

Date: xx/xx/2024

To: xxx Company

Company research report

(Unlisted company English Comprehensive version •
Vietnam accounting standard)

VIETNAM SAMPLE REPORT JOINT STOCK COMPANY

VERAC COMPANY LIMITED.

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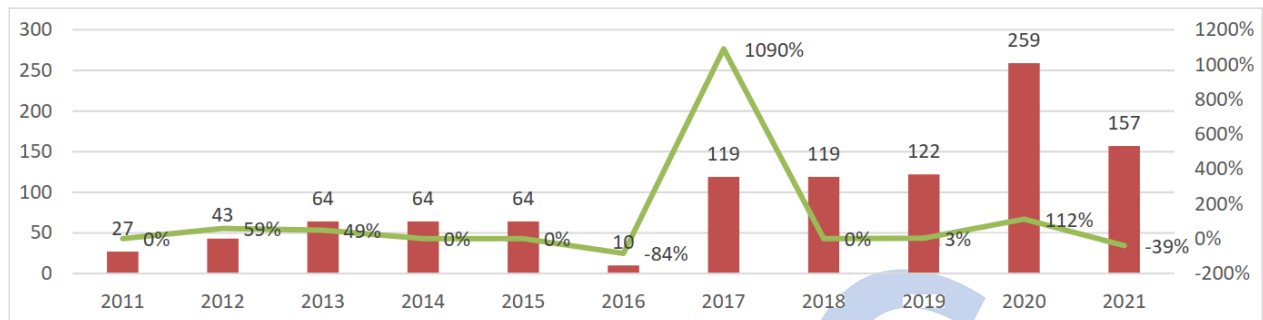
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1. COMPANY PROFILE

Company name	VIETNAM SAMPLE REPORT JOINT STOCK COMPANY
Native name	CONG TY CO PHAN VIETNAM SAMPLE REPORT
Registration address	1234 Nguyen Hue Street, District 1, Ho Chi Minh City, Vietnam
Type of registration address	Owned (***) m2)
Operation address	999 Pasteur Street, District 3, Ho Chi Minh City, Vietnam
TEL	84-28.1234-5678
FAX	84-28.1234-5677
Email	info@abc.com.vn
Website	www.abc.com.vn
Established date	DD/MM/YYYY
Listed year	Unlisted
Tax code	0123456789
Tax code issued date	DD/MM/YYYY
Business Registration No.	0123456789
Legal form	Joint Stock Company
Status of business	Normal
Main business lines	Manufacture of electric wire, electric cable, aluminum cable
Authorized capital	VND 4,000,000,000,000- (Contributed Capital DD/MM/YYYY)

2. THE TRANSITIONS OF TOTAL EMPLOYEES



3. PARTNER INFORMATION (DD/MM/YYYY)

- Purchasing and procurement

Domestic:

International:

- Sales

Domestic:

International:

4. PURCHASING AND SALES INFORMATION (DD/MM/YYYY)

- Purchasing and procurement

Domestic:

International:

- Sales

Domestic:

International:

Payment Method

- Domestic: cash, bank transfer
- Overseas: letter of credit, remittances

5. BANK / OUTSTANDING LOANS / CLASSIFICATION OF DEBTS

No.	Bank name	Location	Term	Classification of debts	Loan	Date
					Million VND	
1	Nam A Commercial Joint Stock Bank (Nam A Bank) - Head Office	Ho Chi Minh City, Vietnam Tel:+84-28.3929-000	Short term	1	299,900	DD/MM/YYYY
			Subtotal		299,900	
2	Joint Stock Commercial Bank for Investment and Development of Vietnam (BIDV) - Nam Binh Duong Branch	Binh Duong Province, Vietnam Tel:+84-27.4375-0000	Short term	1	39,150	DD/MM/YYYY
			Medium term	1	1,167	
			Subtotal		40,317	
3	Vietnam Joint Stock Commercial Bank for Industry and Trade (VietinBank) – Ho Chi Minh Branch	Ho Chi Minh City, Vietnam Tel:+84-28.3894-0000	Short term	1	40,000	DD/MM/YYYY
			Subtotal		40,000	
4	Vietnam Bank For Agriculture and Rural Development (Agribank) - My Thanh Branch	Ho Chi Minh City, Vietnam Tel:+84-28.3733-0000	Short term	1	26,750	DD/MM/YYYY
			Subtotal		26,750	
Total					381,967	

※Short term: under 12 months, Medium term: 12 months to 60 months, Long term: above 60 months

※Classification of debts: It is classified into 5 as follows : (1) Current/ Standard, (2) Special mentioned/ Watch, (3) Sub-standard, (4) Doubtful, (5) Bad. In which, (3), (4), (5) are considered as non-performing loans.

6. LOAN SITUATION IN THE PAST 12 MONTHS (DD/MM/YYYY)

(Unit: Million VND)

Month	Outstanding debt	Credit Card debt	Total	Change
12/2022	120,918	0	120,918	N/A
1/2023	120,950	0	120,950	+32
2/2023	120,950	0	120,950	0
3/2023	120,950	0	120,950	0
4/2023	122,408	0	122,408	+1,458
5/2023	122,317	0	122,317	-91
6/2023	284,164	0	284,164	+161,847
7/2023	299,134	0	299,134	+14,970
8/2023	299,092	0	299,092	-42
9/2023	422,050	0	422,050	+122,958
10/2023	418,509	0	418,509	-3,541
11/2023	421,917	0	421,917	+3,408

(*) : The total debt includes debt in foreign currency that was converted to Vietnamese Dong at the exchange rate on the date of the transaction.

7. SPECIAL MENTIONED DEBT HISTORY IN THE PAST 12 MONTHS (DD/MM/YYYY)

※(2) of the following Classification of debts applied

(1) Current/ Standard, (2) Special mentioned/ Watch, (3) Sub-standard, (4) Doubtful, (5) Bad.

No special mentioned debts in recent 12 months.

8. BAD DEBT HISTORY IN THE PAST 5 YEARS (DD/MM/YYYY)

※(3), (4), (5) of the following Classification of debts applied

(1) Current/ Standard, (2) Special mentioned/ Watch, (3) Sub-standard, (4) Doubtful, (5) Bad.

No bad debts in the past 5 years.

9. INDUSTRY REVIEW *(The figures in the review are fictitious for sample purposes)*

Manufacture of electronic and electric wires and cables

According to the General Statistics Office (GSO), there are 197 companies in the country that produce of other electronic and electric wires and cables at the end of 2021, but 189 companies are actually active.

These companies are mainly concentrated in the two big cities, with 51 based in Ho Chi Minh City and 48 based in Hanoi, accounting for 26% and 24% of the total respectively. Private companies and foreign companies accounted for 73% and 27% of the total, respectively.

The total number of enterprises by source of equity, geography and status of operation

NORM	2019	2020	2021	Unit
Total number of Enterprise	181	177	197	Enterprise
<i>Growth Rate</i>	<i>3%</i>	<i>-2%</i>	<i>11%</i>	
<i>In which (by source of equity)</i>				
- FDI	49	49	53	Enterprise
- State enterprise	-	-	-	Enterprise
- Private enterprise	132	128	144	Enterprise
<i>In which (by geography)</i>				
- Ha Noi	44	46	48	Enterprise
-Ho Chi Minh City	49	50	51	Enterprise
Status				
<i>In operation</i>	178	169	189	Enterprise
<i>Temporary suspension of business operation</i>	3	8	3	Enterprise

The number of total employees at the end of 2021 was 46,745, an increase of 9% over the previous year. The annual income per worker in 2021 is VND 94.88 million, and it has been increasing since 2019, which is a considerably high level compared to other industries.

Total employees by sex, nationality and the average annual wages

NORM	2019	2020	2021	Unit
Total employees	47,053	42,981	46,745	Per.
	<i>6%</i>	<i>-9%</i>	<i>9%</i>	%
<i>In which (by sex)</i>				
- Females	32,597	29,776	32,072	Per.
-Males	14,456	13,205	14,673	Per.
<i>In which (by nationality)</i>				
- Foreigners	165	174	394	Per.
- Vietnamese	46,888	42,807	46,351	Per.
Average annual salary of employee	80.84	91.82	94.88	Million VND
<i>Growth rate</i>	<i>5%</i>	<i>14%</i>	<i>3%</i>	%

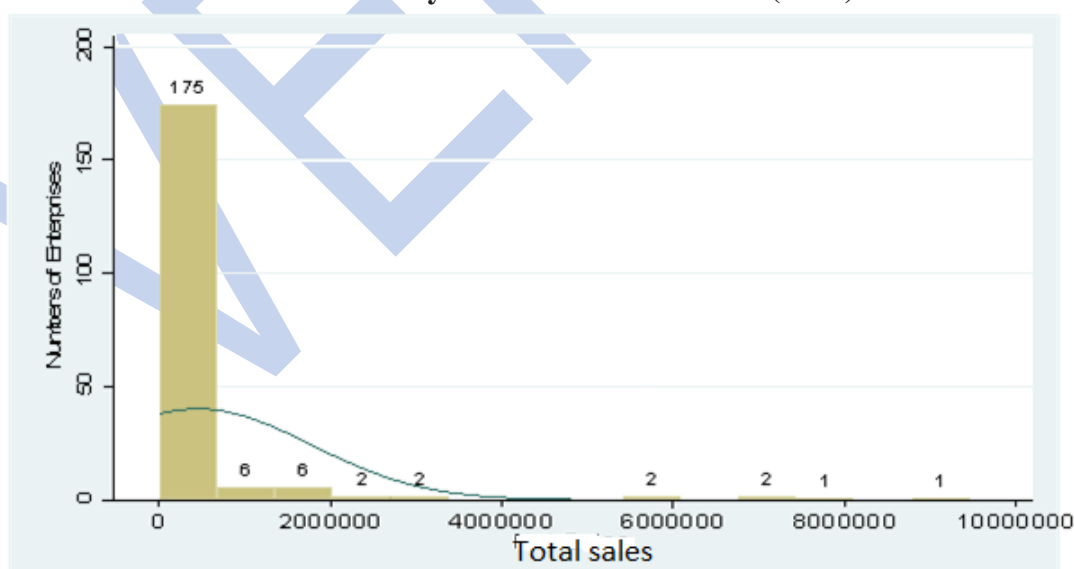
The industry's total assets increased by 25% and -9% and 16% respectively over the three years from 2019 to 2021. Shareholders' equity decreased slightly by 7% in 2020, but increased by 23% and 24% in 2020 and 2021, respectively.

Total sales increased by + 17%, -7% and + 19% over the three years from 2019 to 2021 respectively. The total industry revenue reached VND 89.656.2 billion (about USD 3.9 billion) as of 2021. The industry continued to make a surplus in the three years from 2019 to 2021, and its after-tax profit was growing steadily each year, and increased to VND 2,329,230 in 2021.

Industry Size and Growth Rates

Norm.	2019	2020	2021	Unit
Total Asset	51,726,895	47,319,502	54,983,897	Million VND
<i>Total Asset growth rate</i>	25%	-9%	16%	%
Total Equity	13,134,775	16,219,013	20,111,564	Million VND
<i>Total Equity Growth rate</i>	-7%	23%	24%	%
Total Revenue	81,117,522	75,436,143	89,656,220	Million VND
<i>Total Revenue Growth rate</i>	17%	-7%	19%	%
Total Profit after Tax	1,698,404	1,929,289	2,329,230	Million VND
<i>Total Profit after Tax Growth rate</i>	28%	14%	21%	%

Distribution by annual total sales scale (2021)



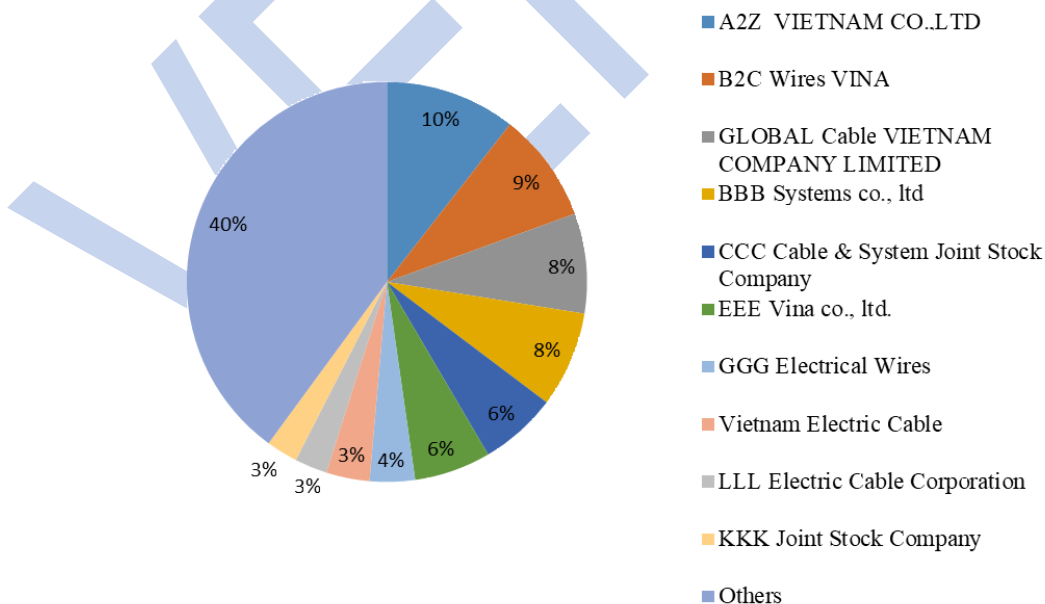
The total sales of the top 10 companies account for 60.0% of the total market, there is actually only few firms dominated the market. The largest company in the industry is A2Z VIETNAM CO., LTD account for 10 percent of market share with revenue of VND 89,675,920 million in 2021.

Top 10 Enterprise in the Industry by Net Sales (2021)

Unit: Million VND

No.	Name	Tax Code	Net Sales
1	A2Z VIETNAM CO.,LTD	XXXXXXXXXX	9,458,452
2	B2C Wires VINA	XXXXXXXXXX	7,989,319
3	GLOBAL Cable VIETNAM COMPANY LIMITED	XXXXXXXXXX	7,245,690
4	BBB Systems co., ltd	XXXXXXXXXX	6,949,263
5	CCC Cable & System Joint Stock Company	XXXXXXXXXX	5,622,260
6	EEE Vina co., ltd.	XXXXXXXXXX	5,543,727
7	GGG Electrical Wires	XXXXXXXXXX	3,274,404
8	Vietnam Electric Cable	XXXXXXXXXX	3,146,042
9	LLL Electric Cable Corporation	XXXXXXXXXX	2,351,430
10	KKK Joint Stock Company	XXXXXXXXXX	2,287,298
	Others		35,808,035
	Total		89,675,920

Market Shares (2021)



10. BOARD OF MANAGEMENT AND SHARE HOLDERS

Board of management (DD/MM/YYYY)

Name	Position	Born	Education	Nationality
Mr. Do Cao B	General Director	1957	Bachelor	Vietnamese
Mr. Nguyen Lam P	Deputy General Director	1963	Bachelor	Vietnamese
Mr. Do Son G	Chief Accountant	1981	Bachelor	Vietnamese

Major shareholders (DD/MM/YYYY)

No.	Shareholders	Nationality	Percentage of ordinary shares
1	Vietnam Sample Corporation	Vietnamese	65.25%
2	Mr. Do Bao A	Vietnamese	18.75%
3	Mr. Nguyen Van B	Vietnamese	16.00%

11. LINKAGE (DD/MM/YYYY)

No.	Branch/ Factory	Address
1	Branch	Hanoi, Vietnam
2	Factory	Hanoi, Vietnam
3	Sales office	Hanoi, Vietnam
4	Showroom	Hanoi, Vietnam

No.	Subsidiary	Address
1	Vietnam Sample Report of Banking & Financing Services Co., Ltd.	Hanoi, Vietnam
2	Sample B Company Limited	Da Nang, Vietnam
3	Sample C Joint Stock Company	Hai Phong, Vietnam

No.	Related company	Address
1	Vietnam Sample Report of Telecom & Public Co., Ltd.	Ho Chi Minh, Vietnam
2	Sample D Company Limited	Dong Nai, Vietnam
3	Sample E Company Limited	Binh Duong, Vietnam

12. BALANCE SHEET *(The figures are fictitious for sample purposes)*

(Unit: Million VND)

	2020	2021	2022
Current asset	2,234,704.0	2,536,108.0	4,063,360.0
Cash and cash equivalents	799,395.0	969,774.0	729,282.0
Short term investment	8,202.0	1,800.0	375,000.0
Trade receivables	517,681.0	567,473.0	681,137.0
Trade prepayment	57,944.0	92,770.0	128,189.0
Other receivables	90,285.0	100,035.0	811,540.0
Provision for bad debts	-134,528.0	-228,350.0	-17,685.0
Inventories	856,935.0	962,627.0	1,214,095.0
Other assets	38,790.0	69,979.0	141,802.0
Long-term assets	3,156,064.0	3,112,533.0	2,512,737.0
Long-term receivables from customers	20,807.0	34,280.0	15,877.0
Other long-term receivables	749,281.0	686,223.0	824.0
Fixed assets	753,707.0	696,401.0	881,500.0
Property investment	37,314.0	36,704.0	44,164.0
Long-term financial investments	1,532,826.0	1,605,226.0	1,517,863.0
Other long - term assets	62,129.0	53,699.0	52,509.0
Total assets	5,390,768.0	5,648,641.0	6,576,097.0

	2020	2021	2022
Liability	133,449.0	141,775.0	244,828.0
Current liability	131,404.0	114,755.0	207,805.0
Short-term borrowing and debts	4,530.0	6,580.0	5,721.0
Trade payables	27,129.0	40,051.0	52,557.0
Advances from customers	27,231.0	8,131.0	15,342.0
Other payables	72,514.0	59,993.0	134,185.0
Long-term liabilities	2,045.0	27,020.0	37,023.0
Trade payables	450.0	703.0	916.0
Other payables	365.0	24,217.0	33,567.0
Long term borrowings and debts	1,230.0	2,100.0	2,540.0
Equity	5,257,319.0	5,506,866.0	6,331,269.0
Owner's equity	5,192,317.0	5,439,526.0	6,262,360.0
Contributed equity	4,000,000.0	4,000,000.0	4,000,000.0
Capital surplus	389,066.0	473,216.0	857,990.0
Other owners Equity	12,600.0	65,301.0	43,222.0
Assets revaluation difference	45,031.0	24,465.0	34,722.0
Business development funds	23,790.0	32,145.0	24,782.0
Financial reserved funds	43,900.0	56,700.0	63,400.0
Other fund belong to owner's equity	577,229.0	722,430.0	953,293.0
Retained earnings	50,892.0	14,951.0	234,226.0
Restructure funds	49,809.0	50,318.0	50,725.0
Budgets sources	65,002.0	67,340.0	68,909.0
Minority interest	0.0	0.0	0.0
Total liability and Equity	5,390,768.0	5,648,641.0	6,576,097.0

13. INCOME STATEMENT *(The figures are fictitious for sample purposes)*

(Unit: Million VND)

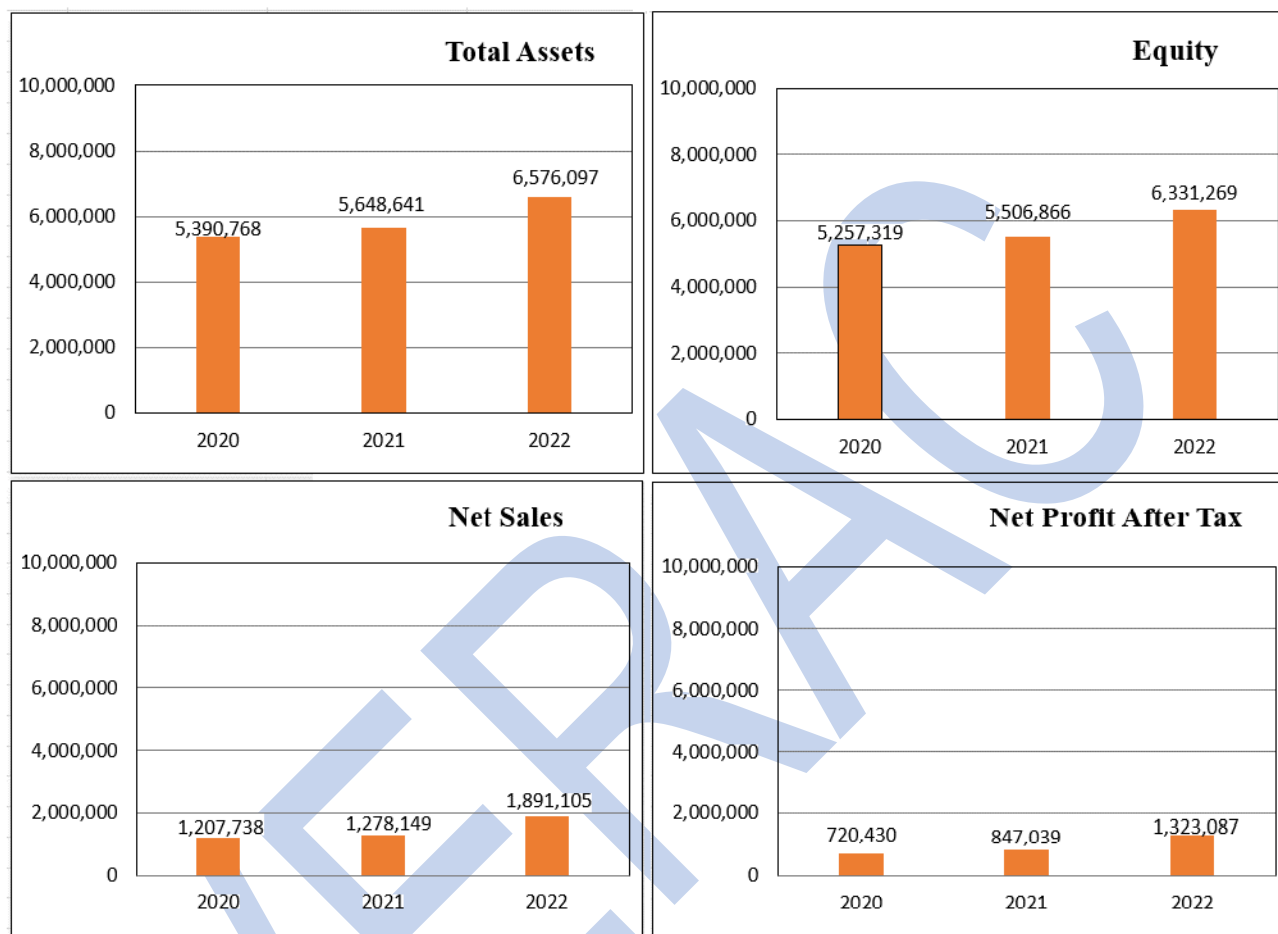
	2020	2021	2022
Net sales and services	1,207,738.0	1,278,149.0	1,891,105.0
Cost of goods sold	1,200,223.0	1,210,624.0	1,684,231.0
Gross Profit	7,515.0	67,525.0	206,874.0
Financial income	997,129.0	1,139,494.0	1,431,196.0
Financial costs	40,922.0	67,344.0	1,558.0
In Which: Interest expense	221.0	386.0	297.0
Selling expenses	56,922.0	84,814.0	137,457.0
General and Administrative Expenses	166,989.0	204,029.0	137,405.0
Net operating profit	739,811.0	850,832.0	1,361,650.0
Extraordinary income	10,501.0	30,942.0	5,468.0
Extraordinary expenses	20,022.0	24,718.0	33,615.0
Net Profit Before Tax	730,290.0	857,056.0	1,333,503.0
Income tax expense	9,860.0	10,017.0	10,416.0
Income tax delay	0.0	0.0	0.0
Net Profit After Tax	720,430.0	847,039.0	1,323,087.0

14. FINANCIAL INDICATORS *(The figures are fictitious for sample purposes)*

	Ratios	Formula Overview	2020	2021	2022
Profitability ratios	Gross Profit Margin	Gross Profit / Net Sales	0.62%	5.28%	10.94%
	Operating Profit Margin	Operating Profit / Net Sales	61.26%	66.57%	72.00%
	Profit Before Tax Margin	Profit Before Tax/ Net Sales	60.47%	67.05%	70.51%
	Operating Return on Asset	Operating Profit / Asset	13.72%	15.06%	20.71%
	Sales growth	Current net sales/ Previous net sales -1	N/A	5.83%	47.96%
Activity ratios	Asset Turnover	Net Sales/ Asset	0.22	0.23	0.29
	Inventory Turnover Period (monthly)	Inventory / Monthly Sales	8.51	9.04	7.70
	Receivable Turnover Period (monthly)	Receivable/ Monthly Sales	5.14	5.33	4.32
	Payable Turnover Period (monthly)	Payable /Monthly Sales	0.27	0.38	0.33
	Cash Conversion Cycle (monthly)	Monthly Inventory + Monthly Receivables – Monthly Payables	13.38	13.99	11.69
	Fixed Asset Turnover (monthly)	Fixed Asset/ Monthly Sales	7.49	6.54	5.59
	Financial Leverage Ratios	Equity To Asset Ratio	Equity / Total Asset	97.52%	97.49%
Current Ratio		Liquid Asset / Liquid Debt	1700.64 %	2210.02 %	1955.37 %
Fixed Asset To Equity Ratio		Fixed Asset / Equity	14.34%	12.65%	13.92%
Borrowings To Sales (monthly)		Borrowings / Monthly Sales	5.72%	8.15%	5.24%
Interest Coverage Ratio (times)		Operating Income / Interest expenses	3347.56	2204.23	4584.68

15. FINANCIAL CHARTS (Unit: Million VND)

(The figures are fictitious for sample purposes)

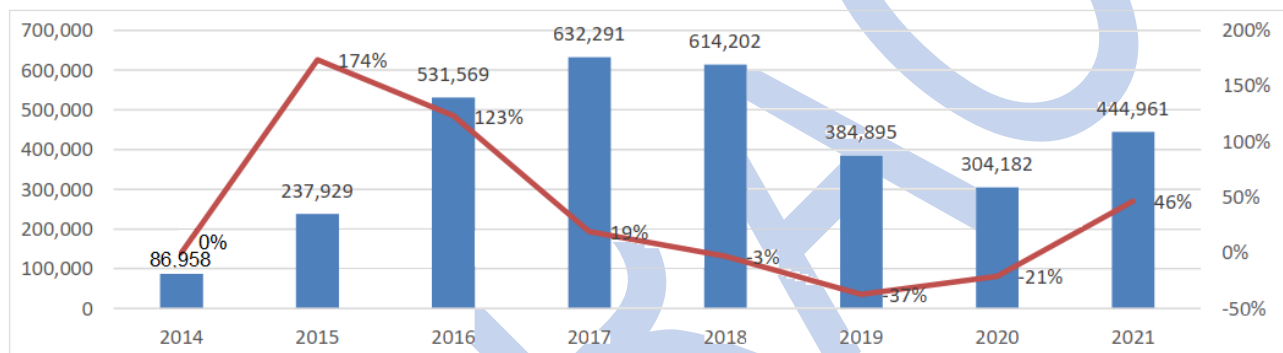


16. THE TRANSITIONS OF NET SALES, NET PROFIT AFTER TAX, TOTAL ASSETS AND EQUITY (Unit: Million VND)

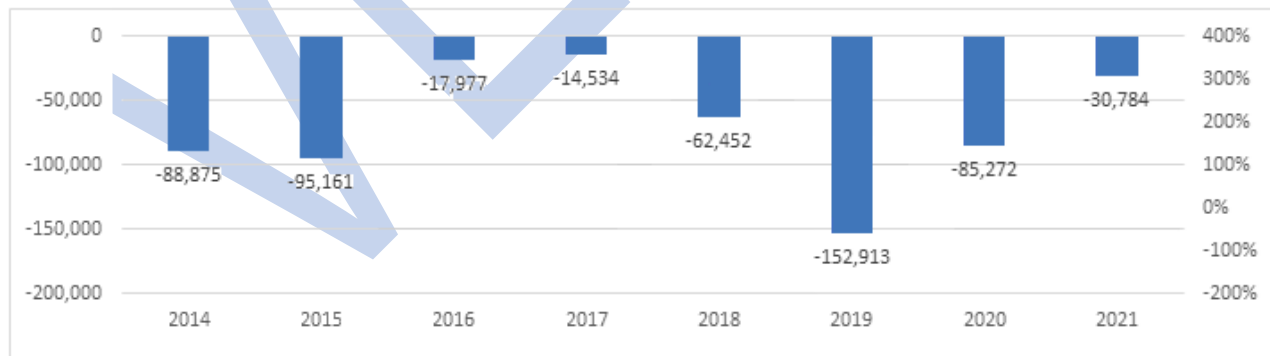
(The figures are fictitious for sample purposes)

※Regarding NET SALES, NET PROFIT AFTER TAX, TOTAL ASSETS, AND EQUITY, the last three years are the most up-to-date information available. Previous data represents the latest information accessible at those respective points in time. It's possible that these figures have been revised since then, but those changes are not reflected here. This information is provided for reference purposes only.

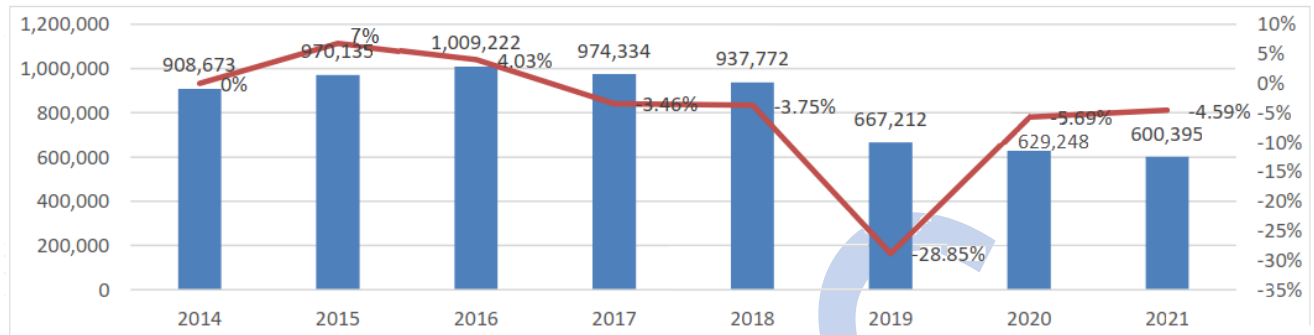
NET SALES



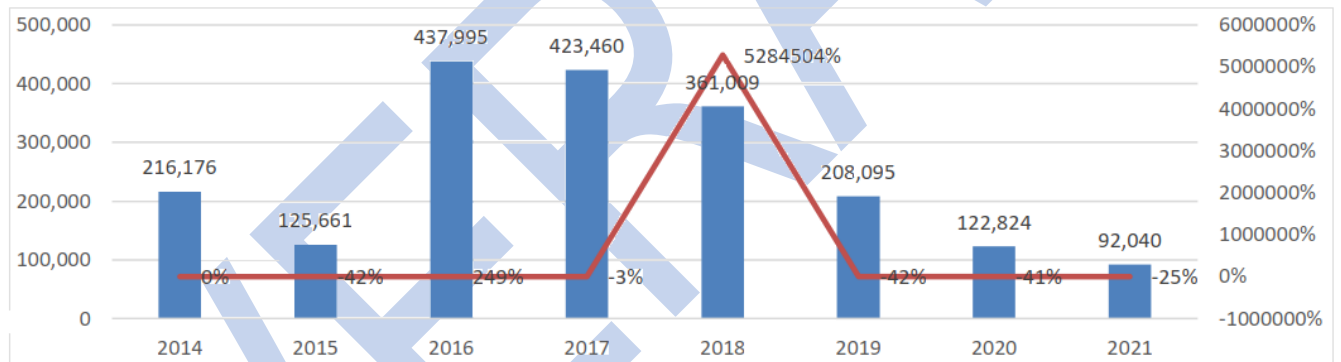
NET PROFIT AFTER TAX



TOTAL ASSETS



EQUITY



17. CREDIT RISK EVALUATION

Credit rating is a combination of financial information and non-financial information. These factors include:

Financial information	Non-financial information
Financial status	Principals
Payments	Management
Accumulated profitability	Scale of operations
Growth of revenue	Years in business

CREDIT RATING & RISK ANALYSIS

Year	Credit rating	Description
2020	AA	The company has VERY STRONG capacity to meet its financial commitments but carries a higher risk than AAA companies
2021	A	The company has STRONG capacity to meet its financial commitments, but has less stability than higher rated companies
2022	A	The company has STRONG capacity to meet its financial commitments, but has less stability than higher rated companies

APPENDIX

VIETNAM CREDIT RATING CRITERIAS

Rating	Summary	Description
AAA	Highest	The company has EXCEPTIONAL STRONG capacity for timely payment of all its financial commitments.
AA	Very high	The company has VERY STRONG capacity to meet its financial commitments but carries a higher risk than AAA companies.
A	High	The company has STRONG capacity to meet its financial commitments, but has less stability than higher rated companies
BBB	Good	The company has ADEQUATE capacity to meet financial commitments but has less stability than higher rated companies.
BB	Above Average	The company is expected to be VULNERABLE TO ADVERSE changes in circumstances and economic conditions.
B	Average	The company's stability is expected to be IMPAIRED by adverse changes in circumstances and economic conditions.
CCC	Below Average	The company's capacity for meeting financial commitments is SOLELY RELIANT UPON favorable conditions
CC	Poor	The company manages to operate but posing HIGH default risk.
C	Very Poor	The company is posing VERY HIGH default risk.
D	Default	The company is DEFAULTED

Disclaimer

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