

Dear Valued Shareholders,

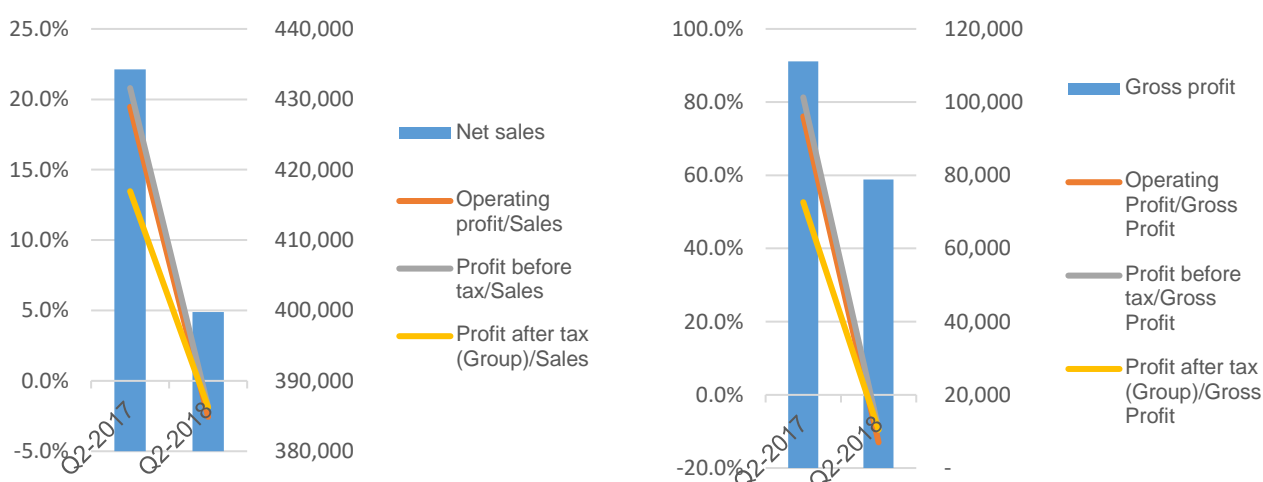
Let me start by saying honestly that the performance in the second quarter of 2018 is not as good as expected. We did not make profit this quarter. Operating indicators, therefore, have not been improved. The main reason for this disappointing result continues to lie at the heart of the operating restructuring process, in that we have had to accept to cut and reduce business lines and assets that are unprofitable. Besides, the unfavorable market conditions have influenced our profit from financial activities, which have been our strength previously.

Specifically, below are the main activities happening at our core business lines in this quarter:

- The group: In terms of corporate governance, we have built and been in the process of making our holdings business model more transparent, efficient and honest. In terms of business, the worsening market conditions have been the reason for declining financial revenues and profit. The group will be more conservative for the rest of the year as the market conditions are not expected to improve in near term.
- Vikoda: We continue to work to improve the production process and the product quality, as well as to build the distribution network. The existing distribution network has not met the market demand and is too small to contribute to the overall group's performance.
- DCL: The construction of new factory will be continued. We focus on fundamental business essentials, including: completing procedures and regulations; researching and developing new products. We expect this restructuring process will produce fruitful results at the end.
- TSC: We continue to develop the input areas for foods processing (Westfood) and build up the consumer goods business. We however see more challenging market conditions and increasing market competition, which certainly will influence the overall performance of this business line.

In summary, we have had a quarter that is the worst since our restructuring process started in early 2017. This result, although disappointing in terms of numbers, has reflected our honesty in reviewing, discovering and removing the unprofitable business lines. I hope the group will try the best effort to ensure that the performance for the year will be close to what have been planned at the beginning of the year.

The charts and figures below show the data for sales and operating indicators for Q2-2018 in comparison to that in the same quarter last year. More financial data is presented in Table 1. The left hand-side of the chart shows the net sales while the right hand-size indicates gross profit and other related indicators.



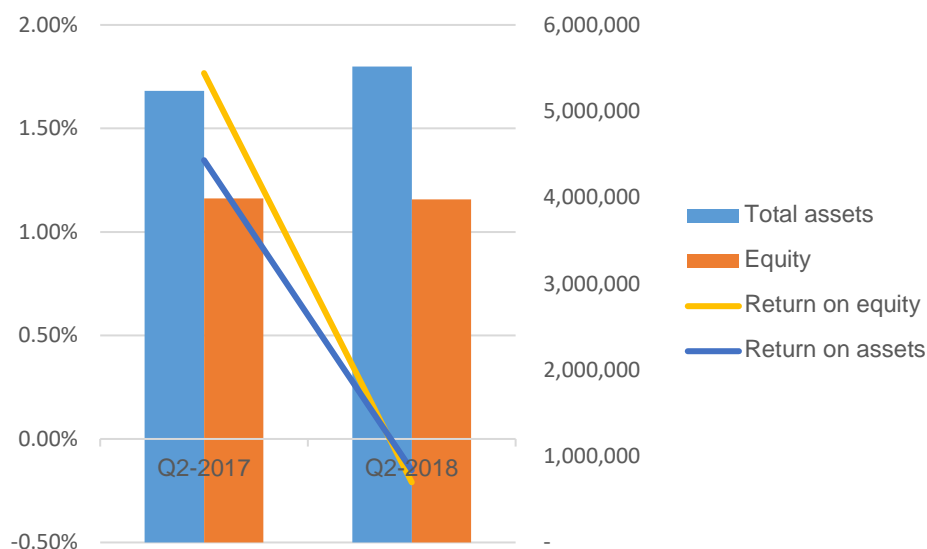
Net sales dropped comparing to QII/2017 but increased compared to Q1/2018 while the gross profit declined in comparison to both last quarter and the same quarter last year, indicating changes in sale prices and costs of sales. This is a consequence of increased market competition. In the meantime, the negative operating profit has resulted mainly from increasing selling expenses and financial costs. This, apart from competition reason, has reflected the costs of developing sales and distribution network, as well as of realizing general management costs of the restructuring process.

The lightening point in these disappointing results is that it has reflected the true costs that should have been discovered and recorded long time ago. The costs associating with the acquisition of Eurovipharm fortunately have been seen in time.

Table 1 – Profitability of F.I.T Group (as of 30 June 2018, in VND ml)

	Q2-2017	Q3-2017	Q4-2017	Q1-2018	Q2-2018
Net sales	434,253	390,820	407,160	353,901	399,781
Costs of goods sold	323,160	307,772	308,501	270,946	320,936
Gross profit	111,094	83,047	98,659	82,955	78,845
Financial income	57,425	38,781	34,559	44,516	38,786
Financial expense	7,289	15,061	5,103	14,959	32,905
Selling expenses	51,567	41,409	60,434	49,693	62,019
Administrative expenses	28,504	29,921	46,621	29,694	32,418
Operating income	84,528	36,330	10,882	29,133	-10,235
Profit before tax	90,323	35,766	9,940	29,166	-7,421
Profit after tax	70,485	23,848	154	22,760	-8,328
Profit after tax (Group)	58,498	20,280	9,949	20,789	-7,518

The chart below shows the figures of total assets, equity, and profitability indicators for QII-2017 và QII-2018. More data are provided in Table 2.



Although the profitability is not promising, the financial position is not that bad. The total assets increased compared to the same period last year but the equity slightly declined, achieving 5,516 and 3,976 bn VND accordingly. The slight decline in equity reflects the loss recorded in the period. Also because of this reason, profitability indicators decreased comparing to the same period last year. The group's financial position even though has been strong and healthy with reasonable asset and capital structure.

Table 2- Financial Position of F.I.T Group (as of 30 June 2018, in VND ml)

	Q2-2017	Q3-2017	Q4-2017	Q1-2018	Q2-2018
Current assets	2,897,977	2,425,474	2,421,819	3,021,148	2,781,633
Cash and equivalents	159,327	149,862	44,148	38,199	55,166
Short-term investments	1,874,100	1,445,489	1,642,018	2,160,440	1,867,916
Current assets	2,336,228	2,305,469	2,477,670	2,649,119	2,734,429
Cash and equivalents	467,577	454,048	557,506	558,624	551,647
Long-term financial investments	1,515,449	1,474,265	1,462,907	1,608,666	1,715,344
Total assets	5,234,205	4,730,943	4,899,489	5,670,267	5,516,062
Liabilities	1,245,471	737,607	901,611	1,570,915	1,540,052
Current liabilities	1,167,567	636,610	665,919	944,630	880,102
Non-current liabilities	77,904	100,997	235,692	626,285	659,949
Equity	3,988,734	3,993,336	3,997,878	4,099,352	3,976,011
Equity capital	2,547,302	2,547,302	2,547,302	2,547,302	2,547,302
Capital surplus	70,046	70,046	70,046	70,046	70,046
Retained earnings	198,516	216,413	222,991	244,486	197,773
Total liabilities and equity	5,234,205	4,730,943	4,899,489	5,670,267	5,516,062

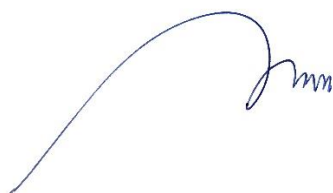
In line with the social responsibility activities in previous quarters, in this period we have done a number of activities that provide social values to communities, such as the health care program for children in District 3, Ho Chi Minh City and the medical checks for 1,000 poor households in Kon Tum province. As said in my previous letters, apart from financial goals, we have positioned ourself as a company that is leading in corporate social responsibility. Our social activities are small in scale but they all show our strong commitment to making better communities, and society- as a whole.

It could have been said that the first severe consequences of the restructuring processs are now uncovered. Although it is not what we expect to see in the short term, in the long term, we are confident that we have made our business lines solid and strong. We still actively await more challenges and obstacles in the time to come.

Though facing with more difficulties, we continue to committ to making our business models more transparent and honest to our stakeholders. We continue with investing more in technology and knowhow and recruiting more quality personel to work for us. The recruitment of a new leader for the pharmaceutical business is an example that shows our strong committment that is expected to make us better in the future in this business line.

In closing, on behalf of the group, I would like to express my sincere thanks to the team, the staff, customers and shareholders – those who have been always with me in both good and bad times. Thank you very much for continuing trust in and support for the future of our group.

Yours sincerely,



Nguyễn Thị Minh Nguyệt
CEO