

No.: 151/DHG-AC

Regarding the difference of financial statements before and after audit in 2016

CanTho, March 28, 2017

To: **The State Securities Commission**
The Ho Chi Minh Stock Exchange

Based on the Circular No.155/2012/TT-BTC of Ministry of Finance dated 10/06/2015 on the guidance of information disclosure in the stock market.

DHG Pharmaceutical Joint Stock Company explains about the financial data on the separated financial statements for the year ended 31 December 2016 which is disclosure by the Company compared to Audited financial statements as details:

Separated financial statements

Target	Code	After audit	Before audit	Increase/Decrease	
				Value	Rate
Deductions	02	310,588,162,555	305,057,731,720	5,530,430,835	1.81%
Net sales	10	3,746,828,660,740	3,752,359,091,575	(5,530,430,835)	-0.15%
Costs of goods sold	11	2,806,111,845,324	2,844,188,228,057	(38,076,382,733)	-1.34%
Selling expenses	25	533,649,154,634	529,440,139,519	4,209,015,115	0.79%
General administration expenses	26	216,501,775,711	230,004,081,215	(13,502,305,504)	-5.87%
Profit before tax	50	292,278,397,195	250,439,154,908	41,839,242,287	16.71%
Corporate income tax	51	42,717,383,304	34,237,431,576	8,479,951,728	24.77%
Profit after tax	60	255,321,632,334	221,962,341,775	33,359,290,559	15.03%

- Target 02 increased due to the goods' return of SH Pharma subsidiary.

- Target 11 decreased due to adjustment of unrealized inventory between head office and branches.

- Target 25 increased due to an increase in the payables to employee and the reclassification from general administration expenses to selling expenses.

- Target 26 decreased due to the decrease in accrued expenses and the reclassification from general administration expenses to selling expenses and cost of goods sold.

- Target 51 increased due to the exclusion of cost of internal transactions.

With these above reasons, profit after tax of parent company after auditing increased 15% compared to the statements before auditing.

DHG Pharma kindly explains.

Best regards./.

Receivers:

- As above.
- Storing: AT, AC

DEPUTY GENERAL DIRECTOR

LE CHANH DAO