

Hanoi, 11 May 2021

PROPOSAL OF THE BOARD OF DIRECTORS

Re: The financial performance of the Company in 2020

Respectfully submitted to: THE GENERAL MEETING OF SHAREHOLDERS

The financial results of Vincom Retail Joint Stock Company (the “**Company**” or “**Vincom Retail**”) and its subsidiaries are shown in the 2020 audited consolidated financial statements as follows:

1. Assets:

Total assets of Vincom Retail reached VND 39.816 trillion. Items with major changes in 2020 are presented below:

- *Current Assets* increased by VND 1.942 trillion during 2020, from VND 5.070 trillion at the end of 2019 to VND 7.012 trillion at the end of 2020, mainly due to an increase in *Cash and cash equivalents* (increased VND 1.663 trillion) and *Held-to-maturity investments* (increased VND 1.105 trillion) thanks to cash flow from operating activities during the year.
- *Non-Current Assets* rose VND 2.036 trillion from 30.768 trillion in 2019 to VND 32.804 trillion in 2020, mainly from *Other long-term assets* as the Company deposits for future project developments.

2. Borrowings and Owners’ equity:

Owners’ Equity increased VND 2.382 trillion from VND 26.954 trillion in 2019 to VND 29.336 trillion, by recording a *Retained Earnings* of 2.382 trillion VND despite challenges posed by Covid-19 pandemic.

During the fiscal year ending 31 December 2020, *Current ratios* increased from 1.06 to 1.98 times and the *Quick ratio* increased from 0.61 times to 1.81 times.

The ratio of *Total Liabilities to Total Assets* and *Owners’ Equity to Total Assets* remained stable at 26.32% and 73.68%, respectively compared to 2019.

3. Consolidated revenue and profit

Total Revenue reached VND 8.329 trillion in 2020, a decrease of 10% compared to 2019. Profit After Tax was VND 2.382 trillion, representing a year-on-year decline of 16%.

4. Report on use of proceeds from public offering bonds:

On 26 August 2020, the Company completed the public offering of 20,000,000 bonds with par value of VND 100,000/bond. All proceeds from the bond offering have been fully used by the Company in accordance with the plan stated in the Prospectus published on 06 August 2020.

Respectfully submitted to the General Meeting of Shareholders for consideration and approval.

Thank you.

**ON BEHALF OF THE BOARD OF
DIRECTORS
CHAIRPERSON**

(signed)

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Note: *Vincom Retail's 2020 Financial Statements were audited by KPMG Ltd., and are published on the Company's website: <http://ir.vincom.com.vn/en/financial-statements-presentations/>.*

Further amendments and supplements to this document may be proposed for approval at the AGM.