

Dear Valued Shareholders,

As mentioned in the income statement in previous quarters, FIT is still on the process of restructuring, narrowing down ineffective business activities as well as focusing on investing in potential projects. Therefore, the Group's business results in this quarter have not achieved as unexpected.

Main reason for this unexpected result is:

The trade tension between US and China makes the protectionism increased. Since 2019, China has also tightened imported goods from Vietnam, making Vietnam's agricultural exports decline compared to the same period last year. Therefore, TSC's business products encountered difficulties when exporting to China, making the decline in business results of TSC and F.I.T Group in the first quarter of 2019.

In addition, the impact of rising world pharmaceutical prices has strongly affected to the business results of pharmaceutical enterprises, including leading enterprises and listed companies. Therefore, DCL's gross profit also decreased slightly when COGS increased and selling price remained unchanged, making the decrease of the consolidated gross profit margin of F.I.T Group. DCL's leaders along with F.I.T Group are well aware of this problem and are making efforts to improve business activities and financial targets of DCL in the coming time.

Although the targets of revenue and gross profit of the whole group were not achieved as planned, however, with good control of financial costs and selling expenses in the first quarter of 2019, it was maintained at a low and cyclical level, the profit before tax of FIT Group improved significantly compared to previous quarters.

Since the first quarter of 2019, performance indicators have gradually improved as member companies are gradually improving the restructuring process and are showing positive signs.

Specifically, I would like to review the key points in the basic operations in the this quarter as follows:

- **FIT:** Regarding the governance, continue to prioritize to improve the transparent, effective and honest corporate management model. In terms of business, the gloomy stock market is the cause of the decline in revenue and profit of financial activities.
- **DCL:** profit is still decreased due to the bad performance of EVP and the high price increase of input materials.

The situation will be significantly improved in the coming time thanks to the increase of new production lines of Capsules which is DCL's advantage, expected to contribute 20% of DCL's total revenue of 2019.

In addition, DCL is researching to invest in a project to build a new medical material factory with modern technology, contributing to increasing productivity and maximizing the performance of this field and of the whole company.

- **Westfood:** revenue and profit reached 86% of the plan. Currently, the company continues to invest in the development of its own raw materials to control its inputs and stabilize its prices. The planting of MD2 pineapple trial has also been successful and Westfood is continuing to invest in expanding this project.
- **Vikoda:** Vikoda's revenue and profit in the first quarter of 2019 achieved as expected. With the launch of new labels and bottles for main products as: Danh Thanh and Vikoda with a new and modern image, contributing to bring profit to the company in the first months of the year
- **HPC:** by implementing new trade policies, narrowing inefficient product lines, investing in product quality as well as changing models of key products, developing new customers and maximum the use of the capacity advantage of Today Cosmetics factory has helped the business results of the cosmetic industry to be improved compared to the previous years. By continuing to invest in developing quality product lines, HPC is expected to earn profits in this year.

In general, despite many disadvantages due to objective factors of macro, as well as industry factors, the management activities of the group management leaders made the profit of FIT Group improve positively compared to adjacent quarters.

The charts and figures below show the data for sales and operating indicators for previous quarters.

Table 1 – Profitability of F.I.T Group (as of Q1/ 2019. Unit: mil vnd)

	Q1-2018	Q2-2018	Q3-2018	Q4-2018	Q1-2019
Net sales	353,901	399,781	404,215	438,700	270,117
Costs of goods sold	270,946	320,936	318,608	349,719	220,860
Gross profit	82,955	78,845	85,607	88,981	49,258
Financial income	44,516	38,786	35,012	30,765	30,630
Financial expense	14,959	32,905	18,605	21,085	13,159
Selling expenses	49,693	62,019	63,871	60,654	35,579
Administrative expenses	29,694	32,418	38,244	37,235	26,927
Operating income	29,133	-10,235	-13,337	489	4,285
Profit before tax	29,166	-7,421	-13,144	-2,285	4,537
Profit after tax	22,760	-8,328	-17,745	-6,001	-633
Profit after tax (Group)	20,789	-7,518	-8,268	-4,707	2,508

The financial position of F.I.T Group is still maintained at a stable level and is in the improvement phase, which is considered as the result of the Group's restructuring of operations as well as business products.

The narrowing of ineffective segments and product lines in member companies helped improve short-term debts from 598 billion to 460 billion. This is also the main reason for improving the debt / equity ratio in this quarter.

Table 2- Financial Position of F.I.T Group (as of Q1/ 2019. Unit: mil vnd)

	Q1-2018	Q2-2018	Q3-2018	Q4-2018	Q1-2019
Current assets	3,021,148	2,781,633	2,701,664	2,568,443	2,446,055
Cash and equivalents	38,199	55,166	38,351	40,802	70,511
Short-term investments	2,160,440	1,867,916	1,825,378	1,716,311	1,655,584
Long term assets	2,649,119	2,734,429	2,601,799	2,628,848	2,600,446
Fixed assets	558,624	551,647	724,556	714,384	705,488
Long-term financial investments	1,608,666	1,715,344	1,579,557	1,619,574	1,607,137
Total assets	5,670,267	5,516,062	5,303,463	5,197,292	5,046,501
Liabilities	1,570,915	1,518,850	1,328,647	1,228,665	1,078,001
Current liabilities	944,630	858,901	682,561	598,492	460,700
Non-current liabilities	626,285	659,949	646,085	630,173	617,301
Equity	4,099,352	3,997,212	3,974,817	3,968,627	3,968,500
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	244,486	226,743	215,870	211,114	214,128
Total liabilities and equity	5,670,267	5,516,062	5,303,463	5,197,292	5,046,501

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 Free Health Check for poor people, Free food for poor patients. In addition, during this quarter, we also have activities to sponsor sports activities, contributing to improving the health of Vietnamese people.

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.

In closing

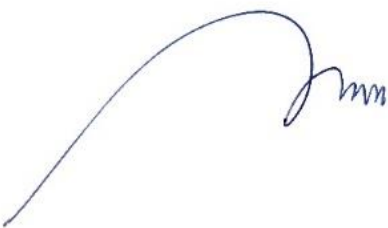
Q1/2019

It could have been said that the first severe consequences of the restructuring process are now cleared. 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 stronger. We still actively await more challenges and obstacles in the time to come. Although at the present time, FIT Group is facing many difficulties and challenges, but I believe that with what the Group is doing, we will gradually achieve the expected results, ensuring maximum benefit for shareholders as well as always towards sustainable development

Therefore, F.I.T Group will also continue to commit to bring business operations to be transparent and honest for those with related interests. F.I.T Group will continue to promote investment in technology and attract good personnel to work with the Group. The new General Manager in the Pharmaceutical section joined the Group this quarter, which is expected to make the pharmaceutical sector improved in this year and the next years.

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