

Vinhomes Joint Stock Company

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

QUARTER II 2018

Vinhomes Joint Stock Company

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Vinhomes Joint Stock Company

GENERAL INFORMATION

THE COMPANY

Vinhomes Joint Stock Company ("the Company"), previously known as Hanoi Southern City Development Joint Stock Company, is a joint stock company established in Vietnam pursuant to the Business Registration Certificate No. 0103022741 issued by the Hanoi Department of Planning and Investment on 6 March 2008 and the Business Registration Certificate No. 0102671977 dated 5 August 2010 on registration of a shareholding company. According to the 19th amended Business Registration Certificate dated 2 February 2018, the Company's name is changed to Vinhomes Joint Stock Company. The Company subsequently received amended Business Registration Certificates, with the latest amendment being the 23th amended Business Registration Certificate dated 12 June 2018.

The current principal activities of the Company are developing and trading real estate properties, leasing offices, and providing real estate management and related services.

The Company's head office is located at No. 458, Minh Khai street, Vinh Tuy ward, Hai Ba Trung district, Hanoi, Vietnam. The Company's business address is at No. 7, Bang Lang 1 street, Vinhomes Riverside Eco-urban Area, Viet Hung ward, Long Bien district, Hanoi, Vietnam.

BOARD OF DIRECTORS

Members of the Board of Directors during the period and at the date of this report are:

Mr Pham Nhat Vuong	Chairman	Appointed on 21 February 2018
Ms Mai Huong Noi	Chairwoman	Resigned on 21 February 2018
Ms Nguyen Dieu Linh	Member	Appointed on 21 February 2018
Mr Nguyen Viet Quang	Member	Appointed on 21 February 2018
Ms Cao Thi Ha An	Member	Appointed on 21 February 2018
Mr Varun Kapur	Independent Member	Appointed on 21 February 2018
Mr Mueen Uddeen	Independent Member	Appointed on 21 February 2018
Mr Pham Thieu Hoa	Member	Resigned on 21 February 2018
Ms Nguyen Mai Hoa	Member	Resigned on 21 February 2018

SUPERVISORY BOARD

Members of the Supervisory Board during the period and at the date of this report are:

Mr Pham Khoi Nguyen	Head of Supervisory Board	Appointed on 21 February 2018
Ms Le Thi Kim Thanh	Head of Supervisory Board	Resigned on 21 February 2018
Ms Doan Thi Thu Mai	Member	Appointed on 21 February 2018
Ms Le Thi Duyen	Member	Appointed on 21 February 2018
Ms Doan Thi Bich Ngoc	Member	Resigned on 21 February 2018
Ms Doan Thi Ha	Member	Resigned on 21 February 2018

Vinhomes Joint Stock Company

MANAGEMENT

Members of the Management during the period and at the date of this report are:

Ms Nguyen Dieu Linh	Chief Executive Officer	Appointed on 21 February 2018
Mr Nguyen Viet Quang	Chief Executive Officer	Resigned on 21 February 2018
Ms Nguyen Thi Thu Hoai	Deputy Chief Executive Officer	Appointed on 21 February 2018
		Resigned on 04 June 2018
Mr Douglas John Farrel	Deputy Chief Executive Officer	Appointed on 21 February 2018
Ms Nguyen Ngoc Thuy Linh	Deputy Chief Executive Officer	Appointed on 21 February 2018
Mr Nguyen Duc Quang	Deputy Chief Executive Officer	Appointed on 21 February 2018
Ms Nguyen Mai Hoa	Deputy Chief Executive Officer	Resigned on 21 February 2018
Mr Pham Thieu Hoa	Deputy Chief Executive Officer	Appointed on 21 February 2018
Ms Mai Thu Thuy	Deputy Chief Executive Officer	Resigned on 21 February 2018
Mr Nguyen Van Trai	Deputy Chief Executive Officer	Appointed on 01 June 2018
Ms Phi Thi Thuc Nga	Deputy Chief Executive Officer	Resigned on 21 February 2018
		Appointed on 08 June 2018

LEGAL REPRESENTATIVE

The legal representative of the Company from 1 January 2018 to 22 February 2018 is Mr. Nguyen Viet Quang and from 22 February 2018 to the date of this report is Ms. Nguyen Dieu Linh.

Mrs. Le Thi Hai Yen is Chief Financial Officer and also is authorised for signing these financial statements as authorized letter dated 1 March 2018.

Vinhomes Joint Stock Company

REPORT OF MANAGEMENT

Management of Vinhomes Joint Stock Company ("the Company") is pleased to present its report and the consolidated financial statements of the Company and its subsidiaries (collectively referred to as the Company and its subsidiaries") for Quarter II 2018.

MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the consolidated financial statements of each financial period which give a true and fair view of the consolidated financial position of the Group and of the consolidated results of its operation and its consolidated cash flows for the period. In preparing those consolidated financial statements, management is required to:

- ▶ select suitable accounting policies and then apply them consistently;
- ▶ make judgements and estimates that are reasonable and prudent;
- ▶ state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the consolidated financial statements; and
- ▶ prepare the consolidated financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue its business.

Management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the consolidated financial position of the Group and to ensure that the accounting records comply with the applied accounting system. It is also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Management confirmed that it has complied with the above requirements in preparing the accompanying consolidated financial statements for Quarter II 2018.

STATEMENT BY MANAGEMENT

Management does hereby state that, in its opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 30 June 2018, and of the consolidated results of its operations and its consolidated cash flows in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the consolidated financial statements.

For and on behalf of management.



Le Thi Hai Yen
Chief Financial Officer

Hanoi, Vietnam
30 July 2018

INTERIM CONSOLIDATED BALANCE SHEET

30 June 2018

Currency: VND

Code	ASSETS	Notes	30 June 2018	31 December 2017
100	A. CURRENT ASSETS		79,163,369,773,197	44,421,050,167,080
110	I. Cash and cash equivalents	4	4,709,599,887,522	1,561,577,770,818
111	1. Cash		1,056,804,069,839	818,341,400,251
112	2. Cash equivalents		3,652,795,817,683	743,236,370,567
120	II. Short-term investments	5	1,192,838,995,291	-
123	1. Held-to-maturity investments		1,192,838,995,291	-
130	III. Trade receivables		19,369,475,733,756	24,774,715,203,806
131	1. Short-term trade receivables	6.1	6,339,469,933,905	11,945,377,777,386
132	2. Short-term advances to suppliers	6.2	6,054,487,789,460	1,695,194,896,147
135	3. Short-term loan receivables	7	4,769,599,942,002	9,477,028,513,431
136	4. Other short-term receivables	8	2,317,909,118,885	1,755,862,686,147
137	5. Provision for doubtful debts		(111,991,050,496)	(98,748,669,305)
140	IV. Inventories	9	36,189,353,008,293	17,006,259,676,992
141	1. Inventories		36,289,489,175,595	17,265,369,555,979
149	2. Provision for obsolete inventories		(100,136,167,302)	(259,109,878,987)
150	V. Other current assets		17,702,102,148,334	1,078,497,515,464
151	1. Short-term prepaid expenses	10	1,589,867,240,965	786,169,470,464
152	2. Value-added tax deductible	19	245,586,081,573	83,535,446,363
153	3. Tax and other receivables from the State		35,766,259,780	2,214,131,652
155	4. Other current assets	11	15,830,882,566,016	206,578,466,985

INTERIM CONSOLIDATED BALANCE SHEET (continued)
30 June 2018

Currency: VND

Code	ASSETS	Notes	30 June 2018	31 December 2017
200	B. NON-CURRENT ASSETS		38,104,465,159,290	6,882,768,858,975
210	I. Long-term receivables		136,411,893,490	87,738,322,397
215	1. Long-term loan receivables	7	3,257,497,661	3,257,497,661
216	2. Other long-term receivables	8	133,154,395,829	84,480,824,736
220	II. Fixed assets		708,393,508,689	1,355,894,476,327
221	1. Tangible fixed assets	12	686,873,276,841	1,296,934,619,609
222	Cost		739,646,360,544	1,451,230,179,505
223	Accumulated depreciation		(52,773,083,703)	(154,295,559,896)
227	2. Intangible fixed assets	13	21,520,231,848	58,959,856,718
228	Cost		34,643,320,916	75,484,179,936
229	Accumulated depreciation		(13,123,089,068)	(16,524,323,218)
230	III. Investment properties	14	5,344,200,424,838	163,038,247,202
231	1. Cost		5,748,615,293,098	196,220,103,795
232	2. Accumulated depreciation		(404,414,868,260)	(33,181,856,593)
240	IV. Long-term assets in progress		19,086,369,114,137	2,462,055,543,041
242	1. Construction in progress	15	19,086,369,114,137	2,462,055,543,041
250	V. Long-term investments	16	189,223,000,000	1,754,972,107,124
252	1. Investments in associates	16.1	-	9,443,697,124
253	2. Investment in other entities	16.2	139,223,000,000	1,695,528,410,000
255	3. Held-to-maturity investments	16	50,000,000,000	50,000,000,000
260	VI. Other long-term assets		12,639,867,218,136	1,059,070,162,884
261	1. Long-term prepaid expenses	10	509,977,307,676	392,514,863,581
262	2. Deferred tax assets	32.3	101,906,256,011	39,743,980,836
268	3. Other long-term assets	11	10,893,349,277,786	-
269	4. Goodwill	17	1,134,634,376,663	626,811,318,467
270	TOTAL ASSETS		117,267,834,932,487	51,303,819,026,055

INTERIM CONSOLIDATED BALANCE SHEET (continued)

30 June 2018

Currency: VND

Code	RESOURCES	Notes	30 June 2018	31 December 2017
300	C. LIABILITIES		75,304,797,646,935	41,180,033,529,612
310	I. Current liabilities		61,808,459,241,097	34,223,057,193,372
311	1. Short-term trade payables	18.1	2,857,321,837,735	925,390,582,708
312	2. Short-term advances from customers	18.2	19,236,932,169,163	16,845,744,264,404
313	3. Statutory obligations	19	1,584,806,072,686	230,506,823,635
314	4. Payables to employees		300,526,775	3,626,966,610
315	5. Short-term accrued expenses	20	4,688,486,939,545	1,738,436,383,603
318	6. Short-term unearned revenues	21	522,622,360,487	16,617,259,917
319	7. Other short-term payables	22	10,576,554,793,426	5,763,144,422,167
320	8. Short-term loans	23	22,313,100,000,000	8,699,590,490,328
321	9. Short-term provision	24	28,334,541,280	-
330	II. Non-current liabilities		13,496,338,405,838	6,956,976,336,240
333	1. Long-term accrued expenses		26,679,257,291	-
336	2. Long-term unearned revenues	21	1,799,617,470,364	268,018,281,667
337	3. Other long-term liabilities	22	4,639,136,220,391	4,453,549,069
338	4. Long-term loans	23	6,850,833,614,271	6,627,686,696,069
342	5. Other long-term provisions	24	180,071,843,521	56,817,809,435

INTERIM CONSOLIDATED BALANCE SHEET (continued)
30 June 2018

Currency: VNĐ

Code	RESOURCES	Notes	30 June 2018	31 December 2017
400	D. OWNERS' EQUITY		41,963,037,285,553	10,123,785,496,443
410	I. Capital	25	41,963,037,285,553	10,123,785,496,443
411	1. Contributed share capital		26,796,115,500,000	2,000,000,000,000
411a	- Shares with voting rights		26,796,115,500,000	2,000,000,000,000
420	2. Other funds belonging to owners' equity		1,893,969,944,796	(99,117,851,011)
421	3. Undistributed earnings		8,820,184,339,349	5,003,298,133,184
421a	- Undistributed earnings accumulated to prior year-end		92,937,501,729	2,970,805,560,320
421b	- Undistributed earnings of this period		8,727,246,837,620	2,032,492,572,864
429	4. Non-controlling interests		4,452,767,501,408	3,219,605,214,270
440	TOTAL LIABILITIES AND OWNERS' EQUITY		117,267,834,932,487	51,303,819,026,055

Phung Thi Bich Hong
Preparer

30 July 2018

Bui Thi Ha
Chief Accountant



Le Thi Hai Yen
Chief Financial Officer

Vinhomes Joint Stock Company
 INTERIM CONSOLIDATED INCOME STATEMENT
 Quarter II 2018

B02a-DN

Currency: VND

Code	ITEMS	Notes	Quarter II 2018	Quarter II 2017	For the period ended 30 June 2018	For the period ended 30 June 2017
1	1. Revenue from sale of goods and rendering of services	26.1	5,433,646,951,058	1,795,701,912,989	15,750,808,253,267	5,173,288,159,893
2	2. Deductions		-	-	-	-
10	3. Net revenue from sale of goods and rendering of services	26.1	5,433,646,951,058	1,795,701,912,989	15,750,808,253,267	5,173,288,159,893
11	4. Cost of goods sold and services rendered	27	(3,718,614,375,865)	(1,269,646,991,058)	(11,394,590,512,414)	(3,216,551,099,084)
20	5. Gross profit from sale of goods and rendering of services		1,715,032,575,193	526,054,921,931	4,356,217,740,853	1,956,737,060,809
21	6. Finance income	26.2	4,394,016,860,017	173,052,910,277	7,405,086,522,889	272,262,726,887
22	7. Finance expenses	28	(657,436,073,993)	(298,800,474,088)	(958,012,605,579)	(454,076,515,385)
23	- In which: Interest expenses		(622,131,751,606)	(244,202,771,319)	(922,439,145,340)	(396,518,256,662)
24	8. Shares of profit of associates, joint-ventures		-	67,239,418,433	159,112,549	149,559,368,118
25	9. Selling expenses	29	(281,520,649,671)	(270,893,576,132)	(594,604,016,054)	(670,933,939,589)
26	10. General and administrative expenses	30	(205,287,713,988)	(147,400,570,100)	(403,662,954,237)	(286,105,771,362)
30	11. Operating profit		4,964,804,997,558	49,252,630,321	9,805,183,800,421	967,442,929,478
31	12. Other income	31	34,669,899,379	14,940,498,753	81,881,843,376	24,945,488,404
32	13. Other expenses	31	(14,389,207,965)	(8,416,523,250)	(33,137,500,406)	(13,979,415,048)
40	14. Other profit	31	20,280,691,414	6,523,975,503	48,744,342,970	10,966,073,356

Vinhomes Joint Stock Company
INTERIM CONSOLIDATED INCOME STATEMENT (continued)
 Quarter II 2018

Currency: VND

Code	ITEMS	Notes	Quarter II 2018	Quarter II 2017	For the period ended 30 June 2018	For the period ended 30 June 2017
50	15. Accounting profit before tax		4,985,085,688,972	55,776,605,824	9,853,928,143,392	978,409,002,834
51	16. Current corporate income tax expense	32	(1,082,145,609,814)	(52,235,170,265)	(1,992,087,834,087)	(206,724,796,873)
52	17. Deferred tax income		(20,904,925,940)	3,352,311,169	6,508,155,654	3,352,311,169
60	18. Net profit after tax		3,882,035,153,218	6,893,746,728	7,868,348,464,959	775,036,517,130
	<i>In which:</i>					
61	- Net profit/(loss) after tax attributable to shareholders of the parent		3,825,237,580,385	(24,505,958,878)	7,731,563,992,491	715,549,036,179
62	- Net profit after tax attributable to non-controlling interests		56,797,572,833	31,399,705,606	136,784,472,468	59,487,480,951
70	21. Basic earnings per share		1,428	(41)	3,330	1,193
71	22. Diluted earnings per share		1,428	(41)	3,330	1,193



[Signature]

Phung Thi Bich Hong
Preparer

Bui Thi Ha
Chief Accountant

Le Thi Hai Yen
Chief Financial Officer

30 July 2018

INTERIM CONSOLIDATED CASH FLOW STATEMENT

Quarter II 2018

Currency: VND

Code	ITEMS	Notes	Quarter II 2018	Quarter II 2017
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
1	Profit before tax		9,853,928,143,392	978,409,002,834
	<i>Adjustments for:</i>			
2	Depreciation of fixed assets and investment properties and amortisation of intangible fixed assets (including amortization of	12, 13, 14	122,702,689,640	211,258,063,422
3	Provisions		(276,139,004,120)	114,834,704,033
4	Forex exchange gains arising from revaluation of monetary accounts denominated in foreign currency		(854,072)	-
5	Profits from investing activities		(630,156,166,566)	(376,245,518,871)
6	Interest expenses	28	922,439,145,340	396,518,256,662
8	Operating profit before changes in working capital		9,992,773,953,613	1,324,774,508,079
9	(Increase) in receivables		(8,307,932,365,679)	(240,375,952,723)
10	(Increase)/Decrease in inventories		(1,683,199,726,722)	1,741,963,665,730
11	Increase in payables (other than interest, corporate income tax)		3,771,905,700,058	1,035,973,530,468
12	Decrease/(Increase) in prepaid expenses		287,561,290,267	(341,928,754,293)
14	Interest paid		(1,314,994,054,791)	(445,950,464,272)
15	Corporate income tax paid	19	(605,424,864,183)	(705,816,795,668)
20	Net cash flows from operating activities		2,140,689,932,564	2,368,639,737,323
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchase and construction of fixed assets and other long-term assets		(581,294,917,480)	(688,557,416,478)
22	Proceeds from sale of fixed assets and other long-term assets		620,767,295,139	140,571,717,511
23	Loans to other entities and payments for purchase of debt instruments of other entities		(8,142,189,248,346)	(11,952,312,359,998)
24	Collections from borrowers and proceeds from sale of debt instruments of other entities		15,189,936,307,980	4,692,359,866,717
25	Payments for investments in other entities		(45,931,414,036,062)	(2,724,232,482,641)
26	Proceeds from sale of investments in other entities		22,588,063,367,787	1,965,179,969,200
27	Interest and dividends received		700,993,324,412	197,186,671,473
30	Net cash flows used in investing activities		(15,555,137,906,570)	(8,369,804,034,216)

INTERIM CONSOLIDATED CASH FLOW STATEMENT (continued)
 Quarter II 2018

Currency: VND

Code	ITEMS	Notes	Quarter II 2018	Quarter II 2017
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
31	Capital contribution and issuance of shares		12,000,000,000,000	-
33	Drawdown of borrowings		33,361,032,491,842	24,604,144,390,815
34	Repayment of borrowings		(27,853,286,215,204)	(20,224,048,188,910)
36	Dividends paid		(945,277,040,000)	-
40	Net cash flows from financing		16,562,469,236,638	4,380,096,201,905
50	Net increase in cash for the period		3,148,021,262,632	(1,621,068,094,988)
60	Cash and cash equivalents at the beginning		1,561,577,770,818	2,802,422,910,160
61	Impact of exchange rate fluctuation		854,072	-
70	Cash and cash equivalents at the end of the	4	4,709,599,887,522	1,181,354,815,172

Phung Thi Bich Hong
Preparer

30 July 2018

Bui Thi Ha
Chief Accountant



Hai Yen
Chief Financial Officer

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
Quarter II 2018**1. CORPORATE INFORMATION**

Vinhomes Joint Stock Company ("the Company"), previously known as Hanoi Southern City Development Joint Stock Company, is a joint stock company established in Vietnam pursuant to the Business Registration Certificate No. 0103022741 issued by the Hanoi Department of Planning and Investment on 6 March 2008 and the Business Registration Certificate No. 0102671977 dated 5 August 2010 on registration of a shareholding company. According to the 19th amended Business Registration Certificate dated 2 February 2018, the Company's name is changed to Vinhomes Joint Stock Company. The Company subsequently received amended Business Registration Certificates, with the latest amendment being the 22th amended Business Registration Certificate dated 12 April 2018.

The current principal activities of the Company are developing and trading real estate properties, leasing offices, and providing real estate management and related services.

The average course of business cycle for the real estate trading activities, from the date of Investment Licenses, land clearance and compensation, construction to completion, is from 12 to 36 months.

The Company and its subsidiaries's normal course of business cycle is 12 months.

As at 30 June 2018, the Company has 17 subsidiaries. The information on these subsidiaries, along with the Company's voting rights and equity interest in each subsidiary are detailed in the Appendix 1.

2. BASIS OF PREPARATION**2.1 Accounting standards and system**

The consolidated financial statements of the Company, which are expressed in Vietnam dong ("VND"), are prepared in accordance with Vietnamese Enterprise Accounting System and Vietnamese Accounting Standards issued by the Ministry of Finance as per:

- ▶ Decision No. 149/2001/QD-BTC dated 31 December 2001 on the Issuance and Promulgation of Four Vietnamese Accounting Standards (Series 1);
- ▶ Decision No. 165/2002/QD-BTC dated 31 December 2002 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 2);
- ▶ Decision No. 234/2003/QD-BTC dated 30 December 2003 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 3);
- ▶ Decision No. 12/2005/QD-BTC dated 15 February 2005 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 4); and
- ▶ Decision No. 100/2005/QD-BTC dated 28 December 2005 on the Issuance and Promulgation of Four Vietnamese Accounting Standards (Series 5).

2. BASIS OF PREPARATION (continued)

2.1 Applied accounting documentation system (Continued)

The Company's applied accounting documentation system is the General Journal.

2.2 Fiscal year

The Company's fiscal year applicable for the preparation of its separate financial statements starts on 1 January and ends on 31 December.

2.3 Accounting currency

The separate financial statements are prepared in VND which is also the Company's accounting currency

2.4 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries for the 30 June 2018.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Company obtains control, and continued to be consolidated until the date that such control ceases..

The financial statements of subsidiaries are prepared for the same reporting year as the parent company, using consistent accounting policies.

All intra-company balances, income and expenses and unrealised gains or losses result from intra-company transactions are eliminated in full.

Non-controlling interests represent the portion of profit or loss and net assets not held by the Company and are presented separately in the consolidated income statement and within equity in the consolidated balance sheet.

Impact of change in the ownership interest of a subsidiary, without a loss of control, is recorded in undistributed earnings.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**3.1 Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand, cash in banks and short-term, highly liquid investments with an original maturity of less than three months that are readily convertible into known amounts of cash and that are subject to an insignificant risk of change in value.

3.2 Inventories

Inventories are stated at the lower of cost incurred in bringing each product to its present location and condition, and net realisable value.

Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs to complete and the estimated costs necessary to make the sale.

Inventory properties

Property acquired or being constructed for sale or to be held for long-term lease that meets the requirements of outright revenue recognition in the ordinary course of business, rather than to be held for rental or capital appreciation, is held as inventory property and is measured at the lower of cost and net realisable value.

Cost of inventory property includes:

- ▶ Freehold, leasehold and development rights for land;
- ▶ Amounts payable/paid to contractors for construction; and
- ▶ Borrowing costs, planning and design costs, costs of site preparation, professional fees for legal services, property transfer taxes, construction overheads and other related costs.

Net realisable value is the estimated selling price in the ordinary course of the business, based on market prices at the reporting date and discounted for the time value of money if material, and less costs to completion and the estimated selling expenses.

The cost of inventory recognised in profit or loss on disposal is determined with reference to the specific costs incurred on the property sold and an allocation of common costs based on the relative size of the inventory property sold.

Provision for obsolete inventories

An inventories provision is created for the estimated loss arising due to the impairment of value (through diminution, damage, obsolescence, etc.) of raw materials, finished goods, and other inventories owned by the Company, based on appropriate evidence of impairment available at the separate balance sheet date. Increases and decreases to the provision balance are recorded into the cost of goods sold account in the separate income statement.

3.3 Receivables

Receivables are presented in the separate financial statements at the carrying amounts due from customers and other debtors, after provision for doubtful debts.

The provision for doubtful debts represents amounts of outstanding receivables at the separate balance sheet date which are doubtful of being recovered. Increases and decreases to the provision balance are recorded as general and administrative expense in the interm separate income statement.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter II 2018**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****3.4 Tangible fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation.

The cost of a tangible fixed asset comprises its purchase price and any directly attributable costs of bringing the tangible fixed asset to working condition for its intended use.

Expenditures for additions, improvements and renewals are added to the carrying amount of the assets and expenditures for maintenance and repairs are charged to the separate income statement as incurred.

When tangible fixed assets are sold or retired, any gain or loss resulting from their disposal (the difference between the net disposal proceeds and the carrying amount) is included in the interim separate income statement.

3.5 Leased assets

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at inception date and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset and the arrangement conveys a right to use the asset.

A lease is classified as a finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the asset to the lessee. All other leases are classified as operating

Where the Company and its subsidiaries is the lessee

Rentals under operating leases are charged to the separate income statement on a straight-line basis over the lease term.

Where the Company and its subsidiaries is the lessor

Assets subject to operating leases are included as the Company's investment properties in the separate balance sheet. Initial direct costs incurred in negotiating an operating lease are recognised in the separate income statement as incurred.

Lease income is recognized in the separate income statement on a straight-line basis over the lease

3.6 Intangible fixed assets

Intangible fixed assets are stated at cost less accumulated amortisation.

The cost of an intangible fixed asset comprises of its purchase price and any directly attributable costs of preparing the intangible fixed asset for its intended use.

Expenditures for additions, improvements are added to the carrying amount of the assets and other expenditures are charged to the separate income statement as incurred.

When intangible fixed assets are sold or retired, any gain or loss resulting from their disposal (the difference between the net disposal proceeds and the carrying amount) is included in the separate income statement.

Land use rights

Definite and indefinite land use rights are recorded as intangible fixed assets based on land use right certificates issued by governing bodies.

The advance payment for land rental, of which the land lease contracts have effectiveness prior to 2003 and Land use right certificate being issued, are recorded as intangible fixed asset according to Circular No. 45/2013/TT-BTC issued by the Ministry of Finance on 25 April 2013 guiding the management, use and depreciation of fixed assets ("Circular 45").

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter II 2018

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.7 Depreciation and amortisation

Depreciation of tangible fixed assets and amortisation of intangible fixed assets are calculated on a straight-line basis over the estimated useful life of each asset as follows:

Buildings and structures	8 - 48 years
Machineries and equipment	9 - 10 years
Means of transportation	3 - 12 years
Office equipment	2 - 10 years
Copy right, patent	5 years
Others	3 - 10 years

3.8 Investment properties

Investment properties are stated at cost including transaction costs less accumulated depreciation and amortisation.

Subsequent expenditure relating to an investment property that has already been recognized is added to the net book value of the investment property when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing investment property, will flow to the Company.

Depreciation and amortization of investment properties are calculated on a straight-line basis over the estimated useful life of each asset as follows:

Buildings, machinery and equipment	47 years
Others	9 - 10 years

The Company and its subsidiaries does not amortise indefinite land use right.

Investment properties are derecognised when either they have been disposed of or when the investment properties are permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the assets is recognised in the interm separate income statement in the year of retirement or disposal.

Transfers are made to investment properties when, and only when, there is a change in use, evidenced by ending of owner-occupation, commencement of an operating lease to another party or ending of construction or development. Transfers are made from investment properties when, and only when, there is change in use, evidenced by commencement of owner-occupation or commencement of development with a view to sale. The transfer from investment property to owner-occupied property or inventories does not change the cost or the carrying value of the property for subsequent accounting at the date of change in use.

3.9 Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Borrowing costs are recorded as expense during the period in which they are incurred, except for the borrowing costs that are capitalised as part of the cost of the respective asset.

The borrowing costs that are directly attributable to the acquisition, construction or production of an asset that necessarily take a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter II 2018**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****3.10 Prepaid expenses**

Prepaid expenses are reported as short-term or long-term prepaid expenses on the separate balance sheet and amortised over the period for which the amount are paid or the period in which economic benefit are generated in relation to these expenses.

Long-term prepaid expenses include long-term prepaid land rental, pre-operation expenditure, tools and supplies, and other prepaid expenses that bring future economic benefits for more than one year.

The prepaid land rental represents the unamortised balance of advance payment made in accordance with the lease contract signed with the authorities. Such prepaid rental is recognised as a long-term prepaid expense and is amortised to the consolidated income statement over the remaining lease period according to Circular 45.

Substantial expenditure on fixed asset overhaul is recorded as prepaid expense and are amortised to the consolidated income statement.

3.11 Business combinations and goodwill

Business combinations are accounted for using the purchase method. The cost of a business combination is measured as the fair value of assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange plus any costs directly attributable to the business combination. Identifiable assets and liabilities and contingent liabilities assumed in a business combination are measured initially at fair values at the date of business combination.

Goodwill acquired in a business combination is initially measured at cost being the excess of the cost the business combination over the Company and its subsidiaries' interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities. If the cost of a business combination is less than the fair value of the net assets of the subsidiary acquired, the difference is recognized directly in the consolidated income statement. After initial recognition, goodwill is measured at cost less any accumulated amortisation. Goodwill is amortised over 10-year period on a straight-line basis. The parent company conducts the periodical review for impairment of goodwill of investment in subsidiaries. If there are indicators of impairment loss incurred is higher than the yearly allocated amount of goodwill on the straight-line basis, the higher amount will be recorded in the consolidated income statement.

Business combinations involving entities or businesses under common control

Business combinations involving entities or businesses under common control are accounted for as follows:

- ▶ The assets and liabilities of the two combined entities are reflected at their carrying amounts on the date of business combination;
- ▶ No goodwill is recognised from the business combination;
- ▶ The consolidated income statement reflects the results of the combined entities from the date of the business combination; and
- ▶ Any difference between the consideration paid and the net assets of the acquiree is recorded in equity.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter II 2018**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****3.12 Investments***Investment in associates*

The Company and its subsidiaries' investment in their associate is accounted for using the equity method of accounting. An associate is an entity in which the the Company and its subsidiaries have significant influence that is neither subsidiaries nor joint ventures. The Company and its subsidiaries generally deem they have significant influence if they have over 20% of the voting rights.

Under the equity method, the investment is carried in the consolidated balance sheet at cost plus post acquisition changes in the Company and its subsidiaries' share of net assets of the associates. Goodwill arising on acquisition of the associate is included in the carrying amount of the investment. Goodwill is not amortised and subject to annual review for impairment by the Company and its subsidiaries. The consolidated income statement reflects the share of the post-acquisition results of operation of the associate.

The share of post-acquisition profit/(loss) of the associates is presented on face of the consolidated income statement and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Dividend/profit sharing received or receivable from associates reduces the carrying amount of the investment.

The financial statements of the associates are prepared for the same reporting period and use the same accounting policies as the Company and its subsidiaries. Where necessary, adjustments are made to bring the accounting policies in line with those of the Company and its subsidiaries.

Held-for-trading securities and investments in other entities

Held-for-trading securities and investments in other entities are stated at their acquisition costs.

Provision for diminution in value of investments

Provision is made for any diminution in value of the held-for-trading securities and investments in capital of other entities at the balance sheet date in accordance with the guidance under Circular No. 228/2009/TT-BTC dated 7 December 2009, and Circular No. 89/2013/TT-BTC dated 28 June 2013 issued by the Ministry of Finance. Increases and decreases to the provision balance are recorded as finance expense in the separate income statement.

Held-to-maturity investments

Held-to-maturity investments are stated at their acquisition costs. After initial recognition, held-to-maturity investments are measured at recoverable amount. Any impairment loss incurred is recognised as expense in the separate financial statements and deducted against the value of such investments.

3.13 Payables and accruals

Payables and accruals are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Company. Payables to construction contractors are recognised for amounts certified by the construction work certificate signed with contractors, whether or not billed to the Company.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter II 2018**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****3.14 Foreign currency transactions**

Transactions in currencies other than the Company and its subsidiaries's reporting currency of VND are recorded at the actual transaction exchange rates at transaction dates which are determined as follows:

- ▶ Transactions resulting in receivables are recorded at the buying exchange rates of the commercial banks designated for collection;
- ▶ Transactions resulting in liabilities are recorded at the selling exchange rates of the commercial banks designated for payment;
- ▶ Payments for assets or expenses without liabilities initially being recognised is recorded at the buying exchange rates of the commercial banks that process these Payments

At the end of the period, monetary balances denominated in foreign currencies are translated at the actual exchange rates at the balance sheet dates which are determined as follows:

- ▶ Monetary assets are translated at buying exchange rate of the commercial bank where the Company conducts transactions regularly;
- ▶ Monetary liabilities are translated at selling exchange rate of the commercial bank where the Company conducts transactions regularly.

All foreign exchange differences incurred during the period and arising from the revaluation of monetary accounts denominated in foreign currency at period-end are taken to the separate income statement.

3.15 Appropriation of net profits

Net profit after tax (excluding foreign exchange gain due to revaluation of monetary items at the reporting date) is available for appropriation to investors/shareholders after approval in the annual general meeting, and after making appropriation to reserve funds in accordance with the Company's Charter and Vietnam's regulatory requirements.

3.16 Advance from customers

Advance from customers for purchasing apartments in the future, which has not qualified to be recognised as revenue for the period, is recorded to account "Advance from customers" in liability of the separate balance sheet.

Amount received from customers in accordance with loans contract is recorded to account "Other payables" in liability of the separate balance sheet.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter II 2018**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****3.17 Revenue recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and its subsidiaries and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, excluding trade discount, rebate and sales return. The following specific recognition criteria must also be met before revenue is recognised:

Revenue from sale of inventory property

Revenue from sale of inventory property is recognised when major risks and rewards accompanying with real estate ownership are transferred to buyers.

Revenue from sale of inventory property also includes long-term lease of inventory property qualified for recognition of outright sales. If the lease-term is greater than 90% of the asset's useful life, the Company and its subsidiaries will recognize the revenue for the entire prepaid lease payment if all of the following conditions are met:

- ▶ Lessee is not allowed to cancel the lease contract during the lease term, and the lessor is not responsible for reimbursing the prepaid lease payments under any circumstances;
- ▶ The prepaid lease payment is not less than 90% of the total estimated lease payment collected under contract over the lease period and lessee must pay all rental within 12 months from the commencement of the lease;
- ▶ Almost all risks and rewards associated with the ownership of leased assets are transferred to the lessee; and
- ▶ Lessor must estimate the full cost of leasing activity.

Sale of goods

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually upon the delivery of the goods.

Income from business cooperation

Income from business cooperation is recognised as shared revenue and determined reliably in accordance with business cooperation agreements.

Rendering of services

Income from rendering service is recognised when service is rendered to customers.

Rental income from leasing investment properties

Rental income arising from operating leases is accounted for on a straight line basis over the terms of the lease.

Interest

Income is recognised as the interest accrues (taking into account the effective yield on the asset) unless collectability is in doubt.

Dividends

Income is recognised when the Company's entitlement as an investor to receive the dividend is

Income from securities trading and capital transfer

Income from securities trading and capital transfer is identified as difference between selling price and securities cost. This income is recorded on date when transaction arises, that is when the transfer contract is exercised.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter II 2018**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****3.18 Taxation***Current income tax*

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted as at the separate balance sheet date.

Current income tax is charged or credited to the separate income statement, except when it relates to items recognised directly to equity, in which case the current income tax is also dealt with in equity.

Current income tax assets and liabilities are offset when there is a legally enforceable right for the Company to set off current tax assets against current tax liabilities and when the Company intends to settle its current tax assets and liabilities on a net basis.

Deferred tax

Deferred tax is provided using the liability method on temporary differences at the separate balance sheet date between the tax base of assets and liabilities and their carrying amount for financial reporting

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- ▶ where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the related transaction affects neither the accounting profit nor taxable profit or loss;

- ▶ in respect of taxable temporarily differences associated with investments in subsidiaries and associates, and interests in joint ventures where timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carried forward unused tax credit and unused tax losses, to the extent that it is probable that taxable profit will be available against which deductible temporary differences, carried forward unused tax credit and unused tax losses can be utilised, except:

- ▶ where the deferred tax asset in respect of deductible temporary difference which arises from the initial recognition of an asset or liability which at the time of the related transaction, affects neither the accounting profit nor taxable profit or loss;

- ▶ in respect of deductible temporarily differences associated with investments in subsidiaries, associates, and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each separate balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Previously unrecognised deferred tax assets are re assessed at each separate balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter II 2018**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****3.18 Taxation (continued)***Deferred tax (continued)*

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset realised or the liability is settled based on tax rates and tax laws that have been enacted at the separate balance sheet date.

Deferred tax is charged or credited to the separate income statement, except when it relates to items recognised directly to equity, in which case the deferred tax is also dealt with in the equity account.

Deferred tax assets and liabilities are offset when there is a legally enforceable right for the Company to off-set current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority on:

- ▶ either the same taxable entity; or
- ▶ when the Company intends either settle current tax liabilities and assets on a net basis or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

4. CASH AND CASH EQUIVALENTS

	<i>30 June 2018</i>	<i>Currency: VND 31 December 2017</i>
Cash on hand	2,086,448,350	159,912,175
Cash at banks	1,054,717,621,489	815,874,983,916
Cash in transit	-	2,306,504,160
Cash equivalents	<u>3,652,795,817,683</u>	<u>743,236,370,567</u>
TOTAL	<u>4,709,599,887,522</u>	<u>1,561,577,770,818</u>

Cash equivalents are bank deposits in VND with term of 1 to 3 months and at interest rate of 4.1% - 5% per annum.

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NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter II 2018

5. SHORT-TERM INVESTMENTS

5.1 Held to maturity investments

	30 June 2018		31 December 2017	
	Cost	Book value	Cost	Book value
- Term deposit	1,192,838,995,291	1,192,838,995,291	-	-
TOTAL	1,192,838,995,291	1,192,838,995,291	-	-

Term deposit include bank deposit in VND with term of 6 to 12 months and at interest rate of 6% - 7.1% per annum.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter II 2018**6. TRADE RECEIVABLES AND ADVANCES TO SUPPLIERS****6.1 Short-term trade receivables**

Currency: VND

	30 June 2018	31 December 2017
Trade receivables from sales of inventory	4,114,316,052,176	852,651,790,464
Trade receivables from rendering real estate management services	101,039,700,212	-
Trade receivables from leasing activities and rendering related services	104,177,857,868	60,642,421,977
Trade receivables from rendering education and related services	18,903,724,410	-
Others	2,001,032,599,239	11,032,083,564,945
TOTAL	6,339,469,933,905	11,945,377,777,386
<i>In which:</i>		
Trade receivables from related parties (Note 33)	2,473,511,492,426	9,871,071,344,080

6.2 Short-term advances to suppliers

Currency: VND

	30 June 2018	31 December 2017
Land Fund Development Center of Gia Lam district (i)	1,508,234,664,804	792,312,969,328
Others	4,546,253,124,656	902,881,926,819
TOTAL	6,054,487,789,460	1,695,194,896,147
<i>In which:</i>		
Advance to related parties (Note 33)	221,356,274,288	108,076,582,716

7. LOAN RECEIVABLES

Currency: VND

	30 June 2018	31 December 2017
Short term:		
Current portion of short-term lendings	19,999,942,002	21,999,942,002
Loans to related parties (i) (Note 32)	70,000,000,000	2,684,000,000,000
Other loans	4,679,600,000,000	6,771,028,571,429
	4,769,599,942,002	9,477,028,513,431

(i) This presents the loans with the term of 12 months and bearing an interest rate of 8% per annum

Long term:

Loans to corporate counterparties	3,257,497,661	3,257,497,661
	3,257,497,661	3,257,497,661

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter II 2018**8. OTHER RECEIVABLES**

Currency: VND

	30 June 2018	31 December 2017
Short term:		
Customers' advances collected by third party on behalf of the Company and its subsidiaries	457,174,094,876	1,033,361,277,516
Interest receivables	631,110,952,835	445,998,056,165
Receivables from profit sharing from BCC projects	92,269,396,628	137,857,940,830
Short-term deposits	451,190,106,500	56,767,160,790
Receivable from master account	485,930,159,754	53,070,861,526
Others	200,234,408,292	28,807,389,320
	<u>2,317,909,118,885</u>	<u>1,755,862,686,147</u>
<i>In which:</i>		
Receivables from related parties (Note 33)	853,988,251,955	136,238,941,138
Long term:		
Deposits for outlet rentals	74,711,324,549	84,149,639,179
Other long-term deposits	58,116,000,001	331,185,557
Other long-term receivables	327,071,279	-
	<u>133,154,395,829</u>	<u>84,480,824,736</u>

9. INVENTORIES

Currency: VND

	30 June 2018	31 December 2017
Inventory properties under construction (i)	34,091,063,675,370	14,576,340,222,140
Completed inventory properties (i)	55,578,791,855	2,573,413,405,959
Inventories for retail outlets	2,142,846,708,370	115,615,927,880
TOTAL	<u>36,289,489,175,595</u>	<u>17,265,369,555,979</u>
Provision for obsolete inventories	(100,136,167,302)	(259,109,878,987)
Net realisable value	<u>36,189,353,008,293</u>	<u>17,006,259,676,992</u>

- (i) This represents construction costs of inventory properties for sale, which mainly comprise direct construction costs of residential apartments for sale in Vinhomes Times City project, Vinhomes Metropolis project, Vinhomes Green Bay project, Vinhomes Central Park project and Vinhomes Golden River.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter II 2018

10. SHORT-TERM PREPAID EXPENSES

	30 June 2018	31 December 2017
	<i>Currency: VND</i>	
Short term:		
Commission fee related to apartments not yet handed over to buyers	1,448,531,700,729	607,480,080,694
Provisional corporating income tax	118,678,645,193	173,135,075,150
Tools and supplies	975,105,329	4,250,000
Others	21,681,789,714	5,550,064,620
TOTAL	<u>1,589,867,240,965</u>	<u>786,169,470,464</u>
Long term:		
Land rental rights (i)	378,947,299,411	378,947,299,410
Tools and supplies	19,868,671,489	13,531,226,142
Rental fees	24,281,562,771	-
Others	86,879,774,005	36,338,029
TOTAL	<u>509,977,307,676</u>	<u>392,514,863,581</u>

(i) This is land rental right relating to shopping malls of Ecology JSC arising from the acquisition transaction; in which, Ecology JSC is the lessee under operating leases with favorable lease terms compared to the market terms at the date of business combination.

11. OTHER CURRENT ASSETS

	30 June 2018	31 December 2017
	<i>Currency: VND</i>	
Short term:		
Electrical system (i)	196,578,466,985	196,578,466,985
Deposits for investment purposes (ii)	15,600,895,463,363	-
Others	33,408,635,668	10,000,000,000
TOTAL	<u>15,830,882,566,016</u>	<u>206,578,466,985</u>
Long term:		
Deposits for investment purposes (ii)	9,861,000,000,000	-
Deposits for goods purchasing purposes	1,032,349,277,786	-
TOTAL	<u>10,893,349,277,786</u>	<u>-</u>

In which:

Deposits to related parties (Note 33) 14,056,286,600,000 -

(i) This represents the electrical system and equipment that will be transferred to EVN Hanoi.

(ii) This represents the deposits for shares, new projects transferring and bussiness co-operation

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NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)

Quarter II 2018

12. TANGIBLE FIXED ASSETS

Currency: VND

	Building and structures	Machinery and equipment	Means of transportation	Office equipment	Others	Total
Cost:						
Beginning balance	1,180,896,945,732	194,648,470,255	3,019,235,970	72,665,527,548	-	1,451,230,179,505
Additions:	2,258,093,167,179	119,035,887,805	82,866,081,695	1,592,331,715	11,015,399,907	2,472,602,868,301
- Newly purchase	9,652,957,148	30,825,476,142	2,810,866,779	51,445,455		43,340,745,524
- Acquired from merger and business combination	2,248,440,210,031	88,210,411,663	80,055,214,916	1,540,886,260	11,015,399,907	2,429,262,122,777
Reductions:	(2,903,553,763,680)	(203,979,930,695)	(5,108,405,455)	(71,544,587,432)	-	(3,184,186,687,262)
- Reclassification	(2,134,568,574,374)	(100,258,258,864)	-	-	-	(2,234,826,833,238)
- Disposal	(679,557,720,753)	(103,580,260,832)	(3,965,000,000)	-	-	(787,102,981,585)
- Disposal of subsidiaries	(88,409,333,386)	(141,410,999)	-	(71,544,587,432)	-	(160,095,331,817)
- Other decreases	(1,018,135,167)	-	(1,143,405,455)	-	-	(2,161,540,622)
Ending balance	535,436,349,231	109,704,427,365	80,776,912,210	2,713,271,831	11,015,399,907	739,646,360,544
Accumulated depreciation:						
Beginning balance	82,403,234,947	42,234,501,855	3,019,235,970	26,638,587,124	-	154,295,559,896
Additions:	58,095,907,055	21,511,509,460	12,270,730,135	1,394,715,651	3,384,353,776	96,657,216,077
- Depreciation for the period	18,179,710,259	10,309,373,095	1,253,389,388	48,558,392	898,801,770	30,689,832,904
- Merger and acquisition of new subsidiaries	39,916,196,796	11,202,136,365	11,017,340,747	1,346,157,259	2,485,552,006	65,967,383,173
Decreases:	(137,824,683,076)	(31,151,298,598)	(1,859,308,227)	(27,344,402,369)	-	(198,179,692,270)
- Reclassification	(63,450,427,386)	(2,169,022,935)	-	-	-	(65,619,450,321)
- Disposal	(39,180,246,627)	(28,968,455,670)	(715,902,772)	-	-	(68,864,605,069)
- Disposal of subsidiaries	(34,175,873,896)	(13,819,993)	-	(27,344,402,369)	-	(61,534,096,258)
- Other decreases	(1,018,135,167)	-	(1,143,405,455)	-	-	(2,161,540,622)
Ending balance	2,674,458,926	32,594,712,717	13,430,657,878	688,900,406	3,384,353,776	52,773,083,703
Net carrying amount:						
Beginning balance	1,098,493,710,785	152,413,968,400	-	46,026,940,424	-	1,296,934,619,609
Ending balance	532,761,890,305	77,109,714,648	67,346,254,332	2,024,371,425	7,631,046,131	686,873,276,841

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NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued) Quarter II 2018

13. INTANGIBLE FIXED ASSETS

	Copy right, patent	Computer software	Others	Total
Cost:				
Beginning balance	20,618,175,837	54,866,004,099	-	75,484,179,936
Newly purchase	-	17,257,404,936	-	17,257,404,936
Merger and acquisition of new subsidiaries	-	9,941,361,221	484,108,952	10,425,470,173
Disposal of subsidiaries	(11,453,447,895)	(47,725,558,292)	(9,164,727,942)	(68,343,734,129)
Other decreases	-	(180,000,000)	-	(180,000,000)
Ending balance	9,164,727,942	34,159,211,964	(8,680,618,990)	34,643,320,916
Accumulated depreciation:				
Beginning balance	6,752,664,737	9,771,658,481	-	16,524,323,218
Amortisation for the period	19,500,000	2,609,626,342	6,944,444	2,636,070,786
Merger and acquisition of new subsidiaries	-	9,121,049,904	477,164,508	9,598,214,412
Disposal of subsidiaries	(2,904,256,683)	(8,805,410,162)	(3,848,408,054)	(15,558,074,899)
Other decreases	-	(77,444,449)	-	(77,444,449)
Ending balance	3,867,908,054	12,619,480,116	(3,364,299,102)	13,123,089,068
Net carrying amount:				
Beginning balance	13,865,511,100	45,094,345,618	-	58,959,856,718
Ending balance	5,296,819,888	21,539,731,848	(5,316,319,888)	21,520,231,848

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NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter II 2018

14. INVESTMENT PROPERTIES

	Building and structures	Indefinite land use rights	Infrastructure	Machinery and equipment	Total
Cost:					
Beginning balance	149,492,371,864	-	-	46,727,731,931	196,220,103,795
Additions:	1,863,158,313,190	2,650,618,103,479	1,390,092,776,155	100,258,258,864	6,004,127,451,688
<i>In which:</i>					
Reclassification	490,888,273,105	723,217,767,481	920,462,533,789	100,258,258,864	2,234,826,833,239
Merger and acquisition of new subsidiaries					
	1,372,270,040,085	1,913,871,446,955	469,630,242,366	-	3,755,771,729,406
Transfer from construction in progress	-	13,528,889,043	-	-	13,528,889,043
Reductions:	(134,637,555,333)	(317,094,707,052)	-	-	(451,732,262,385)
<i>In which:</i>					
Disposals and adjustment	(129,986,605,811)	(317,094,707,052)	-	-	(447,081,312,863)
Other decreases	(4,650,949,522)	-	-	-	(4,650,949,522)
Ending balance	1,878,013,129,721	2,333,523,396,427	1,390,092,776,155	146,985,990,795	5,748,615,293,098
Accumulated depreciation:					
Beginning balance	12,413,975,718	-	-	20,767,880,875	33,181,856,593
Additions:	175,158,882,949	96,810,583,682	102,909,694,535	4,765,008,042	379,644,169,208
<i>In which:</i>					
Depreciation for the period	32,695,502,402	851,088,307	5,219,827,615	2,595,985,107	41,362,403,431
Merger and acquisition of new subsidiaries	149,294,619,742	57,022,916,519	83,157,759,371	-	289,475,295,632
Disposals and adjustment	(6,831,239,195)	38,936,578,856	14,532,107,549	2,169,022,935	48,806,470,145
Reductions:	(8,411,157,541)	-	-	-	(8,411,157,541)
<i>In which:</i>					
Disposals and adjustment	(8,411,157,541)	-	-	-	(8,411,157,541)
Ending balance	179,161,701,126	96,810,583,682	102,909,694,535	25,532,888,917	404,414,868,260
Net carrying amount:					
Beginning balance	137,078,396,146	-	-	25,959,851,056	163,038,247,202
Ending balance	1,698,851,428,595	2,236,712,812,745	1,287,183,081,620	121,453,101,878	5,344,200,424,838

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter II 2018**15. CONSTRUCTION IN PROGRESS**

	<i>30 June 2018</i>	<i>31 December 2017</i>
Vincity Gia Lam project	1,644,596,149,605	1,566,693,795,705
Vinhomes Metropolis West Point project	1,470,239,502,546	-
Vinhomes Green Bay project	451,310,743,606	192,252,033,947
Vinhomes Ky Hoa project	957,928,303,051	-
Vincity Park project	314,045,528,287	-
Vinhomes Lang Van project	501,209,960,926	-
Can Gio urban area project	12,367,332,107,803	-
Vinhomes Golden River project	594,620,517,516	-
Lang Hoa Tien Phong project	634,994,590,003	636,534,654,499
Vincity Cu Chi project	56,126,898,948	-
Others	93,964,811,846	66,575,058,890
TOTAL	<u>19,086,369,114,137</u>	<u>2,462,055,543,041</u>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter II 2018

16. LONG-TERM INVESTMENTS

Currency: VND

	30 June 2018		31 December 2017			
	Cost	Fair value	Provision	Cost	Fair value	Provision
Investment in associates	-	-	-	9,443,697,124	9,443,697,124	-
Other long-term investments	139,223,000,000	139,223,000,000	-	1,695,528,410,000	1,695,528,410,000	-
Held to maturity (i)	50,000,000,000	50,000,000,000	-	50,000,000,000	50,000,000,000	-
TOTAL	189,223,000,000	189,223,000,000	-	1,754,972,107,124	1,754,972,107,124	-

(i) This includes the investments in bonds of Joint Stock Commercial Bank for Foreign Trade of Vietnam - Ba Dinh branch, with term of 120 months and earn interest at rate of 7.57% per annum for the first year. Interest rate from the following year would be 12-month saving interest plus (+) 1% per annum. The carrying amount of these bonds as at 31 June 2018 is VND50 billion.

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16. LONG-TERM INVESTMENTS (continued)

16.1 Investments in associates

	30 June 2018	Currency: VND 31 December 2017
Tay Tang Long Real Estate LLC	-	9,443,697,124
TOTAL	-	9,443,697,124

16.2 Other long-term investments

	30 June 2018	Currency: VND 31 December 2017
Vincom Retail JSC	-	1,568,884,500,000
Vinestate Real Estate Service Business LLC	117,000,000,000	-
Ho Chi Minh City Investment Service Trading JSC	-	81,743,910,000
Vincom General Services Trading LLC	-	24,000,000,000
Xavinco Land JSC	22,223,000,000	-
VinAcademy Education and Training LLC	-	15,000,000,000
Southern Star Trading Investment and Urban Development JSC	-	5,900,000,000
TOTAL	139,223,000,000	1,695,528,410,000

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NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter II 2018

17. GOODWILL

Currency: VND

	Goodwill arising from acquisition of Ecology JSC	Goodwill arising from acquisition of Lieu Giai JSC	Goodwill arising from acquisition of Gia Lam Urban LLC	Goodwill arising from acquisition of Phu Gia JSC	Goodwill arising from acquisition of Berjaya University Town LLC	Goodwill arising from acquisition of Phat Loc LLC	Goodwill arising from merge Vinhomes Management	Goodwill arising from merge Lien Phat	Total
Cost:									
Beginning balance	369,866,854,773	288,148,907,591	1,235,307,223	40,344,641,425	-	-	-	-	699,595,711,012
Acquisition of subsidiaries	-	-	-	-	112,481,073,050	83,741,412,923	30,259,333,777	337,766,778,506	564,248,598,256
Ending balance	369,866,854,773	288,148,907,591	1,235,307,223	40,344,641,425	112,481,073,050	83,741,412,923	30,259,333,777	337,766,778,506	1,263,844,309,268
Accumulated amortization:									
Beginning balance	38,456,456,826	29,999,064,352	128,607,327	4,200,264,040	-	-	-	-	72,784,392,545
Amortisation for the period	18,391,572,086	14,289,028,020	61,257,701	2,000,652,081	3,759,641,346	2,799,028,048	1,243,534,265	13,880,826,514	42,544,713,547
Ending balance	56,848,028,912	44,288,092,372	189,865,028	6,200,916,121	3,759,641,346	2,799,028,048	1,243,534,265	13,880,826,514	115,329,106,092
Net carrying amount:									
Beginning balance	331,410,397,947	258,149,843,239	1,106,699,896	36,144,377,386	-	-	-	-	626,811,318,467
Ending balance	313,018,825,861	243,860,815,219	1,045,442,195	34,143,725,305	108,721,431,704	80,942,394,875	29,015,799,512	323,885,951,992	1,134,634,376,663

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter II 2018**18. SHORT-TERM TRADE PAYABLES AND ADVANCES FROM CUSTOMERS****18.1 Short-term trade payables**

	30 June 2018	31 December 2017
		<i>Currency: VND</i>
Short-term trade payables	2,238,536,024,410	629,985,256,556
- A Construction contractor No 1	590,947,030,370	66,222,458,251
- A Construction contractor No 2	151,958,530,334	-
- A Construction contractor No 3	100,845,922,152	-
- A Construction contractor No 4	70,849,418,839	100,785,912,863
- A Supplier of real estate management services	-	54,453,054,935
- Others	1,323,935,122,715	408,523,830,507
Short-term trade payables to related parties	618,785,813,325	295,405,326,152
TOTAL	<u>2,857,321,837,735</u>	<u>925,390,582,708</u>
<i>In which:</i>		
Trade payables to related parties (Note 33)	618,785,813,325	295,405,326,152

18.2 Advances from customers

	30 June 2018	31 December 2017
Downpayments from customers under real estate sale and purchase agreements	19,197,705,735,056	16,843,606,855,148
Advance for rendering real estate management and related services	38,577,056,643	-
Others	649,377,464	2,137,409,256
TOTAL	<u>19,236,932,169,163</u>	<u>16,845,744,264,404</u>

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NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter II 2018

19. STATUTORY OBLIGATION

Currency: VND

	31 December 2017	Payable for the period	Payment made in the period	30 June 2018
Tax payables				
Corporate income tax	124,431,747,979	2,027,490,542,346	(605,424,864,183)	1,546,497,426,143
Value added tax	76,932,264,068	73,492,298,788	(121,403,760,873)	29,020,801,983
Personal income tax	555,772,341	8,300,412,795	(3,083,167,618)	5,773,017,518
Land rental fee and others	-	58,049,260,538	(58,049,260,538)	-
Other taxes	28,587,039,247	7,817,222,587	(32,889,434,792)	3,514,827,042
TOTAL	230,506,823,635	147,659,194,708	(215,425,623,821)	1,584,806,072,686

	31 December 2017	Receivable for the period	Payment received in the period	30 June 2018
Tax receivables				
Value added tax	83,535,446,363	162,050,635,210	-	245,586,081,573
TOTAL	83,535,446,363	162,050,635,210	-	245,586,081,573

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NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter II 2018

20. ACCRUED EXPENSES

	<i>30 June 2018</i>	<i>Currency: VND 31 December 2017</i>
Accrued interest expenses	721,408,581,930	782,481,153,118
Accrued costs for inventory properties sold	2,220,704,521,801	506,239,161,968
Accrued construction costs	667,535,514,711	304,621,884,440
Accrued commission fee relating to apartments not yet handed over to buyers	1,042,814,049,435	132,626,220,949
Other accrued expenses	36,024,271,668	12,467,963,128
TOTAL	<u>4,688,486,939,545</u>	<u>1,738,436,383,603</u>
<i>In which:</i>		
<i>Amount due to related parties (Note 33)</i>	246,370,472,033	484,400,408,389

21. UNEARNED REVENUE

	<i>30 June 2018</i>	<i>Đơn vị tính: VND 31 December 2017</i>
Short-term		
Unearned revenue from apartments and villas management services	454,028,085,799	-
Unearned revenue from leasing services	59,352,402,121	16,617,259,917
Others	9,241,872,567	-
	<u>522,622,360,487</u>	<u>16,617,259,917</u>
Long-term		
Unearned revenue from apartments and villas management services	1,555,010,673,010	
Unearned revenue from leasing services	244,606,797,354	268,018,281,667
	<u>1,799,617,470,364</u>	<u>268,018,281,667</u>
TOTAL	<u>2,322,239,830,851</u>	<u>284,635,541,584</u>
<i>In which:</i>		
<i>Amount due to related parties (Note 33)</i>	244,606,797,354	268,018,281,667

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)

Quarter II 2018

22. OTHER PAYABLES

	30 June 2018	Currency: VND 31 December 2017
Short-term		
Downpayments from customers buying apartments	6,397,753,209,589	4,065,004,830,340
Deposits received for transfer of shares	-	961,124,640,000
Maintainance fund of apartments handed over	1,435,652,316,759	471,081,820,805
Deposits for co-operating activities (i)	2,559,236,292,202	188,000,000,000
Other payables	183,912,974,876	77,933,131,022
	<u>10,576,554,793,426</u>	<u>5,763,144,422,167</u>
Long-term		
Long-term deposits received	4,639,136,220,391	4,453,549,069
	<u>4,639,136,220,391</u>	<u>4,453,549,069</u>
TOTAL	<u>15,215,691,013,817</u>	<u>5,767,597,971,236</u>
In which:		
Amount due to realated parties (Note 33)	1,759,560,519,896	239,877,529,077

(i) This represents deposits due to business co-operation contract at Vinhomes Metropolis project and Vinhomes Central Park project.

23. LOANS

	30 June 2018	Currency: VND 31 December 2017
Short-term loans		
Loans from a corporation counterparties	4,600,000,000,000	2,000,000,000,000
Loans from related parties	17,700,000,000,000	6,699,590,490,328
Other	13,100,000,000	
TOTAL	<u>22,313,100,000,000</u>	<u>8,699,590,490,328</u>
Long-term loans		
Loans from bank (i)	1,421,097,869,017	1,213,565,229,651
Bond issued (ii)	5,429,735,745,254	5,414,121,466,418
	<u>6,850,833,614,271</u>	<u>6,627,686,696,069</u>
TOTAL	<u>29,163,933,614,271</u>	<u>15,327,277,186,397</u>

(i) This is loan provided by Techcombank with interest rate of 10% per annum for the first period. In the following periods, interest rate is calculated by average 12-month term deposit rate plus 3.33% per annum. Loan is secured by:

- Capital contribution of Ecology JSC in Gia Lam Urban JSC
- Share VRE held by an affiliate and
- Other collateral.

(ii) This is the corporation bond with book value of 5.500 billion VND and the term of 3 years.

24. LONG-TERM PROVISION

This represents provision for repairment costs of apartments in the Vinhomes Times City project, Vinhomes Green Bay, Vinhomes Royal City and Vinhomes Central Park project under the warranty terms in the apartment and villa sale contracts.

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NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter II 2018

25. OWNERS' EQUITY

	<i>Issued share capital</i>	<i>Other funds belonging to owners' equity</i>	<i>Undistributed earnings</i>	<i>Non-controlling interests</i>	<i>Total</i>
Prior period:					
Beginning balance:	2,000,000,000,000	(2,768,622,679,306)	2,970,805,560,320	7,346,759,266,096	9,548,942,147,110
- Piecemeal acquisition of equity interest in existing subsidiaries	-	(50,184,876,756)	-	107,699,880,268	57,515,003,512
- Net profit for the period	-	-	715,549,036,179	59,487,480,951	775,036,517,130
- Increases of equity interest in subsidiary	-	-	603,537,326,742	(1,146,823,045,242)	(543,285,718,500)
- Others	-	-	48,389,570,267	-	48,389,570,267
Ending balance:	2,000,000,000,000	(2,818,807,556,062)	4,338,281,493,508	6,367,123,582,073	9,886,597,519,519

Currency: VND

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NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued) Quarter II 2018

25. OWNERS' EQUITY (continued)

Current period:	Issued share capital	Other funds belonging	Undistributed earnings	Non-controlling	Total
Beginning balance:	2,000,000,000,000	(99,117,851,011)	5,003,298,133,184	3,219,605,214,270	10,123,785,496,443
- New issue ordinary shares	12,000,000,000,000	-	-	-	12,000,000,000,000
- Ordinary shares issued to merged	10,365,000,000,000	2,231,896,976,439	-	174,867,536,302	12,771,764,512,741
- Acquire new subsidiaries	-	(292,574,862,386)	14,000,000,000	2,112,092,697,213	1,833,517,834,827
- Net profit for the period	-	-	7,731,563,992,491	136,784,472,468	7,868,348,464,959
- Share dividend	4,000,000,000,000	-	(4,000,000,000,000)	-	-
- Cash dividend	-	-	(945,277,040,000)	-	(945,277,040,000)
- Step-up acquisition of equity interest in existing subsidiaries	-	4,832,707,499	1,016,599,253,674	(1,194,434,415,210)	(173,002,454,037)
- Disposal of subsidiaries	-	48,932,974,255	-	3,851,996,365	52,784,970,620
- Demerge to a new entity	(1,568,884,500,000)	-	-	-	(1,568,884,500,000)
Ending balance:	<u>26,796,115,500,000</u>	<u>1,893,969,944,796</u>	<u>8,820,184,339,349</u>	<u>4,452,767,501,408</u>	<u>41,963,037,285,553</u>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter II 2018

26. REVENUES

26.1 Revenue from sale of goods and rendering services

	<i>Currency: VND</i>	
	<i>Quarter II 2018</i>	<i>Quarter II 2017</i>
Gross revenue	5,433,646,951,058	1,795,701,912,989
In which:		
Revenue from sales of inventory properties	4,947,369,380,079	1,078,557,792,965
Revenue from rendering real estate management services	266,408,862,817	-
Revenue from leasing activities and rendering related services	183,823,149,636	45,869,539,198
Revenue from rendering entertainment and related services	-	457,687,880,042
Others	36,045,558,526	213,586,700,784
Deductions	-	-
Net revenue	<u>5,433,646,951,058</u>	<u>1,795,701,912,989</u>
<i>In which:</i>		
Revenue from sales of inventory properties	4,947,369,380,079	1,078,557,792,965
Revenue from rendering real estate management services	266,408,862,817	-
Revenue from leasing activities and rendering related services	183,823,149,636	45,869,539,198
Revenue from rendering entertainment and related services	-	457,687,880,042
Others	36,045,558,526	213,586,700,784

26.2 Financial income

	<i>Currency: VND</i>	
	<i>Quarter II 2018</i>	<i>Quarter II 2017</i>
Interest income	441,304,342,225	140,209,807,275
Foreign exchange gains	403,607,567	-
Dividend income	-	32,700,000,000
Income from business co-operation contracts	3,952,297,062,042	-
Others	11,848,183	143,103,002
TOTAL	<u>4,394,016,860,017</u>	<u>173,052,910,277</u>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter II 2018**27. COST OF GOODS SOLD AND SERVICE RENDERED**

	<i>Currency: VND</i>	
	<i>Quarter II 2018</i>	<i>Quarter II 2017</i>
Cost of inventory properties sold	3,363,894,730,723	847,917,470,195
Cost relating to rendering real estate management services	226,401,054,359	-
Cost relating to leasing investment properties and other related costs	95,744,969,925	56,375,571,831
Cost relating to rendering entertainment and related services	-	217,262,152,673
Others	32,573,620,858	148,091,796,359
TOTAL	<u><u>3,718,614,375,865</u></u>	<u><u>1,269,646,991,058</u></u>

28. FINANCIAL EXPENSES

	<i>Currency: VND</i>	
	<i>Quarter II 2018</i>	<i>Quarter II 2017</i>
Loan interest	622,131,751,606	244,202,771,319
Others	35,304,322,387	54,597,702,769
TOTAL	<u><u>657,436,073,993</u></u>	<u><u>298,800,474,088</u></u>

29. SELLING EXPENSES

	<i>Currency: VND</i>	
	<i>Quarter II 2018</i>	<i>Quarter II 2017</i>
Consultant fees for handed-over apartments	11,598,691,793	39,539,414,574
Commission fees	113,782,032,663	37,916,110,747
Marketing and advertising expenses	84,742,310,835	38,636,736,259
Other expenses	71,397,614,380	154,801,314,552
TOTAL	<u><u>281,520,649,671</u></u>	<u><u>270,893,576,132</u></u>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter II 2018**30. GENERAL AND ADMINISTRATIVE EXPENSES**

	<i>Quarter II 2018</i>	<i>Currency: VND Quarter II 2017</i>
Labour costs	24,503,833,101	33,574,794,250
Depreciation expenses	37,988,467,245	25,501,869,444
External services expenses	132,177,293,491	73,111,948,004
Others	10,618,120,151	15,211,958,402
TOTAL	<u>205,287,713,988</u>	<u>147,400,570,100</u>

31. OTHER INCOME AND EXPENSES

	<i>Quarter II 2018</i>	<i>Currency: VND Quarter II 2017</i>
Other income	34,669,899,379	14,940,498,753
Contract penalty	9,522,040,412	3,098,231,130
Others	25,147,858,967	11,842,267,623
Other expenses	14,389,207,965	8,416,523,250
Penalty	12,809,259,511	827,849,977
Others	1,579,948,454	7,588,673,273
OTHER PROFIT	<u>20,280,691,414</u>	<u>6,523,975,503</u>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter II 2018**32. CORPORATE INCOME TAX****32.1 Current tax**

	<i>Currency: VND</i>	
	<i>Quarter II 2018</i>	<i>Quarter II 2017</i>
Current tax expense	1,992,087,834,087	206,724,796,873
Deferred CIT income	<u>(6,508,155,654)</u>	<u>(3,352,311,169)</u>
TOTAL	<u>1,985,579,678,433</u>	<u>203,372,485,704</u>

32.2 Current CIT expenses

The current corporate income tax ("CIT") rate applicable to the Company and its subsidiaries is 20%.

The current CIT payable is based on taxable profit for the current period. The taxable profit of the Company and its subsidiaries for the period differs from the profit as reported in the consolidated income statement because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are not taxable or deductible.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter II 2018**33. TRANSACTIONS WITH RELATED PARTIES****33.1 Trade receivables**

<i>Related party</i>	<i>Relationship</i>	<i>30 June 2018</i>	<i>Transactions</i>
Vingroup JSC	Parent company	2,290,285,271,693	Receivables from business co-operation contract
Vinpearl JSC	Affiliate	62,613,578,279	Receivables from supply of goods and services
Ho Chi Minh Investment Service Trading LLC	Affiliate	20,320,248,305	Receivables from supply of goods and services
Vinschool LLC	Affiliate	16,621,209,678	Receivables from supply of goods and services
Others		83,671,184,471	Receivables from supply of goods and services
		2,473,511,492,426	

33.2 Deposits for investment purposes

<i>Related party</i>	<i>Relationship</i>	<i>30 June 2018</i>	<i>Transactions</i>
Vingroup JSC	Parent company	11,981,029,000,000	Deposits for investment purposes
Sai Dong Urban JSC	Affiliate	200,257,600,000	Deposits for investment purposes
Hoa Sen Hotel JSC	Affiliate	1,875,000,000,000	Deposits for investment purposes
		14,056,286,600,000	

33.3. Advances to suppliers

<i>Related party</i>	<i>Relationship</i>	<i>30 June 2018</i>	<i>Transactions</i>
Vincommerce JSC	Affiliate	203,782,369,595	Advances for goods and service
Vincom Retail JSC	Affiliate	17,573,904,693	Advances for goods and service

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NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued) Quarter II 2018

33. TRANSACTIONS WITH RELATED PARTIES (continued).

33.4 Other receivables

<i>Related parties</i>	<i>Relationship</i>	<i>30 June 2018</i>	<i>Transactions</i>
Thoi Dai Investment and Development Trading JSC	Affiliate	46,022,456,866	Interest receivables
Vingroup JSC	Parent company	542,158,805,333	Receivables from centralized cash flow management accounts
Vingroup JSC	Parent company	139,486,172,270	Other receivables
Thoi Dai Investment and Development Trading JSC	Affiliate	97,792,952,333	Receivables from payment on behalf
Other affiliates	Affiliate	28,527,865,153	Other receivables
		853,988,251,955	

33.5 Trade payables

<i>Related parties</i>	<i>Relationship</i>	<i>30 June 2018</i>	<i>Transactions</i>
Vingroup JSC	Parent company	217,425,348,178	Payables for general management fees
Vincommerce JSC	Affiliate	308,240,310,690	Payables for goods supplied and service rendered
Vinpro JSC	Affiliate	21,119,420,000	Payables for goods supplied and service rendered
Vincom Retail JSC	Affiliate	19,957,749,812	Payables for goods supplied and service rendered
Other affiliates	Affiliate	52,042,984,645	Payables for goods supplied and service rendered
		618,785,813,325	

33.6 Accrued expense

<i>Related parties</i>	<i>Relationship</i>	<i>30 June 2018</i>	<i>Transactions</i>
Vincom Construction and Consultant LLC	Affiliate	21,364,006,621	Interest expenses accrued
Xavinco Real Estate LLC	Affiliate	77,615,498,099	Interest expenses accrued
Xalivico LLC	Affiliate	2,337,819,635	Interest expenses accrued
Ho Chi Minh Investment Service Trading LLC	Affiliate	8,581,960,458	Interest expenses accrued
Central Park LLC	Affiliate	77,202,831,056	Interest expenses accrued
Vinfast LLC	Affiliate	25,086,027,397	Interest expenses accrued
Vincom Retail JSC	Affiliate	12,912,328,767	Interest expenses accrued
		225,100,472,033	

33. TRANSACTIONS WITH RELATED PARTIES (continued).

33.7. Other payables

<i>Related parties</i>	<i>Relationship</i>	<i>30 June 2018</i>	<i>Transactions</i>
Vincom Retail JSC	Affiliate	1,571,000,000,000	Co-operating activities
Vinmec LLC	Affiliate	200,000,000,000	Co-operating activities
Vinschool LLC	Affiliate	200,000,000,000	Co-operating activities
Vinpearl JSC	Affiliate	171,117,951,582	Payment on be half
Vinfast LLC	Affiliate	100,821,917,808	Interest payables
Other affiliates		364,555,212,008	Payables for goods supplied and service rendered
		2,607,495,081,398	

33.8. Long-term unearned revenue

<i>Related parties</i>	<i>Relationship</i>	<i>30 June 2018</i>	<i>Transactions</i>
Vincom Retail JSC	Affiliate	244,606,797,354	Long-term unearned revenue
		244,606,797,354	

Vinhomes Joint Stock Company

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NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter II 2018

33. TRANSACTIONS WITH RELATED PARTIES (continued).

33.9. Short-term lendings

<i>Related parties</i>	<i>Relationship</i>	<i>30 June 2018</i>	<i>Interest rate</i>
Thang Long Real Estate	Affiliate	70,000,000,000	8.00%
		<u>70,000,000,000</u>	

33.10. Short-term borrowings

<i>Related parties</i>	<i>Relationship</i>	<i>30 June 2018</i>	<i>Interest rate</i>
Xavinco Real Estate JSC	Affiliate	714,000,000,000	8.00%
Xalivico LLC	Affiliate	250,000,000,000	8.00%
Vincom Construction and Consultant LLC	Affiliate	1,560,000,000,000	8.00%
Central Park Development LLC	Affiliate	1,095,000,000,000	8.00%
Vinfast Manufacturing and Trading LLC	Affiliate	14,081,000,000,000	8.00%
		<u>17,700,000,000,000</u>	

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter II 2018

33. EVENTS AFTER THE INTERIM BALANCE SHEET DATE

On 2 July 2018, the Company completed the transfer of 98% of the shares of GS Cu Chi Development JSC from individuals. Accordingly, GS Cu Chi Development JSC became subsidiary of the Company.

In July 2018, the Company completed the transfer of Vinhomes Ha Tinh project from Vingroup JSC. Accordingly, the Company became investor of Vinhomes Ha Tinh project.

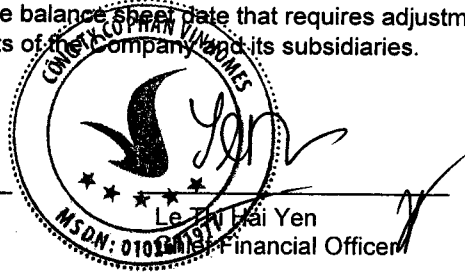
There is no matter or circumstance that has arisen since the balance sheet date that requires adjustment or disclosure in the interim consolidated financial statements of the Company and its subsidiaries.



Phung Thi Bich Hong
Preparer



Bui Thi Ha
Chief Accountant



30 July 2018

Vinhomes Joint Stock Company

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter II 2018

APPENDIX I - STRUCTURE AT 31 MARCH 2018 (continued)

<u>Number</u>	<u>Company name</u>	<u>Voting right (%)</u>	<u>Equity interest (%)</u>	<u>Registered office's address</u>	<u>Principal activities</u>
10	Vinpearl Lang Van JSC	99.00%	95.82%	No. 7 Truong Sa, Hoa Hai ward, Ngu Hanh Son district, Da Nang city	Investing, developing and trading real estate properties
11	Metropolis Hanoi LLC	100.00%	100.00%	HH land area, Pham Hung street, Nam Tu Liem district, Hanoi	Investing, developing and trading real estate properties
12	Phat Loc Commercial Investment Trading LLC	77.96%	77.96%	No.127 Dinh Tien Hoang, ward 3, Binh Thanh district, Ho Chi Minh city	Investing, developing and trading real estate properties
13	Berjaya Vietnam Financial Center LLC	67.50%	67.50%	No.127 Dinh Tien Hoang, ward 3, Binh Thanh district, Ho Chi Minh city	Investing, developing and trading real estate properties
14	Thai Son Construction and Investment JSC	99.44%	99.44%	No. 290 Nam Ky Khoi Nghia, ward 8, district 3, Ho Chi Minh city	Investing, developing and trading real estate properties
15	Tay Ha Noi Urban Investment and Development JSC	98.32%	95.52%	T4-L2-10, room 10, floor 2, T4 tower, Times City Mega Mall, No. 458 Minh Khai, Vinh Tuy ward, Hai Ba Trung district, Hanoi	Investing, developing and trading real estate properties
16	Dat Rong Vang Construction Investment JSC	90.30%	89.80%	No. 290 Nam Ky Khoi Nghia, ward 8, district 3, Ho Chi Minh city	Investing, developing and trading real estate properties
17	Millennium LLC	100.00%	100.00%	Floor 20A, Vincom Center Dong Khoi tower, No. 72, Le Thanh Ton street, Ben Nghe ward, district 1, Ho Chi Minh city	Investing, developing and trading real estate properties

Vinhomes Joint Stock Company

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter II 2018

APPENDIX I - STRUCTURE AT 31 MARCH 2018 (continued)

<u>Number</u>	<u>Company name</u>	<u>Voting right (%)</u>	<u>Equity interest (%)</u>	<u>Registered office's address</u>	<u>Principal activities</u>
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11	Metropolis Hanoi LLC	100.00%	100.00%	HH land area, Pham Hung street, Nam Tu Liem district, Hanoi	Investing, developing and trading real estate properties
12	Phat Loc Commercial Investment Trading LLC	77.96%	77.96%	No.127 Dinh Tien Hoang, ward 3, Binh Thanh district, Ho Chi Minh city	Investing, developing and trading real estate properties
13	Berjaya Vietnam Financial Center LLC	67.50%	67.50%	No.127 Dinh Tien Hoang, ward 3, Binh Thanh district, Ho Chi Minh city	Investing, developing and trading real estate properties
14	Thai Son Construction and Investment JSC	99.44%	99.44%	No. 290 Nam Ky Khoi Nghia, ward 8, district 3, Ho Chi Minh city	Investing, developing and trading real estate properties
15	Tay Ha Noi Urban Investment and Development JSC	98.32%		T4-L2-10, room 10, floor 2, T4 tower, Times City Mega Mall, No. 458 Minh Khai, Vinh Tuy ward, Hai Ba Trung district, Hanoi	Investing, developing and trading real estate properties
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