 40 brands, arranged by medical effect, with the Lipovitan, Pabron and RiUP brands capturing top market share in their respective categories.

Many of the products in the OTC drug market enjoy remarkably enduring consumer appeal. The Pabron series launched over 90 years ago, and the Lipovitan series launched over 60 years ago, have earned customer support that transcends generations, maintaining stable sales and earnings.

Consumer needs in the field of health-related products have broadened in recent years. No longer confined to OTC drugs, these needs now extend to categories such as health foods and skincare products. By leveraging its expertise in pharmaceutical manufacturing to conduct rigorous quality checks and deploy state-of-the-art production technology, the Company creates the trustworthy, safe and high-performance products consumers' demand. In this way Taisho is expanding the domain of health-related products and responding to consumers' changing needs.

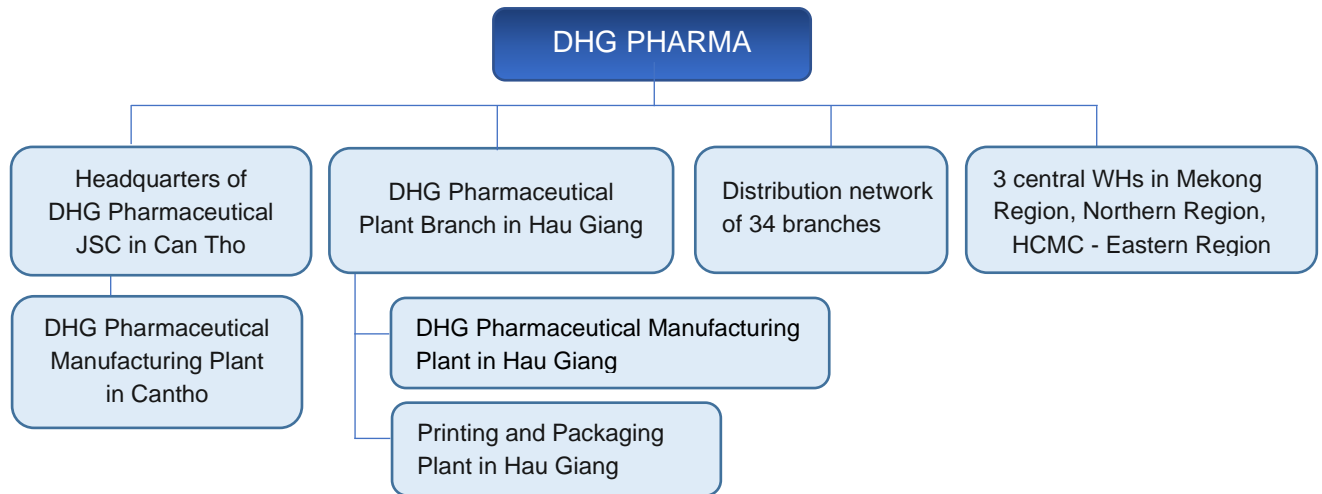
As consumers' purchasing habits evolve, the market is shifting into online shopping channels. The Group is committing efforts to expand online shopping channels that offer rich benefits to consumers, such as Taisho Pharmaceutical Direct and Taisho Beauty Online, maximizing convenience to consumers.

## Taisho Group's network

Japan	Overseas
Taisho Pharmaceutical Co., Ltd.	Taisho Pharmaceutical (Taiwan) Co., Ltd.
MEJIRO KOSAN Co., Ltd.	Taisho Pharmaceutical California Inc.
Taisho Okinawa Co., Ltd.	Taisho Pharmaceuticals (Philippines), Inc.
Taisho M.T.C. Co., Ltd.	Taisho Co., Ltd. Shanghai
Taisho Pharmaceutical Logistics Co., Ltd.	Taisho Vietnam Co., Ltd.
Biofermin Pharmaceutical Co., Ltd.	Taisho Pharmaceutical (H.K.) Ltd.
Taisho Pharma Co., Ltd	Osotspa Taisho Pharmaceutical Co., Ltd.
TAISHO ACTIVE HEALTH Co., LTD.	Taisho Pharmaceutical R&D Inc.
TOKUHON Corporation	PT. Taisho Pharmaceutical Indonesia Tbk
Taisho Pharmaceutical F.M. Co., Ltd.	Taisho Pharmaceutical Singapore Private Limited
	Hoepharm Holdings Sdn. Bhd.
	Duoc Hau Giang Pharmaceutical JSC
	UPSA SAS
	Taisho Pharmaceutical (Thailand) Co., Ltd.

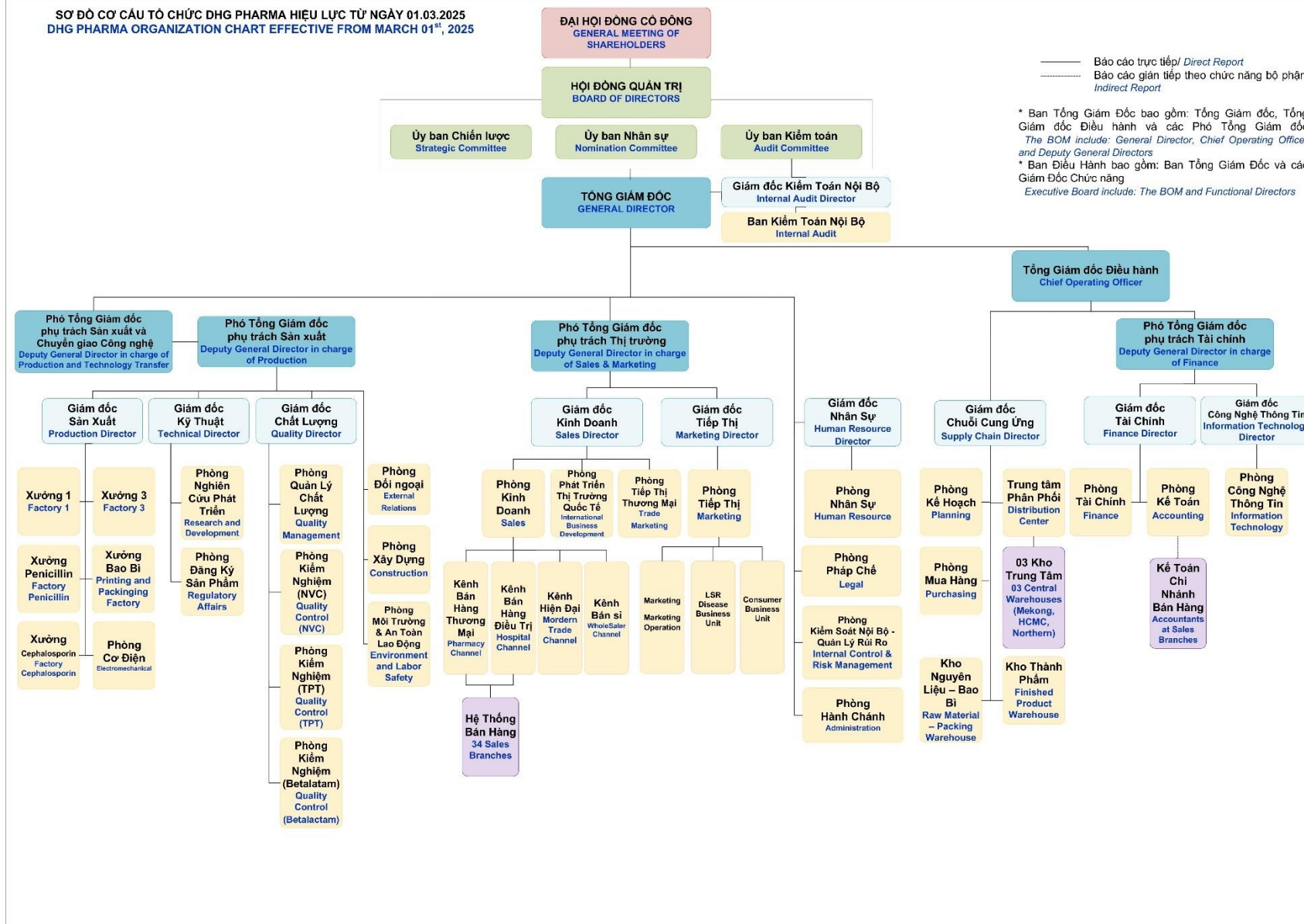
**DETAILED INFORMATION OF THE SUBSIDIARIES:** None

#### IV. CORPORATE MODEL



## V. ORGANIZATIONAL APPARATUS

SƠ ĐỒ CƠ CẤU TỔ CHỨC DHG PHARMA HIỆU LỰC TỪ NGÀY 01.03.2025  
DHG PHARMA ORGANIZATION CHART EFFECTIVE FROM MARCH 01<sup>st</sup>, 2025



## **IMPROVEMENTS IN ORGANIZATIONAL STRUCTURE, POLICIES, AND MANAGEMENT**

### **Improvements in organizational structure**

- The organizational structure is continuously evaluated and updated to ensure flexibility and alignment with market fluctuations and internal development needs.
- Strengthening delegation and decentralization of management to enhance proactiveness in operations, shorten decision-making time.
- Regular reviews of positions, functions, and responsibilities help prevent overlap, optimize resources, and enhance coordination between departments.
- Promotion of a flexible organizational model (hybrid, matrix, project-based) tailored to each development phase and the company's specific needs.
- Aligning the organizational structure with mid- and long-term strategic directions to ensure consistency and sustainability.

### **Improvements in policies and management**

- Internal regulations and processes are updated and refined every six months to ensure timeliness, efficiency, and adherence to modern governance standards.
- Integration of sustainable development (ESG) principles into internal policies, reflecting the company's commitment to social and environmental responsibility.
- Establishment of a flexible and effective internal control mechanism, focusing on risk management and ensuring transparency in all operations.
- The HR policies are adjusted to be more flexible and competitive, focusing on attracting and retaining talent while developing a succession plan.
- Enhancing training and capacity development for the management team, with a focus on leadership skills, strategic thinking, and adaptability to change.
- Regular benchmarking (comparison and contrast) against advanced governance models in the industry to continuously learn and improve.

## VI. BOARD PROFILE

(Until 31 Dec 2024)

**Mrs. DANG THI THU HA**

***BOD Chairwoman***

***Non-executive BOD member***

***Member of the Audit Committee***

**Professional qualifications:**

- Master of Business Administration (MBA), Institute of Management
- Bachelor of Economics in Business Administration, National Economics University
- Bachelor's Degree in Foreign Language (English), Vietnam National University, Hanoi.
- Practicing certificate for corporate finance consultancy, State Security Commission of Vietnam

*Born in 1973, Mrs. Dang Thi Thu Ha is a non-executive BOD member, first appointed in July 2017, and has served as the Chairwoman of the BOD since 2019. With more than 25 years of extensive experience in business administration, investment, finance, and accounting, she has held key positions at major organizations such as Mizuho Bank, Vietnam Dairy Products JSC, Binh Minh Plastics JSC, and the State Capital Investment Corporation. Her deep expertise and broad experience across various fields have played a crucial role in the growth of the organizations she has been a part of, as well as the strong and sustainable development of DHG Pharma.*

**Positions held in other organizations:**

- BOD Member - Vietnam Dairy Products JSC (Vinamilk)
- Head of Investment Department 3 - State Capital Investment Corporation (SCIC).

**Mr. JUN KURODA**

***Non-executive BOD member***

***Chairman of the Strategic Committee***

**Professional qualifications:** Master of Business Administration (MBA) Golden Gate University, USA

*Born in 1956, Mr. Jun Kuroda is a non-executive BOD member, initially appointed in August 2016 and has been reappointed for several terms up to now. With extensive knowledge in business management and pharmaceutical industry, he has held important positions at member companies of Taisho Group around the world. With multinational governance experience and profound strategic vision, Mr. Jun Kuroda has made significant contributions to planning and implementing international development*

*strategies, helping to consolidate the position and expand the global presence of Taisho as well as DHG Pharma.*

**Positions held in other organizations:**

- Executive Vice President, member of the Board - Taisho Pharmaceutical Co., Ltd.
- President Director/Managing Director/ Director/Council Member/BOD member at Taisho's subsidiaries in USA, Malaysia, Singapore, Thailand, Vietnam, Indonesia, etc.

**Mr. TOSHIYUKI ISHII**

**Executive BOD member**

**Member of the Strategic Committee**

**Member of the Nomination Committee**

**General Director**

**Professional qualifications:** Bachelor's Degree of Economics – Hitotsubashi University

*Born in 1966, Mr. Toshiyuki Ishii has been an executive BOD member since April 2023 to present. Since January 2023, he has held the position of General Director of DHG Pharmaceutical Joint Stock Company. Before joining DHG Pharma, he held senior management positions in the fields of legislation, corporate communication and business development at leading companies such as Mitsubishi Corporation, Astellas Pharma Inc. (Japan), Astellas Pharma Europe (UK), and PT. Taisho Pharmaceutical Indonesia Tbk (Indonesia). With more than 30 years of experience in international business management, Mr. Toshiyuki Ishii has made significant contributions to strengthening the development and the position of the companies he manages, especially in market expansion and innovation in corporate governance.*

**Positions held in other organizations:** None

**Mr. MAKI KAMIJO**

**Non-executive BOD member**

**Member of the Audit Committee**

**Professional qualifications:** Bachelor of Civil Engineering - Kobe University, Japan

Born in 1961, Mr. Maki Kamijo is a non-executive BOD member, initially appointed in June 2019 and has been reappointed for several terms up to now. He has more than 30 years of experience in international business management including working experience as COO of HOE Pharmaceutical (Malaysia), a subsidiary of Taisho and as Vice President of Daklak-Japan Property LTD (Vietnam), a subsidiary of trading firm Kanematsu Corporation. With his leadership capacity and in-depth knowledge of international management, Mr. Maki Kamijo has made significant contributions to building and

developing business operation, expanding market and improving operational efficiency at the companies he manages.

**Positions held in other organizations:**

- General Manager of International Business Headquarters - Taisho Pharmaceutical Co., Ltd

**Mr. DO LE HUNG**

**Independent BOD member**

**Chairman of the Audit Committee**

**Professional qualifications:**

- Master of Public Administration (France) with majors in Economics, Finance, Budget, Diplomacy, Public Law, and Human Resources Management
- Graduated from the National Treasury School (now the National Finance School) – Republic of France
- Certificate of Accounting and Auditing, Paris Dauphine University (France)
- Certificate of Internal Control and Fraud Prevention (PwC)
- Certificate of Audit Committee Program (Myanmar Institute of Directors)
- Certificate of training BOD members (Vietnam Institute of Directors)

*Born in 1969, Mr. Do Le Hung is an Independent BOD member, initially appointed in June 2019 and has been reappointed for several terms up to now. With more than 25 years of experience in financial management, accounting, and internal control, he has held key positions such as Director of Audit and Internal Control at Big C Vietnam, Deputy Director of the Accounting Department at the State Treasury – Ministry of Finance, Board Member at the Vietnam Institute of Directors (VIOD), as well as an Independent Board Member and Chairman of the Audit Committee at multiple publicly listed companies on HOSE. His extensive experience and deep expertise have contributed to enhancing governance efficiency, strengthening transparency, and driving the sustainable development of the organizations in which he serves.*

**Positions held in other organizations:**

- Independent BOD Member – Chairman of Audit Committee – Vietnam Dairy Products JSC – Vinamilk (VNM)
- Independent BOD Member – Chairman of Audit Committee – An Gia Real Estate Investment and Development JSC (AGG)
- Independent BOD Member - Chairman of Audit Committee – South Logistics JSC (STG)
- Independent BOD Member - Chairman of Audit Committee – Refrigeration Electrical Engineering Corporation (REE)



**Mr. TRUONG ANH HUNG****Independent BOD member****Chairman of the Nomination Committee****Professional qualifications:**

- Master of Business Administration – University of Hawaii at Manoa
- Bachelor of Economics – Hanoi University of Finance and Accounting

*Born in 1971, Mr. Truong Anh Hung is an Independent BOD member, appointed to join the Board in April 2024. With more than 30 years of experience in auditing, corporate governance, financial management, and banking safety, he has held senior leadership positions such as Permanent Deputy General Director at Deloitte Vietnam, Deputy General Director at Hai Au Aviation JSC, and Deputy Director of the Banking Safety Supervision Department – Inspection and Supervision Agency under the State Bank of Vietnam. His deep expertise in finance, auditing, effective governance model transformation, human resource management, and leadership training has contributed significantly to strengthening governance efficiency, ensuring operational safety, and fostering sustainable development.*

**Positions held in other organizations:**

- Member of the Supervisory Board - CIMB Bank Vietnam (Malaysian Bank in Vietnam)

**Mr. OSAMU FUJIMORI****Chief Operating Officer (COO)****Professional qualifications:** Master of Finance – Hitotsubashi University, Tokyo, Japan (1998)

*Born in 1972, Mr. Osamu Fujimori was appointed as COO of DHG Pharmaceutical Joint Stock Company from January 2025. He is currently in charge of international business management at Taisho Pharmaceutical Co., Ltd., Tokyo, Japan. With in-depth knowledge of finance, auditing and international tax management, Mr. Fujimori has more than 20 years of experience in financial management and operation at large international corporations such as Taisho Pharmaceutical, NEC TOKIN and Konica Minolta. He also has intensive experience in post-merger integration (PMI), establishing transfer pricing policy, managing cash flows and preparing consolidated financial statements according to international standards IFRS.*

**Positions held in other organizations:** None**Mr. TOMOYUKI KAWATA****Deputy General Director in charge of Production and Technology Transfer**

**Professional qualifications:** Bachelor Degree of Pharmacology - Tokyo University of Pharmacy and Life Sciences, Japan

*Born in 1966, Mr. Tomoyuki Kawata was appointed as Deputy General Director of DHG Pharmaceutical Joint Stock Company from October 2017. With more than 27 years of experience in the field of production, supply chain and quality control, he has held senior management positions at Taisho Pharmaceutical Co., Ltd., including Director of International Technical Division, Manager of Okayama Plant, Manager of Overseas Production, and Manager of Domestic Production Quality Control. His extensive management experience and professional knowledge have significantly contributed to improving operational efficiency, ensuring product quality and promoting sustainable development of DHG Pharma.*

**Positions held in other organizations:** None

### **Mrs. NGUYEN NGOC DIEP**

#### **Deputy General Director in charge of Production**

**Professional qualification:** Pharmacist – Grade 1, University of Medicine and Pharmacy, HCMC

*Born in 1968, Mrs. Nguyen Ngoc Diep was appointed as Deputy General Director of DHG Pharma in May 2012. With more than 30 years of dedication and long-term commitment to DHG Pharma, she has held various key management positions, including Deputy Head of RD Department, Head of QC Department, Production Director, and Quality Director at DHG Pharma. With extensive expertise in testing, product research and development, quality management, and production operations, she has played a key role in enhancing product quality standards and optimizing production processes, thereby strengthening DHG Pharma's sustainable growth and brand reputation.*

**Position at other organizations:** None

### **Mr. HO BUU HUAN**

#### **Chief Accountant**

**Professional qualification:** Master of Finance - Banking (Can Tho University)

*Born in 1980, Mr. Ho Buu Huan was appointed as Chief Accountant of DHG Pharma from January 2017. With more than 20 years of experience in the fields of accounting, finance and banking, he has held positions such as Deputy Head of Financial Management Department and Chief Accountant at DHG Pharmaceutical One Member Limited Company, in charge of Accounting, Head of Accounting Department and in charge of Bank Accountant at DHG Pharma. With solid financial and accounting management capacity, Mr. Ho Buu Huan has made an important contribution to ensuring transparency, efficiency and accuracy in financial and accounting activities.*

**Positions at other organizations:** None

## **CHAPTER 2: DEVELOPMENT STRATEGIES**

1. Overview and prospects of Pharmaceutical Industry
2. S.W.O.T analysis
3. Development orientation for 2024 – 2030
4. Business plan in 2025

## I. OVERVIEW AND PROSPECTS OF PHARMACEUTICAL INDUSTRY

In 2024, Vietnam's economy maintained an impressive recovery momentum and achieved significant growth. The country's GDP is estimated at USD 476.3 billion, a 7.09% increase compared to 2023. The average per capita income (PCI) reached \$4,700, while the Consumer Price Index (CPI) rose by 3.63%, meeting the planned target range, and contributing to market price stability. With a long-term vision, the Government has set a GDP growth target of at least 8% for 2025, surpassing the 6.1%–6.7% forecast by international organizations, demonstrating a strong commitment to fostering sustainable economic development.

Vietnam's pharmaceutical industry has also shown positive prospects in this context. According to an IQVIA report, in 2024, the Vietnamese pharmaceutical market (excluding vaccines) was valued at VND 203,827 billion (approximately USD 8 billion), a 9% increase from the previous year. During 2023–2028, the industry is expected to maintain a Compound Annual Growth Rate (CAGR) of 6% to 8%. As we move into 2025, the Vietnamese pharmaceutical industry is presented with a significant opportunity for strong development, driven by four key factors:

- ❖ **Economic growth and rising healthcare demand:** The growth target for 2025 is set at 8%, with GDP per capita projected to increase from USD 4,300 in 2023 to USD 4,900 in 2025. This will increase people's spending capacity on healthcare, coupled with the growing trend of proactive healthcare among the population. According to a 2023 study by Roland Berger, 78% of respondents are willing to spend more on healthcare products and services, reflecting the rising consumer demand in this sector.
- ❖ **Aging population trend:** The aging population is a notable trend in Vietnam, which is among the fastest-aging countries in the world. With a population of over 100 million, 13.9% of people were aged 60 and above in 2023, and this is projected to exceed 25% by 2050. By 2036, Vietnam will enter the aging population phase, transitioning from an “aging” society to an “aged” society. Elderly people tend to have a higher demand for medication and healthcare services due to the effects of aging and related health issues.
- ❖ **Government support for the Pharmaceutical industry:** Under the National Strategy for Pharmaceutical Industry Development to 2030, with a vision toward 2045, The government aims to make the pharmaceutical sector a key industry, increase domestic medicine production, reduce dependence on imported raw materials, and promote research and development (R&D). At the 2025 WEF Davos conference, Vietnam reaffirmed its commitment to strong investment in the pharmaceutical sector, creating a favorable environment for local enterprises to enhance competitiveness and integrate further into the global market.
- ❖ **Technological innovation and Artificial Intelligence (AI):** One of the key factors enabling the pharmaceutical industry to break through in the coming years is technological innovation. Artificial Intelligence (AI) and automation are gradually transforming the research, production, and distribution processes. Companies in the

industry are focusing on improving workforce quality, optimizing the supply chain to increase efficiency, and enhancing product quality.

Besides these opportunities, the pharmaceutical industry also faces challenges such as competition from imported products and dependence on imported raw materials. However, these challenges serve as motivation to strengthen Vietnam's pharmaceutical sector. In response to industry trends, DHG Pharma has proactively invested in upgrading production lines to meet high standards such as EU-GMP and Japan-GMP, increasing R&D investment, diversifying distribution channels, and integrating technology into operations. As a result, for 28 years, DHG Pharma has maintained its leading position in Vietnam's pharmaceutical industry, distinguishing itself from competitors and fostering new opportunities and continuous growth, reinforcing its pioneering role in driving both domestic and regional industry development.

## **II. S.W.O.T ANALYSIS**

### **Strengths**

1. Being the largest Generic Pharmaceutical Company in Vietnam, maintaining a leading position for 28 consecutive years in terms of sales and market share. Leading the market not only reflects customer trust but also demonstrates the Company's competitive ability and adaptability. This creates a competitive advantage and brings significant development potential to the Company.
2. DHG Pharma has the deepest and most widespread distribution system in Vietnam compared to both domestic and foreign competitors. Sales management, sales methods and marketing activities have become increasingly professional, which well meets the needs of customers and markets.
3. Strong and transparent financial resources are the foundation for implementing strategies, attracting talent, investing in research and development, raising capital, and executing M&A activities.
4. With a combination of passion for the profession, rich professional experience, a willingness for international integration and social responsibility, human resources have become an invaluable asset for the sustainable development of DHG Pharma.
5. DHG Pharma has successfully built a solid brand name and is trusted by customers and consumers over the years. This trust is achieved thanks to DHG Pharma's commitment to product quality and customer service. Furthermore, DHG Pharma also demonstrates social responsibility by actively contributing to the community, helping to promote development and improve the quality of life for the community.

### **Weaknesses**

1. DHG Pharma currently focuses more on research and development of generic products and products with expired proprietary protection, whereas investment in and budgets for new products including new ingredients and formulas are quite modest, partly due to the fact that the supporting industries in Vietnam are still limited.

2. The Company has established regulations, rules and policies in line with current regulations on corporate governance and meets the requirements of international practices. However, there are still many aspects that need to be improved so as to achieve high efficiency in management and to ensure an alignment with the development needs of the Company.
3. Export activities have not met expectations and only account for a small percentage, about 2% of total sales.
4. The Company has not fully developed various dosage forms in its product portfolio to meet market demand.
5. The recruitment of senior management personnel at DHG Pharma has not been fast enough to meet the growing demand for human resources.

### **Opportunities**

1. The demand for medical products is increasing globally, which creates a great opportunity for DHG Pharma to expand the market for its products.
2. Numerous socio-economic factors including the rapid development of Vietnam's economy, large population, rapid aging rate, the rising standard of living and people's intellectual level, environmental pollution, the rate of diseases increases, along with higher spending on medicines and functional foods open up many development opportunities for pharmaceutical enterprises, including DHG Pharma.
3. The fact that the State manages more closely, scientifically and professionally also creates favorable conditions for enterprises with prestige brands and high-quality products to promote their cutting-edge advantages. State policies and the New Law on Pharmacy also open up many opportunities for enterprises to be autonomous in production and business.
4. There are also more opportunities for the development of R&D activities from partnerships, joint ventures, technology transfer, purchase of scientific projects, research hire.
5. With a more widely integrated economy and participation of many pharmaceutical corporations in the Vietnamese market, DHG Pharma's human resources have opportunities to quickly access science and technology, which enables them to research and develop more new modern products.

### **Challenges**

1. The exchange rate policy of the macroeconomic system, which prioritizes exports, adversely affects enterprises with a large proportion of imports, especially the pharmaceutical industry, where most of the main production materials (about 80% - 90%) have to be imported.
2. Foreign pharmaceutical enterprises, with their modern technology, international experience, strong financial potential and the public's general preference for foreign

products are key reasons for the reality that domestic drugs only account for nearly 50% of the national market share. This rate represents both opportunities and potentials and a significant challenge for domestic pharmaceutical enterprises to strive for the target that the value of domestically produced drugs accounts for up to 70% of the market share according to the Government's policy.

3. The significant growth of pharmacy chains creates opportunities but also poses challenges for pharmaceutical companies.
4. Most domestic enterprises focus on producing common medicines that are widely available on the market, while specialty drugs, treatments requiring modern manufacturing technology, have not received proportional attention. Therefore, there is fierce price competition, with companies facing competition from imported generic products and also internal competition within the industry.

### **III. DEVELOPMENT ORIENTATION FOR 2024 – 2030**

#### **Vision to 2030:**

Maintaining the leading position in Vietnam's pharmaceutical industry; Striving to become the leading consumer health enterprise in Vietnam.

#### **DHG Pharma's development orientation for the period 2024 – 2030**

1. Maximizing the enterprise values and increasing all stakeholders' benefits
  - Focusing on business activities capable of creating value; Strengthening risk management and optimizing financial performance to ensure stability and sustainability for the Company and its stakeholders.
  - Promoting CSR policies and activities to optimize benefits for employees, partners, and social community.
  - Building close, long-term partnerships with supply and distribution partners to maximize the supply chain value.
  - Developing a corporate culture with DHG Pharma's unique identity, which is a solid foundation and fulcrum to help the Company develop sustainably. Building a positive working environment and ensuring satisfaction and commitment from employees.
2. Being the leading domestic pharmaceutical enterprise in Vietnam
  - Exploiting lines that have met high standards - Japan-GMP/EU-GMP. Upgrading EU-GMP standard for a number of strategic lines and products. Optimizing production processes to increase performance and create competitive advantage.
  - Promoting research and development of new products to serve domestic and international markets through connecting current R&D activities with Taisho – the parent company to optimize the efficiency of R&D activities of the entire group.

- Importing and distributing products related to consumer health of Taisho - parent company. Besides, executing strategic cooperation with potential partners to take advantage of opportunities to expand the product portfolio.
  - Investing in targeted communications, closely coordinating between Marketing and sales to effectively execute sell-in and sell-out strategy with customers and consumers.
3. Being a pharmaceutical enterprise with the most professional, deepest, broadest, and diversified distribution channel
- Continuously restructuring the sales system to improve competitiveness in the domestic market. Expanding and diversifying distribution channels so that products are present in all areas across the country.
  - Investing in a modern logistics system to ensure the product transportation and distribution process takes place strongly and effectively.
  - Developing online distribution channels and technology to meet growing customer needs; creating convenience and flexibility in shopping.
  - Continuously exploiting the international market segment based on the strength of Taisho's understanding of the Asian market, thereby improving the proportion of export sales and enhancing the export position of the Vietnam Pharmaceutical industry.
4. Focusing on investing in technology and digital transformation
- Investing in a modern and appropriate information technology platform to optimize internal processes and enhance work performance.
  - Developing and implementing professional data and information management systems to improve data-driven management and decision making.
  - Building applications and digital platforms to improve customer experience from online orders to customer interaction and support.
  - Creating a flexible and effective digital working environment: remote working, online seminar, internal communication system. Training and developing employees to master and fully exploit information technology and digital transformation in all business activities.
5. Becoming a symbol of humanity in contributing to the society and enhancing the quality of life
- Committing to positively contributing to the society through meaningful activities.
  - Supporting local communities, public health care, education and human resource development.
  - Continuously seeking opportunities to improve the community's quality of life



- Actively participating in social security activities, promoting meaningful human values, sharing difficulties and accompanying the common goal of a more beautiful and healthier life.

#### **IV. BUSINESS PLAN IN 2025**

- Net sales: VND 5,210 billion
- Profit before tax: VND 940 billion

In 2025, DHG Pharma will focus on sustainable growth strategies, market expansion, and operational efficiency improvements. The key initiatives include:

##### **1. Brand Development and Market Expansion**

- Strengthening marketing activities, building brand awareness, and expanding new channels for supplements and beauty care products.
- Focusing on strategic products to enhance brand image and market share, contributing to DHG Pharma's future growth.
- Maintaining the position of the Pharmacy channel (Traditional Pharmacy channel), focusing on strategic product lines in the Hospital Channel, expanding coverage, and increasing recognition for new products.
- Increasing market share in pharmacy chains (MTC channel), particularly strengthening presence and expanding coverage in Ho Chi Minh City and Hanoi.
- Exploring and expanding export markets through partnerships, participation in international exhibitions, and developing a portfolio of EU-GMP standard products.
- Enhancing customer engagement through sales policies and loyalty programs to secure the leading position in the pharmacy channel.
- Driving consumer/patient demand and sales while supporting pharmacies in attracting new consumers and building a database of loyal customers to establish long-term and sustainable market relationships.

##### **2. Production improvement and quality enhancement**

- Increasing production efficiency through cost optimization, waste reduction, and effective budget management of each unit, approaching highly efficient production processes and adapting to the changing business environment.
- Continuously improving quality management and production systems to meet international standards like EU-GMP and Japan-GMP while complying with domestic regulations to enhance product quality and competitiveness.
- The new Betalactam factory, built to EU-GMP standards, has been operational since May 2024 and is expected to receive certification by 2025. This factory aims to produce high-standard products, boost competitiveness, and contribute to DHG Pharma's revenue and profit growth.

- Continuing the implementation of technology transfer projects as scheduled for 2025. These projects will not only expand international markets but also enhance production capabilities and quality standards, reinforcing DHG Pharma's competitiveness in the global market.
- Allocating appropriate budgets for R&D to strengthen resources in equipment, infrastructure, and high-quality talent recruitment for DHG Pharma's projects. Strengthening collaboration with leading pharmaceutical research centers, institutes, universities, and experts to expand the product portfolio and ensure industry leadership.

### **3. Financial, Human Resource, and Technology Management**

- Establishing, reviewing, and revising processes and regulations related to finance, investment, and accounting to optimize financial management and risk control.
- Focusing on analyzing and evaluating the effectiveness of investment projects to make strategic adjustments and enhance operational efficiency.
- Training successor personnel and optimizing resources through the "Human Resource Development" project. Improving organizational structure towards a more streamlined and efficient operation.
- Implementing a comprehensive KPI establishment and evaluation process to enhance productivity, foster a learning culture, and promote development to enhance the professional capacity and adaptability of personnel.
- Implementing IT projects to optimize production and business operations: ensuring stable operation of the BFO system, continuing to refine the DMS project to improve sales management, and assessing and proposing a new ERP system to enhance operational efficiency and corporate governance.
- Strengthening internal control systems to enhance governance and compliance. Promoting compliance training on specialized topics, while surveying, updating, and developing new regulations and procedures to suit the operating environment.
- Developing a complete risk management system, continuously improving the capacity to build, deploy, and execute the Company's governance based on compliance with the Charter, legal regulations; and Company Regulations.
- Practicing advanced "Corporate governance practices" worldwide and in Vietnam to help improve governance efficiency, contributing to the good implementation of the Company's business strategies and plans.

## **CHAPTER 3: BUSINESS OPERATIONS**

1. Report of the Board of Directors
2. Report of the Audit Committee
3. Report of the Board of Management
4. Analysis of the financial statements

## I. REPORT OF THE BOARD OF DIRECTORS

### 1. MEMBERS AND STRUCTURE OF THE BOD TERM V (2024 – 2028)

The AGM held on 23 Apr 2024 approved the number of BOD members for Term V (2024–2028) as 07 members, including two Independent Board Members. The composition of the BOD for Term V ensures a balanced structure among executive, non-executive, and independent members in compliance with the Company's Charter and Internal Regulation on Corporate Governance.

BOD Members for Term V (2024–2028)

No.	BOD members	Position	Date of appointment
1.	Ms. Dang Thi Thu Ha	BOD Chairwoman Non-executive BOD member	First appointment: 28 Jul 2017 Most recent appointment: 23 Apr 2024
2.	Mr. Jun Kuroda	Non-executive BOD member	First appointment: 15 Aug 2016 Most recent appointment: 23 Apr 2024
3.	Ms. Toshiyuki Ishii	Executive BOD Member General Director (CEO)	First appointment: 19 Apr 2023 Most recent appointment: 23 Apr 2024
4.	Mr. Maki Kamijo	Non-executive BOD member	First appointment: 11 Jun 2019 Most recent appointment: 23 Apr 2024
5.	Mr. Doan Dinh Duy Khuong (*)	Executive BOD Member	First appointment: 29 Apr 2010 Most recent appointment: 23 Apr 2024
6.	Mr. Do Le Hung	Independent Board Member	First appointment: 11 Jun 2019 Most recent appointment: 23 Apr 2024
7.	Mr. Truong Anh Hung	Independent Board Member	First appointment: 23 Apr 2024

(\*) On 27 Jun 2024, Mr. Doan Dinh Duy Khuong submitted his resignation from the position of BOD member. The resignation will take effect once it is approved by the next GMS.

### 2. PERFORMANCE OF THE BOD IN 2024

In 2024, the BOD held 17 BOD meetings to discuss and approve several issues under the functions and authorities of the BOD. In which: there were 4 in-person meetings and 13 meetings conducted via mail.

All meeting contents were prepared in detail and informed to each member before the meeting. The BOM was invited to all of the BOD meetings in order to discuss and

generate unanimity in the BOD's strategies, business orientation and directions over the BOM.

## 2.1 BOD meetings in 2024

No.	BOD members	Number of meetings attended by the BOD	Attendance rate	Reasons for absence
1.	Ms. Dang Thi Thu Ha	17/17	100%	
2.	Mr. Jun Kuroda	17/17	100%	
3.	Mr. Toshiyuki Ishii	17/17	100%	
4.	Mr. Maki Kamijo	17/17	100%	
5.	Mr. Doan Dinh Duy Khuong	17/17	100%	
6.	Mr. Do Le Hung	17/17	100%	
7.	Ms. Nguyen Thi Viet Thanh (until 23 Apr 2024)	06/07	86%	Business trip
8.	Mr. Truong Anh Hung (since 23 Apr 2024)	10/10	100%	

## BOD Resolutions in 2024

No.	Resolution No.	Contents	Approval rate
1	001/2024/NQ.HĐQT dated 29 Feb 2024	The Company's HR structure	100%
2	002/2024/NQ.HĐQT dated 04 Mar 2024	Periodic reports in 2023: the BOD Secretary Report, the BOM Report, Reports of the Nomination Committee and the Audit Committee Establishment of the 2023 AGM organization board	100%
3	003/2024/NQ.HĐQT dated 14 Mar 2024	The 2023 AGM materials phase 1	100%
4	004/2024/NQ.HĐQT dated 26 Mar 2024	Approval of Mr. Tran Duy Hung's resignation letter as Marketing Director from 12 Apr 2024	100%
5	005/2024/NQ.HĐQT dated 05 Apr 2024	The pre-feasibility report of the project "Investment for the expansion of DHG Pharmaceutical Plant and DHG Printing and Packaging Plant - Phase 2"	100%
6	006/2024/NQ.HĐQT dated 12 Apr 2024	The 2023 AGM materials phase 2	100%
7	007/2024/NQ.HĐQT dated 19 Apr 2024	Adjustment of the investment certificate of the "Investment for the expansion of DHG Pharmaceutical Plant and DHG Printing and Packaging Plant" project	100%
8	008/2024/NQ.HĐQT dated 23 Apr 2024	Appointment of the BOD Chairwoman and personnels of Committees under the BOD term V (2024 - 2028)	100%

No.	Resolution No.	Contents	Approval rate
		Appointment of the person in charge of corporate governance cum BOD Secretary for the new term - Term V (2024 - 2028)	100%
9	009/2024/NQ.HĐQT dated 14 May 2024	Periodic reports for 1Q/2024: the BOM report on the business and production situation; the Nomination Committee's report. Other contents under the BOD's authorities	100%
10	010/2024/NQ.HĐQT dated 10 Jun 2024	Revision of the organization chart and other contents under the BOD's authority	100%
11	011/2024/NQ.HĐQT dated 27 Jun 2024	Approval of Mr. Doan Dinh Duy Khuong's resignation letter as the Chief Operating Officer from 10 Jul 2024	100%
12	012/2024/NQ.HĐQT dated 05 Jul 2024	Approval of the resignation letters of Ms. Vu Thi Huong Lan as HR Director and Ms. Le Thi Hong Nhung as FN Director from 15 Jul 2024	100%
13	013/2024/NQ.HĐQT dated 18 Jul 2024	The establishment of the 2nd Representative Office in HCMC and other contents under the BOD's authority	100%
14	014/2024/NQ.HĐQT dated 29 Jul 2024	Periodic reports for 2Q/2024: the BOD Secretary Report, the BOM Report on the production and business result, Reports of the Nomination Committee and the Audit Committee, and other contents under the BOD's authority	100%
15	015/2024/NQ.HĐQT dated 24 Sep 2024	Contents under the BOD's authorities	100%
16	016/2024/NQ.HĐQT dated 11 Nov 2024	Periodic reports for 3Q/2024: the BOD Secretary report, the BOM Report on the production and business result, Reports of the Nomination Committee and the Audit Committee, and other contents under the BOD's authority	100%
17	017/2024/NQ.HĐQT dated 28 Nov 2024	Revision of the organization chart and the appointment of Mr. Osamu Fujimori as Chief Operating Officer (COO) from 01 Jan 2025	100%
18	018/2024/NQ.HĐQT dated 09 Dec 2024	Advance dividend payment for 2024	100%
19	019/2024/NQ.HĐQT dated 23 Dec 2024	Budget limit and credit limit in 2025 and other contents under the BOD's authority	100%

In 2024, DHG Pharma's BOD held periodic and extraordinary meetings in order to promptly discuss issues falling under the BOD authorities, to develop development strategies, business and production plans, dividend payment policies, appointment and dismissal decisions for Executives/ Managers as well as other important issues of the Company. Information on the production and business situation, activities of the Committees, etc. were timely and accurately updated by the BOM and the BOD Secretary before the meetings. The approved contents are usually unanimously agreed by the BOD

members before implementation. All BOD members strictly abide by the provisions of the Company's Charter, Internal Regulation on Corporate Governance and applicable law. 100% of BOD members clearly performed their roles and made positive contributions to the development of the Company. When there are issues related to conflict of interest, the BOD members would not vote on issues that they have benefits or conflicts in.

## **2.2 Activities of Committees under the BOD**

- Strategic Committee: Consulting, advising the BOD in building long-term development strategies; Long-term investment plan; Developing annual business plan; dividend payment plan.
- Nomination Committee: Proposing and advising the BOD on the appointment/dismissal of senior management; human resource development plan: detection, recruitment, training, and nurturing senior management and succession plan program; Proposing and advising the BOD on Company's salary, bonus, and benefits policies; Preparing quarterly and annual HR performance reports.
- Audit Committee: Continuing to monitor financial statements and systems of internal control & risk management and internal audit; Supervising compliance with laws and internal policies; participating in the development of the Company's strategy, particularly in enhancing internal control and risk management system. Preparing periodic quarterly and annual reports.

## **2.3 Performances of the Independent Board Members**

In 2024, the composition of DHG Pharma's BOD included 2/7 members meeting the criteria for Independent Board Members. The Independent Board Members fully attended all BOD meetings, provided opinions, and voted independently on matters and decisions under the BOD's authority. Additionally, they participated in the activities of subordinate Committees as assigned by the BOD.

**Mr. TRUONG ANH HUNG** – Independent Board Member, Chairman of the Nomination Committee. Mr. Hung was approved by the GMS as an Independent Board Member and has been responsible for the Nomination Committee since 23 Apr 2024. With his in-depth expertise and extensive governance experience, he has advised the BOD and BOM on the development and implementation of the Successor Talent Project, ensuring the sustainable growth of the company's workforce in alignment with DHG Pharma's long-term strategic objectives.

Under his leadership, the Nomination Committee plays a crucial role in reviewing and evaluating the competencies of key positions before submitting for BOD approval, ensuring that the appointment process is conducted thoroughly, transparently, and in alignment with DHG Pharma's development strategy. Additionally, with his consultation, the company continues to refine its HR strategies, labor management policies, and compensation frameworks, aiming for fairness, balance, and sustainable development in human resource management.

**Mr. DO LE HUNG** – Independent Board Member, Chairman of the Audit Committee

Mr. Hung has served as the Chairman of the Audit Committee since 2019. During the AGM on 23 Apr 2024, during the election of BOD members for the new term, he was once again entrusted and reappointed as a BOD member and continued to be in charge of the Audit Committee. With extensive knowledge and experience in corporate governance, internal audit, internal control, and risk management, he has proactively assessed and ensured the quality of DHG Pharma's internal audit, internal control, and risk management systems.

- He always remains fully aware of and effectively fulfills his roles, responsibilities, and obligations as stipulated by law and detailed in the Company's internal regulations and policies.
- He attends all BOD meetings and actively participates by providing responsible and constructive input during discussions and deliberations. He proposes appropriate solutions to continuously improve corporate governance quality and effectively support the Company's overall investment, production, and business activities.
- He maintains an independent and objective position when expressing opinions and viewpoints. Under all circumstances, he acts and provides opinions based solely on the interests of the Company and all shareholders while ensuring compliance with laws and company regulations.
- He maintained close coordination with key personnel to stay informed on corporate governance, investment, production, and business activities, enabling timely assessments and recommendations.
- As an Independent BOD Member and concurrently the Chairman of the Audit Committee, he can carry out these activities efficiently, particularly in overseeing corporate governance and enhancing the quality of the internal control system.
- As Chairman of the Audit Committee, Mr. Hung was responsible for coordinating and organizing the Committee's activities, ensuring independence, objectivity, and expert advisory support to enhance internal control and risk management systems at DHG Pharma. He also ensures compliance with legal and corporate regulations related to the Audit Committee's operations.

### **Audit and Oversight Results**

- The company's management and operations consistently complied with all legal regulations and the Company's internal policies.
- The delegation and authorization mechanisms in the Company's management and operations were issued and fully applied, ensuring both efficient, flexible, and smooth management while also facilitating oversight and minimizing conflicts of interest.
- The operational mechanism of the BOD and the current Internal regulation on corporate governance was in line with legal requirements and corporate best practices. All BOD members and key executives strictly complied with and



implemented these regulations.

- Coordination between BOD members and between the BOD and the BOM was effective, ensuring all members had comprehensive access to information for discussions and decision-making.
- Important decisions or resolutions of the BOD were always discussed openly, constructively, and responsibly, achieving high consensus. All key management decisions prioritized the common interests of the company and shareholders.
- The Company had a monitoring and control system for related-party transactions to minimize potential conflicts of interest.
- The internal control system was well established and operated effectively, reducing risks and facilitating efficient management and operation of business activities.

### **3. MONITORING REPORT OF THE BOARD OF DIRECTORS on THE COMPANY'S BOARD OF MANAGEMENT**

Pursuant to the Company's Charter and the Internal Regulation on Corporate Governance, the BOD supervised the operations of the General Director, Managers, and Executives in carrying out production and business and implementing resolutions of the GMS and the BOD in 2024.

#### Supervision method:

- **Evaluation and feedback on strategic decisions:** The BOD provides timely feedback and establishes a two-way dialogue with the General Director and managers in terms of strategic decisions, helping to better understand the BOD's perspectives and expectations, thereby contributing to the Company's development and achieving business goals.
- **Periodic report and analysis of business results:** The BOD requires periodic reports from the General Director and managers, including financial statements, operational reports, and reports on specific projects. The BOD reviews these reports to assess the Company's operational situation and make appropriate decisions.
- **Regular meetings and performance evaluation:** The BOD holds regular meetings with the General Director and managers to discuss current situations and future plans. In these meetings, the BOD evaluates work performance and provides necessary recommendations or directions.
- **Information disclosure:** The BOD supervises, directs, and ensures that information is disclosed fully, transparently, and timely in accordance with the regulations of the Stock Exchange and the State Securities Commission. The AGM is organized successfully; the annual/quarterly financial statements, annual report and sustainable development report are prepared thoroughly.

- **Risk management:** The BOD assesses and manages the enterprise's potential risks, including financial, human resources, legal, market, corporate governance, and other risks.
- **Supervision of compliance with internal regulations and professional ethics:** The BOD ensures that the General Director and managers comply with legal regulations and the Company's ethical standards and code of conduct.
- **Evaluation of leadership capabilities and personnel development:** The BOD regularly assesses the leadership capabilities of the General Director and managers, including management, leadership, and personnel development skills.

Overall assessment: In the context of major fluctuations in the global and domestic economy, maintaining growth and stability for the enterprise is a significant challenge. At DHG Pharma, strategies have been implemented from optimizing operations, applying technology to expanding markets, and diversifying products. This reflected the management's flexibility and the determination of the General Director and managers.

#### 4. ORIENTATION OF THE BOD'S ACTIVITIES IN 2025

In 2025, the BOD will continue to carry out its core responsibilities to maintain the company's position as a leading pharmaceutical enterprise in Vietnam. The proposed strategies and objectives are not only aimed at short-term results but also focus on sustainable development and long-term success, contributing to the growth of the entire pharmaceutical industry in Vietnam.

- Enhancing the supervisory role over the activities of the BOM and managers in implementing the resolutions of the GMS/BOD. The BOD will ensure all activities of the Company are effective, regulated by law and complete the business targets. This includes focusing on the implementation of the resolutions from the 2024 AGM, closely achieving the business targets for 2025, and developing medium- to long-term strategies for the 2025 - 2030 period.
- Developing a positive corporate culture centered on values, ethics, and innovation. Through performance evaluation based on clear KPIs, create a transparent promotion path and enhance training efforts to develop the workforce, especially potential employees for key positions.
- Reviewing the internal audit, internal control, and risk management systems to ensure compliance with current legal regulations. Prioritizing transparency in financial statements and information disclosure, aiming to apply IFRS (International Financial Reporting Standards) for financial statements.
- Ensure that manufacturing plants meet high standards and operate efficiently. The Company will continue to upgrade production lines to meet global GMP standards. This will help the Company expand production capacity, meet market demand, and maintain a reputation for product quality.

- Prioritizing the application of information technology to enhance the Company's operational efficiency.
- Ensuring the Company's activities comply with legal regulations and flexibly adapt to changes in the pharmaceutical sector and related regulations.
- Urging the implementation of community support and environmental protection programs as part of the Company's sustainable development strategy.
- Improving the Company's Corporate Governance capacity based on good domestic and international practices to maximize operational efficiency and Company value.

## **II. REPORT OF THE AUDIT COMMITTEE (AC)**

### **1. AC'S SUPERVISING ACTIVITIES OVER THE BOD, GENERAL DIRECTOR AND THE BOM**

The AC supervised by directly monitoring the BOD's activities via meetings, discussions, methods of issuing the BOD's resolutions, and simultaneously supervising the BOM's performances via the compliance with the BOD's Resolutions and the decentralization mechanism between the BOD and the General Director.

AC's supervision activities are implemented in various ways through reporting channels and communication with the BOM's members, the Finance Director, Chief Accountant, Internal Audit (IA) Manager, Internal Control (IC) and Risk Management (RM) Manager, Legal Department Manager, and Independent Auditor.

AC always coordinates well with members of the BOD, BOM, and related managers within the framework of its monitoring, and AC always receives cooperation from the BOM.

AC prepares periodical or extraordinary reports to the BOD.

### **2. MONITORING RESULTS OF AC**

#### **a. Implementation of the BOD Resolutions:**

All critical issues were discussed openly and democratically within the BOD. At BOD meetings, the General Director and key managers responsible for relevant areas were invited to report and discuss, etc. As a result, issues were thoroughly evaluated, discussed, and carefully considered to reach a unanimous decision before issuing resolutions.

The BOM closely followed and strictly implemented the resolutions issued by the BOD.

The Company's Secretariat Team effectively carried out its duties of monitoring, urging implementation, and reporting on the implementation of the BOD's resolutions.

#### **b. Implementation of the AC Resolutions:**

After promulgation, the AC's resolutions were sent to the BOM and relevant individuals for implementation. Monitoring results indicated that the AC's

recommendations and requirements stated in the resolutions were strictly, fully, and promptly implemented.

**c. Financial statements and the accounting system:**

The AC acknowledged and approved the audited financial statements (FS) for 2024. The 2024 FS was prepared and presented in accordance with Vietnamese Accounting Standards (VAS) and prevailing regulations, providing a true and fair view of DHG's financial position and business operations. No material misstatements that could have affected the fairness of the FS were identified.

Accounting policies and principles for estimating accounting figures were applied consistently, with no material changes recorded.

**d. IC and RM System:**

The Company has been maintaining an effective RM and IC framework, including established RM and IC policies and procedures. The currently applied processes and regulations have positively contributed to enhancing the effectiveness of IC and RM.

The Company has implemented and updated the Company-wide Risk List, which serves as a common basis for all departments and units to effectively carry out RM and IC activities. Accordingly, RM reports are prepared periodically or on an ad-hoc basis, depending on the level of emerging risks.

The Company has established a monitoring system and mechanism for professional ethics compliance and fraud prevention, including the operation of the Compliance Monitoring Council and a hotline for reporting violations. The monitoring of professional ethics compliance has had a deterrent effect, helping to prevent misconduct at all levels of management and staff.

RM activities and IC system improvements have been carried out seriously and effectively, ensuring timely risk identification, appropriate risk assessment, and proper risk-handling actions.

**e. Transactions with related parties:**

The Company has issued and implemented a conflict-of-interest policy and established a control system, including oversight of transactions with related parties.

Transactions with related parties are strictly controlled and comply with legal regulations, the Company's Charter, and internal policies on related-party transaction control. No conflicts of interest have been identified in these transactions.

**f. Internal Audit:**

The IA function plays a crucial role in promoting and contributing to the improvement of IC system, RM, and corporate governance, thereby enhancing and protecting the organization's value. Therefore, the Audit Committee consistently monitors and supports IA to ensure it has the necessary conditions and resources to perform its duties, maintaining independence and objectivity while optimizing the quality and effectiveness of its operations.

Regulations on the organization of activities, processes, and methods of IA have been developed and gradually standardized, ensuring compliance with legal regulations and alignment with best practices in IA.

The annual audit plan is developed based on the principle of addressing key risks in the Company's operations. IA consults and discusses with the BOM before preparing the plan and submits it to the Audit Committee for annual approval.

In 2024, IA successfully completed the plan within the expected timeframe and resources. The IA results indicated that the Company's control system was effectively designed and appropriate. Audited units and processes demonstrated a good level of compliance. Most audit findings were related to low-risk, non-material issues.

The operational efficiency and compliance awareness of the units have gradually improved, contributing to the achievement of the Company's operational goals.

**g. Law compliance:**

DHG Pharma has a specialized legal apparatus that supports units in legal matters, regularly monitors and updates regulations on corporate management and pharmaceutical business, and assesses legal risks from policy factors to specific applications within the Company, thus providing recommendations to ensure DHG Pharma's absolute compliance with legal regulations.

**h. Evaluation of results and quality of Independent Auditor:**

The independent auditor, Ernst & Young, conducted the audit of the 2024 financial statements and successfully fulfilled its duties, fully complying with the obligations under the audit contract signed with DHG Pharma. The audit met the expectations of the Audit Committee based on key criteria, including ensuring the reliability, truthfulness and quality of the audited financial statements; complying with the prescribed audit time limit; complying with professional regulations and maintaining independence and objectivity in providing audit opinions.

### **III. REPORT OF THE BOARD OF MANAGEMENT**

**1. BUSINESS PERFORMANCE IN 2024**

<b>Target</b>	<b>2024 Budget</b>	<b>2024 Actual</b>	<b>2023 Actual</b>	<b>% Actual/ Budget 2024</b>	<b>Growth 2024/2023</b>
Net sales	5,200	4,885	5,015	94%	-3%
Profit before tax	1,080	904	1,159	84%	-22%
Profit after tax		779	1,050		-26%

In 2024, the company did not meet the business targets set by the GMS, achieving only 94% of the plan for net sales and 84% of the full-year profit plan. Although the goals were not fully met as expected, it was still a meaningful year with the relentless efforts and dedication of the BOM and all employees of DHG Pharma.

### **Achievements in 2024:**

- DHG Pharma has maintained its position as the leading pharmaceutical company in Vietnam for 28 consecutive years in terms of net sales and profit.
- According to IMS 4Q/2024, DHG is among the top three pharmaceutical companies with the largest market share in Vietnam and ranks number one in the pharmacy channel (excluding vaccines).
- In 2024, DHG Pharma's Non Betalactam factory obtained EU-GMP certification for 3 production lines: tablets, film-coated tablets, and hard capsules. With this achievement, DHG Pharma now possesses production lines that meet two global standards - Japan GMP and EU GMP - serving as clear proof of its steadfast commitment to quality and its position as a leading pharmaceutical company in Vietnam.
- The new Betalactam plant, built according to global GMP standards, commenced operations in May 2024 and is expected to achieve EU-GMP certification by 2025.
- DHG Pharma continued its efforts in healthcare activities for the community, towards primary healthcare and national social security programs.
- International-quality products at Vietnamese prices are increasingly affirming their position in the hearts of consumers, customers, and the medical community.
- + The Hapacol brand, remains the market leader in the Analgesic – Antipyretic segment.
- + The NattoEnzym brand leads in applying nattokinase extract to prevent blood clotting and strokes in Vietnam.
- + The Naturenz brand, a liver detoxification formula invented by Vietnamese researchers, continues to support the health of Vietnamese consumers.
- + The Bipp brand dominates the children's nutritional candy segment.

## **2. MARKET SECTOR**

- Key business highlights of the sector in 2024:
  - + The Modern Trade Channel achieved outstanding growth, increasing by 49% year-over-year. DHG products are now available in over 3,546 stores across five major pharmacy chains, expanding coverage and consumer access.
  - + The Hospital Channel continued its strong growth, rising by 13% year-over-year. The medical representative team actively expanded coverage and implemented various product introduction activities, significantly boosting the bidding win rate to 90%, while the national bidding win rate reached 111%, a record high for DHG.
  - + The Export channel achieved VND 130 billion, up 9% yoy. DHG products are now available in 20 countries, including Singapore, Malaysia, the Philippines, Indonesia, Myanmar, Cambodia, Laos, Mongolia, and China, etc. opening new growth opportunities in international markets.

- + Although the Pharmacy Channel's net sales declined year-on-year, the number of customers and loyal club members continued to expand. In 2024, a total of 28,702 customers made transactions, with 15,244 being loyal club members, making a significant contribution to DHG's net sales.
- + Five categories exceeded growth targets: Nutrition (105%), Musculoskeletal (102%), Gastrointestinal & Hepatobiliary (103%), Cardiovascular & Diabetes (116%), and Skincare (105%).
- + Five brands surpassed VND 100 billion in net sales: Hapacol, Klamentin, Apitim, Glumeron, and Zaromax.
- + In 2024, DHG launched 14 new products, contributing VND 62 billion in net sales, reaching 131% of the plan. Notably, LUSEFI, a patented drug containing Luseogliflozin for Type 2 diabetes, was introduced. Initially, DHG imports finished products from the parent company Taisho before transferring technology for local production in Vietnam.
- Focused on strengthening core product promotion, achieving high efficiency at points of sale, and driving sell-out in key areas, especially Ho Chi Minh City and Hanoi. At the same time, organized a series of events to enhance strategic product awareness, approaching target customers.
- Successfully organized a series of events to celebrate the 50th anniversary of establishment, with activities aimed at **gratitude - connection - development**. The activities not only honor the half-century journey of formation and development, but also demonstrate the spirit of innovation, the desire to reach far, and the readiness to conquer great goals.
- + Community contributions: DHG organized and sponsored over 30 free medical check-ups and medication distribution events for more than 20,000 people across various provinces. At the same time, the Company conducted 500 voluntary blood donations, published 3,000 health newsletters, and collaborated with the Trade Union to visit and support the elderly living alone and underprivileged individuals.
- + For customers and consumers: DHG held 160 seminars, attracting 19,000 customers, and hosted 160 sample distribution events, reaching 104,500 consumers. The company successfully hosted the **"Southern Impression" Customer Conference**, which attracted **6,000 customers**. This is not only a gratitude event but also a journey of connection, sharing, and reinforcing the sustainable relationship between DHG and customers.
- + For pharmacies: DHG conducted 70 shows, reaching 19,000 customers.
- + For employees: DHG's Trade Union organized a series of events to honor previous generations, showing recognition for their contributions to the company's development, a program to visit employees' families, and various meaningful activities organized by the Youth Union.
- Strong focus on research and application of new technologies, particularly in the 4.0

industrial revolution: Launched communication programs via apps such as "DHG Prosperity Together" and "DHG Family", communicating on digital platforms, etc.

- Successfully developed and established a structured and effective KPI system with criteria aligned with sales performance (Area Sales Manager/ Branch Manager/ Team Leader/ Sales Representatives).

### 3. PRODUCTION SECTOR

**Product quality is always the core component in DHG Pharma's business philosophy. The Company constantly invests and improves to ensure that all products meet outstanding and reliable quality, providing consumers with peace of mind and trust. As a result, DHG Pharma has established a solid position in the Vietnamese pharmaceutical industry and is known as a reputable and reliable brand in the market.**

- The total production output of the two factories in 2024 reached 5,181 million product units, with a total value of VND 6,340 billion.
- Upgrading international GMP Standards and maintaining compliance with domestic standards for production lines:
  - The Non-Betalactam production line for hard capsules, tablets, and film-coated tablets was certified EU-GMP on 22 Aug 2024, and officially announced as EU-GMP certified by the Drug Administration Vietnam (DAV) on 15 Oct 2024.
  - The DAV has reissued the WHO-GMP certification, expanding the recognized scope to include the "Batch Release" and "Secondary Packaging" activities for the "Patch" dosage form (LOCOA) at the Non-Betalactam plant.
  - The newly established Betalactam factory received WHO-GMP certification from the DAV on 25 Mar 2024. It is expected to achieve EU-GMP certification in 2025.
  - The Quality Control (QC) (NVC Site) successfully completed re-evaluation and maintained ISO/IEC 17025 certification on 15 Nov 2024.
- The Technology Transfer Projects, including Ventinos Spray, Lusefi Innovative Drug, EU Project, Gx Project, etc., are being implemented as planned, with registration and evaluation phases completed. These projects not only demonstrate DHG Pharma's commitment to adopting and applying advanced technologies but also play a crucial role in diversifying and expanding the company's product portfolio. This serves as a solid foundation for sales growth, enhancing competitiveness, and strengthening market position.
- Investment in research lays the foundation for a distinctive product portfolio, creating a competitive advantage. DHG has strong financial resources, always ready to support research activities. Some key research highlights in 2024:
  - + Number of newly registered products: 23 new products
  - + Products put into production: 13 new products



- + New products launched: 13 new products
- + Total bioequivalent products as at 31 Dec 2024: 53 products
- + Continued scientific collaboration with the Institute of Biotechnology, Institute of Medicinal Materials, Can Tho University, and other reputable research centers domestically and internationally, etc.

#### **4. SECTOR OF HUMAN RESOURCES, FINANCE AND GOVERNANCE**

- As at 31 Dec 2024, DHG's total workforce reached 2,806 employees (2023: 2,789 employees), reflecting no significant changes compared to the previous year. Outstanding human resource activities in 2024:
  - + Ensured stable employment and income for employees.
  - + Employees benefited from healthcare policies and welfare programs. Salaries, bonuses, and other incentives were not only provided to employees but also extended to their families. These policies were approved at the Annual Labor Conference, ensuring transparency and consensus.
  - + The recruitment process has been optimized to promptly meet staffing needs.
- Continuously reviewed and updated/revised regulations, operational procedures, and developed new processes within the company and its system.
- Implemented compliance training from basic to advanced levels, across various topics. Conducted compliance audits to effectively prevent potential risks that could lead to company losses. Simultaneously, recommended improvements and adjustments to operational mechanisms to enhance productivity and efficiency.
- Ensured budget utilization aligned with strategic objectives, and optimized resource allocation through flexible and effective cost-control measures.
- Developed and automated management reports to provide accurate and timely information, and supported the Board of Management in making strategic decisions effectively.
- Increased the company's financial income by effectively utilizing cash flow, strengthened cash flow management, and applied financial leverage strategies to optimize capital and enhance profitability.

#### **5. ENVIRONMENTAL, SOCIAL, AND COMMUNITY RESPONSIBILITY ASSESSMENT**

DHG Pharma is committed to integrating environmental, social, and community (ESG) factors into its business operations to ensure sustainable development and create long-term value for all stakeholders. ESG responsibility assessments are conducted regularly, focusing on the following key areas:

##### **Environment:**

- Strictly controlling resource, energy, water usage, and emissions throughout the production process.

- Implementing measures to reduce greenhouse gas emissions, recycle waste, and invest in cleaner production technologies.
- Conducting periodic environmental impact assessments and fully complying with current environmental protection regulations.
- Supporting Vietnam's efforts to achieve net-zero emissions by 2025, DHG Pharma has implemented various emission reduction initiatives, such as investing in a solar energy system at pharmaceutical manufacturing plant in Tan Phu Thanh Industrial Zone and launching energy-saving projects, etc.

#### **Labor:**

- Employees are the foundation of sustainable development. DHG Pharma focuses on building a high-quality, dynamic, and dedicated workforce.
- Competitive compensation and benefits policies are maintained to motivate employees and foster a positive work environment.
- In 2024, the company was once again recognized in the "Top 10 Best Workplaces in the Pharmaceutical/Medical Device Industry" and the "Top 100 Best Workplaces in Vietnam."
- DHG Pharma considers training a strategic investment, not only to enhance professional skills but also to develop a high-quality workforce capable of meeting the increasingly demanding market demands. Over the past year, the company organized 86 training programs, with 23,264 participants totaling 170,965 training hours and an investment of over VND 3.2 billion in training activities.

#### **Responsibility to local community:**

- In 2024, DHG Pharma allocated over VND 5 billion to various community support programs, including donating medical equipment, supporting the underprivileged, sponsoring smart classrooms in Hau Giang province, etc.
- The Company regularly organizes free medical check-ups, medicine distribution programs, and sponsorships for charity funds and support initiatives for children, the elderly, and disadvantaged individuals.
- These activities not only reflect DHG Pharma's commitment to social responsibility but also spread the spirit of compassion, contributing to improving the quality of life and fostering sustainable community development.

*(For more detailed assessments on labor, corporate responsibility, and environmental indicators, please refer to Chapter ... of the Company's Sustainable Development Report.)*

## **6. ONGOING PROJECTS**

In 2024, DHG disbursed VND 158 billion to invest in machinery and equipment for the Quality, Production, and Technical sectors, while also carrying out regular maintenance and repairs to ensure the stable and continuous operation of the entire production system.

This investment not only enhances operational efficiency, precision, and product quality but also helps optimize production costs and ensures compliance with the strict quality standards of the pharmaceutical industry. Each year, DHG also allocates a budget of VND 300–500 billion for new investment projects aimed at product development and expanding production capacity.

#### Investment planning basis:

With the goal of increasing revenue and expanding exports to enhance the company's profitability, DHG focuses its investments on developing high-quality products that meet international standards, optimizing costs, and improving operational efficiency.

#### Strategic Benefits

- + Compliance with Global GMP Standards: Upgrading company standards to international levels, expanding global collaboration opportunities, and enhancing reputation.
- + High productivity: Ensuring stable productivity, cost efficiency, and optimized labor performance across production areas.
- + International-standard products: Guaranteeing product quality that meets strict standards and aligns with international market requirements.
- + Digital transformation: Investing in ERP (replacing the BFO system) during 2025-2026 to enhance management efficiency, streamline production operations, and strengthen competitiveness.
- + Increasing competitiveness in tender.
- + Meeting export requirements: Ensuring products meet standards for export to international markets.
- + International manufacturing collaboration: Establishing a solid foundation for future partnerships with global manufacturers.

Key ongoing projects: Upgrading the production lines of the Betalactam and Non-Betalactam plants to meet EU-GMP standards; investing in R&D and standardizing processes; funding bioequivalence studies to enhance competitiveness and regulatory compliance for existing products; implementing ERP and digital transformation initiatives, etc.

## IV. FINANCIAL STATEMENT ANALYSIS

### 1. BUSINESS RESULTS

Unit: VND billion	2023	2024	Growth
<b>Net sales</b>	<b>5,015</b>	<b>4,885</b>	<b>-2.6%</b>
Gross profit	2,344	2,138	-8.8%
EBITDA	1,014	791	-22.0%
Profit before tax (PBT)	1,159	904	-22.0%
<b>Profit after tax (PAT)</b>	<b>1,051</b>	<b>779</b>	<b>-25.9%</b>
<i>Gross profit margin</i>	<i>47%</i>	<i>44%</i>	
<i>EBITDA margin</i>	<i>20%</i>	<i>16%</i>	
<i>After-tax profit margin</i>	<i>23%</i>	<i>19%</i>	

In 2024, DHG experienced a slight decline in net sales and a sharp drop in profit. The main reason was the challenging macroeconomic environment, which led consumers to tighten their spending, impacting the Pharmacy Channel - the company's primary sales driver. Meanwhile, although the Hospital and MTC Channels recorded impressive growth, their smaller contribution was not sufficient to offset the overall decline.

Profit after tax decreased sharply due to many factors: (1) Production output decreased by 10% compared to the same period due to production interruption as relocating the new Betalactam factory, (2) Financial profit decreased sharply (down VND 59 billion, -34%) due to lower deposit interest rates, and (3) Recorded extraordinary cost of VND 55 billion – impairment costs related to the old Betalactam factory and (4) Additional provision of VND 20.7 billion for making provision related to global tax obligations under Resolution No. 107/2023/QH15 on applying additional corporate income tax under regulations against global tax base erosion.

However, DHG's medium and long-term prospects remain positive. Investment in upgrading new factories not only helps improve production capacity and optimize operating costs but also increases the possibility of winning bids and expanding export market. In addition, distribution channels such as Hospital and MTC are recording impressive growth and are expected to contribute an increasing proportion in total revenue. DHG continues to maintain its high profit margin and stable financial capacity, keeping its position within the leading group of the pharmaceutical industry – an important foundation for the Company to grow in the coming time.

## Sales structure

- **The Pharmacy Channel** remained the largest contributor despite a year-over-year decline in sales due to overall market conditions and weak purchasing power. However, DHG maintained its leading position in the retail segment, reinforcing its brand reputation and distribution network coverage.

### Leading Corporations – Retail (excl. Vaccines)

Rank	Rank LY	Corporation	Sales (Billion VND)
1	1	DHG	4.675
2	2	COMPANY A	3.960
3 ▲	6	COMPANY B	2.358
4	3	COMPANY C	2.167
5	5	COMPANY D	1.949

(Source: IQVIA Q4/2024 – figures on IQVIA sales estimates)

- **The Hospital Channel** achieved strong growth of +13%, increasing its contribution to overall sales. This result shows that DHG is gradually expanding its presence in the Hospital channel thanks to owning production lines with Japan-GMP and EU-GMP standards. This is a segment with stable growth and long-term potential. DHG's position in the Hospital Channel has risen by 6 ranks compared to the previous year.

### Leading Corporations – Hospital (excl. Vaccines)

Rank	Rank LY	Corporation	Sales (Billion VND)
1	1	COMPANY A	3.170
2	2	COMPANY B	2.236
3 ▲	5	COMPANY C	1.771
4	3	COMPANY D	1.657
5	4	COMPANY E	1.647
26 ▲	32	DHG	827

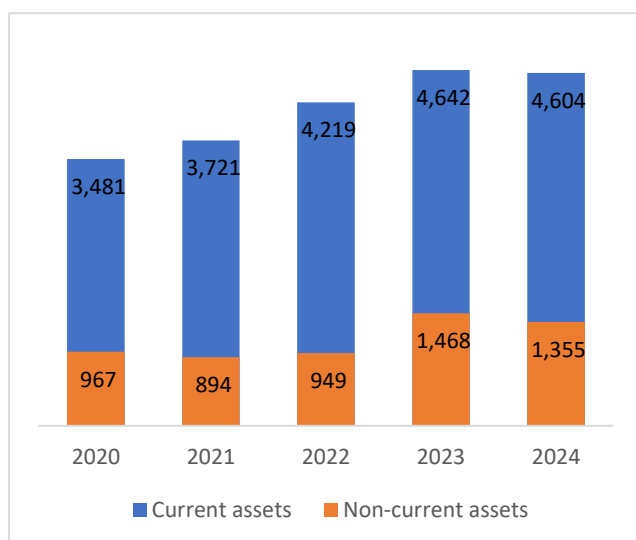
(Source: IQVIA Q4/2024 – figures on IQVIA sales estimates)

- **MTC (Modern Trade) channel** continues to be a bright spot with a growth rate of **nearly 49%**, demonstrating the effectiveness of the strategy of expanding to modern retail chain. Although the current proportion is still low (5%), this trend will help DHG keep up with new consumer trends and behaviors.
- **Export revenue** also increased by **+9.2%**, contributing 3% of total revenue, as a basis for expanding international market in the future.
- In addition to main business activities, the Company continues to maintain supporting segments such as processing, raw material trading, OEM and other services. Although revenue from these activities decreases compared to the previous year, this is not DHG's main segment, but mainly to take advantage of available conditions and optimize existing resources.

In general, although the key sales channel (Pharmacy) declined in 2024, it is expected to recover with a growth target of 6% in 2025. In addition, new growth channels such as Hospital, MTC and export continue to expand, helping diversify the sales structure and laying the foundation for DHG's future growth.

## 2. ASSET EFFICIENCY

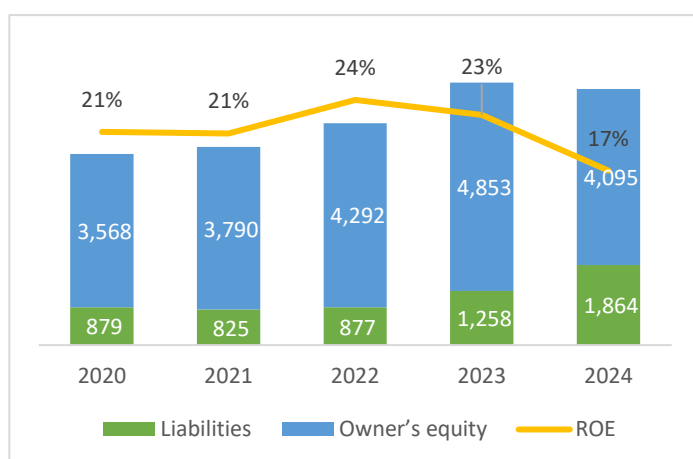
No.	Indicators	Unit	2020	2021	2022	2023	2024
<b>A</b>	<b>Balance sheet</b>						
<b>1</b>	<b>Total assets</b>	<b>VND billion</b>	<b>4,448</b>	<b>4,615</b>	<b>5,168</b>	<b>6,110</b>	<b>5,959</b>
1.1	Current assets	VND billion	3,481	3,721	4,219	4,642	4,604
1.2	Non-current assets	VND billion	967	894	949	1,468	1,355
<b>2</b>	<b>Total liabilities and owner's equity</b>		<b>4,448</b>	<b>4,615</b>	<b>5,168</b>	<b>6,110</b>	<b>5,959</b>
2.1	Liabilities	VND billion	879	825	877	1,258	1,864
2.2	Owner's equity	VND billion	3,568	3,790	4,292	4,853	4,095
<b>B</b>	<b>Basic financial ratios</b>						
<b>1</b>	<b>Solvency ratio</b>						
1.1	Current ratio	Time	4.3	4.9	5.2	3.9	2.6
1.2	Quick ratio	Time	3.3	3.5	3.7	2.6	1.9
1.3	Cash ratio	Time	2.6	2.8	2.9	2.0	1.6
<b>2</b>	<b>Operation capability ratio</b>						
2.1	Total asset turnover	Turnover	0.9	0.9	1.0	0.9	0.8
2.2	Working capital turnover	Turnover	1.1	1.1	1.2	1.1	1.1
2.3	Inventory turnover	Turnover	2.5	2.2	2.1	1.9	2.1
2.4	Accounts payable turnover	Turnover	10.4	9.2	8.6	9.2	14.3
2.5	Accounts receivable turnover	Turnover	8.1	10.3	13.7	11.3	8.7
<b>3</b>	<b>Profitability ratio</b>						
3.1	ROS	%	19.7%	19.4%	21.1%	20.9%	15.9%
3.2	ROA	%	17.2%	17.2%	20.2%	18.6%	12.9%
3.3	ROE	%	21.3%	21.1%	24.5%	23.0%	17.4%



As at 31 Dec 2024, DHG Pharma's total assets reached VND 5,959 billion, nearly equal to 2023 and recorded compound annual growth rate (CAGR) of about 7.6% in the period 2020–2024.

By the end of the year, current assets accounted for about 77% of total assets. In which, cash and cash equivalents increased by 20.8% compared to the beginning of the year, reaching VND 2,808 billion and accounting for 47.1% of total assets. An abundant cash has

helped DHG be proactive in production and business as well as ensuring a stable cash dividend policy for shareholders. For several consecutive years, the Company has maintained high dividend rates (35% of par value in 2021–2022 and 75% in 2023). The Company has announced to pay in advance for 2024 dividend at 40%, and the remained amount will be submitted to the GMS for approval in April 2025.



With abundant capital, the proportion of equity to total capital continues to remain high, accounting for nearly 70% of total capital. However, equity decreased by 16% compared to the same period, mainly due to the increase in dividend payment to shareholders. Particularly, the 2023 financial statements recorded dividends paid to shareholders of VND 457 billion (#VND 3,500 per share),

while in 2024, the total dividend payout amounted to VND 1,504 billion (including VND 7,500 per share from undistributed earnings in 2023 and VND 4,000 per share as an advance dividend from undistributed earnings in 2024). In addition, liabilities in 2024 increased because the dividend paid in advance at the end of the year (VND 4,000/share, equivalent to VND 523 billion) has not been paid to shareholders yet. This amount has been recorded as liabilities as at 31 Dec 2024 and will be paid on 14 Feb 2025.

**Profitability ratio:** Although the 2024 profit margin decreased compared to the same period, mainly due to the impact of profit after tax on extraordinary costs up to VND 76 billion (including depreciation of old factories and global minimum tax). However, DHG's profitability indicators still remained high, among the leading ones in the pharmaceutical industry.

**Operating Efficiency in 2024:** Total asset turnover decreased slightly to 0.8 times, indicating a slowdown in asset efficiency in the face of declining revenue. On other hand, inventory turnover increased from 1.9 to 2.1 times, reflecting better inventory control.

Accounts payable turnover increased sharply to 14.3 times, showing that DHG has had more effective use of payment terms with suppliers, contributing to optimizing cash flow. In contrast, accounts receivable turnover decreased to 8.7 times, indicating a slower debt collection compared to the previous year, which needs to be monitored to ensure cash flow safety in the coming time.

**Solvency:** In 2024, DHG's liquidity ratios decreased compared to the previous years. Current ratio decreased to 2.6 times; quick ratio decreased to 1.9 times; and cash ratio decreased to 1.6 times. This decrease shows that the Company is effectively using short-term cash flows to serve production and business activities and pay dividends instead of keeping capital in the form of current assets. The liquidity ratios remain in safe and are higher than the industry average, reflecting the Company's ability on debt payment.

### 3. ASSESSING THE IMPACT OF EXCHANGE RATE DIFFERENCE AND INTEREST RATE

Indicators	2020	2021	2022	2023	2024
Deposit interest	134	114	120	202	138
Interest expense	14	12	13	30	25
Exchange rate gain	5	9	17	16	10
Exchange rate loss	8	4	13	10	12

*Source: Audited financial statements and calculation of DHG Pharma*

Cash flow from operating activities has been positive in the past 10 years. In 2024, thanks to the reduction of inventories and receivables, net cash flow from operating activities reached VND 1,318 billion. With abundant cash, DHG proactively allocates capital for investment and dividend payment, but still ensuring solvency and maintaining a good financial health.

Interest income from deposits in 2024 was VND 138 billion, down 32% compared to the peak in 2023 (VND 202 billion), reflecting the downward trend of deposit interest rate in the market. This income remains high thanks to a large amount of cash and deposits (more than VND 2,800 billion). However, from 2025 onwards, financial profit is expected to decline due to (1) the decrease in deposit balance as DHG pays dividend in cash at a high rate and increases investment in production expansion; (2) the decrease in deposit interest rate the context of loose monetary policy. This will put pressure on the Company's overall profit growth as the financial profit is contributing about 15% to the Company's total profit.

Interest expense in 2024 was recorded at VND 25 billion, slightly lower than in 2023 but still being considerably higher than in the period 2020-2022. As at 31 Dec 2024, loan balance increased from VND 572 billion to VND 650 billion, all of which are short-term loans. The debt-to-total-assets ratio remains at a safe level (10.9%) and the debt-to-equity ratio (D/E) increased slightly from 0.12 to 0.16 times – still in good control, reflecting a healthy financial structure and a prudent capital use policy.

For exchange rate, in 2024, DHG recorded VND 10 billion in profit and VND 12 billion in loss of exchange rate difference, almost offsetting each other, showing that exchange rate risk has been well controlled and has no significant effects to the overall financial results.



## **CHAPTER 4: CORPORATE GOVERNANCE**

1. Share information and shareholder structure
2. Report on Corporate Governance
3. Evaluation of Corporate Governance Implementation
4. Report on Risk Management

## I. SHARE INFORMATION AND SHAREHOLDER STRUCTURE

### 1. Share information

- Share name: Share of DHG Pharmaceutical JSC
- Stock code: DHG
- Share exchange: HoChiMinh Stock Exchange
- Charter capital: VND 1,307,460,710,000
- Par value: VND 10,000 (*Ten thousand dongs*)
- Type of share: Ordinary share
- Number of listed and outstanding shares: 130,746,071 shares
- Number of treasury shares: None

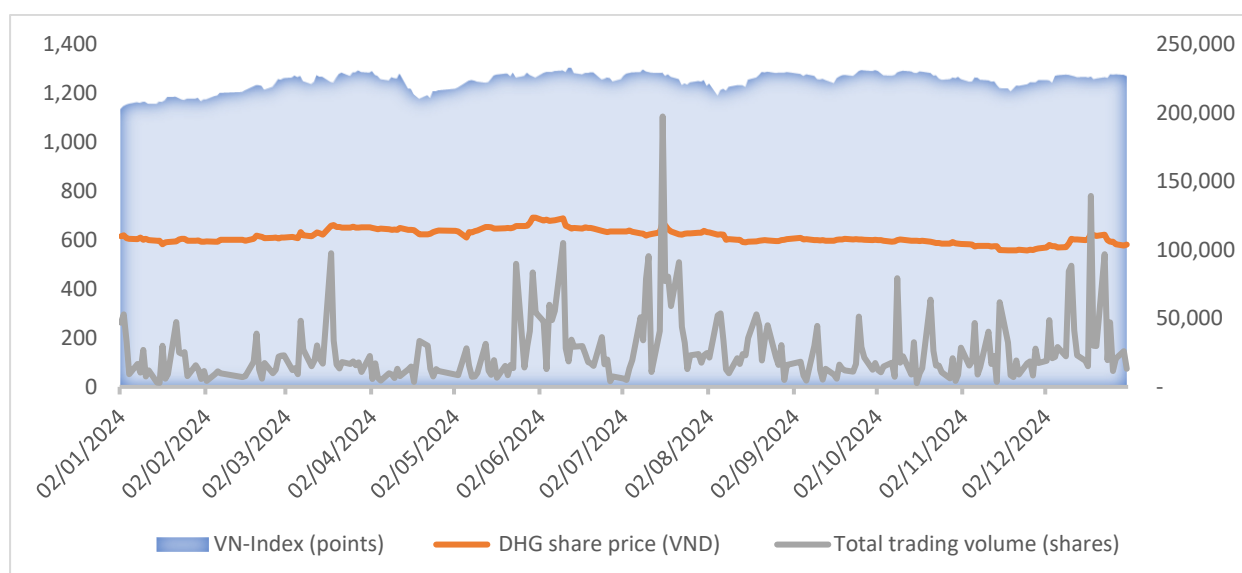
#### • Fluctuation of DHG share in 2024 (\*)

No.	Indicators	Unit	Value
1	Share price	VND	103,900
2	Market capitalization	VND billion	13,585
3	From 02 Jan 2024 to 31 Dec 2024		
	Highest price	VND	123,500
	Lowest price	VND	99,500
	Average trading volume	shares/day	25,144
	Average trading value	VND billion/day	2.79
4	Foreign ownership limit	%	100%
	Ownership ratio of foreign shareholders	%	53.7%
5	EPS	VND	5,763
6	P/B	Time	3.3
7	P/E	Time	18.0

(\*) Share prices and related information finalized on 31 Dec 2024

Source: website [vietstock.vn](http://vietstock.vn); [cafef.vn](http://cafef.vn); and calculation of DHG Pharma

## Total trading volume and DHG share price from 02 Jan 2024 to 31 Dec 2024



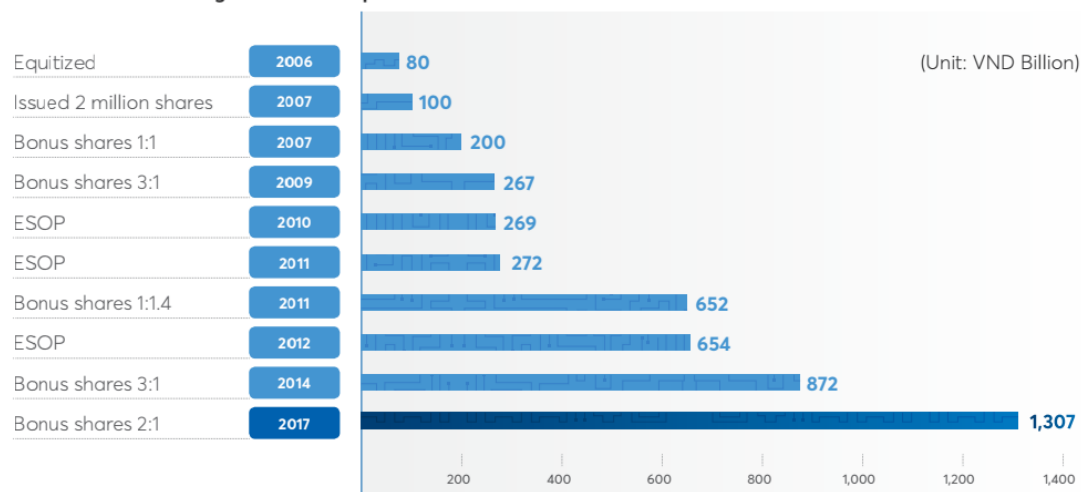
Source: website [vietstock.vn](http://vietstock.vn); [cafef.vn](http://cafef.vn);

In 2024, the Vietnamese stock market experienced a positive recovery, with the VN-Index rising by 12.1% compared to the end of 2023 and average liquidity exceeding VND 21 trillion per session. However, net selling pressure from foreign investors remained a major challenge, particularly as the global economic landscape remained uncertain. Within this overall landscape, pharmaceutical stocks regained investor interest due to their defensive nature and stable growth prospects. Although trading activity was not as vibrant as in sectors like banking or real estate, many pharmaceutical stocks maintained a slight upward trend, reflecting expectations for the industry's growth.

## 2. Changes in owner's contributed capital

Since equitization, the Company has increased its charter capital 9 times from VND 80 billion to VND 1,307 billion. The latest time DHG Pharma increased its charter capital was in the form of issuing bonus shares at a ratio of 2:1 in 2017. Since then, the owner's contributed capital at DHG Pharma has not changed.

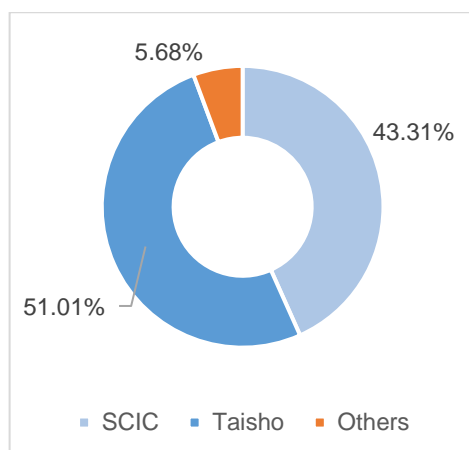
### Timeline for increasing the charter capital



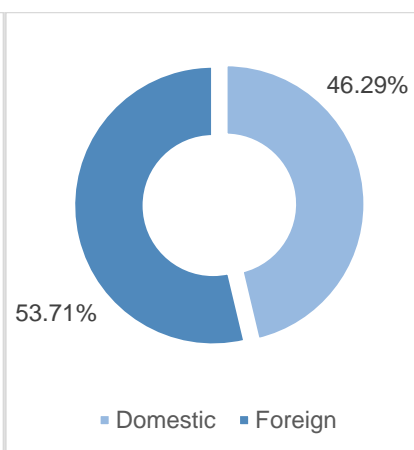
### 3. Shareholder structure:

According to the list of shareholders on 25 Dec 2024, DHG Pharma's shareholder structure is as follows:

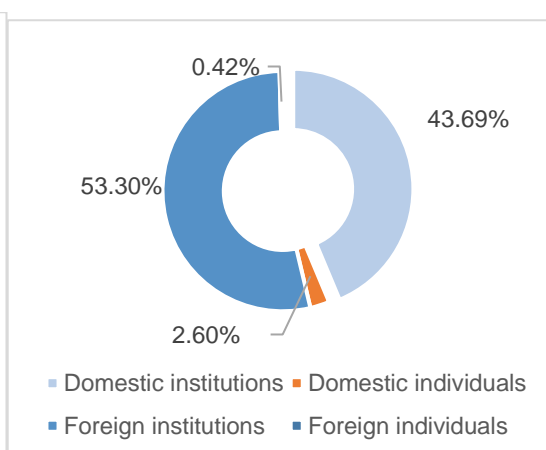
**Shareholder structure by ownership ratio**



**Shareholder structure by location**



**Shareholder structure by ownership type**



**Shareholder structure by type of shareholders**

No.	Subject	Number of shares	Ownership ratio (%)	Number of shareholders	Shareholder structure	
					Institutional	Individual
1	Major shareholders	123,323,289	94.32%	2	2	-
	- SCIC	56,626,237	43.31%	1	1	-
	- Taisho	66,697,052	51.01%	1	1	-
2	Internal persons	4,135	0.00%	5	-	5
3	The Company's Union	271,167	0.21%	2	2	-
4	Treasury shares	-	-	-	-	-
5	Other shareholders	7,147,480	5.47%	4,235	74	4,156
	- Domestic	3,615,231	2.77%	3,758	32	3,721
	- Foreign	3,532,249	2.70%	477	42	435
<b>TOTAL</b>		<b>130,746,071</b>	<b>100.00%</b>	<b>4,239</b>	<b>78</b>	<b>4,161</b>
<b>In which: - Domestic</b>		60,516,770	46.29%	3,761	35	3,726
<b>- Foreign</b>		70,229,301	53.71%	478	43	435

Note: DHG has only 09 restricted shares from SME Securities Corporation due to the temporary suspension of clearing activities by VSDC.

### Ownership structure of internal persons (\*)

	Full name	Title	Total shares held	Ownership ratio
<b>Board of Directors</b>	1. Dang Thi Thu Ha	BOD Member	-	-
	2. Jun Kuroda	BOD Member	-	-
	3. Toshiyukii Ishii	BOD Member	-	-
	4. Maki Kamijo	BOD Member	-	-
	5. Doan Dinh Duy Khuong	BOD Member	7	0.00%
	6. Do Le Hung	Independent BOD Member	-	-
	7. Truong Anh Hung	Independent BOD Member	-	-
<b>Executive Board</b>	1. Toshiyuki Ishii	General Director (CEO)	-	-
	2. Osamu Fujimori	Chief Operating Officer (COO)	-	-
	3. Tomoyuki Kawata	Deputy General Director	-	-
	4. Nguyen Ngoc Diep	Deputy General Director cum Quality Director	3,180	0.00%
	5. Nguyen Ngoc Chuong	Production Director	-	-
	6. Le Mai Hoang Son	Supply Chain Director	-	-
	7. Pham Chung Dinh	Sales Director	10	0.00%
<b>Chief Accountant</b>	Ho Buu Huan	Chief Accountant	929	0.00%
	Duong Kim Loan	BOD Secretary, Person in charge of corporate governance	9	0.00%
<b>Total</b>			<b>4,135</b>	<b>0.00%</b>

(\*) Internal persons updated as per the list dated 28 Feb 2025

### 4. Transactions on DHG share of internal persons and related persons

No.	Transaction executor	Relationship with internal person	Number of shares owned at the beginning of the period		Number of shares owned at the end of the period		Reasons for increase, decrease (purchase, sale, switch, reward, etc)
			Number of shares	%	Number of shares	%	
Related organization							
1	Trade Union of DHG Pharma	Social - Political organization under DHG Pharma	400,547	0.31%	271,167	0.21%	Sold 129,380 shares

(\*) The number of shares held by the Trade Union updated as at 28 Feb 2025

### 5. Treasury shares transactions:

Since 2016, the number of treasury shares held by the Company has been 0 shares. In 2024, DHG Pharma did not make any treasury share transaction.

## **II. REPORT ON CORPORATE GOVERNANCE**

### **A. BOD RESPONSIBILITIES**

#### **PRINCIPLE 1: ESTABLISHING CLEAR ROLES, RESPONSIBILITIES AND COMMITMENT OF THE BOARD**

- At DHG Pharma, the authority, responsibilities, operating principles of the BOD, and other related contents are stipulated in the Charter, Internal Regulation on Corporate Governance, BOD Operational Regulation, DHG Culture Identity, Regulation on controlling transactions with related parties and related members, Conflict of Interest Policy, and are disclosed in the Annual Report and on the Company's website.
- The BOD is responsible for approving strategies, risk management, development, and investment plans, while also supervising the management effectiveness and compliance of the accounting/financial/legal/information disclosure system.
- The BOD also focuses on developing strategic objectives linked to environmental and social activities, which are disclosed in the Company's Sustainable Development Report.
- The BOD promotes high standards of business ethics, supervises the implementation of the business ethics code along with managing potential conflicts of interest through the Regulation on controlling transactions with related parties and related members/DHG Culture Identity.
- Each BOD member is responsible for participating in all of the Company's BOD meetings throughout the year. Specifically, the BOD conducted 17 meetings, issued 19 Resolutions, and 25 Decisions to address issues within the BOD's functions and authority in 2024 (Please refer to the BOD meetings in details on pages 37-38).
- Throughout the year, the BOD continued to recruit, supervise succession plans, and determine remuneration for key management positions with the advice of the Nomination Committee.

#### **PRINCIPLE 2: ESTABLISHING A COMPETENT AND PROFESSIONAL BOARD**

- The BOD for Term IV (2019 - 2023) concluded its term at the 2023 AGM on 23 Apr 2024, and the new Term V (2024 - 2028) was elected.
- The current BOD structure consists of 7 members, ensuring diversity in terms of experience, expertise, and gender. Independent Board Members: 2/7 members, Non-executive BOD members: 4/7 members, and Executive BOD Member: 1/7 members, holding the position of General Director (CEO).
- The ratio of non-executive and female BOD members is currently 1/7 members.
- The introduction of candidates for the election of new BOD members is also carefully considered by the Nomination Committee under the BOD before being submitted to the BOD and the GMS for approval. The election will be carried out by the cumulative voting method, ensuring compliance with regulations and the Company's Charter.

- The BOD has appointed 01 person to be the BOD Secretary cum the person in charge of corporate governance. The BOD Secretary plays a central role in information and communication, taking on crucial responsibilities in providing information and facilitating connections between the BOD, the BOM, shareholders, and investors.
- All BOD members have knowledge and experience in corporate governance and continuously update and comply with the regulations on corporate governance.

### **PRINCIPLE 3: ENSURING EFFECTIVE BOARD LEADERSHIP AND INDEPENDENCE**

- The BOD currently has two independent BOD members, which meets the required number of independent members in accordance with current regulations. The current independent BOD members are Mr. Do Le Hung in charge of the Audit Committee, and Mr. Truong Anh Hung in charge of the Nomination Committee.
- The independent BOD members of DHG Pharma are fully competent, experienced in their specialties, and entirely objective, especially in situations involving conflicts of interest. Notably, Mr. Do Le Hung is an independent BOD member and serves as the Chairman of the Audit Committee. His expertise and experience in finance and accounting, along with his independence, contribute to effective discussions at meetings.
- DHG Pharma has separated the roles of the BOD Chairwoman and the General Director to enhance the independence in decision-making and activities of the BOD, while also ensuring an efficiently decentralized governance structure.

### **PRINCIPLE 4: ESTABLISHING BOARD COMMITTEES**

To enhance the efficiency of supervision and responsibility assignment, the BOD of DHG Pharma has established 3 Committees: the Strategic Committee, the Audit Committee, and the Nomination Committee. This demonstrates the Company's commitment to improving governance quality and ensuring that all activities are conducted transparently and professionally.

#### **Strategic Committee**

In the context of increasingly volatile and competitive business environments, the role of the Strategic Committee has become more important than ever. Acting as the helm deciding the direction and future of the Company, the Strategic Committee plays a crucial role in navigating the business through market turbulence towards success. Through organizing regular meetings, deeply analyzing the current situation, and proposing strategic solutions, the Strategic Committee not only helps define long-term objectives and development plans but also acts as a breakthrough force, opening new opportunities for the organization. In the information age, the flexibility and ability to forecast trends of the Strategic Committee are emphasized, as each decision can impact the survival of the business in a fierce market.

<b>Item</b>	<b>Content</b>
<b>Personnel structure</b>	3 members include: - Mr. Jun Kuroda – Chairman

Item	Content
	<ul style="list-style-type: none"> <li>- Mr. Toshiyuki Ishii – Member</li> <li>- Mr. Shoji Yasuda – Member</li> </ul>
<b>Meetings in 2024</b>	3 meetings (29 Jul 2024, 22 Aug 2024, 11 Nov 2024)
<b>Responsibilities</b>	<ul style="list-style-type: none"> <li>- Developing long-term development strategies for production, business and investment. Determining annual, mid-term development and production plans based on the objectives and strategies approved by the GMS.</li> <li>- Monitoring the progress of strategy implementation ensures that the strategy is effectively implemented. Identifying and assessing potential risks that could affect the execution of the strategy, and planning to mitigate or resolve these risks.</li> <li>- Developing annual dividend rates and proposals to the BOD for making decisions on temporary dividend rates.</li> <li>- Evaluating the long-term effectiveness of the Company's activities.</li> </ul>
<b>Performances in 2024</b>	<ul style="list-style-type: none"> <li>- Advised and consulted the BOD on long-term development strategy planning and long-term investment plans.</li> <li>- Developed the annual business plan.</li> <li>- Advised the BOD on the dividends in 2024 and the plan to pay dividends in 2025.</li> </ul>
<b>Operational orientation in 2025</b>	<ul style="list-style-type: none"> <li>- Shall implement, perform and complete business plan in 2025 assigned by the GMS.</li> <li>- Shall build the development strategy, goals and mid-term business plan of the Company.</li> <li>- Shall consult, advise on short, medium and long-term investment under the BOD's authority.</li> <li>- Shall advise the BOD on annual dividends.</li> </ul>

### Audit Committee

The Audit Committee plays a crucial role in enhancing transparency and accountability in the Company's operations. Its primary responsibilities include supervising and evaluating the accuracy of financial statements, internal control processes, and compliance with laws, thereby protecting the interests of shareholders and stakeholders. In the digital age, where financial information becomes more accessible, the importance of the Audit Committee increases, requiring a high level of expertise and integrity. Furthermore, the Audit Committee not only helps improve risk management efficiency but also contributes to building trust from investors and the market, providing a solid foundation for the sustainable development of the Company.

Item	Content
<b>Personnel structure</b>	3 members include: <ul style="list-style-type: none"> <li>- Mr. Do Le Hung – Chairman</li> </ul>



Item	Content
	<ul style="list-style-type: none"> <li>- Ms. Dang Thi Thu Ha – Member</li> <li>- Mr. Maki Kamijo – Member</li> </ul>
<b>Meetings in 2024</b>	6 meetings (23 Jan 2024, 07 Feb 2024, 05 Apr 2024, 19 Apr 2024, 25 Jul 2024, 15 Oct 2024)
<b>Responsibilities</b>	<ul style="list-style-type: none"> <li>+ Inspecting the suitability, effectiveness and efficiency of IC and RM procedure.</li> <li>+ Inspecting and confirming quality, reliability of economic, finance and accounting information.</li> <li>+ Proposing to select an independent audit company, audit fee, nature and scope of work, etc.</li> <li>+ Managing, supervising internal audit activities in terms of functions. Reviewing internal audit reports.</li> <li>+ Inspecting compliance with operating principles, management, and legal compliance.</li> </ul>
<b>Performances in 2024</b>	<ul style="list-style-type: none"> <li>+ Continued monitoring the financial statements and the IC &amp; RM, IA systems.</li> <li>+ Supervised compliance with laws and internal regulations.</li> <li>+ Participated in the development of the Company's growth strategy, especially in perfecting the IC, RM and IA systems.</li> <li>+ Supervised transactions with related parties.</li> <li>+ Selected Ernst &amp; Young Vietnam Limited Company as the independent auditor for the 2024 financial statements.</li> </ul>
<b>Operational orientation in 2025</b>	<ul style="list-style-type: none"> <li>+ Shall propose the selection of an independent auditor for the financial statements FY2025.</li> <li>+ Shall continue to monitor financial statements to ensure the accuracy and completeness of the financial information reported.</li> <li>+ Shall evaluate and recommend improvements to the IC &amp; RM, IA systems.</li> <li>+ Shall develop and propose new policies/procedures to enhance transparency and risk management.</li> <li>+ Shall oversee compliance with laws and internal regulations.</li> </ul>

### Nomination Committee

The Nomination Committee serves as a liaison between the management team and the workforce, with a critical role in the development and growth of human resources. Employees are the most valuable asset of the Company, thus the Nomination Committee not only manages recruitment, training, assessment, and employee development, but also promotes fairness and openness in all labor policies and talent management. By fostering a positive working environment and supporting career development, the Nomination Committee contributes to creating an effective workforce, thereby promoting the success

and sustainability of the Company. The professionalism and dedication of the Nomination Committee have become even more vital in the context of an increasingly competitive and diverse global labor market.

Item	Content
<b>Personnel structure</b>	2 members include: <ul style="list-style-type: none"> <li>- Mr. Truong Anh Hung – Chairman</li> <li>- Mr. Toshiyuki Ishii – Member</li> </ul>
<b>Meetings in 2024</b>	4 meetings (14 May 2024, 29 Jul 2024, 11 Nov 2024, 17 Feb 2025)
<b>Responsibilities</b>	<ul style="list-style-type: none"> <li>- Proposing criteria and appointment procedures as well as proposing appointments and dismissals of BOD members and managerial staff under the appointment authorities of the BOD. Developing orders and procedures for nomination and candidacy of BOD members. Developing regulations to determine the independence of non-executive BOD members.</li> <li>- Developing processes assessing the BOD's performances such as the effectiveness of the BOD and the contribution of each member.</li> <li>- Developing and proposing human resource development plans.</li> <li>- Proposing remuneration policies, and other benefits for members of the BOD, the BOD's Committees and the BOM.</li> <li>- Supervising the evaluation of the management apparatus of DHG Pharma.</li> <li>- Executing other tasks assigned by the BOD related to the HR policy of DHG Pharma.</li> </ul>
<b>Performances in 2024</b>	<ul style="list-style-type: none"> <li>- Developed the training programs in 2024.</li> <li>- Proposed and advised the BOD on the appointment/dismissal of senior management personnel.</li> <li>- Personnel development plan: Identified, selected, trained, and developed senior management personnel and succession planning programs.</li> <li>- Proposed and advised the BOD on the Company's salary, bonus, and benefits policies.</li> <li>- Prepared quarterly and annual HR reports.</li> </ul>
<b>Operational orientation in 2024</b>	<ul style="list-style-type: none"> <li>- Shall develop the training program in 2025 to ensure that employees are fully equipped with the necessary knowledge and skills.</li> <li>- Shall monitor and evaluate employee performance, establish promotion pathways for capable and contributing personnel.</li> <li>- Shall propose and advise on salary, bonus, and benefits policies to motivate long-term commitment among employees.</li> <li>- Shall continue to plan strategies to enhance the HR quality and build a succession team.</li> </ul>

Item	Content
	- Shall advise on the creation of activities to promote corporate culture and enhance team spirit and employee connectivity.

#### PRINCIPLE 5: ENSURING EFFECTIVE PERFORMANCE FOR BOARD

- The BOD conducts an annual self-assessment of its performance and Committees. To accurately assess performance, the Company will consider supplementing a system of criteria and processes to determine the work performance of the BOD, each BOD member, and its Committees.
- The Nomination Committee is responsible for proposing the remuneration for each BOD member to the BOD for approval, based on the role, duties, individual performance, and the Company's results during the year. The BOD remuneration is publicly disclosed in the audited financial statements FY2024, in the explanatory notes, section 34 - Transactions and balances with related parties, and it will comply with the regulation in the annual AGM Resolution.
- The BOD remuneration in 2024 approved by the Company's AGM was VND 7 billion (VND 5 billion recorded in the Company's expenses and VND 2 billion for the BOD Operation Fund). The details of the remuneration for each BOD member in 2024 were as follows:

No.	Full name	Title	Remuneration (personal income tax included)
		<b>Total</b>	<b>4,412,692,308</b>
1.	Dang Thi Thu Ha	BOD Chairwoman	850,000,000
2.	Jun Kuroda	BOD Member Chairman of the Strategic Committee	646,346,154
3.	Toshiyuki Ishii	BOD Member General Director	595,000,000
4.	Maki Kamijo	BOD Member	595,000,000
5.	Doan Dinh Duy Khuong	BOD Member Former Chief Operating Officer	315,000,000
6.	Do Le Hung	Independent Board Member Chairman of the Audit Committee	765,000,000
7.	Truong Anh Hung	Independent Board Member Chairman of the Nomination Committee	410,769,231
8.	Nguyen Thi Viet Thanh	Former Independent Board Member	235,576,923

No.	Full name	Title	Remuneration (personal income tax included)
		Former Chairwoman of the Nomination Committee	

## **PRINCIPLE 6: ESTABLISHING AND MAINTAINING AN ETHICAL CORPORATE CULTURE**

DHG Pharma has promulgated DHG Pharma's Culture Identity, Labor Regulation, and Internal Democracy Regulation applied throughout the Company to establish standards for professional behavior, ethics, and corporate culture. In 2021, the AGM also approved the Internal Regulation on Corporate Governance and the BOD Operational Regulation, which specify ethical rules and report, transparency requirements for BOD members.

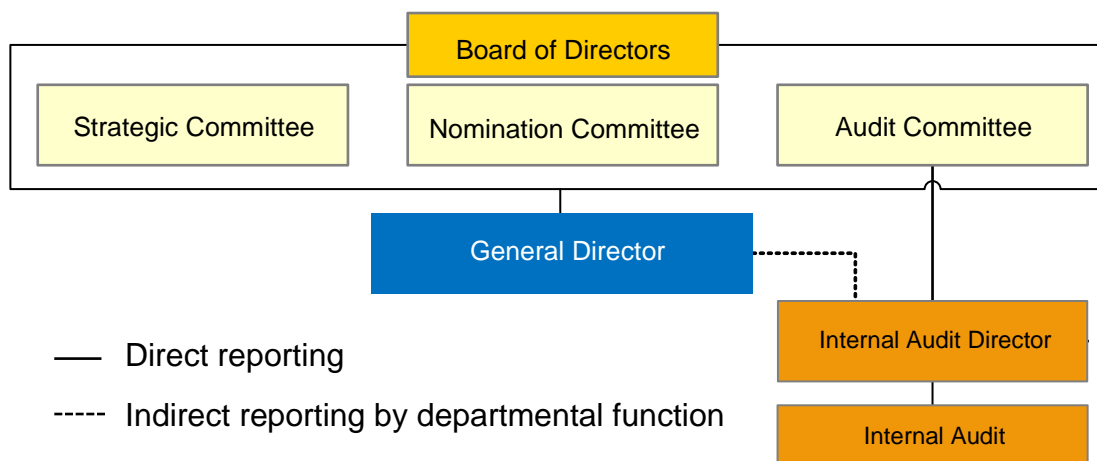
These contents have been disseminated to the BOD, the BOM, and all employees through internal communication channels to enhance awareness and ensure compliance with regulations.

### **B. CONTROL ENVIRONMENT**

## **PRINCIPLE 7: ESTABLISHING A SOUND RISK MANAGEMENT AND CONTROL ENVIRONMENT**

- The BOD ensures integration between strategy, risk, and effective control and monitoring of the Company's internal control system. Please refer to Risk Management Report.
- The BOD has established an IA function to ensure the effectiveness of its IC systems, RM framework and corporate governance, including: (1) The Audit Committee under the BOD, (2) The IA Dept. under the authority and reports directly to the Audit Committee on the functions, expertise and under the General Director on administration. The Audit Committee receives the results of annual risk assessment, IA reports, results of the completion plan and quality assessment of the IA Dept., updating high-risk audit issues, recommendations of the IA Dept. and providing necessary guidance.

## ORGANIZATIONAL CHART



- The IC and RM Dept is structured as the second line of defense, with the IC and RM Manager providing quarterly reports to the Audit Committee and the Legal Manager offering legal compliance advisory. Additionally, the Strategic Committee and the Audit Committee submit quarterly reports to the BOD on the progress of strategy implementation and key risk assessments, ensuring the risk management framework aligns with acceptable risk levels.
- The BOD/Audit Committee has established criteria for selecting an independent auditor, assessing the quality of the independent auditor's work. In accordance with the authorization of the GMS, the BOD/Audit Committee has selected Ernst & Young Vietnam Limited Company as the independent auditor for the fiscal year 2024. DHG Pharma has published its contract signing with independent auditors but has not disclosed the audit service fees and non-audit service fees.

## C. DISCLOSURE AND TRANSPARENCY

### PRINCIPLE 8: DISCLOSURE AND TRANSPARENCY

With the goal of sustainable development and providing long-term benefits for shareholders and investors, DHG Pharma always prioritizes information disclosure and transparency through the following activities:

- To give shareholders and investors a clear view of the Company's business situation, DHG Pharma regularly publishes periodic business performance. These reports are disclosed on the Company's website and are updated periodically. Simultaneously, the Investor Relations Team is willing to answer questions and record feedback from shareholders and investors via the email, conference calls, direct meetings, etc.
- Each year, DHG Pharma holds an AGM to report on the Company's performance in the previous year and strategies for the coming year. This is an opportunity for shareholders

and investors to directly ask questions and express their opinions about the Company's operations.

- DHG Pharma's website is one of the essential sources for shareholders and investors to update information on the Company's activities. In 2024, DHG Pharma fully complied with its information disclosure obligations, making nearly 30 disclosures on time without any reminders or violations related to information disclosure. Information disclosed in bilingual must be accurate, complete and clear and must be disclosed within the prescribed time limit on the websites of DHG Pharma, the State Securities Commission and the Ho Chi Minh Stock Exchange, aiming to meet higher international standards so that domestic and foreign investors can access timely and consistent information.
- Every six months/year, DHG Pharma discloses its Annual Report, Sustainable Development Report, and Corporate Governance Report to provide a comprehensive overview of the business operations, significant changes, short-term/mid-term/long-term development strategies, information about the GMS, BOD members and meetings, transactions with related parties, share transactions of internal persons and related persons, etc.
- In 2024, DHG Pharma continued to reinforce its reputation and governance quality by being honored in the Top 20 Best Annual Reports (Non-Financial Group) and maintaining its position in the Top 10 Best Corporate Governance Reports (Mid-Cap Group) for 7 consecutive years at the Vietnam Listed Company Awards (VLCA) 2024. Additionally, the Company was recognized among the Top 100 "Sustainable Businesses in Vietnam 2024" and honored in the Top 5 pioneering enterprises in fostering diversity, equity, and inclusion values in 2024. These awards not only acknowledge DHG Pharma's commitment to sustainable development but also reaffirm its leading role in promoting humanistic values and modern corporate culture. DHG Pharma will continue to enhance communication channels, strengthen transparency, and elevate its market credibility to pursue sustainable growth, delivering long-term benefits to shareholders and investors. This is also the vision that runs through all the strategies.

Contact information on the investor relations:

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Address: 288 Bis Nguyen Van Cu, An Hoa Ward, Ninh Kieu District, Cantho City

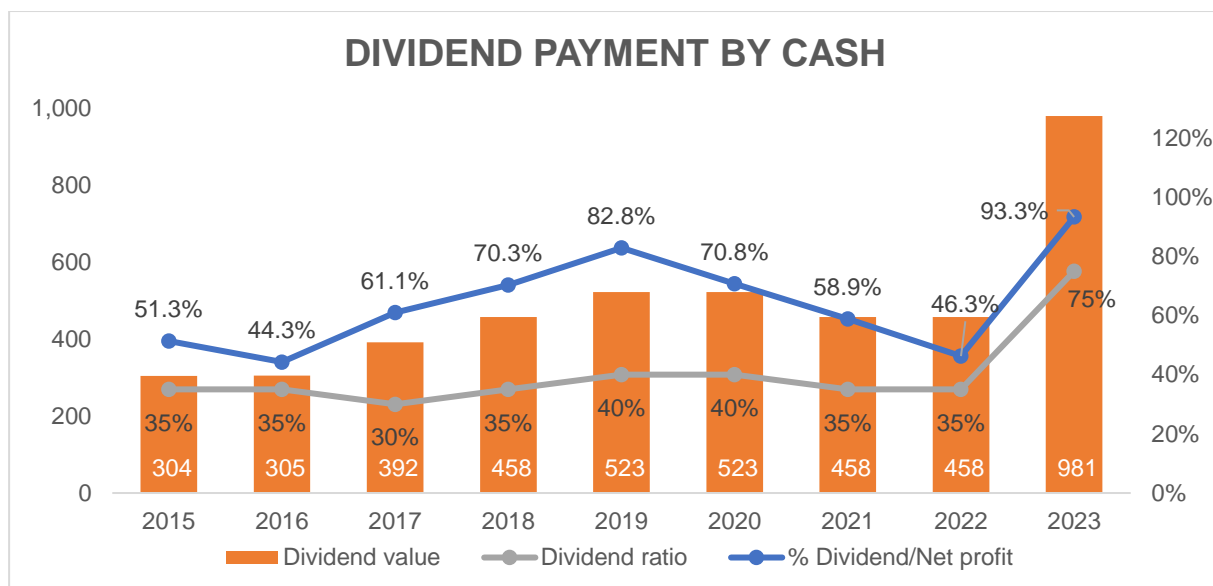
## **D. SHAREHOLDER RIGHTS**

### **PRINCIPLE 9: ESTABLISHING A FRAMEWORK FOR EFFECTIVE EXERCISE OF SHAREHOLDER RIGHTS**

- Basic rights of shareholders include: (1) The right to secure ownership registration, (2) The right to transfer shares, (3) The right to access company information in a timely and regular manner, (4) The right to participate, speak and vote at the GMS, (5) The right to

vote and dismiss members of the BOD, (6) The right to receive dividend from the company's profit.

- In 2024, DHG Pharma held the AGM on 23 Apr 2024. The procedures for organizing the AGM have been implemented by the Company in accordance with the law to ensure maximum rights and benefits for shareholders.
  - + On 27 Feb 2024, DHG Pharma published information on the record date of the list to attend the 2023 AGM on the Company's website. In which: the record date was 18 Mar 2024 (DHG Pharma disclosed information 20 days before the record date).
  - + On 15 Mar 2024, all AGM documents were published on DHG Pharma's website in both Vietnamese and English (21 days before the meeting date).
  - + On 27 Mar 2024, the AGM invitation was sent via secured delivery to the shareholders named in the list of shareholders provided by Vietnam Securities Depository Ho Chi Minh City Branch (21 days before the meeting date).
  - + At the Meeting, shareholders voted on issues according to each item of the reports/statements by "voting ballot" under each voting opinion (for/against/abstain).
  - + In addition, all members of the BOD and Committees under the BOD and the BOM attend the AGM. The Company also invited the independent auditor's representative to attend the Meeting. After twenty-four (24) hours from closing, the Meeting Minutes, Vote Counting Minutes and AGM's Resolution were posted on DHG Pharma's website in both Vietnamese and English for domestic and foreign shareholders to update information.
- DHG Pharma consistently ensures full dividend payments to shareholders within 6 months from the date of AGM. From 2015 to 2023, the company maintained a high cash dividend payout ratio, with an average rate of 40% per year. Notably, the 2023 dividend was paid at 75% per year. The 2024 dividend payment plan is 75%. DHG has announced an advance dividend payment of 40% for 2024, with the remaining portion to be submitted for approval at the GMS in Apr 2025. Information on dividends is announced by the Company within 24 hours from the date of the resolution of the BOD/GMS. The Company will consider disclosing the dividend policy on the Company's website.



- To ensure equitable treatment of all shareholders, the rights and obligations of shareholders are clearly and transparently stated in the Company's Charter and Internal Regulation on Corporate Governance. The Company's Charter, Internal Regulation on Corporate Governance, Annual Reports, Quarterly Financial Statements and Information Disclosures in accordance with Circular 96/2020/TT.BTC are all published on the website of the State Securities Commission, HoChiMinh Stock Exchange, and the Company's website so that all shareholders can access the information quickly and accurately.
- Information related to Transactions with related parties is presented in the Semi-annual and Annual Corporate Governance Reports, and the Annual Report.
- The contents related to transactions with related parties are presented as a separate part in the Financial Statements and the Company's Corporate Governance Report.
- The transactions between the company and its related persons/major shareholders/internal persons/related persons of internal persons in 2024 were as follows:

Transaction period: 01 Jan 2024 – 31 Dec 2024

No.	Name of organization/ individual	Relationship with the Company	Resolution No. or Decision No. approved by GMS/BOD (if any, specifying date of issue)	Content of transaction	Total value of transaction (VND)
1	State Capital Investment Corporation ("SCIC")	Major shareholder	AGM Resolution No. 001/2024/NQ.ĐHĐCĐ dated 23 Apr 2024	Dividend payment in 2023	424,696,777,500
2	Taisho Pharmaceutical Co., Ltd. Japan ("Taisho")	Parent company	BOD Decision No. 010/2023/QĐ.HĐQT dated 19 Apr 2023	Sales of goods and provision of services	11,732,160



No.	Name of organization/ individual	Relationship with the Company	Resolution No. or Decision No. approved by GMS/BOD (if any, specifying date of issue)	Content of transaction	Total value of transaction (VND)
			BOD Decision No. 010/2023/QĐ.HĐQT dated 19 Apr 2023	Purchases of goods and services	7,703,226,493
			AGM Resolution No. 001/2024/NQ.ĐHĐCĐ dated 23 Apr 2024	Dividend payment in 2023	500,227,890,000
3	Taisho Pharmaceutical (Philippines), Inc.	Taisho's related company		Sales of goods and provision of services	4,041,224,038
4	Taisho Vietnam Co., Ltd.	Taisho's related company		Purchases of goods and services	663,105,200
5	Traphaco Joint Stock Company	SCIC's related company		Sales of goods and provision of services	269,500,000

## E. STAKEHOLDER RELATIONS

### PRINCIPLE 10: BUILDING EFFECTIVE STAKEHOLDER ENGAGEMENT

- The BOD is committed to considering and respecting the interests of all related stakeholders as well as stakeholders affected by the Company's activities. Currently, the BOD has not yet issued process for identifying related stakeholders such as employees, debtors, customers, local community, suppliers and other important non-governmental organizations. These points are specified in the Cultural identity of DHG Pharma/ 7 core values and annually evaluated in the Sustainable Development report.
- DHG Pharma issued the Regulation on controlling transactions with related parties and interested persons in Oct 2018 and the Conflict of Interest Policy in Dec 2021 to ensure that transactions with related parties and interested persons are identified, controlled, summarized, and explained, as well as to ensure that conflicts of interest are detected and resolved in a timely, effective, and reasonable manner.
- During the year, the BOM continued to maintain the centralized communication channel to receive and process comments, feedback and complaints of individuals and communities related to the Company's activities. The data are sent directly to the General Director, and this communication channel is supervised by the Internal Audit Department of the Audit Committee.

### III. EVALUATION OF CORPORATE GOVERNANCE IMPLEMENTATION

In 2024, DHG Pharma continued to focus on strengthening and enhancing corporate governance effectiveness, considering it a key factor for sustainable development. The Company maintained transparency in operations, strictly complied with regulations, and continuously improved its governance system to align with modern standards. Additionally, DHG Pharma prioritized the interests of shareholders and stakeholders, ensuring that governance practices remained both rigorous and flexible, helping the Company sustain its strong market position. Below is a detailed assessment of the corporate governance performance in 2024.

Code	CG Principle	Question	Assessment in 2024	Reference	Explanation
1	A	Does the Company fully pay the dividend within six months from the date of the AGM?	Good	Company's website/HOSE's website/AGM Resolution, Minutes/Annual Report	<p>DHG Pharma always fully pays dividends to shareholders within 6 months from the date of the AGM.</p> <ul style="list-style-type: none"> <li>- Dividend for FY2023: The GMS approved a 75% par value dividend for 2023 on 23 Apr 2024. The Company has fully paid the dividend to shareholders, with the 1<sup>st</sup> phase (40%) paid on 26 Jun 2024 and the 2<sup>nd</sup> phase (35%) paid on 21 Aug 2024.</li> <li>- Dividend for FY2024: The GMS approved the cash dividend plan for 2024 at 75% of par value on 23 Apr 2024. Accordingly, the BOD has made an interim dividend payment of 40% of par value on 14 Feb 2025.</li> <li>- Dividend information is disclosed by the Company within 24 hours from the issuance of the BOD/AGM Resolution. The Company will consider disclosing the dividend policy on its website.</li> </ul>

Code	CG Principle	Question	Assessment in 2024	Reference	Explanation
2	A	Is the Company's AGM held within four months from the end of the fiscal year, or within six months if a one-time extension is granted?	Good	AGM documents/ AGM Minutes/ Company's website/HOSE's website	The Company has complied with this benchmark well. In 2024, DHG Pharma held the AGM on 23 Apr 2024.
3	A	Does the Company's website publish all the GMS documents? The standard document set includes: (1) Invitation letter with the meeting agenda, (2) Power of attorney for attending the meeting, (3) Draft resolutions for each issue on the agenda, (4) BOD report, (5) Supervisory Board/Audit Committee report (files must be accessible and contain content).	Good	Company's website	On 15 Mar 2024, all AGM documents were disclosed on the DHG Pharma website in both Vietnamese and English (21 days prior to the opening date of the meeting). <a href="https://dhgpharma.com.vn/en/investor-relations/documents-general-meeting-shareholders-2023-dhg-pharma">https://dhgpharma.com.vn/en/investor-relations/documents-general-meeting-shareholders-2023-dhg-pharma</a>
4	A	In the GMS invitation, are shareholders instructed to provide comments before the GMS on the issues discussed in the GMS agenda?	Good	AGM Organization Regulation/AGM documents	DHG Pharma provides guidelines for shareholders to contribute their opinions on the issues discussed in the AGM agenda before attending the meeting, as specified in the AGM Organization Regulation.
5	A	Do the GMS materials provide information about new candidates to the BOD and the BOS (if any) at least	Good	AGM documents	On 12 Apr 2024, information on the candidates for the BOD members of Term V (2024–2028) was published on DHG Pharma's website in both

Code	CG Principle	Question	Assessment in 2024	Reference	Explanation
		10 days before the opening date of the GMS? The materials must contain at least the following information: age, gender, training level, expertise, experience, date of first appointment, current BOD position in other listed company, and independence.			Vietnamese and English (12 days before the opening of the GMS). <a href="https://dhgpharma.com.vn/sites/default/files/images/2024/DHDCD/EN/8.-EN---TTr003-Quantity-and-list-of-BOD-members-Term-IV-2024---2028.pdf">https://dhgpharma.com.vn/sites/default/files/images/2024/DHDCD/EN/8.-EN---TTr003-Quantity-and-list-of-BOD-members-Term-IV-2024---2028.pdf</a>
6	A	Has the Company applied and specifically announced the modern information technology that allows comments at the GMS in the GMS minutes?	Have not implemented	AGM documents	DHG Pharma only applies the in-person meeting format but will consider applying modern technology in future meetings.
7	A	Does the Company hold an offline/combined online and offline GMS? Does the Company publish instructions for shareholders to be able to attend, speak and vote electronically?	Have not implemented	AGM documents	The current charter of DHG Pharma allows for the organization of online AGMs, but this has not yet been implemented. The Company will consider applying modern technology in future meetings.
8	A	Does the Company announce voting results including the number of approval votes, abstain votes, and blank votes for each content that needs to be consulted at the most recent GMS?	Good	AGM Minutes	The AGM minutes clearly show the form of shareholder voting using "voting ballot" on the issues at the meeting, according to each report/statement put to a vote (for, against, abstain).

Code	CG Principle	Question	Assessment in 2024	Reference	Explanation
9	A	Does the GMS's Presiding Committee summarize the implementation of the previous GMS Resolutions?	Good	BOD Report/Annual Report	This content is presented in the BOD Report and Annual Report.
10	A	Regarding the contents that have been approved in the previous GMS resolution but have not been implemented, will the BOD report to the GMS at the most recent annual GMS?	Good	BOD Report/Annual Report	At DHG Pharma, all contents in the AGM Resolution are implemented. The Committees under the BOD supervise and report quarterly on the implementation of the AGM resolutions.
11	A	Has the BOD submitted to the recent GMS any changes to the content within the decision-making authority of the GMS for approval before implementation?	Good	AGM Minutes/ AGM documents	All contents under the authority of the AGM are submitted to the AGM for approval before implementation.
12	A	Do the most recent GMS minutes record that shareholders have the opportunity to ask questions, and the content of the questions and answers are noted?	Good	AGM Minutes	Reference to the Annual AGM Minutes.
13	A	Is the list of members of the BOD, BOS, General Director/Board of Management attending the GMS announced at the meeting with full	Good	AGM Minutes	

Code	CG Principle	Question	Assessment in 2024	Reference	Explanation
		information about their identities and positions?			
14	A	Does the Company create conditions for shareholders to contribute opinions to the Company outside the GMS's framework (such as investor meetings, meeting programs, dialogues, etc.)?	Good	Company's website/Annual Report/Sustainable Development Report	The Investor Relations Team is willing to address inquiries and receive feedback from shareholders and investors via email, conference calls, and face-to-face meetings.
15	A	Does the Company establish an Investor Relations (IR) unit and does it disclose contact details of the person/department in charge of IR?	Good	Annual Report	DHG Pharma has established an Investor Relations Team and disclosed contact information for the person in charge of Corporate Governance in the Annual Report.
16	B	Does the Company publish meeting invitations and materials for the GMS in English?	Good	AGM documents/Company's website	On 15 Mar 2024, all AGM documents were posted on DHG Pharma's website in both Vietnamese and English (21 days before the opening date of the meeting). <a href="https://dhgpharma.com.vn/en/investor-relations/documents-general-meeting-shareholders-2023-dhg-pharma">https://dhgpharma.com.vn/en/investor-relations/documents-general-meeting-shareholders-2023-dhg-pharma</a>
17	B	Is the list of audit candidate companies publicly announced at the GMS?	Good	AGM Resolution/AGM documents	The list of auditor candidates is publicly disclosed by DHG Pharma.

Code	CG Principle	Question	Assessment in 2024	Reference	Explanation
18	B	For contracts and transactions that fall under the approval authority of the GMS, does the Company charter have detailed regulations as required by law?	Good	Company's Charter	For contracts and transactions within the approval authority of the GMS, the Company's Charter has specific and detailed provisions.
19	C	Does the Company publish an assessment report related to its environmental and social responsibility?	Good	Annual Report/ Sustainable Development Report	The Annual Report and Sustainable Development Report present this content.
20	C	Does the Company publish policies and describe their practices in ensuring the implementation of environmental protection standards in the process of selecting suppliers, manufacturers and service providers?	Have not implemented		DHG Pharma has not yet disclosed this information.
21	C	Does the Company publish policies and describe their practices in ensuring the implementation of environmental protection standards in the business process and consumption of products and services?	Have not implemented		DHG Pharma has not yet disclosed this information.

Code	CG Principle	Question	Assessment in 2024	Reference	Explanation
22	C	Does the Company clearly disclose policies and practices to protect customer rights?	Good	Sustainable Development Report	This content is presented in the Sustainable Development Report.
23	C	Does the Company clearly disclose its health, safety, and employee welfare policies and practices?	Good	Sustainable Development Report	
24	C	Does the Company clearly disclose policies and practices on training and development programs for employees and clearly state training outcomes (e.g. average hours spent in training)?	Good	Sustainable Development Report	
25	C	Does the Company have a policy to reward employees linked to the long-term performance of the Company's operations (long-term financial and/or non-financial performance)?	Good		DHG Pharma considers award to recognize the achievements of individuals and teams who contribute to business efficiency or bring economic benefits to the Company.
26	C	Does the Company issue Code of Ethics/Code of Conduct that requires all leaders (including the BOD and General Director/BOM) and the Company's employees to comply and clearly state penalties for violations?	Good	Company's website/DHG Cultural Identity	The Company's website clearly and thoroughly explains the meaning of its seven core values concerning ethical rules and conduct with stakeholders. Additionally, the Company has a "DHG Pharma Cultural Identity" book and Conflicts of Interest Policy. Every employee who joins DHG



Code	CG Principle	Question	Assessment in 2024	Reference	Explanation
					must attend training sessions on these topics and undergo periodic assessments.
27	C	Does the Company develop and publish a whistleblowing policy, contact information, and reporting process to enable all stakeholders to report violations?	Good	Sustainable Development Report/ Company's website/Whistleblowing Policy/DHG Family App	Contact information for stakeholders to report violations is disclosed in the Whistleblowing Policy and can be accessed through the DHG Family App.
28	C	Does the Company provide contact information on the Company's website or annual report so that stakeholders (eg customers, suppliers, the public, etc.) can use to raise their concerns and/or complaints, and to report possible violations of their rights?	Good	Company's website/Annual Report	DHG Pharma has disclosed a hotline on the Company's website and in the Annual Report to facilitate easy contact for relevant parties.
29	D	Does the Company provide information on direct share ownership of each member of the BOD, BOS and General Director?	Good	Annual Report/Corporate Governance Report	The Annual Report and Corporate Governance Report present this content.
30	D	Does the Company provide information on direct share ownership of major shareholders?	Good	Annual Report/Corporate Governance Report	

Code	CG Principle	Question	Assessment in 2024	Reference	Explanation
31	D	Does the annual report provide information about the Company's shareholder structure (classified in accordance with 4 criteria: by ownership ratio; organization shareholders and individual shareholders; domestic shareholders and foreign shareholders; state shareholders and other shareholders)?	Good	Annual Report	This content is presented in the Annual Report.
32	D	Does the annual report disclose the independence of the BOD members?	Good	Annual Report	
33	D	Does the annual report have a statement confirming that the Company fully complies with legal regulations on corporate governance?	Good	Annual Report	DHG Pharma always adheres to Corporate Governance Regulations.
34	D	Does the annual report disclose remuneration, other benefits and expenses paid by the Company to each member of the BOD and the BOS (if any)?	Good	Annual Report/Financial Statements/AGM documents	This information was presented in the Annual Report, Financial Statements, and AGM documents.

Code	CG Principle	Question	Assessment in 2024	Reference	Explanation
35	D	Are the salaries of the Director (General Director) and other executive managers (at least the chief accountant) shown in a separate section, detailing the salary and remuneration for each person in the yearly financial statements and reported to the GMS at the annual meeting?	Good	Financial Statements/Annual Report/BOD Report	DHG Pharma has complied with this benchmark well.
36	D	Does the Company disclose annual report on time according to regulations?	Good	Company's website/HOSE, SSC, VSDC's websites	
37	D	Does the Company publish 6-month and annual corporate governance reports on time?	Good	Company's website/HOSE, SSC, VSDC's websites	
38	D	Are the biographical details of the BOD members fully disclosed with the following contents: age, gender, training level, expertise, date of first appointment, experience, and any Board member positions at listed companies?	Good	Annual report/AGM documents	

Code	CG Principle	Question	Assessment in 2024	Reference	Explanation
39	E	Does the Company's BOD ensure the requirement of 1/3 of Board members being independent?	Good	Annual Report/Corporate Governance Report	Currently, the independent BOD members at DHG Pharma are 2 out of 7, which complies with the current regulations and DHG Pharma's Charter.
40	E	The Company does not have any BOD member who is also BOD member of more than 05 other enterprises?	Good	Annual Report/Corporate Governance Report	DHG Pharma does not have any BOD members who simultaneously hold BOD positions in more than five other companies.
41	E	Does the Company meet the good practice of not having a BOD member who is a former General Director who has been in office for the past 2 years (from the beginning of the fiscal year being evaluated)?	Good	Annual Report/Corporate Governance Report/Company's website	The Company satisfies this benchmark well.
42	E	Does the BOD structure ensure diversity among members with knowledge and experience in law, finance, and the Company's business fields?	Good	Annual Report/Corporate Governance Report	The BOD members ensure diversity with knowledge and experience in law, finance, and the Company's business operation.
43	E	Does the Company have a policy to ensure gender balance on the BOD? Does the actual Board structure ensure gender balance?	Good	Annual Report/Corporate Governance Report/ Sustainable Development	The BOD structure Term V: 1 out of 7 members is female.

Code	CG Principle	Question	Assessment in 2024	Reference	Explanation
				Report/ Company's website	
44	E	Are the operating regulations of the Nomination Committee/Remuneration Committee published?	Good	BOD Operational Regulation	The operation regulation of Nomination Committee has been disclosed on the Company's website.
45	E	Is the board diversity policy announced with clear objectives?	Good	Annual Report	This content is presented in the Annual Report.
46	E	Does the Company disclose the criteria used to select new BOD members that are higher than the legal baseline and linked to the Company's sustainable development strategy?	Have not implemented		The Company will consider this benchmark.
47	E	Is the process of searching, selecting, recommending and nominating personnel to the BOD published?	Good	AGM documents/ Company's Charter/Internal Regulation on Corporate Governance	DHG Pharma has complied with this benchmark well.
48	E	Do BOD members participate in training courses on Corporate Governance?	Good	Annual Report	Currently, the foreign BOD members do not have the corporate governance training certificates issued by the State Securities Commission, but

Code	CG Principle	Question	Assessment in 2024	Reference	Explanation
					they have knowledge and experience in Corporate Governance.
49	E	Does the BOD appoint at least 1 person to be the person in charge of corporate governance/Company's secretary?	Good	Annual Report/ Corporate Governance Report/Company's website/HOSE, SSC, VSDC's websites	The BOD has appointed one person as the BOD Secretary cum Person in charge of Corporate Governance.
50	E	During the year, did the person in charge of corporate governance/Company's secretary attend training courses on content related to law, accounting or other contents to support the good practice of his/her role and responsibilities?	Good	Annual Report	Person in charge of Corporate Governance/BOD Secretary regularly attends training courses on legal, accounting, or other subjects that assist in the effective performance of its roles and responsibilities.
51	E	Does the BOD hold meetings at least once a quarter, and does each member participate in at least 3/4 Board meetings during the year?	Good	Annual Report/Corporate Governance Report/AGM documents	DHG Pharma has complied with this benchmark well.
52	E	Do non-executive BOD members meet at least once a year without the	Have not implemented		DHG Pharma does not meet this benchmark but will consider organizing it in the future.

Code	CG Principle	Question	Assessment in 2024	Reference	Explanation
		presence of executive BOD members?			
53	E	Does the BOD's report include the BOD leadership role in the process of building, monitoring/supervising the implementation of the Company's strategy?	Good	Annual Report/Corporate Governance Report/AGM documents	The BOD report has content on the BOD's leadership role in developing, monitoring, and supervising the implementation of the Company's strategy.
54	E	Is the assessment report on the BOD activities during the year evaluated by independent members?	Good	BOD Report	The evaluation report on the BOD's activities during the year was conducted by an independent BOD member with the assistance of the BOD Secretary.
55	E	Does the BOD report include a summary of the BOD meetings and decisions?	Good	AGM Resolution, Minutes/Annual Report/AGM documents	The BOD operation report includes summaries of BOD meetings and decisions made by the BOD.
56	E	Does the BOD report include future plans?	Good	AGM Resolution, Minutes/Annual Report/AGM documents	The BOD operation report presents short, medium, and long-term plans.
57	E	Any evidence to show that the BOD evaluates the General Director/Director and the BOM annually?	Good	Annual Report/AGM documents	The Company carries out annual evaluations of the General Director and the Executive Board.

Code	CG Principle	Question	Assessment in 2024	Reference	Explanation
58	E	Is the Chairman an independent BOD member?	Have not implemented	Annual Report/ Corporate Governance Report	At DHG Pharma, the BOD Chairperson is a Non-executive BOD member.
59	E	Does the Company establish the following committees: Nomination Committee and/or Compensation Committee?	Good	Annual Report/ Corporate Governance Report	The BOD has established the Nomination Committee (responsible for personnel and remuneration) consisting of 2 BOD members. The Chairman of the Committee is an independent Board member, and the other member is an executive BOD member.
60	E	Are members of the two committees under the BOD (Nomination Committee, Compensation Committee) independent members?	Good		
61	E	Is the Head of the BOS/Chairman of the Audit Committee an independent member?	Good	Annual Report	DHG Pharma meets this benchmark. Mr. Do Le Hung is an independent BOD member and the Chairman of the Audit Committee.
62	E	Does the Company have an Internal Audit department?	Good	Annual Report	The BOD has established an internal audit function to ensure the effectiveness and efficiency of internal control systems, the risk management framework, and corporate governance, which comprises of: (1) the Audit Committee under the BOD (as presented in Principle 4), and (2) the Internal Audit Department.



Code	CG Principle	Question	Assessment in 2024	Reference	Explanation
					The Internal Audit Department is established in accordance with current regulations and widely recognized international standards of the Institute of Internal Auditors (IIA). The Internal Audit Department reports directly to the Audit Committee in terms of functions and expertise and is directly under the General Director in terms of administration.
63	E	Is there evidence to show that the BOS or Audit Committee performed an assessment of the independent audit firm and the financial statements?	Good	AGM documents/Annual Report	The Audit Committee report submitted at the GMS has an assessment of the independent auditor and the financial statements.
64	E	Does the BOS/Audit Committee hold meetings at least twice in the previous year and is the participation of each member in the meetings publicly announced?	Good	AGM documents/Annual Report	DHG Pharma has complied with this benchmark well.
65	E	Does the BOD evaluate the effectiveness of the internal control system and the Company's legal compliance during the year? Does the Company have statements or	Good	Annual Report	This content is presented in the Annual Report.

Code	CG Principle	Question	Assessment in 2024	Reference	Explanation
		evidence corresponding to the BOD's assessment?			
66	E	Does the Company disclose how it manages key risks (such as finance, accounting, internal control, operations, information technology, etc.) including environmental, social and governance risks?	Good	Annual Report	This content is presented in the Annual Report.
67	A	Does the Company publicly announce in English the voting results for all resolutions in the most recent GMS the next working day?	Good	Company's website/HOSE, SSC, VSDC's websites	The voting results for all resolutions at the GMS are published in English within 24 hours.
68	A	Does the Company have a mechanism for shareholders/groups of small shareholders (5% of total voting shares or less) to have the opportunity to propose candidates for the BOD?	Have not implemented		DHG Pharma has not yet had a mechanism for small shareholders/groups of shareholders (up to 5% of the total votes) to propose BOD candidates.
69	C	Does the Company prepare and publish sustainable development reports based on (according to/referring to) international standards (GRI standards,	Good	Sustainable Development Report	This content is presented in the Sustainable Development Report.

Code	CG Principle	Question	Assessment in 2024	Reference	Explanation
		Integrated Reporting, SASB, ISSB (integrated TCFD), etc.)?			
70	C	Does the Company present specific strategies or goals (long-term and short-term), initiatives, solutions, improvement and innovation projects at the business to reduce greenhouse gases (GHGs)?	Have not implemented		DHG Pharma has not yet disclosed this information.
71	C	Does the Company use metrics to measure GHG emissions including but not limited to the total direct and indirect GHG emissions in tons of CO2 equivalent and percentage increase/decrease compared to the base period?	Have not implemented		
72	C	Does the Company identify/report on ESG themes that are material to the organization's core strategy?	Good	Sustainable Development Report	This content is presented in the Sustainable Development Report.
73	C	Does the Company demonstrate concerns about climate change?	Good	Sustainable Development Report	The 2024 Sustainable Development Report has an assessment of risks and opportunities related to climate change.
74	C	Are external stakeholders involved in identifying material ESG topics?	Have not implemented		External stakeholders have not yet participated in identifying key ESG topics.

Code	CG Principle	Question	Assessment in 2024	Reference	Explanation
75	C	Does the Company establish engagement channels to regularly receive and respond to stakeholder concerns on ESG/sustainable development?	Good	Sustainable Development Report	This content is presented in the Sustainable Development Report.
76	C	Is the Company's Sustainability Report internally audited? Is the Company's Sustainability Report guaranteed/verified by an independent organization?	Have not implemented		The Sustainable Development Report of the Company has not yet been internally audited or verified by an independent organization.
77	C	Are quantitative sustainable development goals published? Are the implementation results of the proposed sustainable development goals published?	Have not implemented		DHG Pharma has not yet disclosed this information.
78	C	Is the process for identifying and assessing risks and/or opportunities related to climate change published?	Good	Sustainable Development Report	This content is presented in the Sustainable Development Report.
79	C	Is how to manage the risks and/or opportunities related to climate change disclosed?	Have not implemented		DHG Pharma has not yet disclosed this information.

Code	CG Principle	Question	Assessment in 2024	Reference	Explanation
80	C	Is a BOD member/board level committee appointed to oversee sustainable governance issues?	Have not implemented		DHG Pharma does not have a BOD-level committee or a designated BOD member responsible for overseeing sustainability governance issues.
81	C	Does the BOD have a role and actually manage risks and opportunities related to sustainable development?	Good	Sustainable Development Report/Annual Report	The BOD is responsible for identifying priorities in the Company's sustainability activities, directing and promulgating strategies and orientations related to the Company's sustainable development.
82	C	Is the income policy of the General Director/senior executive linked to the sustainable development goals to be achieved in the coming year?	Have not implemented		The income policy for the General Director/Senior Executives has not yet linked to sustainable development goals.
83	C	Does the company disclose that the board reviews on an annual basis that the Company's capital and debt structure is compatible with its strategic goals and its associated risk appetite?	Good	Financial Management Regulation	DHG Pharma has implemented this benchmark well.

Code	CG Principle	Question	Assessment in 2024	Reference	Explanation
84	D	Is there any evidence to show that the service contracts provided by the independent auditor to the Company still ensure the independence of the independent auditor (through the assessment of the BOS/ Audit Committee, through statements, or through relative fees for audit services compared to non-audit services)?	Good	Supplier evaluation minutes/statement	The Audit Committee requires the auditor to provide these documents and a commitment to independence throughout the audit period for DHG Pharma.
85	E	Does the BOD self-assess whether it has been, is, or is preparing to apply the Vietnam Corporate Governance Code according to best practices (Vietnam CG Code) or good regional and international practices? Does the Company explain why not ready to apply? When applying, does the Company clearly disclose compliance and non-compliance status according to good practice criteria?	Good	Annual Report	DHG Pharma complies well with the Vietnam Corporate Governance Code of Best Practices (Vietnam CG Code) and other regional and international best practices.
86	A	Lack of evidence to show that the Company has announced on its website the organization of GMS with	Good	Company's website/AGM documents	On 15 Mar 2024, all AGM documents were posted on DHG Pharma's website in both

Code	CG Principle	Question	Assessment in 2024	Reference	Explanation
		meeting materials or clearly stated the link to all meeting materials at least 10 days before the GMS date?			Vietnamese and English (21 days before the opening day of the meeting).
87	A	Lack of evidence to show that the GMS approved the remuneration, expenses, and benefits paid by the Company to the BOD and the BOS (if any)?	Good	BOD Report	DHG Pharma has complied with this benchmark well.
88	A	Lack of evidence to show that the Company publicly announced the voting results for all resolutions in the most recent GMS the next working day?	Good	Company's website/HOSE, SSC, VSDC's websites	The voting results for all resolutions in the GMS have been disclosed within 24 hours.
89	B	Has the Company been found to have any violations on insider trading related to members of the BOD, the BOM and its employees since the beginning of the fiscal year to date?	Good	HOSE, SSC's websites	DHG Pharma did not occur this situation.
90	B	Have there been any significant or material non-compliance with laws, rules and regulations relating to related party transactions since the beginning of the fiscal year to date?	Good	HOSE, SSC's websites	DHG Pharma did not occur this situation.

Code	CG Principle	Question	Assessment in 2024	Reference	Explanation
91	B	Is there a case where the GMS Resolution authorizes the BOD to have full authority to decide on contents within the approval authority of the GMS?	Good	AGM Resolution/Minutes	DHG Pharma did not occur this situation.
92	D	Has the Company been reminded or handled by the Stock Exchange/SSC for violations related to information disclosure or violations of other obligations of listed companies?	Good	Annual Report	In 2024, the Company was not reminded or penalized for disclosure violations.
93	D	Has the company in the past year revised its financial statements for reasons other than changes in accounting policies?	Good	HOSE, SSC's websites	The Company did not adjust its financial statements in the past year.
94	D	Does the Company have insiders violating the disclosure of the Company's share transactions during the year?	Good		In 2024, no internal persons violated stock transaction disclosure.
95	E	Does the member of the Supervisory Board/Audit Committee work in the Company's Finance or Accounting Department?	Good	Annual Report/Corporate Governance Report/ Audit Committee Report	Members of the Audit Committee do not work in the Company's finance or accounting departments.



Code	CG Principle	Question	Assessment in 2024	Reference	Explanation
96	E	Does the Company have a female Chair/General Director?	Good	BOD Report/Annual Report/Corporate Governance Report/Company's website	The BOD Chairperson is female.
97	E	The total number of BOD members of the Company?	Good	BOD Report/Annual Report/Corporate Governance Report/ Company's website	The BOD consists of 7 members.
98	E	Number of female members on the Company's BOD?	Good	BOD Report/Annual Report/Corporate Governance Report/Company's website	The number of female BOD members in Term V (2024 - 2028) is 1 out of 7.
99	E	Number of independent members on the Company's BOD?	Good	BOD Report/Annual Report/Corporate Governance	The Company has 2 out of 7 independent BOD members.

Code	CG Principle	Question	Assessment in 2024	Reference	Explanation
				Report/Company's website	
100	E	Is the General Director cum BOD Chair?	Good	Annual Report/Corporate Governance Report/Financial Statements	The positions of BOD Chairperson and General Director are separated to balance power, increase accountability, and enhance the independent decision-making capabilities of the BOD and the Executive Board.
101	E	Does the company have an Audit Committee?	Good	Audit Committee Report/Annual Report/Corporate Governance Report/Company's website	The Audit Committee of DHG Pharma currently has three members, including Mr. Do Le Hung, Ms. Dang Thi Thu Ha, and Mr. Maki Kamijo.
102	E	Does the Company prepare Annual reports in English?	Good	Annual Report/Company's website	The Annual Report is disclosed in Vietnamese and English on the Company's website.
103	E	Does the Company have disclosure materials (Corporate governance reports, sustainable development reports, shareholder relations webpage, governance-related materials) in English?	Good	Annual Report/Company's website	The documents are published in Vietnamese and English.

Code	CG Principle	Question	Assessment in 2024	Reference	Explanation
104	E	Type of ownership of the Enterprise?	Good	Annual Report/Company's website	This content is presented in the Annual Report and on the Company's website.
105	E	Percentage of capital owned by the State	Good	Annual Report	This content is presented in the Annual Report.
106	A	In cases of mergers, acquisitions and/or takeovers requiring shareholders' approval, does the board of directors/commissioners of the company appoint an independent party to evaluate the fairness of the transaction price?	Good	Financial Management Regulation	In the past three years, DHG Pharma has not had any cases of mergers, acquisitions and/or takeovers. However, for high-value contracts, the BOD always requires the engagement of an independent party to conduct necessary evaluations and assessments.
107	A	Does the company have a policy requiring a committee of independent directors/commissioners to review material RPTs to determine whether they are in the best interests of the company and shareholders?	Good	Annual Report	Quarterly, the Internal Control Department reviews and reports on material/important related party transactions to the Audit Committee.
108	A	Does the company have a policy requiring board members to abstain from participating in the board discussion on a particular agenda when they are conflicted?	Good	Company's Charter/ Annual Report	Article 50.4 of the Company's Charter stipulates: "Members of the BOD are not allowed to cast votes on the transactions that are beneficial for themselves or their related persons in

Code	CG Principle	Question	Assessment in 2024	Reference	Explanation
					compliance with the Law on Enterprises and this Charter.”
109	A	Does the company have policies on loans to directors and commissioners either forbidding this practice or ensuring that they are being conducted at arm's length basis and at market rates?	Good		DHG Pharma does not provide loans to BOD members.
110	A	Does the company disclose that RPTs are conducted in such a way to ensure that they are at arms' length and at market rates?	Good	Annual Report/Company's website/Notice	DHG Pharma has complied with this benchmark well.
111	C	Does the company have a whistleblowing policy which includes procedures for complaints by employees and other stakeholders concerning alleged illegal (including corruption) and unethical behaviour and provide contact details via the company's website or Annual Report?	Good	Annual Report/Company's website/ Sustainable Development Report	DHG Pharma has established a whistleblowing policy to record feedback, investigate, and verify complaint information through the General Director's Box. This aims to enhance the credibility of the system for receiving constructive feedback and resolving complaints, promptly identifying and addressing issues within the system. Consequently, it maintains and increases employees' trust in the Company's management and governance philosophy. The Company's hotline number is disclosed on the Company website and in the Sustainable Development Report.

Code	CG Principle	Question	Assessment in 2024	Reference	Explanation
112	C	Does the company have a policy or procedures to protect an employee/person who reveals alleged illegal/unethical behaviour from retaliation?	Good	Annual Report	DHG Pharma has developed a whistleblowing policy that includes provisions for protecting employees/individuals who reveal alleged illegal/unethical behavior from retaliation.
113	D	Are the audit and non-audit fees disclosed?	Have not implemented		The Company has disclosed information on the contract with the auditor but has not disclosed the audit service fees.
114	E	Does the company have a term limit of nine years or less or 2 terms of five years each for its independent directors?	Good	Company's Charter/Internal regulation on corporate governance	Yes. The criteria for independent BOD members are a maximum of two continuous 5-year terms.
115	E	Are the board of directors meeting scheduled before the start of financial year?	Good		The BOD Secretariat Team prepares the BOD meeting plan before the start of the fiscal year and notifies all BOD members.
116	E	Does the company secretary play a significant role in supporting the board in discharging its responsibilities?	Good	Annual Report	The BOD Secretary plays a crucial role in assisting the BOD in fulfilling its responsibilities.
117	E	If the Chairman is not independent, has the Board appointed a	Have not implemented		The BOD Chairperson of DHG Pharma is not an independent BOD member. However, DHG

Code	CG Principle	Question	Assessment in 2024	Reference	Explanation
		Lead/Senior Independent Director and has his/her role been defined?			Pharma has not yet elected a senior independent BOD member.
118	Bonus scorecard	Does the Company have disclosure materials (Corporate governance reports, sustainable development reports, shareholder relations webpage, governance-related materials) in English?	Good	Annual Report/Company's website/ Sustainable Development Report	The documents are disclosed in both Vietnamese and English.
119	Bonus scorecard	Is the company's Whistle Blowing System managed by independent parties/institutions?	Have not implemented		The company's whistleblowing policy/system is applied internally within the company and is not managed by independent institution.
120	Bonus scorecard	Does the company have a policy and disclose measurable objectives for implementing its board diversity and report on progress in achieving its objectives?	Have not implemented		DHG Pharma has not yet announced policies and measurable goals for implementing BOD diversity or reported on the progress achieved.
121	Penalty scorecard	Is a pyramid ownership structure and/or cross holding structure apparent?	Good		The company does not recognize pyramid ownership structure or cross holding structure.
122	Penalty scorecard	Is there any evidence that the company is engaging in greenwashing activities?	Good		DHG Pharma does not engage in greenwashing activities.

## IV. REPORT ON RISK MANAGEMENT

### 1. INTERNAL CONTROL ACTIVITIES

#### ■ INTERNAL CONTROL SYSTEM – A SOLID FOUNDATION FOR DHG PHARMA'S SUSTAINABLE DEVELOPMENT

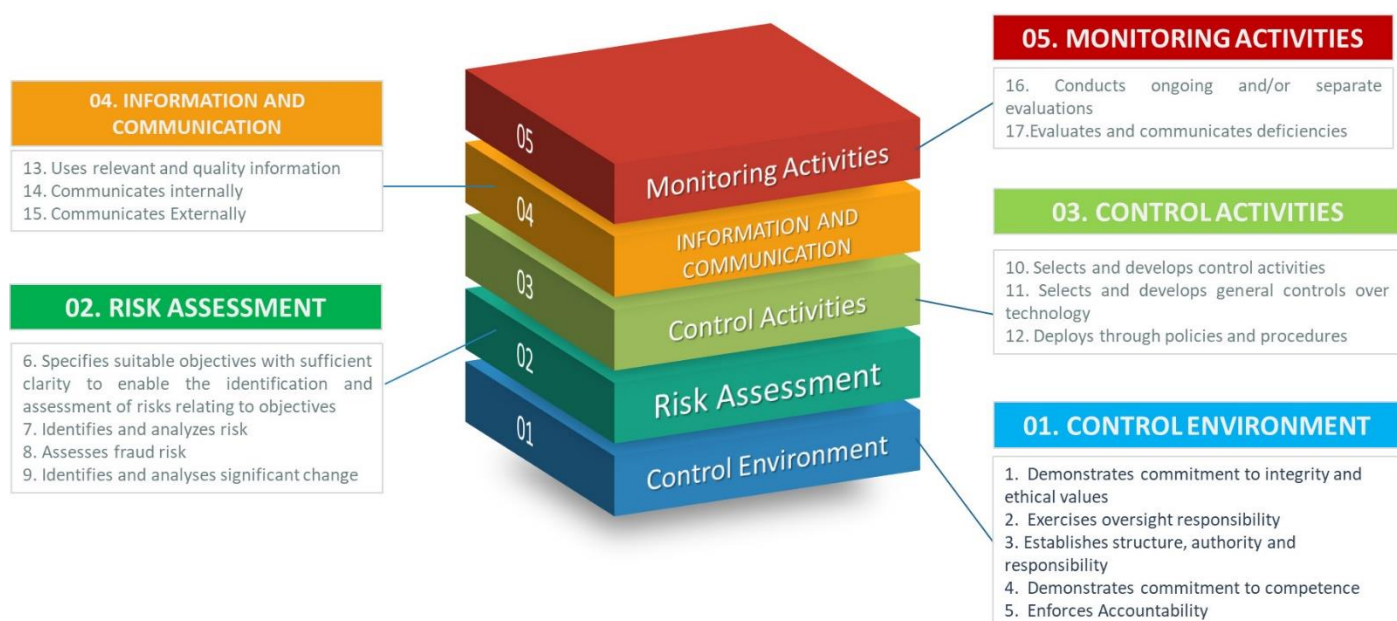
As one of the leading pharmaceutical companies in Vietnam, DHG Pharma boasts an extensive business network with 34 branches nationwide, serving diverse distribution channels and expanding its export activities. Its large scale and dynamic business environment demand high flexibility and adaptability while requiring strict operational discipline. To meet these demands, the company has established its internal control system as a key pillar, implemented consistently from departmental levels to the entire organization. This system is not only a risk management tool but also a foundation that enables DHG Pharma to sustain achievements, foster sustainable growth, and expand its business operations amid fierce competition from both domestic enterprises and international pharmaceutical corporations.

Beyond its supervisory function, DHG Pharma's internal control system plays a coordinating role, balancing control requirements with business objectives. The company must comply with complex requirements from various stakeholders, including legal regulations, corporate governance standards, and strategic directions from its parent company, Taisho. This necessitates continuous improvements in control effectiveness to ensure transparency while maintaining business flexibility.

The internal control system serves as a bridge between strategic goals, harmonizing business growth with risk management to provide reasonable assurance that the company meets its objectives. Its core focus remains ensuring the reliability of financial reporting, strict regulatory compliance, and enhancing operational efficiency.

#### ► Operational Structure of the Internal Control System at DHG Pharma

In terms of operational principles, DHG Pharma continues to maintain and develop its internal control system based on the COSO framework, focusing on three main objectives: operational objectives, reporting objectives, and compliance objectives. This system is built upon five core components with 17 control principles, ensuring comprehensiveness, effectiveness, and alignment with the company's development strategy.



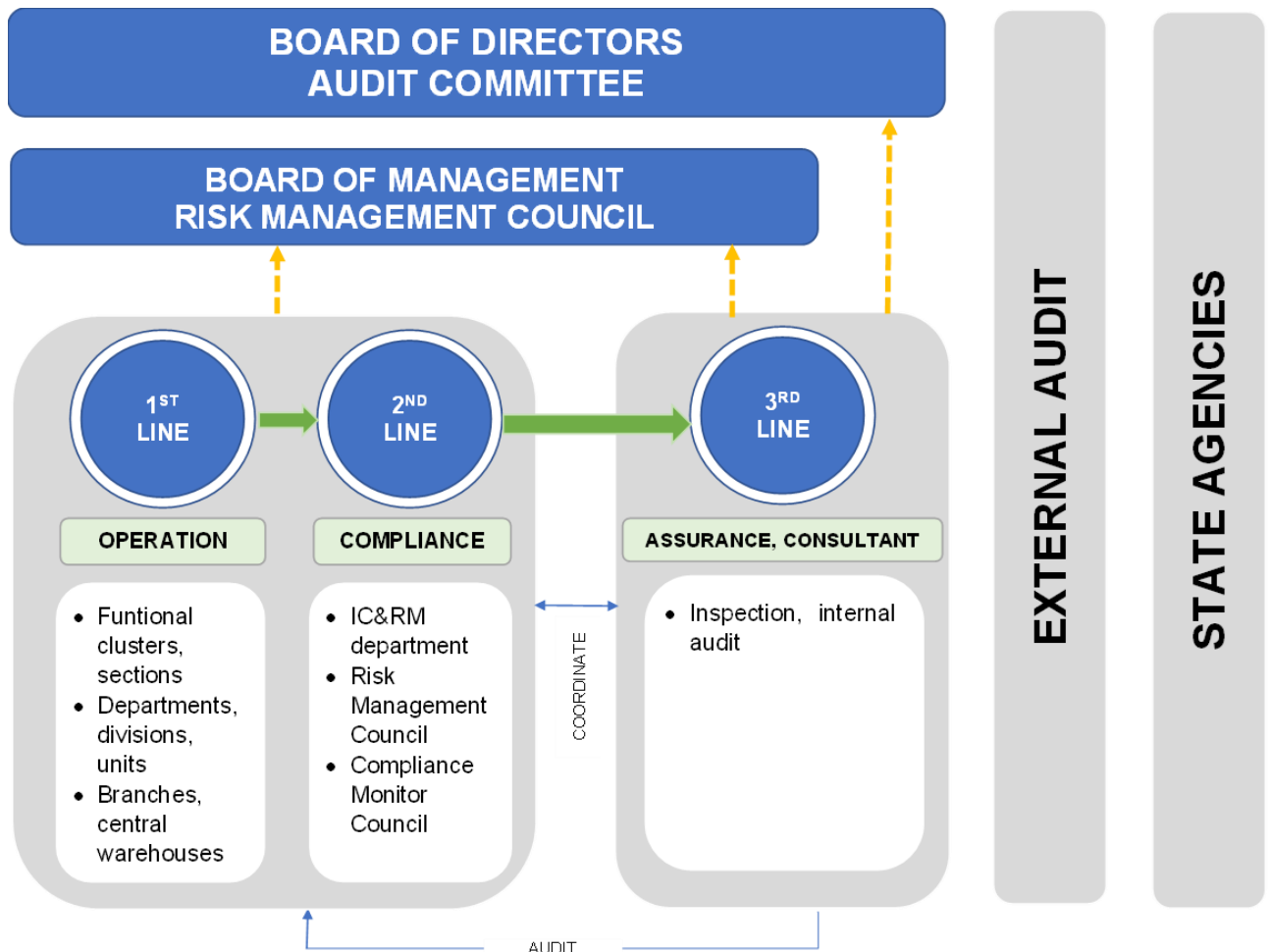
DHG Pharma applies the Three Lines of Defense model to ensure that its internal control system is both specialized and rigorous while maintaining a comprehensive and systematic approach. The core principle of this model is on-site control, closely integrated with practical operations, enabling individuals, departments, and divisions to conduct self-monitoring through regulations, procedures, job descriptions, and operational guidelines.

At a broader level, the company assigns specialized units to coordinate and ensure that the internal control system operates in alignment with its strategic direction. These units include: Internal Control & Risk Management Department (IC & RM), Risk Management Committee, and Compliance Monitor Committee – responsible for ensuring compliance with regulations, policies, and legal requirements.

Additionally, DHG Pharma has established the Internal Audit Committee, an independent unit responsible for overseeing the system, ensuring the objectivity and effectiveness of internal control mechanisms.

Beyond the dedicated compliance and independent control units, DHG Pharma also maintains close collaboration with its parent company, Taisho, to review, assess, improve, and monitor the internal control system. This partnership enhances efficiency, consistency, and comprehensiveness in risk management, ensuring that the internal control system is continuously improved and adapted to meet the requirements of sustainable development in an increasingly competitive market.





- **Enhancing the Effectiveness of DHG Pharma’s Internal Control System in 2024**  
With a commitment to continuous improvement and alignment with best practices and standards, in 2024, DHG Pharma’s internal control system has implemented a series of key initiatives to enhance governance quality, strengthen compliance, and ensure efficient operations:

**1. Updating and Enhancing the Internal Documentation System:**

- Reviewing, updating, and issuing new internal documents to ensure alignment with operational requirements, business objectives, compliance, and reporting standards.
- Benchmarking and self-assessing against the COSO internal control framework to refine processes and regulations, thereby improving the quality of the internal control system.

**2. Digital Transformation in Management and Control:**

- Initiating and implementing IT projects (DMS, ERP, etc.) to enhance control capabilities, optimize operations, and improve management efficiency through technology adoption.

**3. On-Site Inspections and Compliance Assessments:** Verifying the implementation of policies and procedures against actual operations to assess compliance levels and the effectiveness of application through field inspections.

**4. Developing a Compliance Culture:** Organizing training programs on compliance philosophy and culture to foster a proactive compliance mindset across all employees.

## **5. Effective Implementation of the Whistleblowing Policy:**

- Promptly receiving, investigating, and verifying reports and complaints through the CEO's Mailbox, ensuring swift and thorough resolution of arising issues. This process helps the company continuously refine internal regulations and procedures, prevent financial losses, optimize resources, and improve operational efficiency, thereby enhancing accountability and ensuring sustainable development.
- Strengthening the credibility of the reporting system, fostering a transparent and open work environment, promoting a culture of compliance, and reinforcing employees' trust in the company's governance and management philosophy.

## **■ 2025 ACTION PLAN FOR INTERNAL CONTROL ACTIVITIES**

### **► STRENGTHENING INTERNAL CONTROL AMID DIGITAL TRANSFORMATION & ECONOMIC VOLATILITY: PROACTIVE – AGILE – EFFECTIVE**

In 2025, amid global economic fluctuations and geopolitical uncertainties, Vietnamese businesses, including DHG Pharma, are significantly affected. To ensure the achievement of business and operational goals, DHG Pharma continuously enhances its management capabilities, optimizes processes, and accelerates digital transformation.

With the motto "Strong Transformation," DHG Pharma focuses on implementing technology solutions such as DMS, ERP, and e-Approval to enhance transparency, optimize processes, and improve operational efficiency. In this context, the internal control system (ICS) continues to be refined with a proactive, flexible, and practical approach, with the following key priorities for 2025:

#### **1. Strengthening the Internal Control Framework**

- Develop and continuously update the internal control framework to ensure compliance, efficiency, and flexibility in practical operations.
- Continuously improve regulations and policies in line with best practices, ensuring alignment with business operations and legal requirements.
- Maintain a commitment to enhancing internal control quality, not only to meet current needs but also to proactively adapt to future business environment changes.

Starting in 2025, DHG Pharma will implement a governance and internal control system plan based on the principles of comprehensive, simple, and in-depth governance under the "Simple Rules" initiative. Governance and internal control principles, along with risk assessments, will be comprehensively applied across all aspects of DHG Pharma's operations, following a philosophy of simplicity and efficiency while integrating Taisho's effective governance approach.

From an internal control system perspective, the project's outcomes will further strengthen the system, enabling DHG Pharma to confidently advance into a new era of "Strong Transformation."

## **2. Enhancing Supervision and Compliance Evaluation**

### **Implementation of supervision through three strategic focus areas:**

- Conduct on-site inspections at operational units, ensuring a focused evaluation that enhances both operational efficiency and cost-effectiveness.
- Perform a comprehensive assessment of the internal control and risk management systems, ensuring practicality, minimizing waste, and avoiding disruptions to business activities.
- Effectively implement the Whistleblowing Policy, promptly receiving, investigating, and addressing reports in a thorough and impartial manner to enhance transparency and reinforce the management philosophy of the executive board.

## **3. Developing a Compliance Culture**

Implement the 2025 Compliance Training Program with a Thematic Training approach, focusing on compliance culture, communication & behavior, data security, and handling non-compliance situations through visual training methods illustrated with real-life videos.

## **4. Strengthen Monitoring of Digital Transformation Projects**

- Closely participate in IT projects to establish and monitor control designs that align with DHG Pharma's operational characteristics.
- Promote process streamlining for digital transformation while ensuring comprehensiveness, flexibility, and control.

**Through these activities, DHG Pharma continues to reaffirm its commitment to strengthening the internal control system, adapting flexibly to changes in the business environment, and continuously enhancing efficiency, transparency in management, and operational optimization in the digital transformation era. The internal control system not only ensures compliance and effectiveness but also supports the company's sustainable development.**

## **RISK MANAGEMENT IN 2024**

In 2024, the global and Vietnamese economies are experiencing significant fluctuations, creating both challenges and opportunities for all Vietnamese pharmaceutical companies.

### **1. Economic Growth and Healthcare Demand**

Vietnam's economy is projected to grow impressively at over 7%, exceeding its target. This development leads to an increase in average per capita income, greater awareness, and rising demand for healthcare services, expanding the market for pharmaceutical products.

### **2. Digital Transformation and Technology Application**

The digital transformation trend continues to expand, encouraging pharmaceutical companies to adopt technology in research, production, and distribution. The application of digital technologies helps optimize processes, reduce costs, and enhance product quality.

### **3. Green and Sustainable Economic Development**

Community pressure and regulatory requirements are driving pharmaceutical companies to focus on environmental sustainability in production. Investing in clean technology and eco-friendly production processes has become an inevitable trend, helping companies meet market demands and enhance their brand reputation.

#### 4. Market Structure Changes and Competition

The increasing investment from international pharmaceutical companies in Vietnam has created a highly competitive market environment. This forces domestic companies to enhance capabilities, diversify products, and improve quality to maintain their market position.

#### 5. Global Supply Chain Disruptions

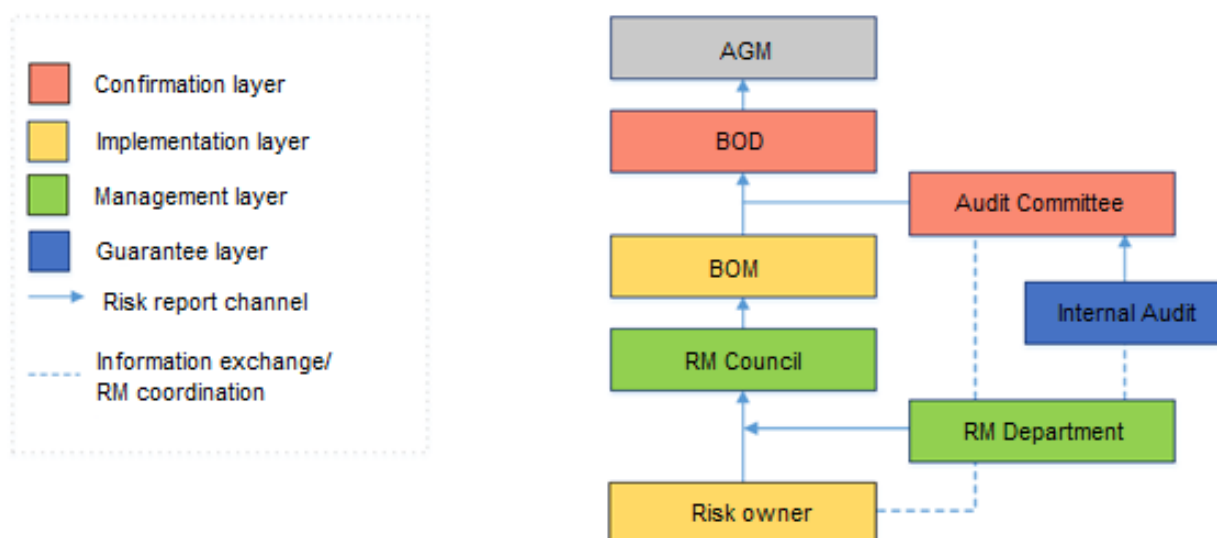
Disruptions in the global supply chain, particularly in pharmaceutical raw materials, pose challenges for businesses. Identifying alternative or backup supply sources domestically or from neighboring regions has become crucial to ensuring continuous production and minimizing risks.

### Enterprise Risk Management at DHG Pharma

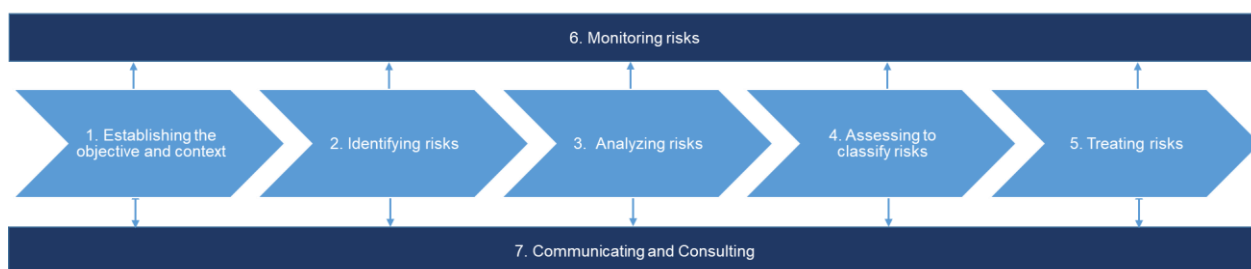
In response to these challenges and opportunities, the risk management system not only helps DHG Pharma's leadership proactively address and mitigate risks but also supports strategic decision-making. This enables the company to seize opportunities amid economic fluctuations. Investing in structured risk management, applying technology, and optimizing the supply chain is identified as the key to enhancing adaptability, sustainable development, and competitiveness in the market.

### Risk Management Structure at DHG Pharma

DHG Pharma implements a comprehensive risk management model, covering all functions and departments across the organization. This ensures that everyone understands risks, the identification mechanisms, and timely and complete reporting.



Enterprise risk management is an ongoing and core business process, helping the company proactively identify, assess, control, and manage risks to achieve strategic objectives.



## Key Risk Management

### ■ Supply Chain and Raw Material Risk

The supply chain and raw materials play a critical role in the company's sustainable growth.

- High dependency on imported raw materials, especially from India and China.
- Energy crises, global economic instability, and geopolitical conflicts increase the risk of supply chain disruptions, rising material costs, and stricter export policies from China.

### ■ Policy and Regulatory Risk

Government policies and regulations play a vital role in shaping Vietnam's pharmaceutical industry. In 2024, regulations are becoming increasingly stringent to improve drug quality, protect public health, and drive international integration.

- Frequent updates in drug registration, bidding, and licensing processes require businesses to stay informed and adapt quickly.
- Long approval timelines for new drugs impact business operations.
- Tighter quality control, testing, and compliance requirements create additional pressures.

### ■ Competitive pressure in the domestic market

While Vietnam's pharmaceutical market is growing rapidly, it also faces intense competition between domestic and international companies. Key factors affecting competition include consumer trends, regulatory policies, technology, and pricing strategies.

- Trade agreements facilitate access for imported drugs at more competitive prices, increasing pressure on local manufacturers.
- Foreign companies are partnering with major hospitals, gaining advantages in bidding for specialized drugs.
- Pressure from low-priced drug bidding policy makes it difficult for companies to ensure profits.
- Consumers are becoming more concerned about product origins, clinical testing, and certification.

### ■ Pharmaceutical Quality and Safety Risk

Quality and safety are core issues in the pharmaceutical industry, directly impacting public health, corporate reputation, and regulatory compliance.

- Stricter requirements for quality control, traceability, and drug safety.
- Increasing pressure to meet GMP, GSP, GDP, and GLP standards in production, storage, and distribution.

## ■ Information Security Risk

In the era of digitalization, cybersecurity is a critical factor, especially in the pharmaceutical industry, which handles large volumes of sensitive data (drug formulas, customer information, financial records, and supply chain details).

- Increasing sophistication of ransomware, phishing, and data theft attacks targeting high-value data.
- The adoption of AI, cloud computing, and IoT increases exposure to data breaches if not properly secured.
- User awareness is still limited in information security.

For each risk assessed to have an impact on DHG Pharma's current and future operations, DHG Pharma has developed corresponding risk response plans, including risk prevention, risk avoidance and risk mitigation on DHG Pharma's operations in terms of finance and reputation. This ensures that the company's operations are always controlled and responded to appropriately by the Board of Management, contributing to the achievement of the company's operating results.

## **RISK MANAGEMENT ACTIVITY PLAN FROM 2025**

Aiming at sustainable development and proactively facing all changes in the business environment, the company periodically builds a plan to review and update, and evaluate the maturity level of the system. This helps the company understand the current status of the system (current efficiency, strengths, weaknesses) and the necessary development direction, thereby building a roadmap to change/update/upgrade the system and improve risk control capacity appropriately and firmly.

In addition, to ensure that risk management activities are always effective, the company identifies three key activities that need to be implemented regularly and continuously as follows:

1. Continuously identify potential risks in business operations, update the list and assess the level of impact and likelihood of occurrence according to the established criteria and risk parameters, thereby developing a clear and appropriate response plan, closely implementing control measures and continuously monitoring risks, focusing on clearly defining the roles and responsibilities of each department based on the 3-line-of-defense model to help clearly assign responsibilities, ensuring that all departments are closely involved in the risk management process and developing a risk response plan.
2. Organize risk management training sessions to improve staff's risk identification and handling skills, gradually building a corporate culture towards proactive risk management.
3. Develop a business continuity plan to respond quickly to critical risks, as well as update crisis management procedures when incidents occur, ensuring departments are always ready to respond.

## **CHAPTER 6: FINANCIAL STATEMENTS**

1. Report of management
2. Independent auditors' report
3. Balance sheet
4. Income statement
5. Cash flow statement
6. Notes to the financial statements

Audited financial statements in 2024

<https://dhgpharma.com.vn/en/investor-relations/10253-audited-financial-statements-2024-and-explanation-changes>

## APPENDIX

### DISTRIBUTION SITES – REPRESENTATIVE OFFICE

No.	Name	Address	Tel	Fax
<b>DISTRIBUTION SITES</b>				
1	Vi Thanh	No. 82 Le Quy Don, Area No.1, Ward III, Vi Thanh City, Hau Giang Province	0293. 3876 409	N/A
2	Ca Mau	No. 05-07 Pham Ngoc Thach Street, Ward 5, Ca Mau City, Ca Mau Province	N/A	N/A
3	Kien Giang	No. G08-09, Huynh Thuc Khang Street, Vinh Quang Ward, Rach Gia City, Kien Giang Province	0297. 3867 625	N/A
4	Dong Thap	No. 14C Nguyen Van Troi Street, Ward 1, Cao Lanh City, Dong Thap Province	0277. 3854 837	N/A
5	Soc Trang	No. 649, Tran Hung Dao Street, Ward 3, Soc Trang City, Soc Trang Province	0299. 3625 151	N/A
6	Long Xuyen	No. 267, Pham Cu Luong Street, Group 1A, Tan Phu Area, My Quy Ward, Long Xuyen City, An Giang Province	0296. 3841 438	N/A
7	Tien Giang	No. 436A, Nguyen Thi Thap Street, Ward 6, My Tho City, Tien Giang Province	0273. 6255 177	N/A
8	Mekong	No. 13, Cach Mang Thang Tam Street, An Thoi Ward, Binh Thuy District, Can Tho City	0292. 6253 579	0292. 6253 579
9	Bac Lieu	No. 67 Nguyen Thi Dinh Street, Area 10, Ward 1, Bac Lieu City, Bac Lieu Province.	0291. 3822 290	0291. 3956 156
10	Ben Tre	No. 34D, Road No. 3, My Tan Area, Ward 7, Ben Tre City, Ben Tre Province	0275. 381.8529	N/A
11	Vinh Long	No. 327C/23 Phuoc Nguon A Hamlet, Phuoc Hau Commune, Long Ho District, Vinh Long Province	0270.385.3179	0270. 3853 179
12	Tra Vinh	No 77A, Nguyen Dang, Area No.1, Ward 7, Tra Vinh City, Tra Vinh Province	0294. 3850 950	N/A
13	Ha Noi	No. 30 Dinh Nup Street, Trung Hoa Ward, Cau Giay District, Ha Noi City, Vietnam	024. 36648 272	N/A



No.	Name	Address	Tel	Fax
14	Hai Phong	No. 91B Mang Nuoc Ward, An Dong Commune, An Duong District, Hai Phong City	0225. 391 3639	0225. 391 3639
15	Hai Duong	No. 229, Bui Thi Xuan Street, Le Thanh Nghi Ward, Hai Duong City, Hai Duong Province	0220. 3550 079	N/A
16	Thai Binh	No. 18-20-22, Street 33, Tran Lam Urban Area, Tran Lam Ward, Thai Binh City, Thai Binh Province, Vietnam	0227. 3844 777	N/A
17	Bac Ninh	No. 39, Ly Dao Thanh Street, Ninh Xa Ward, Bac Ninh City, Bac Ninh Province	0222. 3812 281	0222. 3812 281
18	Vinh Phuc	No.189, Phan Chu Trinh, Khai Quang Ward, Vinh Yen City, Vinh Phuc Province	0211. 3860 088	0211. 3860 088
19	Ninh Binh	No. 09, Alley 125 Trieu Viet Vuong Street, Trung Son Street, Bich Dao Ward, Hoa Lu City, Ninh Binh Province	N/A	N/A
20	Thai Nguyen	No. 91 - 93, Nguyen Thai Hoc Street, Tuc Duyen Ward, Thai Nguyen City, Thai Nguyen Province	0208. 3652 299	N/A
21	Thanh Hoa	No. 45 - Lac Long Quan Street - Dong Ve Ward - Thanh Hoa City - Thanh Hoa Province	0237. 3853 120	N/A
22	Nghe An	No. 06, Lane 146B, Nguyen Sy Sach Street, Hung Phuc Ward, Vinh City, Nghe An Province	0238. 3843 015	N/A
23	Hue	153A Pham Van Dong Street, Vy Da Ward, Thuan Hoa District, Hue City	0234. 3813 479	N/A
24	Da Nang	36-38 Trinh Dinh Thao, Khue Trung Ward, Cam Le District, Da Nang City	0236. 2242 406	N/A
25	Quang Ngai	No. 09 Le Thanh Ton, Nghia Chanh Ward, Quang Ngai City, Quang Ngai Province	0255. 3823 266	N/A
26	Quy Nhon	Lot No. 1, Street No. 3, Bac Song Ha Thanh Residential Area, Dong Da Ward, Quy Nhon City, Binh Dinh Province	0256. 3793 768	0256. 3791 768
27	Gia Lai	No. 179B, Cach Mang Thang 8 Street, Hoa Lu Ward, Pleiku City, Gia Lai Province	0269. 3887 071	N/A

No.	Name	Address	Tel	Fax
28	Dak Lak	No. 23A, Cong Quynh, Tan An Ward, Buon Ma Thuot City, Dak Lak Province	0262. 3851 175	N/A
29	Nha Trang	10A, Me Linh, Phuoc Tien Ward, Nha Trang City, Khanh Hoa Province, Viet Nam	0258. 3513 137	N/A
30	Binh Thuan	No. 103A, Phu Khanh Hamlet, Ham My Commune, Ham Thuan Nam District, Binh Thuan Province	0252. 222 0879	N/A
31	Dong Nai	P73-P78, Area No.7, Vo Thi Sau Street, Thong Nhat Ward, Bien Hoa City, Dong Nai Province	0251. 3825 167	0251. 3819 161
32	Binh Duong	Lot 32-33, Street D11, Chanh Nghia Residential, Chanh Nghia Ward, Thu Dau 1 City, Binh Duong Province	0274. 3897 316	N/A
33	Vung Tau	No. 60 Nguyen Manh Hung Street, Long Toan Ward, Ba Ria City, Ba Ria – Vung Tau Province	0254. 3741 888	0254. 3741 968
34	Ho Chi Minh	No. 37, Street 53, Quarter 2, Tan Quy Dong Residential Area, Tan Phong Ward, District 7, HCMC	028. 3771 8799	N/A
<b>REPRESENTATIVE OFFICE</b>				
35	1 <sup>st</sup> Representative office in HCMC	Room 404-405, 4th Floor, The Landmark: 5B Ton Duc Thang, Ben Nghe Ward, District 1, Ho Chi Minh City	0901 891 433 - Ext: 217	N/A
36	2 <sup>nd</sup> Representative office in HCMC	No. 37, Street 53, Tan Quy Dong Residential Area, Tan Phong Ward, District 7, HCMC	028. 3771 8799	N/A