

Vinhomes Joint Stock Company

Consolidated financial statements

Quarter IV 2020

Vinhomes Joint Stock Company

CONTENTS

	<i>Pages</i>
General information	1 - 2
Report of management	3
Consolidated balance sheet	4 - 7
Consolidated income statement	8 - 9
Consolidated cash flow statement	10 - 12
Notes to the consolidated financial statements	13 - 55

Vinhomes Joint Stock Company

GENERAL INFORMATION

THE COMPANY

Vinhomes Joint Stock Company (“the Company”) is a joint stock company incorporated under the Law of Enterprise of Vietnam pursuant to the Business Registration Certificate No. 0103022741 issued by the Hanoi Department of Planning and Investment on 6 March 2008. The Company subsequently received Enterprise Registration Certificate No. 0102671977 dated 5 August 2010 on registration of a shareholding company. The Company subsequently also received amended Enterprise Registration Certificates with the the 30th amendment dated 12 June 2020 as the latest.

The current principal activities of the Company are to develop real estate property for sale, provide leasing of offices, render real estate management and related services, provide general contractor services, consulting and designing construction services, supervision and construction management services.

The Company's head office is located at Symphony Office Tower, Chu Huy Man Street, Vinhomes Riverside Eco-Urban Area, Phuc Loi Ward, Long Bien District, Hanoi, Vietnam.

Vingroup JSC is the Company's parent. Vingroup JSC and its subsidiaries are hereby referred as “the Group”.

MANAGEMENT BOARD

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

Ms. Nguyen Dieu Linh	Chairwoman	
Mr. Pham Nhat Vuong	Member	
Ms. Cao Thi Ha An	Member	
Mr. Pham Thieu Hoa	Member	appointed on 8 July 2020
Mr. Ashish Jaiprakash Shastry	Member	appointed on 8 July 2020
Mr. Tran Kien Cuong	Member	appointed on 8 July 2020
Mr. Varun Kapur	Independent member	
Mr. Mueen Uddeen	Independent member	
Mr. Hoang D. Quan	Independent member	appointed on 8 July 2020

SUPERVISORY BOARD

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

Mr. Pham Khoi Nguyen	Head of the Supervisory Board
Ms. Doan Thi Thu Mai	Member
Ms. Le Thi Duyen	Member

Vinhomes Joint Stock Company

GENERAL INFORMATION (continued)

BOARD OF DIRECTORS

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

Mr. Pham Thieu Hoa	Chief Executive Officer	
Mr. Douglas John Farrell	Deputy Chief Executive Officer	
Mr. Nguyen Duc Quang	Deputy Chief Executive Officer	
Mr. Pham Van Khuong	Deputy Chief Executive Officer	
Mr. Nguyen Vu Hung	Deputy Chief Executive Officer	
Ms. Nguyen Thu Hang	Permanent Deputy Chief Executive Officer	appointed on 21 October 2020
Ms. Mai Thu Thuy	Deputy Chief Executive Officer	appointed on 21 October 2020

LEGAL REPRESENTATIVES

The legal representatives of the Company are Ms. Nguyen Dieu Linh – Chairwoman, Mr. Pham Thieu Hoa – Chief Executive Officer, Mr. Nguyen Vu Hung – Deputy Chief Executive Officer and Mr. Pham Van Khuong – Deputy Chief Executive Officer.

Vinhomes Joint Stock Company

REPORT OF MANAGEMENT

Management of Vinhomes Joint Stock Company ("the Company") is pleased to present this report and the consolidated financial statements of the Company and its subsidiaries for the year ended 31 December 2020.

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 Company and its subsidiaries and of the consolidated results of its operations 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 statement on the going concern basis unless it is inappropriate to presume that the Company and its subsidiaries 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 Company and its subsidiaries and to ensure that the accounting records comply with the applied accounting system. It is also responsible for safeguarding the assets of the Company and its subsidiaries 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.

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 Company as at 31 December 2020 and of the consolidated results of its operations and its consolidated cash flows for year ended 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:



Phan Thieu Hoa
Chief Executive Officer

Hanoi, Vietnam

28 January 2021

Vinhomes Joint Stock Company

CONSOLIDATED BALANCE SHEET
as at 31 December 2020

Currency: Million VND

Code	ASSETS	Notes	31 December 2020	31 December 2019
100	A. CURRENT ASSETS		102,010,303	139,555,054
110	I. Cash and cash equivalents			
		5	12,479,392	13,332,299
111	1. Cash		4,143,874	2,788,220
112	2. Cash equivalents		8,335,518	10,544,079
120	II. Short-term investments		3,295,387	360,611
121	1. Held-for-trading securities	6.1	373,170	-
123	2. Held-to-maturity investments	6.2	2,922,217	360,611
130	III. Current accounts receivables		34,023,922	47,467,976
131	1. Short-term trade receivables	7.1	10,628,720	8,811,344
132	2. Short-term advances to suppliers	7.2	8,286,689	8,802,736
135	3. Short-term loan receivables	8	8,326,493	16,507,454
136	4. Other short-term receivables	9	6,927,867	13,465,638
137	5. Provision for doubtful short-term receivables		(145,847)	(119,196)
140	IV. Inventories	10	43,226,901	60,296,848
141	1. Inventories		43,264,479	60,306,616
149	2. Provision for obsolete inventories		(37,578)	(9,768)
150	V. Other current assets		8,984,701	18,097,320
151	1. Short-term prepaid expenses	11	2,120,421	2,089,245
152	2. Value-added tax deductible	20	305,793	673,229
153	3. Tax and other receivables from the State	20	25,712	41,933
155	4. Other current assets	12	6,532,775	15,292,913

CONSOLIDATED BALANCE SHEET (continued)
as at 31 December 2020

Currency: Million VND

Code	ASSETS	Notes	31 December 2020	31 December 2019
200	B. NON-CURRENT ASSETS		112,927,190	57,685,974
210	<i>I. Long-term receivables</i>		5,330,301	8,114,996
215	1. Long-term loan receivables	8	4,130,000	7,863,900
216	2. Other long-term receivables	9	1,200,301	251,096
220	<i>II. Fixed assets</i>		6,248,149	690,347
221	1. Tangible fixed assets	13	6,075,040	624,738
222	Cost		6,824,452	678,311
223	Accumulated depreciation		(749,412)	(53,573)
227	2. Intangible fixed assets		173,109	65,609
228	Cost		295,510	108,952
229	Accumulated amortisation		(122,401)	(43,343)
230	<i>III. Investment properties</i>	14	8,434,762	6,626,630
231	1. Cost		9,166,300	6,959,536
232	2. Accumulated depreciation		(731,538)	(332,906)
240	<i>IV. Long-term assets in progress</i>	16	32,000,443	28,212,527
242	1. Construction in progress		32,000,443	28,212,527
250	<i>V. Long-term investments</i>	17	9,737,316	773,312
252	1. Investments in associates, jointly controlled entities	17.1	5,824,244	-
253	2. Investments in other entities	17.2	3,969,035	558,632
254	3. Provision for long-term investments	17	(240,643)	-
255	4. Held-to-maturity investments	17	184,680	214,680
260	<i>VI. Other long-term assets</i>		51,176,219	13,268,162
261	1. Long-term prepaid expenses	11	2,354,297	2,511,706
262	2. Deferred tax assets		640,877	330,794
268	3. Other long-term assets	12	45,501,806	9,471,481
269	4. Goodwill	18	2,679,239	954,181
270	TOTAL ASSETS		214,937,493	197,241,028

CONSOLIDATED BALANCE SHEET (continued)
as at 31 December 2020

Currency: Million VND

Code	RESOURCES	Notes	31 December 2020	31 December 2019
300	C. LIABILITIES		125,252,007	132,525,985
310	i. Current liabilities		101,308,749	121,556,854
311	1. Short-term trade payables	19.1	10,859,997	6,078,324
312	2. Short-term advances from customers	19.2	27,309,718	40,245,699
313	3. Statutory obligation	20	4,627,913	2,095,296
315	4. Short-term accrued expenses	21	14,036,142	7,839,911
318	5. Short-term unearned revenue	22	600,855	465,696
319	6. Other short-term payables	23	32,875,827	46,669,574
320	7. Short-term loans	24	10,998,297	18,162,354
330	ii. Non-current liabilities		23,943,258	10,969,131
333	1. Long-term accrued expenses	21	1,463,441	588,885
336	2. Long-term unearned revenue	22	3,299,257	1,534,550
337	3. Other long-term liabilities	23	4,644,499	90,376
338	4. Long-term loans	24	13,957,735	8,343,025
341	5. Long-term deferred tax liabilities		205,894	270,303
342	6. Long-term provision	25	372,432	141,992

CONSOLIDATED BALANCE SHEET (continued)
as at 31 December 2020

Currency: Million VND

Code	RESOURCES	Notes	31 December 2020	31 December 2019
400	D. OWNERS' EQUITY		89,685,486	64,715,043
410	I. Capital	26	89,685,486	64,715,043
411	1. Share capital	26.1	33,495,139	33,495,139
411a	- Shares with voting rights		33,495,139	33,495,139
412	2. Share premium	26.1	295,000	295,000
415	3. Treasury shares	26.1	(5,549,929)	(5,549,929)
420	4. Other funds belonging to owners' equity	26.1	1,398,700	1,816,269
421	5. Undistributed earnings		56,508,726	26,039,678
421a	- Undistributed earnings by the end of prior year		27,242,689	4,277,445
421b	- Undistributed earnings of current period		29,266,037	21,762,233
429	6. Non-controlling interests	26.1	3,537,850	8,618,886
440	TOTAL LIABILITIES AND OWNERS' EQUITY		214,937,493	197,241,028

Hoang Minh Thai
Preparer

Le Tien Cong
Chief Accountant



Pham Thieu Hoa
Chief Executive Officer

Hanoi, Vietnam

28 January 2021

CONSOLIDATED INCOME STATEMENT
Quarter IV 2020

Currency: Million VND

Code	Items	Notes	Quarter IV 2020	Quarter IV 2019	Current year	Previous year
01	1. Revenue from sale of goods and rendering of services	27.1	21,512,001	13,985,094	70,890,295	51,626,931
02	2. Deductions	27.1	-	-	-	-
10	3. Net revenue from sale of goods and rendering of services	27.1	21,512,001	13,985,094	70,890,295	51,626,931
11	4. Cost of goods sold and services rendered	28	(14,213,763)	(3,871,076)	(45,103,614)	(24,171,323)
20	5. Gross profit from sale of goods and rendering of services		7,298,238	10,114,018	25,786,681	27,455,608
21	6. Finance income	27.2	10,175,493	1,388,026	20,718,167	9,045,787
22	7. Finance expenses	29	(1,189,877)	(595,345)	(3,701,902)	(2,548,827)
23	<i>In which: Interest and bond issuance expenses</i>		(592,103)	(524,747)	(2,984,159)	(2,377,698)
25	9. Selling expenses	30	(779,650)	(1,160,674)	(2,705,102)	(2,080,673)
26	10. General and administrative expenses	30	(838,466)	(1,061,193)	(2,372,971)	(2,156,421)
30	11. Operating profit		14,665,738	8,684,832	37,724,873	29,715,474
31	12. Other income		180,978	73,558	309,265	185,728
32	13. Other expenses		1,002	(25,641)	(987,351)	(155,508)
40	14. Other profit		181,980	47,917	(678,086)	30,220

CONSOLIDATED INCOME STATEMENT (continued)
Quarter IV 2020

Currency: Million VND

Code	Items	Notes	Quarter IV 2020	Quarter IV 2019	Current year	Previous year
50	15. Accounting profit before tax		14,847,718	8,732,749	37,046,787	29,745,694
51	16. Current corporate income tax expenses	31	(3,170,739)	(1,793,865)	(8,654,131)	(5,766,161)
52	17. Deferred tax (expenses)/income	31	(117,427)	32,523	374,475	339,567
60	18. Net profit after tax		11,559,552	6,971,407	28,767,131	24,319,100
61	19. Net profit after tax attributable to shareholders of the parent		11,502,494	6,423,967	27,839,395	21,747,376
62	20. Net profit after tax attributable to non-controlling interests		57,058	547,440	927,736	2,571,724

Currency: VND

Code	Items	Notes	Quarter IV 2020	Quarter 4 2019	Current year	Previous year
70	21. Basic earning per share	33	3,497	1,928	8,463	6,502





Hoang Minh Thai
Preparer

Le Tien Cong
Chief Accountant

Pham Thieu Hoa
Chief Executive Officer

Hanoi, Vietnam

28 January 2021

CONSOLIDATED CASH FLOW STATEMENT
Quarter IV 2020

Currency: Million VND

Code	ITEMS	Notes	Current year	Previous year
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	Profit before tax		37,046,787	29,745,694
	<i>Adjustments for:</i>			
02	Depreciation of tangible fixed assets and investment properties and amortisation of intangible fixed assets (including amortisation of goodwill)		583,264	351,846
03	Movement of provisions		472,614	(197,023)
04	Foreign exchange gain arisen from revaluation of monetary accounts denominated in foreign currency		-	(900)
05	Profits from investing activities		(20,719,004)	(9,115,700)
06	Interest and bond issuance expenses		2,984,159	2,377,698
08	Operating profit before changes in working capital		20,367,820	23,161,615
09	Decrease/(increase) in receivables		6,940,875	(3,032,810)
10	Decrease/(increase) in inventories		10,444,443	(7,354,995)
11	(Decrease)/increase in payables (other than interest, corporate income tax)		(7,228,207)	51,451,474
12	Decrease/(increase) in prepaid expenses		752,797	(2,885,248)
14	Interest paid		(2,731,673)	(3,309,171)
15	Corporate income tax	21	(6,272,992)	(6,102,455)
20	Net cash flows from operating activities		22,273,063	51,928,410

CONSOLIDATED CASH FLOW STATEMENT (continued)
Quarter IV 2020

Currency: Million VND

Code	ITEMS	Notes	Current year	Previous year
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchase and construction of fixed assets and other long-term assets		(1,524,898)	(3,846,974)
22	Proceeds from disposals of fixed assets and other long-term assets		182,021	205,848
23	Loans to other entities and payments for purchase of debt instruments of other entities		(18,806,420)	(14,077,010)
24	Collections from borrowers and proceeds from sale of debt instruments of other entities		29,288,357	30,762,019
25	Payments for investments in other entities (net of cash held by entity being acquired)		(52,869,990)	(61,164,624)
26	Proceeds from sale of investments in other entities (net of cash held by entity being disposed)		20,547,425	19,568,901
27	Interest and dividends received		2,012,710	1,232,062
30	Net cash flows used in investing activities		(21,170,795)	(27,319,778)
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
31	Capital contribution and issuance of shares		22,000	-
32	Capital redemption		(842,980)	(5,549,929)
33	Drawdown of borrowings		19,763,638	6,847,057
34	Repayment of borrowings		(20,740,098)	(12,402,281)
36	Dividends paid		(157,735)	(3,686,552)
40	Net cash flows used in financing activities		(1,955,175)	(14,791,705)

CONSOLIDATED CASH FLOW STATEMENT (continued)
Quarter IV 2020

Currency: Million VND

Code	ITEMS	Notes	Current year	Previous year
50	Net (decrease)/increase in cash and cash equivalents for the year		(852,907)	9,816,927
60	Cash and cash equivalents at the beginning of the year		13,332,299	3,515,372
70	Cash and cash equivalents at the end of the year	4	12,479,392	13,332,299



Hoang Minh Thai
Preparer



Le Tien Cong
Chief Accountant




Pham Thieu Hoa
Chief Executive Officer

Hanoi, Vietnam

28 January 2021

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
Quarter IV 2020**1. CORPORATE INFORMATION**

Vinhomes Joint Stock Company ("the Company") is a joint stock company incorporated under the Law of Enterprise of Vietnam pursuant to the Business Registration Certificate No. 0103022741 issued by the Hanoi Department of Planning and Investment on 6 March 2008. The Company subsequently received Enterprise Registration Certificate No. 0102671977 dated 5 August 2010 on registration of a shareholding company. The Company subsequently also received amended Enterprise Registration Certificates with the 30th amendment dated 12 June 2020 as the latest.

The current principal activities of the Company are to develop real estate property for sale, provide leasing of offices, render real estate management and related services, provide general contractor services, consulting and designing construction services, supervision and construction management services.

The Company's head office is located at Symphony Office Tower, Chu Huy Man Street, Vinhomes Riverside Eco-Urban Area, Phuc Loi Ward, Long Bien District, Hanoi, Vietnam.

Vingroup JSC is the Company's parent. Vingroup JSC and its subsidiaries are hereby referred as "the Group".

The Company and its subsidiaries' normal course of business cycle of real estate development activity begins when the Company and its subsidiaries receive investment certificate, carries out land clearance and construction works until the project is completed. Accordingly, the normal course of business cycle of real estate development activity ranges from 12 months to 36 months.

The Company and its subsidiaries' normal course of business cycle of other activities is normally within 12 months.

The number of the Company's employees as at 31 December 2020: 7,688 (31 December 2019: 7,116).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter IV 2020

1. CORPORATE INFORMATION (continued)

Corporate structure

As at 31 December 2020, the Company has 33 subsidiaries (as at 31 December 2019: 18 subsidiaries). The information on these subsidiaries, along with the Company's direct and indirect voting rights and direct and indirect equity interest in each subsidiary is as follows:

No.	Company	Voting rights (%)	Equity interest (%)	Registered office's address
1	Gia Lam Urban Development and Investment Limited Liability Company ("Gia Lam LLC") (i)	99.39	98.55	2nd Floor, Vincom Mega Mall Ocean Park Shopping Center in land plot CCTP-10 of Gia Lam Urban Project, Trau Quy Town and Duong Xa, Kieu Ky, Da Ton Communes, Gia Lam District, Ha Noi
2	Ecology Development and Investment Joint Stock Company ("Ecology JSC") (i)	99.18	99.15	No. 191 Ba Trieu Street, Le Dai Hanh Ward, Hai Ba Trung District, Hanoi
3	Ecology Development and Trading Joint Stock Company ("Ecology Trading JSC") (i) (ii)	99.18	99.15	Symphony Office Tower, Chu Huy Man Street, Vinhomes Riverside Eco-Urban Area, Phuc Loi Ward, Long Bien District, Hanoi, Vietnam.
4	Vietnam Investment and Consulting Investment Joint Stock Company ("Vietnam Investment JSC") (i)	69.50	68.91	No. 191 Ba Trieu Street, Le Dai Hanh Ward, Hai Ba Trung District, Hanoi
5	Can Gio Tourist City Corporation ("Can Gio JSC") (i)	99.89	98.89	No.72 Le Thanh Ton Street, Ben Nghe Ward, District 1, Ho Chi Minh City
6	Tay Tang Long Real Estate LLC ("Tay Tang Long LLC")	90.00	90.00	No.72 Le Thanh Ton Street, Ben Nghe Ward, District 1, Ho Chi Minh City
7	Berjaya Vietnam International University Township ("Berjaya VIUT LLC") (i)	97.90	97.80	20A Floor, Dong Khoi Vincom Center, No. 72 Le Thanh Ton, Ben Nghe Ward, District 1, Ho Chi Minh City
8	Royal City Real Estate Development and Investment JSC ("Royal City JSC")	96.85	96.85	No. 72A Nguyen Trai Street, Thuong Dinh Ward, Thanh Xuan District, Hanoi
9	Lang Van Development and Investment JSC ("Lang Van JSC") (i)	99.00	98.76	No. 7 Truong Sa Street, Hoa Hai Ward, Ngu Hanh Son District, Da Nang City
10	Metropolis Hanoi LLC	100.00	100.00	HH land area, Pham Hung Street, Nam Tu Liem District, Hanoi
11	Berjaya Vietnam Financial Center LLC ("Berjaya VFC LLC") (i)	67.50	67.43	20A Floor, Dong Khoi Vincom Center, No. 72 Le Thanh Ton, Ben Nghe Ward, District 1, Ho Chi Minh City

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter IV 2020

1. CORPORATE INFORMATION (continued)

Corporate structure (continued)

<i>No.</i>	<i>Company</i>	<i>Voting rights (%)</i>	<i>Equity interest (%)</i>	<i>Registered office's address</i>
12	Thai Son Investment and Construction JSC ("Thai Son JSC") (i)	100.00	99.90	No. 290 Nam Ky Khoi Nghia Street, Ward 8, District 3, Ho Chi Minh City
13	Millenium Trading Investment and Development LLC ("Millenium LLC")	100.00	100.00	20A Floor, Dong Khoi Vincom Center, No. 72 Le Thanh Ton, Ben Nghe Ward, District 1, Ho Chi Minh City
14	GS Cu Chi Development JSC ("GS Cu Chi JSC") (i)	100.00	99.99	20A Floor, Dong Khoi Vincom Center, No. 72 Le Thanh Ton, Ben Nghe Ward, District 1, Ho Chi Minh City
15	Phu Gia Property Trading Limited Liability Company ("Phu Gia LLC") (i) (ii)	98.00	96.79	No. 63 Hang Ga Street, Hang Bo Ward, Hoan Kiem District, Hanoi
16	An Thinh Trading and Commercial Development JSC ("An Thinh JSC")	85.00	85.00	20A Floor, Dong Khoi Vincom Center, No. 72 Le Thanh Ton, Ben Nghe Ward, District 1, Ho Chi Minh City
17	Green City Development JSC	100.00	99.92	20A Floor, Dong Khoi Vincom Center, No. 72 Le Thanh Ton, Ben Nghe Ward, District 1, Ho Chi Minh City
18	Delta JSC (i)	100.00	99.91	No. 110 Dang Cong Binh Street, Xuan Thoi Thuong Ward, Hoc Mon, Ho Chi Minh City
19	Vinhomes Industrial Zone JSC (i)	100.00	99.96	No. 7, Bang Lang 1 Street, Vinhomes Riverside Eco-Urban Area, Viet Hung Ward, Long Bien District, Hanoi
20	VINITIS Information Technology and Transmission Infrastructure Solutions Joint Stock Company ("VINITIS JSC")	61.00	61.00	No. 7, Bang Lang 1 Street, Vinhomes Riverside Eco-Urban Area, Viet Hung Ward, Long Bien District, Hanoi
21	Dai An Investment Construction Joint Stock Company ("Dai An JSC") (i)	99.00	99.92	Highway 5A, Dinh Du Village, Dinh Du Commune, Van Lam District, Hung Yen Province
22	Saidong Urban Development & Investment JSC ("Sai Dong JSC") (i)	100.00	99.89	No. 7, Bang Lang 1 Street, Vinhomes Riverside Eco-Urban Area, Viet Hung Ward, Long Bien District, Hanoi
23	Newco Development and Investment JSC ("Newco JSC") (i)	100.00	99.92	20A Floor, Dong Khoi Vincom Center, No. 72 Le Thanh Ton, Ben Nghe Ward, District 1, Ho Chi Minh City
24	Hon Mot Tourism JSC ("Hon Mot JSC") (i)	100.00	99.90	Hon Tre Island, Vinh Nguyen Ward, Nha Trang City, Khanh Hoa Province

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter IV 2020

1. CORPORATE INFORMATION (continued)

Corporate structure (continued)

<u>No.</u>	<u>Company</u>	<u>Voting rights (%)</u>	<u>Equity interest (%)</u>	<u>Registered office's address</u>
25	Central Park Development LLC ("Central Park LLC") (i)	100.00	99.89	P900, 9 th Floor, IPH Tower, No 241 Xuan Thuy Street, Dich Vong Hau Ward, Cau Giay District, Hanoi
26	Bao Lai Investment JSC (i)	96.48	96.39	No 166 Pham Van Dong Street, Xuan Dinh Ward, Bac Tu Liem District, Hanoi
27	Bao Lai Marble One Member Company Limited (i)	100.00	96.39	Hop Nhat Village, Thinh Hung Commune, Yen Binh District, Yen Bai Province
28	An Phu White Marble Co.,Ltd (i)	72.40	69.79	Khau Ca Village, An Phu Commune, Luc Yen District, Yen Bai Province
29	Doc Thang Marble JSC (i)	57.58	55.50	Ngoi Ken Village, Lieu Do Commune, Luc Yen Ward, Yen Bai Province
30	Phan Thanh Mineral JSC (i)	91.36	88.07	Ban Ro Village, Phan Thanh Commune, Luc Yen District, Yen Bai Province
31	Bao Lai Luc Yen Mineral Exploitation One Member Company Limited (i)	100.00	96.39	Ngoi Ken Village, Lieu Do Commune, Luc Yen Ward, Yen Bai Province
32	Van Khoa Investment JSC (i)	64.29	56.36	No 166 Pham Van Dong Street, Xuan Dinh Ward, Bac Tu Liem District, Hanoi
33	Van Khoa Luc Yen One Member Company Limited (i)	100.00	56.36	Ngoi Ken Village, Lieu Do Commune, Luc Yen Ward, Yen Bai Province

(i) The equity interest in these subsidiaries differs from voting right since the Company controls over these subsidiaries indirectly through other subsidiaries.

(ii) These companies are in the process of completing dissolution procedures.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter IV 2020**2. BASIS OF PREPARATION****2.1 Accounting standards and system**

The consolidated financial statements of the Company and its subsidiaries, which are expressed in Vietnam dong ("VND"), are prepared in accordance with Vietnamese Enterprise Accounting System, 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).

Accordingly, the accompanying consolidated financial statements, including their utilisation are not designed for those who are not informed about Vietnam's accounting principles, procedures and practices and furthermore are not intended to present the consolidated financial position and consolidated results of operations and consolidated cash flows in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

2.2 Applied accounting documentation system

The Company and its subsidiaries' applied accounting documentation system is the General Journal.

2.3 Fiscal year

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

2.4 Accounting currency

The consolidated financial statements are prepared in VND which is also the Company's accounting currency. For the purpose of presenting the consolidated financial statements as at 31 December 2020, the figures are rounded to the nearest millions and presented in millions of Vietnam dong ("million VND").

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter IV 2020**2. BASIS OF PREPARATION** (continued)**2.5 Basis of consolidation**

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries for the year ended 31 December 2020.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Company obtains control, and continued to be consolidated until such control ceases, except when the Company only obtain temporary control and the subsidiary is acquired with a view of resale within 12 months from acquisition.

The financial statements of subsidiaries are prepared for the same reporting period 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 of subsidiaries 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.

In case the Company disposes a partial interest in a subsidiary and loses control but retains an interest as an associate, the Company's investment is accounted for using the equity method of accounting. Profit/loss from this transaction is recognised in the consolidated income statement.

In case the Company disposes a partial interest in a subsidiary and loses control but retains an interest as an investment in other entities, the Company's investment is accounted for using the cost method. Profit/loss from this transaction is recognised in the consolidated income statement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter IV 2020**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES****3.1 Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand, cash at banks and short-term, highly liquid investments with an original maturity of not longer 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 ("NRV") 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 property

Property acquired or being constructed for sale 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 NRV.

Cost includes:

- ▶ Freehold and 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, less costs to completion and the estimated costs of sale.

The cost of inventory property recognised in the consolidated income statement on disposal is determined with reference to the specific costs incurred on the property sold and an allocation of any non-specific costs based on reasonable allocation criteria.

Construction inventory

The Company and its subsidiaries use perpetual method to record raw materials and merchandise which are valued at cost of purchase on a weighted average basis.

Work in progress of construction contracts comprises costs of materials, labour costs, construction costs payable to sub-contractors and other related costs which have not been accepted by the investors at the date of the consolidated financial statements.

Provision for obsolete inventories

An inventory 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 and its subsidiaries, based on appropriate evidence of impairment available at the consolidated balance sheet date.

Increases or decreases to the provision balance are recorded into the cost of goods sold account in the consolidated income statement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter IV 2020**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****3.3 Receivables**

Receivables are presented in the consolidated 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 consolidated balance sheet date which are doubtful of being recovered. Increases or decreases to the provision balance are recorded as general and administrative expense in the consolidated income statement.

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 consolidated 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 consolidated 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 leases.

Where the Company and its subsidiaries are the lessors

The net investment under finance lease contracts is included as a receivable in the consolidated balance sheet. The interest amount of the leased payments are recognised in the consolidated income statement over the period of the lease contracts to achieve a constant rate of interest on the net investment outstanding.

Assets subject to operating leases are presented as investment properties in the consolidated balance sheet. Initial direct costs incurred in negotiating an operating lease are recognised in the consolidated income statement as incurred.

Lease income is recognised in the consolidated income statement on a straight-line basis over the lease term.

Where the Company and its subsidiaries are the lessees

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter IV 2020

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.6 Intangible fixed assets

Intangible fixed assets are stated at cost less accumulated amortisation.

The cost of an intangible fixed asset comprises 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 consolidated 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 consolidated income statement.

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	15 – 48 years
Machinery and equipment	5 – 10 years
Means of transportation	6 – 10 years
Office equipment	3 – 5 years
Computer software	3 – 5 years
Others	2 – 5 years

3.8 Investment properties

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

Subsequent expenditure relating to an investment property that has already been recognised 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 and its subsidiaries.

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

Definite land use rights, buildings and structures	27 – 50 years
Machinery and equipment	7 – 10 years

No amortisation is charged on the land use rights presented as investment properties with indefinite terms.

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 consolidated income statement in the period of retirement or disposal.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter IV 2020**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****3.8 *Investment properties* (continued)**

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 the Company and its subsidiaries incur in connection with the borrowing of funds.

Borrowing costs are recorded as expense during the period in which they are incurred, except to the extent that 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.

3.10 *Prepaid expenses*

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

Short-term prepaid expenses include commission fees for selling inventory properties, provisional corporate income tax for downpayments from customers for the purchase of inventory properties at the Company and its subsidiaries' real estate projects and other prepaid expenses that are expected to generate future economic benefit within one ordinary course of business cycle.

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

Prepaid land rental

The prepaid land rental represents the remaining 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 45/2013/TT-BTC. Besides, prepaid land rental also comprises land lease incurred from business combination, in which, the acquiree is a lessee under operating leases with favourable lease terms compared with the fair value at the date of business combination.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter IV 2020**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****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.

Where equity instruments are issued by the acquirer as consideration, fair value of the consideration shall be measured at fair value of these instruments at the exchange date. In case the published price at the date of exchange is an unreliable indicator of fair value, the fair value of those instruments could, for example, be estimated by reference to their proportional interest in the fair value of the acquirer or by reference to the proportional interest in the fair value of the acquiree obtained, whichever is the more clearly evident.

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 recognised 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 Company and its subsidiaries conduct 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.

After the date of business combination, if the Company and its subsidiaries transfer and lose control of investment in these entities, the difference between the cost of a business combination and net assets, which was previously recognised in owners' equity, is recognised in the consolidated income statement.

3.12 Assets acquisitions and business combinations

The Company and its subsidiaries acquire subsidiaries that own assets and production activities. At the date of acquisition, the Company and its subsidiaries consider whether the acquisition represents the acquisition of a business. The Company and its subsidiaries accounts for an acquisition as a business combination where an integrated set of activities is acquired in addition to the assets.

When the acquisition of subsidiaries does not represent a business combination, it is accounted for as an acquisition of a group of assets and liabilities. The cost of the acquisition is allocated to the assets and liabilities acquired based upon their relative fair values, and no goodwill or deferred tax is recognised.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter IV 2020**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****3.12 Assets acquisitions and business combinations (continued)**

In case prior to the date that control is obtained, the investment is an investment in associate or a long-term investment and the acquisition of the subsidiary is not a business combination, when preparing the consolidated financial statements, the parent company shall not remeasure the previously held equity interests. Instead previously held equity interests at carrying value and the consideration were allocated to the assets and liabilities acquired based on their relative fair values on acquisition date.

3.13 Investments*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 of the investment is made when there are reliable evidences of the diminution in value of those investments at the consolidated balance sheet date.

Increases or decreases to the provision balance are recorded as finance expense in the consolidated income statement.

Held-to-maturity investments

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

3.14 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 and its subsidiaries. Payables to construction contractors are recognised for amounts certified by the construction work certificate signed with contractors, whether or not billed to the Company and its subsidiaries.

3.15 Provisions*General provision*

Provisions are recognised when the Company and its subsidiaries have a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Company and its subsidiaries expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the consolidated income statement net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pretax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance expense.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter IV 2020**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****3.15 Provisions (continued)***Warranty provision for inventory properties*

The Company and its subsidiaries estimate provision for warranty expenses based on revenues and available information about the repair of inventory property sold in the past.

3.16 Foreign currency transactions

Transactions in currencies other than the Company and its subsidiaries' 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; and
- Capital contributions are recorded at the buying exchange rates of the commercial banks designated for capital contribution; and
- 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 reporting period, monetary balances denominated in foreign currencies are translated at the actual transaction exchange rates at the consolidated balance sheet dates which are determined as follows:

- Monetary assets are translated at buying exchange rate of the commercial bank where the Company and its subsidiaries conduct transactions regularly; and
- Monetary liabilities are translated at selling exchange rate of the commercial bank where the Company and its subsidiaries conduct transactions regularly.

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

3.17 Treasury shares

Own equity instruments which are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss upon purchase, sale, issue or cancellation of the Company's own equity instruments.

3.18 Appropriation of net profits

Net profit after tax (excluding negative goodwill arising from a bargain purchase) is available for appropriation to shareholders pursuant to decision of the Board of Directors (approved by the General Meeting of Shareholders), and after making appropriation to reserve funds in accordance with the Company's Charter and Vietnam's regulatory requirements.

3.19 Advances from customers purchasing inventory properties

Payments received from customers as deposits for purchasing apartments, villas and shophouses in the future, that do not meet the conditions for revenue recognition, are recognised and presented as "Advances from customers" in the liability section in the consolidated balance sheet. Incentives under promotion programs which are, in substance, revenue deductions are offset against account "Advance from customers" which are not qualified to be recognised as revenue for the period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter IV 2020**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****3.20 Revenue recognition***Revenue from sale of inventory property*

Revenue from sale of inventory property is recognised when the significant risks and rewards incident to ownership of the properties have been passed to the buyer.

Revenue from sale of inventory property also includes long-term lease of investment 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 recognise the revenue for the entire prepaid lease payment if all 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.

Rental income

Rental income arising from operating lease of properties is recognised in the consolidated income statement on a straight-line basis over the lease term.

Rendering services

Revenue from rendering service is recognised when service is rendered for customers.

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 and its subsidiaries' entitlement as an investor to receive the dividend is established.

Income from capital transfer

Income from capital transfer is determined as difference between transfer consideration and cost of capital transfer. This income is recognised on date when the transaction arises being the date when the transfer contract is exercised.

Income from Business and Investment Co-operation Contracts in which the Company and its subsidiaries are entitled to profit before tax or profit after tax

Income from the profit before tax or profit after tax of real estate business under Business and Investment Co-operation Contracts is recognised as finance income in the consolidated income statement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter IV 2020**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****3.21 Construction contract**

Where the outcome of a construction contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the balance sheet date, as measured by reference to the work performed that has been agreed by customers. Variations in contract work, claims and incentive payments are included to the extent that they have been agreed with the customer.

Where the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that it is probable will be recoverable. Contract costs are recognised as expenses in the year in which they are incurred.

3.22 Taxation*Current income tax*

Current income tax assets and liabilities for the current and prior years 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 consolidated balance sheet date.

Current income tax is charged or credited to the consolidated 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 and its subsidiaries to offset current tax assets against current tax liabilities and when the Company and its subsidiaries intend to settle their current tax assets and liabilities on a net basis.

Deferred tax

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

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter IV 2020**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****3.22 Taxation (continued)***Deferred tax (continued)*

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 consolidated 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 consolidated 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.

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

Deferred tax is charged or credited to the consolidated 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 and its subsidiaries 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 and its subsidiaries intend 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.

3.23 Earnings per share

Basic earnings per share amounts are calculated by dividing net profit/(loss) after tax for the period attributable to ordinary shareholders of the Company (after adjusting for the bonus and welfare fund) by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the net profit after tax attributable to ordinary equity holders of the Company (after adjusting for interest on the convertible preference shares) by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter IV 2020**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****3.24 Segment information**

A segment is a component determined separately by the Company and its subsidiaries which is engaged in providing products or related services (business segment) or providing products or services in a particular economic environment (geographical segment), that is subject to risks and returns that are different from those of other segments.

Real estate trading and related services are principal sources of revenue and profit of the Company and its subsidiaries, while revenue from other activities accounts for a minimal portion in the Company and its subsidiaries' total revenue. Therefore, management is of the view that there is only one segment for business. In addition, management defines the Company and subsidiaries's geographical segments to be based on the location of the assets which is in Vietnam.

3.25 Related parties

Parties are considered to be related parties of the Company and its subsidiaries if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions, or when the Company and its subsidiaries and other party are under common control or under common significant influence. Related parties can be enterprise or individual, including close members of the family of any such individual.

3.26 Demerger

Demerger transactions where the Company is the demerged company are carried out as follows:

- ▶ Assets, liabilities transferred to the new company is deducted to the respective items in the consolidated balance sheet by the carrying value at the date of demerger;
- ▶ Difference between assets and liabilities transferred to the new company is deducted to equity in the consolidated balance sheet; and
- ▶ No gain or loss is recognised for the demerger transaction.

3.27 Bond issuance transaction cost

Transaction costs relating to bond issuance are charged to the consolidated income statement on a straight-line basis over the term of the bond. At initial recognition, these transaction costs are deducted from liability component of the bond.

4. SIGNIFICANT ACQUISITIONS AND DISPOSALS DURING THE PERIOD

During the period, the Company and its subsidiaries have acquired shares of Bao Lai JSC and Sai Dong JSC from counterparties.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter IV 2020**5. CASH AND CASH EQUIVALENTS**

Currency: Million VND

	<i>31 December 2020</i>	<i>31 December 2019</i>
Cash on hand	2,315	1,288
Cash at banks	4,141,559	2,786,932
Cash equivalents	8,335,518	10,544,079
TOTAL	12,479,392	13,332,299

Cash equivalents as at 31 December 2020 comprise bank deposits in VND with term ranging from 1 month to 3 months, earning interests at rates ranging from 3 to 4% per annum

6. SHORT-TERM INVESTMENT**6.1 Held-for-trading securities**

Currency: Million VND

	<i>Ending balance</i>			<i>Beginning balance</i>		
	<i>Cost</i>	<i>Fair value</i>	<i>Provision</i>	<i>Cost</i>	<i>Fair value</i>	<i>Provision</i>
Corporate bonds	373,170	373,170	-	-	-	-
TOTAL	373,170	373,170	-	-	-	-

6.2 Held-to-maturity investments

Currency: Million VND

	<i>31 December 2020</i>		<i>31 December 2019</i>	
	<i>Cost</i>	<i>Carrying value</i>	<i>Cost</i>	<i>Carrying value</i>
Short-term bank deposits (i)	2,922,217	2,922,217	360,611	360,611
TOTAL	2,922,217	2,922,217	360,611	360,611

- (i) Short-term bank deposits in VND as at 31 December 2020 have terms ranging from 3 months to 12 months and earning interest rates ranging from 2.2% to 7.1% per annum.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter IV 2020

7. TRADE RECEIVABLES AND ADVANCES TO SUPPLIERS**7.1 Short-term trade receivables**

	<i>Currency: Million VND</i>	
	<i>31 December 2020</i>	<i>31 December 2019</i>
Sale of inventory properties	6,984,400	7,456,476
Disposal of investments	2,906,619	694,000
Rendering construction services and related services	268,095	442,173
Leasing activities and rendering related services	95,413	103,360
Rendering real estate management services	374,193	115,335
TOTAL	10,628,720	8,811,344
<i>In which:</i>		
<i>Trade receivables from related parties (Note 32)</i>	<i>348,536</i>	<i>2,181,597</i>
<i>Trade receivables from other parties</i>	<i>10,280,184</i>	<i>6,629,747</i>
	<i>14,881,808</i>	<i>6,629,747</i>

7.2 Short-term advances to suppliers

	<i>Currency: Million VND</i>	
	<i>31 December 2020</i>	<i>31 December 2019</i>
Advances to other suppliers	8,234,662	8,788,192
Advances to related parties	52,027	14,544
TOTAL	8,286,689	8,802,736
Provision for doubtful advances to suppliers	(45,856)	(19,205)

8. LOAN RECEIVABLES

	<i>Currency: Million VND</i>	
	<i>31 December 2020</i>	<i>31 December 2019</i>
Short-term		
Loans to corporate counterparties	8,299,293	15,826,130
Current portion of long-term loan receivables	16,000	26,324
Loans to related parties (Note 32)	11,200	655,000
TOTAL	8,326,493	16,507,454
Provisions for doubtful loan receivables	(70,000)	(70,000)
Long-term		
Loans to related parties (Note 32)	360,000	7,862,900
Loans to corporate counterparties	3,770,000	1,000
TOTAL	4,130,000	7,863,900

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter IV 2020**9. OTHER RECEIVABLES**

	<i>Currency: Million VND</i>	
	<i>31 December 2020</i>	<i>31 December 2019</i>
Short-term		
Capital contribution for Business and Investment Co-operation Contract (i)	751,705	4,231,792
Interest income on loans, deposits	2,894,182	2,713,198
Declared profit receivables from Business Co-operation Contracts	-	2,617,025
Receivables from payment, receipt on behalf	149,264	2,853,941
Short-term deposits, mortgage	488,554	545,372
Advance for land clearance	1,871,132	427,590
Others	773,030	76,720
TOTAL	6,927,867	13,465,638
<i>In which:</i>		
<i>Receivables from other parties</i>	<i>5,897,589</i>	<i>6,765,972</i>
<i>Receivables from related parties (Note 32)</i>	<i>1,030,278</i>	<i>6,699,666</i>
Provision for doubtful other short-term receivables	(29,991)	(29,991)
Long-term		
Receivable from long-term lease	129,019	127,886
Deposits for rental purpose	73,357	73,357
Interest income on long-term loans, deposits and bank deposits	982,477	39,647
Others	15,448	10,206
TOTAL	1,200,301	251,096
<i>In which:</i>		
<i>Receivables from others</i>	<i>1,058,193</i>	<i>85,526</i>
<i>Receivables from related parties</i>	<i>142,108</i>	<i>165,570</i>

(i) Mainly includes capital contribution to Vingroup JSC for the purpose of investing in some real estate projects under Business and Investment Co-operation Contracts.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter IV 2020**10. INVENTORIES**

Currency: Million VND

	<i>31 December 2020</i>		<i>31 December 2019</i>	
	<i>Cost</i>	<i>Provision</i>	<i>Cost</i>	<i>Provision</i>
Inventory properties under construction (i)	40,565,950	-	54,949,401	-
Completed inventory properties	741,330	(9,754)	2,612,151	(8,578)
Inventories acquired for sales	328,498	(1,190)	578,709	(1,190)
Work in progress (ii)	978,352	-	1,845,763	-
Others	650,349	(26,634)	320,592	-
TOTAL	43,264,479	(37,578)	60,306,616	(9,768)

- (i) Mainly includes construction and development costs for apartments, villas.
- (ii) Includes the costs incurred related to the rendering of general constructor services to investors of real estate projects.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter IV 2020**11. PREPAID EXPENSES**

Currency: Million VND

	31 December 2020	31 December 2019
Short-term		
Selling expenses related to not yet handed over inventory properties	1,667,637	1,509,431
Provisional corporate income tax	274,799	357,764
Guarantee fee related to inventory properties not yet handed over	3,200	97,788
Others	174,785	124,262
TOTAL	2,120,421	2,089,245
Long-term		
Prepaid land rental (i)	2,188,235	2,422,489
Prepaid villas rental	13,849	30,446
Tools and supplies	37,907	28,996
Others	114,306	29,775
TOTAL	2,354,297	2,511,706

(i) These are mainly prepaid land rental fees for Vinhomes Ocean Park and Vinhomes Smart City projects.

12. OTHER ASSETS

Currency: Million VND

	31 December 2020	31 December 2019
Short-term		
Deposits for investment purpose (i)	6,532,775	15,292,913
TOTAL	6,532,775	15,292,913
<i>In which:</i>		
Deposits to others	2,682,775	6,643,513
Deposits to related parties (Note 32)	3,850,000	8,649,400
Long-term		
Deposits for investment purpose (i)	44,469,470	8,439,145
Deposits for trading purpose (ii)	1,032,336	1,032,336
TOTAL	45,501,806	9,471,481
<i>In which:</i>		
Deposits to others	1,032,336	1,032,336
Deposits to related parties (Note 32)	44,469,470	8,439,145

(i) Comprises deposits to counterparties, Vingroup JSC and its affiliates for acquisition of shares, capital or cooperation in development of real estate projects.

(ii) Deposits to a counterparty earning interest rate which is determined by saving rate. The deposit and interest will be used as settlement for 10% of contract value under separate contracts between the Company and its subsidiaries and this counterparty.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter IV 2020

13. TANGIBLE FIXED ASSETS

Currency: Million VND

	<i>Buildings and structures</i>	<i>Machinery and equipment</i>	<i>Means of transportation</i>	<i>Office equipment</i>	<i>Others</i>	<i>Total</i>
Cost:						
Beginning balance	387,731	194,103	77,675	9,813	8,989	678,311
Newly purchased and transferred from construction in progress	2,930,058	766,789	1,527	5,936	717	3,705,027
Acquisition of new subsidiaries	1,277,943	1,104,772	110,960	11,752	11,529	2,516,956
Sold, disposal	-	(736)	(75,106)	-	-	(75,842)
Ending balance	<u>4,595,732</u>	<u>2,064,928</u>	<u>115,056</u>	<u>27,501</u>	<u>21,235</u>	<u>6,824,452</u>
Accumulated depreciation:						
Beginning balance	16,727	8,304	18,198	4,241	6,103	53,573
Depreciation for the period	53,729	35,814	10,788	4,817	2,178	107,326
Acquisition of new subsidiaries	227,778	358,994	24,099	4,622	565	616,058
Sold, disposal	-	(1,093)	(26,452)	-	-	(27,545)
Ending balance	<u>298,234</u>	<u>402,019</u>	<u>26,633</u>	<u>13,680</u>	<u>8,846</u>	<u>749,412</u>
Net carrying amount:						
Beginning balance	<u>371,004</u>	<u>185,799</u>	<u>59,477</u>	<u>5,572</u>	<u>2,886</u>	<u>624,738</u>
Ending balance	<u>4,297,498</u>	<u>1,662,909</u>	<u>88,423</u>	<u>13,821</u>	<u>12,389</u>	<u>6,075,040</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
 Quarter IV 2020

14. INVESTMENT PROPERTIES

Currency: Million VND

	<i>Land use rights, buildings and structures</i>	<i>Machinery and equipment</i>	<i>TOTAL</i>
Cost:			
Beginning balance	6,201,639	757,897	6,959,536
Newly purchased and transferred from construction in progress	1,277,423	238,264	1,515,687
Acquisition of new subsidiaries	1,045,938	95,207	1,141,145
Sold, disposal	(244,169)	-	(244,169)
Other increase/decrease	(174,874)	(31,025)	(205,899)
Ending balance	<u>8,105,957</u>	<u>1,060,343</u>	<u>9,166,300</u>
Accumulated depreciation:			
Beginning balance	238,901	94,005	332,906
Depreciation for the period	324,414	78,932	403,346
Sold, disposal	(4,714)	-	(4,714)
Ending balance	<u>558,601</u>	<u>172,937</u>	<u>731,538</u>
Net carrying amount:			
Beginning balance:	<u>5,962,738</u>	<u>663,892</u>	<u>6,626,630</u>
Ending balance:	<u>7,547,356</u>	<u>887,406</u>	<u>8,434,762</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter IV 2020**15. CAPITALISED BORROWING COSTS**

During the period, the Company and its subsidiaries capitalised borrowing costs with an amount of approximately VND46.2 billion.

16. CONSTRUCTION IN PROGRESS

The cost of projects includes construction costs, site clearance compensation, land use fees, other costs and the purchase price of subsidiaries which are allocated as part of the cost of purchasing the project.

Details of construction in progress with large balances are as follows:

	<i>Currency: Million VND</i>	
	<i>31 December 2020</i>	<i>31 December 2019</i>
Vinhomes Long Beach Can Gio Project	12,534,630	12,453,085
Hoc Mon Urban Project	4,105,149	4,092,295
Vinhomes Grand Park	3,352,633	4,183,547

17. LONG-TERM INVESTMENTS

	<i>Currency: Million VND</i>			
	<i>31 December 2020</i>		<i>31 December 2019</i>	
	<i>Cost</i>	<i>Provision</i>	<i>Cost</i>	<i>Provision</i>
Investments in associates (Notes 17.1)	5,824,244	-	-	-
Investments in other entities (Notes 17.2)	3,969,035	(240,643)	558,632	-
Held-to-maturity investments	184,680	-	214,680	-
TOTAL	9,977,959	(240,643)	773,312	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter IV 2020

17. LONG-TERM INVESTMENTS (continued)

17.1 Investments in associates

	31 December 2020				31 December 2019			
	Number of shares	Voting right (%)	Equity interest (%)	Amount (Million VND)	Number of shares	Voting right (%)	Equity interest (%)	Amount (Million VND)
Cam Ranh Investment JSC	164,028,749	43.7%	43.7%	3,395,395	-	-	-	-
MV1 Viet Nam Real Estate Trading LLC	(*)	20%	20%	2,412,849	-	-	-	-
Tuong Phu Natural Stone Exploiting and Processing LLC	(*)	40%	40%	16,000	-	-	-	-
TOTAL				5,824,244				-

17.2 Investments in other entities

Currency: Million VND

	31 December 2020				31 December 2019			
	Number of shares	Voting right (%)	Equity interest (%)	Amount (Million VND)	Number of shares	Voting right (%)	Equity interest (%)	Amount (Million VND)
MV Real Estate JSC	217,963,747	19.82%	19.82%	2,179,638	-	-	-	-
Thang Long Real Estate Trading Investment JSC	500,000	10%	10%	13,500	500,000	10%	10%	13,500
Xavinco Land JSC ("Xavinco JSC")	2,000,000	1%	1%	22,223	2,000,000	1%	1%	22,223
Phat Loc Commercial Investment Trading LLC ("Phat Loc LLC")	(*)	-	51%	342,909	(*)	-	51%	342,909
SV Real Estate Investment Development Business JSC ("SV Real Estate JSC")	7,700,000	4%	4%	77,000	11,000,000	4%	4%	110,000
Vietnam Exhibition Fair Center JSC	7,758,800	4.66%	4.66%	900,144	-	-	-	-
SV West Hanoi JSC	7,000,000	4%	4%	70,000	7,000,000	4%	4%	70,000
S-Vin Vietnam Real Estate Trading JSC	36,362,042	10%	10%	363,621	-	-	-	-
TOTAL				3,969,035				558,632

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter IV 2020

17. LONG-TERM INVESTMENTS (continued)

17.2 Investments in other entities (continued)

(*) These are limited liability companies.

(**) As at 31 December 2020, the Company transferred all ownership and voting rights in Phat Loc Company to a corporate counterparty. Therefore, the Company presented this investment in Investment in other entities and did not consolidate it as a subsidiary.

18. GOODWILL

Currency: Million VND

Goodwill arising from acquisition of

	Ecology JSC	Vietnam Investment JSC	Gia Lam LLC	Vinhomes Management JSC (*)	Tan Lien Phat JSC (*)	Millenium LLC	Vinttis JSC	Sai Dong JSC	Bao Lai JSC	Total
Cost:										
Beginning balance	369,867	288,149	1,235	115,728	337,767	153,044	-	-	-	1,265,790
Ending balance	369,867	288,149	1,235	115,728	337,767	153,044	76,637	520,365	1,263,322	3,126,114
Accumulated amortisation:										
Beginning balance	112,480	87,629	375	22,162	64,685	24,278	-	-	-	311,609
Amortisation for the period	37,088	28,894	124	11,605	33,869	15,346	5,774	2,566	-	135,266
Ending balance	149,568	116,523	499	33,767	98,554	39,624	5,774	2,566	-	446,875
Net carrying amount:										
Beginning balance	257,387	200,520	860	93,566	273,082	128,766	-	-	-	954,181
Ending balance	220,299	171,626	736	81,961	239,213	113,420	70,863	517,799	1,263,322	2,679,239

(*) These companies were merged into the Company in 2018.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter IV 2020**19. SHORT-TERM TRADE PAYABLES AND ADVANCES FROM CUSTOMERS****19.1 Short-term trade payables**

Currency: Million VND

	31 December 2020	31 December 2019
Short-term trade payables	10,235,757	5,530,445
- A corporate counterparty rendering construction service	736,009	652,470
- Others	9,499,748	4,877,975
Trade payables to related parties (Note 32)	624,240	547,879
TOTAL	10,859,997	6,078,324

19.2 Advances from customers

Currency: Million VND

	31 December 2020	31 December 2019
Downpayments from customers under sales and purchase agreements (i)	26,003,719	39,843,431
Advances from customers for construction services	1,274,812	402,268
Advances for other agreements	31,187	-
TOTAL	27,309,718	40,245,699

In which:

Advances from others	27,288,556	40,203,079
Advances from related parties	21,162	42,620

(i) These mainly represent down payments from customers who signed sales and purchase agreements to purchase inventory properties at real estate projects of the Company and its subsidiaries.

20. STATUTORY OBLIGATIONS

Currency: Million VND

	31 December 2019	Payable for the period	Payment made in the period	31 December 2020
Payables				
Corporate income tax	1,926,657	8,601,140	(6,272,992)	4,254,805
Value added tax	114,553	2,780,943	(2,551,873)	343,623
Other taxes	54,086	209,375	(233,976)	29,485
TOTAL	2,095,296	11,591,458	(9,058,841)	4,627,913
	31 December 2019	Receivable for the period	Offset during the period	31 December 2020
Receivables				
Value added tax	673,229	171,405	(538,841)	305,793
Corporate income tax	41,696	-	(16,282)	25,414
Other taxes	237	61	-	298
TOTAL	715,162	171,466	(555,123)	331,505

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter IV 2020**21. ACCRUED EXPENSES**

Currency: Million VND

	<i>31 December 2020</i>	<i>31 December 2019</i>
Short-term		
Accrued costs for handed over apartments and villas	9,349,453	3,489,249
Accrued construction costs	2,198,878	1,604,205
Accrued interest expenses	453,683	655,274
Accrued commission fees and other expenses related to inventory properties	1,771,109	1,031,847
Others	263,019	1,059,336
TOTAL	14,036,142	7,839,911
<i>In which:</i>		
<i>Short- term accrual to others</i>	13,943,783	7,820,481
<i>Short-term accrual to related parties</i>	92,359	19,430
Long-term		
Accrued interest expenses to others	1,172,906	370,071
Accrued interest expenses to related parties	290,535	218,814
TOTAL	1,463,441	588,885

22. DEFERRED REVENUE

Currency: Million VND

	<i>31 December 2020</i>	<i>31 December 2019</i>
Short-term		
Deferred revenue from real estate management service	489,799	439,862
Deferred revenue from leasing service	111,056	25,834
	600,855	465,696
Long-term		
Deferred revenue from real estate management service	1,315,862	1,286,692
Deferred revenue from leasing service	237,804	247,858
Other deferred revenue	1,745,591	-
	3,299,257	1,534,550
TOTAL	3,900,112	2,000,246

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter IV 2020

23. OTHER PAYABLES

	<i>Currency: Million VND</i>	
	<i>31 December 2020</i>	<i>31 December 2019</i>
Short-term		
Deposits under Business and Investment Co-operation Contracts	28,301,119	36,356,311
Apartment maintenance funds held on behalf of customers (i)	2,105,643	1,208,885
Deposits under Business and Investment Co-operation Contracts (ii)	400,000	904,000
Deposits for shares transfer	561,000	6,719,985
Others	1,508,065	1,480,393
TOTAL	32,875,827	46,669,574
<i>In which:</i>		
<i>Other short-term payable to others</i>	<i>32,437,880</i>	<i>45,169,429</i>
<i>Other short-term payables to related parties (Note 32)</i>	<i>437,947</i>	<i>1,500,145</i>
Long-term		
Deposits under Business and Investment Co-operation Contracts	4,559,089	-
Other long-term deposits	72,864	86,651
Others	12,546	3,725
TOTAL	4,644,499	90,376
<i>In which:</i>		
<i>Other long-term payable to others</i>	<i>2,812,797</i>	<i>90,376</i>
<i>Other long-term payables to related parties (Note 32)</i>	<i>1,831,702</i>	<i>-</i>

(i) This pertains to maintenance fund held on behalf of customers, which will be transferred to Building Management Boards.

(ii) These pertain to deposits from a number of affiliates to the Company pursuant to Business and Investment Co-operation Contracts for purpose of operating and transfer co-operation of shopping mall, school, hotel.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter IV 2020**24. LOANS**

Currency: Million VND

	31 December 2020		31 December 2019	
	Balance	Payable amount	Balance	Payable amount
Short-term				
Loans from banks (Note 24.1)	1,970,937	1,970,937	3,894,815	3,894,815
Loans from corporate counterparties	-	-	1,960,000	1,960,000
Corporate bonds (Note 24.3)	8,442,360	8,442,360	12,307,539	12,307,539
Loans from related parties (Note 32)	585,000	585,000	-	-
	10,998,297	10,998,297	18,162,354	18,162,354
Long-term				
Loans from banks	-	-	1,371,098	1,371,098
Loans from corporate counterparties (Note 24.2)	5,320,000	5,320,000	3,390,000	3,390,000
Corporate bonds (Note 24.3)	7,389,921	7,389,921	2,776,927	2,776,927
Loans from related parties (Note 32)	737,000	737,000	805,000	805,000
	13,957,735	13,957,735	8,343,025	8,343,025
TOTAL	24,956,032	24,956,032	26,505,379	26,505,379

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter IV 2020**24. LOANS** (continued)**24.1 Loans from banks**

(i) Detail of short-term loans from banks is presented as below:

<i>Lender</i>	<i>31 December 2020 (million VND)</i>	<i>Principal repayment term</i>	<i>Collateral</i>
Vietnam Technology and Commercial Joint Stock Bank	1,371,098	January 2021	The contributed capital of one subsidiary and other collaterals
Joint Stock Commercial Bank for Foreign Trade of Vietnam	590,000	January 2021 and March 2021	The contributed capital of one subsidiary and other collaterals
Other banks	9,839	From July 2020 to May 2021	None
TOTAL	1,970,937		

These loans have floating interest rates or fixed interest rates from 6.8% to 10.5% per annum

(ii) Detail of long-term loans from bank is presented as below:

<i>Lender</i>	<i>31 December 2020 (million VND)</i>	<i>Principal repayment term</i>	<i>Collateral</i>
Vietnam Joint Stock Commercial Bank for Industry and Trade	494,941	June 2022	Collateral of this loan is mining rights, machineries and equipment owned by subsidiaries.
Bank for Investment and Development of Vietnam	15,873	December 2024	Collateral of this loan is a part of a real estate project owned by a subsidiary.
TOTAL	510,814		

These loans have floating interest rates or fixed interest rates from 5.5% to 9.5% per annum

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
 Quarter IV 2020

24. LOANS (continued)

24.2 Loans from corporate counterparties

Loans from corporate counterparties comprises:

- ▶ Long-term loans from corporate counterparties with total principal of VND5,320 billion, bearing the interest rate of 9% per annum with maturity date in 2022.

24.3 Corporate bonds

- (i) Current portion of long-term corporate bonds

Currency: Million VND

<u>Underwriter</u>	<u>Ending balance</u>	<u>Maturity date</u>	<u>Interest rate</u>	<u>Collateral</u>
Techcom Securities Joint Stock Company	1,994,166	August 2021	Interest rate for the first two period is 10% per annum. Interest rate for the following periods is calculated as 12-month interest paid-in-arrears VND in this period (+) 4.25% per annum	None
	<u>6,448,194</u>	November 2021	Interest rate for first period is 10% per annum. Interest rate for the following periods is calculated by VND saving rate plus a margin.	(*)
TOTAL	<u>8,442,360</u>			

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter IV 2020

24. LOANS (continued)

24.3 Corporate bonds

(ii) Long-term corporate bonds

Currency: Million VND

<i>Underwriter</i>	<i>Ending balance</i>	<i>Maturity date</i>	<i>Interest rate</i>	<i>Collateral</i>
Techcom Securities Joint Stock Company	5.390.862	May 2023	Interest rate for first period is from 9% to 9.5% per annum. Interest rate for the following periods is calculated by VND saving rate plus a margin.	(*)
KB Securities Vietnam Joint Stock Company	1.999.059	May 2023	Interest rate for first period is 9.5% per annum. Interest rate for the following periods is calculated by VND saving rate plus a margin.	(**)
TOTAL	7.389.921			

(*) Collateral of this bond includes a part of commercial, hospitality projects and other assets.

(**) Collateral of this bond includes a real estate project and other assets.

25. PROVISIONS

This represents provision for repairing costs for inventory properties in accordance with the warranty clause in sales and purchase agreements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter IV 2020

26. OWNERS' EQUITY

26.1 Increase and decrease in owners' equity

Currency: Million VND

	Attributable to shareholders of the parent					Non-controlling interests	Total
	Issued share capital	Treasury shares	Share premium	Other funds belonging to owners' equity	Undistributed earnings		
Previous year							
As at 1 January 2019	33,495,139	-	295,000	1,816,269	7,626,959	4,911,507	48,144,874
- Net profit for the period	-	-	-	-	21,747,376	2,571,724	24,319,100
- Step-up acquisition of equity interest in existing subsidiaries	-	-	-	-	56,192	(56,192)	-
- Disposal of subsidiaries	-	-	-	-	(41,335)	41,335	-
- Acquisition of subsidiaries	-	-	-	-	-	1,719,352	1,719,352
- Step-down of equity interest in subsidiaries	-	-	-	-	-	(76,094)	(76,094)
- Cash dividends paid	-	-	-	-	(3,349,514)	(492,746)	(3,842,260)
- Purchase treasury shares	-	(5,549,929)	-	-	-	-	(5,549,929)
As at 31 December 2019	33,495,139	(5,549,929)	295,000	1,816,269	26,039,678	8,618,886	64,715,043
Current year							
As at 1 January 2020	33,495,139	(5,549,929)	295,000	1,816,269	26,039,678	8,618,886	64,715,043
- Net profit for the period	-	-	-	-	27,839,395	927,736	17,207,579
- Capital contribution of issuance shares	-	-	-	-	-	2,000	-
- Acquisition of new subsidiaries	-	-	-	(427,569)	-	(127,026)	71,219
- Step-up of equity interest in existing subsidiaries	-	-	-	-	2,639,653	(4,971,722)	(3,152,319)
- Cash dividends paid	-	-	-	-	-	(63,715)	(63,715)
- Capital redemption	-	-	-	-	-	(848,309)	(848,309)
- Other increases/decreases	-	-	-	10,000	(10,000)	-	-
As at 31 December 2020	33,495,139	(5,549,929)	295,000	1,398,700	56,508,726	3,537,850	89,685,486

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter IV 2020**26. OWNERS' EQUITY (continued)****26.2 Ordinary shares and preference shares**

	31 December 2020	31 December 2019
		<i>Unit: Share</i>
Authorised shares	3,349,513,918	3,349,513,918
Issued shares	3,349,513,918	3,349,513,918
<i>Ordinary shares</i>	3,349,513,918	3,349,513,918
<i>Preference shares</i>	-	-
Treasury shares	60,000,000	60,000,000
<i>Ordinary shares</i>	60,000,000	60,000,000
<i>Preference shares</i>	-	-
Shares in circulation	3,289,513,918	3,289,513,918
<i>Ordinary shares</i>	3,289,513,918	3,289,513,918
<i>Preference shares</i>	-	-

The par value of outstanding shares: VND10,000 per share (as at 31 December 2019: VND10,000 per share).

27. REVENUES**27.1 Revenue from sale of goods and rendering of services**

	Quarter IV 2020	Quarter IV 2019
		<i>Currency: Million VND</i>
Gross revenue	21,512,001	13,985,094
<i>In which:</i>		
Revenue from sales of inventory properties	19,915,428	13,204,984
Revenue from rendering real estate management and related services	281,223	340,867
Revenue from leasing activities and rendering related services	470,605	160,283
Revenue from general contractor services, consulting construction services and others	844,745	278,960
Deductions	-	-
Net revenue	21,512,001	13,985,094

27.2 Financial income

	Quarter IV 2020	Quarter IV 2019
		<i>Currency: Million VND</i>
Income from transfer of investments	9,681,782	829
Interest income from deposits, loans, others	304,785	559,236
Income from Business and Investment Co-operation Contracts (*)	168,250	827,083
Others	20,676	878
TOTAL	10,175,493	1,388,026

(*) Mainly from Business and Investment Co-operation Contract with Vingroup JSC for the development of project.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter IV 2020**28. COST OF GOODS SOLD AND SERVICES RENDERED**

	<i>Currency: Million VND</i>	
	<i>Quarter IV 2020</i>	<i>Quarter IV 2019</i>
Cost of inventory properties sold	12,846,744	3,180,928
Cost of rendering real estate management and related services	282,253	363,248
Cost of leasing activities and other related costs	240,367	89,690
Cost of general contractor services, consulting construction services and others	844,399	237,210
TOTAL	14,213,763	3,871,076

29. FINANCE EXPENSES

	<i>Currency: Million VND</i>	
	<i>Quarter IV 2020</i>	<i>Quarter IV 2019</i>
Loan interest and bond issuance cost	592,103	524,747
Provision for investments	127,244	-
Others	470,530	70,598
TOTAL	1,189,877	595,345

30. SELLING EXPENSES AND GENERAL AND ADMINISTRATIVE EXPENSES

	<i>Currency: Million VND</i>	
	<i>Quarter IV 2020</i>	<i>Quarter IV 2019</i>
Selling expenses		
Commission fees	586,218	662,219
Labour costs	77,768	41,235
Marketing, advertising expenses and others	115,664	457,220
	779,650	1,160,674
General and administrative expenses		
Expenses for external services	28,594	14,711
Depreciation and amortisation	43,910	39,057
Labour costs	54,754	90,792
Others	711,208	916,633
	838,466	1,061,193
TOTAL	1,618,116	2,221,867

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
 Quarter IV 2020

31. CORPORATE INCOME TAX

The current corporate income tax ("CIT") rate applicable to the Company and its subsidiaries is 20% of taxable profits (2019: 20%).

The tax returns filed by the Company and its subsidiaries are subject to examination by the tax authorities. As the application of tax laws and regulations is susceptible to varying interpretations, the amounts reported in the consolidated financial statements could be changed at a later date upon final determination by the tax authorities.

Tax expenses/(income)

	<i>Currency: Million VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Current tax expenses	8,654,131	5,766,161
Deferred tax income	<u>(374,475)</u>	<u>(339,567)</u>
TOTAL	<u>8,279,656</u>	<u>5,426,594</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter IV 2020

32. BALANCES WITH RELATED PARTIES

Amounts due to and due from related parties as at 31 December 2020 and 31 December 2019 were as follows:

Currency: Million VND

<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>31 December 2020</i>	<i>31 December 2019</i>
Trade receivables (Note 7.1)				
Vincom Retail JSC	Affiliate	Receivables from transferring inventory properties	122,728	1,028,007
		Receivables from other services	15,176	26,067
Other affiliates		Other receivables	<u>210,632</u>	<u>1,127,523</u>
			<u>348,536</u>	<u>2,181,597</u>
Other receivables (Note 9)				
Vingroup JSC	Parent company	Capital contribution for Business and Investment Co-operation Contract	410,230	3,400,318
		Receivables from shared profit of Business and Investment Co-operation Contract	-	1,006,857
		Other receivables	6,997	100,884
Central Park LLC	Affiliate until 14 December 2020	Capital contribution for Business and Investment Co-operation Contract	-	490,000
		Receivables from shared profit of Business and Investment Co-operation Contract	-	1,610,168
		Other receivables	-	18,714
Other affiliates		Other receivables	<u>613,051</u>	<u>72,725</u>
			<u>1,030,278</u>	<u>6,699,666</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter IV 2020

32. BALANCES WITH RELATED PARTIES (continued)

Amounts due to and due from related parties as at 31 December 2020 and 31 December 2019 were as follows (continued):

<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>31 December 2020</i>	<i>31 December 2019</i>
<i>Other current assets</i> (Note 12)				
Vingroup JSC and other affiliates	Parent company and Affiliates	Deposits for share transfer and investment purpose	3,850,000	8,649,400
			<u>3,850,000</u>	<u>8,649,400</u>
<i>Other non-current assets</i> (Note 12)				
Vingroup JSC and other affiliates	Parent company and Affiliates	Deposit for share transfer and investment purpose	44,469,470	8,439,145
			<u>44,469,470</u>	<u>8,439,145</u>
<i>Trade payables</i> (Note 19.1)				
Vingroup JSC	Parent company	Management fee payables	361,979	487,662
		Other trade payables	-	28,381
Other affiliates	Affiliates	Other trade payables	262,261	31,836
			<u>624,240</u>	<u>547,879</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter IV 2020

32. BALANCES WITH RELATED PARTIES (continued)

Amounts due to and due from related parties as at consolidated balance sheet dates were as follows (continued):

<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>31 December 2020</i>	<i>31 December 2019</i>
<i>Other short-term payables (Note 23)</i>				
Vincom Retail JSC	Affiliate	Deposit for Business Co-operation Contract	-	704,000
		Others	9,056	14,391
Other affiliates		Other payables	428,891	781,754
			437,947	1,500,145
<i>Other long-term payables (Note 23)</i>				
Vincom Retail JSC	Affiliate	Deposit for Business Co-operation Contract	1,831,702	-
			1,831,702	-

Details of lendings to related parties

Including the lendings for Vingroup JSC and an affiliate with interest rate of 9% per annum and maturity date in 2021 and 2022.

Details of borrowings to related parties (Note 24)

Details of short-term borrowings as at 31 December 2020:

<i>Related parties</i>	<i>Relationship</i>	<i>Amount Million VND</i>	<i>Interest rate % per annum</i>	<i>Maturity</i>
Vingroup JSC	Parent company	10,000	9%	2021
Vinfast LLC	Affiliate	575,000	9%	2021
		585,000		

Details of long-term borrowings as at 31 December 2020:

<i>Related parties</i>	<i>Relationship</i>	<i>Amount Million VND</i>	<i>Interest rate % per annum</i>	<i>Maturity</i>
Xalivico LLC	Affiliate	336,000	9%	2022
Xavinco JSC	Affiliate	401,000	9%	2022
		737,000		

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter IV 2020**33. EARNINGS PER SHARE**

The following reflects the income and share data used in the basic and diluted earnings per share computations:

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Net profit after tax attributable to ordinary shareholders	27,839,394,741,503	21,747,376,096,636
Adjust for the effect of dilution	-	-
Net profit attributable to ordinary shareholders adjusted for the effect of dilution	<u>27,839,394,741,503</u>	<u>21,747,376,096,636</u>
	<i>Current year</i>	<i>Previous year</i>
Weighted average number of ordinary shares for basic earnings per share	<u>3,289,513,918</u>	<u>3,344,926,936</u>
Weighted average number of ordinary shares (excluding treasury shares) for basic earnings per share	<u>3,289,513,918</u>	<u>3,344,926,936</u>
	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Basic earnings per share	8,463	6,502

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter IV 2020**34. SEGMENT REPORT**

The Company and its subsidiaries do not present segmental information for Quarter IV 2020 because real estate trading and related services are principal sources accounting for a substantial portion in the Company and its subsidiaries' total revenue, profit and assets. Therefore, management is of the view that there is only one segment for business. In addition, management defines the Company and subsidiaries' geographical segments to be based on the location of the assets which is in Vietnam.

35. EVENTS AFTER THE BALANCE SHEET DATE


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



Hoang Minh Thai
Preparer



Le Tien Cong
Chief Accountant



Pham Thieu Hoa
Chief Executive Officer

Hanoi, Vietnam

28 January 2021