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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 2021**

Financial Highlights:

(expressed in US\$' million)

Three months ended 31 March

	2021	2020	Change
	(Unaudited)	(Unaudited)	Amount
• Total revenue	29.45	16.31	13.14
• Gross profit	2.44	0.97	1.47
• Net loss after tax	(0.82)	(3.05)	2.23

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 three months ended 31 March 2021 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 of
**Vietnam Manufacturing and Export
Processing (Holdings) Limited**
Liu Wu Hsiung
Chairman

Hong Kong, 12 May 2021

As at the date of this announcement, the board of directors of the Company comprised four executive directors, namely Mr. Liu Wu Hsiung, Mr. Cheng Hsu Chi, Mr. Lin Chun Yu and Mr. Chiang Chin Yung, two non-executive directors, namely Mr. Chen Hsu Pin and Ms. Wu Li Chu and four independent non-executive directors, namely Ms. Lin Ching Ching, Mr. Shen Hwa Rong, Ms. Wu Kwei Mei and Mr. Cheung On Kit Andrew.

Unaudited Consolidated Statement of Profit or Loss

For the three months ended 31 March 2021

	Three months ended 31 March	
	2021	2020
	US\$	US\$
Revenue	29,454,576	16,308,485
Cost of sales	<u>(27,015,942)</u>	<u>(15,341,662)</u>
Gross profit	<u>2,438,634</u>	<u>966,823</u>
Other income	66,800	68,490
Distribution costs	(1,623,530)	(1,125,237)
Technology transfer fees	(337,281)	(96,135)
Administrative and other operating expenses	<u>(1,819,724)</u>	<u>(1,591,765)</u>
Results from operating activities	<u>(1,275,101)</u>	<u>(1,777,824)</u>
Finance income	746,159	557,919
Finance costs	<u>(198,120)</u>	<u>(817,700)</u>
Net finance income	<u>548,039</u>	<u>(259,781)</u>
Impairment loss on other property, plant and equipment and right-of-use assets	(123,039)	(1,019,098)
Share of profit of an associate	<u>19,429</u>	<u>1,369</u>
	<u>(103,610)</u>	<u>(1,017,729)</u>
Loss before taxation	(830,672)	(3,055,334)
Income tax	<u>12,580</u>	<u>3,372</u>
Loss for the period	<u>(818,092)</u>	<u>(3,051,962)</u>

Unaudited Consolidated Statement of Profit or Loss

For the three months ended 31 March 2021 (Continued)

	Three months ended 31 March	
	2021	2020
	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>399,762</u>	<u>523,723</u>
Total comprehensive income for the period	<u><u>(418,330)</u></u>	<u><u>(2,528,239)</u></u>
Loss for the period attributable to:		
Equity shareholders of the Company	(818,091)	(3,051,961)
Non-controlling interests	<u>(1)</u>	<u>(1)</u>
	<u><u>(818,092)</u></u>	<u><u>(3,051,962)</u></u>
Total comprehensive income for the period		
attributable to:		
Equity shareholders of the Company	(418,329)	(2,528,238)
Non-controlling interests	<u>(1)</u>	<u>(1)</u>
	<u><u>(418,330)</u></u>	<u><u>(2,528,239)</u></u>

Note:

The Group's unaudited consolidated results for the three months ended 31 March 2021 has been approved for issue by the board of directors of the Company on 12 May 2021. 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 2020.

Unaudited Consolidated Statement of Financial Position

At 31 March 2021

	At 31 March 2021 US\$	At 31 December 2020 US\$
Non-current assets		
Investment properties	4,169,152	4,168,310
Other property, plant and equipment	3,001,916	3,035,417
Interest in an associate	600,559	580,039
Deferred tax assets	<u>31,369</u>	<u>87,913</u>
	<u>7,802,996</u>	<u>7,871,679</u>
Current assets		
Inventories	25,549,098	25,415,896
Trade receivables, other receivables and prepayments	29,401,337	24,797,444
Current tax recoverable	-	31,851
Cash and bank balances	<u>45,216,591</u>	<u>49,078,816</u>
	<u>100,167,026</u>	<u>99,324,007</u>
Current liabilities		
Trade and other payables	17,770,727	17,352,943
Bank loans	31,381,827	30,529,160
Lease liabilities	32,208	39,800
Current tax payable	-	1,764
Provisions	<u>1,032,918</u>	<u>1,100,406</u>
	<u>50,217,680</u>	<u>49,024,073</u>
Net current assets	<u>49,949,346</u>	<u>50,299,934</u>
Total assets less current liabilities	<u>57,752,342</u>	<u>58,171,613</u>
Non-current liabilities		
Lease liabilities	<u>699,002</u>	<u>699,943</u>
NET ASSETS	<u>57,053,340</u>	<u>57,471,670</u>

Unaudited Consolidated Statement of Financial Position

At 31 March 2021 (Continued)

	At 31 March 2021 US\$	At 31 December 2020 US\$
Capital and reserves		
Share capital	1,162,872	1,162,872
Reserves	<u>55,886,158</u>	<u>56,304,487</u>
Total equity attributable to equity shareholders of the Company	57,049,030	57,467,359
Non-controlling interests	<u>4,310</u>	<u>4,311</u>
TOTAL EQUITY	<u>57,053,340</u>	<u>57,471,670</u>

Unaudited Condensed Consolidated Cash Flow Statement

For the three months ended 31 March 2021

	Three months ended 31 March	
	2021	2020
	US\$	US\$
Net cash used in operating activities	(5,248,606)	(5,049,853)
Net cash (used in) / generated from investing activities	(1,281,038)	826,303
Net cash generated from / (used in) financing activities	<u>654,547</u>	<u>(2,517,232)</u>
Net decrease in cash and cash equivalents	(5,875,097)	(6,740,782)
Cash and cash equivalents at the beginning of the period	15,748,526	19,016,628
Effect of foreign exchange rate changes	<u>391,662</u>	<u>523,723</u>
Cash and cash equivalents at the end of the period	<u>10,265,091</u>	<u>12,799,569</u>