

Note on latest interim financial reports

Vinh Hoan Corporation (HOSE: VHC) released [Q1-2018 financials](#) on April 20, 2018. Beginning March 2018, our stake in Van Duc Tien Giang (“VDTG”) reduced to 35% from previously 100% due to a subscription deal, which resulted in VDTG’s results would be accounted for as an equity-accounted investee instead of being consolidated as a subsidiary. Accordingly, a pro forma growth for revenue and net income would be 22% and 17% respectively.

Consolidated Income Statement			Change	Pro forma Change
For the Fiscal Period Ending	3 months Q1 Mar-31-2018	3 months Q1 Mar-31-2017	Q1-2018 vs Q1-2017	Q1-2018 vs Q1-2017
Currency	VND	VND	%	%
Revenue	1,828,364,957,913	1,617,749,681,675	13%	
Other revenue	(24,154,488,598)	(910,710,956)	2,552%	
Total Revenue	1,804,210,469,315	1,616,838,970,719	12%	22%
Cost Of Goods Sold	(1,550,468,772,856)	(1,386,722,692,763)	12%	
Gross Profit	253,741,696,459	230,116,277,956	10%	
Gross Profit Margin (%)	14%	14%		
Selling General & Ad-min Exp.	(153,533,404,229)	(98,761,286,149)	55%	
Operating Income	100,208,292,230	131,354,991,807	-24%	
Interest and Invest. Income	22,849,890,312	16,281,424,571	40%	
Interest Expense	(12,889,877,427)	(14,396,766,251)	-10%	
Other Non-Operating Inc. (Exp.)	(5,380,869,687)	(12,072,891,446)	-55%	

Consolidated Income Statement			Change	Pro forma Change
For the Fiscal Period Ending	3 months Q1 Mar-31-2018	3 months Q1 Mar-31-2017	Q1-2018 vs Q1-2017	Q1-2018 vs Q1-2017
Currency	VND	VND	%	%
Share of equity-accounted investees, net of tax	8,358,367,647	-		
EBT Incl. Unusual Items	113,145,803,075	121,166,758,681	-7%	
Income Tax Expense	-15,237,994,119	-24,684,776,705	-38%	
Net Income	97,907,808,956	96,481,981,976	1%	17%
Net Profit Margin (%)	5%	6%		

We cashed in nearly VND 400bn dividend from VDTG in the parent company's income statement and also effectively deleveraged as our Net Debt was reduced by 77%.

Consolidated Balance Sheet			Change
As of	March-31-2018	Dec-31-2017	Q1-2018 vs Q1-2017
Currency	VND	VND	%
Net Debt	224,450,964,488	992,311,686,601	-77%
Market Capitalization	6,461,131,810,000	4,745,239,805,030	36%
Net Debt/Market Capitalization	3%	21%	