



DOMESCO
Vì Chất Lượng cuộc sống

CÔNG TY CỔ PHẦN XUẤT NHẬP KHẨU Y TẾ DOMESCO

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No.: 24 /HDQT-DMC

*(Information sharing of recall of drugs
containing Valsartan sourced from Zhejiang
Huahai Pharmaceutical - China)*

Cao Lãnh City, July 20th, 2018

**Dear: - Ho Chi Minh Stock Exchange
- Shareholders/ Investors/ Partners**

On July 11th, 2018, DOMESCO Medical Import Export Jsc (Code: DMC) and more than 40 local pharmaceutical manufacturing and distributing companies received documentation No. 13125/QLD-CL dated July 10th, 2018 by The Drug Administration of Viet Nam (DAV) regarding the recall announcement of all drugs containing Valsartan active substance sourced from the Zhejiang Huahai Pharmaceutical – China. This company was reviewed and approved for exporting Valsartan active substance to European market with the license No. R0-CEP 2010-072- Rev 01 by the European Management Agency (EMA) and for exporting this active substance to Viet Nam market with the license No. 5824/QLD-KD dated April 15th, 2016 by the DAV.

Earlier on July 5th, 2018, the EMA issued recall announcement of all drugs containing Valsartan across the Europe. The recall reason was that the Valsartan active substance was detected to be contaminated a potential carcinogenic substance in human namely N-nitrosodimethylamine (NDMA).

As soon as received the request from the DAV announcement, DOMESCO has informed all relevant customers and has been implementing recall of all DOMESCO products containing Valsartan active substance sourced from the Zhejiang Huahai Pharmaceutical - China. DOMESCO has already made the report for the procurement and use of Valsartan active substance in accordance with the requirements of the DAV.

To provide accurate information to the State Securities Commission of Viet Nam, the Ho Chi Minh Stock Exchange (HOSE) together to Shareholders/ Investors, we would like to announce as follows:

1. The recall of the above products **does not have significantly impact** on DOMESCO manufacturing and business activities due to the following reasons:
 - The recalled products have a very low revenue in the list of more than 300 products which DOMESCO has been manufacturing and distributing.

- DOMESCO is working with supplier to claim compensation for the recall. Hence this does not imply a profit loss of the company.
- 2. This is an objective reason and outside of the Company control, we strongly believe that this will not affect to the prestige and belief of shareholders and customers for DOMESCO.
- 3. With the policy of quality priorities but still ensure to be safe and proactive in all manufacturing and business activities, any DOMESCO product has at least one alternative source of active substance for backup. Therefore, DOMESCO has completed research data on the alternative source of Valsartan active substance. DOMESCO will continue to manufacture as soon as received approval of the DAV.

We believe that with today's multidimensional and quick accessed information systems, shareholders and investors are able to access all information accurately, from which to analyze, evaluate and make reasonable decisions in order to bring the highest benefits to shareholders as well as for businesses themselves.

We believe that shareholders and investors will continue to trust and support DOMESCO products as our motto is "For the Quality of life"*nh*

Thank you and Best regards,

Submitted by



Nguyen Van Hoa