

# **Vinhomes Joint Stock Company**

Consolidated financial statements

For the year ended 31 December 2020



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Consolidated financial statements

For the year ended 31 December 2020



# Vinhomes Joint Stock Company

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# Vinhomes Joint Stock Company

## GENERAL INFORMATION

### THE COMPANY

Vinhomes Joint Stock Company (“the Company”) is a joint stock company incorporated under the Law on Enterprise of Vietnam pursuant to the Business Registration Certificate No. 0103022741 issued by the Hanoi Department of Planning and Investment on 6 March 2008 and the Enterprise Registration Certificate No. 0102671977 dated 5 August 2010 on registration of a shareholding company. The Company also subsequently received amended Enterprise Registration Certificates with the 30<sup>th</sup> 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 (also referred to as “the Parent Company”). Vingroup JSC and its subsidiaries are hereby referred as “the Group”.

### BOARD OF DIRECTORS

Members of the Board of Directors during the year 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. Nguyen Viet Quang	Member	resigned 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 year 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)

### MANAGEMENT

Members of the management during the year 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	appointed on 15 April 2020
Ms. Nguyen Thu Hang	Standing Deputy Chief Executive Officer	appointed on 21 October 2020
Ms. Mai Thu Thuy	Deputy Chief Executive Officer	appointed on 21 October 2020
Mr. Nguyen Van Trai	Deputy Chief Executive Officer	resigned on 15 April 2020
Ms. Phi Thi Thuc Nga	Deputy Chief Executive Officer	resigned on 15 April 2020
Ms. Nguyen Ngoc Thuy Linh	Deputy Chief Executive Officer	resigned on 6 June 2020

### LEGAL REPRESENTATIVES

The legal representatives of the Company:

- ▶ from 01 January 2020 to 19 April 2020 are Ms. Nguyen Dieu Linh, Chairwoman, Mr. Pham Thieu Hoa, Chief Executive Officer, Mr. Nguyen Van Trai, Deputy Chief Executive Officer and Mr. Pham Van Khuong, Deputy Chief Executive Officer; and
- ▶ from 20 April 2020 to the date of this report 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.

### AUDITORS

The auditor of the Company is Ernst & Young Vietnam Limited.

# 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 year 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 year. In preparing those consolidated financial statements, management is required to:

- ▶ select suitable accounting policies and then apply them consistently;
- ▶ make judgements and estimates that are reasonable and prudent;
- ▶ state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the consolidated financial statements; and
- ▶ prepare the consolidated financial statements on the going concern basis unless it is inappropriate to presume that the 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 and its subsidiaries as at 31 December 2020 and of the consolidated results of its operations and its consolidated cash flows for the year then 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:

  
  
Phạm Thiên Hoa  
Chief Executive Officer

Hanoi, Vietnam

19 March 2021





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Ernst & Young Vietnam Limited  
8th Floor, CornerStone Building  
16 Phan Chu Trinh Street  
Hoan Kiem District  
Hanoi, S.R. of Vietnam

Tel: +84 24 3831 5100  
Fax: +84 24 3831 5090  
ey.com

Reference: 60871645/22157028-HN

## INDEPENDENT AUDITORS' REPORT

To: **The Shareholders of Vinhomes Joint Stock Company**

We have audited the accompanying consolidated financial statements of Vinhomes Joint Stock Company ("the Company") and its subsidiaries (collectively referred to as "the Company and its subsidiaries") as prepared on 19 March 2021 and set out on pages 6 to 87, which comprise the consolidated balance sheet as at 31 December 2020, the consolidated income statement and the consolidated cash flow statement for the year then ended and the notes thereto.

### *Management's responsibility*

Management is responsible for the preparation and fair presentation of these consolidated financial statements 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, and for such internal control as management determines is necessary to enable the preparation and presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditors' responsibility*

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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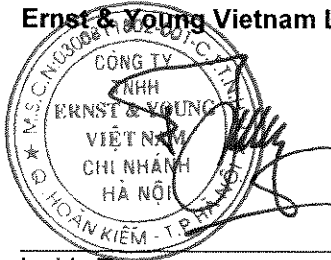


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### Opinion

In our opinion, the consolidated financial statements give a true and fair view, in all material respects, of the consolidated financial position of the Company and its subsidiaries as at 31 December 2020, and of the consolidated results of its operations and its consolidated cash flows for the year then 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.

### Ernst & Young Vietnam Limited



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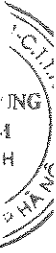
Le Vu Truong  
Deputy General Director  
Audit Practising Registration  
Certificate No. 1588-2018-004-1

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Nguyen Trung Dung  
Auditor  
Audit Practising Registration  
Certificate No. 4657-2018-004-1

Hanoi, Vietnam

19 March 2021



CONSOLIDATED BALANCE SHEET  
as at 31 December 2020

Currency: million VND

Code	ASSETS	Notes	Ending balance	Beginning balance
<b>100</b>	<b>A. CURRENT ASSETS</b>		<b>102,312,109</b>	<b>139,555,054</b>
<b>110</b>	<b>I. Cash and cash equivalents</b>	<b>5</b>	<b>13,713,651</b>	<b>13,332,299</b>
111	1. Cash		4,146,738	2,788,220
112	2. Cash equivalents		9,566,913	10,544,079
<b>120</b>	<b>II. Short-term investments</b>		<b>2,054,219</b>	<b>360,611</b>
121	1. Held-for-trading securities	6.1	359,322	-
123	2. Held-to-maturity investments	6.2	1,694,897	360,611
<b>130</b>	<b>III. Current accounts receivable</b>		<b>34,592,470</b>	<b>47,467,976</b>
131	1. Short-term trade receivables	7.1	10,674,408	8,811,344
132	2. Short-term advances to suppliers	7.2	8,504,424	8,802,736
135	3. Short-term loan receivables	8	8,272,493	16,507,454
136	4. Other short-term receivables	9	7,190,939	13,465,638
137	5. Provision for doubtful short-term receivables	10	(49,794)	(119,196)
<b>140</b>	<b>IV. Inventories</b>	<b>11</b>	<b>42,983,662</b>	<b>60,296,848</b>
141	1. Inventories		43,021,241	60,306,616
149	2. Provision for obsolete inventories		(37,579)	(9,768)
<b>150</b>	<b>V. Other current assets</b>		<b>8,968,107</b>	<b>18,097,320</b>
151	1. Short-term prepaid expenses	12	1,784,595	2,089,245
152	2. Value-added tax deductible	21	309,066	673,229
153	3. Tax and other receivables from the State	21	41,971	41,933
155	4. Other current assets	13	6,832,475	15,292,913



CONSOLIDATED BALANCE SHEET (continued)  
as at 31 December 2020

Currency: million VND

Code	ASSETS	Notes	Ending balance	Beginning balance
<b>200</b>	<b>B. NON-CURRENT ASSETS</b>		<b>113,014,268</b>	<b>57,685,974</b>
<b>210</b>	<b>I. Long-term receivables</b>		<b>11,084,368</b>	<b>8,114,996</b>
215	1. Long-term loan receivables	8	4,130,000	7,863,900
216	2. Other long-term receivables	9	6,954,368	251,096
<b>220</b>	<b>II. Fixed assets</b>		<b>5,906,615</b>	<b>690,347</b>
221	1. Tangible fixed assets	14	5,683,205	624,738
222	Cost		5,873,264	678,311
223	Accumulated depreciation		(190,059)	(53,573)
227	2. Intangible fixed assets		223,410	65,609
228	Cost		312,732	108,952
229	Accumulated amortisation		(89,322)	(43,343)
<b>230</b>	<b>III. Investment properties</b>	<b>15</b>	<b>8,699,597</b>	<b>6,626,630</b>
231	1. Cost		9,231,822	6,959,536
232	2. Accumulated depreciation		(532,225)	(332,906)
<b>240</b>	<b>IV. Long-term assets in progress</b>		<b>32,361,351</b>	<b>28,212,527</b>
242	1. Construction in progress	17	32,361,351	28,212,527
<b>250</b>	<b>V. Long-term investments</b>	<b>18</b>	<b>9,755,842</b>	<b>773,312</b>
252	1. Investments in associates	18.1	5,838,118	-
253	2. Investments in other entities	18.2	3,969,035	558,632
254	3. Provision for long-term investments	18.2	(235,991)	-
255	4. Held-to-maturity investments	18	184,680	214,680
<b>260</b>	<b>VI. Other long-term assets</b>		<b>45,206,495</b>	<b>13,268,162</b>
261	1. Long-term prepaid expenses	12	2,287,994	2,511,706
262	2. Deferred tax assets	34.3	727,156	330,794
268	3. Other long-term assets	13	39,512,106	9,471,481
269	4. Goodwill	19	2,679,239	954,181
<b>270</b>	<b>TOTAL ASSETS</b>		<b>215,326,377</b>	<b>197,241,028</b>

CONSOLIDATED BALANCE SHEET (continued)  
as at 31 December 2020

Currency: million VND

Code	RESOURCES	Notes	Ending balance	Beginning balance
<b>300</b>	<b>C. LIABILITIES</b>		<b>126,196,462</b>	<b>132,525,985</b>
<b>310</b>	<b>I. Current liabilities</b>		<b>103,385,277</b>	<b>121,556,854</b>
311	1. Short-term trade payables	20.1	11,401,484	6,078,324
312	2. Short-term advances from customers	20.2	26,968,735	40,245,699
313	3. Statutory obligations	21	5,035,067	2,095,296
315	4. Short-term accrued expenses	22	13,912,784	7,839,911
318	5. Short-term unearned revenues	23	531,699	465,696
319	6. Other short-term payables	24	34,032,822	46,669,574
320	7. Short-term loans	25	10,997,726	18,162,354
321	8. Short-term provisions	26.1	504,960	-
<b>330</b>	<b>II. Non-current liabilities</b>		<b>22,811,185</b>	<b>10,969,131</b>
333	1. Long-term accrued expenses	22	1,409,698	588,885
336	2. Long-term unearned revenues	23	3,325,997	1,534,550
337	3. Other long-term liabilities	24	3,537,548	90,376
338	4. Long-term loans	25	13,957,735	8,343,025
341	5. Deferred tax liabilities	34.3	198,873	270,303
342	6. Long-term provisions	26.2	381,334	141,992

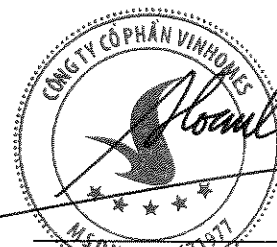
CONSOLIDATED BALANCE SHEET (continued)  
as at 31 December 2020

Currency: million VND

Code	RESOURCES	Notes	Ending balance	Beginning balance
<b>400</b>	<b>D. OWNERS' EQUITY</b>		<b>89,129,915</b>	<b>64,715,043</b>
<b>410</b>	<b>I. Capital</b>	<b>27</b>	<b>89,129,915</b>	<b>64,715,043</b>
411	1. Share capital		33,495,139	33,495,139
411a	- Shares with voting rights		33,495,139	33,495,139
412	2. Share premium		295,000	295,000
415	3. Treasury shares		(5,549,929)	(5,549,929)
420	4. Other funds belonging to owners' equity		1,200,896	1,816,269
421	5. Undistributed earnings		56,259,405	26,039,678
421a	- Undistributed earnings by the end of prior year		27,964,411	4,277,445
421b	- Undistributed earnings of current year		28,294,994	21,762,233
429	6. Non-controlling interests		3,429,404	8,618,886
<b>440</b>	<b>TOTAL LIABILITIES AND OWNERS' EQUITY</b>		<b>215,326,377</b>	<b>197,241,028</b>

Hoang Minh Thai  
Preparer

Le Tien Cong  
Chief Accountant



Phan Thieu Hoa  
Chief Executive Officer

Hanoi, Vietnam

19 March 2021

1/5/2021

CONSOLIDATED INCOME STATEMENT  
for the year ended 31 December 2020

Currency: million VND

Code	ITEMS	Notes	Current year	Previous year
01	1. Revenue from sale of goods and rendering of services	28.1	71,546,737	51,626,931
02	2. Deductions	28.1	-	-
10	3. Net revenue from sale of goods and rendering of services	28.1	71,546,737	51,626,931
11	4. Cost of goods sold and services rendered	29	(45,610,660)	(24,171,323)
20	5. Gross profit from sale of goods and rendering of services		25,936,077	27,455,608
21	6. Finance income	28.2	20,244,792	9,045,787
22	7. Finance expenses	30	(4,019,261)	(2,548,827)
23	<i>In which: Interest expenses and bond issuance expenses</i>		(3,001,572)	(2,377,698)
24	8. Shares of profit of associates	18.1	18,526	-
25	9. Selling expenses	31	(2,680,833)	(2,080,673)
26	10. General and administrative expenses	31	(2,193,460)	(2,156,421)
30	11. Operating profit		37,305,841	29,715,474
31	12. Other income		221,432	185,728
32	13. Other expenses	32	(1,010,436)	(155,508)
40	14. Other (loss)/profit		(789,004)	30,220
50	15. Accounting profit before tax		36,516,837	29,745,694
51	16. Current corporate income tax expense	34.1	(8,778,070)	(5,766,161)
52	17. Deferred tax income	34.3	467,773	339,567
60	18. Net profit after tax		28,206,540	24,319,100

CONSOLIDATED INCOME STATEMENT (continued)  
for the year ended 31 December 2020

Currency: million VND

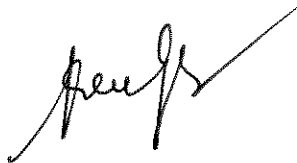
Code	ITEMS	Notes	Current year	Previous year
61	19. Net profit after tax attributable to shareholders of the parent		27,351,280	21,747,376
62	20. Net profit after tax attributable to non-controlling interests		855,260	2,571,724

Currency: VND

Code	ITEMS	Notes	Current year	Previous year
70	21. Basic earnings per share	36	8,315	6,502



Hoang Minh Thai  
Preparer



Le Tien Cong  
Chief Accountant



Phạm Diệu Hoà  
Chief Executive Officer

Hanoi, Vietnam

19 March 2021

CONSOLIDATED CASH FLOW STATEMENT  
for the year ended 31 December 2020

Currency: million VND

Code	ITEMS	Notes	Current year	Previous year
	<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>01</b>	<b>Profit before tax</b>		<b>36,516,837</b>	<b>29,745,694</b>
	<i>Adjustments for:</i>			
02	Depreciation of tangible fixed assets and investment properties and amortisation of intangible fixed assets (including amortisation of goodwill)	33	541,936	351,846
03	Provisions/(reversal of provisions)		938,172	(197,023)
04	Foreign exchange losses/(gains) arisen from revaluation of monetary accounts denominated in foreign currency		681	(899)
05	Profits from investing activities		(20,212,609)	(9,115,700)
06	Interest expenses and bond issuance expenses	30	3,001,572	2,377,698
<b>08</b>	<b>Operating profit before changes in working capital</b>		<b>20,786,589</b>	<b>23,161,616</b>
09	Decrease/(increase) in receivables		5,598,479	(3,032,812)
10	Decrease/(increase) in inventories		13,823,705	(7,354,995)
11	(Decrease)/increase in payables (other than interest, corporate income tax)		(7,057,322)	51,451,474
12	Decrease/(increase) in prepaid expenses		410,876	(2,885,248)
14	Interest paid		(2,423,545)	(3,309,171)
15	Corporate income tax paid	21	(6,256,733)	(6,102,455)
<b>20</b>	<b>Net cash flows from operating activities</b>		<b>24,882,049</b>	<b>51,928,409</b>

CONSOLIDATED CASH FLOW STATEMENT (continued)  
for the year ended 31 December 2020

Currency: million VND

Code	ITEMS	Notes	Current year	Previous year
	<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
21	Purchase and construction of fixed assets and other long-term assets		(3,499,515)	(3,846,972)
22	Proceeds from disposals of fixed assets and other long-term assets		430,202	205,848
23	Loans to other entities and payments for purchase of debt instruments of other entities		(4,826,147)	(14,077,010)
24	Collections from borrowers and proceeds from sale of debt instruments of other entities		16,411,373	30,762,019
25	Payments for investments in other entities (net of cash hold by entity being acquired)		(53,487,656)	(61,164,624)
26	Proceeds from sale of investments in other entities (net of cash hold by entity being disposed)		21,317,425	19,568,901
27	Interest and dividends received		1,234,721	1,232,061
<b>30</b>	<b>Net cash flows used in investing activities</b>		<b>(22,419,597)</b>	<b>(27,319,777)</b>
	<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
31	Capital contribution	27.1	62,000	-
32	Capital redemption, reacquisition of treasury shares	27.1	(848,308)	(5,549,929)
33	Drawdown of borrowings		19,662,865	6,847,057
34	Repayment of borrowings		(20,739,963)	(12,402,281)
36	Dividends paid		(217,694)	(3,686,552)
<b>40</b>	<b>Net cash flows used in financing activities</b>		<b>(2,081,100)</b>	<b>(14,791,705)</b>

CONSOLIDATED CASH FLOW STATEMENT (continued)  
for the year ended 31 December 2020

Currency: million VND

Code	ITEMS	Notes	Current year	Previous year
50	Net increase in cash for the year		381,352	9,816,927
60	Cash and cash equivalents at the beginning of the year	5	13,332,299	3,515,372
61	Impact of exchange rate fluctuation		-	-
70	Cash and cash equivalents at the end of the year	5	13,713,651	13,332,299



Hoang Minh Thai  
Preparer



Le Tien Cong  
Chief Accountant



Phan Thien Hoa  
Chief Executive Officer

Hanoi, Vietnam

19 March 2021

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
as at 31 December 2020 and for the year then ended

**1. CORPORATE INFORMATION**

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

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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 receives 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).

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2020 and for the year then ended

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	Principal activities
1	Gia Lam Urban Development and Investment Limited Liability Company ("Gia Lam LLC") (i)	99.39	99.36	2 <sup>nd</sup> 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, Hanoi	Investing, developing and trading real estate properties
2	Ecology Development and Investment Joint Stock Company ("Ecology JSC") (i)	100.00	99.97	No. 191 Ba Trieu Street, Le Dai Hanh Ward, Hai Ba Trung District, Hanoi	Investing, developing and trading real estate properties
3	Vietnam Investment and Consulting Investment Joint Stock Company ("Vietnam Investment JSC") (i)	70.00	69.97	No. 191 Ba Trieu Street, Le Dai Hanh Ward, Hai Ba Trung District, Hanoi	Investing, developing and trading real estate properties
4	Can Gio Tourist City Corporation ("Can Gio JSC")	99.89	99.89	No.72 Le Thanh Ton Street, Ben Nghe Ward, District 1, Ho Chi Minh City	Investing, developing and trading real estate properties
5	Tay Tang Long Real Estate Company Limited Liability Company ("Tay Tang Long LLC")	90.00	90.00	No.72 Le Thanh Ton Street, Ben Nghe Ward, District 1, Ho Chi Minh City	Investing, developing and trading real estate properties
6	Berjaya Vietnam International University Township Limited Liability Company ("Berjaya VIUT LLC") (i)	97.90	97.80	20A Floor, Vincom Center Dong Khoi, No. 72 Le Thanh Ton, Ben Nghe Ward, District 1, Ho Chi Minh City	Investing, developing and trading real estate properties
7	Royal City Real Estate Development and Investment Joint Stock Company ("Royal City JSC") (i)	97.85	97.84	No. 72A Nguyen Trai Street, Thuong Dinh Ward, Thanh Xuan District, Hanoi	Investing, developing and trading real estate properties
8	Lang Van Development and Investment Joint Stock Company ("Lang Van JSC") (i)	99.00	98.84	No. 7 Truong Sa Street, Hoa Hai Ward, Ngu Hanh Son District, Da Nang City	Investing, developing and trading real estate properties
9	Metropolis Hanoi Limited Liability Company ("Metropolis Hanoi LLC")	100.00	100.00	HH land area, Pham Hung Street, Me Tri Ward, Nam Tu Liem District, Hanoi	Investing, developing and trading real estate properties

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2020 and for the year then ended

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>	<i>Principal activities</i>
10	Berjaya Vietnam Financial Center Limited Liability Company ("Berjaya VFC LLC") (i)	67.50	67.43	20A Floor, Vincom Center Dong Khoi, No. 72 Le Thanh Ton, Ben Nghe Ward, District 1, Ho Chi Minh City	Investing, developing and trading real estate properties
11	Thai Son Investment and Construction Joint Stock Company ("Thai Son JSC") (i)	100.00	99.90	No. 7 Bang Lang 1 Street, Vinhomes Riverside Eco-urban Area, Viet Hung Ward, Long Bien District, Hanoi	Investing, developing and trading real estate properties
12	Millennium Trading Investment and Development Limited Liability Company ("Millennium LLC")	100.00	100.00	20A Floor, Vincom Center Dong Khoi, No. 72 Le Thanh Ton, Ben Nghe Ward, District 1, Ho Chi Minh City	Investing, developing, trading real estate properties and office leasing
13	GS Cu Chi Development Joint Stock Company ("GS Cu Chi JSC") (i)	100.00	99.90	20A Floor, Vincom Center Dong Khoi, No. 72 Le Thanh Ton, Ben Nghe Ward, District 1, Ho Chi Minh City	Investing, developing and trading real estate properties
14	Phu Gia Property Trading Limited Liability Company ("Phu Gia LLC") (i) (ii)	98.00	97.97	No. 63 Hang Ga Street, Hang Bo Ward, Hoan Kiem District, Hanoi	Investing, developing and trading real estate properties
15	An Thinh Trading and Commercial Development Joint Stock Company ("An Thinh JSC") (ii)	85.00	85.00	20A Floor, Vincom Center Dong Khoi, No. 72 Le Thanh Ton, Ben Nghe Ward, District 1, Ho Chi Minh City	Investing, developing and trading real estate properties
16	Green City Development Joint Stock Company ("Green City JSC") (i)	100.00	99.92	No. 72 Le Thanh Ton, Ben Nghe Ward, District 1, Ho Chi Minh City	Investing, developing and trading real estate properties
17	Delta Joint Stock Company ("Delta JSC") (i)	100.00	99.91	No. 110, Dang Cong Binh Street, 6th Hamlet, Xuan Thoi Thuong Ward, Hoc Mon District, Ho Chi Minh City	Investing, developing and trading real estate properties
18	Vinhomes Industrial Zone Investment Joint Stock Company ("VHIZ JSC") (i)	100.00	99.96	No. 7, Bang Lang 1 Street, Vinhomes Riverside Eco-Urban Area, Viet Hung Ward, Long Bien District, Hanoi	Investing, developing and trading real estate properties

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2020 and for the year then ended

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>	<i>Principal activities</i>
19	Dai An Investment Construction Joint Stock Company ("Dai An JSC") (i)	100.00	99.92	Highway 5A, Dinh Du Village, Dinh Du Commune, Van Lam District, Hung Yen Province	Investing, developing and trading real estate properties
20	Ecology Development and Trading Joint Stock Company ("Ecology Trading JSC") (i) (ii)	100.00	99.97	Symphony Office Building, Chu Huy Man Street, Vinhomes Riverside Eco-Urban Area, Phuc Loi Ward, Long Bien District, Hanoi	Investing, developing and trading real estate properties
21	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	Data processing, leasing of mobile broadcasting infrastructure, voice network, television and related activities.
22	Hon Mot Tourism Joint Stock Company ("Hon Mot JSC") (i)	100.00	99.90	Hon Tre Island, Vinh Nguyen Ward, Nha Trang City, Khanh Hoa Province	Investing, developing and trading real estate properties
23	Newco Development and Investment Joint Stock Company ("Newco JSC") (i)	100.00	99.92	No. 72 Le Thanh Ton Street, Ben Nghe Ward, District 1, Ho Chi Minh City	Investing, developing and trading real estate properties
24	Sai Dong Urban Development and Investment Joint Stock Company ("Sai Dong JSC") (i)	100.00	98.92	No. 7, Bang Lang 1 Street, Vinhomes Riverside Eco-Urban Area, Viet Hung Ward, Long Bien District, Hanoi	Investing, developing and trading real estate properties
25	Central Park Development Limited Liability Company ("Central Park LLC") (i)	100.00	98.92	Room 900, 9 <sup>th</sup> Floor, IPH Tower, No. 241 Xuan Thuy Street, Dich Vong Hau Ward, Cau Giay District, Hanoi	Investing, developing and trading real estate properties
26	Bao Lai Investment Joint Stock Company ("Bao Lai JSC") (i)	96.48	96.39	No. 166, Pham Van Dong Street, Xuan Dinh Ward, Bac Tu Liem District, Hanoi	Exploiting, manufacturing and trading white marble
27	Bao Lai Marble One Member Company Limited (i)	100.00	96.39	Hop Nhat Village, Think Hung Commune, Yen Binh District, Yen Bai Province	Exploiting, manufacturing and trading white marble

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2020 and for the year then ended

**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>	<i>Principal activities</i>
28	An Phu White Marble Company Limited (i)	100.00	96.39	Khau Ca Village, An Phu Commune, Luc Yen District, Yen Bai Province	Exploiting, manufacturing and trading white marble
29	Doc Thang Marble Joint Stock Company (i)	57.58	55.50	Ngoi Ken Village, Lieu Do Commune, Luc Yen District, Yen Bai Province	Exploiting, manufacturing and trading white marble
30	Phan Thanh Mineral Joint Stock Company (i)	91.36	88.07	Ban Ro Village, Phan Thanh Commune, Luc Yen District, Yen Bai Province	Exploiting, manufacturing and trading white marble
31	Bao Lai Luc Yen Mineral Exploitation One Member Company Limited (i)	100.00	96.39	Ngoi Ken Village, Lieu Do Commune, Luc Yen District, Yen Bai Province	Exploiting, manufacturing and trading white marble
32	Van Khoa Investment Joint Stock Company (i)	64.29	61.97	No. 166, Pham Van Dong Street, Xuan Dinh Ward, Bac Tu Liem, District, Hanoi	Exploiting, manufacturing and trading white marble
33	Van Khoa Luc Yen One Member Company Limited (i)	100.00	61.97	Ngoi Ken Village, Lieu Do Commune, Luc Yen District, Yen Bai Province	Exploiting, manufacturing and trading white marble

(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.

**2. BASIS OF PREPARATION**

**2.1 Accounting standards and system**

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2020 and for the year then ended**2. BASIS OF PREPARATION** (continued)**2.1 Accounting standards and system** (continued)

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 financial position and results of operations and 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 system.

**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").

**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 obtains 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 year as the parent company, using consistent accounting policies.

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

Non-controlling interests represent the portion of profit or loss and net assets 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2020 and for the year then ended

## 2. BASIS OF PREPARATION (continued)

### 2.5 *Basis of consolidation* (continued)

Gains resulting from contribution of non-monetary asset or sales of asset to associate or joint-ventures are recognized in the consolidated income statement only to the extent of unrelated interest in the associate or joint-venture. Unrealised profits related to interest by the Company and its subsidiaries are realised to the consolidated income statement according to the progress of asset recovery in the financial statements of these associates or joint-ventures.

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.

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

Cost includes:

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

Net realisable value is the estimated selling price in the ordinary course of the business, based on market prices at the reporting date, less costs to completion and the estimated costs to sell.

The cost of inventory property recognised in profit or loss 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 relative cost basis.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2020 and for the year then ended

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.2 *Inventories* (continued)

##### *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.

##### *Other inventories*

The Company and its subsidiaries use perpetual method to record other inventories which are valued as follows:

- Raw materials and consumables - cost of purchase on a weighted average basis.
- Finished goods - costs of materials and direct labour cost plus related general production cost which are allocated based on the ordinary course of business on a weighted average basis.

##### *Provision for obsolete inventories*

An inventories provision is created for the estimated loss arising due to the impairment of value (through diminution, damage, obsolescence, etc.) of raw materials, finished goods, and other inventories owned by the Company and its subsidiaries, based on appropriate evidence of impairment available at the balance sheet date.

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

#### 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 expenses 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2020 and for the year then ended

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 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.

#### 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 - 15 years
Means of transportation	6 - 10 years
Office equipment	3 - 5 years
Computer software	3 - 5 years
Others	2 - 5 years

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2020 and for the year then ended

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 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 is 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 year of retirement or disposal.

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

#### 3.9 *Borrowing costs*

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

Borrowing costs are recorded as expense during the year 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 in which economic benefits are generated in relation to these expenses.

Short-term prepaid expenses include selling expenses related to inventory properties not yet handed over, provisional corporate income tax for down payments 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 rental fee and other prepaid expenses that generate future economic benefits for more than one year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2020 and for the year then ended

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.10 *Prepaid expenses* (continued)

##### *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.

#### 3.11 *Business combinations and goodwill*

Business combinations are accounted for using the acquisition 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 evidence.

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*

A business combination involving entities under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory. An entity can be under common control of an individual or a group of individuals following a contractual agreement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2020 and for the year then ended

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.11 *Business combinations and goodwill* (continued)

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

- ▶ The assets and liabilities of the 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 account 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.

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 are allocated to the assets and liabilities acquired based on their relative fair values as at acquisition date.

#### 3.13 *Investments*

##### *Investments in associates*

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2020 and for the year then ended

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.13 *Investments* (continued)

##### *Investments in associates* (continued)

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

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

##### *Held-for-trading securities and investments in other entities*

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

##### *Held-to-maturity investments*

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

##### *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 balance sheet date.

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

#### 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.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2020 and for the year then ended

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.15 Provisions

##### *General provisions*

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 expect 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.

The Company and its subsidiaries assess onerous contracts are those contracts in which, the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. The Company and its subsidiaries recognise and assess obligations under onerous contracts as provisions and these provisions are made for each onerous contract.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax 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 finance expense.

##### *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 properties 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;
- ▶ 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 year, monetary balances denominated in foreign currencies are translated at the actual transaction exchange rates at the balance sheet dates which are determined as follows:

- ▶ Monetary assets are translated at buying exchange rate of the commercial bank where the Company 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 are taken to the consolidated income statement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2020 and for the year then ended

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 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 gain arising from a bargain purchase) is available for appropriation to shareholders pursuant to decision of the Board of Directors (approved by 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 purchase of inventory properties 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 "Advances from customers" which are not qualified to be recognised as revenue for the year.

#### 3.20 Revenue recognition

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

##### *Revenue from sale of inventory properties*

Revenue from sale of inventory properties 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 properties 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 of ongoing leases.

##### *Sale of goods*

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2020 and for the year then ended

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.20 Revenue recognition (continued)

##### *Rendering of services*

Revenue from rendering of services is recognised when the services are 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 identified 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.

In the transaction in which the Company and its subsidiaries provide multiple products and services to the customer in the same arrangement, the Company and its subsidiaries determine the obligation to sell the product and the obligation to render the services separately and only recognises the revenue when each individual obligation is completed by the Company and its subsidiaries. The contract value is allocated to individual product by taking the total contract value minus the estimated fair value of the service. Payments from customers under contracts corresponding to the unfulfilled obligations are presented as "Advances from customers" or "Unearned revenues" in the consolidated balance sheet.

#### 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 consolidated 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2020 and for the year then ended**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****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; and
- ▶ in respect of taxable temporary differences associated with investments in subsidiaries, associates, and interests in joint ventures where timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2020 and for the year then ended

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**3.22 Taxation (continued)**

*Deferred tax (continued)*

The carrying amount of deferred tax assets is reviewed at each 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 each 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 consolidated 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 to 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 year 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 year 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)  
as at 31 December 2020 and for the year then ended

### 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' 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 from 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 from 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 YEAR

#### 4.1 *Acquisition of group of assets*

During the year, the Company and its subsidiaries have acquired shares of the following companies from counterparties. Management has reviewed and assessed that the acquisition of shares of these companies is the acquisition of group of assets, rather than business combination. The total consideration for each of these acquisitions was allocated to the assets and liabilities acquired based on their relative fair values at acquisition date. Accordingly, a part of consideration was recognised in construction in progress (Note 17). The non-controlling interests were also recognised at their relative proportion of the interests in the assets and liabilities acquired. These acquired assets and liabilities are presented in the same categories as other similar assets and liabilities held by the Company and its subsidiaries.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2020 and for the year then ended

#### 4. SIGNIFICANT ACQUISITIONS AND DISPOSALS DURING THE YEAR (continued)

##### 4.1 *Acquisition of group of assets* (continued)

###### *Acquisition of VHIZ JSC, a new subsidiary*

In March 2020, the Company and its subsidiaries completed the acquisition of 100% shares of VHIZ JSC from counterparties for a total consideration of VND70 billion. Thereby, VHIZ JSC became a subsidiary of the Company. The principal activities of VHIZ JSC are investing, developing and trading real estate properties.

###### *Acquisition of Dai An JSC, a new subsidiary*

In May 2020, the Company and its subsidiaries completed the acquisition of 99% shares of Dai An JSC from counterparties for a total consideration of VND4,554 billion. Thereby, Dai An JSC became a subsidiary of the Company. The principal activities of Dai An JSC are investing, developing and trading real estate projects.

###### *Acquisition of Hon Mot JSC, a new subsidiary*

In October 2020, the Company and its subsidiaries completed the acquisition of 100% shares of Hon Mot JSC from counterparties for a total consideration of VND5,757 billion. Thereby, Hon Mot JSC became a subsidiary of the Company. The principal activities of Hon Mot JSC are investing, developing and trading real estate projects.

##### 4.2 *Business combination transactions under common control*

###### *Acquisition of Sai Dong JSC and Central Park LLC, new subsidiaries*

In September 2020, the Company and its subsidiaries acquired 2% of shares in Sai Dong JSC from affiliates for consideration of VND14 billion. Subsequently, in December 2020, the Company and its subsidiaries completed the acquisition of additional 98% shares of Sai Dong JSC from Vingroup JSC, the parent company, for a total consideration of VND2,142 billion and thereby increased their equity interest in Sai Dong JSC to 100%. As a result, Sai Dong JSC became a subsidiary of the Company. At the date of acquisition, Sai Dong JSC is the owner of several real estate projects.

At the date of acquisition, Sai Dong JSC was holding 100% capital contribution in Central Park LLC, a company that owns a real estate project. After the completion of this transaction, Central Park LLC became a subsidiary of the Company.

The Company's management assesses this transaction as a business combination involving two entities under common control. Thereby, the net assets acquired of Sai Dong JSC and Central Park LLC are measured at their carrying value in the consolidated financial statements of Vingroup JSC, the parent company. The difference between the consideration transferred and net assets of Sai Dong JSC and Central Park LLC is recognised in other funds belonging to owners' equity in the consolidated financial statements.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2020 and for the year then ended

#### 4. SIGNIFICANT ACQUISITIONS AND DISPOSALS DURING THE YEAR (continued)

##### 4.2 *Business combination transactions under common control* (continued)

*Acquisition of Sai Dong JSC and Central Park LLC, new subsidiaries* (continued)

The carrying value of identifiable assets and liabilities of Sai Dong JSC and Central Park LLC at acquisition date are presented below:

	<i>Currency: million VND</i>
	<i>Carrying value at acquisition date</i>
<b>Assets</b>	
Cash and cash equivalents	269,509
Inventories	149,919
Other current assets	480,426
Long-term loan receivables	360,000
Fixed assets	484,714
Investment properties	768,912
Other long-term assets	592,706
Goodwill	520,364
	<b>3,626,550</b>
<b>Liabilities</b>	
Short-term trade payables	(190,071)
Short-term accrued expenses	(249,705)
Other short-term payables	(771,678)
Short-term loan	(585,000)
Other long-term receivables	(300,263)
	<b>(2,096,717)</b>
<b>Total net assets</b>	<b>1,529,833</b>
Non-controlling interests	972
Difference between consideration and net assets acquired recognised in other funds belonging to owners' equity (Note 27.1)	625,373
<b>Total purchase consideration</b>	<b>2,156,178</b>
<b>Cash flow on acquisition</b>	
Cash acquired with the subsidiaries	269,509
Cash paid for acquiring the subsidiaries up to 31 December 2020	(2,156,178)
<b>Net cash flow on acquisition</b>	<b>(1,886,669)</b>

Total consideration is VND2,156 billion and was fully paid in cash.

Revenue and net loss before tax of Sai Dong JSC and Central Park LLC from 1 January 2020 to the date being acquired are VND324 billion and VND32 billion respectively and from the date of acquisition to 31 December 2020 are not significant.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2020 and for the year then ended

#### 4. SIGNIFICANT ACQUISITIONS AND DISPOSALS DURING THE YEAR (continued)

##### 4.3 Business combination

*Acquisition of VinITIS JSC, a new subsidiary*

In April 2020, the Company and its subsidiaries completed the acquisition of 61% shares in VinITIS JSC from a counterparty for a total consideration of VND86 billion. Thereby, VinITIS JSC became a subsidiary of the Company.

At the date of acquisition, the principal activities of VinITIS JSC are data processing, leasing of mobile broadcasting infrastructure, voice network, television and related activities.

The fair value of identifiable assets, liabilities or contingent liabilities of VinITIS JSC at acquisition date are presented below:

	<i>Currency: million VND</i>
	<i>Fair value at acquisition date</i>
<b>Assets</b>	
Cash	9,997
Tangible fixed assets	70,598
Construction in progress	84,264
Others	91,092
	<b>255,951</b>
<b>Liabilities</b>	
Short-term trade payables	(20,525)
Loans	(187,864)
Other payables	(31,947)
	<b>(240,336)</b>
<b>Total net assets</b>	<b>15,615</b>
Non-controlling interests	(6,087)
Goodwill (Note 19)	76,637
<b>Total purchase consideration</b>	<b>86,165</b>
<b>Cash flow on acquisition</b>	
Cash acquired with the subsidiary	9,997
Cash paid for acquiring the subsidiary up to 31 December 2020	(86,165)
<b>Net cash flow on acquisition</b>	<b>(76,168)</b>

Total purchase consideration of VND86 billion was fully paid in cash.

Revenue and net loss before tax of VinITIS JSC from 1 January 2020 to the date being acquired are VND29.4 billion and VND6.5 billion respectively. Revenue and profit before tax of VinITIS JSC from the date of acquisition to 31 December 2020 are VND288 billion and VND16.4 billion respectively.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2020 and for the year then ended

#### 4. SIGNIFICANT ACQUISITIONS AND DISPOSALS DURING THE YEAR (continued)

##### 4.3 *Business combination* (continued)

###### *Acquisition of Bao Lai JSC, a new subsidiary*

In December 2020, the Company and its subsidiaries completed the acquisition of 96.48% shares in Bao Lai JSC from counterparties for a total consideration of VND2,780 billion. Thereby, Bao Lai JSC became a subsidiary of the Company.

At the date of acquisition, Bao Lai JSC has seven (7) subsidiaries and one (1) associate. After completion of this transaction, the Company and its subsidiaries also held the investments in these subsidiaries and the associate of Bao Lai JSC. The principal activities of Bao Lai JSC and its subsidiaries are investment, exploitation, production and trading of white marbles.

As at 31 December 2020, the Company and its subsidiaries were in the process of determining fair value of identifiable assets, liabilities or contingent liabilities of Bao Lai JSC and its subsidiaries. Therefore, the Company and its subsidiaries applied provisional accounting to consolidate Bao Lai JSC and its subsidiaries.

The provisional fair value of identifiable assets and liabilities of Bao Lai JSC and its subsidiaries at acquisition date are presented below:

	<i>Currency: million VND</i>
	<i>Provisional fair value at acquisition date</i>
<b>Assets</b>	
Cash and cash equivalents	44,594
Short-term trade receivables	65,421
Prepaid expenses	113,679
Construction in progress	120,116
Inventories	178,318
Fixed assets	1,536,244
Other assets	96,240
	<b>2,154,612</b>
<b>Liabilities</b>	
Short-term payables	(37,598)
Other short-term payables	(48,043)
Loans	(504,793)
	<b>(590,434)</b>
<b>Total net assets</b>	<b>1,564,178</b>
Non-controlling interests	(47,501)
Goodwill ( <i>Note 19</i> )	1,263,323
<b>Total purchase consideration</b>	<b>2,780,000</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2020 and for the year then ended

#### 4. SIGNIFICANT ACQUISITIONS AND DISPOSALS DURING THE YEAR (continued)

##### 4.3 *Business combination* (continued)

*Acquisition of Bao Lai JSC, a new subsidiary* (continued)

Currency: million VND

##### **Cash flow on acquisition**

Cash acquired with the subsidiaries	44,594
Cash paid for acquiring the subsidiaries up to 31 December 2020	<u>(2,700,000)</u>

<b>Net cash flow on acquisition</b>	<b><u>(2,655,406)</u></b>
-------------------------------------	---------------------------

Total consideration is VND2,780 billion, in which VND2,700 billion was paid in cash.

Revenue and net loss before tax of Bao Lai JSC and its subsidiaries from 1 January 2020 to the date being acquired are VND482 billion and VND367 billion respectively and from the date of acquisition to 31 December 2020 are not significant.

##### 4.4 *Significant acquisition and disposals with loss of control*

*Disposal of MV Vietnam Real Estate Trading JSC ("MV Real Estate JSC")*

During the year, Green City JSC – a subsidiary of the Company had disposed 80% shares in MV Real Estate JSC to a counterparty for a total consideration of VND8,799 billion. Thereby, the Company and its subsidiaries no longer control over or have significant influence on MV Real Estate JSC. The remaining investment in MV Real Estate JSC is presented as other long-term investment (Note 18.2). Gain from this disposal was recognised in the consolidated income statement with total amount of VND7,149 billion (Note 28.2).

*Disposal of S-Vin Vietnam Real Estate Trading JSC ("S-Vin JSC")*

During the year, the Company has disposed 90% shares in S-Vin JSC to a counterparty for a total consideration of VND3,273 billion. Thereby, the Company and its subsidiaries no longer have control over or significant influence on S-Vin JSC. The remaining investment in S-Vin JSC is presented as other long-term investment (Note 18.2). Gain from this disposal was recognised in the consolidated income statement with total amount of VND2,946 billion (Note 28.2).

*Disposal of MV1 Vietnam Real Estate Trading LLC ("MV1 Real Estate LLC")*

During the year, Green City JSC – a subsidiary of the Company had disposed 80% capital contribution in MV1 Real Estate LLC to a counterparty for a total consideration of VND9,635 billion. Thereby, the Company and its subsidiaries no longer have control over MV1 Real Estate LLC. After this transaction, the Company and its subsidiaries hold 20% capital contribution in MV1 Real Estate LLC. Thereby, MV1 Real Estate LLC became an associate of the Company (Note 18.1). Gain from this transaction was recognised in the consolidated income statement (Note 28.2) with total amount of VND6,785 billion, and an unrealised profit from the sales of assets to an associate was recognised in the consolidated balance sheet with total amount of VND1,735 billion (Note 23).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2020 and for the year then ended

## 5. CASH AND CASH EQUIVALENTS

*Currency: million VND*

	<i>Ending balance</i>	<i>Beginning balance</i>
Cash on hand	2,315	1,288
Cash at banks	4,144,423	2,786,932
Cash equivalents	9,566,913	10,544,079
<b>TOTAL</b>	<b><u>13,713,651</u></b>	<b><u>13,332,299</u></b>

Cash equivalents as at 31 December 2020 comprise bank deposits in VND with terms ranging from 1 month to 3 months, earning interests at rates ranging from 2.2% to 4% per annum (as at 31 December 2019: from 3.9% to 5% per annum).

Details of each type of foreign currency in original currency:

	<i>Ending balance</i>	<i>Beginning balance</i>
Foreign currency:		
- United States dollar (USD)	99,046	2,622

## 6. HELD-TO-MATURITY INVESTMENTS

### 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	359,322	359,322	-	-	-	-
<b>TOTAL</b>	<b><u>359,322</u></b>	<b><u>359,322</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>

### 6.2 Held-to-maturity investments

*Currency: million VND*

	<i>Ending balance</i>		<i>Beginning balance</i>	
	<i>Cost</i>	<i>Carrying value</i>	<i>Cost</i>	<i>Carrying value</i>
Short-term bank deposits	1,694,897	1,694,897	360,611	360,611
<b>TOTAL</b>	<b><u>1,694,897</u></b>	<b><u>1,694,897</u></b>	<b><u>360,611</u></b>	<b><u>360,611</u></b>

Short-term bank deposits in VND as at 31 December 2020 have terms ranging from more than 3 months to 12 months, earning interests at rates ranging from 2% to 7.1% per annum (as at 31 December 2019: terms ranging from more than 3 months to 12 months and interests rates ranging from 5% to 7% per annum).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2020 and for the year then ended

## 7. TRADE RECEIVABLES AND ADVANCES TO SUPPLIERS

### 7.1 Short-term trade receivables

	<i>Currency: million VND</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Sale of inventory properties	7,142,800	7,456,476
Disposal of investments	2,906,619	694,000
Rendering construction services and related services	92,875	442,173
Rendering real estate management services and related services	195,782	115,335
Leasing activities and rendering related services	146,691	103,360
Others	189,641	-
<b>TOTAL</b>	<b>10,674,408</b>	<b>8,811,344</b>
<i>In which:</i>		
<i>Trade receivables from others</i>	10,359,176	6,629,747
<i>Trade receivables from related parties (Note 35)</i>	315,232	2,181,597
<i>In which, details of receivables which are more than 10% of total balance</i>		
<i>A corporate counterparty</i>	2,906,619	-
<i>Another corporate counterparty</i>	-	1,628,845
Provision for doubtful short-term trade receivables	(9,215)	-

### 7.2 Short-term advances to suppliers

	<i>Currency: million VND</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Advances to other suppliers	8,058,810	8,788,192
Advances to related parties (Note 35)	445,614	14,544
<b>TOTAL</b>	<b>8,504,424</b>	<b>8,802,736</b>
Provision for doubtful advances to suppliers	(24,079)	(19,205)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2020 and for the year then ended

8. LOAN RECEIVABLES

*Currency: million VND*

	<i>Ending balance</i>	<i>Beginning balance</i>
<b>Short-term</b>		
Loans to corporate counterparties and individuals (i)	8,261,293	15,852,454
Loans to related parties ( <i>Note 35</i> )	11,200	655,000
<b>TOTAL</b>	<b>8,272,493</b>	<b>16,507,454</b>
Provisions for doubtful loan receivables	(16,000)	(70,000)
<b>Long-term</b>		
Loans to corporate counterparties (ii)	3,770,000	1,000
Loans to related parties ( <i>Note 35</i> )	360,000	7,862,900
<b>TOTAL</b>	<b>4,130,000</b>	<b>7,863,900</b>

- (i) Balances as at 31 December 2020 mainly includes loans to individuals amounting to VND8,128 billion, with terms of 12 months and earning interest at rates ranging from 8% to 10.15% per annum. These loans are secured by a number of listed shares.
- (ii) These are loans to corporate counterparties amounting to VND3,770 billion, due in April 2022 and earning interest rate of 9% per annum. These loans are secured by a number of listed shares, a number of shares and a portion of capital contribution in the borrowers.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2020 and for the year then ended

## 9. OTHER RECEIVABLES

Currency: million VND

	Ending balance	Beginning balance
<b>Short-term</b>		
Interest income on loans, deposits and bank deposits	2,878,953	2,713,198
Advances for land clearance	1,871,338	427,590
Deposits and capital contribution for Business and Investment Co-operation Contracts (i)	751,705	4,231,792
Short-term deposits, mortgage	612,730	545,372
Receivables from collection and payment on behalf	330,335	2,853,941
Declared profit receivables	68,820	2,617,025
Others	677,058	76,720
<b>TOTAL</b>	<b>7,190,939</b>	<b>13,465,638</b>
Provision for doubtful other short-term receivables	(500)	(29,991)
<i>In which:</i>		
<i>Receivables from others</i>	6,051,346	6,765,972
<i>Receivables from related parties (Note 35)</i>	1,139,593	6,699,666
<b>Long-term</b>		
Deposits and capital contribution for Business and Investment Co-operation Contract (ii)	5,790,000	-
Interest income on long-term loans, deposits and bank deposits	946,204	39,647
Receivables from long-term lease	129,019	127,886
Deposits for rental purpose	73,357	73,357
Others	15,788	10,206
<b>TOTAL</b>	<b>6,954,368</b>	<b>251,096</b>
<i>In which:</i>		
<i>Receivables from others</i>	1,022,258	85,526
<i>Receivables from related parties (Note 35)</i>	5,932,110	165,570

(i) Mainly includes deposits and capital contribution of VND410 billion to a company within the Group for the purpose of investing in several real estate projects under Business and Investment Co-operation Contracts.

(ii) Mainly includes deposits and capital contribution to some companies within the Group for the purpose of investing in several real estate projects under Construction, Business and Investment Co-operation Contracts.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2020 and for the year then ended

## 10. BAD DEBTS

The Company and its subsidiaries' bad debts mainly include overdue loan principals and interest receivable from corporate counterparties:

*Currency: million VND*

<i>Debtor</i>	<i>Ending balance</i>		<i>Beginning balance</i>	
	<i>Cost</i>	<i>Recoverable amount</i>	<i>Cost</i>	<i>Recoverable amount</i>
Corporate counterparties	49,794	-	119,804	608
<b>TOTAL</b>	<b>49,794</b>	<b>-</b>	<b>119,804</b>	<b>608</b>

Details of overdue receivables more than 10% of ending balance:

<i>A corporate counterparty</i>	-	-	82,705	-
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## 11. INVENTORIES

*Currency: million VND*

	<i>Ending balance</i>		<i>Beginning balance</i>	
	<i>Cost</i>	<i>Provision</i>	<i>Cost</i>	<i>Provision</i>
Inventory properties under construction (i)	39,606,536	-	54,949,401	-
Completed inventory properties	1,440,753	(9,706)	2,612,151	(8,578)
Inventories acquired for sales (ii)	334,462	(1,190)	578,709	(1,190)
Work in progress related to construction services (iii)	978,351	-	1,845,763	-
Others (iv)	661,139	(26,683)	320,592	-
<b>TOTAL</b>	<b>43,021,241</b>	<b>(37,579)</b>	<b>60,306,616</b>	<b>(9,768)</b>

(i) Mainly includes land use fee, land clearance costs, construction and development costs of Vinhomes Grand Park, Vinhomes Smart City, Vinhomes Ocean Park and other projects.

(ii) Includes villas, apartments and shophouses acquired for sales of some real estate projects in Northern Vietnam.

(iii) Includes the costs incurred related to the rendering of general constructor services, consultancy services to investors of real estate projects.

(iv) Mainly includes inventories, material to provide to the developers of projects, products from white marble and other products.

As at 31 December 2020, inventories with carrying value of VND2,233 billion are pledged with banks to secure the loans of the Company and its subsidiaries.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2020 and for the year then ended

**11. INVENTORIES (continued)**

Detail movements of provision for obsolete inventories:

	<i>Currency: million VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Beginning balance	9,768	206,800
Add: Provision made during the year	27,811	13,850
Less: Utilisation of provision during the year	-	(210,882)
Ending balance	<u>37,579</u>	<u>9,768</u>

**12. PREPAID EXPENSES**

	<i>Currency: million VND</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
<b>Short-term</b>		
Selling expenses related to inventory properties not yet handed over	1,378,412	1,607,219
Provisional corporate income tax	281,075	357,764
Others	125,108	124,262
<b>TOTAL</b>	<u><b>1,784,595</b></u>	<u><b>2,089,245</b></u>
<b>Long-term</b>		
Prepaid land rental (i)	2,202,159	2,422,489
Tools and supplies	37,271	28,996
Repair and leasehold improvement	16,474	18,222
Prepaid apartments and villas rental	13,849	30,446
Others	18,241	11,553
<b>TOTAL</b>	<u><b>2,287,994</b></u>	<u><b>2,511,706</b></u>

- (i) These are mainly prepaid land rental fee of Vinhomes Ocean Park Project and Vinhomes Smart City Project, and land rental rights for Ecology JSC's shopping malls operating under Business Co-operation Contracts.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2020 and for the year then ended

**13. OTHER ASSETS**

	<i>Currency: million VND</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
<b>Short-term</b>		
Deposits for investment purpose (i)	6,832,475	15,292,913
<b>TOTAL</b>	<b>6,832,475</b>	<b>15,292,913</b>
<i>In which:</i>		
Deposits to others	2,682,775	6,643,513
Deposits to related parties (Note 35)	4,149,700	8,649,400
<b>Long-term</b>		
Deposits for investment purpose (ii)	38,479,770	8,439,145
Deposits for commercial purpose (iii)	1,032,336	1,032,336
<b>TOTAL</b>	<b>39,512,106</b>	<b>9,471,481</b>
<i>In which:</i>		
Deposits to others	1,032,336	1,032,336
Deposits to related parties (Note 35)	38,479,770	8,439,145

(i) Mainly comprises:

- ▶ Deposits of VND4,050 billion to some companies within the Group for the purpose of acquiring shares of several companies that own real estate projects of the Group; and
- ▶ Unsecured deposits of VND2,415 billion to some counterparties for the purpose of acquiring shares of some companies that own potential real estate projects.

(ii) Comprises deposits to some companies within the Group for the purpose of acquiring several real estate projects and shares of companies that own several real estate projects of the Group.

(iii) An unsecured deposit to a counterparty earning interest rate which is determined by 12-month interest paid-in-arrear VND saving rate of Joint Stock Commercial Bank for Foreign Trade of Vietnam, adjusted every 3 months. 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)  
as at 31 December 2020 and for the year then ended

14. TANGIBLE FIXED ASSETS

Currency: million VND

	Buildings and structures	Machinery and equipment	Means of transportation	Office equipment	Others	Total
<b>Cost:</b>						
Beginning balance	387,731	194,103	77,675	9,813	8,989	678,311
Newly purchased	-	44,212	1,328	6,545	719	52,804
Newly constructed	563,219	288,089	-	-	-	851,308
Acquisition of subsidiaries	1,064,729	937,486	86,791	7,236	11,036	2,107,278
Transfer from inventories	1,940,223	166,296	-	-	-	2,106,519
Transfer from investment properties	126,251	20,319	-	-	-	146,570
Sold, disposed	-	(1,599)	(67,879)	(48)	-	(69,526)
Ending balance	4,082,153	1,648,906	97,915	23,546	20,744	5,873,264
<i>Fully depreciated</i>	-	35,988	1,750	2,258	323	40,319
<b>Accumulated depreciation:</b>						
Beginning balance	16,727	8,304	18,198	4,241	6,103	53,573
Depreciation for the year	64,081	63,222	11,086	4,914	2,255	145,558
Transfer from investment properties	8,739	1,611	-	-	-	10,350
Sold, disposed	-	(1,067)	(18,355)	-	-	(19,422)
Ending balance	89,547	72,070	10,929	9,155	8,358	190,059
<b>Net carrying amount:</b>						
Beginning balance	371,004	185,799	59,477	5,572	2,886	624,738
Ending balance	3,992,606	1,576,836	86,986	14,391	12,386	5,683,205

As at 31 December 2020, tangible fixed assets with carrying value of VND1,221 billion are pledged with banks to secure loans of the Company and its subsidiaries.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2020 and for the year then ended

15. INVESTMENT PROPERTIES

	Land use rights, Buildings and structures	Machinery and equipment	Total
	<i>Currency: million VND</i>		
<b>Cost:</b>			
Beginning balance	6,201,639	757,897	6,959,536
Newly purchased	153,998	-	153,998
Newly constructed	1,634,193	302,382	1,936,575
Acquisition of subsidiaries	664,762	104,150	768,912
Transfer to tangible fixed assets	(126,251)	(20,319)	(146,570)
Sold, disposed	(244,189)	-	(244,189)
Other decreases	(165,439)	(31,001)	(196,440)
Ending balance (i)	<u>8,118,713</u>	<u>1,113,109</u>	<u>9,231,822</u>
<b>Accumulated depreciation:</b>			
Beginning balance	238,901	94,005	332,906
Depreciation for the year	145,756	69,017	214,773
Transfer to tangible fixed assets	(8,739)	(1,611)	(10,350)
Sold, disposed	(5,104)	-	(5,104)
Ending balance (i)	<u>370,814</u>	<u>161,411</u>	<u>532,225</u>
<b>Net carrying amount:</b>			
Beginning balance	5,962,738	663,892	6,626,630
Ending balance (i)	<u>7,747,899</u>	<u>951,698</u>	<u>8,699,597</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2020 and for the year then ended

**15. INVESTMENT PROPERTIES** (continued)

- (i) As at 31 December 2020, investment properties mainly include parking components, offices for lease, observation deck, cuisine and convention center and apartments, villas, shophouses for lease.

The Company and its subsidiaries have not determined fair value of investment properties as at 31 December 2020 because of insufficient market information for fair value determination purpose.

**16. CAPITALISED BORROWING COSTS**

During the year, the Company and its subsidiaries capitalised borrowing costs with an amount of approximately VND370.1 billion (for the year ended 31 December 2019: VND700.7 billion). These borrowing costs mainly related to specific borrowings taken to finance the construction of Vinhomes Ocean Park, Vinhomes Smart City and Vinhomes Grand Park projects. The capitalised borrowing costs are determined by applying a capitalisation rate from 7.78% per annum to 10.35% per annum (for the year ended 31 December 2019: 8.12% per annum to 10.4% per annum).

**17. CONSTRUCTION IN PROGRESS**

Construction in progress comprises construction costs, land clearance costs, land use fee, other costs and consideration for acquisition of subsidiaries allocated as a part of project acquisition costs.

Details of construction in progress which are higher than 10% of total balance are as follows:

	<i>Currency: million VND</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Vinhomes Long Beach Can Gio Project	12,534,630	12,453,085
Hoc Mon Urban Project	4,109,548	4,092,295
Vinhomes Grand Park Project	3,378,915	4,183,547

As at 31 December 2020, construction in progress with a carrying value of VND51.02 billion are pledged with banks to secure loans of the Company and its subsidiaries.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2020 and for the year then ended

**18. LONG-TERM INVESTMENTS**

*Currency: million VND*

	<i>Ending balance</i>		<i>Beginning balance</i>	
	<i>Cost</i>	<i>Provision</i>	<i>Cost</i>	<i>Provision</i>
Investments in associates (Note 18.1)	5,838,118	-	-	-
Investments in other entities (Note 18.2)	3,969,035	(235,991)	558,632	-
Held-to-maturity investments (i)	184,680	-	214,680	-
<b>TOTAL</b>	<b>9,991,833</b>	<b>(235,991)</b>	<b>773,312</b>	<b>-</b>

- (i) Balance at 31 December 2020 includes investments in bank bonds in VND having terms ranging from 7 years to 10 years and earning interest at a reference rate plus (+) 0.9% to 1.2% per annum (as at 31 December 2019: terms ranging from 6 years to 10 years and earning interest at a reference rate plus (+) 1% to 1.3% per annum).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2020 and for the year then ended

**18. LONG-TERM INVESTMENTS** (continued)

**18.1 Investments in associates**

Details of associates, voting rights and equity interest of the Company and its subsidiaries in associates as at 31 December 2020 are as follows:

No.	Company name	No of shares	Voting right (%)	Equity interest (%)	Head office	Principal activities
1	Cam Ranh Investment Joint Stock Company ("Cam Ranh JSC")	164,028,749	43.74%	43.70%	Hon Tre Islands, Vinh Nguyen Ward, Nha Trang City, Khanh Hoa Province, Viet Nam	Investing, developing and trading real estate properties
2	MV1 Real Estate LLC (**)	(*)	20.00%	19.98%	4 <sup>th</sup> Floor, Vincom Megamall Thao Dien Center, 161 Hanoi Highway, Thao Dien Ward, District 2, Ho Chi Minh City, Viet Nam	Investing, developing and trading real estate properties
3	Tuong Phu Natural Stone Exploiting and Processing LLC ("Tuong Phu LLC")	(*)	40.00%	24.79%	Sub-quarter 13, Yen The Townlet, Luc Yen District, Yen Bai Province, Viet Nam	Exploiting, processing and trading stones, sand, gravel and clay

(\*) These are limited liability companies.

(\*\*) During the year, the Company and its subsidiaries completed capital contribution into MV1 Real Estate LLC and completed the disposal of 80% of capital contribution in MV1 Real Estate LLC to a counterparty (Note 4.4). After completion of the transaction, the Company and its subsidiaries hold 20% capital contribution in MV1 Real Estate LLC. Thereby, the Company presented this remaining investment as an investment in associate.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2020 and for the year then ended

**18. LONG-TERM INVESTMENTS (continued)**

**18.1 Investments in associates (continued)**

Details of investments in associates are as follows:

	Investments in			Total
	Cam Ranh JSC	MV1 Real Estate LLC	Tuong Phu LLC	
<b>Cost of investment:</b>				
Beginning balance	-	-	-	-
Increase	3,395,395	2,412,849	11,348	5,819,592
Ending balance	3,395,395	2,412,849	11,348	5,819,592
<b>Accumulated share in post-acquisition profit of the associates:</b>				
Beginning balance	-	-	-	-
Share in post-acquisition profit of the associates for the year	18,526	-	-	18,526
Ending balance	18,526	-	-	18,526
<b>Net carrying amount:</b>				
Beginning balance	-	-	-	-
Ending balance	3,413,921	2,412,849	11,348	5,838,118

Currency: million VND

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2020 and for the year then ended

**18. LONG-TERM INVESTMENTS (continued)**

**18.2 Investments in other entities**

	Ending balance			Beginning balance						
	Number of shares	Voting right (%)	Ownership (%)	Cost (million VND)	Provision (million VND)	Number of shares	Voting right (%)	Ownership (%)	Cost (million VND)	Provision (million VND)
MV Real Estate JSC (i) (*)	217,963,747	19.82%	19.82%	2,179,638	-	-	-	-	-	-
Vietnam Exhibition Fair Centre JSC ("VEFAC JSC") (ii)	7,758,800	4.66%	4.66%	900,144	(235,991)	-	-	-	-	-
S-Vin Viet Nam Real Estate Trading JSC (iii) (*)	36,362,042	10.00%	10.00%	363,621	-	-	-	-	-	-
Phat Loc Commercial Investment Trading LLC ("Phat Loc LLC") (iv) (*)	(**)	-	51.00%	342,909	-	(**)	-	51.00%	342,909	-
SV Real Estate JSC (v) (*)	7,700,000	4.00%	4.00%	77,000	-	11,000,000	4.00%	4.00%	110,000	-
SV West Hanoi JSC (*)	7,000,000	4.00%	4.00%	70,000	-	7,000,000	4.00%	4.00%	70,000	-
Xavinco Land JSC ("Xavinco JSC") (*)	2,000,000	1.00%	1.00%	22,223	-	2,000,000	1.00%	1.00%	22,223	-
Thang Long Real Estate Trading Investment JSC ("Thang Long Real Estate JSC") (*)	500,000	10.00%	10.00%	13,500	-	500,000	10.00%	10.00%	13,500	-
<b>TOTAL</b>				<b>3,969,035</b>	<b>(235,991)</b>				<b>558,632</b>	

(\*) As at 31 December 2020, the fair value of these investments has not been determined because of insufficient market information for fair value determination purpose.

(\*\*) This is a limited liability company.

(i) During the year, the Company and its subsidiaries have transferred 80% equity interest in MV Real Estate JSC to a counterparty. Thereby, the Company presents this investment in as an investment in other entities.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2020 and for the year then ended

**18. LONG-TERM INVESTMENTS** (continued)

**18.2 Investments in other entities** (continued)

- (ii) In August 2020, the Company and its subsidiaries acquired 7,758,000 shares of VEFAC JSC. Thereby, VEFAC JSC becomes an investment in other entities of the Company.
- (iii) As at 31 December 2020, the Company and its subsidiaries transferred 90% shares in S-Vin JSC to a counterparty (Note 4.4). Thereby, the Company presented the remaining investment in this company as an investment in other entities.
- (iv) As at 31 December 2020, the Company no longer controlled or had significant influence over Phat Loc LLC. Thereby, the Company presented this investment as another long-term investment.
- (v) In December 2020, The General Meeting of Shareholders of SV Real Estate JSC issued Decision No.01/2020/NQ-DHDCD-SV dated 15 December 2020 approving the share repurchase transaction of a part of ordinary shares from shareholders in accordance with the voting right in SV Real Estate JSC. Thereby, the investment of the Company and its subsidiaries in SV Real Estate JSC decreased by VND33 billion, corresponding to the value of repurchased shares.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2020 and for the year then ended

19. GOODWILL

Currency: million VND

	Goodwill arising from acquisition of Ecology JSC	Goodwill arising from acquisition of Vietnam Investment JSC	Goodwill arising from acquisition of Gia Lam LLC	Goodwill arising from acquisition of Management JSC	Goodwill arising from acquisition of Tan Lien Phat JSC (*)	Goodwill arising from acquisition of Millennium LLC	Goodwill arising from acquisition of VinTTIS JSC	Goodwill arising from acquisition of Sai Dong JSC	Goodwill arising from acquisition of Bao Lai JSC and its subsidiaries (**)	Total
<b>Cost:</b>										
Beginning balance	369,867	288,149	1,235	115,728	337,767	153,044	-	-	-	1,265,790
Increase from acquisition of subsidiaries	-	-	-	-	-	-	76,637	520,364	1,263,323	1,860,324
Ending balance	369,867	288,149	1,235	115,728	337,767	153,044	76,637	520,364	1,263,323	3,126,114
<b>Accumulated amortisation:</b>										
Beginning balance	112,480	87,629	375	22,162	64,685	24,278	-	-	-	311,609
Amortisation for the year	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
<b>Net carrying amount:</b>										
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	517,798	1,263,323	2,679,239

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

(\*\*) The Company applied provisional accounting for this transaction.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2020 and for the year then ended

## 20. SHORT-TERM TRADE PAYABLES AND ADVANCES FROM CUSTOMERS

### 20.1 Short-term trade payables

	Currency: million VND	
	<i>Balance (Payable amount)</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Short-term trade payables	10,235,689	5,530,445
<i>In which:</i>		
- A corporate counterparty rendering construction services	737,367	652,470
- Others	9,498,322	4,877,975
Trade payables to related parties (Note 35)	1,165,795	547,879
<b>TOTAL</b>	<b>11,401,484</b>	<b>6,078,324</b>

### 20.2 Advances from customers

	Currency: million VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
	Down payments from customers under sales and purchase agreements (i)	25,677,901
Advances from customers for construction services	1,267,859	402,268
Others	22,975	-
<b>TOTAL</b>	<b>26,968,735</b>	<b>40,245,699</b>
<i>In which:</i>		
Advances from others	26,968,735	40,203,079
Advances from related parties	-	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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2020 and for the year then ended

21. STATUTORY OBLIGATIONS

*Currency: million VND*

	<i>Beginning balance</i>	<i>Payable for the year</i>	<i>Payment made in the year</i>	<i>Ending balance</i>
<b>Payables</b>				
Corporate income tax	1,926,657	8,537,216	(6,256,733)	4,207,140
Value added tax	114,553	2,786,989	(2,526,274)	375,268
Other taxes	54,086	778,148	(379,575)	452,659
<b>TOTAL</b>	<b>2,095,296</b>	<b>12,102,353</b>	<b>(9,162,582)</b>	<b>5,035,067</b>
	<i>Beginning balance</i>	<i>Receivable for the year</i>	<i>Offset during the year</i>	<i>Ending balance</i>
<b>Receivables</b>				
Value added tax	673,229	168,638	(532,801)	309,066
Corporate income tax	41,696	29,591	(29,607)	41,680
Other taxes	237	54	-	291
<b>TOTAL</b>	<b>715,162</b>	<b>198,283</b>	<b>(562,408)</b>	<b>351,037</b>

22. ACCRUED EXPENSES

*Currency: million VND*

	<i>Ending balance</i>	<i>Beginning balance</i>
<b>Short-term</b>		
Accrued costs for operating tangible fixed assets, investment properties and handed over inventory properties	9,238,457	3,489,249
Accrued construction costs	2,087,810	1,604,205
Accrued commission fees and other expenses related to inventory properties	1,952,247	1,031,847
Accrued bond and loan interest expenses	306,178	655,274
Others	328,092	1,059,336
<b>TOTAL</b>	<b>13,912,784</b>	<b>7,839,911</b>
<i>In which:</i>		
Short-term accrual to others	13,675,857	7,820,481
Short-term accrual to related parties (Note 35)	236,927	19,430
<b>Long-term</b>		
Accrued loan interest expenses	1,368,029	588,885
Others	41,669	-
<b>TOTAL</b>	<b>1,409,698</b>	<b>588,885</b>
<i>In which:</i>		
Long-term accrual to others	1,119,163	370,071
Long-term accrual to related parties (Note 35)	290,535	218,814

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2020 and for the year then ended

## 23. UNEARNED REVENUE

*Currency: million VND*

	<i>Ending balance</i>	<i>Beginning balance</i>
<b>Short-term</b>		
Unearned revenue from real estate management service	507,131	439,862
Unearned revenue from leasing service	24,568	25,834
<b>TOTAL</b>	<b>531,699</b>	<b>465,696</b>
<b>Long-term</b>		
Unrealised profit from transactions with associates	1,735,405	-
Unearned revenue from real estate management service	1,334,326	1,286,692
Unearned revenue from leasing service	256,266	247,858
<b>TOTAL</b>	<b>3,325,997</b>	<b>1,534,550</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2020 and for the year then ended

## 24. OTHER PAYABLES

Currency: million VND

	Ending balance	Beginning balance
<b>Short-term</b>		
Deposits and other agreements related to real estate projects (i)	28,590,821	36,356,311
Apartment maintenance funds held on behalf of customers (ii)	2,106,981	1,208,885
Deposits under Business and Investment Co-operation Contracts (iii)	1,868,702	904,000
Deposits from brokerage agents and tenants	190,782	219,413
Payables for receipt on behalf	156,599	104,690
Deposits for disposal of investments	-	6,719,985
Others	1,118,937	1,156,290
<b>TOTAL</b>	<b>34,032,822</b>	<b>46,669,574</b>
<i>In which:</i>		
Other short-term payables to others	31,379,064	45,169,429
Other short-term payables to related parties (Note 35)	2,653,758	1,500,145
<b>Long-term</b>		
Deposits and other agreements related to real estate projects (i)	2,728,138	-
Deposits for transfer of investments (iv)	561,000	-
Deposits under Business and Investment Co-operation Contracts (iii)	163,000	-
Long-term deposits for real estate leasing purposes	85,410	86,651
Others	-	3,725
<b>TOTAL</b>	<b>3,537,548</b>	<b>90,376</b>
<i>In which:</i>		
Other long-term payables to others	3,374,548	90,376
Other long-term payables to related parties (Note 35)	163,000	-

- (i) Balance as at 31 December 2020 includes cash receipts under deposits and other agreements from customers and corporate counterparties related to real estate properties of the Company and its subsidiaries.
- (ii) These pertain to maintenance funds held on behalf of customers of real estate projects of the Company and its subsidiaries, which will be handed over to Building Management Boards. The Company and its subsidiaries are maintaining these funds in cash equivalents and held-to-maturity investments.
- (iii) These pertain to deposits from a number of affiliates to the Company and its subsidiaries pursuant to Business and Investment Co-operation Contracts for purpose of operating and transferring co-operation of shopping mall, hotel and other components of Vinhomes Smart City, Vinhomes Grand Park, Vinhomes Long Beach Can Gio and other projects.
- (iv) This represents amounts paid from corporate counterparties for share transfer in certain companies.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2020 and for the year then ended

**25. LOANS**

Currency: million VND

	Beginning balance		Movement during the year		Ending balance	
	Balance	Payable amount	Increase	Decrease	Balance	Payable amount
<b>Short-term</b>						
Short-term loans from banks (Note 25.1)	3,894,815	3,894,815	2,331,283	(5,636,098)	590,000	590,000
Current portion of long-term loan from banks (Note 25.1)	-	-	1,380,950	-	1,380,950	1,380,950
Loans from counterparties (Note 25.2)	1,960,000	1,960,000	1,805,000	(3,765,000)	-	-
Current portion of long-term corporate bonds (Note 25.3)	12,307,539	12,307,539	8,534,820	(12,399,999)	8,442,360	8,442,360
Loans from related parties (Note 35)	-	-	12,184,663	(11,600,247)	584,416	584,416
	<b>18,162,354</b>	<b>18,162,354</b>	<b>26,236,716</b>	<b>(33,401,344)</b>	<b>10,997,726</b>	<b>10,997,726</b>
<b>Long-term</b>						
Long-term loans from banks (Note 25.1)	1,371,098	1,371,098	510,814	(1,371,098)	510,814	510,814
Loans from counterparties (Note 25.2)	3,390,000	3,390,000	1,960,000	(30,000)	5,320,000	5,320,000
Corporate bonds (Note 25.3)	2,776,927	2,776,927	13,855,545	(9,242,551)	7,389,921	7,389,921
Loans from related parties (Note 35)	805,000	805,000	3,837,000	(3,905,000)	737,000	737,000
	<b>8,343,025</b>	<b>8,343,025</b>	<b>20,163,359</b>	<b>(14,548,649)</b>	<b>13,957,735</b>	<b>13,957,735</b>
<b>TOTAL</b>	<b>26,505,379</b>	<b>26,505,379</b>	<b>46,400,075</b>	<b>(47,949,993)</b>	<b>24,955,461</b>	<b>24,955,461</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2020 and for the year then ended

**25. LOANS** (continued)

**25.1 Loans from banks**

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

Lender	31 December 2020 (million VND)	Maturity date	Collateral
Joint Stock Commercial Bank for Foreign Trade of Vietnam	590,000	January 2021	(i)
<b>TOTAL</b>	<b>590,000</b>		

Details of interests on short-term loans from banks as at 31 December 2020 are as follow:

Loans	Currency	Interest
Secured loans	VND	Floating interest, interest rate during the year ranges from 4.9% to 6.8% per annum

(i) As at 31 December 2020, these short-term loans are secured by the following collaterals:

- A number of shares of some companies within the Group; and
- Assets attached to land area, machinery and equipment of some hospitals.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2020 and for the year then ended

**25. LOANS** (continued)

**25.2 Loans from counterparties**

Details of loans from counterparties:

- ▶ Long-term loan from four (04) corporate counterparties with total principal of VND5,320 billion, bearing the interest rate at 9% per annum with maturity date from April 2022 to November 2022.

**25.3 Corporate bonds**

	31 December 2020	31 December 2019
Long-term corporate bonds	15,832,281	15,084,466
<i>In which: Current portion of long-term corporate bonds</i>	<i>(8,442,360)</i>	<i>(12,307,539)</i>
<b>TOTAL</b>	<b><u>7,389,921</u></b>	<b><u>2,776,927</u></b>

Currency: million VND



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2020 and for the year then ended

25. LOANS (continued)	<i>Currency: million VND</i>		
25.3 Corporate bonds (continued)	<i>31 December 2020</i>	<i>Maturity date</i>	<i>Interest</i>
<i>Underwriter</i>	<i>Collateral</i>		
Techcom Securities Joint Stock Company	11,839,055	From November 2021 to May 2023	Interest rate for the first four periods is from 9% to 10% per annum. Interest rate for the following periods is calculated as 12-month interest paid-in-arrear VND saving rate plus 3.25% per annum. Interest is payable every 3 months.
<i>In which: Current portion of long-term bonds</i>	6,448,193		
Techcom Securities Joint Stock Company	1,994,167	August 2021	Interest rate for the first and second periods is 10% per annum. Interest rate for the following periods is calculated as 12-month interest paid-in-arrear VND saving rate plus 4.25% per annum. Interest is payable every 6 months.
<i>In which: Current portion of long-term bonds</i>	1,994,167		
KB Securities Vietnam Joint Stock Company	1,999,059	May 2023	Interest rate from issuance date to 31 December 2020 is 9.5% per annum. Interest rate for the following periods is calculated as regular saving rate and 12-month VND individual saving rate plus 2.3% per annum. Interest is payable every 3 months.
<b>TOTAL</b>	<b>15,832,281</b>		
<i>In which:</i>			
<i>Long-term bonds</i>	7,389,921		
<i>Current portion of long-term bonds</i>	8,442,360		



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2020 and for the year then ended

**25. LOANS** (continued)

**25.3 Corporate bonds** (continued)

(i) As at 31 December 2020, these corporate bonds are secured by the following collaterals:

- A number of listed shares of some companies within the Group; and

- A hospitality real estate project; a part of commercial project; asset rights, project development rights and bank balance related to a functional urban area project in Northern Vietnam; all legal rights and benefits related to the aforementioned project as stipulated in the Build-Transfer contract for the construction of Ring Road 2 project.

(ii) These loans are unsecured.

**26. PROVISIONS**

**26.1 Short-term provisions**

The short-term provisions balance at 31 December 2020 includes the provision related to a deposit for payments under commercial purchase contracts.

**26.2 Long-term provisions**

The long-term provisions balance at 31 December 2020 mainly includes provisions for warranty costs for inventory properties at the Company and its subsidiaries' projects in accordance with the warranty clause in sales and purchase agreements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2020 and for the year then ended

**27. OWNERS' EQUITY**

**27.1 Increase and decrease in owners' equity**

Currency: million VND

	Attributable to shareholders of the parent						Total
	Issued share capital	Share premium	Treasury shares	Other funds belonging to owners' equity	Undistributed earnings	Non-controlling interests	
<b>Previous year</b>							
Beginning balance	33,495,139	295,000	-	1,816,269	7,626,959	4,911,507	48,144,874
- Acquisition of new subsidiaries	-	-	-	-	-	1,719,352	1,719,352
- Net profit for the year	-	-	-	-	21,747,376	2,571,724	24,319,100
- Step-up acquisition of equity interest in existing subsidiaries	-	-	-	-	56,192	(56,192)	-
- Partial disposal of equity interest in existing subsidiaries without loss of control	-	-	-	-	(41,335)	41,335	-
- Disposal of subsidiaries	-	-	-	-	-	(76,094)	(76,094)
- Cash dividends declared	-	-	-	-	(3,349,514)	(492,746)	(3,842,260)
- Reacquisition of treasury shares	-	-	(5,549,929)	-	-	-	(5,549,929)
Ending balance	33,495,139	295,000	(5,549,929)	1,816,269	26,039,678	8,618,886	64,715,043
<b>Current year</b>							
Beginning balance	33,495,139	295,000	(5,549,929)	1,816,269	26,039,678	8,618,886	64,715,043
- Acquisition of new subsidiaries and step-up acquisition of interest in existing subsidiaries	-	-	-	(625,373)	2,878,447	(5,134,719)	(2,881,645)
- Net profit for the year	-	-	-	-	27,351,280	855,260	28,206,540
- Cash dividends declared	-	-	-	-	-	(63,715)	(63,715)
- Capital contribution from non-controlling interest	-	-	-	-	-	62,000	62,000
- Disposal of subsidiaries	-	-	-	-	-	(60,000)	(60,000)
- Other funds	-	-	-	10,000	(10,000)	-	-
- Refund of capital contribution to non-controlling interests	-	-	-	-	-	(848,308)	(848,308)
Ending balance	33,495,139	295,000	(5,549,929)	1,200,896	56,259,405	3,429,404	89,129,915

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2020 and for the year then ended

27. OWNER'S EQUITY (continued)

27.2 Capital transactions with owners

	<i>Currency: million VND</i>	
	<i>Current year</i>	<i>Previous year</i>
<b>Contributed share capital from owners</b>		
Beginning balance	33,495,139	33,495,139
Ending balance	<u>33,495,139</u>	<u>33,495,139</u>

27.3 Ordinary shares and preference shares

	<i>Unit: Shares</i>	
	<i>Ending balance</i>	<i>Beginning balance</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).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2020 and for the year then ended

**27. OWNERS' EQUITY (continued)**

**27.4 Dividends**

	<i>Currency: million VND</i>	
	<i>Current year</i>	<i>Previous year</i>
<b>Dividends declared and paid during the year</b>		
<i>Dividends per ordinary share</i>		
Cash dividends for 2020: VND0 per share (2019: VND1,000 per share)	-	3,349,514
<b>Dividends declared after the date of reporting period and not yet recognised as liability as at 31 December</b>	-	-

**28. REVENUES**

**28.1 Revenue from sale of goods and rendering of services**

	<i>Currency: million VND</i>	
	<i>Current year</i>	<i>Previous year</i>
<b>Gross revenue</b>	<b>71,546,737</b>	<b>51,626,931</b>
<i>In which:</i>		
<i>Revenue from sales of inventory properties</i>	67,309,531	48,161,594
<i>Revenue from rendering real estate management and related services</i>	1,678,240	1,483,024
<i>Revenue from leasing activities and rendering related services</i>	898,466	1,113,647
<i>Revenue from rendering general contractor, construction consultancy and supervision services</i>	708,643	708,450
<i>Others</i>	951,857	160,216
<b>Deductions</b>	-	-
<b>Net revenue</b>	<b>71,546,737</b>	<b>51,626,931</b>
<i>In which:</i>		
<i>Revenue from others</i>	70,766,593	50,944,507
<i>Revenue from related parties</i>	780,144	682,424

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2020 and for the year then ended

**28. REVENUES** (continued)

**28.2 Finance income**

	<i>Currency: million VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Gain from sales of investment (i)	16,886,238	1,492,806
Interest income from deposits and lendings	2,430,615	2,376,941
Income from Business and Investment Co-operation Contracts (ii)	751,151	5,174,641
Other finance income	176,788	1,399
<b>TOTAL</b>	<b>20,244,792</b>	<b>9,045,787</b>

(i) Mainly pertains to gain from the sales of investment in subsidiaries owning portions of real estate projects (Note 4.4).

(ii) Income from Business and Investment Co-operation Contracts with Vingroup JSC and an affiliate for the development purpose of Vinhomes Riverside The Harmony, Vinhomes Imperia Hai Phong, Vinhomes Dragon Bay, Vinhomes Star City Thanh Hoa and Vinhomes Skylake Projects.

**28.3 Revenues and expenses relating to investment properties**

	<i>Currency: million VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Rental income from investment properties	932,760	893,535
Direct operating expenses of investment properties that generated rental income during the year	(360,573)	(306,923)

**29. COST OF GOODS SOLD AND SERVICES RENDERED**

	<i>Currency: million VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Cost of inventory properties sold	42,214,202	21,499,616
Cost of rendering real estate management and other related services	1,574,858	1,481,356
Cost of leasing activities and other related costs	429,330	510,756
Cost of rendering general contractor, construction consultancy and supervision services	653,657	584,043
Others	738,613	95,552
<b>TOTAL</b>	<b>45,610,660</b>	<b>24,171,323</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2020 and for the year then ended

**30. FINANCE EXPENSES**

	<i>Currency: million VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Loans interest and bond issuance costs	3,001,572	2,377,698
Provisions for investment	235,991	-
Other finance expenses	781,698	171,129
<b>TOTAL</b>	<b><u>4,019,261</u></b>	<b><u>2,548,827</u></b>

**31. SELLING EXPENSES AND GENERAL AND ADMINISTRATIVE EXPENSES**

	<i>Currency: million VND</i>	
	<i>Current year</i>	<i>Previous year</i>
<b>Selling expenses</b>		
Consultancy, guarantee and commission fees	1,834,879	1,053,679
Advertising, marketing expenses	366,474	801,329
Labour costs	293,853	135,745
Rental expenses of retail outlets	147,194	76,447
Others	38,433	13,473
	<b><u>2,680,833</u></b>	<b><u>2,080,673</u></b>
<b>General and administrative expenses</b>		
Donation fee	888,435	592,545
Expenses for external services	801,758	761,329
Labour costs	229,184	244,610
Depreciation and amortisation (including amortisation of goodwill)	175,256	147,800
Others	98,827	410,137
	<b><u>2,193,460</u></b>	<b><u>2,156,421</u></b>
<b>TOTAL</b>	<b><u>4,874,293</u></b>	<b><u>4,237,094</u></b>

**32. OTHER EXPENSES**

	<i>Currency: million VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Penalty expenses	936,541	143,935
Others	73,895	11,573
<b>TOTAL</b>	<b><u>1,010,436</u></b>	<b><u>155,508</u></b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2020 and for the year then ended

**33. PRODUCTION AND OPERATING COSTS**

*Currency: million VND*

	<i>Current year</i>	<i>Previous year</i>
Cost of developing inventory properties	29,813,130	45,139,282
Expenses for external service	5,781,411	4,850,331
Labour costs	1,418,624	1,245,474
Depreciation and amortisation (including amortisation of goodwill)	541,936	351,846
Others	1,111,803	984,151
<b>TOTAL</b>	<b><u>38,666,904</u></b>	<b><u>52,571,084</u></b>

**34. CORPORATE INCOME TAX**

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

**34.1 CIT expenses**

*Currency: million VND*

	<i>Current year</i>	<i>Previous year</i>
Current tax expenses	8,778,070	5,766,161
Deferred tax income	(467,773)	(339,567)
<b>TOTAL</b>	<b><u>8,310,297</u></b>	<b><u>5,426,594</u></b>

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2020 and for the year then ended

**34. CORPORATE INCOME TAX (continued)**

**34.1 CIT expenses (continued)**

Reconciliation between CIT expenses and the accounting profit multiplied by applicable CIT rate is presented below:

	<i>Currency: million VND</i>	
	<i>Current year</i>	<i>Previous year</i>
<b>Accounting profit before tax</b>	<b>36,516,837</b>	<b>29,745,694</b>
At CIT rate of 20% applicable to the Company and its subsidiaries	7,303,367	5,949,139
Impacts from acquisition, disposal and legal merge transactions in the consolidated financial statements	627,814	(139,815)
Losses of subsidiaries	25,204	2,238
Differences of cost of goods sold between the individual financial statements and the consolidated financial statements arising from merger and acquisition transactions	367,781	(45,829)
Tax losses carried forward	(7,240)	(265,190)
Shared profit from associates	(3,705)	-
Goodwill amortisation in the consolidated financial statements	27,053	25,320
Dividend income and shared profit under Business and Investment Co-operation Contracts	(87,942)	(657,047)
Non-deductible expenses	210,951	547,462
Tax exempted	(166,243)	-
Others	13,257	10,316
<b>Accounting profit before tax</b>	<b>8,310,297</b>	<b>5,426,594</b>

**34.2 Current CIT expense**

The current CIT payable is based on taxable income for the current year. The taxable income of the Company and its subsidiaries for the year differs from the profit as reported in the consolidated income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or deductible. The Company and its subsidiaries' liability for current tax is calculated using tax rates that have been enacted by the consolidated balance sheet date.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2020 and for the year then ended

**34. CORPORATE INCOME TAX** (continued)

***Tax losses carried forward***

The Company and its subsidiaries are entitled to carry tax loss forward to offset against taxable income arising within five years subsequent to the year in which the loss was incurred. At the consolidated balance sheet date, the Company and its subsidiaries have aggregated accumulated tax losses of VND1,058.7 billion (31 December 2019: VND62.8 billion) available for offset against future taxable income.

No deferred tax assets have been recognised in respect of these accumulated tax losses because future taxable income cannot be ascertained at this stage.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2020 and for the year then ended

**35. TRANSACTIONS WITH RELATED PARTIES**

**35.1 Significant transactions with related parties**

Significant transactions with related parties during this year and previous year were as follows:

Related parties	Relationship	Transactions	Current year	Previous year
Vingroup JSC	Parent company	Lending	23,143,253	-
		Collection of lending	22,783,253	-
		Receivables from shared profit from Business and Investment Co-operation Contracts	624,909	3,014,466
		Deposit under project development agreements, project transfer agreements and share transfer agreements	13,592,179	22,790,474
		Borrowings	10,108,500	-
		Repayment of borrowings	10,108,500	54,606
		Management service payables	657,993	675,356
Vinpearl JSC	Affiliate	Lending	12,399,000	9,127,900
		Collection of lending	16,356,900	5,170,000
		Deposit under project development agreements and share transfer agreements	3,950,000	-

Currency: million VND

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2020 and for the year then ended

**35. TRANSACTIONS WITH RELATED PARTIES (continued)**

**35.1 Significant transactions with related parties (continued)**

Significant transactions with related parties during this year and previous year were as follows: (continued)

Related parties	Relationship	Transactions	Current year	Previous year
Vincom Retail JSC	Affiliate	Deposit received for Investment Co-operation Contract	1,775,996	978,315
		Receivables from sale of inventory properties	122,728	91,818
Vinwonders JSC	Affiliate	Deposit received for Business Co-operation Contract	200,000	-
Vinfast Trading and Production LLC ("Vinfast LLC")	Affiliate	Deposit for investment and project transfer purpose	17,005,000	-
		Lending	2,110,000	19,250,000
		Collection of lending	3,760,000	17,600,000
Vinfast Commercial and Services Trading LLC	Affiliate	Payables for goods purchased	2,357,140	-
Vinsmart Research and Manufacturer JSC ("Vinsmart JSC")	Affiliate	Collection of lending	3,355,000	
		Lending	1,100,000	2,255,000
Kind Heart Foundation	Under common owner	Charity expenses	817,000	500,000

Currency: million VND

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2020 and for the year then ended

**35. TRANSACTIONS WITH RELATED PARTIES (continued)**

**35.1 Significant transactions with related parties (continued)**

*Terms and conditions of transactions with related parties*

The Company and its subsidiaries have sold/purchased goods and rendering/purchased services to/from related parties based on negotiated market prices and contract terms.

The Company and its subsidiaries have entered into Business and Investment Co-operation Contracts with Vingroup JSC, the parent company, and Central Park LLC, an affiliate, for the purpose of developing real estate projects. Accordingly, the Company and its subsidiaries receive a portion of profit from these contracts. During the year, the Company has terminated Business Co-operation Contract with Central Park LLC, collected the capital contribution and shared profit before Central Park LLC became a subsidiary of the Company (Note 4).

Payables and receivables (except for some lendings, borrowings and deposits for share transfer) as at 31 December 2020 are unsecured, free of interest and will be settled in cash. During the year ended 31 December 2020, the Company and its subsidiaries have not made provision for doubtful debts relating to amounts due from related parties (31 December 2019: nil). This assessment is undertaken each financial year through the examination of the financial position of the related parties and the market in which the related parties operate.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2020 and for the year then ended

**35. TRANSACTIONS WITH RELATED PARTIES** (continued)

**35.2 Amount due to and due from 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>Ending balance</i>	<i>Beginning balance</i>
<b>Short-term trade receivables (Note 7.1)</b>				
Vincom Retail JSC	Affiliate	Receivables from sales of inventory properties	122,728	1,028,007
		Other receivables	5,533	-
Vinmec International General Hospital JSC	Affiliate	Receivables from share transfer	-	694,000
Other affiliates		Other receivables (i)	186,971	459,590
			<b>315,232</b>	<b>2,181,597</b>

(i) Other short-term receivables mainly comprise receivables from shared profit, general contractor and technological services.

**Short-term advances to supplier (Note 7.2)**

Short-term advances to suppliers mainly include advances for goods and services.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2020 and for the year then ended

**35. TRANSACTIONS WITH RELATED PARTIES** (continued)

**35.2 Amount due to and due from 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>Currency: million VND</i>	
<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>Ending balance</i>	<i>Beginning balance</i>
<b><i>Other short-term receivables</i></b> (Note 9)				
Vingroup JSC	Parent company	Capital contribution for Business and Investment Co-operation Contract (ii)	410,230	3,400,230
		Receivables from shared profit of Business and Investment Co-operation Contract	-	1,006,857
		Other receivables	-	100,972
Central Park LLC	Subsidiary (from 14 December 2020)	Receivables from shared profit of Business and Investment Co-operation Contract	-	1,610,168
		Capital contribution for Business and Investment Co-operation Contract (ii)	-	490,000
Other affiliates		Other receivables	729,363	91,439
			<b><u>1,139,593</u></b>	<b><u>6,699,666</u></b>
<b><i>Other long-term receivables</i></b> (Note 9) (ii)				
Vingroup JSC	Parent company	Deposit for Business and Investment Co-operation Contract	3,000,000	-
VinAcademy Education and Training LLC ("VinAcademy LLC")	Affiliate	Capital contribution for Business and Investment Co-operation Contract	2,790,000	-
Other affiliates		Other receivables	142,110	165,570
			<b><u>5,932,110</u></b>	<b><u>165,570</u></b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2020 and for the year then ended

35. TRANSACTIONS WITH RELATED PARTIES (continued)

35.2 Amounts due to and due from 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>Currency: million VND</i>	
<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>Ending balance</i>	<i>Beginning balance</i>
<b><i>Other current assets (Note 13) (ii)</i></b>				
Vinpearl JSC	Affiliate	Deposit for share transfer and investment purpose	3,950,000	-
Vingroup JSC	Parent company	Deposit for project development, share transfer and investment purpose	199,700	5,789,142
VinAcademy LLC	Affiliate	Deposit for construction investment purpose	-	2,790,000
Sai Dong JSC	Subsidiary (from 14 December 2020)	Deposit for share transfer and investment purpose	-	70,258
			<b><u>4,149,700</u></b>	<b><u>8,649,400</u></b>
<b><i>Other non-current assets (Note 13) (ii)</i></b>				
Vingroup JSC	Parent company	Deposit for share transfer, investment and project development purpose	21,474,770	8,439,145
Vinfast LLC	Affiliate	Deposit for project transfer purpose	17,005,000	-
			<b><u>38,479,770</u></b>	<b><u>8,439,145</u></b>

(ii) The deposits to Vingroup JSC amounting to VND3,062.8 billion for share transfer of some companies within the Group which are the owners of potential real estate projects are secured by shares of these companies with all rights and interests attached thereto. The remaining deposits are unsecured.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2020 and for the year then ended

**35. TRANSACTIONS WITH RELATED PARTIES** (continued)

**35.2 Amounts due to and due from 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>Currency: million VND</i>	
<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>Ending balance</i>	<i>Beginning balance</i>
<b>Short-term trade payables (Note 20.1)</b>				
Vingroup JSC	Parent company	Management service fee payables	368,319	487,662
		Other service fee payables	99,170	28,381
Vinfast Trading LLC	Affiliate	Payables for goods purchased	210,000	-
Vinsmart JSC	Affiliate	Payables for goods purchased	407,628	-
Other affiliates		Others	80,678	31,836
			<b><u>1,165,795</u></b>	<b><u>547,879</u></b>

**Short-term accrued expenses (Note 22)**

Short-term accrued expenses mainly include payables to an affiliate for purchasing vouchers.

**Long-term accrued expenses (Note 22)**

Long-term accrued expenses mainly include interest payables.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2020 and for the year then ended

**35. TRANSACTIONS WITH RELATED PARTIES** (continued)

**35.2 Amounts due to and due from 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>Currency: million VND</i>	
<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>Ending balance</i>	<i>Beginning balance</i>
<b><i>Other short-term payables</i></b> (Note 24)				
Vincom Retail JSC (*)	Affiliate	Deposit received for Investment Co-operation Contract	1,668,702	704,000
		Other payables	269,833	-
Vinschool LLC	Affiliate	Other payables	271,338	-
Vinwonders JSC	Affiliate	Deposit received for Investment Co-operation Contract	200,000	-
Kind Heart Foundation	Under common owner	Payables for charitable purpose	-	500,000
Other affiliates		Other payables (**)	243,885	296,145
			<b><u>2,653,758</u></b>	<b><u>1,500,145</u></b>

(\*) Deposits for shopping mall components bear the interest at 10% per annum.

(\*\*) Other payables mainly include deposits received for Investment Co-operation Contract.

***Other long-term payables*** (Note 24)

Other long-term payables comprise deposit received from an affiliate for the purpose of co-operation and transfer of shopping mall component of Vinhomes Long Beach Can Gio.

**35.3 Details of lending to related parties** (Note 8)

Details of short-term lending 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 date</i>	<i>Collateral</i>
Thang Long Real Estate JSC	Affiliate	11,200	9%	December 2021	(i)
		<b><u>11,200</u></b>			

(i) This lending is secured by capital contribution of a company within the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2020 and for the year then ended

**35. TRANSACTIONS WITH RELATED PARTIES** (continued)

**35.3 Details of lending to related parties** (Note 8) (continued)

Details of long-term lending 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 date</i>	<i>Collateral</i>
Vingroup JSC	Parent company	360,000	9%	September 2022	None
		<b>360,000</b>			

(i) This lending is secured by capital contribution of a company within the Group.

Details of short-term lending as at 31 December 2019:

<i>Related parties</i>	<i>Relationship</i>	<i>Amount (million VND)</i>	<i>Interest rate % per annum</i>	<i>Maturity date</i>	<i>Collateral</i>
Central Park LLC	Subsidiary (from 14 December 2020)	655,000	9%	December 2020	(i)
		<b>655,000</b>			

(i) This lending is secured by shares of a company within the Group held by this borrower.

Details of long-term lending as at 31 December 2019:

<i>Related parties</i>	<i>Relationship</i>	<i>Amount (million VND)</i>	<i>Interest rate % per annum</i>	<i>Maturity date</i>	<i>Collateral</i>
Vinpearl JSC	Affiliate	3,957,900	9%	February 2021	(i)
Vinsmart JSC	Affiliate	2,255,000	9%	February 2021	(ii)
Vinfast LLC	Affiliate	1,650,000	9%	February 2021	(iii)
		<b>7,862,900</b>			

(i) This lending is secured by shares of a listed company within the Group held by this borrower and shares of this borrower held by shareholders.

(ii) This lending is secured by entire buildings and structures, machinery and equipment of this borrower.

(iii) This lending is secured by capital contribution of Vingroup JSC in this borrower.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2020 and for the year then ended

### 35. TRANSACTIONS WITH RELATED PARTIES (continued)

#### 35.4 Details of borrowings from related parties (Note 25)

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 date</i>	<i>Collateral</i>
Vingroup JSC	Parent company	9,416	9%	August 2021	None
Vinfast LLC	Affiliate	575,000	9%	December 2021	None
		<b>584,416</b>			

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 date</i>	<i>Collateral</i>
Xavinco JSC	Affiliate	336,000	9%	July 2022	(i)
Xalivico Limited Liability Company ("Xalivico LLC")	Affiliate	401,000	9%	July 2022	(i)
		<b>737,000</b>			

(i) These loans are secured by shares of the Company in a subsidiary.

Details of long-term borrowings as at 31 December 2019:

<i>Related parties</i>	<i>Relationship</i>	<i>Amount (million VND)</i>	<i>Interest rate % per annum</i>	<i>Maturity date</i>	<i>Collateral</i>
Xalivico LLC	Affiliate	422,500	9%	July 2021	(i)
Xavinco JSC	Affiliate	382,500	9%	July 2021	(i)
		<b>805,000</b>			

(i) These loans are secured by shares of the Company in a subsidiary.

#### 35.5 Other related party transactions

Remuneration to members of management and Board of Directors:

	<i>Currency: million VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Salaries	47,956	62,792
<b>TOTAL</b>	<b>47,956</b>	<b>62,792</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2020 and for the year then ended

### 36. 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	27,351,280,198,252	21,747,376,096,636
Adjust for the effect of dilution	-	-
<b>Net profit attributable to ordinary shareholders adjusted for the effect of dilution</b>	<b><u>27,351,280,198,252</u></b>	<b><u>21,747,376,096,636</u></b>
	<i>Current year</i>	<i>Previous year</i>
Weighted average number of ordinary shares (excluding treasury shares) for basic earnings per share	3,289,513,918	3,344,926,936
Adjust for the effect of dilution	-	-
<b>Weighted average number of ordinary shares (excluding treasury shares) for basic earnings per share</b>	<b><u>3,289,513,918</u></b>	<b><u>3,344,926,936</u></b>

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Basic earnings per share	8,315	6,502

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of completion of these consolidated financial statements.

### 37. SEGMENT INFORMATION

The Company and its subsidiaries do not present segmental information for the year ended 31 December 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2020 and for the year then ended

### 38. COMMITMENTS AND CONTINGENCIES

#### *Commitments under operating leases where the Company and its subsidiaries are lessees*

The Company and its subsidiaries, as lessees, have signed land rental contract and other operating lease arrangements for apartments, shophouses and villas and other operating lease arrangements. The minimum lease commitments as at the balance sheet dates under these operating lease agreements are as follows:

	<i>Currency: million VND</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Less than 1 year	111,672	124,024
From 1 to 5 years	505,354	290,977
More than 5 years	5,759,524	3,703,184
<b>TOTAL</b>	<b>6,376,550</b>	<b>4,118,185</b>

#### *Commitments under operating leases where the Company and its subsidiaries are lessors*

The Company and its subsidiaries, as lessors, lease office, apartments, shophouses and villas under operating lease agreements. The future minimum rental receivables as at the balance sheet dates under these operating lease agreements are as follows:

	<i>Currency: million VND</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Less than 1 year	537,615	610,672
From 1 to 5 years	653,775	614,070
More than 5 years	2,174,135	410,299
<b>TOTAL</b>	<b>3,365,525</b>	<b>1,635,041</b>

#### *Lease commitment*

Ecology JSC, a subsidiary, entered into lease contracts with an affiliate for leasing retail areas at two (02) real estate projects. As at 31 December 2020, the present values of the minimum lease payment receivables under these agreements for period less than 1 year, from 1 to 5 years and more than 5 years respectively are VND20.2 billion, VND51.1 billion and VND60.2 billion. As at 31 December 2020, the total minimum lease payment receivables under these agreements for period less than 1 year, from 1 to 5 years and more than 5 years respectively are VND21.3 billion, VND87.7 billion and VND500.3 billion.

#### *Commitments related to capital expenditure of on-going real estate projects and development of potential real estate projects*

The Company and its subsidiaries have entered into a number of contracts relating to the development of certain real estate projects. The outstanding commitment on these contracts as at 31 December 2020 amounts to approximately VND9,704 billion (as at 31 December 2019: VND13,161 billion). In addition, according to a land lease agreement between a subsidiary and a counterparty, the remaining consideration payable under this agreement as at 31 December 2020 is USD110,000,000.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2020 and for the year then ended

**38. COMMITMENTS AND CONTINGENCIES (continued)**

***Commitments related to capital expenditure of on-going real estate projects and development of potential real estate projects (continued)***

Under Build – Transfer Contract in 2016 between Hanoi Construction Department and a subsidiary and a counterparty, the outstanding commitment of this contract as at 31 December 2020 is VND362 billion.

Under a Business Co-operation Contract dated November 2017 between a subsidiary and a counterparty, the subsidiary commits to contribute 100% investment capital for a potential real estate project in Hanoi. The project will be implemented within 2 years commencing from the date the subsidiary receives land parcel for construction. In accordance with this agreement, upon the completion of the project, the subsidiary will be entitled to manage and operate a portion of the project's asset. The total estimated capital is VND790 billion, the remaining commitment of this agreement as at 31 December 2020 is VND782.1 billion.

In May 2018, the Company and a subsidiary have entered into a Capital Transfer Agreement with a corporate counterparty to acquire 32.5% of Berjaya VFC LLC's equity interest. At 31 December 2020, the remaining consideration payable under this agreement is VND503.7 billion.

In June 2019, a subsidiary has entered into an Investment Co-operation Contract with counterparties for the purpose of investing in a real estate project. Accordingly, the subsidiary commits to deposit to secure the call option of capital contribution in this project. At 31 December 2020, the remaining commitment under this agreement amounts to VND172.5 billion.

As disclosed in Note 13, a subsidiary has entered into Share Transfer Agreement with a company within the Group for the purpose of acquiring shares in a company owning real estate project. At 31 December 2020, the remaining commitment under this agreement amounts to VND6,028 billion.

***Commitment under interest support agreements to buyers of inventory properties at real estate projects of the Company and its subsidiaries***

According to three-party (3) interest support agreements among the Company and its subsidiaries as investors, buyers of inventory properties of the Company's projects (including Vinhomes West Point, Vinhomes Ocean Park, Vinhomes Grand Park, Vinhomes Smart City, Vinhomes Symphony and Vinhomes Marina Projects) and certain banks, the Company and its subsidiaries commit to support the buyers in getting loans to finance for a part of the selling price and to settle the interest within a committed period.

***Commitments under Business Co-operation Contracts***

Under the Business Co-operation Contract signed in February 2012 between Royal City JSC and Thien Huong Investment JSC ("Thien Huong JSC") regarding the school operations in Vinhomes Royal City project, Royal City JSC is entitled to the share of Thien Huong JSC's revenue, which is equal to 15% of revenue and can be adjusted according to the agreement. The duration of the Business Co-operation Contract is from February 2012 to the end of 2043.

Under the Business Co-operation Contracts between the Company and its subsidiaries with Vinschool LLC regarding the school components of real estate projects, the Company and its subsidiaries are entitled to the share of Vinschool LLC's revenue, which is equal to 15% of revenue and can be adjusted according to the agreement.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2020 and for the year then ended

### 39. NOTES TO CASH FLOW MOVEMENT

	<i>Currency: million VND</i>	
	<i>Current year</i>	<i>Previous year</i>
<b>Actual cash received from loans during the year:</b>		
Cash received from normal loan agreements	5,996,930	6,239,057
Cash received from issuance of bonds	13,665,935	608,000
<b>Actual cash payment of loans during the year:</b>		
Cash payment for normal loan agreements	(7,539,963)	(9,302,281)
Cash payment for principal of bonds	(13,200,000)	(3,100,000)

### 40. EVENTS AFTER THE BALANCE SHEET DATE

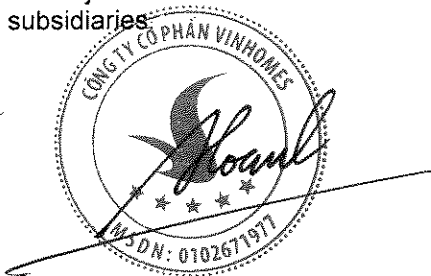
Except for the events after the consolidated balance sheet date as presented in other notes of the consolidated financial statements, there is no other matter or circumstance that has arisen since the consolidated balance sheet date that requires adjustment or disclosure in the consolidated financial statements of the Company and its subsidiaries.



Hoang Minh Thai  
Preparer



Le Tien Cong  
Chief Accountant



Pham Thieu Hoa  
Chief Executive Officer



Hanoi, Vietnam

19 March 2021