



AA CORPORATION

STANDARD RESEARCH REPORT

Date of report: 21/05/2019

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AA CORPORATION

CÔNG TY CỔ PHẦN XÂY DỰNG KIẾN TRÚC AA

Registered Address: BITECO BUILDING, 43A FLOOR, NO.2, HAI TRIEU STREET, BEN NGHE WARD, DISTRICT 1, HO CHI MINH CITY, VIET NAM

Website: aacorporation.com

Tel: (84-28) 6287 5111

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COMPANY PROFILE

Main Business Activities	Manufacturing and trading indoor furniture; Providing interior fit-out services;				
Key Products	Indoor furniture; Interior fit-out services;				
Industry Classification	Manufacture of furniture	ICB: 3700 VSIC: 31	Sector	Manufacture of furniture	ICB: 3726 VSIC: 3100
Registration Code	0302166869				
Incorporated Date	Dec 06, 2000				
Parent Company	N/A				
Legal Form	Join Stock Company (JSC)				
Ownership Type	Non-state joint stock company				
Listing Status	Non-Public				
Accounting Period	Annually	Fiscal Year End	December 31		
No. of Employees	N/A (2017)				
Legal Representative's Profile	Ooi Wee Tat - Nationality: Malaysia - ID No.: A41061404 - YOB: 1973 - Education: Bachelor Degree				

COMPANY HIGHLIGHT

AA Corporation is recognized as a leading interior fit-out company in Vietnam.

The Company engages in 02 business sectors including providing interior fit-out services, and manufacturing and trading indoor furniture.

Company has a wide network of customers in more than 40 countries worldwide, especially in Buhtan, Cambodia and Myanmar.

Z- Score of AA Corporation has been in "Grey Zone" for 3 continuous years.

Liabilities accounted for 81% of total assets in 2015, in which short-term borrowings took up 77%, accordingly prompting the Company to face high debt payment pressure in short-term.

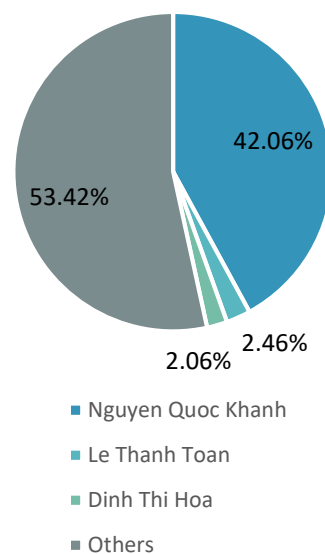
KEY FINANCIALS

FY	31/12/2017
<i>Audit status</i>	<i>Unaudited</i>
Contributed Capital	USD 11.00 mn
Net Revenue	USD 65.72 mn
Net Profit	USD 9.04 mn
Total Assets	USD 79.84 mn
Net Debts	USD 20.60 mn
Owner's Equity	USD 23.85 mn
ROA (%)	11.48
ROE (%)	43.81

OWNERSHIP STRUCTURE

Ownership Structure

Name	Nationality	Proportion	Update Date
Nguyen Quoc Khanh	Vietnam	42.06%	N/A
Le Thanh Toan	Vietnam	2.46%	N/A
Dinh Thi Hoa	Vietnam	2.06%	N/A
Others	N/A	53.42%	N/A



MANAGEMENT BACKGROUND

Board of Director

Name	Position	YOB	Education	Nationality
Mr. Nguyen Quoc Khanh	Chairman of the Board	1959	Bachelor	Vietnam

Board of Management

Name	Position	YOB	Education	Nationality
Mr. Ooi Wee Tat	General Director	1973	Bachelor	Malaysia

BRANCHES & SUBSIDIARIES

List of Branch (es)

N/A

List of Subsidiary(ies)

N/A

OPERATION

Production

Line of Business

Line of Business	Description
Interior fit-out Services	<p>The Company is offering interior fit – out services for both domestic and international markets, and targeting to 05 main customer segments including:</p> <ul style="list-style-type: none"> • Hotel & resorts (the Company's key customer segment); • Restaurants, cafes, & clubs; • Shops & boutiques; • Offices & commercial projects; • Residential projects;
Furniture Manufacturing and Trading	<ul style="list-style-type: none"> • The Company runs a furniture factory in Long An province; • AA Corporation has been in the partnership with AKA Interior Joint Stock Company – one of the leading furnishing retailers to help facilitate the distribution of the Company's products;

Factory

Name	Street	City/ Province	District	Area (sqm)	Detail
Long An Furniture Factory	Binh Tien 2 Hamlet	Long An	Duc Hoa Ha Commune	80,000	Specializing in the manufacture of indoor furniture and specific products for interior fit-out projects;

Certificate(s)

- ISO 9001:2008 Certificate on Quality Management System valid from November 26, 2013 to December 08, 2015;
- Forest Stewardship Council Chain of Custody (FSC-CoC) certificates from July 2, 2013 to July 1, 2018;
- SAP Enterprise Resource Planning Software (ERP) on resource management since 2008;

Personnel

Employee Size: 1,600 (*estimated*)

Labor Force Structure:

N/A

List of Suppliers

Name	Product Supply	Address	Tel
AA Interiors Myanmar Limited (AIMA)		No.77, 6-B, Dhamazedi Road, Sanchaung Township, Yangon, Myanmar	(+95 1) 516 519

AdrunKA Private Limited	GPO Box 1648, Thimphu 11001, Bhutan	(+975 2) 350 888
AA Interiors Cambodia Ltd	#16, Street 370, Boeung Keng Kang Ward, Chamkar Morn District, Phnom Penh, Cambodia.	(+855) 9288 0016
AKA Interior Joint Stock Company	Ho Ban Nguyet Commercial Service Zone, Lot CR03, No. 111, Ton Dat Tien Street, Tan Phu Ward, 7 District, Ho Chi Minh City	(+84 28) 5413 6661

Sales

Target Market

Domestic Market	Overseas Market
<ul style="list-style-type: none"> Nationwide 	<ul style="list-style-type: none"> Business activities in overseas market accounted for about 30% of the Company's sales with a wide network of customers in 40 countries worldwide; The Company's major destination exporting markets include Buhtan, Cambodia and Myanmar;

List of Customers

Name	Address	Tel
AA Interiors Myanmar Limited (AIMA)	No.77, 6-B, Dhamazedi Road, Sanchaung Township, Yangon, Myanmar	(+95 1) 516 519
AdrunKA Private Limited	GPO Box 1648, Thimphu 11001, Bhutan	(+975 2) 350 888
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List of Partners

Name	Address	Tel
AA Interiors Myanmar Limited (AIMA)	No.77, 6-B, Dhamazedi Road, Sanchaung Township, Yangon, Myanmar	(+95 1) 516 519

AdrunKA Private Limited	GPO Box 1648, Thimphu 11001, Bhutan	(+975 2) 350 888
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AA Interiors Cambodia Ltd	#16, Street 370, Boeung Keng Kang Ward, Chamkar Morn District, Phnom Penh, Cambodia.	(+855) 9288 0016
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AKA Interior Joint Stock Company	Ho Ban Nguyet Commercial Service Zone, Lot CR03, No. 111, Ton Dat Tien Street, Tan Phu Ward, 7 District, Ho Chi Minh City	(+84 28) 5413 6661
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COMPANY INSIGHTS

Company Position

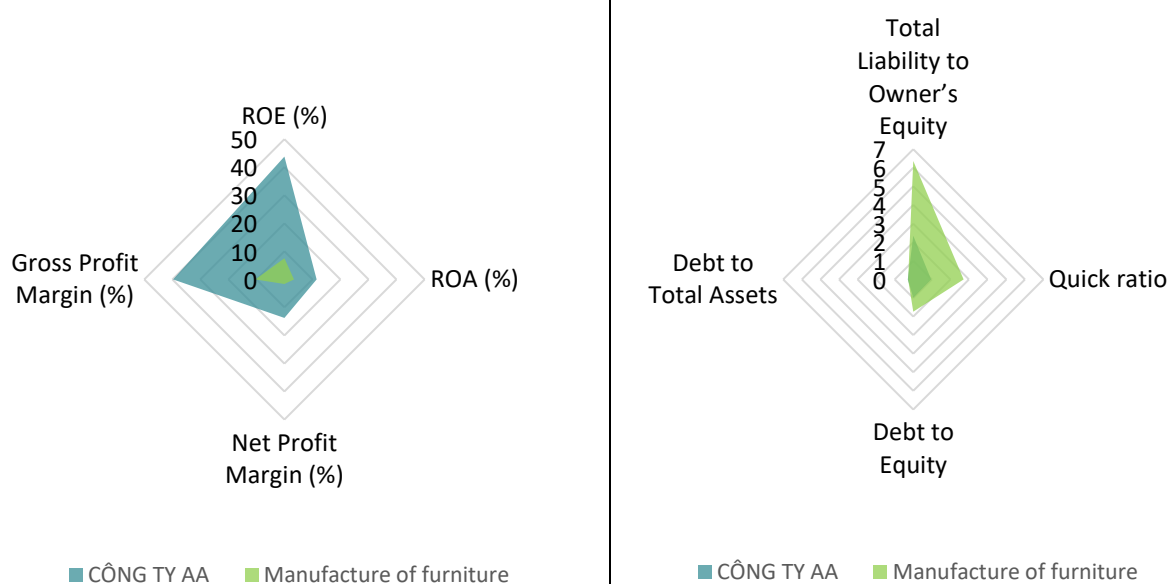
- AA Corporation is recognized as a leading interior fit-out company in Vietnam with a charter capital of US\$8.46 million and revenue generated in 2015 of US\$58.09 million. The Company engages in 02 business sectors including: (i) providing interior fit-out services, and (ii) manufacturing and trading indoor furniture.
- Regarding interior fit-out business sector, the Company targets at 05 main client segments namely (i) hotels & resorts, (ii) restaurants, café, & clubs, (iii) shops & boutiques, (iv) office and commercial projects, and (v) residential projects, in which hospitality fit-out projects account for approximately 40% (170 -180 projects) of the total number of interior fit-out projects that the Company has been involved (430-450 projects). The Company's key customers are reputable hotel and resort brands such as Marriott, Hilton, Hyatt, and InterContinental. Serving both domestic and overseas markets, the Company has a wide network of customers in more than 40 countries worldwide. More specifically, the Company has been in the partnership with 03 foreign partners situated in Bhutan, Cambodia and Myanmar, leveraging the local manufacturing capacity to better meet the client's needs for interior fit-out services in those markets.
- In the aspect of the manufacturing area, the Company currently operates a factory located in Long An Province. The factory covers a land area of around 80,000 sqm and specializes in the manufacture of indoor furniture and specific products supplied to interior fit-out segment.
- As for trading activities, the Company engages in providing indoor furniture for both domestic and international customers. Particularly, in the domestic market, the Company offers products through a distribution network of sales center & showroom, representative offices and branches mainly located in Hanoi and Ho Chi Minh City. Besides, the Company is the major supplier of indoor furniture for "Nha Xinh" which is one of the leading furnishing retailers in Vietnam with 07 showrooms located in Hanoi and Ho Chi Minh City.

Financial Review

- The Company reported a continuous increase in revenue over the period 2015 -2017, posting growth of 5.41% and 7.26% in 2016, 2017 respectively. Following a different pattern, the Company's profit after tax hit the highest point in 2016 of VND130.79 billion resulting from the abnormal finance income record in this year. Particularly, the 2016 finance income accounted for 1.21% of net sales in this year, which was much higher than those figures in 2015 and 2017 with 0.33% and 0.72% respectively.
- It is important to notice that all of the Company's expenses observed a downward movement over the concerned period, illustrating the Company's better performance in cost management.
- Despite the decreasing trend witnessed in the weight of liabilities over the total assets, the Company had a heavy dependence on borrowing sources in formulating its capital structure. Precisely liabilities accounted for 81% of total assets in 2017, in which short-term borrowings took up 77%, accordingly prompting the Company to face high debt payment pressure in short-term.

INDUSTRY BENCHMARKING

Industry	Manufacture of furniture
Sector	Manufacture of furniture
Sub-Sector	Manufacture of wooden furniture



Revenue	Number of Companies
Over VND250 billion	99
From VND75 billion - VND250 billion	185
From VND25 billion - VND75 billion	272
Under VND25 billion	2811

(*) Note: The number of companies is calculated by FiinGroup based on data of companies in industry from database sources believed by it to be accurate and reliable. The result is not a substitute for the exercise of independent judgment and expertise. You should always seek the assistance of a professional for advice on investments, tax, the law, or other professional matters.

Financial ratios and Average Industry Ratios

Name	2017	Average Industry
Current ratio	1.22	5.08
Quick ratio	0.96	2.71
Debt to Equity	0.99	1.74
Debt to Total Assets	0.30	0.28
Total Liability to Owner's Equity	2.35	6.37
Total Liability to Total Assets	0.70	0.68
Account Receivable Turnover Ratio	1.42	110.09
Account Receivable Turn-Days	257.94	3.32
Inventory Turnover Ratio	2.82	327.68
Inventory Turn-Days	129.58	1.11
Payment Period Turnover	4.92	11.15
Average Payment Period	74.22	32.73
ROA (%)	11.48	3.40

ROE (%)	43.81	7.54
Gross Profit Margin (%)	39.72	10.42
Net Profit Margin (%)	13.75	1.65
Sales Growth Rate (%)	-3.13	103.00

() Note: The average industry ratios is calculated by FiinGroup based on average data of companies in industry from database sources believed by it to be accurate and reliable. The result is not a substitute for the exercise of independent judgment and expertise. You should always seek the assistance of a professional for advice on investments, tax, the law, or other professional matters.*

SCORING

Z – SCORE

Altman Z-score is the output of a credit-strength test that predicts a company's likelihood of bankruptcy. The Altman Z-score is based on five financial ratios calculated from the data in the company's financial statements.

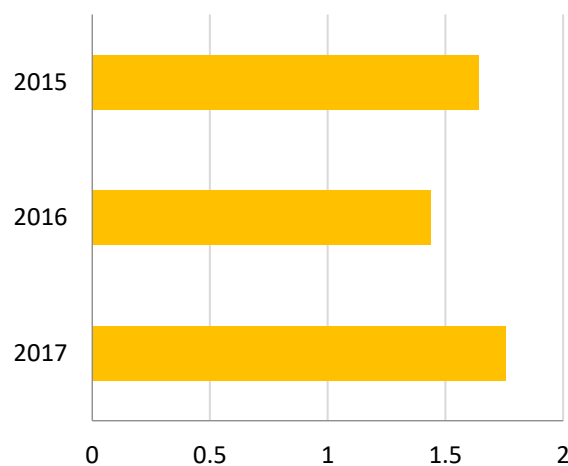
Z-score Model:

$$Z=0.717T1 + 0.847T2 + 3.107T3 + 0.420T4 + 0.998T5$$

Calculation:

	2017	2016	2015
T1	0.15	0.10	0.07
T2	0.15	0.11	0.07
T3	0.17	0.09	0.16
T4	0.43	0.29	0.21
T5	0.82	0.87	0.94
ZScore	1.76	1.44	1.64

ZScore in 03 years



	"Safe" Zones - low default risk	$Z > 2.90$
	"Grey" Zones – medium default risk	$1.23 \leq Z \leq 2.90$
	"Distress" Zones - high default risk	$Z < 1.23$

Interpretation

Z – score Interpretation: We noted that administrative expense which took about 40%- 48% gross profit and large amount of interest expense have eroded most of the Company's profit. As a result net profit margin of the Company has decreased from 11% in 2014 to only 7.7% in 2015. This poor performance explained why the Company's Z Score ratio increased from 1.48 in 2013 to 1.64 in 2014 before decreasing to 1.51 in 2015, but it has still remained in "Grey Zones". The Company had invested more assets year by year while its business performance has still not met expectation during this period. In addition, despite net working capital was still at positive position but the gap between current assets and current liabilities at 31 Dec 2015 was only VND 80 billion and this could be a signal to alert the Company about its liquidity risk.

M – SCORE

Beneish M-Score is a mathematical model that uses financial ratios and eight variables to identify whether a company has manipulated its earnings. The variables are constructed from the data in the Company's financial statement. The presentation of M-score's result is based on the status of data availability.

The Section is regarded to be optional to show.

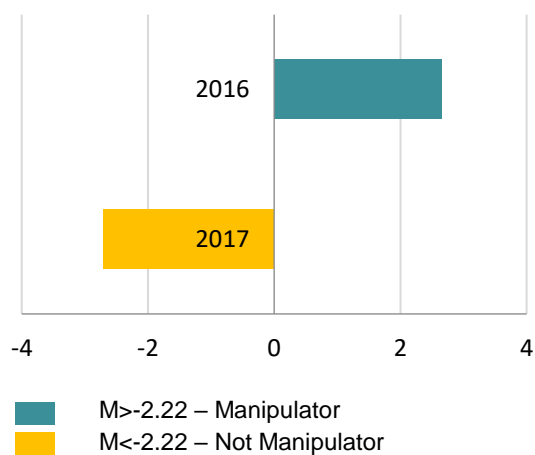
M-score Model:

$$M = -4.84 + 0.92DSRI + 0.528GMI + 0.404AQI + 0.892SGI + 0.115DEPI - 0.172SGAI + 4.679TATA - 0.327LVGI$$

Calculation:

	2017	2016
DSRI	1.009	1.108
GMI	1.035	0.874
AQI	1.371	1.424
SGI	1.072	1.054
DEPI	1.254	0.901
SGAI	1.180	0.849
LVGI	0.951	0.954
TATA	-0.101	0.004
M-score	-2.699	2.660

MScore in 02 years



Interpretation

M – score Interpretation: M-score of -2.699 in 2017 suggests that the Company is unlikely to be an earnings manipulator.

SHORT-TERM CREDIT LIMIT

Criteria	Company	Average Industry
Debts to Equity	0.99	1.74
Debts to Tangible Net Worth	0.99	2.14
Total Liability to Equity	2.35	6.37
Total Liability to Tangible Net Worth	2.36	7.46
Acceptable additional credit limit	Loans (VND million)	616,154.67
	Liability (VND million)	2,754,466.21

(*) Note: The credit limit is calculated by FiinGroup from database sources believed by it to be accurate and reliable. The result is not a substitute for the exercise of independent judgment and expertise. You should always seek the assistance of a professional for advice on investments, tax, the law, or other professional matters.

LITIGATION & NEGATIVE NEWS

Description	
Litigation	There are no records of litigations relating to AA Corporation.
Negative news	There are no records of litigations relating to AA Corporation.

FILING STATUS

- According to the Tax Department of Ha Noi, as at 15/11/2018, the Company has overdue tax debt of 20,000,000 VND.
- According to the Social Insurance Department of Ha Noi, as at 01/11/2018, the Company has overdue social insurance debt of 15,000,000 VND.

These data are collected from public disclosure of Tax Department, Social Insurance Department of Ha Noi.

FINANCIAL STATEMENTS

In VND million

Balance Sheet

FY Unit	As at		
	31/12/2017 VND Million	31/12/2016 VND Million	31/12/2015 VND Million
Audit status	Unaudited	Unaudited	Audited
Type	Unconsolidated	Unconsolidated	Unconsolidated
Legal Regulation	200/2014/TT/BTC/LT	200/2014/TT/BTC/LT	200/2014/TT/BTC/LT
Source	Tax Filing	Tax Filing	Tax Filing
A. CURRENT ASSETS	1,499,759	1,494,608	1,141,347
I. Cash and cash equivalents	68,387	21,851	45,412
Cash	68,387	21,851	-
II. Short-term financial investments	2,700	-	-
Held-to-maturity investments	2,700	-	-
III. Accounts receivable – short-term	1,096,627	1,149,509	763,875
Trade receivables	1,037,271	1,075,947	-
Prepayments to suppliers	37,019	49,770	-
Loans receivable	10,777	8,753	-
Other receivables	26,141	25,825	-
Allowance for doubtful debts	(14,581)	(10,787)	-
IV. Inventories	324,582	315,333	324,302
Inventories	324,582	315,333	-
V. Other current assets	7,463	7,915	7,758
Short-term prepaid expenses	7,437	6,345	-
Deductible value added tax	-	1,294	-
Taxes and others receivable from State Treasury	26	276	-
B. NON-CURRENT ASSETS	315,381	271,165	148,055
I. Accounts receivable – long-term	7,783	11,186	-
Loans receivable – long-term	1,603	1,603	-
Other long-term receivables	6,180	9,582	-
II. Fixed assets	197,409	159,042	-
Tangible fixed assets	137,036	123,399	70,672
- Cost	284,006	251,292	-
- Accumulated depreciation	(146,969)	(127,893)	-
Finance leases	57,946	32,605	-
- Cost	65,079	36,264	-
- Accumulated depreciation	(7,133)	(3,659)	-

Intangible fixed assets	2,428	3,039	6,598
- Cost	9,910	9,910	-
- Accumulated depreciation	(7,482)	(6,871)	-
III. Investment properties	16,265	13,936	31,036
- Cost	17,293	14,575	-
- Accumulated depreciation	(1,028)	(639)	-
IV. Long term assets in progress	21,117	17,779	-
Long-term work in progress	21,117	17,779	-
V. Long-term investments	34,932	27,422	4,869
Investments in subsidiary	34,547	27,037	-
Investment in other entities	2,400	2,400	-
Provision for diminution in value of long-term investments	(2,015)	(2,015)	-
VI. Other long-term assets	37,874	41,800	15,561
Long-term prepaid expenses	34,328	39,643	-
Deferred tax assets	3,546	2,157	-
TOTAL ASSETS	1,815,140	1,765,773	1,289,402
C. LIABILITIES	1,273,001	1,369,229	1,063,108
I. Current liabilities	1,225,746	1,326,577	1,048,055
Short-term trade payables	137,130	229,386	464,595
Short-term advances from customers	392,074	288,518	-
Statutory obligations	94,609	35,868	141,820
Payables to employees	75,425	54,168	350,274
Short-term accrued expenses	9,194	74,768	-
Other ST payables	22,721	4,302	46,097
Short-term loan and finance lease obligations	492,014	637,261	45,269
Short-term provision	2,579	2,306	-
II. Non-current liabilities	47,255	42,652	15,053
Long-term trade payables	178	178	-
Other long-term liabilities	-	-	5,919
Long-term loans and finance lease obligations	44,807	40,204	628
Other long-term provisions	2,271	2,271	8,506
D. OWNERS' EQUITY	542,139	396,544	226,294
I. Equity	542,139	396,544	226,294

Contributed capital	250,000	190,000	120,000
- Ordinary shares	250,000	190,000	-
Share premium	17,762	17,762	-
Other owners' capital	-	-	17,762
Retained earnings	274,378	188,782	88,532
- Retained earnings accumulated to prior year-end	68,782	66,776	-
- Retained earnings of this period	205,595	122,006	-
<i>II. Non-business expenditure fund and other funds</i>	-	-	-
TOTAL RESOURCES	1,815,140	1,765,773	1,289,402

Income Statement

FY Unit	For the year ended		
	31/12/2017 VND Million	31/12/2016 VND Million	31/12/2015 VND Million
Audit status	Unaudited	Unaudited	Audited
Type	Unconsolidated	Unconsolidated	Unconsolidated
Legal Regulation	200/2014/TT/BTC/LT	200/2014/TT/BTC/LT	200/2014/TT/BTC/LT
Source	Tax Filing	Tax Filing	Tax Filing
Revenue from sales of goods and provision of services	1,495,469	1,543,547	1,216,468
Revenue deductions	280	115	680
Net revenue	1,495,189	1,543,433	1,215,788
Cost of sales	901,237	1,114,807	849,373
Gross profit/(loss)	593,952	428,625	366,415
Financial income	4,925	6,174	14,675
Financial expenses	44,036	40,304	45,132
- In which:	37,796	3,498	40,907
Interest expense			
Share of profit/(loss) in associates and jointly controlled entities	-	-	-
Selling expenses	42,099	35,799	20,488
General and administration expenses	245,374	226,697	146,136
Net operating profit/(loss)	267,368	131,999	169,334
Other income	4,277	29,986	2,669
Other expenses	5,029	3,775	4,359
Results of other activities	(752)	26,211	-
Accounting profit/(loss) before tax	266,616	158,210	167,644
Income tax expense – current	62,410	35,561	36,428
Income tax expense/(benefit) – deferred	(1,389)	643	426
Net profit/(loss) after tax	205,595	122,006	130,790
Attributable to equity holders of the Company	-	-	-
Attributable to non-controlling interest	-	-	-
Basic earnings per share	-	-	-

Diluted earnings per
share

-

-

-

Cash Flow Statement

FY	For the year ended		
	31/12/2017	31/12/2016	31/12/2015
Unit	VND Million	VND Million	VND Million
Audit status	Audited	Audited	Audited
Type	Unconsolidated	Unconsolidated	Unconsolidated
Legal Regulation	200/2014/TT-BTC/LT	200/2014/TT-BTC/LT	200/2014/TT-BTC/LT
Source	Tax filing	Tax filing	Tax filing
Method	Indirect	Indirect	Indirect
CASH FLOWS FROM OPERATING ACTIVITIES			
Net profit before tax	134,043	167,644	63,914
Adjustment for			
<i>Depreciation and amortization</i>	15,123	11,647	10,968
<i>Provisions</i>	(1,265)	(822)	-
<i>Foreign exchange (gains)/losses arising from revaluation of monetary accounts (Profits)/losses from investing activities</i>	9,856	7,569	5,784
<i>Interest expenses</i>	29,864	25,652	39,153
<i>Goodwill amortization</i>	-	-	-
<i>Other adjustments</i>	-	-	-
Operating income before changes in working capital	53,578	44,046	55,905
<i>(Increase)/Decrease in receivables</i>	312,564	198,646	208,512
<i>(Increase)/Decrease in inventories</i>	(189,646)	(134,653)	(125,693)
<i>Increase/(Decrease) in payables (not included interest expenses and income tax payables)</i>	102,865	60,256	11,656
<i>(Increase)/Decrease in prepaid expenses</i>	12,562	24,656	25,565
<i>(Increase)/Decrease in securities held for trading</i>	-	-	-
Interest paid	(12,956)	(16,566)	(14,965)
Corporate income tax paid	(25,646)	(35,012)	(16,789)
Other cash inflows from operating activities	-	-	-
Other cash outflows from operating activities	(13,456)	(15,387)	(15,235)
Net cash flow from (used in) operating activities	239,865	125,986	128,956
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase and construction of fixed assets and other long-term assets	(170,679)	(126,530)	(85,369)
Proceeds from disposals of fixed assets and other long-term assets	3,479	8,976	2,379
Loans to other entities and payments for purchase of debt instruments of other entities	-	-	-
Collections from borrowers and proceeds from sale of debt instruments of other entities	-	-	-
Payments for investments in other entities	(15,965)	(4,869)	-
Proceeds from sale of investments in other entities	6,224	-	-
Interest and dividend received	1,806	56,204	(6,872)
Net cash flow from (used in) investing activities	(175,135)	(66,219)	(89,862)
CASH FLOWS FROM FINANCING ACTIVITIES			
Capital contribution and issuance of shares	70,000	-	20,000
Capital redemption	-	-	-
Drawdown of borrowings	156,456	12,512	9,568
Repayment of borrowings	(289,272)	(72,500)	(67,194)
Payment of principal of finance lease liabilities	-	-	-
Dividend paid to owner	-	-	-

Net cash flow from (used in) financing activities	62,816	59,988	37,626
Net increase/(decrease) in cash and cash equivalents	1,914	-221	1,468
Cash and cash equivalents at the beginning of the period	45,412	45,424	43,452
Effects of exchange rate fluctuation	1,888	209	504
Cash and cash equivalents at the end of the period	49,214	45,412	45,424

While preparing the report, we noted that there might be some errors/lack of information in the Company's financial statements; however, we confirm that this is the correct data submitted to Tax Authority/Financial Institution.

In USD thousand

Balance Sheet

FY	As at		
	31/12/2017	31/12/2016	31/12/2015
Unit	USD Thousand	USD Thousand	USD Thousand
Audit status	Unaudited	Unaudited	Audited
Type	Unconsolidated	Unconsolidated	Unconsolidated
Legal Regulation	200/2014/TT/BTC/LT	200/2014/TT/BTC/LT	200/2014/TT/BTC/LT
Source	Tax Filing	Tax Filing	Tax Filing
<i>End-of-Year Exchange rate (VND/USD) (*)</i>	22,735	22,790	21,405
A. CURRENT ASSETS	65,967	65,582	53,322
I. Cash and cash equivalents	3,008	959	2,122
Cash	3,008	959	-
II. Short-term financial investments	119	-	-
Held-to-maturity investments	119	-	-
III. Accounts receivable – short-term	48,235	50,439	35,687
Trade receivables	45,624	47,211	-
Prepayments to suppliers	1,628	2,184	-
Loans receivable	474	384	-
Other receivables	1,150	1,133	-
Allowance for doubtful debts	(641)	(473)	-
IV. Inventories	14,277	13,836	15,151
Inventories	14,277	13,836	-
V. Other current assets	328	347	362
Short-term prepaid expenses	327	278	-
Deductible value added tax	-	57	-
Taxes and others receivable from State Treasury	1	12	-
B. NON-CURRENT ASSETS	13,872	11,898	6,917
I. Accounts receivable – long-term	342	491	-
Loans receivable – long-term	71	70	-
Other long-term receivables	272	420	-
II. Fixed assets	8,683	6,979	-
Tangible fixed assets	6,028	5,415	3,302
- Cost	12,492	11,026	-
- Accumulated depreciation	(6,464)	(5,612)	-
Finance leases	2,549	1,431	-
- Cost	2,862	1,591	-

- Accumulated depreciation	(314)	(161)	-
Intangible fixed assets	107	133	308
- Cost	436	435	-
- Accumulated depreciation	(329)	(301)	-
III. Investment properties	715	611	1,450
- Cost	761	640	-
- Accumulated depreciation	(45)	(28)	-
IV. Long term assets in progress	929	780	-
Long-term work in progress	929	780	-
V. Long-term investments	1,536	1,203	227
Investments in subsidiary	1,520	1,186	-
Investment in other entities	106	105	-
Provision for diminution in value of long-term investments	(89)	(88)	-
VI. Other long-term assets	1,666	1,834	727
Long-term prepaid expenses	1,510	1,739	-
Deferred tax assets	156	95	-
TOTAL ASSETS	79,839	77,480	60,238
C. LIABILITIES	55,993	60,080	49,666
I. Current liabilities	53,914	58,209	48,963
Short-term trade payables	6,032	10,065	21,705
Short-term advances from customers	17,245	12,660	-
Statutory obligations	4,161	1,574	6,626
Payables to employees	3,318	2,377	16,364
Short-term accrued expenses	404	3,281	-
Other ST payables	999	189	2,154
Short-term loan and finance lease obligations	21,641	27,962	2,115
Short-term provision	113	101	-
II. Non-current liabilities	2,079	1,872	703
Long-term trade payables	8	8	-
Other long-term liabilities	-	-	277
Long-term loans and finance lease obligations	1,971	1,764	29
Other long-term provisions	100	100	397

D. OWNERS' EQUITY	23,846	17,400	10,572
<i>I. Equity</i>	23,846	17,400	10,572
Contributed capital	10,996	8,337	5,606
- Ordinary shares	10,996	8,337	-
Share premium	781	779	-
Other owners' capital	-	-	830
Retained earnings	12,069	8,284	4,136
- Retained earnings accumulated to prior year-end	3,025	2,930	-
- Retained earnings of this period	9,043	5,354	-
<i>II. Non-business expenditure fund and other funds</i>	-	-	-
TOTAL RESOURCES	79,839	77,480	60,238

Income Statement

FY Unit	For the year ended		
	31/12/2017 USD Thousand	31/12/2016 USD Thousand	31/12/2015 USD Thousand
Audit status	Unaudited	Unaudited	Audited
Type	Unconsolidated	Unconsolidated	Unconsolidated
Legal Regulation	200/2014/TT/BTC/LT	200/2014/TT/BTC/LT	200/2014/TT/BTC/LT
Source	Tax Filing	Tax Filing	Tax Filing
End-of-Year	22,751	22,401	21,223
Exchange rate (VND/USD) (*)			
Revenue from sales of goods and provision of services	65,732	68,905	57,318
Revenue deductions	12	5	32
Net revenue	65,720	68,900	57,286
Cost of sales	39,613	49,766	40,021
Gross profit/(loss)	26,107	19,134	17,265
Financial income	216	276	691
Financial expenses	1,936	1,799	2,127
- In which:	1,661	156	1,927
Interest expense			
Share of profit/(loss) in associates and jointly controlled entities	-	-	-
Selling expenses	1,850	1,598	965
General and administration expenses	10,785	10,120	6,886
Net operating profit/(loss)	11,752	5,893	7,979
Other income	188	1,339	126
Other expenses	221	169	205
Results of other activities	(33)	1,170	-
Accounting profit/(loss) before tax	11,719	7,063	7,899
Income tax expense – current	2,743	1,587	1,716
Income tax expense/(benefit) – deferred	(61)	29	20
Net profit/(loss) after tax	9,037	5,446	6,163
Attributable to equity holders of the Company	-	-	-
Attributable to non-controlling interest	-	-	-

Basic earnings per share	-	-	-
Diluted earnings per share	-	-	-

Cash Flow Statement

Indirect method FY	For the year ended		
	31/12/2017	31/12/2016	31/12/2015
Unit	USD Thousand	USD Thousand	USD Thousand
Audit status	Audited	Audited	Audited
Type	Unconsolidated	Unconsolidated	Unconsolidated
Legal Regulation	200/2014/TT-BTC/LT	200/2014/TT-BTC/LT	200/2014/TT-BTC/LT
Source	Tax filing	Tax filing	Tax filing
Method	Indirect	Indirect	Indirect
End-of-Year Exchange rate (VND/USD) (*)	22,751	22,401	21,223
CASH FLOWS FROM OPERATING ACTIVITIES			
Net profit before tax	6,106	7,899	3,036
Adjustment for	-	-	-
<i>Depreciation and amortization</i>	689	549	521
<i>Provisions</i>	(58)	(39)	-
<i>Foreign exchange (gains)/losses arising from revaluation of monetary accounts (Profits)/losses from investing activities</i>	449	357	275
<i>Interest expenses</i>	1,360	1,209	1,860
<i>Goodwill amortization</i>	-	-	-
<i>Other adjustments</i>	-	-	-
Operating income before changes in working capital	2,441	2,075	2,655
<i>(Increase)/Decrease in receivables</i>	14,238	9,360	9,904
<i>(Increase)/Decrease in inventories</i>	(8,639)	(6,345)	(5,970)
<i>Increase/(Decrease) in payables (not included interest expenses and income tax payables)</i>	4,686	2,839	554
<i>(Increase)/Decrease in prepaid expenses</i>	572	1,162	1,214
<i>(Increase)/Decrease in securities held for trading</i>	-	-	-
Interest paid	(590)	(781)	(711)
Corporate income tax paid	(1,168)	(1,650)	(797)
Other cash inflows from operating activities	-	-	-
Other cash outflows from operating activities	(613)	(725)	(724)
Net cash flow from (used in) operating activities	10,926	5,936	6,125
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase and construction of fixed assets and other long-term assets	(7,775)	(5,962)	(4,055)
Proceeds from disposals of fixed assets and other long-term assets	158	423	113
Loans to other entities and payments for purchase of debt instruments of other entities	-	-	-
Collections from borrowers and proceeds from sale of debt instruments of other entities	-	-	-
Payments for investments in other entities	(727)	(229)	-
Proceeds from sale of investments in other entities	284	-	-
Interest and dividend received	82	2,648	(326)
Net cash flow from (used in) investing activities	(7,978)	(3,120)	(4,268)
CASH FLOWS FROM FINANCING ACTIVITIES			

Capital contribution and issuance of shares	3,189	-	950
Capital redemption	-	-	-
Drawdown of borrowings	7,127	590	454
Repayment of borrowings	(13,177)	(3,416)	(3,192)
Payment of principal of finance lease liabilities	-	-	-
Dividend paid to owner	-	-	-
Net cash flow from (used in) financing activities	2,861	2,827	1,787
Net increase/(decrease) in cash and cash equivalents	87	(10)	70
Cash and cash equivalents at the beginning of the period	2,069	2,140	2,064
Effects of exchange rate fluctuation	86	10	24
Cash and cash equivalents at the end of the period	2,242	2,140	2,157

(*) The conversion of the financial statements into USD is for your general reference only as it is not exactly complied with the accounting standards in the conversion of financial statements from a local currency into a foreign currency. As for Balance Sheet items, we used the exchange rate at the end of the reported year. For Income Statements and Cash Flow Statement, we used the average rate for the period.

FINANCIAL RATIOS

Financial Health Ratios

Name	2017	2016	2015
Cash Ratio	0.05	0.04	0.05
Quick Ratio	0.83	0.78	0.73
Current Ratio	1.08	1.09	1.05
Lt Debt/Equity	0.00	0.00	0.00
Lt Debt/Total Assets	0.00	0.00	0.00
Debt/Equity	0.21	0.20	0.11
Debt/Total Assets	0.39	0.36	0.42
ST Liabilities/ Equity	3.98	4.63	6.22
ST Liabilities/ Total Assets	0.77	0.81	0.85
Total Liabilities/ Equity	4.15	4.70	6.30
Total Liabilities/ Total Assets	0.81	0.82	0.86

Management Efficiency Ratios

Name	2017	2016	2015
ROE (%)	37.83	57.80	30.03
ROCE (%)	53.79	86.41	72.10
ROA (%)	7.35	10.14	4.11
Account Receivable Turnover Ratio	1.64	1.72	1.76
Average Collection Period	-	-	-
Inventory Turnover Ratio	3.17	2.70	2.76
Inventory Turn-Days	115.24	135.27	132.25
Payment Period Turnover	6.34	5.30	4.71
Average Payment Period	57.56	68.93	77.55
EBIT (VND Million)	167,730	208,551	121,681
EBITDA (VND Million)	-	-	-

Profitability Ratios

Name	2017	2016	2015
Gross Profit Margin (%)	29.15	30.14	26.96
EBITDA/ Revenue (%)	-	-	-
EBIT/ Revenue (%)	12.86	17.15	10.55
Operating Profit Margin (%)	10.05	13.93	6.01
Pre-Tax Profit Margin (%)	10.28	13.79	5.54
Net Profit Margin (%)	7.73	10.76	4.07
Asset Turnover	0.98	1.00	1.18
Equity Turnover	5.29	6.36	13.62

Growth Ratios (yoy)

Name	2017	2016	2015
Sale Growth Rate (%)	7.26	5.41	-
Gross Profit Growth Rate (%)	3.74	17.83	-
EBITDA Growth Rate (%)	-	-	-
EBIT Growth Rate (%)	-19.57	71.39	-
Pre-tax Profit Growth Rate (%)	-20.04	162.30	-
Net Profit Growth Rate (%)	-22.93	178.91	-
Total Assets Growth Rate (%)	6.37	13.07	-
Equity Growth Rate (%)	17.75	44.90	-

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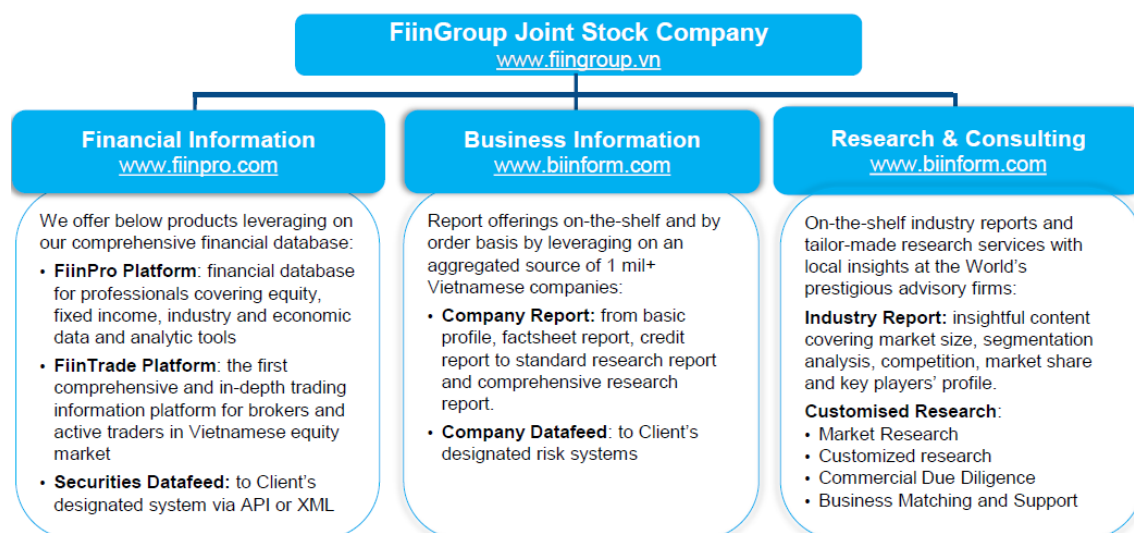
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ABOUT FIINGROUP

FiinGroup JSC (previously StoxPlus JSC) is a Vietnam's leader in financial and business information services



- **Date of incorporation:** March 11, 2008; **Legal representative:** Mr. Nguyen Quang Thuan
- **Number of staff:** 100 (as of December 2018) including Data Analysts, Market Analysts, IT Engineers and Product Developers.
- **Charter capital:** VND24 billion (US\$1.1 million); Shareholders: NIKKEI: 17.55%; QUICK: 17.55%; Management and other: 64.9%; Two offices: Hanoi Head Office and HCMC Branch
- **Corporate evolution:** StoxPlus JSC was renamed FiinGroup JSC on February 18, 2019



- End of report -