

Vietnam Performance Monitor

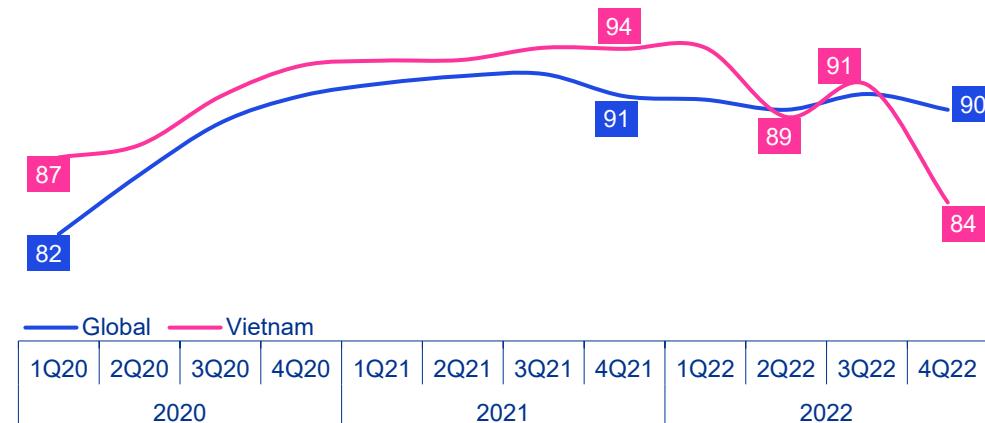
Trends, challenges and opportunities

Full-year 2022



Higher levels of uncertainty in the economy

Quarterly FPI for the 2020 – 2022 period



Increasing uncertainty

KPMG's Financial Performance Index ("FPI") indicates increased **corporate distress levels** in Vietnam since early 2022, with the score dropping from 94 in 4Q21 to 84 in 4Q22.

10 points drop

Key drivers of uncertainty included slower than expected initial **recovery of tourism** after reopening post-COVID-19, **reduced exports** due to economic uncertainty overseas and turbulence in Vietnam's **real estate** and **corporate bond market** around 4Q22.

Note:

KPMG FPI scores range from 0 to 100. Lower scores indicate higher distress

Source:

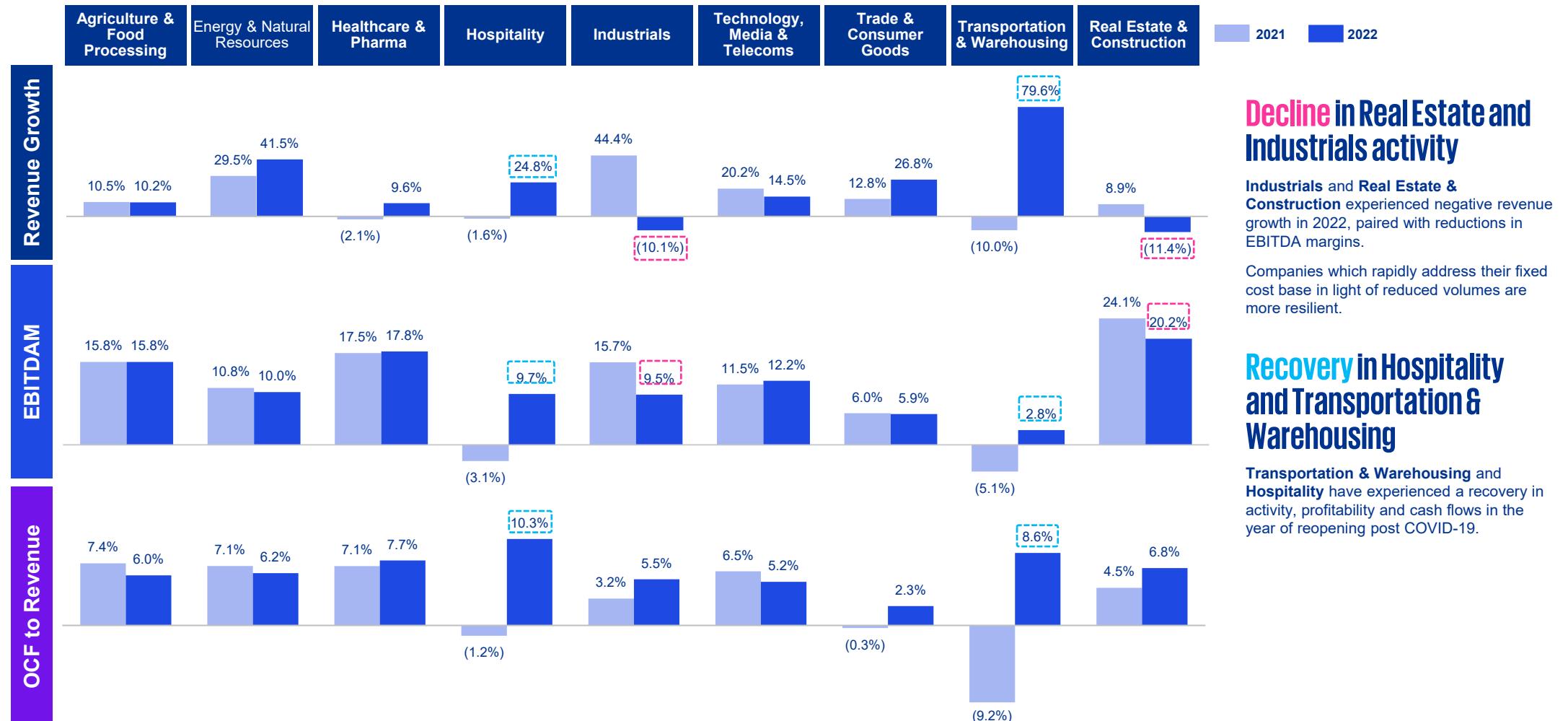
KPMG Financial Performance Index (KPMG FPI)



© 2023 KPMG Limited, KPMG Tax and Advisory Limited, KPMG Law Limited, KPMG Services Company Limited, all Vietnamese one member limited liability companies and member firms of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved.

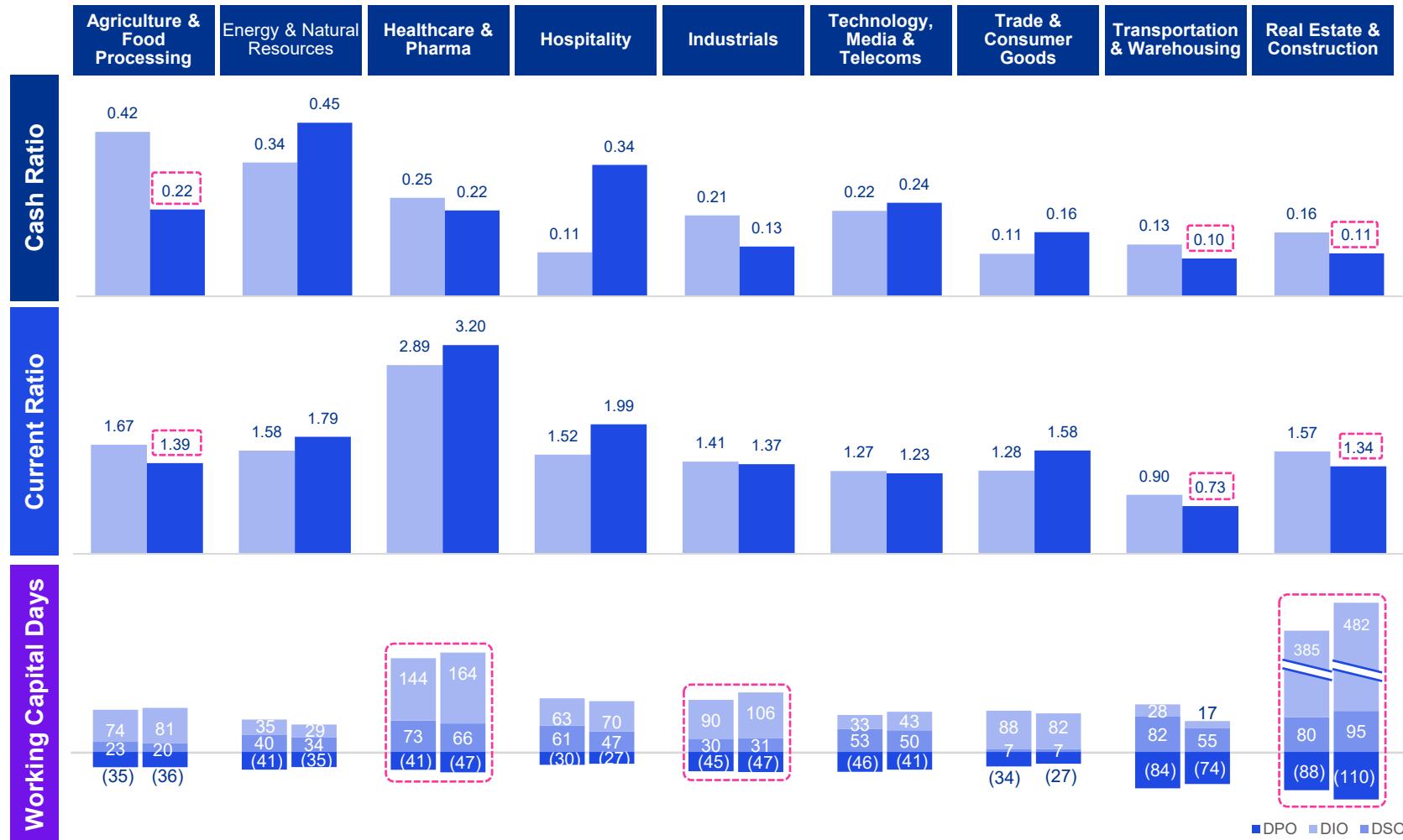


Profitability



Note: Financial performance data for companies listed on HOSE, HNX and UPCOM, sourced from CapitalIQ & Vietstock. Additional companies may report performance after publishing date, hence the Vietnam Performance Monitor cannot be compared across issues.

Liquidity



Reduced liquidity in Agriculture, Logistics and Real Estate

Agriculture & Food Processing, Transportation & Warehousing and Real Estate & Construction reported declining current and cash ratios, signaling reduced ability to cover short-term liabilities.

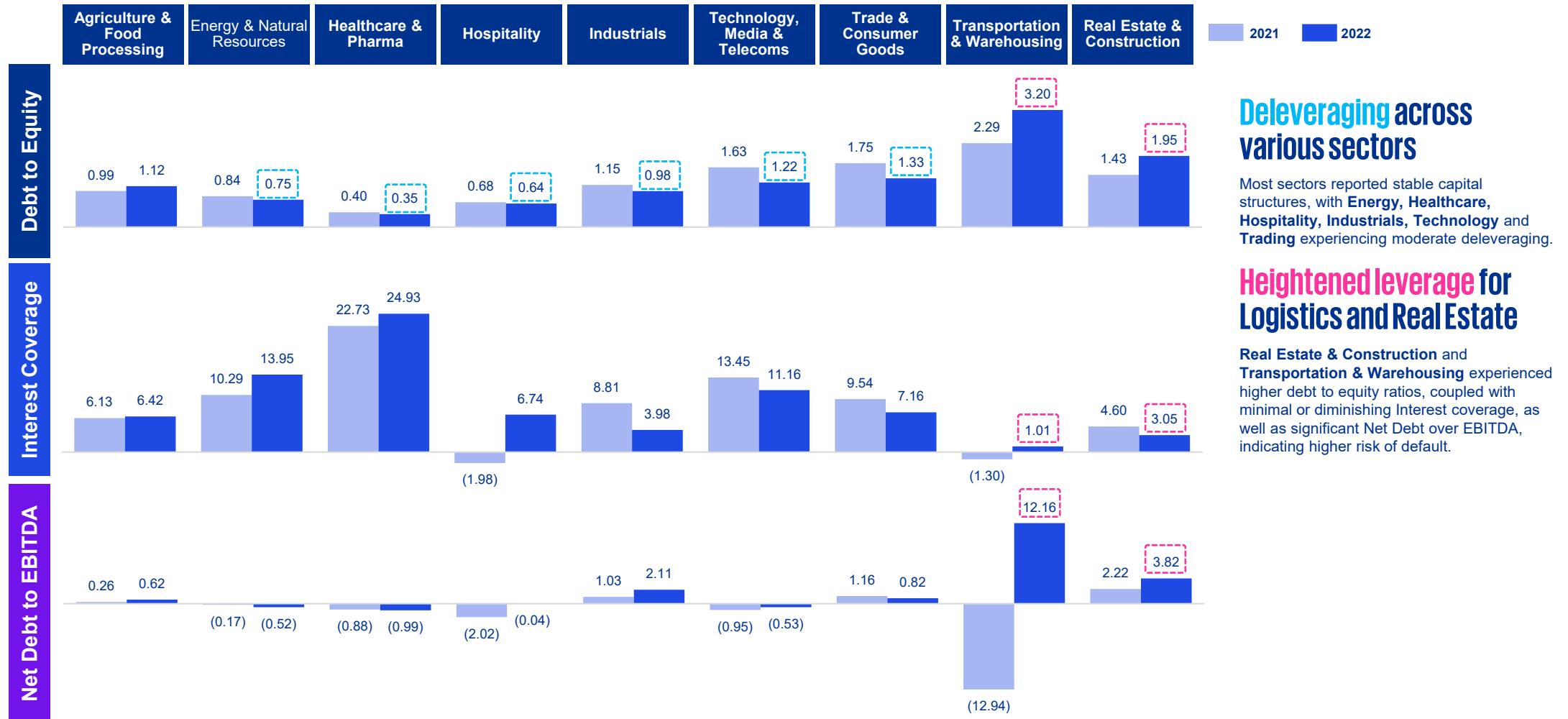
Lengthening cash conversion cycle for Real Estate, Healthcare and Industrials

Real Estate, Healthcare & Pharmaceuticals and Industrials experienced longer cash conversion cycles, driven by slower inventory turnover and accelerated supplier payment cycles.

Optimizing trade working capital can release cash to fund business operations, expansion and/or pay off debts.

Note: Financial performance data for companies listed on HOSE, HNX and UPCOM, sourced from CapitalIQ & Vietstock. Additional companies may report performance after publishing date, hence the Vietnam Performance Monitor cannot be compared across issues.

Leverage



Note: Financial performance data for companies listed on HOSE, HNX and UPCOM, sourced from CapitalIQ & Vietstock. Additional companies may report performance after publishing date, hence the Vietnam Performance Monitor cannot be compared across issues.



Contact us

**Tim Kramer**

Director,
Head of Special Situations Group

M +84 (0) 917 905 154
tkramer@kpmg.com.vn

**Tran Ngoc Mai**

Manager,
Special Situations Group

M +84 (0) 903 206 067
maintran@kpmg.com.vn

**Le Hai Ly**

Assistant Manager,
Special Situations Group

M +84 (0) 932 635 118
lyhle@kpmg.com.vn

Hanoi

46th Floor, Keangnam Landmark 72,
E6 Pham Hung, Me Tri, Nam Tu Liem,
Hanoi, Vietnam

T +84 (24) 3946 1600

Ho Chi Minh City

10th Floor, Sun Wah Tower,
115 Nguyen Hue, Ben Nghe, District 1,
Ho chi Minh City, Vietnam

T +84 (28) 3821 9266

Da Nang

Unit D3, 5th Floor, Indochina Riverside Towers,
74 Bach Dang, Hai Chau I, Hai Chau,
Da Nang, Vietnam

T +84 (236) 351 9051



Scan to visit our website: kpmg.com.vn
Email: kpmghcmc@kpmg.com.vn

Document Classification: KPMG Public

The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavour to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

© 2023 KPMG Limited, KPMG Tax and Advisory Limited, KPMG Law Limited, KPMG Services Company Limited, all Vietnamese one member limited liability companies and member firms of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved.

The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organization.