



**REPORT ON 2019 FINANCIAL RESULTS OF
VINCOM RETAIL JOINT STOCK COMPANY**

Respectfully submitted to: THE GENERAL MEETING OF SHAREHOLDERS

In 2019, according to the consolidated financial statements, Vincom Retail Joint Stock Company (“**Vincom Retail**”) and its subsidiaries have the following specific financial situation:

1. Assets:

Total assets of Vincom Retail reached VND 35.839 trillion. Items with major changes in 2019 are shown below:

- *Current Assets* decreased by VND 2.052 trillion during 2019, from VND 7.123 trillion at the end of 2018 to VND 5.070 trillion at the end of 2019. The change was mainly due to fluctuations in *Cash and cash equivalents*, and *Other Current Assets* due to withdrawal of term deposits and partial withdrawal of deposits for dividend payment and treasury shares buyback in the year, particularly: *Cash and cash equivalents* decreased VND 1.043 trillion, and *Other Current Assets* decreased VND 718 billion.
- *Non-Current Assets* declined VND 793 billion from 31.561 trillion in 2018 to VND 30.768 trillion in 2019, due to the re-categorization of held to maturity investment to short-term according to the remaining duration of the contract and allocation of goodwill and long-term prepaid expenses.

2. Consolidated borrowings and owners’ equity:

Owners’ Equity decreased VND 1.556 trillion from VND 28.509 trillion in 2018 to VND 26.954 trillion, due to an increase of VND 2.852 trillion in *Retained Earnings* resulting from the improved performance over 2018. In 2019, Vincom Retail paid cash dividend with amount of VND 2.445 trillion and exercised treasury shares buyback of 56.5 million shares with amount of VND 1.954 trillion.

During the fiscal year ending 31 December 2019, *Current ratios* for Vincom Retail declined from 1.14 times to 1.06 because *Current Assets* decreased in a greater extent than the decrease in *Current Liabilities*. The former’s decrease was mainly attributable to a dividend payment and treasury shares buyback. Meanwhile, the decrease in *Current Liabilities* primarily resulted from repayment of payables on property transfer. The *Quick ratio* reduced from 0.67 times to 0.61 due to withdrawal of term deposits as mentioned above.

The ratio of *Total Liabilities to Total Assets* and that of *Owners’ Equity to Total Assets* only had slight fluctuations compared to the end of 2018, respectively 24.79% and 75.21%.

3. Consolidated revenue and profit

Total Revenue reached VND 9.259 trillion in 2019, of which *Revenue from Leasing Activities and Rendering of Related Services* was VND 7.017 trillion, *Revenue from Sale of Inventory Properties* was VND 2.027 trillion and *Other Revenue* was VND 215 billion. *Revenue from Leasing Activities and Rendering of Related Services* increased by VND 1.551 trillion, equivalent to a 27% increase over 2018 performance, mainly due to the opening of 13 new retail malls during the year and the further ramping up of operations of malls opened in 2018. As a result, *Leasing Net Operating Income* increased 29% to VND 4.955 trillion in 2019. *Revenue from Sale of Inventory Properties* was mainly attributable to recognition of some shophouse projects in Ca Mau, Cao Lanh, Cam Pha, Mong Cai, Di An, Hoa Binh, Sa Dec, etc. Profit After Tax was VND 2.852 trillion, an increase of 18% over 2018.

Respectfully submitted to the General Meeting of Shareholders for consideration.

Thank you.

To:

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

**VINCOM RETAIL
JOINT STOCK COMPANY
CHIEF EXECUTIVE OFFICER**

(signed)

TRAN MAI HOA

Note: *Vincom Retail's 2019 Financial Statements were audited by KPMG Ltd., and are published on the Company's website: <http://ir.vincom.com.vn/en/financial-statements-presentations/>*