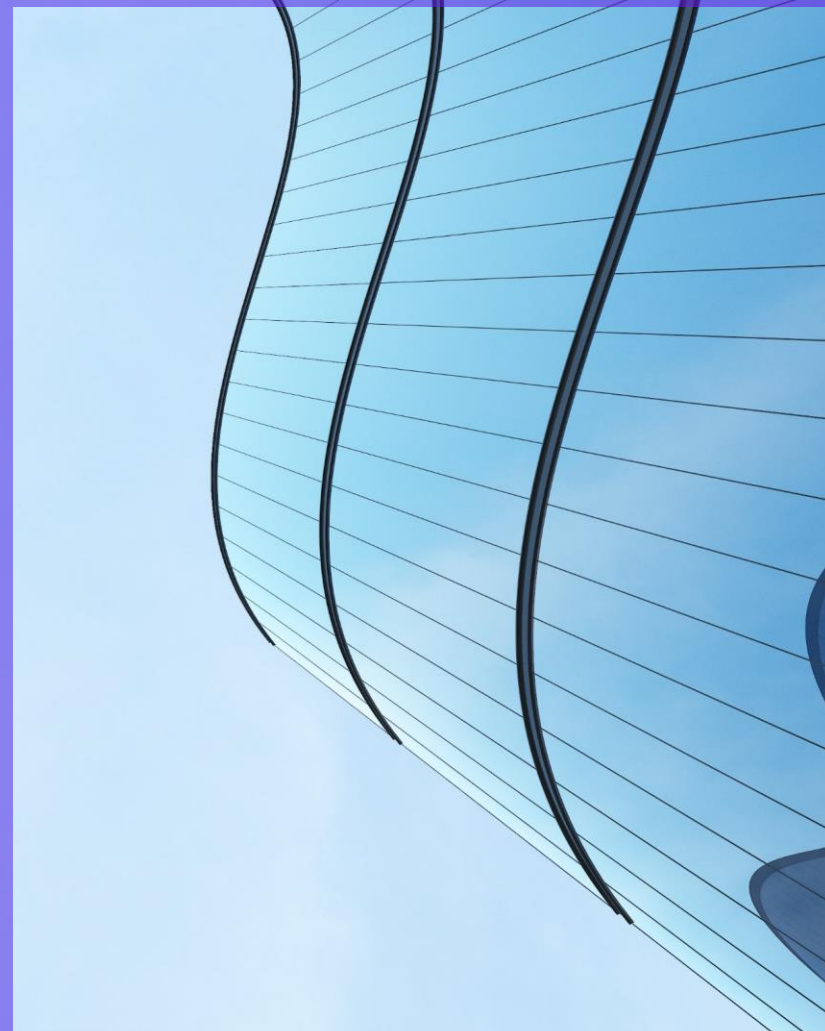




Vietnam Performance Monitor

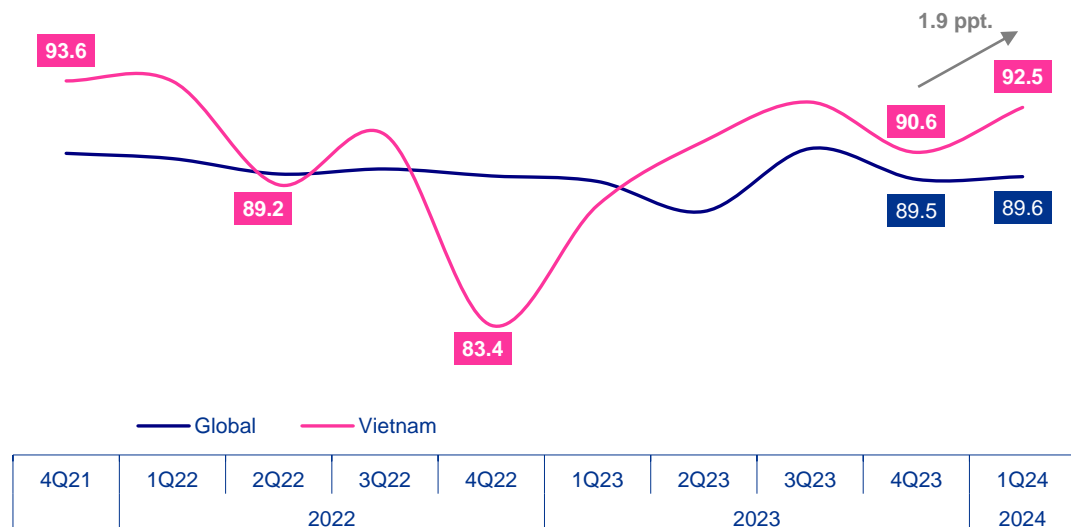
Trends, challenges and opportunities

1Q24



Gradual recovery amidst global headwinds

Quarterly FPI for the 4Q21 – 1Q24 period



Recovery signal

1.4 ppt. uplift

KPMG's Financial Performance Index ("FPI") observed signs of recovery in Vietnam's corporate financial health for Quarter 1 of 2024, with the score increasing from 90.6 in 4Q23 to 92.5 in 1Q24 (-1.9 ppt, i.e. 2.1% improvement), surpassing the 1Q24 Global score.

Note: KPMG FPI scores range from 0 to 100. Lower scores indicate higher distress
 Source: KPMG Financial Performance Index (KPMG FPI); General Statistics Office of Vietnam; Ministry of Finance

Reference: ^[1] Vietnam General Statistics Office - "Socio-economic situation report in the first quarter of 2024"
^[2] The World Bank - "Taking stock April 2024"

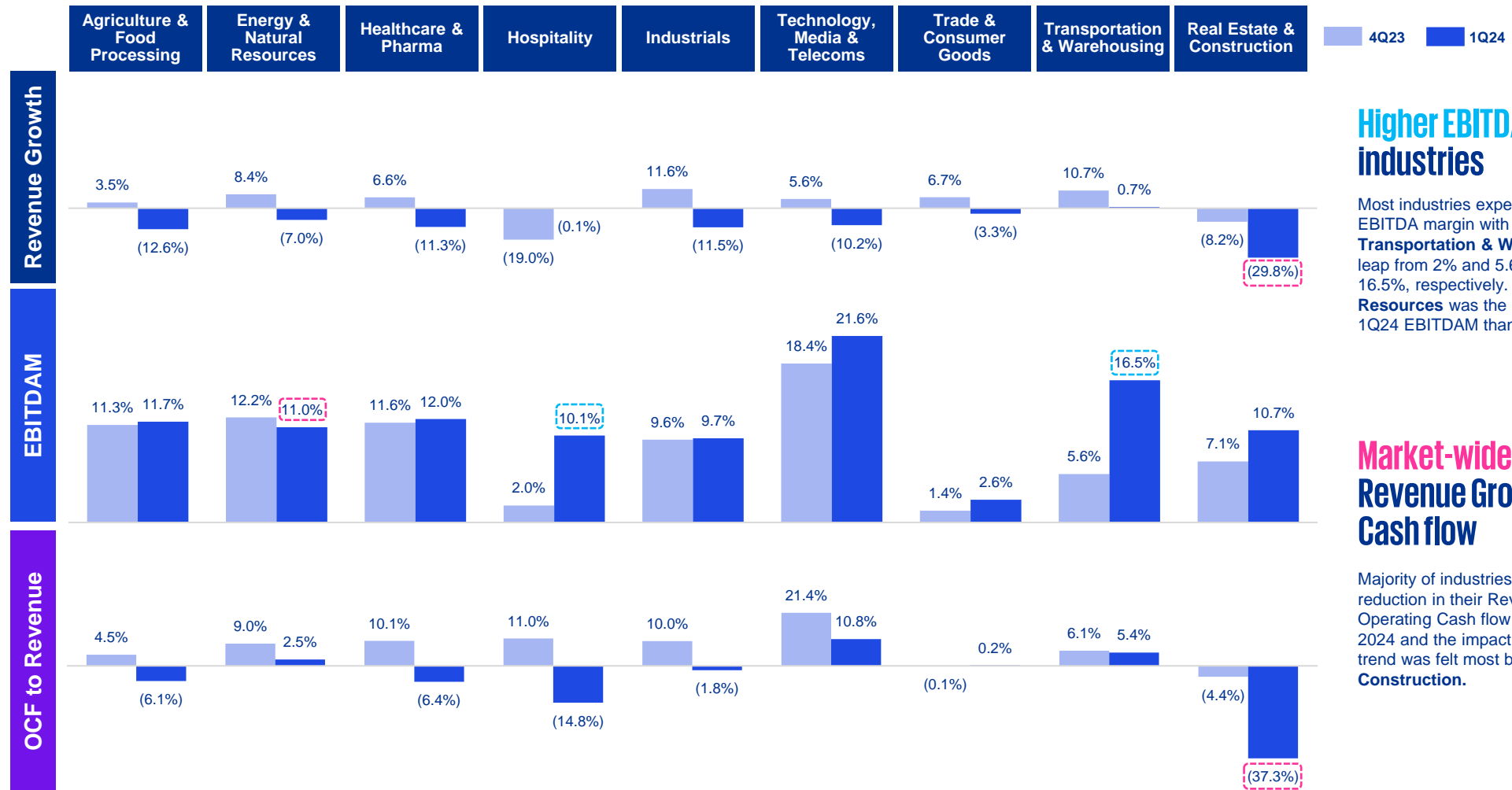


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KEY HIGHLIGHTS

- For the first quarter of 2024, Vietnam's economy continued its positive signs of recovery, building on the optimism observed in late 2023:
 - Quarterly national GDP experienced a decrease of 14% from 4Q23 but recorded a growth rate of 5.66% over the same period last year¹.
 - Merchandise exports rebounded strongly, growing 17.2% y-o-y in first quarter of 2024 compared to -11.6% y-o-y a year ago, reflecting gradual improvement in global demand².
 - The State Bank of Vietnam began to adopt more supportive monetary policies as inflation eased.
 - Production output of the manufacturing industry in 1Q24 is down by 17.6% compared to previous quarter¹.
 - Estimated number of international tourists arriving in 1Q24 was 12.6 million, an increase of 72% y-o-y¹.
- Global geopolitical tensions continued to present challenges for Vietnam's economic growth. Persistent downturn of domestic real estate market remains throughout 1Q24, but with the ease of bond market freeze, it is forecasted to turn the corner in late 2024 and into 2025.
- Vietnam's government is expected to continue to implement suitable policies to support economic growth.

Profitability and cash flow



Higher EBITDAM across most industries

Most industries experienced a higher EBITDA margin with **Hospitality** and **Transportation & Warehousing** seeing a leap from 2% and 5.6% to 10.1% and 16.5%, respectively. **Energy & Natural Resources** was the only sector with lower 1Q24 EBITDAM than prior period.

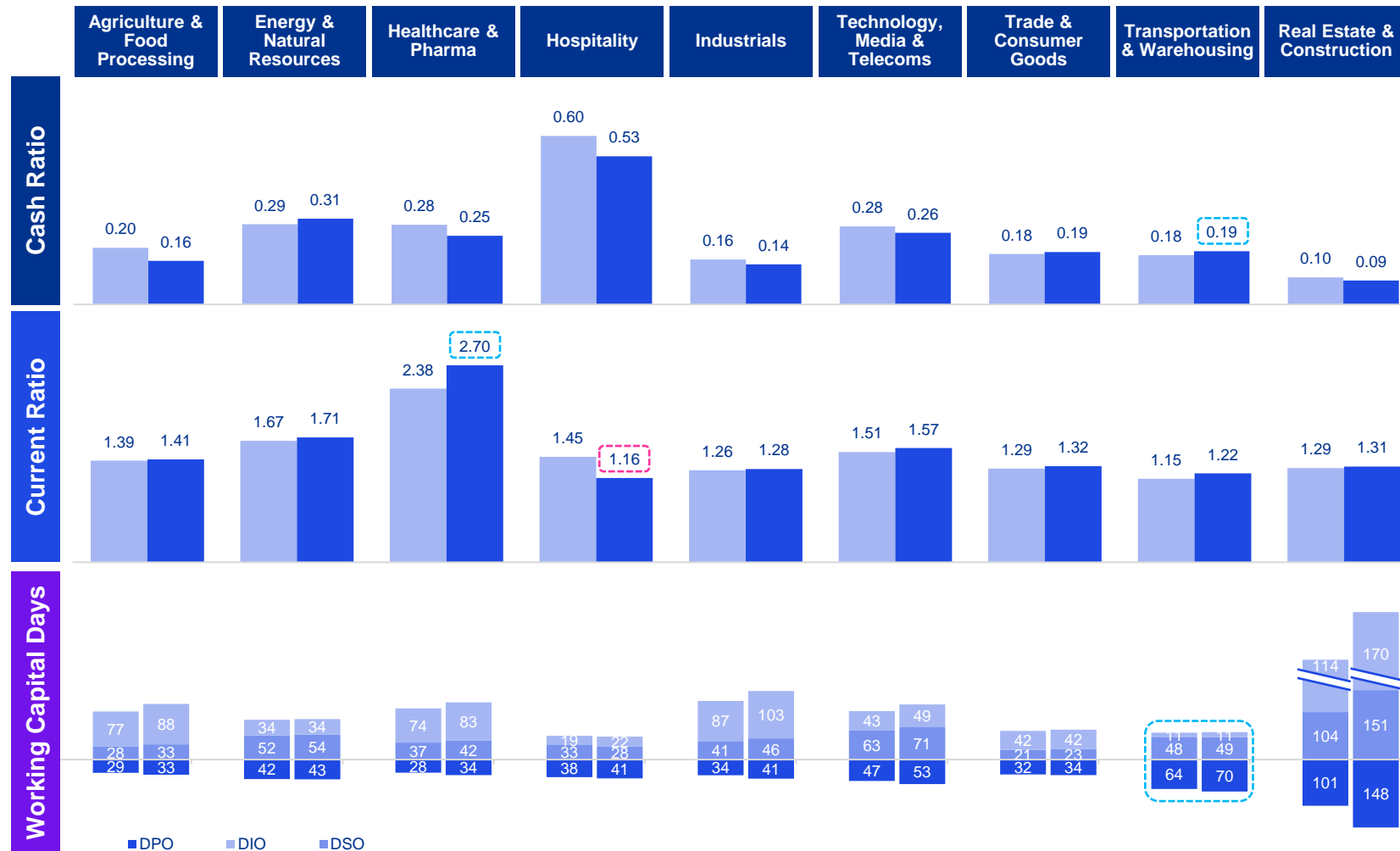
Market-wide decline in Revenue Growth and Cash flow

Majority of industries saw a considerable reduction in their Revenue Growth and Operating Cash flow in the first quarter of 2024 and the impact of this encompassing trend was felt most by **Real Estate & Construction**.

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



Lower Cash ratio and longer cash conversion cycle across industries

In the first quarter of 2024, a general trend of diminished Cash Ratio and longer Cash conversion cycle was experienced by most industries with **Transportation & Warehousing** being the only exception that performed well in both metrics.

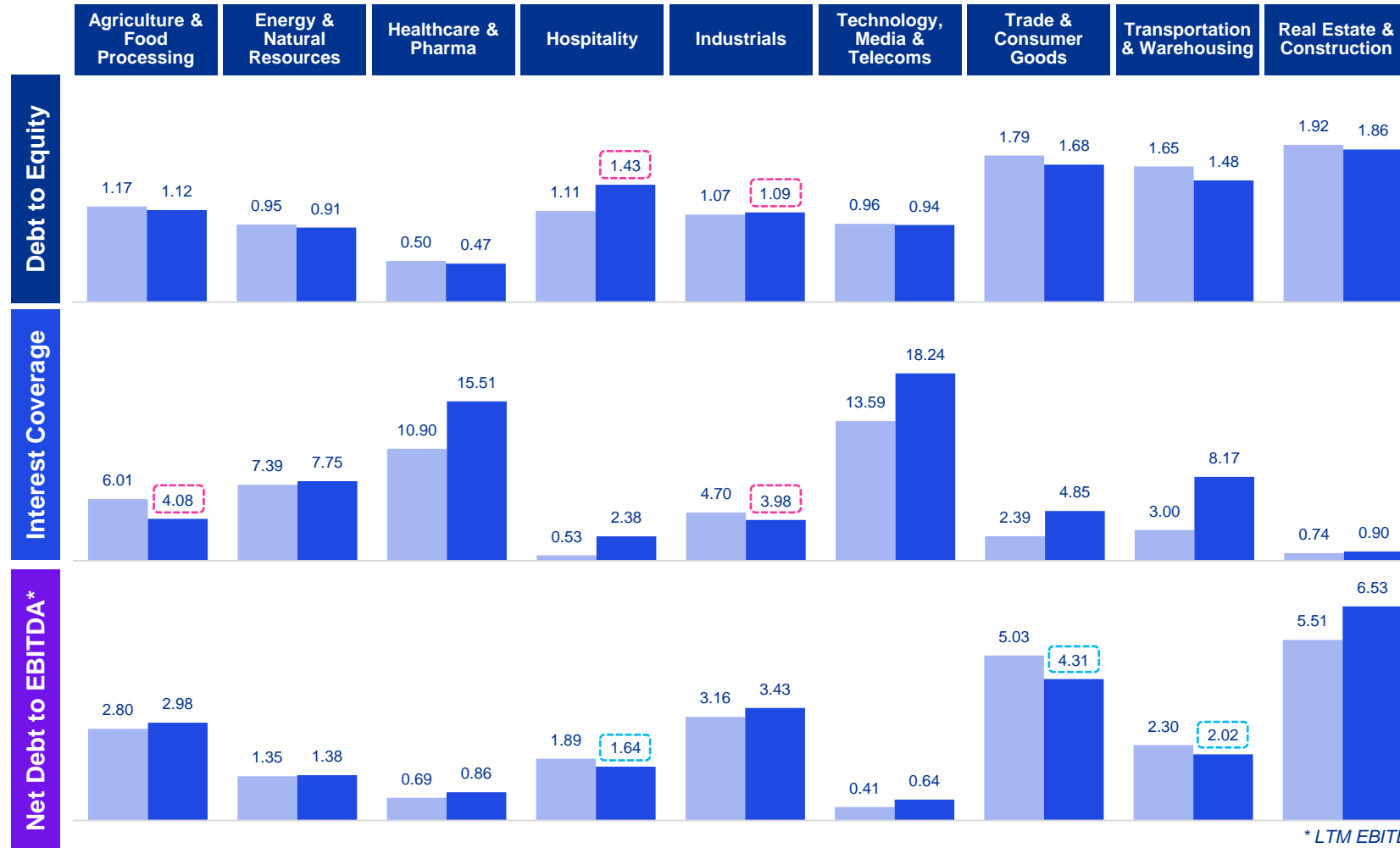
Overall increase in Current ratio

Most industries saw an uptick in their current ratio, with **Healthcare & Pharma** saw a considerable increase in 1Q24 while **Hospitality** experienced a significant decline in this regard.

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Leverage



Increased Debt to Equity and lowered Interest Coverage for Industrial and others

Most industries exhibited elevated Interest Coverage and reduced Debt to Equity ratio in 1Q24. Notably, **Agriculture & Food** processing experienced a notable decline in Interest Coverage, while **Hospitality** and **Industrials** saw moderate increase in Debt to Equity.

Improved Net Debt for Hospitality, Trade & Consumer Goods, and Transportation & Warehousing

Apart from **Hospitality**, **Trade & Consumer Goods**, and **Real Estate & Construction**, other industries experienced an increase in their Net Debt to EBITDA.

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