

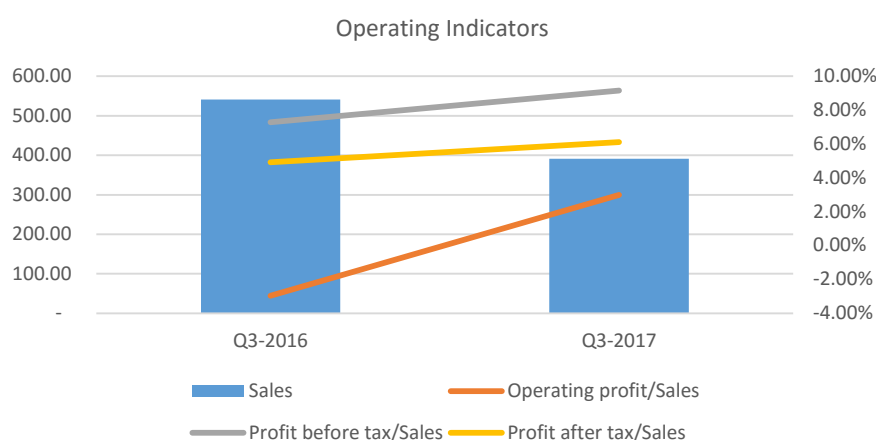
Dear Shareholders,

Another quarter has passed and we are now near the end of the year. At the beginning of the year, we had to make an important decision: to continue with the existing business models, or to restructure the whole group's business lines to cope up with increasing market demand and diversified customer needs. It was indeed a decisive time for us. And we have decided to follow the restructuring route, for the long-term benefits of our shareholders. Let me start by highlighting some of the major investments that we have made so far during the year. We have:

- Acquired Euvipharm in a deal worth VND153bn, which helps us gain access to a range of new products, and more importantly the factory infrastructure and facilities.
- Invested VND257bn to build the third capsule producing factory in Duoc Cuu Long (DCL) which helps increase DCL's overall capacity to meet the increasing market demand.
- Established a VND100bn (full capacity: VND1,000bn) joint venture (Benovas) between DCL and SCIC, in which DCL owns 29% percent, to produce and distribute cancer medicines in Vietnam. Upon completion, DCL is expected to be the first company in Vietnam pioneering in this market niche.
- Invested in a new ICF production line at Westfood, which helps increase capacity from 2.7 to 6.2 ton per hour, and, more importantly, improve the quality that meets very strict requirements from Japan, United States, Australia, New Zealand and Europe.
- Invested heavily in R&D in order to introduce new products in other business lines (foods and beverage, consumer goods etc.) that meet the increasing market demand and diversified customer needs.
- Invested in human resource by inviting more experienced people to work for us. For example, Mr. Huu Xuan Sinh, the founder and former CEO of Duc Viet Foods, has joined us as a member of the board. We expect his experience would help improve the group production efficiency and distribution networks.
- Built the best practices in corporate governance and utilized ERP in management in an attempt to make us more transparent in the eye of stakeholders, especially investors.

The above investments have changed the face of our business lines that gradually builds public confidence on the way we do business. The trade-off, as you will see in the following sections, is a decline in sales revenues. But we are not worried about that because operating efficiency has improved significantly. This would suggest that once the above investments have completed and full production, and thus, sales growth, have been restored, long-term shareholders' wealth will be created based on improved efficiency.

The chart below shows the sales figures and operating ratios for Q3-2017, comparing to those in the same period last year. More data and information are presented in the Table 1 at the end of this section.



Sales revenue, profit before tax and profit after tax all have declined in Q3-2017, from VND541bn last year to VND390bn, VND39.39bn to VND35.77bn, and VND41.28bn to VND 20.28bn respectively, as a consequence of major investments and restructuring. Operating profit, however, has increased, from a loss of VND16bn last year to a profit of VND11.72bn. This implies that the bottom lines have less relied on financial activities than in the past.

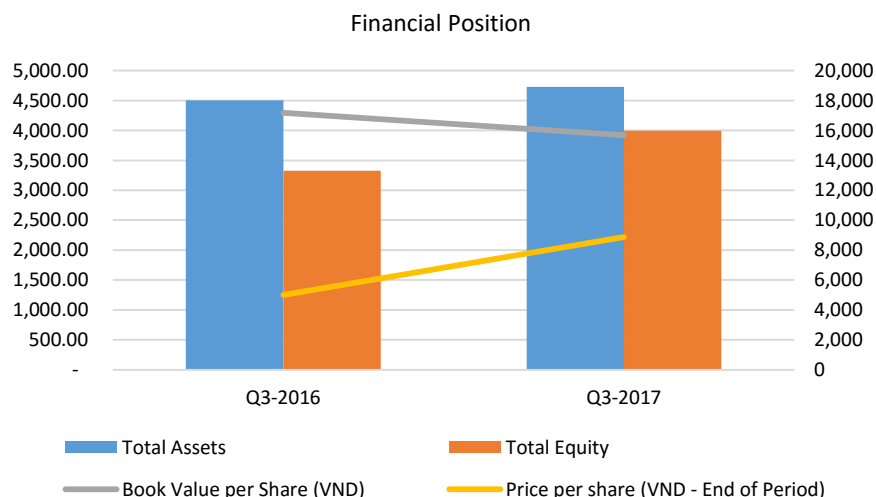
The underperformed figures, however, do not make us worried because it is all about sales that has declined and we already know the reason for it. We should only be worried if we don't know why. Moreover, we are happy with the fact that all operating indicators have shown improved efficiency. As seen from the chart, we have done significantly better in all three ratios of operating profit, profit before tax and profit after tax to sales, as compared to last year.

No doubt, this is the result of our restructuring process, which makes us more effective and efficient. I, therefore, believe that once sales has restored following the completion of our major investments, shareholders will benefit from the improved efficiency on long-term basis.

**Table 1 – Profitability of F.I.T Group (as of October 2017)**

| Profit and Loss (VND bn)       | Q3-2016 | Q1-2017 | Q2-2017 | Q3-2017 | YTD-2017 |
|--------------------------------|---------|---------|---------|---------|----------|
| Sales                          | 541.07  | 393.13  | 434.25  | 390.82  | 1,218.20 |
| COGS                           | 432.49  | 301.31  | 323.16  | 307.77  | 932.24   |
| SGA + Managing Expenses        | 124.63  | 89.73   | 80.07   | 71.33   | 241.13   |
| Operating Profit               | (16.05) | 2.09    | 31.02   | 11.72   | 44.83    |
| Net Financial Income           | 55.30   | 26.41   | 50.14   | 23.72   | 100.26   |
| Interest Expense               | 16.07   | 8.42    | 13.69   | 13.17   | 35.29    |
| Profit Before Tax              | 39.39   | 28.38   | 90.32   | 35.77   | 154.47   |
| Profit After Tax (PAT)         | 26.59   | 18.10   | 70.48   | 23.85   | 112.43   |
| Profit After Tax (PAT) - Group | 41.28   | 17.32   | 58.50   | 20.28   | 96.10    |
| Basic EPS (VND)                | 213     | 69      | 230     | 80      | 379      |

The chart below depicts figures for total assets, total equity, book value per share and share price for Q3-2017 and Q3-2016. More data and information are presented in Table 2 at the end of the page.



The declined performance indicators have not made our financial position weaker. Instead, our financial position has been strengthened and stayed solid. Total assets and total equity have both increased this period, compare to same period last year, from VND4,506bn to VND4,731bn, and from VND3,324bn to VND3,993bn. Noticeably, the large proportion (roughly one third) of cash and short-term investments to total assets and low current liabilities (one seventh/eighth) suggest that we have maintained a very healthy financial position and we have resources ready for market opportunities when they arise.

The book value per share has declined from VND11,488 last year to VND11,440 in Q3-2017 to reflect the increase in the number of shares following our share offering last year. This, therefore, does not cause us any concern. Instead, we are happy to see share prices increasing from VND5,000 to VND8,000 during the same period. The surge in share prices, to some extent, has reflected the market confidence on our restructuring process. The gap between share prices and book values, on the one hand, implies that our shares are still undervalued, but on the other hand, requires us to do the best effort to ensure the market see our values.

**Table 2 – Financial Position of F.I.T Group (as of October 2017)**

| Financial position              | Q3-2016  | Q1-2017  | Q2-2017  | Q3-2017  | YTD-2017 |
|---------------------------------|----------|----------|----------|----------|----------|
| Total Assets                    | 4,506.29 | 4,910.45 | 5,234.21 | 4,730.94 | 4,730.94 |
| Current Assets                  | 2,331.87 | 2,612.16 | 2,897.98 | 2,425.47 | 2,425.47 |
| Cash and Short-term Investments | 1,569.55 | 1,742.10 | 2,033.43 | 1,595.35 | 1,595.35 |
| Current Liabilities             | 855.99   | 935.71   | 1,167.57 | 636.61   | 636.61   |
| Financial Borrowings            | 573.40   | 679.30   | 930.86   | 375.70   | 375.70   |
| Total Equity                    | 3,324.39 | 3,884.73 | 3,988.73 | 3,993.34 | 3,993.34 |
| Retained Earnings               | 182.99   | 146.25   | 198.52   | 216.41   | 216.41   |

With respect to the performance by sectors, the main contributors to our sales revenues, in order, are pharmaceutical (VND184bn), foods (VND75bn), beverage (VND69bn) and home and personal care (VND44bn) while other sectors are relatively small.

We are happy to see that all the biggest sectors have improved in terms of operating efficiency (except home & personal care). But we also see things that have to be done as the beverage and home & personal care sector have not made profit.

The good news is the leading sectors (about 67% of the sales revenues) have performed well following our restructuring process and major investments.

In Table 3 below, we highlight some key notes on the performance and plans for each sector in the time to come. The Table 4 presents some key financial indicators by sectors.

**Table 3 – Performance highlights by sectors**

|                 |   |  |
|-----------------|---|--|
| Pharmaceutical  | <ul style="list-style-type: none"> <li>▪ Sales revenue and profit before tax have both increased this quarter, comparing to same period last year.</li> <li>▪ Operating efficiency ratios have been improved.</li> <li>▪ Major investments in Benovas and the third capsule factory.</li> </ul> | <ul style="list-style-type: none"> <li>▪ Given the delayed production due to the construction of the third capsule factory, the increased performance suggests that the market demand is especially high.</li> <li>▪ At the moment, we are focusing on making the construction completed in early 2018</li> <li>▪ We are in the final process of discussing with a strategic partner for DCL.</li> </ul> |
| Foods           | <ul style="list-style-type: none"> <li>▪ Sales revenues and profit before tax have both increased.</li> <li>▪ Operating efficiency has been improved.</li> <li>▪ Investment in ICF</li> </ul>   | <ul style="list-style-type: none"> <li>▪ The improved sales revenues and other performance indicators imply that market demand is high.</li> <li>▪ Finding new clients and markets through participating in foods festivals in Europe and US.</li> </ul>   |
| Agri            | <ul style="list-style-type: none"> <li>▪ Significant decline in Sales revenues due to business line closed down following the sale of the Agricultural Pharmacy TSP.</li> <li>▪ Improved profit before tax due to financial activities.</li> </ul>  | <ul style="list-style-type: none"> <li>▪ The sale of Agricultural Pharmacy was announced earlier this year.</li> <li>▪ The sale marked our restructuring process to not focus on what we are not strong at.</li> </ul>   |
| Beverages       | <ul style="list-style-type: none"> <li>▪ Sales revenue has increased slightly.</li> <li>▪ Profit before tax is still negative but has improved compared to last year.</li> <li>▪ Operating efficiency indicators have improved.</li> </ul>  | <ul style="list-style-type: none"> <li>▪ Although the operating efficiency indicators have improved, the negative profit suggests that more restructuring is required for this sector.</li> </ul>  |
| Home & Personal | <ul style="list-style-type: none"> <li>▪ Sales revenue has increased slightly.</li> <li>▪ Profit before tax has declined.</li> <li>▪ Operating efficiency indicators have declined.</li> </ul>  | <ul style="list-style-type: none"> <li>▪ The increase in sales revenue has not led to increased profit, indicating that more restructuring is required for this business line.</li> </ul>  |
| Trading         | <ul style="list-style-type: none"> <li>▪ Both sales revenues and profit before tax have stayed positive but the size of this business line is relatively small compared to the size of the whole group.</li> </ul>  | <ul style="list-style-type: none"> <li>▪ We maintain this business as part of the value chain for other business lines such as beverage, home and personal care etc.</li> </ul>  |

**Table 4 – Financial summary by sector**

| <b>Profit and Loss (VND bn)</b>      | <b>Q3-2016</b> | <b>Q1-2017</b> | <b>Q2-2017</b> | <b>Q3-2017</b> | <b>YTD-2017</b> |
|--------------------------------------|----------------|----------------|----------------|----------------|-----------------|
| <b>Pharmaceutical (DCL)</b>          |                |                |                |                |                 |
| Sales                                | 175.13         | 154.29         | 214.26         | 184.58         | 553.13          |
| Operating Profit                     | 15.68          | 15.90          | 28.99          | 22.84          | 67.74           |
| Net Financial Income                 | 1.08           | (0.95)         | (0.38)         | 0.20           | (1.12)          |
| Profit Before Tax                    | 16.71          | 18.97          | 35.31          | 22.76          | 77.04           |
| <b>Foods (WF)</b>                    |                |                |                |                |                 |
| Sales                                | 64.87          | 51.76          | 77.26          | 75.53          | 204.54          |
| Operating profit                     | (4.83)         | 2.93           | 8.43           | 7.18           | 18.55           |
| Financial result                     | (0.24)         | 0.54           | 0.34           | (0.16)         | 0.72            |
| Profit Before Tax                    | (4.95)         | 3.73           | 8.83           | 7.02           | 19.59           |
| <b>Agri (TSP, TSC, NT, TSS...)</b>   |                |                |                |                |                 |
| Sales                                | 191.91         | 109.95         | 30.33          | 14.71          | 155.00          |
| Operating Profit                     | (6.53)         | (3.04)         | (0.52)         | (1.63)         | (5.19)          |
| Net Financial Income                 | (0.35)         | (0.01)         | 2.08           | 1.75           | 3.82            |
| Profit Before Tax                    | (6.77)         | (7.44)         | 3.86           | 0.73           | (2.85)          |
| <b>Beverages (FC)</b>                |                |                |                |                |                 |
| Sales                                | 67.80          | 41.01          | 72.15          | 69.55          | 182.71          |
| Operating Profit                     | (6.00)         | (4.17)         | (0.46)         | (1.51)         | (6.13)          |
| Net Financial Income                 | (0.15)         | (0.24)         | (0.13)         | 0.90           | 0.54            |
| Profit Before Tax                    | (6.15)         | (4.41)         | (0.58)         | (0.60)         | (5.60)          |
| <b>Home &amp; Personal Care (FC)</b> |                |                |                |                |                 |
| Sales                                | 39.73          | 33.84          | 38.57          | 44.41          | 116.81          |
| Operating Profit                     | (3.17)         | 0.98           | (2.00)         | (6.96)         | (7.99)          |
| Net Financial Income                 | -              | (0.14)         | 0.84           | (0.07)         | 0.63            |
| Profit Before Tax                    | (3.17)         | 0.83           | (1.16)         | (7.03)         | (7.36)          |
| <b>Trading (FIT Trading)</b>         |                |                |                |                |                 |
| Sales                                | 0.31           | 0.27           | 0.11           | 0.28           | 0.65            |
| Operating Profit                     | (0.73)         | (0.40)         | (0.52)         | (0.61)         | (1.52)          |
| Net Financial Income                 | 2.35           | 2.41           | 2.30           | 1.94           | 6.65            |
| Profit Before Tax                    | 1.62           | 2.01           | 1.78           | 1.33           | 5.12            |
| <b>Holding and Others</b>            |                |                |                |                |                 |
| Sales                                | 1.32           | 2.01           | 1.58           | 1.77           | 5.36            |
| Operating Profit                     | (10.47)        | (10.12)        | (2.91)         | (7.60)         | (20.62)         |
| Net Financial Income                 | 52.62          | 24.80          | 45.08          | 19.16          | 89.04           |
| Profit Before Tax                    | 42.10          | 14.69          | 42.28          | 11.55          | 68.52           |

**Communities****Corporate Social Responsibility (CSR)**

Financial performance is not the only objective for shareholders in the modern world. Positioned ourselves for sustainable growth, in line with international practices, we consider CSR as part of our business model. In our view, making society better is as important as our business performance.

During Q3-2017, we have actively participated in several community activities, such as the medical examination scheme for poor households in Long An (in the South) and Ha Giang (in the North) provinces, or charitable activities with patients at the Cancer (K) Hospital in Hanoi. Our involvement and contribution, although small scale, have shown our strong commitment

to the communities and society. We aim to be a leading company practicing CSR in Vietnam.

In closing

October 2017

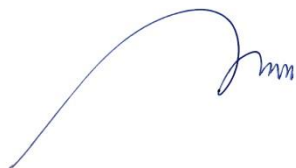
As you can see, we have done so much in an attempt to make our group better in the future. The performance is not as good as it has been in the past in terms of numbers, but we are very happy that the restructuring process has made us more efficient.

One of the best things we have made is to make our business more transparent and honest to stakeholders. Honesty, itself, is a positive news. We know we have to do every best effort to earn the trust and respect of our shareholders, employees, customers and the communities we serve. You can rest assured that we are devoted to doing this.

And last but not least, I want to thank our management team, managers, workers and staff. They have been doing the best for the companies and group.

In closing, no words can describe how honored I am to work at this group and with its people. On behalf of the F.I.T Group, I want to express my deepest gratitude to our people – I am proud to be working with you.

Your Sincerely,

A handwritten signature in blue ink, consisting of a long, sweeping arch followed by a smaller, more intricate flourish.

**Nguyen Thi Minh Nguyet**  
**CEO**