

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



Vietnam Manufacturing and Export Processing (Holdings) Limited

越南製造加工出口(控股)有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 422)

**ANNOUNCEMENT
UNAUDITED RESULTS
FOR THE THREE MONTHS ENDED 31 MARCH 2020**

Financial Highlights:

(expressed in US\$' million)

Three months ended 31 March

	2020	2019	Change
	(Unaudited)	(Unaudited)	Amount
• Total revenue	16.31	18.33	(2.02)
• Gross profit	0.97	0.28	0.69
• Net loss after tax	(3.05)	(3.76)	0.71

Vietnam Manufacturing and Export Processing (Holdings) Limited (the “**Company**”) hereby announces the unaudited consolidated results of the Company and its subsidiaries (the “**Group**”) for the first quarter and three months ended 31 March 2020 in line with its current practice to publish the Group’s financial results quarterly and pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

By order of the Board
**Vietnam Manufacturing and Export
Processing (Holdings) Limited**
Liu Wu Hsiung
Chairman

Hong Kong, 13 May 2020

As at the date of this announcement, the board of directors of the Company comprised four executive directors, namely Mr. Liu Wu Hsiung, Mr. Lin Chih Ming, Mr. Lin Chun Yu and Mr. Chiang Chin Yung, two non-executive directors, namely Mr. Chiu Ying Feng and Ms. Wu Li Chu and three independent non-executive directors, namely Ms. Lin Ching Ching, Mr. Shen Hwa Rong and Ms. Wu Kwei Mei.

Unaudited Consolidated Statement of Profit or Loss

For the three months ended 31 March 2020

	Three months ended 31 March	
	2020	2019
	US\$	US\$
Revenue	16,308,485	18,332,780
Cost of sales	<u>(15,341,662)</u>	<u>(18,048,332)</u>
Gross profit	<u>966,823</u>	<u>284,448</u>
Other income	68,490	212,312
Distribution costs	(1,125,237)	(986,879)
Technology transfer fees	(96,135)	(336,618)
Administrative and other expenses	<u>(1,591,765)</u>	<u>(2,003,012)</u>
Results from operating activities	<u>(1,777,824)</u>	<u>(2,829,749)</u>
Finance income	557,919	646,570
Finance costs	<u>(817,700)</u>	<u>(49,917)</u>
Net finance income	<u>(259,781)</u>	<u>596,653</u>
Impairment loss on other property, plant and equipment and right-of-use assets	(1,019,098)	(1,520,406)
Share of profit/(loss) of an associate	<u>1,369</u>	<u>(3,221)</u>
	<u>(1,017,729)</u>	<u>(1,523,626)</u>
Loss before taxation	(3,055,334)	(3,756,723)
Income tax	<u>3,372</u>	<u>-</u>
Loss for the period	<u>(3,051,962)</u>	<u>(3,756,723)</u>

Unaudited Consolidated Statement of Profit or Loss

For the three months ended 31 March 2020 (Continued)

	Three months ended 31 March	
	2020	2019
	US\$	US\$
Other comprehensive income		
for the period (after tax):		
Item that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of financial statements of overseas subsidiaries and an associate	<u>523,723</u>	<u>692,699</u>
Total comprehensive income for the period	<u>(2,528,239)</u>	<u>(3,064,024)</u>
Loss for the period attributable to:		
Equity shareholders of the Company	(3,051,961)	(3,756,723)
Non-controlling interests	<u>(1)</u>	<u>-</u>
	<u>(3,051,962)</u>	<u>(3,756,723)</u>
Total comprehensive income for the period		
attributable to:		
Equity shareholders of the Company	(2,528,238)	(3,064,024)
Non-controlling interests	<u>(1)</u>	<u>-</u>
	<u>(2,528,239)</u>	<u>(3,064,024)</u>

Note:

The Group's unaudited consolidated results for the first quarter and three months ended 31 March 2020 has been approved for issue by the board of directors of the Company on 13 May 2020. The first quarterly results has been prepared in accordance with all applicable International Financial Reporting Standards issued by the International Accounting Standards Board, and have also adopted the same accounting policies as disclosed in the last annual report for the year ended 31 December 2019.

Unaudited Consolidated Statement of Financial Position

At 31 March 2020

	At 31 March 2020 US\$	At 31 December 2019 US\$
Non-current assets		
Investment properties	7,027,536	4,214,515
Other property, plant and equipment	3,088,969	3,199,305
Interest in an associate	534,151	544,900
Deferred tax assets	<u>-</u>	<u>29,864</u>
	<u>10,650,656</u>	<u>7,988,584</u>
Current assets		
Inventories	20,405,276	23,320,944
Trade receivables, other receivables and prepayments	24,791,160	25,883,043
Time deposits maturing after three months	31,723,937	33,011,419
Cash and cash equivalents	<u>12,799,569</u>	<u>19,016,628</u>
	<u>89,719,942</u>	<u>101,232,034</u>
Current liabilities		
Trade and other payables	10,945,111	14,716,024
Bank loans	25,676,639	27,943,369
Lease liabilities	41,944	18,194
Current tax payable	35,704	40,102
Provisions	<u>918,271</u>	<u>1,012,190</u>
	<u>37,617,669</u>	<u>43,729,879</u>
Net current assets	<u>52,102,273</u>	<u>57,502,155</u>
Total assets less current liabilities	<u>62,752,929</u>	<u>65,490,739</u>
Non-current liabilities		
Lease liabilities	<u>716,065</u>	<u>925,636</u>
NET ASSETS	<u>62,036,864</u>	<u>64,565,103</u>

Unaudited Consolidated Statement of Financial Position

At 31 March 2020 (Continued)

	At 31 March 2020 US\$	At 31 December 2019 US\$
Capital and reserves		
Share capital	1,162,872	1,162,872
Reserves	<u>60,869,678</u>	<u>63,397,916</u>
Total equity attributable to equity shareholders of the Company	62,032,550	64,560,788
Non-controlling interests	<u>4,314</u>	<u>4,315</u>
TOTAL EQUITY	<u>62,036,864</u>	<u>64,565,103</u>

Unaudited Condensed Consolidated Cash Flow Statement

For the three months ended 31 March 2020

	Three months ended 31 March	
	2020	2019
	US\$	US\$
Net cash (used in) / generated from operating activities	(5,049,853)	1,676,520
Net cash generated from investing activities	826,303	1,070,856
Net cash used in financing activities	<u>(2,517,232)</u>	<u>(638,226)</u>
Net (decrease) / increase in cash and cash equivalents	(6,740,782)	2,109,150
Cash and cash equivalents at the beginning of the period	19,016,628	28,578,446
Effect of foreign exchange rate changes	<u>523,723</u>	<u>692,695</u>
Cash and cash equivalents at the end of the period	<u><u>12,799,569</u></u>	<u><u>31,380,291</u></u>