

**Code** VRE  
**Company name** Vincom Retail Joint Stock Company  
**Date** 03/31/2021  
**Subject** Explanation for fluctuations in business results in 2020

**Content:**

Vincom Retail Joint Stock Company has explained the fluctuations in business results in 2020 as follows:

1. Explanation for the movements of separate business result compared to the last year:

*Unit: million dong*

No.	Item	2020	2019	Difference	%
21	Financial income	382,561	3,433,674	(3,051,113)	-89%
22	Financial expense	428,253	275,249	153,004	56%
60	Profit after tax	1,005,105	4,102,673	(3,097,568)	-76%

The explanation for the movements of 10% or more:

- Financial income decreased by 3,051 billion dong compared to 2019 because of: (i) the decrease of 2,992 billion dong in the interest from subsidiaries; (ii) the decrease of 59 billion dong in the gain from lending and deposit.
- Financial expense increased by 153 billion dong, mainly due to the disbursement of additional bonds of 3,050 billion dong.
- The Company's profit after tax decreased by 3,098 billion dong compared to the last year due to the above reasons.

2. Explanation for the movements of consolidated business result compared to the last year:

*Unit: million dong*

No.	Item	2020	2019	Difference	%
10	Net revenue	8,328,918	9,259,257	(930,339)	-10%
11	Cost of goods sold	4,507,631	4,855,637	(348,006)	-7%
22	Financial expense	467,092	302,500	164,592	54%
25	Selling expense	330,040	371,960	(41,920)	-11%
26	Administrative expense	398,568	448,658	(50,090)	-11%
60	Profit after tax	2,382,309	2,851,933	(469,624)	-16%

The explanation for the movements of 10% or more:

- Net revenue decreased 930 billion dong because: (i) the revenue from real estate for rent and related services decreased 1,009 billion dong because the outbreak of Covid-19 pandemic; (ii) the revenue from real estate transfer increased by 122 billion dong, mainly due to the handover of 2 large commercial townhouse projects of My Tho and Bac Lieu. The cost of goods sold and services also decreased accordingly with the revenue recorded.
- Financial expenses increased by 165 billion dong, mainly due to the disbursement of additional bonds of 3,050 billion dong.
- Selling expense and administrative expense decreased with the decrease of revenue.
- The Company's profit after tax decreased by 470 billion dong, equivalent to 16% compared to the previous year thanks to the above reasons.