

**REPORT ON 2017 FINANCIAL RESULTS OF  
VINCOM RETAIL JOINT STOCK COMPANY****Respectfully submitted to: THE ANNUAL GENERAL MEETING OF SHAREHOLDERS**

In 2017, Vincom Retail Joint Stock Company (the “**Company**” or “**Vincom Retail**”) and its subsidiaries had a successful year with encouraging key financial indicators for the financial year ended 31 December 2017, as shown in the 2017 audited consolidated financial statements as follows:

**1. Assets:**

Total assets of Vincom Retail increased by VND 3.8 trillion (from VND 34.3 trillion in 2016 to VND 38.1 trillion in 2017), equivalent to an increase of 11%.

Items with major changes in 2017 are shown below:

- *Current assets* increased by VND 6.0 trillion from VND 7.4 trillion in 2016 to VND 13.4 trillion in 2017, mainly due to movements in *Inventories* and *Other current assets*. *Inventories* increased by VND 1.2 trillion due to construction of large real estate projects such as Condotel Da Nang, Vinhomes Bac Ninh. *Other current assets* increased by VND 4.3 trillion from VND 1.7 trillion in 2016 to VND 6.0 trillion in 2017, mainly due to deposits from the Company to develop future projects.
- *Non-current assets* decreased by VND 2.1 trillion from VND 26.9 trillion in 2016 to VND 24.8 trillion in 2017 mainly due to the classification of receivables from long-term to short-term loans. The Company recognized the 15 new shopping malls which had been operated, resulting in an increase of VND 3.8 trillion in *Investment properties* compared with at the beginning of the year. At the same time, in 2017, the Company transferred its capital contribution in Tan Lien Phat Construction Investment Corporation Joint Stock Company, leading to a decrease in the value of *Investments in associates* of VND 4.0 trillion compared to as at 31 December 2016.

**2. Consolidated borrowings and Owners' Equity:**

Owners' equity in 2017 increased by VND 1.4 trillion to VND 26.1 trillion, mainly due to an increase in undistributed after-tax profit of VND 955 billion.

There was no material change in the total debt of the Company in 2017.

**3. Consolidated revenue and profit**

Total revenue in 2017 reached VND 5.5 trillion, a decrease of VND 868 billion, equivalent to a decrease of 14% compared to 2016, mainly due to a decrease in Sale of inventory properties due to a lower number of projects completed for handover in 2017 compared to that in 2016. Meanwhile, revenue from Leasing of investment properties and rendering of related services increased by VND 650 billion, equivalent to an increase of 17% compared to 2016, mainly from the operation of 15 new shopping malls in 2017 and the stable operation of shopping malls opened in and before 2016.

Profit after tax in 2017 was VND 2.0 trillion, equivalent to a decrease of 17% compared to 2016 due to fluctuations in Sale of inventory properties revenue as stated above.

Respectfully submit to the Annual General Meeting of Shareholders for consideration.

Thank you.

**VINCOM RETAIL JOINT STOCK COMPANY**

*To:*

- *As above;*
- *Company archives.*

**TRAN MAI HOA**  
**GENERAL DIRECTOR**

*Note:*

- *Vincom Retail's 2017 Financial Statements were audited by Ernst & Young Vietnam Ltd., and are published on the Company's website: <http://ir.vincom.com.vn/ketquakinhdoanh.html>*