



## REPORT ON 2018 FINANCIAL RESULTS OF VINCOM RETAIL JOINT STOCK COMPANY

### Respectfully submitted to: THE ANNUAL GENERAL MEETING OF SHAREHOLDERS

In 2018, 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 2018, as shown in the 2018 audited consolidated financial statements as follows:

#### 1. Assets:

Total assets of Vincom Retail reached VND 38.68 trillion, an increase of 1% compared to the balance as at December 31, 2017.

Items with major changes in 2018 are shown below:

- Current Assets decreased by VND 6.23 trillion during 2018, from VND 13.36 trillion at the end of 2017 to VND 7.12 trillion at the end of 2018. The change was mainly due to fluctuations in Short-term loan receivable and Other current assets. Short-term loan receivable decreased by VND 2.61 trillion due to the recovery of due loans. Other current assets decreased by VND 3.75 trillion, from VND 5.53 trillion in 2017 to VND 1.78 trillion in 2018, mainly due to the Company’s recognition of completed investment properties corresponding to its deposits for investment purpose.
- Non-Current Assets increased by VND 6.78 trillion, from VND 24.78 trillion at the end of 2017 to VND 31.56 trillion at the end of 2018, due primarily to the fluctuations in Investment Properties, Construction in Progress and Fixed Assets account. The Company completed and placed in operation 20 new retail malls, increasing the total of its Investment Properties and Fixed Assets by respectively VND 6.03 trillion and VND 137 billion over the beginning of 2018 respectively. In addition, the Company continued to develop new projects, leading to an increase of VND 263 billion in Construction in Progress.

#### 2. Consolidated borrowings and Owners’ Equity:

Owners’ Equity increased by VND 2.42 trillion to VND 28.51 trillion, equivalent to a 9% increase, due to an increase of VND 2.40 billion in Retained Earnings resulting from the improved performance over 2017.

Total Liabilities decreased by VND 3.19 trillion, from VND 5.97 trillion in 2017 to VND 2.78 trillion at the end of 2018, primarily due to the decrease of VND 2.80 trillion in Short-Term Loan and Debts resulting from the repayment of VND 2.80 trillion of bonds due in 2018.

#### 3. Consolidated revenue and profit

Total Revenue reached VND 9.12 trillion in 2018, of which Revenue from Leasing Activities and Rendering of Related Services was VND 5.51 trillion, Revenue from Sale of Inventory Properties was VND 3.43 trillion and Other Revenue was VND 185 billion. Revenue from Leasing Activities and Rendering of Related Services increased by VND 1.05 trillion, equivalent to a 24% increase over 2017 performance, mainly due to the opening of 20 new retail malls during the year and the further ramping up of operations of malls opened in 2017. As a result, Leasing Net Operating Income increased by 24%, to VND 3.83 trillion in 2018. Revenue from Sale of Inventory Properties was mainly attributable to recognition of condotels at

Vinpearl Condotel Riverfront Da Nang project, apartments at the Suoi Hoa project, Bac Ninh city and shophouses at our projects in several provinces such as Vinh Long and Long An upon delivery. Profit After Tax was VND 2.41 trillion, an increase of 19% over 2017.

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 2018 Financial Statements were audited by KPMG Ltd., and are published on the Company's website: <http://ir.vincom.com.vn/en/financial-statements-presentations/>*