

HAU GIANG PHARMACEUTICAL JOINT STOCK COMPANY
Address: No. 288 Bis, Nguyen Van Cu Street, Ninh Kieu District, Can Tho City
FINANCIAL STATEMENT
For the fiscal year ended 31 December 2007

BALANCE SHEET
As of 31 December, 2007

Unit: VND

ASSETS	Code	EXP	Ending Balance	Beginning Balance
A - CURRENT ASSETS	100		673,787,101,408	329,550,046,816
I. Cash and cash equivalents	110	V.1	129,951,448,720	35,002,126,139
1 Cash	111		129,951,448,720	35,002,126,139
2 Cash equivalents	112	-		-
II. Short-term financial investments	120		51,955,112,420	-
1 Short-term investment	121	V.2	51,955,112,420	-
2 Provision for devaluation of short-term investments	129	-		-
III. Current receivables	130		257,381,961,730	166,439,693,208
1 Trade account receivable	131	V.3	235,438,777,884	154,257,342,331
2 Advance to supplier	132	V.4	2,562,339,891	11,262,957,188
3 Short-term internal receivables	133	-		-
4 Receivables in accordance with contracts in progress	134	-		-
5 Other receivables	135	V.5	19,380,843,955	1,419,393,689
6 Provision for short-term bad receivables	139	-		-500,000,000
IV. Inventories	140		230,278,977,520	121,353,384,036
1 Inventories	141	V.6	230,278,977,520	121,853,384,036
2 Provision for devaluation of inventories	149	-		-500,000,000
V. Other short-term assets	150		4,219,601,018	6,754,843,433
1 Short-term prepaid expenses	151	V.7	980,030,489	2,933,539,019
2 VAT deductible	152	-		-
3 Tax and account receivables from State Budget	154	V.8		465,772,645

4 Other short-term assets	158 V.9	3,239,570,529	3,355,531,769
---------------------------	---------	---------------	---------------

Balance sheet (cont.)

ASSETS	Code	EXP	Ending Balance	Beginning Balance
B - LONG_TERM ASSETS	200		268,421,463,379	153,296,767,880
I. Long-term receivables	210		114,269,612	199,817,447
1 Long-term receivable from customers	211	-	-	-
2 Capital receivable from subsidiaries	212	-	-	-
3 Long-term inter-company receivables	213	-	-	-
4 Other long-term receivables	218 V.10		114,269,612	199,817,447
5 Provision for long-term bad receivables	219	-	-	-
II. Fixed assets	220		228,781,351,908	148,141,697,795
1 Tangible fixed assets	221 V.11		111,294,945,868	81,119,305,562
Historical cost	222		168,877,796,585	115,898,558,723
Accumulated depreciation	223		-57,582,850,717	-34,779,253,161
2 Finance leases fixed assets	224	-	-	-
Historical cost	225	-	-	-
Accumulated depreciation	226	-	-	-
3 Intangible fixed assets	227 V.12		105,272,542,979	62,047,309,285
Historical cost	228		105,546,304,679	62,047,309,285
Accumulated depreciation	229		-273,761,700	-
4 Construction in progress expenses	230 V.13		12,213,863,061	4,975,082,948
III. Property investment	240	-	-	-
Historical cost	241	-	-	-
Accumulated depreciation	242	-	-	-
IV. Long-term financial investments	250		38,224,890,200	1,608,800,000
1 Investment in subsidiary company	251 V.14		2,550,000,000	-
2 Investment in joint venture	252	-	-	-
3 Other long-term investment	258 V.15		35,674,890,200	1,608,800,000
4 Provision for devaluation of long-term finance in	259	-	-	-

V. Other long-term assets	260		1,300,951,659	3,346,452,638
1 Long-term prepaid expenses	261	V.16 -		3,346,452,638
2 Deferred income tax assets	262	-		-
3 Other long-term assets	268		1,300,951,659	-
TOTAL ASSETS	270		942,208,564,787	482,846,814,696
		-		-

Balance sheet (cont.)

CAPITAL SOURCE	Code	EXP	Ending Balance	Beginning Balance
A - LIABILITIES	300		290,631,417,938	312,405,792,075
I. Short-term liabilities	310		289,817,842,651	291,128,018,733
1 Short-term borrowing and debts	311	V.17	43,429,861,416	167,870,131,080
2 Trade account payable	312	V.18	55,642,007,085	18,478,133,329
3 Advances from customers	313		293,206,185	169,083,872
4 Taxes and liabilities to State budget	314	V.19	2,354,571,301	356,653,611
5 Payable to employees	315	V.20	40,455,717,787	32,548,008,761
6 Payable expenses	316	V.21	108,584,441,430	40,891,732,687
7 Account payable-Affiliate	317	-		-
8 Payable in accordance with contracts in progress	318	-		-
9 Other short-term payables	319	V.22	39,058,037,447	30,814,275,393
10 Provision for current liabilities	320	-		-
II. Long-term liabilities	330		813,575,287	21,277,773,342
1 Long-term accounts payable-Trade	331	-		-
2 Long-term accounts payable-Affiliate	332	-		-
3 Other long-term payables	333	V.23	46,792,342	21,017,951,583
4 Long-term borrowing and debts	334	-		-
5 Deferred income tax	335	-		-
6 Provision for unemployment benefit	336	V.24	766,782,945	259,821,759
7 Provision fo long-term liabilities	337	-		-
B - OWNER'S EQUITY	400		651,577,146,849	170,441,022,621

I.	Owner's equity	410		635,748,308,139	161,305,907,399
1	Paid-in capital	411	V.25	200,000,000,000	80,000,000,000
2	Capital surplus	412	V.25	378,761,392,824	-
3	Other capital of owner	413	-	-	-
4	Treasury stock	414	-	-	-
5	Assets revaluation difference	415	-	-	-
6	Foreign Exchange difference	416	-	-	-
7	Development investing funds	417	V.25	33,805,735,625	52,597,657,824
8	Financial reserve fund	418	V.25	21,962,409,519	11,794,953,505
9	Other fund belong to owner's equity	419	-	-	-
10	Retained after-tax profit	420	V.25	1,218,770,171	16,913,296,070
11	Capital for construction work	421	-	-	-
II.	Budget sources	430		15,828,838,710	9,135,115,222
1	Bonus and welfare funds	431	V.26	15,828,838,710	9,135,115,222
2	Budgets	432	-	-	-
3	Budgets for fixed asset	433	-	-	-
	TOTAL RESOURCES	440		942,208,564,787	482,846,814,696
			-	-	-

Balance sheet (cont.)

OFF BALANCE SHEET ITEMS

ITEMS	Code	EXP	Ending Balance	Beginning Balance
1 Leasehold assets		-	-	-
2 Materials and goods kept or processed for others		-	-	-
3 Goods deposited by others		-	-	-
4 Bad debts already treated		-	-	-
5 Foreign currencies :				
USD			61,458.45	96,072.57
EUR			368	354.7
BATH			41,592.00	41,592.00
HKD			3,731.00	3,731.00
JPY			22,000.00	22,000.00

NDT		3,515.00		715
MACAU		20		20
CAD		100		100
REAL		25,000.00		25,000.00
6 Estimates for non-business and project expenditure	-		-	

Can Tho City, February 17th, 2008

Đặng Phạm Huyền Nh

Preparer

Bùi Minh Đức

Temporary Chief Accountant

Lê Chánh Đạo

Deputy General Director

HAU GIANG PHARMACEUTICAL JOINT STOCK COMPANY
Address: No. 288 Bis, Nguyen Van Cu Street, Ninh Kieu District, Can Tho City
FINANCIAL STATEMENT
For the fiscal year ended 31 December 2007

INCOME STATEMENT
2007

Unit: VND

ITEMS	Code EXP	Current year	Previous year
1 Revenue of sales and services	1 VI.1	1,285,209,755,529	873,072,034,851
2 Deductions	2 VI.1	15,929,830,148	4,880,238,734
3 Net sales and services	10 VI.1	1,269,279,925,381	868,191,796,117
4 Cost of goods sold	11 VI.2	600,777,608,975	402,746,978,493
5 Gross profit	20	668,502,316,406	465,444,817,624
6 Financial income	21 VI.3	5,789,057,861	514,443,811
7 Financial expenses	22 VI.4	17,290,702,891	11,214,310,390
In which: interest expenses	23	15,393,878,923	10,704,866,834
8 Selling expenses	24 VI.5	469,323,783,194	311,953,346,160
9 General and Administrative expenses	25 VI.6	59,818,592,144	55,880,862,996
10 Net operating profit	30	127,858,296,038	86,910,741,889
11 Other incomes	31 VI.7	1,351,104,741	1,405,939,293
12 Other expenses	32 VI.8	897,430,430	1,257,020,639
13 Other profit	40	453,674,311	148,918,654

14 Profit before tax	50	128,311,970,349	87,059,660,543
15 Current corporate income tax expenses	51 V.19	-	-
16 Deferred corporate income tax expenses	52	-	-
17 Profit after tax	60	128,311,970,349	87,059,660,543
18 EPS (VND/share)	70 VI.9	6,813	10,882

Can Tho City, February 17th, 2008

Đặng Phạm Huyền Nl Preparer	Bùi Minh Đức Temporary Chief Accountant	Lê Chánh Đạo Deputy General Director
---	---	--

HAU GIANG PHARMACEUTICAL JOINT STOCK COMPANY**Address: No. 288 Bis, Nguyen Van Cu Street, Ninh Kieu District, Can Tho City****FINANCIAL STATEMENT****For the fiscal year ended 31 December 2007****CASH FLOW STATEMENT
(Indirect method)
2007**

Unit: VND

ITEMS	Code	EXP	Current year	Previous year
I. Cash flows from operating activities				
1 Profit before tax	1		128,311,970,349	87,059,660,543
2 Adjustment in accounts:				
- Fixed assets depreciation	2	V.11, 12	24,054,099,284	13,170,131,240
- Provisions	3		-1,000,000,000	1,000,000,000
- Unrealized foreign exchange difference loss/ gain	4	-		-
- Loss / gain from investment	5	VI.3, 7, 8	-1,631,854,735	130,464,643
- Interest expenses	6		15,393,878,923	10,704,866,834
3 Operating profit before the changes of current capital	8		165,128,093,821	112,065,123,260
- Increase, decrease in account receivables	9		-90,459,115,058	-92,562,869,759
- Increase, decrease in inventory	10		-108,425,593,484	-8,531,310,712
- Increase, decrease in account payable	11		107,292,255,117	34,159,862,293
- Increase, decrease in prepaid expenses	12		5,299,961,168	1,035,009,093
- Paid interest	13		-15,977,165,302	-10,296,692,418
- Paid corporate income tax	14	-		-
- Other receivables	15		1,406,343,924	967,344,145
- Other payables	16		-12,947,479,483	-11,831,152,706
Net cash flow from operating activities	20		51,317,300,703	25,005,313,196
II. Cash flow from investment activities				
1 Cash paid for purchase of capital assets and other long	21	V.11, 12, 13	-105,302,355,943	-105,150,625,938

2 Cash received from liquidation, disposal of capital assets and other long-term assets	22	VI.7		792,417,144	700,841,124
3 Cash paid for lending or purchase of debt tools of other companies	23			-50,000,000,000	-
4 Withdrawal for lending or resale of debt tools of other companies	24		-		-
5 Cash paid for joining capital in other companies	25			-48,103,898,757	-1,486,800,000
6 Withdrawal of capital in other companies	26			9,532,696,137	-
7 Cash received from interest, dividend, distributed profit	27			1,448,040,137	-
Net cash flow from investing activities	30			-191,633,101,282	-105,936,584,814

Balance sheet (cont.)

ITEMS	Code	EXP		Current year	Previous year
III. Cash flows from financing activities					
1 Cash received from issuing stock, other owners' equity	31	V.25		398,761,392,824	-
2 Cash paid to owner's equity, repurchase issued stock	32		-		-
3 Cash received from long-term and short-term borrowing	33	V.17		674,327,196,404	434,042,737,805
4 Cash paid to principal debt	34	V.17		-798,767,466,068	-339,535,042,500
5 Cash paid to financial lease debt	35		-		
6 Dividend, profit paid for owners	36			-39,056,000,000	-14,040,000,000
Net cash flows from financing activities	40			235,265,123,160	80,467,695,305
Net cash during the period	50			94,949,322,581	-463,576,313
Cash and cash equivalents at beginning of year	60	V.1		35,002,126,139	35,465,702,452
Influence of foreign exchange fluctuation	61		-		-
Cash and cash equivalents at end of year	70	V.1		129,951,448,720	35,002,126,139
			-		-

Can Tho City, February 17th, 2008

Đặng Phạm Huyền Nh
Preparer

Bùi Minh Đức
Temporary Chief Accoutant

Lê Chánh Đạo
Deputy General Director