

HPX

HAI PHAT INVEST



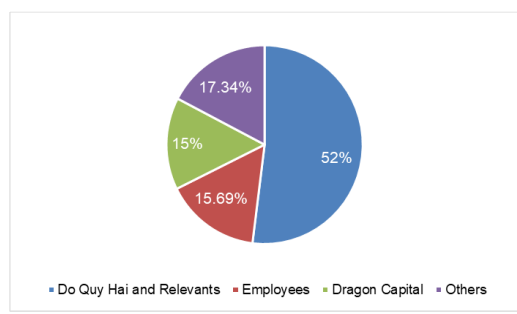
12/2018

INVESTOR NEWS

Stock informations

	UNIT	HPX
Price	'000 VND	26
Market Capitalization	Billion VND	5,199.90
Outstanding Shares	Million stocks	199.99
Foreign ownership rate/limit of foreign ownership rate	%	15.26/49
Highest/Lowest price in 52 weeks	'000 VND	26.10/ 20.17
Average trading volume since IPO	shares	464,808
Average trading value	Million USD	0.53
EPS TTM	VND	2,262
P/E TTM	Times	11.05
P/B	Times	1.97

Proportion of ownership



Investor relations activities

On October 12, 2018, HPX met with representatives of Phu Hung Securities JSC (PHS). At the meeting HPX answered questions and provided some details about the current financial situation of the company and the implementation of projects that Hai Phat is the investor. On the same day, HPX also met with representatives of Daewon Group to seek cooperation opportunities and become strategic partnership. In Q4 / 2018, HPX also had many meetings with large domestic and foreign financial institutions to discuss about cooperation opportunities such as Indovina Bank, Rong Viet Securities

CONTENT

1.	Real estate market news
2.	Hai Phat Invest business activities highlights
3.	Business results in Q4/2018
4.	Finished and on-going projects list

1. Real estate market news

Regarding sales, according to statistics of Vietnam Real Estate Brokerage Association, there are about 27,595 products successfully traded in 2018, increase of 132.8% compared to 2017. **The total product supply** in the quarter 4/2018 in Hanoi market is 15,813 products, including 14,779 apartments and about 1,034 adjacent villas and townhouses. In particular, the proportion of mid-end apartments accounted for the highest proportion with 41.3%, followed by affordable apartments of 34.6% and high-end and luxury apartments of 24%.

On the price level, the average selling price on the primary market in the fourth quarter is about 1,304 USD / m², decrease 2% compared to the same period last year. **Trading results** were also quite impressive when the transaction volume in this quarter increased by 4,669 transactions compared to the third quarter and increased by 3,429 transactions compared to the fourth quarter of 2017.

In 2019, mid-range products will continue to dominate the market due to a large supply, stable and a downward trend in price along with forecasts of economic growth and changes in income and consumption needs of people.

As one of the biggest market capitalization industries in the economy, real estate will continue to play a leading role in Vietnam's economy in the following year when all the supportive conditions for industry development will be satisfied such as young population, high economic growth rate, opportunities in 2019 and the following years are entirely within the capabilities

Company, Mirae Asset Securities Company of real estate businesses which having strong financial and ASAM, AGCG investment fund, ... potential, high quality products and ability to mobilize the capital. But the comparison will be more difficult when more and more FDI enterprises are joining to Vietnam market.

Activities news

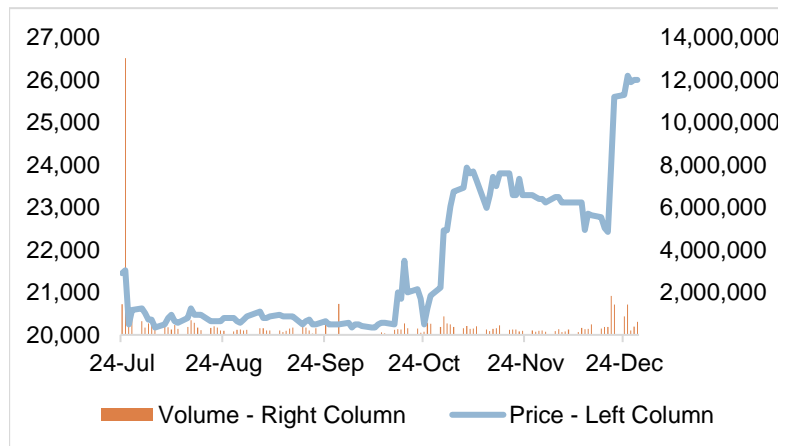
Hai Phat Investment JSC (Hai Phat Invest, HSX: HPX) celebrates an important milestone of 15 years of operation.

On December 15, 2018, Hai Phat Invest celebrated the 15th anniversary of establishment at the Vietnam National Convention Center with the participation of nearly 1,000 guests including domestic and foreign employees, partners. Accordingly, HPX offers a message of aspiration to become a leading and prestigious real estate developer in Vietnam's real estate market. At of the end of 2018, Hai Phat Invest's development path has achieved many typical imprints, such as: Charter capital increased from 8 billion VND in 2003 to 1,725 billion VND in 2018; Total assets reached 7,398 billion VND by the end of Q4/2018; Impressive growth in profit after tax from 2016 till now reached 93.57% in 2017 and approximately 40% by the end of 2018; Statistics of products brought to the market were 5,594 apartments, 1,309 adjacent villas, 503,113 m2 of construction floor area; won many awards such as Vietnam Top Brand 2016, top 10 Asia - Pacific brands in 2017, top 100 Vietnam Gold Star Awards 2018, Vietnam National Real Estate Award 2018 for The Vesta project of the best social housing, Top 3 best real estate trading floors in Vietnam, etc. The company also set goals that till 2023, HPX will become the leading company having big size and good capacity in real estate industry, captures trends and creates land fund with prime location and reasonable cost, thereby offering products with real value and impressive with the community.

On October 15, 2018, Hai Phat Investment Joint Stock Company announced to pay stock dividends at the rate of 15%, the final registration date is November 2, 2018, ex-right date is

1/11/2018; The Board of Directors approved the private issuance of corporate bonds and approved the plan of issuing private bonds in 2018 with a total expected value of VND 250 billions. On 11/15/2018, HPX announced the information of the Board of Directors approving the plan to issue shares to increase charter capital from equity in 2017 at a rate of 15.94%, equivalent to the number of shares is 27,496,497 shares.

27/12/2018, Hai Phat Investment announced information about the issuance of private corporate bonds and approved the plan of issuing private bonds in the fourth quarter of 2018 with a total expected value of VND 300 billions.



Source: Stoxplux

2. Business result 2018

Items (billion VND)	2018	2017	%/2017	2018 PLAN	%/PLAN
Sales	2,019.62	1,080.47	186.9%	3,290	61.39%
Cost of goods sold	1,525.78	797.25	191.38%	-	-
Gross profit	493.85	283.22	174.37%	-	-
Profit from business activities	579.57	412.23	86.11%	-	-
Other income	19.02	(9.34)	-	-	-
Profit before tax	598.59	402.89	148.57%	562	106.51%
Profit after tax	452.31	325.17	139.10%	450	100.51%

HPX's Financial Statement

3. Company projects

Order	Project	Size	Time	Investment Capital (Billion VND)
Completed Project				
1	Van Phu urban area, Ha Dong, Hanoi	Acreage: 5.0 ha	Quarter 1/2007 – Quarter 4/2010	650
2	Tan Tay Do urban area, Dan Phuong, Hanoi.	Acreage: 5.24 ha	Quarter 1/2010 – Quarter 4/2014	1,590
3	The Pride - complex of commercial services and apartments, An Hung new urban area, Ha Dong, Hanoi	Acreage: 2.9 ha	Quarter 2/2009 – Quarter 3/2015	3,260
4	Van Phuc 24h Commercial townhouse, Ha Dong, Hanoi.	Acreage: 7,192 m ²	Quarter 3/2016 – Quarter 4/2017	710
Processing				
5	The Vesta, Ha Dong, Hanoi	Acreage: 45,093.3 m ²	Quarter 4/2015 – Quarter 4/2018	1,757
6	Phu Luong new urban area, Ha Dong, Hanoi.	Acreage: 3,576 ha	Quarter 1/2018 – Quarter 3/2019	1,082
7	HPC Landmark 105, Ha Dong, Hanoi	Acreage: 10,788.9 m ²	Quarter 4/2016 – Quarter 3/2018	1,510
8	Roman Plaza, Nam Tu Liem, Hanoi	Acreage: 35,893 m ²	Quarter 2/2016 – Quarter 2/2019	2,705
9	Bea Sky Tower, Hoang Mai, Hanoi	Acreage: 5,000 m ²	Quarter 3/2017 – Quarter 4/2019	793.5
10	Hanoi Homeland, Long Bien, Hanoi	Acreage: 17,101 m ²	Quarter 3/2017 – Quarter 3/2019	1,418
11	Thuan An Central Lake	Acreage: 17,542.4 m ²	Quarter 1/2018 – Quarter 3/2019	458
Coming Deployment				
12	BT traffic lines project	5 traffic lines in Ha Dong District	Quarter 4/2018 – Quarter 4/2020	1,960

		and Hoai Duc District, 6.18 km.		
13	Phu Lam housing area	Acreage: 13.64 ha	2019-2022	795
14	Kien Hung tower and housing area	Acreage: 2.2 ha	2019-2021	312
15	Kiến Hưng urban functional area	Acreage: 7.4 ha	2019-2022	838
16	Bac Lam urban area	Acreage: 41.6 ha	2019-2023	1,643
17	Duong Noi housing area	Acreage: 2.6 ha	2019-2021	199
18	Ha Cau housing area	Acreage: 2.3 ha	2019-2021	679
19	BT South Ha Tay traffic line Project	Length: 41,500 km	Quarter 3/2020	3,795
20	My Hung reciprocal project – urban area project	Acreage: 182 ha	2019-2022	8,487
21	West Nam An Khanh urban area	Acreage: 87 ha	2020-2022	3,498
22	Dong Quang high-tech eco-agricultural garden houses project	Acreage: 30 ha	2019-2022	500
23	An Binh 1 new urban area	Acreage: 164 ha	2019-2022	4,891
24	An Binh 2 new urban area	Acreage: 584 ha	2019-2022	4,160
25	Nam Bim Son urban area	Acreage: 129	2020-2022	1,898
26	Renovation of old apartment buildings project at Nam Dinh City	Acreage: 6.2 ha		
27	TM1 Con Tan Lap, Nha Trang project	Acreage: 0.8 ha	2019-2022	3,945
28	Sunshine Hill Binh Thuan project	Acreage: 7.4 ha	2019-2020	955
29	Phu Hai luxury villas project	Acreage: 5 ha	2019-2020	602
30	Ham Tien tourist center, Mui Ne, Binh Thuan	Acreage: 198 ha	2019-2024	5,834
31	SEA Thuan Phuoc project	Acreage: 1.2 ha	2019-2022	2,885
32	Binh Minh Nha Trang project	Acreage: 54.2 ha	2019-2021	3,717
33	Nam Dinh tourism and industrial urban areas project	Acreage: 4.2 ha		
34	Bien Xanh, Vung Tau project	Acreage: 10.5	2020-2022	
35	Cai Khe, Can Tho project	Acreage: 2.34	2020-2023	
36	Yen Quang, Ninh Binh resort	Acreage: 350 ha	2020-2023	
37	The Phoenix project	Acreage: 4.16	2019-2021	
38	Ray river, Vung Tau project	Acreage: 7.5	2020-2022	
39	Binh Anh, Tan An City new urban area	Acreage: 19	2020-2022	
40	Tay Nam, Ba Ria ecological urban area	Acreage: 1,800	2020-2021	

Source: HPX

BALANCE SHEET

Quota	31/12/2018	31/12/2017	Increase/ Decrease (%)	CAGR (2015-2018) (%)
TOTAL ASSETS	7,398.33	6,576.02	12.5%	13.72%
Short - term assets	3,049.97	2,598.89	17.4%	4.89%
Cash & cash equivalent	460.40	558.5	-17.5%	16.66%
Short-term investment	0.00	-	-	-
Other short-term receiveable	1,349.07	1,269.91	6.2%	38.97%
Inventories	1,160.95	697.23	66.5%	-11.16%
Other short-term assets	79.55	73.60	8.1%	15.70%
Long-term assets	4,348.36	3,977.13	9.3%	22.93%
Long-term receiveable	321.00	52.06	516.6%	-5.30%
Fixed assets	270.82	727.97	-62.8%	90.09%
Long – term assets in progress	2,259.01	2,220.60	1.7%	35.98%
Long - term investment	590.73	540.00	9.4%	-5.93%
Other long-term assets	333.35	436.50	-23.6%	47.99%
TOTAL LIABILITIES & OWNER'S EQUITY	7,398.33	6,576.02	12.5%	13.72%
Liabilities	4,839.72	4,487.33	7.9%	9.54%
Short-term liabilities	2,470.12	1,744.15	41.6%	0.36%
Long-term liabilities	2,369.61	2,743.18	-13.6%	26.48%
Owner's equity	2,558.60	2,088.69	22.5%	24.56%

Source: Stoxplus, HPX consolidated financial statement

Because the projects of the company are being in the process of construction, completion and being transferred in the fourth quarter, so in asset and liability structure, three accounting items: receivables, inventories and long term uncompleted assets take the largest proportion, accounted for 18.23%, 15.69% and 30.53% respectively. Reciprocity for projects is loans (both short and long term) accounting for 65.40%.

Financial Ratios

Quota	UNIT	31/12/2018	31/12/2017	%Increase/Decrease
Solvency				
Current ratio	Times	1.23	1.49	-17.45%
Quick ratio	Times	0.73	1.05	-33.03%
Capital structure				
Debt/Total asset ratio	Times	0.65	0.68	-4.41%
Debt/Equity ratio	Times	1.89	2.15	-12.09%
Profitability				
Gross profit margin	%	24.45%	26.21%	-6.71%

Profit from business activities/ Net sales	%	28.70%	38.15%	-24.77%
Gross profit	%	22.40%	30.10%	-25.58%
ROE	%	19.47%	15.57%	25.05%
ROA	%	6.47%	4.94%	30.97%

Source: Stoxxplus, HPX Consolidated Financial Statement

HPX recorded net revenue in 2018 at 2,019.62 billion VND, of which revenue from real estate business was 1,401.15 billion VND (+ 13.72% YoY), revenue from service provision 3.65 billion VND, other operating revenue of VND 81.82 billion (+ 58.60% YoY).

Gross profit reached VND 493.85 billion (+ 74.46% YoY). Gross profit margin reached 24.45% (-6.71% YoY).

Profit before tax (PBT) reached 598.59 billion VND (+ 48.57% YoY). Profit after tax (EAT) of 452.32 billion VND (+ 39.10% YoY). Net profit / Average total asset ratio (ROA): 6.47% (+ 25.05% YoY) and Net Profit / Equity (ROE) ratio: 19.47% (+ 30.97% YoY).

Total assets (TA) as of December 31, 2018 reached 7,398.33 billion VND, an increase of 12.50% compared to the beginning of the year mainly due to short-term receivables, inventory and fixed assets. Long-term uncompleted assets: 2,259.01 billion VND, an increase of 1.73% compared to the beginning of the year mainly in Phu Lam social projects and Hai Phat Plaza project. Equity reached 2,558.60 billion VND, an increase of 22.50% compared to the beginning of the year, due to undistributed after-tax profit increased by 102.68% and contributed capital of owner increased 33.33%.

HPX's solvency ratios: Short-term payment ratio is 1.23 times (-17.45% YoY), Quick Ratio is 0.73 times (-33.03% YoY), though, HPX still maintain indicators of liquidity at safe limits and ensure solvency.

The Debt / Total Asset ratio and Debt / Equity ratio on December 31, 2018 were 0.65 times and 1.89, respectively, down 4.41% YoY and 12.09% YoY, respectively. Although there is a decrease compared to the beginning of the year, because HPX continues to invest in large projects and expand its network, HPX is maintaining reasonable capital structure indicators in allowable limits, within the limits of financial risk control and operational efficiency.

Compares to competitors

31/12/2018	HPX	DIG	DXG	HDG	KDH	NLG	PDR	SCR	TDH	VPI
Price	26,000	15,500	23,800	34,500	33,000	25,800	25,500	7,300	10,100	42,350
Book Value	12,722	12,192	14,282	18,378	16,581	19,226	12,938	12,476	21,223	14,046
Market Capitalization	5,200	4,128	8,507	3,508	12,918	6,457	7,113	2,531	873	6,640
P/E (Trailing)	11.05	12.97	7.22	5.78	15.97	8.26	11.05	10.73	4.99	15.73
P/B (Trailing)	1.97	1.34	1.70	2.01	1.88	1.40	2.06	0.60	0.50	2.95
Average trading value YTD (billion VND)	12.48	46.43	99.66	8.05	13.12	16.22	40.44	46.68	8.84	11.65

Source: Stoxxplus, collected by HSC

Contact information

1. Mrs. Nguyen Thanh Hieu – Director, Investor Relations & Public Relations (HPX)

Email: hieu.nt@haiphat.vn – Mobile: 0989257495

2. Mrs. Nguyen Khanh Phương – Investor Relations Deputy Manager (HPX)

Email: phuong.nk@haiphat.vn – Mobile: 0917844488

3. Bui Anh Dung – Investor Relations executive (HPX)

Email: dung.ba@haiphat.vn – Mobile: 0979258802

4. Department of Investor Relations, Investors and Communications (HPX)

Email: ir@haiphat.vn

The judgments in The Report are analyzed based on HPX owned information and considered to be acceptable suitability under current conditions without any price sensitivity announced. The Report does not constitute a “BUY” or “SELL” recommendation. HPX is not responsible for any loss due to usage of The Report for investment purpose. The Report is owned by HPX, any copying, reproduction, issuance or re-distribution for any purposes are prohibited without HPX agreement.