

HPX HAI PHAT INVEST



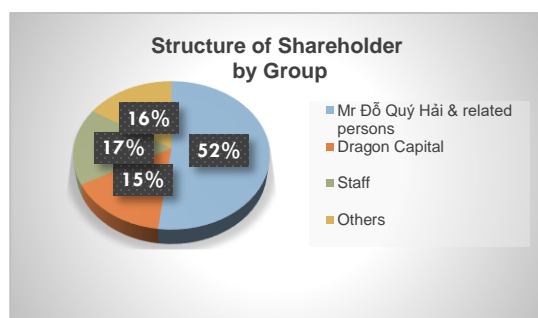
04/2019

IR NEWS

HPX stock wrap

	Unit	HPX
Price	'000 VND	25.75
Market value	VND bn	5,269.9
No of O/S shares	mn	199.99
Foreign owned/Foreign owned limited	%	15.17/49
1Q/2019 Highest price/lowest price	'000 VND	26.50/22.90
Avg Transaction volume	Shares/session	419,367.7

Shareholder structure



Investor Relationship Activities

On 06/03/2019 Hai Phat Invest attended the International Investment Conference "Vietnam Access Day 2019" in Ho Chi Minh City organized by Ban Viet Securities Company. The conference attracted more than 400 domestic and international investors, which was an opportunity for Hai Phat Invest to connect with domestic and foreign investment funds. At the Conference, Hai Phat Invest met and had conversation with Vina Capital Investment Fund, Pyn Elite Fund and Ban Viet Securities Company.

On March 22, 2019 Hai Phat Invest attended the "Investment opportunities in 2019" seminar organized by Phu Hung Securities Joint Stock Company in Hanoi. Experts contributed an overview of the macro economy and Vietnam's

Content

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1. Reak estate market highlights

In the first quarter of 2019, the real estate market in Hanoi and Ho Chi Minh City fell sharply in both supply and transaction volume.

Specifically, in Hanoi real estate market, the supply of apartments in the first quarter of 2019 only reached 31.5% compared to the fourth quarter of 2018 and 75.7% compared to the same period in 2018. The volume of apartment transactions in 1Q/2019 only reached 30.4% compared to 4Q/2018 and equal to 61.7% compared to the same period in 2018. Apartments absorption rate decreased by 15.3% over the same period 2018 (Quarter 1/2018 absorption rate was 82.8%). This rate doesn't change significantly compared to 4Q/2018. Similar to the Hanoi market, Ho Chi Minh City has accelerated the legal review process since the end of 2018, resulting in decreased supply in this period. Low supply leads to a sharp decrease in transaction volume, but the absorption rate of new project products was relatively high, especially the mid-end apartment segment with absorption rate up to 89.7%, referring to strong demand and purchasing power.

In terms of selling price, the price of apartments in middle and high-end segments in 1Q/2019 in Hanoi was stable compared to the same period in 2018, while the price of affordable segment tended to increase slightly. In contrast, price of ground segment increased by 5% compared to 4Q/2018. Too many projects have opened for sale by the 4th quarter of 2018, coupled with the fact that it's getting harder to get project approval, was the main reasons for the shortage of supply. Although the trading volume was low, the absorption rate from projects remained high,

stock market prospects in 2019. As a promising enterprise in the real estate sector, Hai Phat Invest received a lot of attention from investors.

On March 29, Hai Phat Investment Joint Stock Company successfully held the Annual General Meeting in 2019 at the Grand Plaza Hanoi.

signalling a stable demand. Prices tend to be stable along with credit tightening policies on real estate, which reduces speculative activities of secondary investors into apartment real estate. This is also one of the reasons for the reduction of Q1 transaction volume. The land fever phenomenon in some areas in Hanoi in the first quarter was quite strong; however, this phenomenon only occurred in residential areas where people have been living for a long time and have no interest in selling, mainly one-way offers. In contrast to the Hanoi market, real estate prices in Ho Chi Minh City slightly increased in most segments thanks to strong demand but supply is limited. According to statistics, apartment prices increased 5-7% compared to the same period in 2018 and increased 2-3% compared to the fourth quarter of 2018, land prices increased from 4-5% compared to the same period in 2018 and increased by 1-1.5% compared to the fourth quarter of 2018.

It is forecasted that in the second quarter of 2019, the supply from real estate projects in Vietnam will increase sharply compared to the first quarter by reviewing, processing dossiers, procedures for developing real estate projects from management agencies. The state is showing positive signs. The main supply will continue to be apartment products, most of which are affordable and middle-end segments, the volume of transactions is also expected to increase sharply due to abundant supply of projects. Selling prices may also increase slightly in all segments.

2. Hai Phat Invest news

On March 10, 2019, Hai Phat Investment Joint Stock Company (HPX) signed a memorandum to invest in Dak Lak province with an estimated value of VND 5,000 bn in Buon Ma Thuot City.

On March 11, 2019, at the head office in Hanoi, Hai Phat Invest had a meeting with the delegation of Thai Binh province. At the meeting, Hai Phat Invest expressed desire to implement real estate projects in Thai Binh province.

On March 15, 2019, HPX hosted "Information technology in real estate management" seminar to update 4.0 technology

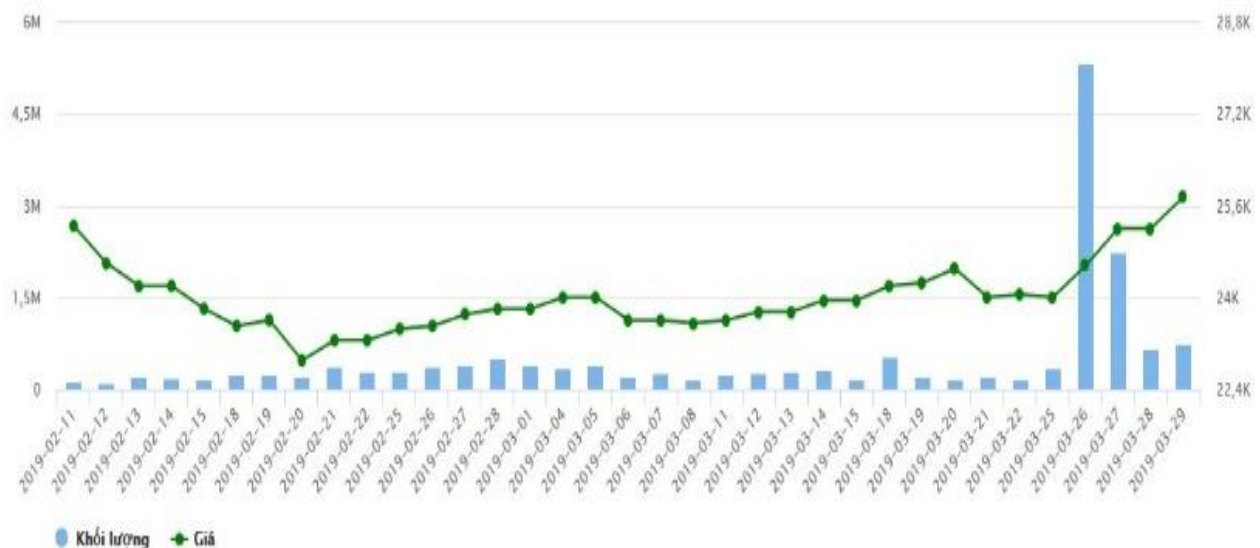
applications to all employees in the Company. Through the workshop, HPX's employees have acquired the knowledge and experiences from leading experts in deploying the application of 4.0 technology in production, business activities and management.

On March 28, 2019, the Roman Plaza Project was awarded as the Top 12 categories of "Capital attraction project" at the ceremony to honor the leading projects by Investment Newspaper.

On March 29, Hai Phat Investment Joint Stock Company successfully held the Annual General Meeting in 2019 at the Grand Plaza Hanoi. Important content related to the development orientation of Hai Phat Invest in 2019 has been formally approved under the agreement of 100% of attending shareholders. At the beginning of the conference, 2018 financial statement and development orientation report of Hai Phat Invest in 2019 were presented to shareholders.

In 2018, the revenue and profit have impressive growth compared to 2017. In particular, the consolidated after-tax profit reached 452 billion, up 39.1% compared to 2017. In 2019, Hai Phat Invest will focus on core business: real estate developing. Beside, HPX will step by step promotes, expands and develops hospitality and industrial real estate segments in potential provinces / cities such as Binh Thuan, Can Tho, Nha Trang, Da Nang, Ba Ria - Vung Tau, Thai Binh ... with the target of VND 4,294.2 bn of revenue and VND 720 bn of profit. At the same time, Hai Phat expects to increase its chartered capital to 2,875 billion VND by issuing private shares and dividend payment by shares to existing shareholders. Along with that, the company plans to issue 4,000 billion dongs of bonds, including 1,000 billion dongs of convertible bonds in 2019.

HPX price chart in 1Q/2019



3.1Q/2019 Business Outcomes

Unit: VND bn

Indices	1Q /2019	1Q /2018	%/2018	KH 2019	%/KH
Net Revenue	334,77	429,89	77,87%	4.294,2	7,8%
COGS	284,69	411,89	69,12%	-	-
Gross profit	50,08	18,01	278,07%	-	-
Operating Income	22,95	181,27	12,66%	-	-
Other Profit/(oss)	0,1	(0,03)		-	-
Income before Tax	23,05	181,24	12,72%	-	-
Net income	18,01	142,88	12,60%	720	2,5%

(Source: 1Q/2019 consolidated financial statement)

The 1Q/2019 business results were quite modest due to the key projects in 2019 such as Roman Plaza, Thuan An Central Lake, Phu Luong New Urban, The Vesta will be handed over from the second quarter.

Upcoming projects in 2019-2023

STT	Name	Scale (ha)	Thời gian Bàn giao dự kiến	Total Investment (VND billion)
Handed over project in 1Q/2019				
1	HPC Landmark 105, Ha Dong, Ha Noi	1,08		1.510
BEING-DEPLOYED PROJECTS				
2	The Vesta, Ha Dong, Ha Noi	4,5	Q2/2019	1.757
3	Phu Luong new urban area, Ha Dong, Ha Noi	34,4	Q2/2019	1.082
4	Roman Plaza, Nam Tu Liem, Ha Noi	3,6	Q3/2019	2.705
5	Bea Sky Building, Hoang Mai, Ha Noi	0,5	Q4/2019	793,5
6	Hanoi Homeland, Long Bien, Ha Noi	1,7	Q3/2019	1.418
7	Thuan An Central Lake	1,75	Q2/2019	458
UPCOMING PROJECTS				
8	Sunshine Hill Binh Thuan Project	7,4	Q1/2020	1.300,96
9	Luxury villas, Phu Hai, Binh Thuan Project	5	Q1/2022	1.890
10	The Phoenix Project– Phase 2	4,16	Q4/2019	707
11	SEA Thuan Phuoc Project	1,2	Q2/2022	2.740

12	TM1 Con Tan Lap, Nha Trang Project	0,8	Q2/2022	3.945
13	Binh Minh Nha Trang Project	54,2	Q4/2022	3.760
14	Tay Nam An Khanh urban area Project	87	Q4/2023	3.509
15	Ham Tien, Mui Ne Tourism & Commercial - Binh Thuan	198	Q4/2023	9.831
16	South Ha Tay (Old name) Binh Thuan Project	19 km		3.800
	My Hung new urban area	182	Q4/2023	4.637
17	BT project of traffic routes	6,18 km	Q4/2020	1.960
	6 Ha Dong BT's reciprocal projects	70	Q4/2023	4.341,4
18	South-West Ba Ria eco-urban area	54,18	Q4/2020	10.737
19	An Binh 1 new urban area	164,3	Q2/2023	4.891
20	An Binh 2 new urban area	58,4	Q4/2022	4.160
21	Ray River urban area Vung Tau	7,5	Q2/2023	4.368
22	Yen Quang Resort, Ninh Binh	350	Q2/2023	2.789
23	Cai Khe dune roundabout, Can Tho	2,34	Q4/2022	2.048
24	Binh An new urban area, Tan An city	19	Q4/2022	920
25	Dong Quang high-tech eco-agricultural garden house	30	Q2/2022	500

(Source: HPX)

Assets & Total Resources

Unit: VND bn

Indices	31/03/2019	31/03/2018	Increase/Decrease (%)
Total Asset	7,560.8	6,550.1	15.43%
Current Assets	4,183.97	2,799.11	49.48%
Cash and cash equivalents	248.06	337.72	-26.55%
Short – term financial investments	45	-	-
Account receivable – short – term	913.92	1,685.96	-45.79%

Indices	31/03/2019	31/03/2018	Increase/Decrease (%)
Inventories	2,897.19	697.81	315.18%
Other current Assets	79.8	77.61	2.82%
Non – current Assets	3,376.82	3,750.99	-9.98%
Long – term receivables	355.02	51	596.12%
Fixed Asset	270.22	728.11	-62.89%
Long – term Work in progress	1,175.99	2,023.11	-41.87%
Long – term financial investments	594.9	528.19	12.63%
Other long – term assets	344.67	420.57	-18.05%
Total Resources	7,650.8	6,550.1	16.80%
LIABILITIES	4,968.55	4,318.5	15.05%
Current liabilities	2,695.52	1,906.95	41.35%
Non – current liabilities	2,273.03	2,411.54	-5.74%
Owner's Equity	2,592.24	2,231.54	16.16%

(Source: 1Q/2019 consolidated financial statement)

With the majority of the Company's projects being in the process of construction and handover will start from the second quarter of 2019, the receivable, inventory and Long term work in progress accounted large proportion in asset's structure, respectively 16.8%, 38.3% and 15.6%.

Financial Ratios

	Unit	31/03/2019	31/03/2018	Increase/Decrease (%)
Liquidity and Solvency				
Current ratio	Times	1.55	1.46	6.16%
Capital Structure				
Debt/Total Assets	Times	0.657	0.659	-0.33%
Debt/Equity	Times	1.92	1.94	-0.95%
Profitability				
Gross profit margin	%	15%	4%	257%

(Source: 1 Q /2019 consolidated financial statement)

In 1Q/2019, HPX posted VND 334.77 bn in net sale. Revenue recognitions are VND 268.28 bn from real estate business and VND 65.5 bn from other operating. HPX's gross profit posted VND 50.8 bn. Gross profit margin reached 15%, increasing by 257% compared to the same period last year.

Profit before tax (PBT) and Profit after tax (EAT) reached VND 23.05 bn and 18.01 bn, respectively.

Total assets (TTS) on March 31, 2019 arrived at VND 7,560.8 billion, up 2.82% over the same period last year. Long-term work in progress: VND 1,175.98 billion, attributed to The Vesta & Roman Plaza. Owner's equity reached VND 2,592.24 billion, up 16.16% over the same period last year.

Liquidity and Solvency: HPX still maintains liquidity indicators at safe and ensures solvency, posted a current ratio of 1.55 times.

The ratio of Debt/Asset and Debt/Equity on March 31, 2019 was 0.657 times and 1.92 times respectively, slightly decrease compared to the same period of 2018. Although the Company continues to invest in large projects and expand its operation network, HPX is still maintaining its capital structure targets within the limits of financial risk control and operational efficiency assurance.

Pioneers Comparing

31/03/2019	HPX	DXG	HDG	KDH	NLG	PDR	SCR	VPI
Price (VND)	25,750	22,300	41,200	31,700	27,500	28.500	7,340	41,650
Book Value	12,737	14,930	21,510	16,826	19,846	13.707	12.611	14,040
Market value	5,270	7,189	3,787	12,835	7,102	7,684	2,442	6,720
EPS	1,634	3,373	9,260	1,962	3,926	1,967	947	2,640

Source: HSC

Contact Information

Department of Investor Relations, Investors and Communications - Hai Phat Investment Joint Stock Company

Email: ir@haiphat.vn

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