

Cantho, 18<sup>th</sup> January 2019**INFORMATION DISCLOSURE**

Kind Attn to: **State Securities Commission**  
**Ho Chi Minh Stock Exchange**

- Company's name: DHG Pharmaceutical JSC.
- Stock ticker: DHG
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- Submitted by: Mr. Doan Dinh Duy Khuong
- Type of information disclosure:

Periodic       Extraordinary (24h)       Extraordinary (72h)       On demand

**Contents of information disclosure:**

DHG Pharmaceutical Joint Stock Company would like to explain the business results for the fiscal period ended 31 Dec 2018 as follows:

❖ **Consolidated financial statements of DHG Pharma**

Figures in: VND billion

Indicators	Q4				2018			
	Q4/2018	Q4/2017	Difference	%	2018	2017	Difference	%
<b>Net revenue</b>	<b>1,218.1</b>	<b>1,352.7</b>	<b>(135)</b>	<b>-9.9%</b>	<b>3,887.8</b>	<b>4,062.8</b>	<b>(175)</b>	<b>-4.3%</b>
<i>In-house goods</i>	966.5	961.0	6	0.6%	3,176.8	3,053.9	123	4.0%
<i>Others</i>	251.6	391.7	(140)	-35.8%	710.9	1,008.9	(298)	-29.5%
<b>Profit before tax</b>	<b>220.2</b>	<b>223.0</b>	<b>(3)</b>	<b>-1.3%</b>	<b>732.3</b>	<b>719.2</b>	<b>13</b>	<b>1.8%</b>
Corporate income tax - current	15.6	72.6	(57)	-78.6%	55.3	77.6	(22)	-28.7%
Corporate income tax - deferred	1.5	5.8	(4)	-74.1%	25.4	(0.7)	26	-3660%
<b>Profit after tax</b>	<b>203.1</b>	<b>144.6</b>	<b>59</b>	<b>40.5%</b>	<b>651.6</b>	<b>642.4</b>	<b>9</b>	<b>1.4%</b>

Net revenue in Q4/2018 was VND 1,218.1 billion, experiencing a decrease of 9.9% over the same period. In which, revenue of in-house goods increased by 0.6% (reached VND 966.5 billion), sales of other products fell by 35.8% due to suspension on sales of MSD (from April 2018) and Eugica (from June 2018) as lifting Foreign Ownership Limit (FOL).

Profit before tax in Q4/2018 achieved VND 220.2 billion, witnessing a drop of 1.3% over the same period, but profit after tax rose by 40.5% (reached VND 203.1 billion). Because corporate income tax (CIT) of Q4/2017 was recognized as adjustments in 2016 for the whole year 2017, while CIT of Q4/2018 was recognized for only 01 quarter in 2018. Profit of the year 2018 will not be impacted by this factor.

Net revenue in 2018 reached VND 3,887.8 billion, down 4.3% over the same period. In which, revenue of in-house goods grew by 4.0% (achieved VND 3,176.8 billion), sales of other products witnessed a decline by 29.5% due to suspension on sales of MSD (from April 2018) and Eugica (from June 2018) as lifting FOL. Profit before and after tax in 2018 experienced an increase of 1.8% and 1.4% (reached VND 732.3 billion and VND 651.6 billion), respectively.

❖ **Separate financial statements of DHG Pharma:**

Figures in: VND billion

Indicators	Q4				2018			
	Q4/2018	Q4/2017	Difference	%	2018	2017	Difference	%
<b>Net revenue</b>	<b>1,217.1</b>	<b>1,511.0</b>	<b>(294)</b>	<b>-19.5%</b>	<b>4,020.9</b>	<b>4,625.1</b>	<b>(604)</b>	<b>-13.1%</b>
Profit before tax	217.4	778.5	(561)	-72.1%	498.3	1,318.2	(820)	-62.2%
Profit after tax	200.2	706.7	(507)	-71.7%	442.5	1,244.0	(802)	-64.4%
Dividends transferred from subsidiaries	0.7	817.3	(817)	-99.9%	7.8	1,429.8	(1,422)	-99.5%
Profit before tax after the deduction of dividends transferred from subsidiaries	216.7	(38.8)	256		490.4	(111.6)	602	

Net revenue in Q4/2018 was VND 1,217.1 billion, depicting a decrease of VND 294 billion over the same period due to suspension on sales of MSD (from April 2018) and Eugica (from June 2018) as lifting FOL.

Profit before tax in Q4/2018 after the deduction of dividends transferred from subsidiaries witnessed a growth of VND 256 billion because since 01 April 2018, DHG Pharmaceutical One Member Limited Company (DHG Pharma Ltd.) and DHG Packaging and Printing 1 One Member Limited Company (DHG PP1) have been merged into DHG Pharma and become DHG Pharmaceutical Plant Branch in Hau Giang. This merger resulted in a rise in the proportion of finished products in the revenue structure of the Parent Company. (Finished products in Q4/2018 accounted for 79.4% of the total revenue, while it only accounted for 11.6% of the total revenue in Q4/2017).

Same as 2018, net revenue dropped by VND 604 billion but profit before tax after the deduction of dividends transferred from subsidiaries grew by VND 602 million.

This information has been disclosed on the Company's website since the 18<sup>th</sup> of January 2019 at [www.dhgpharma.com.vn](http://www.dhgpharma.com.vn)

We hereby undertake that the information published above is true and shall be legally responsible for any misrepresentation./.

**ACTING GENERAL DIRECTOR**

***Recipients:***

- *As above;*
- *Archived: AT, FN.*

**Doan Dinh Duy Khuong**