



SOLID FOUNDATION
PROSPEROUS FUTURE

ANNUAL REPORT 2018



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PHAT DAT REAL ESTATE
DEVELOPMENT CORPORATION

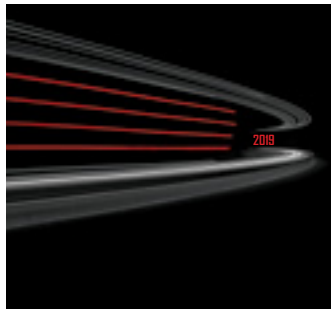
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PDR CELEBRATES THE 15TH ANNIVERSARY WITH HISTORICALLY HIGH FIGURES. THE TARGETS SET FOR EXCEPTIONAL GROWTH IN 2019 ARE ABSOLUTELY FEASIBLE BASED ON THE COMPANY'S ESTABLISHED SOLID FOUNDATION. THE ANNIVERSARY OFFICIALLY MARKS THE TURNING POINT FOR PDR TOWARDS A NEW ERA WITH STRONG ASPIRATION AND HONORABLE MISSION.

ABBREVIATION

- AGM : Annual general meeting
- BOS : Board of Supervisors
- BOD : Board of Directors
- BOM : Board of Managements
- BT : Build and transfer
- CAGR : Compound annual growth rate
- CEO : Chief Executive Officer
- HA : Hectare
- HCMC : Ho Chi Minh City
- JSC : Joint Stock Company
- PDR : Phat Dat Real Estate Development Corporation
- ROA : Return on Assets
- ROE : Return on equity
- VND : Vietnam dong



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HIGHLIGHTS
2018 – 2019

REVENUE **↑62%**
COMPARED TO 2017

REVENUE TARGET **↑320%**
COMPARED TO 2018

PROFIT BEFORE TAX
(BILLION DONG) **758**

PROFIT TARGET
(BILLION DONG) **1,000**

Ranked **124** OF 500 MOST PROFITABLE ENTERPRISES
IN VIETNAM
By Vietnam Report

ESTABLISHMENT
ANNIVERSARY **15** years

OWNER'S EQUITY
(BILLION DONG) **3,512**

BANK LOAN
(DONG) **0**

LAND BANK
(HA) **400+**

DIVERSIFYING PROJECT - PRODUCT PORTFOLIOS AND
REVENUES. ELEVATING OUR POSITION AMONG VIETNAM'S
LARGEST AND MOST PROFITABLE PRIVATE ENTERPRISES.

2018 

2019

CHAIRMAN'S STATEMENT



Mr. Nguyen Van Dat - Chairman

“ 2019 IS A YEAR OF UTMOST SIGNIFICANCE FOR PDR. THE 9,000 BILLION DONG REVENUE AND 1,000 BILLION DONG PROFIT BEFORE TAX TARGETS WILL MARK IMPORTANT MILESTONES IN PDR'S HISTORY, ESCALATING THE COMPANY TO A WHOLE NEW LEVEL. WE ARE ENTERING A LEAP PHASE OF TRANSFORMATION IN BOTH SCALE AND DEPTH. ”

Dear shareholders and partners!

2019 marks the 15th anniversary of Phat Dat Real Estate Development Corporation (PDR). It is a year of, what we truly believe, a key year opening up **a new era** for PDR - a breakthrough period aiming at outstanding goals and establishing a new position in the market.

The real estate market remains complicated and challenging in 2019. However, with our acquired capabilities, experience and versatility, PDR's strategic directions are devised to achieve outstanding competitive advantages.

In Ho Chi Minh City, firstly, PDR will promptly complete the legal procedures of approved BT projects to receive land banks that are strategically aligned with the Company's product development direction. Secondly, PDR will push for commencement of urban embellishment projects in the central districts. Finally, we'll seek to acquire new land banks to develop high-end and mid-end apartments.

Regarding the markets outside of Ho Chi Minh City, PDR will focus on developing residential - new urban areas projects with products of true value that meets the buyers' needs. Further, while contributing to change the face of the locale, we hope to push for a leap forward in terms of civilized urban lifestyle.

The project and product diversification strategy help to diversify the revenue sources and establish breakthrough in both scale and depth. Thus, the revenue targets of VND 9,000 billion and profit before tax of VND 1,000 billion in 2019 are absolutely achievable. These milestones will be historical, affirming PDR's strong position amongst Vietnam's top real estate development companies, as well as laying a solid foundation for strong and continuous breakthroughs in the coming years.

To establish a new era, not only do we focus on land bank acquisition - project development, but also on identifying solid and consistent foundations for the coming journey. In particular, the main goals are to improve financial management capability, developing professional manpower which deeply understand the PDR business culture and philosophy, diversifying real estate products in the key markets, ensuring stable revenue and profit as well as rapid but sustainable growth. And above all, PDR's ultimate goal is to become an enterprise that brings true value to customers and gain customers' and partners' trust in the long run.

PDR's new era is not based on subjective aspirations but stems from validated business results in 2018. Last year, PDR accomplished great achievements in all aspects. The revenue reached VND 2,148 billion, profit after tax stood at VND 643 billion, no outstanding bank loans, continuous deployment of new larger scale projects at various regions and established crucial partnerships with both local and foreign partners.

On such foundation, PDR firmly believes in the new era of prosperity. On this journey, we hope for and believe in best cooperation with all stakeholders to create new values and triumphs.

Respectfully yours,
Ho Chi Minh City, March 2019

A stylized blue ink signature of Nguyen Van Dat, consisting of fluid, connected loops and strokes.

Nguyen Van Dat
Chairman

2004

2019

Breakthrough strategy

PDR'S JOURNEY OF CONQUERING FUTURE MAJOR GOALS
HAS BEEN THOROUGHLY PREPARED, FROM TANGIBLE CAPABILITIES
TO INTANGIBLE ASSETS.



Business
principles

The power of Intangible assets

PDR'S GREATEST INTANGIBLE ASSET IS THE PRINCIPLE OF RESPECT FOR COMMITMENT AND GIVING BEST EFFORTS TO ENSURE HIGHEST LEVEL OF COMMITMENT IN ALL COOPERATIONS.

BUSINESS PRINCIPLES

THE POWER OF INTANGIBLE ASSETS



“PDR’S GREATEST INTANGIBLE ASSET IS THE PRINCIPLE OF RESPECT FOR COMMITMENT AND GIVING BEST EFFORTS TO ENSURE HIGHEST LEVEL OF COMMITMENT IN ALL COOPERATIONS. THIS IS A PRIORITIZED CONDUCT IN PDR’S BUSINESS CULTURE, PROTECTED BY ALL MEANS BY THE TOP MANAGEMENT.”

This code of conduct is consistently implemented throughout the history of Company, help gaining immense trust of all stakeholders, from suppliers, contractors, financial partners, customers to governmental bodies. PDR’s credibility assures that all commitments will be respected, even in unfavorable circumstances.

PDR is also known as an enterprise that always upholds and respects the mutual benefits principle in every relationship. The most efficient cooperations, the best results and the most sustainable achievements can only be accomplished by partners sharing benefits, satisfactorily. This philosophy ensures the success of all stakeholders being in a business relationship with PDR. Therefore, PDR’s tremendous prospects also means opportunities for the stakeholders, who have been and are accompanying the Company.

The partners’ and customers’ faith in PDR, the trust from local governmental bodies, relevant authorities as well as the community result in both efficiency in business performances and outstanding capability of persuasion in the competitive market. This has also been the foundation for maintaining high steady growth in the past, even during the most difficult periods of the real estate and financial markets.

RANKED
54
TOP 500
FASTEST GROWTH
ENTERPRISES IN VIETNAM

2018 records phenomenal growth, highest in PDR’s history with net revenue reached VND 2,148 billion, an increase of 62% yoy. Profit after tax reached VND 643 billion, up by 46% yoy. Shareholder equity likewise increased to VND 3,512 billion. All other activities also showed remarkable advances.

These results brought PDR to a new peak, being a stepping stone for PDR to enter an era of prosperity as a powerful enterprise with an annual profit target from VND 1,000 billion and beyond.

Looking at PDR’s past achievements or future prospects, there’s no doubt that PDR’s strengths come from tangible capabilities as well as from the intangible assets, which not all businesses possess.

The sustainable strength which derives from these intangible assets is one of the fundamentals from which PDR gains strong confidence on the journey in shaping a new era.





The EverRich Infinity Project.

Project &
Product

Creating Impeccable living spaces

PDR'S MOST IMPORTANT CRITERIA IN EVALUATING THE SUCCESS OF A PROJECT IS THE HARMONY OF QUALITY, FUNCTIONALITY, AESTHETICS AND COST.

PROJECT & PRODUCT

CREATING IMPECCABLE LIVING SPACES

Upon developing the projects and products, PDR consistently adhere to core requirements, which emphasize on putting ourselves in the customer's position to truly understand what customers desire.



By early 2019, PDR had acquired a total of more than 400 hectares in Ho Chi Minh City and other promising cities. These are available land banks, which were approached, evaluated, and selected according to strict criteria, to ensure facilitation for prompt and effective project implementation.

PDR's land bank acquisition will continue uninterrupted, and the acquired land will soon boast with new projects of highly practical values, that best serve people's demand for quality living space, while harmoniously aligning with the overall urban development directions of the regions.

Along with the efforts to increase land bank, we are embracing diversification strategy regarding project and product. Accordingly, in addition to the high-end apartments projects which have gained substantial foothold in Ho Chi Minh City, we are adopting a rapid expansion of the current product portfolio into mid-end apartments segment and land plots in residential and mixed-use urban areas in various new markets.

The most vivid illustration of this strategy is the Phat Dat Bau Ca Urban Residential Area project in Quang Ngai and the Nhon Hoi Eco-Tourism Urban Residential Area project in Binh Dinh. These projects are being implemented successfully, gaining trust from local authorities as well as positive response from customers. The initial objectives regarding investment, construction progress, marketing and sales are all met, thus, will promptly yield substantial revenue and profit this year.

PDR's strategy, however, is for the company's position in the market not to be solely based on rapid expansion, strong growth, revenues or profit per sei, but rather as a trusted and reputable brand recognised for quality and the value creation we bring to the local community. It is a core objective set right from the beginning and consistently in line with PDR's mission to **"creating impeccable living spaces"**.

As the mission suggests, we believe that a high value real estate product does not merely focus on the tangible parts, the functional or apparent elements, but should extend to careful urban planning, design and facilities to create a highly aesthetic and sophisticated living environment. Therefore, PDR's project's infrastructure and facilities are developed not only

to meet standards but also to pioneer in introducing enhanced living quality, enriching the lives of the residents while help building civilized urban areas.

With that philosophy in mind, PDR always adhere to the core requirements in developing projects and products: being in the customer's position to truly understand customer needs. Only then, would we focus on

the in-depth product details, and to invest adequately for planning, design, construction, public spaces, facilities, green areas, etc. PDR's most important criteria in evaluating the success of a project is the harmony in quality, functions, aesthetics and cost. Thereby, ensuring maximum benefits for customers, residents and bringing optimal values to the community as well as the society.

“VALUE CREATION FOR THE COMMUNITY AND THE ABILITY TO CONTRIBUTE TO CUSTOMER'S IMPROVED LIVING STANDARD, THROUGH PRODUCTS AND PROJECTS, ARE TWO OF THE FUNDAMENTALS WHICH HELP PDR CONFIDENTLY PURSUE LEAP STRATEGIES IN THE NEW ERA.”

Financial
capability

Strength Proactiveness & Safety

PDR IDENTIFIES THE ENHANCEMENT
OF FINANCIAL MANAGEMENT CAPABILITY
AS ONE OF THE KEY STRATEGIC TASKS.



PDR's financial picture has brightened since 2017 after paying off the long-standing debt at Dong A Bank.

It resulted in a boost for the 2018 leap with record growth in revenue, profit and related financial indicators. The Company also incurred no debt from banks or financial institutions by the end of 2018.

In the strategic direction for a leap forward to **the new era**, PDR identified the enhancement of financial management capability as one of the core strategic objectives. Accordingly, continuous advancement in financial capabilities, which have been impressively improved, ensures diverse and abundant revenue sources, in order to maintain highest liquidity and best financial independency.

CURRENT RATIO

10.16
TIMES

In 2019, the Company's projects' revenues to increase by 4.2 times yoy at VND 9,000 billion, profit before tax 1.3 times at VND 1,000 billion. These highly ambitious targets have been set, based on solid foundation of existing achievements.

The first foundation is the new product strategy, which showcases efficiency through prompt product introductions onto the market and shortened payback period. The second foundation is the transfer of 2 projects, namely River City (The EverRich 2) and The EverRich 3, which are near completion. Further, great financial health enhances PDR's ability for capital mobilization from banks and financial institutions for ongoing and upcoming projects.

QUICK RATIO

2.76
TIMES

PDR is also attracting enormous attention from international investors. According to assessment from a number of organizations, PDR is an enterprise possessing all the optimal factors that a foreign investor seeks, upon considering investments in Vietnam. Among these we can list, ability to acquire land bank and/or project, and thorough experience and understanding of legal processes to develop projects quickly and efficiently.



SOLID FINANCIAL CAPABILITY IS ONE OF THE FOUNDATIONS THAT ALLOW PDR TO IMPLEMENT, WITH SAFETY AND STABILITY, A LEAP STRATEGY NOT ONLY FOR 2019 BUT ALSO FOR GREATER AIMS IN THE FUTURE.





Human Resources

A Talented Professional & competent elite

PROMOTING THE HIGHEST INDIVIDUAL POTENTIAL
TO DEVELOP CONFIDENT, DISCIPLINED, AND AT THE
SAME TIME, PLEASANT AND HAPPY STAFF.

HUMAN RESOURCE

A TALENTED, PROFESSIONAL AND COMPETENT ELITE

Last but not least, the foundation allows PDR to achieve the goal of creating **a new era** is the qualified and competent human resources that will realize the set growth rate.



**PERSONNEL BY
MANAGEMENT LEVEL
INCREASED**

42%

(COMPARED TO 2017)

The human element is always one of the biggest challenges in every business looking to leap. We are profoundly aware in this respect and have proceeded necessary preparations for a systematic human resource development strategy for 2018-2020.

PDR has a strong corporate culture with firm business philosophy, value system and code of conduct. Therefore, in addition to capabilities, experience and professionalism, appropriate personal qualities and work ethics are crucial criteria when recruiting. In particular, staff at all levels are required to express their own opinions, have critical thinking, have discipline and determination to deliver quality. The employees are evaluated by personal qualities and total competence based on the final results.

In consistency with the corporate culture, the recruitment is not solely salary-based. The Company's principle is to attract and develop people by setting up a healthy work environment

with justified benefits according to their competence and performances. In that light, we always comply with the practices and policies to ensure employees' rights are respected, in accordance with the law. In addition, there are benefit programs for long term committed employees when purchasing PDR's products at much favorable price. Furthermore, clear career path development and other benefits are also offered.

In conformity with HR development plan, PDR applies numerous forms of tailored training to fit practical needs. The common criteria for all forms of training is to help maximize individual potential and build confident, disciplined and at the same time, relaxed and happy staff.

According to the analysis by the governing departments, in order to meet 2019 growth targets, a significant manpower increase is needed. The project implementation department alone will need a force of 150 people, equivalent to an increase at the minimum of 20% on management level.

After years of effort in building a solid foundation, PDR's advantage, is a competent group of key members capable of undertaking the most important positions, in addition to new recruitment and training. The company is taking advantage of professional consulting services to conduct assessments and analyses of current manpower capacity and capabilities so as to obtain objective and updated perspectives, as a base for the upcoming staff increase in both quality and quantity.

In addition to HR philosophy and policies, PDR continuously seeks to improve the management system, from processes to technology adoption, in order to maximize staff potential and performance. According to the consultants, at present, few real estate enterprises are equipped with such comprehensive management system as PDR. For years, the implementation of business management principles and policies through public documentation has been applied. Solid but flexible management processes are applied to ensure creativity from every departments and down to individuals.



“HOLISTICALLY, BESIDES THE ESSENTIAL INCREASE IN STAFF QUANTITY, PDR'S MAJOR AIMS ARE EFFICIENCY AND COMPETENCE. THIS IS ALSO A STRATEGIC DIRECTION IN HUMAN RESOURCES DEVELOPMENT, EMBRACED BY MANY COMPANIES IN THE MODERN MARKET SETTING.”

Outstanding capabilities

PDR LEADS THE WAY TO A NEW ERA, WELL EQUIPPED WITH GREAT INTERNAL STRENGTHS, VIGOROUS CREATIVITY, AND OUTSTANDING COMPETITIVE ADVANTAGES WHICH RESULT FROM A WELL-ORIENTED PROCESS OF INVESTMENT AND ACCUMULATION. AT THE SAME TIME, IT IS A EVIDENCE OF FAITH, SPIRIT AND COMMITMENT OF A TEAM LEAD BY AMBITIOUS AND PERSISTENT LEADERS.



“PDR CHOOSES TO APPLY A CORPORATE GOVERNANCE MODEL SUITABLE IN ACCORDANCE WITH THE ENTERPRISE LAW, GOVERNMENT DECREE ON CORPORATE GOVERNANCE, INCLUDING INTERNATIONAL STANDARDS. THE ORGANIZATION AND GOVERNANCE MODEL INCLUDES THE GENERAL ASSEMBLY OF SHAREHOLDERS, BOD, BOS AND CEO.”

THE GENERAL ASSEMBLY OF SHAREHOLDERS

Includes shareholders with voting rights – PDR’s highest decision-making body. Annually, the General Assembly of Shareholders organizes regular and irregular meetings or solicits shareholders’ opinions – in writing – on matters under the authority of the General Assembly of Shareholders.

BOARD OF DIRECTORS

is the governing body with full authority to decide on PDR behalf, to exercise the rights and duties which are not in the power of General Assembly of Shareholders. The BOD has 07 members; including 02 independent and 01 non-executive members. BOD members hold office for a 05-year term, starting from 2018.

The Company does not set up BOD’s subcommittees but assign BOD members to PDR’s important areas. Upon deciding on important issues, BOD will convene meetings for BOD members in charge to report to other members to exchange, discuss, comment and make decisions.

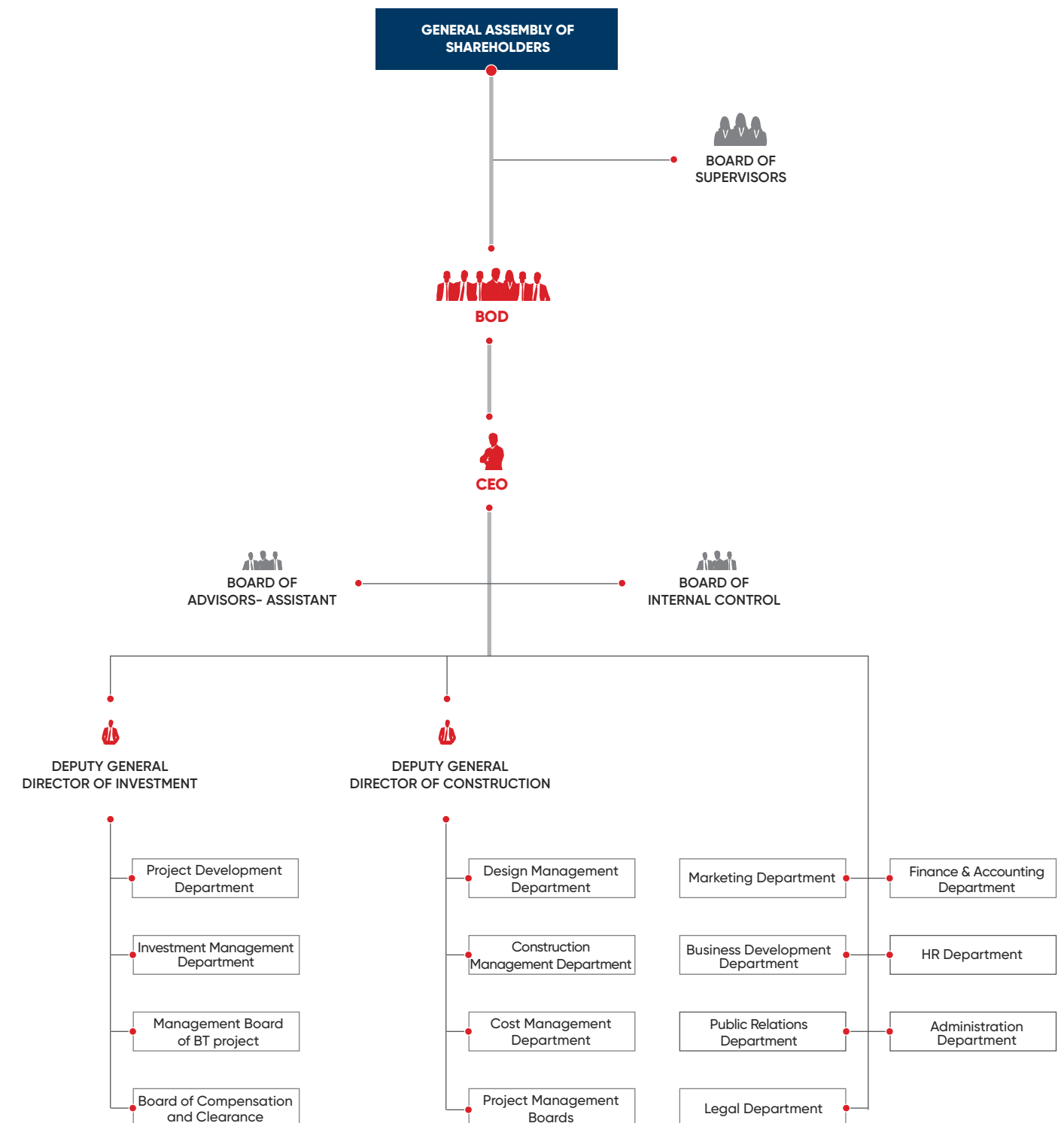
BOARD OF SUPERVISORS

BOS is the controlling body of the General Assembly of Shareholders; supervising the BOD and General Director. The BOS has currently 03 members. BOS members hold office for a 05-year term, starting from 2018.

THE CEO

Who manages daily operation, is selected and appointed out of BOD members, by the BOD. The CEO holds a mandate of 05 years, since appointment and is assisted by Deputy CEOs and Functional Directors.

Currently, the Chairman also chairs as CEO. However, according to PDR’s roadmap and in compliance with the law, these two titles will be held by different persons from August 1st, 2020.



ABOUT THE BOARD OF DIRECTORS



Mr. **NGUYEN VAN DAT**

Chairman cum CEO
Year of Birth: 1970

Qualifications:

Business Administration

Founding shareholder, Chairman of the Board cum CEO from 2004 to present.

Work history:

1988 – 1996: Trading business in HCMC.

1996 – 2008: Chairman cum CEO, Tan Viet Phat Trading Co., Ltd.

2002 – 2007: Chairman, New International Trading Co., Ltd.

2003 – 2005: Chairman, Dai Phat Thinh Trading Co., Ltd.

2004 – present: Chairman cum CEO, Phat Dat Real Estate Development Corporation.

Title at other organizations:

- Chairman of the Board of Members, Phat Dat Group Co., Ltd.
- Chairman, Phat Dat Nha Trang Investment Joint Stock Company.



Ms. **TRAN THI HUONG**

Vice Chairwoman
cum Executive Advisor
Year of Birth: 1961

Qualifications:

Bachelor of Economics

Work history:

1985 – 1995: Chief Accountant, Long An Textile Company, Long An Province.

1995 – 1998: Capital Management Specialist, Department of the Management of State Capital at Enterprises, Long An Province.

1998 – 2000: Finance Specialist, Department of Finance and Pricing of Long An Province.

2000 – Feb, 2006: CFO cum Chief Accountant, Thai Tuan Textile and Garment Co., Ltd.

2006 – 2009: CFO cum Chief Accountant, Phat Dat Real Estate Development Corporation.

2009 – 2012: Member of the Board, Deputy CEO – Finance, Phat Dat Real Estate Development Corporation.

2013 – present: Vice Chairwoman cum Executive Advisor, Phat Dat Real Estate Development Corporation.



Mr. **NGUYEN TAN DANH**

Vice Chairman cum Executive Advisor
Year of birth: 1990

Qualifications:

Bachelor of Business Administration

Work history:

Worked for Catalyst SF, one of America's leading marketing companies.

Worked as a Market researcher and analyst at Openasia Investment Fund and Viet Capital Securities JSC.

2014 – 2015: Investment Analyst, Phat Dat Corporation Real Estate Development Joint Stock Company.

Sept, 2015 – March, 2016: Deputy CEO – Sales, Phat Dat Real Estate Development Corporation.

Mar, 2016 – Aug, 2016: Member of the Board, Deputy CEO – Sales, Phat Dat Real Estate Development Corporation.

Aug, 2016 – present: Vice Chairman and Executive Advisor, Phat Dat Real Estate Development Corporation.

Title at other organizations:

- Chairman, Elements Investment and Development Corporation
- Chairman, Phu My Hung Investment Joint Stock Company.



Mr. **LE QUANG PHUC**

Board Member cum Executive Advisor
Year of birth: 1966

Qualifications:

Master of Business Administration, Civil Engineer

Work history:

1996 – 1999: Deputy Director, Civil Engineering Construction Joint Stock Company No. 586.

2000 – 2003: Deputy Director, CIENCO 507.

2004: Deputy CEO, Civil Engineering Construction Corporation No.5 (CIENCO 5).

2005 – 2006: Member of the BOD, Executive Director, PACE Business Management School.

2007 – present: Chairman, BDSC Management Consulting Joint Stock Company.

2014 – 2015: General Director, Cienco 5 Real Estate Development Joint Stock Company.

Title at other organizations:

- Chairman, BDSC Management Consulting Joint Stock Company
- Chairman of the Board of Members, Le & Partners Company Limited.
- Chairman, Song Dien Real Estate Investment and Development Joint Stock Company.
- Vice Chairman, Tay Ho Investment & Construction Joint Stock Company.
- Board Member, Phu Nhuan Jewelry Joint Stock Company.

ABOUT THE BOARD OF DIRECTORS



Mr. **DOAN VIET DAI TU**

Non-executive BOD member
Year of birth: 1963

Qualifications:

Master of Business Administration

Work history:

1985 – 1995: Worked at oversea companies.
1995 – 1998: Managing Director, Openasia SA (Lazard Asia Investment Bank), Vietnam.
1998 – 2011: Chairman and Member of owners, Openasia S.A. (France).
2000 – present: Chairman and Member of owners, Openasia SA (Hong Kong).
2008 – present: Member of the Board, Phat Dat Real Estate Development Corporation.

Title at other organizations

- Chairman, Vinaconnect One Member Co., Ltd.
- Chairman, Vien Ba Company Limited.
- General Director, Tam Son Yachting Company Limited.
- Member of the Board of Members, Gras Savoye Willis Vietnam Insurance Company Limited.



Mr. **KHUONG VAN MUOI**

Independent BOD member
Year of birth: 1949

Qualifications:

Architect

Work history:

1975 – 2007: Lecturer, HCMC University of Architecture.
1975 – 2007: Deputy Director, Architect Construction of Southern Architect Co. Ltd.
2005 – 2015: President, Ho Chi Minh City Architects Association.
2007 – present: Technical advisor, Huy Khuong Construction Trading and Service Co., Ltd.
2018 – present: Independent Member of the BOD, Phat Dat Real Estate Development Corporation.



Mr. **TRAN TRONG GIA VINH**

Independent BOD member
Year of birth: 1974

Qualifications:

Master of Economics,
Bachelor of Business Administration

Work history:

2001 – 2008: VP, Human Resource, Pepsico Vietnam.
2008 – 2012: CEO, Phuong Phat Company.
2013 – 2018: Director, Sustainable Solution Consulting Co., Ltd.
2018 – present: Independent member of the BOD, Phat Dat Real Estate Development Corporation.

Title at other organizations

- CEO, Pandemos Fashion Company Limited.
- Director, Sustainable Solution Consulting Co., Ltd.

ABOUT THE BOARD OF SUPERVISORS



Ms. **NGUYEN THI THU NGUYET**

Head of the BOS
Year of Birth: 1979

Qualifications:

Master of Public Finance

Work history:

2005 – 2011: Chief Accountant, Real Estate Joint Stock Company No. 10.
2011 – 2014: Chief Accountant, Doosong Vina Construction Co., Ltd.
2014 – present: Chief Accountant, Truong Phat Loc Shipping Trading Joint Stock Company.



Ms. **NGUYEN AI LINH**

BOS Member
Year of Birth: 1982

Qualifications:

Bachelor of foreign languages

Work history:

2005 – 2007: Project Secretary, AIC Management Consultant Co., Ltd.
2007 – present: Project Secretary, Head of Reception and Clerk Department, Deputy Head of Administration and Member of The Board of Supervisors, Phat Dat Real Estate Development Corporation.



Ms. **VO THI MINH HANG**

BOS Member
Year of Birth: 1991

Qualifications:

Bachelor of Accounting

Work history:

2013 – present: General Accountant, Chief Accountant, Elements Investment and Development Corporation.

ABOUT THE BOARD OF MANAGEMENT



Mr. **NGUYEN VAN DAT**

Chairman cum CEO
Year of Birth: 1970

Qualifications:

Business Administration

Founding shareholder, Chairman of the Board cum CEO from 2004 to present.

Work history:

1988 – 1996: Trading business in HCMC.

1996 – 2008: Chairman cum CEO, Tan Viet Phat Trading Co. Ltd.

2002 – 2007: Chairman, New International Trading Co., Ltd.

2003 – 2005: Chairman, Dai Phat Thinh Trading Co., Ltd.

2004 – present: Chairman cum CEO, Phat Dat Real Estate Development Corporation.

Title at other organizations

- Chairman of the Board of Members, Phat Dat Group Co., Ltd.
- Chairman, Phat Dat Nha Trang Investment Joint Stock Company.



Mr. **BUI QUANG ANH VU**

Deputy CEO – Investment
Year of birth: 1975

Qualifications:

Master of Business Administration.

Work history:

1999 – 2003: Project financial management – Vietnam Airlines JSC.

2003 – 2007: CFO, Hoang Hac Joint Stock Company.

2007 – 2010: Director of Investment Banking – Thanh Cong Securities Joint Stock Company.

2011 – 2014: CFO, Phuong Phat Company.

2014 – 2015: Director of Investment, Phat Dat Real Estate Development Corporation.

2016 – present: Deputy CEO – Investment, Phat Dat Real Estate Development Corporation.

Title at other organizations

- Director, Phat Dat Investment Company Limited.



Mr. **PHAM TRONG HOA**

Deputy CEO – Construction
Year of birth: 1973

Qualifications:

Master of Engineering

Work history:

1995 – 2000: Lecturer, National University of Civil Engineering, Hanoi.

2000 – 2004: Deputy Director, Viet Nam Construction and Investment Consulting Joint Stock Company.

2004 – 2005: Deputy Technical Director, FICO Real Estate Company Limited.

2005 – 2008: Director, FICO Real Estate Company Limited.

2008 – 2009: General Director, Nam Viet Real Estate Joint Stock Company.

2009 – 2010: Permanent Deputy Director, Saigon Vina Land Joint Stock Company.

2010 – present: Deputy CEO – Construction, Phat Dat Real Estate Development Corporation.

Operating Results in 2018

DEVELOPMENT OBJECTIVES FOR 2018 HAVE BEEN SET ON HIGH BY THE AGM. HOWEVER, ACHIEVEMENTS SURPASSED THE THIS EXPECTATIONS. THIS HELPS PDR TO SET THE HIGHEST GROWTH TARGET AFTER 14 YEARS IN BUSINESS.

REPORT OF THE
Board of Directors



“ IN ADDITION TO IMPRESSIVE BUSINESS RESULTS, THE BOD BELIEVES THAT PDR HAS MADE POSITIVE CHANGES, AND ACHIEVED PROGRESS IN MANY ASPECTS. THIS MAKES 2018 ACHIEVEMENT MORE FAR-REACHING, CONSOLIDATING THE BUSINESS, SERVING AS A SOLID LAUNCHER TO FORESEEABLE BREAKTHROUGHS. ”

Assessment of PDR's 2018 overall activities

- **Strategy Implementation:** PDR adheres to the set strategy which is implemented flexibly and effectively, in line with the real-time market context. This is done with determination in expanding the market to localities outside Ho Chi Minh City.
- **Investment, project development, products:** PDR demonstrates outstanding capabilities in land bank development and construction management, and products that satisfy PDR's criteria and commitment. Millennium project, upon completion, has helped consolidate PDR's position in the prestigious and high-end apartment segment across the new markets.
- **Finance:** PDR has greatly improved the structure of assets, capital sources and receivables/ liabilities; exercise tight cash flow management; optimize the use of capital, resulting in a significant reduction in financial costs.
- **Human Resource:** PDR guarantees suitable personnel, assign right people to the right jobs, improving human resource quality. However, this does not adequately meet the rapid growth of the Company.
- **Management system:** PDR improves quality towards professional standards, ensure strict compliance and effective implementation of the standards by employees, according to the law and PDR's procedures.
- **CSR and community activities:** In addition to volunteer work for the poor and the urge for supporting people in adversity, PDR involves even more in projects that contribute to social changes. An example in case is close collaboration with talent support funds, study promotion funds and capacity-building activities in the business community facing technological changes.

ASSESSMENT OF PDR'S 2018 ACTIVITIES

Business performance in 2018

In 2018, thanks to the efforts of all employees and the BOM, the Company successfully achieved the business targets adopted by the 2018 AGM. PDR recorded a strong growth in both revenues and profit, specifically:

Indicator	2014	2015	2016	2017	2018	2017 vs. 2018 comparison	
						Value	Proportion %
Net revenue	415.28	402.51	1,496.67	1,326.63	2,147.71	821.08	61.9%
Profit before tax	53.54	200.57	304.43	550.87	758.08	207.21	37.6%
Profit after tax	41.64	155.73	242.52	439.88	643.32	203.44	46.2%
Earnings per share (VND per share)	279	922	1,023	1,561	2,287	726	46.5%

Unit: Billion Dong

OPERATING RESULTS
IN 2018

THE BOD'S EVALUATION
OF THE BOM'S ACTIVITIES

Regarding the daily operation management, the BOM made continuous efforts to fulfill the plans set, specifically:

- Improved the planning and management procedures in correlation to the scale of business, ensuring fit management capacity and capabilities for most comprehensive cooperation.
- Offered timely recommendations and propose appropriate solutions to the BOD on a regular basis, to enhance efficiency, quality and optimize project budgets.
- Proposed and implemented many consistent financial measures and solutions to improve the efficiency of assets and resources utilization; control cost, and increase revenues from real estate business.
- Strengthened relationships with governmental bodies during project implementation.
- Active efforts in building relationships with investors and securities companies; built and effiently implemented strategies and plans to communicate and disclose information on business activities to investors.

The BOD highly appreciates the BOM's competency and evaluates the BOD as a united, proactive, professional, and creative team that, in its management and always stays abreast of reality and properly complies with the provisions of law, the resolution of the Shareholders' meeting and the BOD's resolution.



THE BOD'S STRATEGIC
PLANS AND DIRECTIONS
IN 2019



In 2019, the BOD aims to steer the development of the Company towards sustainability to ensure high performance and best risk control and mitigation.

Project development
strategy

- Continue to implement the business strategies and plans defined for the 2016-2020 period; particularly those established to develop the market, land bank and financial strategy.
- Focus on finalizing legal procedures for BT projects, urban residential projects, with land plots and townhouses, in order to ensure the completion of the planned investment value.
- Focus on prompt construction of infrastructure projects for urban residential land projects for timely launch onto the market.
- Accelerate compensation and site clearance at key projects, complete technical designs, arrange funding and prepare comprehensive conditions for construction commencements.

Brand
promotion

- Strengthen marketing and brand communication activities to increase brand awareness and brand health among the target customer segments.
- Expand network with investors, the media, government bodies, banks and partners; promptly and accurately communicate information about the Company's business and CSR activities.
- Fully comply with the responsibilities and obligations provided by law.

OPERATING RESULTS
IN 2018

Improve
financial
capabilities

- Continue to implement plans and measures to improve equity capacity and maintain outstanding financial indicators compared to industry competitors.
- Attract more financially capable investors – both individual and institutional – to invest in the Company in different forms, including co-investment and co-development of projects.
- Focus on the efficient management of cash flow and investment costs; continue to minimize financial costs.

Improve
the quality
of human
resources

- Continue to improve and develop highly competitive human resource policies to acquire talents, maintain high-quality human resources and develop successors.
- Improve professional qualifications, adopt policies of planning, development, promotion and remuneration to ensure employee engagement.
- Hire additional qualified managers and staff to meet the increasing business operation expansion.
- Promote dialogues with employees, significantly improve the working environment to become one of the enterprises with the best workplaces in Vietnam.
- Continue to build a corporate culture which promotes employee commitment and engagement to achieve common goals.



Seminar for employees – A place for employees to share and listen to the leaders.

EVALUATION REPORT OF
Independent BOD members

REGARDING THE BOD MEETING ARRANGEMENTS

Meetings were arranged in accordance with the proceedings specified in the Corporate Charter and Corporate Governance policies. Invitations and relevant documents were sent in full to BOD and BOS members for prior perusal. The meeting agenda was discussed and reviewed carefully by BOD members to reach the best directions and solutions.

Issues related to business development strategy, corporate culture, and the building of the management system were regularly reviewed and evaluated by the BOD at periodic meetings.

Decisions made at BOD meetings complied with the provisions of the law, the Corporate Charter, the Corporate Governance policies, the AGM's resolution as well as the adopted business strategy and plan. Meeting minutes were prepared with signatures of attending members in accordance with the law.

REGARDING THE SUPERVISION OF
THE CEO AND OTHER BOM MEMBERS

The BOD properly performed the supervision of the BOM's management activities. BOD members who also chair in the BOM regularly attended periodic and non-periodic BOM meetings. Therefore, the BOD were well informed of the Company's operations and the BOM's management. The BOD and BOM coordinated efficiently to make timely decisions and policies and fulfill the planned business targets.

In general, the supervision of the BOM was maintained regularly and closely, ensuring the Company's

operations are stable, safe, complying with the provisions of the law and achieve the plans adopted by the BOD and the Shareholders' Meeting.

Managers were genuinely proactive in their roles to accomplish assigned tasks.

Executives in the BOM obtained experience and consultation from the BOD during periodical meetings.

GENERAL ASSESSMENT OF THE BOD'S ACTIVITIES

In 2018, the BOD operation was carried out according to plan and in accordance with the AGM's resolution, the Corporate Charter and the Corporate Governance.

All BOD members proved a high level of responsibility, properly carried out their tasks, proposed many solutions, made correct decisions and complied with the law. The BOD also satisfactorily steered the development of the Company by planning, monitoring

and adjusting strategic decisions. BOM's decisions were subject to analysis, challenge and consultation from the BOD for most optimal solutions in the best interests of the Company.

The BOD led the Company to multiple achievements including the completion the revenue and profit targets of 2018, the fulfillment of tax obligations to the State budget, while achieving efficiency for shareholders and stable income for employees.

THE BOARD OF DIRECTORS

MEMBERSHIP STRUCTURE

MEMBERS AND STRUCTURE OF THE BOD

In 2018, the BOD maintained its operations in accordance with the Corporate Charter and the Corporate Governance policies. The BOD, which consists of seven members, ensures a structure of balance among members in terms of skills, knowledge and experience in legislation, finance, technology and project development as well as among executive, non-executive and independent members.

Below is a list of members of the Board of Directors with the proportion of voting shares that they either represent or own:

No.	BOD member	Title	Independent	Executive	Non-executive	Proportion
1	Mr. Nguyen Van Dat	BOD Chairman and CEO		x		61.16%
2	Ms. Tran Thi Huong	Vice Chairwoman of BOD and Executive Advisor		x		0.01%
3	Mr. Nguyen Tan Danh	Vice Chairman of BOD and Executive Advisor		x		0.45%
4	Mr. Le Quang Phuc	BOD member and Executive Advisor		x		0.00%
5	Mr. Doan Viet Dai Tu	Non-executive BOD member			x	0.27%
6	Mr. Khuong Van Muoi	Independent BOD member	x			0.00%
7	Mr. Tran Trong Gia Vinh	Independent BOD member	x			0.00%

OTHER TITLES HELD BY BOD MEMBERS AT OTHER COMPANIES

No.	BOD member	At other company	Title
1	Mr. Nguyen Van Dat	Phat Dat Group Co., Ltd.	Chairman of the Members' Council
		Phat Dat Nha Trang Investment Corporation	BOD Chairman
2	Mr. Nguyen Tan Danh	Elements Investment and Development Corporation	BOD Chairman
		Phu My Hung Investment Corporation	BOD Chairman
		BDSC Management Consultancy Corporation	BOD Chairman
3	Mr. Le Quang Phuc	Tay Ho Investment & Construction Corporation	Deputy Chairman
		Le & Partners Co., Ltd.	Chairman of the Members' Council
		Song Dien Real Estate Investment and Development JSC	BOD Chairman
		PNJ Jewelry JSC	BOD member
4	Mr. Doan Viet Dai Tu	Tam Son Yatch Co., Ltd.	CEO
		Gras Savoye Willis Vietnam Insurance Broking Co., Ltd	Member of the Members' Council
		Vien Ba Co.,Ltd.	Chairman of the Members' Council
5	Mr. Tran Trong Gia Vinh	Vinaconnect Sole Member Co., Ltd.	President
		Sustainable Consultancy Co., Ltd.	Director
		Pandemos Fashion Co., Ltd.	Manging Director

CHANGES IN BOD MEMBERSHIP

In 2018, some changes took place in the BOD membership: the departure of 01 member due end of mandate in March 2018, and the addition of 02 members for the 2018-2023 term.

THE BOD'S ACTIVITIES

The BOD's main activities

The BOD regularly monitored, evaluated and controlled the operation and management of the Company. Collaborated with the BOM on important issues regarding the business operations and business plans, specifically:

- Reviewed and approved the 2018 Business Plan.
- Monitored and reviewed on periodical basis the implementation of the 2018 Business Plan.
- Put forth solutions and decisions within its authority.
- Strengthened preemptive supervision and compliance with the Company's regulations at all departments throughout their operations.
- Organize monitoring and supervision measures of the CEO and BOM in their management.
- Met and discussed with shareholders, investors and professional financial institutions about the Company's operations.
- Prepare and organize the preparation of the 2018 Annual Report and the 2018 AGM.

OPERATING RESULTS

IN 2018

BOD MEETINGS IN 2018

In 2018, BOD held 25 meetings, adopting quarterly business performance, reviewing business plan for the next quarter as well as discussing and approving other matters within the BOD's authority.

BOD members took part in 2018 meetings:

No.	BOD member	Title	Days of BOD meetings attended	Participation %	Reason of absence
1	Mr. Nguyen Van Dat	BOD Chairman cum CEO	25/25	100%	
2	Ms. Tran Thi Huong	Vice Chairwoman of BOD and Executive Advisor	25/25	100%	
3	Mr. Nguyen Tan Danh	Vice Chairman of BOD and Executive Advisor	25/25	100%	
4	Mr. Le Quang Phuc	BOD member and Executive Advisor	24/25	96%	Overseas business trip.
5	Mr. Doan Viet Dai Tu	Non-executive BOD member	25/25	100%	
6	Mr. Khuong Van Muoi	Independent BOD member	19/25	76%	Elected as BOD member for the 2018-2023 term from April, 2018. Business trip to Hanoi.
7	Mr. Tran Trong Gia Vinh	Independent BOD member	20/25	80%	Elected as BOD member for the 2018-2023 term from April, 2018.

MATTERS ADOPTED AT BOD MEETINGS IN 2018

At the meetings, BOD adopted the following relevant resolutions and decisions on:

No.	Resolution/Decision	Date	Subject
1	01/2018/QĐ-HĐQT	Feb. 8, 2018	Finalization of shareholder list and action plan for 2018 AGM event
2	02/2018/QĐ-HĐQT	March 5, 2018	Implementation of 2018 AGM event
3	03/2018/QĐ-HĐQT	March 6, 2018	Purchase of shares to acquire the Company.
4	04/2018/QĐ-HĐQT	March 8, 2018	Approval of credit line and perform related transaction at Techcombank.

No.	Resolution/Decision	Date	Subject
5	05/2018/QĐ-HĐQT	March 19, 2018	Approval of transferred capital contribution.
6	06/2018/QĐ-HĐQT	March 22, 2018	Appointment of CFO.
7	07/2018/QĐ-HĐQT	Apr. 2, 2018	Appointment of Governance Manager.
8	08/2018/QĐ-HĐQT	Apr. 4, 2018	Approval of shares issuance as dividends to existing shareholders.
9	09/2018/QĐ-HĐQT	Apr. 4, 2018	Approval of documentations for shares issuance as dividends to existing shareholders.
10	10/2018/QĐ-HĐQT	Apr. 11, 2018	Issuance of guarantee and performance of related transactions at Techcombank.
11	11/2018/QĐ-HĐQT	Apr. 19, 2018	Approval of of transferred capital contribution.
12	12/2018/QĐ-HĐQT	May 2, 2018	Extension of bid bond and transfer of all deposits to Deposit contract.
13	13/2018/QĐ-HĐQT	May 11, 2018	Performance of related transactions at Techcombank.
14	14/2018/QĐ-HĐQT	May 28, 2018	Remuneration of BOD and BOS members in 2018.
15	15/2018/QĐ-HĐQT	June 9, 2018	Approval of the signing of service contract with related parties.
16	16/2018/QĐ-HĐQT	June 27, 2018	Contribution of capital and appointment of representative at PDP Invesmtent, Construction and Engineering Co.,Ltd.
17	17/2018/QĐ-HĐQT	July 18, 2018	Approval of the signing of service contract with related parties.
18	18/2018/QĐ-HĐQT	Aug. 20, 2018	Extension of the project progress of the Bau Ca Urban Residential Area combined with area improvement in Quang Ngai city, Quang Ngai Province.
19	19/2018/QĐ-HĐQT	Sep. 24, 2018	Performance of related transactions at Techcombank.
20	20/2018/QĐ-HĐQT	Oct. 29, 2018	Sale of the Company's assets.
21	21/2018/QĐ-HĐQT	Nov. 6, 2018	Dissolution of Phu Hung Real Estate Investment Co.,Ltd.
22	22/2018/QĐ-HĐQT	Dec. 1, 2018	Evaluation of the transfer of EverRich 2 and EverRich 3 projects and request for time extension of the transfer.
23	23/2018/QĐ-HĐQT	Dec. 10, 2018	Performance of related transactions at Techcombank – Quang Ngai Branch.
24	24/2018/QĐ-HĐQT	Dec. 20, 2018	Approval of the performance of related transactions at Vietnam Prosperity Bank (VP Bank) and/ or other credit institutions led by VP Bank.
25	25/2018/QĐ-HĐQT	Dec. 25, 2018	Approval of signing of property transfer contract with related party.

BOARD OF MANAGEMENT

Assessment Report



BUSINESS PERFORMANCE ACTIVITIES IN 2018

The real estate market in 2018 was characterized by impressive figures in both supply and demand.

High absorption, stable transaction volume in most segments, with demand on the increase, boosted a balanced and sustainable growth for the whole industry.

The general market context has given a great opportunity whereas the nature of the market pushed PDR for more rapid and stronger deployment, which could only be achieved through prior founded competitive advantages. Simultaneously, with good premise and growth momentum from 2017, PDR had a solid base to enter a prosperous 2018 in terms of revenue and profit. Thereby, the company also achieved a new position in terms of brand value, team maturity that gave rise to a strong breakthrough in terms of capabilities and vision.

“ 2018 WAS A YEAR OF EFFECTIVE ACTIVITIES WITH OPERATING EXPENSES CONTROLLED, BUSINESS RESULTS WAS FIRMED BY QUALITY PRODUCTS IN THE MARKET. ”

NET REVENUE
2,147.71
(BILLION VND)

The business plan and development goals for 2018 were set rather high at the 2018 Annual General Meeting. However, the actual results achieved by the BOM and all PDR employees surpassed expectations. This achievement resulted in the highest growth rate ever, 14 years since establishment. To name a few:

Net revenue is VND 2,147.71 billion – equivalent to 107.4% of the planned target, up by 61.9% compared to 2017.

Profit before tax is VND 758.08 billion – equivalent to 94.8% of the plan, up by 37.6% compared to 2017.

Business performance in 2018 compared to 2017

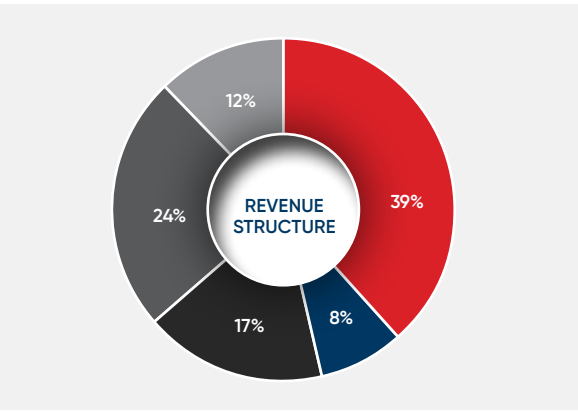
Unit: Billion Dong

Business performance	2017	2018	Increase/ Decrease (%)
Net revenue	1,326.63	2,147.71	61.9%
Gross profit	519.05	681.15	31.2%
Revenue from business activities	362.42	564.34	55.7%
Profit before tax	550.87	758.08	37.6%
Profit after tax	439.88	643.32	46.2%

Revenue structure

Unit: Billion Dong

Items	2018
Net Revenue	2,147.71
River City project (The EverRich 2)	827.11
The EverRich 3 project	172.34
The EverRich Infinity project	368.24
Millennium Project	521.80
Other revenues	258.22



OPERATING RESULTS IN 2018

ASSESSMENT OF FINANCIAL SITUATION

SHORT-TERM ASSETS

8,050

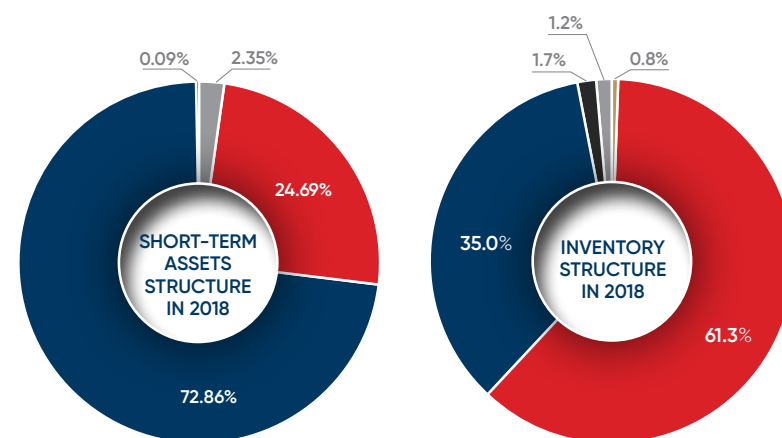
(BILLION DONG)

An increase of 2.4% compared to 2017

From valuable lessons learned through difficulties, proper adjustments were made regarding the financial strategy. In particular, improving financial management capability is a key element. This objective has been critically enforced by the BOM and yielded positive changes.

PDR's short-term assets reached VND 8,050.30 billion, up by 2.4% compared to 2017. In particular, short-term receivables increased the most, reaching VND 877.41 billion, or 271%, mainly as a result of recording the revenue from the Millennium project.

Besides, inventories decreased by 3.68% compared to 2017 - from VND 6,089.79 billion to VND 5,865.81 billion - as a result of recording cost of goods sold from the transfer of 297 apartments in River City project (The EverRich 2) which were handed over to a partner. PDR's total inventory mainly consists of The EverRich 2 and The EverRich 3 projects (accounting for 96.2%). Currently, the legal procedures to transfer these 02 projects is near complete and the transfer is expected to complete soon, in accordance with the law.



Short-term assets structure

Unit: Billion Dong

Criteria	As of Dec 31, 2018
Cash	189.34
Short-term receivables	1,987.99
Inventory	5,865.81
Other short-term assets	7.16
Total	8,050.30

Inventory structure

Unit: Billion Dong

Inventory structure	2017	2018
River City Project (The EverRich 2)	4,290.53	3,953.26
The EverRich 3 project	1,545.66	2,051.83
The EverRich Infinity project	143.91	-
Phat Dat Bau Ca Project	19.85	98.56
Phan Dinh Phung Sports Center Project	40.57	72.63
Other Projects	48.80	49.07

LONG-TERM ASSETS

3,007

(BILLION DONG)

An increase of 44% compared to 2017

Long-term assets: PDR's long-term assets reached VND 3,007.13 billion, an increase of 44% compared to 2017. In particular, the major increase owes to investments in the Internal technical infrastructure in Section I (Co Dai Ancient Village) in District 9, HCMC and Ham Ninh traditional handcraft village, Phu Quoc - projects with expected high yields in the future.

In addition, prepaid expenses also increased by VND 902 billion, or 42.8 times y.o.y. This increase mainly results from the compensation fee paid to CRE & AGI and Phu Hung Real Estate Investment Company Limited, when PDR terminated the co-investment in The EverRich 2, to complete legal procedures for project transfer to Big Gain Investment Company Limited. All prepaid expenses will be fully recovered when the EverRich 2 is transferred.

In 2018, the Company did not incur any bad debts and bad assets.

Unit: Billion Dong

Criteria	As of Dec 31, 2018
Long-term receivables	1,218.79
Fixed assets	10.53
Investment properties	81.80
Long-term assets in progress	772.51
Long-term investments	-
Other long-term assets	923.50
Total	3,007.13

Liabilities situation

The Company's liabilities are VND 7,545.80 billion, up by 5.95% compared to 2017. In which:

Short-term debt: In general, short-term debt decreased by 27% compared to 2017, mainly because of the recorded revenue from The EverRich Infinity, thus, payables to related customers no longer exist.

Short-term payables increased by 212.4% due to the purchase of office apartment products for sales that has not been paid to partners. These payables are to be offset by short-term receivables from customers purchasing PDR's products.

Long-term debt: Long-term debt increased by 12%, corresponding to the amount received for The EverRich 2 and The EverRich 3 co-investment contracts. This long-term debt will be paid off when the EverRich 2 and The EverRich 3 projects are transferred.

Fluctuations in short-term and long-term debt:

Criteria	Unit (VND)	2017	2018	Increase/Decrease %
Total assets	Billion	9,948.86	11,057.43	11%
Short-term assets	Billion	7,860.01	8,050.30	2%
Long-term assets	Billion	2,088.84	3,007.13	44%
Loan payables	Billion	7,121.97	7,545.80	6%
Short-term debt	Billion	1,080.84	791.98	-27%
Long-term debt	Billion	6,041.13	6,753.82	12%
Owner's equity	Billion	2,826.88	3,511.63	24%

Influence of exchange rates: The Company did not incur any loans, borrowings, debts payable in foreign currencies, thus, fluctuations in exchange rates are not relevant.

Earning power ratio: Profit after tax / total assets (ROA) reached 5.82%, Profit after tax / equity (ROE) reached 18.32%. These are the highest numbers since 2014 with CAGR of 71% and 59% respectively.

OPERATING RESULTS
IN 2018

ASSESSMENT OF INVESTMENT
PROJECT DEVELOPMENT



“PDR’S BLOOMING BUSINESS IN 2018 RESULTED FROM TWO CORE ELEMENTS: CORRECT JUDGMENT AND REASONABLE ADJUSTMENTS BY THE LEADERS REGARDING PROJECTS AND STRATEGIES.”

Accordingly, market and product diversification strategy were embraced. From medium-sized high-rise projects with high-end apartments, partial expansion to urban residential area projects with land plots in prime locations was implemented. Simultaneously, PDR’s key market is no longer confined within Ho Chi Minh City but has expanded rapidly and impressively to other potential provinces and cities.

In addition to adjusting project and product strategies, we have accelerated the completion of legal procedures, construction work and sales activities of on-going projects, helping to bring products to the market in a timely fashion, yielding high revenue at reasonable timeline.

The effort to adjust the product strategy as above clearly shows the efficiency in reality. A typical result is the completion of The EverRich Infinity, Millennium (HCMC) and the development of Phat Dat Bau Ca Urban Residential Area project (Quang Ngai), which not only contributed a large proportion of the total revenue in 2018 but also brought an encouraging breeze to the Phat Dat – PDR brand on the market.

Another remarkable achievement is the successful acquisition through bidding of the land plot No. 4 in Nhon Hoi Eco Urban Area (Binh Dinh) - soon to be developed into a modern urban residential area project. This project is deemed as a premise to open up greater prospects, both in terms of business opportunities and influence in rising markets such as central coastal cities.

On the other hand, we continue to focus on completing legal procedures of the BT projects and the procedures for transferring The EverRich 2 and The EverRich 3 to partners.

In addition, we have completely recovered VND 296 billion in three associated companies: VND 45 billion from Anh Duong Real Estate Development JSC; VND 176 billion from Dien Gia Khang Real Estate Company Limited; VND 75 billion from Dien Gia Khanh Real Estate Company Limited.

Please refer to the project implementation situation in 2018 in the table **Summary of investment situation and project implementation** at page 66 to 69.

ASSESSMENT OF ORGANIZATIONAL STRUCTURE
AND HUMAN RESOURCE POLICY



“ADJUSTING THE BUSINESS STRATEGY GOES IN LINE WITH STRENGTHENING THE ORGANIZATIONAL STRUCTURE AND DEVELOPING PEOPLE, IMPROVING INTERNAL STRENGTH WHILE ENHANCING SPEED, SCALE AND NEW BUSINESS GOALS.”

Therefore, in 2018, PDR was not only content with financial and project development achievements but also remarkable advances in core business fields.

Management system

We have been dedicated to building a professional management system since the beginning. Strict principles, policies, regulations and procedures have helped to achieve good performance over the years. In line with the new strategic directions, to ensure upcoming

senior management’s requirements, and to adapt to market changes, it goes without saying that a professional, forward thinking and efficient management system deserves more attention. Therefore, besides reviewing, strengthening and upgrading the existing management system, PDR has also researched and applied several new management tools and methods.

One of the most noticeable points of this activity is the development of modern, professional project management processes to fit the Company and the market condition better.

Human resources

To meet development needs and strengthen management, PDR has increased the number of employees by 11% compared to 2017. Human resources increased mainly at management level, high-level experts, in the fields of investment, construction and finance. Compared to 2017, the management team, has increased to 34 people from 24, an increase of 42%.

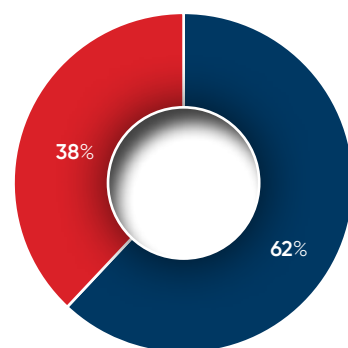
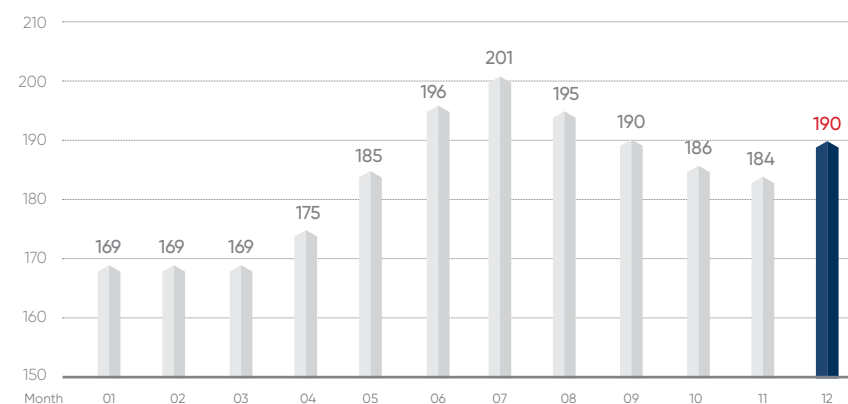
In general, the personnel structure has changed positively, with middle management accounting for 21%, and professionals accounting for 28% of the total workforce, ensuring quality and high efficiency in executing PDR’s activities.

OPERATING RESULTS IN 2018

INCREASE OF HUMAN RESOURCES

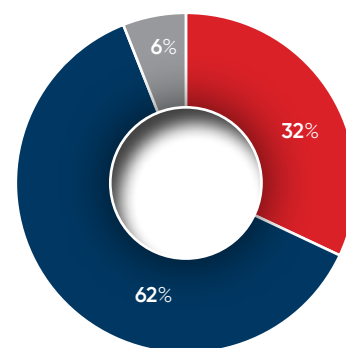
11%
(COMPARED TO 2017)

Detailed information on personnel structure in 2018



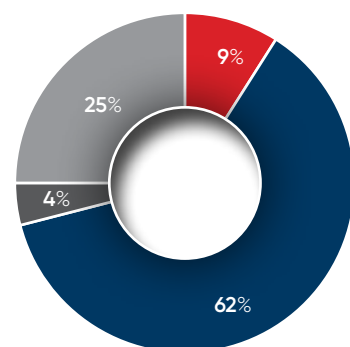
Personnel by gender

Male	62%
Female	38%



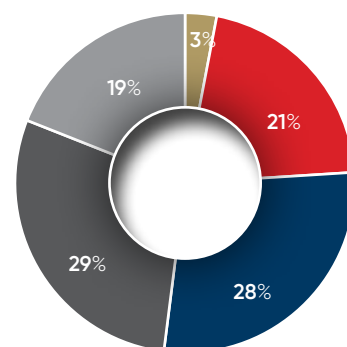
Personnel by age

Under 30	32%
30 to 50	62%
Over 50	6%



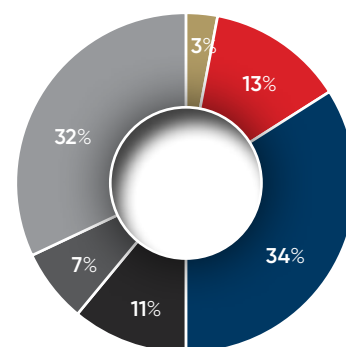
Personnel by qualifications

Post-graduate	9%
University	62%
College	4%
Vocational School, Secondary education	25%



Personnel by management level

Leaders	3%
Managers	21%
Specialists	28%
Staff with University degree	29%
Staff	19%



Personnel by departments

Management Board	3%
Investment	13%
Construction	34%
Sales and Marketing	11%
Finance and Accounting	7%
Administration	32%

Policies for employees

PDR is considered an enterprise with good work environment, where employees are respected and protected. In addition to strict implementation of all the provisions and policies by law regarding employees' rights, favorable policies and positive corporate culture are encouraged, balancing the interests of all related parties.

INCREASE OF WELFARE AND REWARD FUND

158%
compared to 2017

Therefore, previously, we have also continued to significantly improve policies in this area, recognizing employees' dedication in terms of their capabilities and performance. Specifically, salary scheme reforms were carried out with average salary increasing by 24% compared to 2017, reaching VND 20.5 million/month. In particular, management level has an average salary increase of 30%, reaching VND 40.9 million/month.

Rewards and other welfare in 2018 reached a high level compared to the general practice in Vietnam's labor market. The Company fully guarantees bonuses for holidays, annual trips, periodical health checks, purchasing health insurance for managers and comprehensive accident insurance for all employees, as well as providing lunch, sick calls, ceremonies, awards for employees' children... The total cost for welfare activities in 2018 for employees was VND 16.1 billion, up by 158% compared to 2017 was VND 6.24 billion.

Social insurance for PDR employees

Year	Unit (VND)	Total social, medical and unemployment insurance premiums	Employees' share of social, medical and unemployment insurance premiums	Total social, medical and unemployment insurance premiums
2014	Million	784	374	1,158
2015		1,147	547	1,694
2016		1,650	788	2,438
2017		2,670	1,295	3,966
2018		4,634	2,263	6,898

Total bonus and benefit payments to PDR employees

No.	Item	Unit	Amount
1	Cost for mid-shift meals	Million VND	1,281
2	Bonuses (for holidays and Tet, etc.)		10,026
3	Welfare expenses		908
4	Teambuilding and training expenses		3,855
Total			16,070

In addition to salary reforms and increase in reward and welfare scheme, PDR continues to implement the policy of recognizing the dedication of

long-term employees. Specifically, PDR rewards an equivalent of 1-2 month salary for employees who have been with the company for 5 years and 10 years; and senior

employees who have been with the company for long are prioritized to buy houses and land plots at PDR's projects.

OPERATING RESULTS
IN 2018



PDR's team building in 2018 in Singapore.



Ms. Tran Thi Huong - Vice Chairwoman and Executive Advisor, honoring long service employees.



Breakfast is the culture of PDR every Monday morning, creating cohesion and sharing.

In an effort to build a pleasant, supportive, efficient work environment, in 2018, PDR successfully organized the team- building program with interesting activities for all employees in Singapore. In addition, PDR holds many regular activities to boost employee interactions such as breakfast on Mondays coupled with daily lunch at premise, monthly dialogues with employees at the end of the month, training and communication sessions regarding the management system, corporate culture...

Training policy -
human resource
development

To have strong, professional and efficient manpower; simultaneously, to create opportunities for employees to display their abilities and achieve promotion based on their potential and effort, practical tutorial and mentoring programs are continuously carried out. Further, internal training and exchange sessions are organized to help employees enhance their knowledge.

PDR also focuses on planning and developing a successive leadership team through rotation, appointing talents to managerial positions to get hands-on experience in senior management positions.



ASSESSMENT OF ENVIRONMENT
AND SOCIAL RESPONSIBILITY

“ WE ARE THOROUGHLY AWARE OF THE RESPONSIBILITY THAT A REAL ESTATE DEVELOPMENT BUSINESS NEEDS TO UNDERTAKE TOWARDS THE SOCIETY AND ENVIRONMENT. THEREFORE, MUCH FOCUS IS PUT ON DESIGN AND CONSTRUCTION QUALITY TO ENHANCE THE LIVING ENVIRONMENT FOR THE CUSTOMERS. ”

Thus, PDR's projects are built to ensure a lush, clean and aesthetic as well as fresh and civilized living environment, contributing to a human-centered urban area development.

Therefore, upon developing projects, PDR consistently cooperates with reputable domestic and foreign partners, designers and contractors, to ensure the products meet the requirements regarding living environment for customers and the community.

Much importance is addressed to this issue as the number of projects and products expands along the way. In particular, water, energy and waste consumption targets are adhered...

For water consumption targets: Strict water saving regulations during construction are applied through control of water-supply points as well as appropriate infrastructure and facilities to achieve optimal water consumption when a project is operational.

For energy consumption targets: PDR recognizes the importance of power-saving equipments and solutions such as solar systems, LED in place of fluorescent lamps and compact bulbs, as well as inverter air conditioning systems, embracing design solutions which optimizes shading, solar radiation and promoting the use of green energy.

For waste targets: Waste separation is performed at the source right in the residential areas, with a dedicated area of approximately 25m² waste storage - on average - at the ground floor of the project. Garbage collection occurs on a daily basis. In addition, appointed functional units collect, transport and handle waste according to optimal standards while keeping a precise logbook registering of hazardous waste source as regulated in Circular No.12/2011/TT-BTNMT, on April 14th, 2011.

OPERATING RESULTS IN 2018

Assessment of humanitarian activities and corporate social responsibility

Besides the internal welfare, as a leading enterprise seeking sustainable development, we consistently carry out supporting activities for social and community development in many fashions, fields and scales.

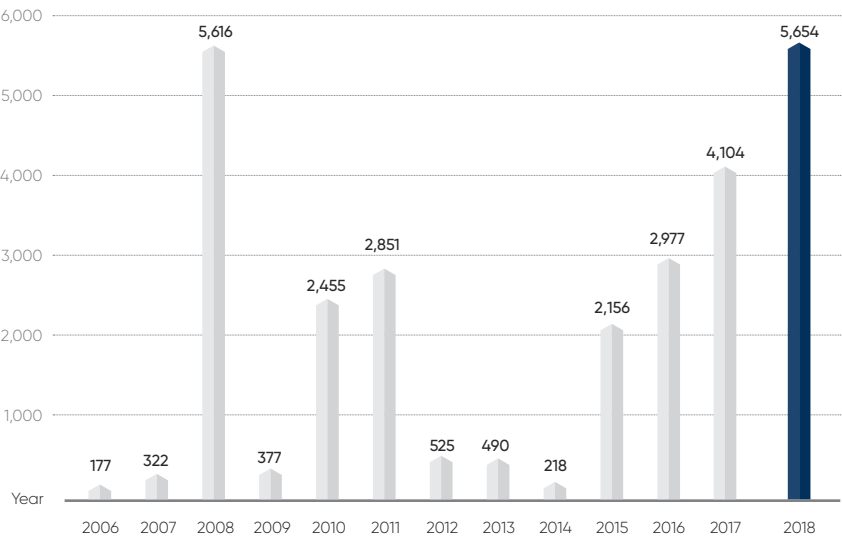
In 2018 alone, over VND 5.7 billion was spent on supporting valuable young talent nurturing activities and projects, to create a positive change in the community. In particular, special priority was given to Learning promotion funds, scholarships for students in hardship with good academic achievements.

Prominently, PDR is a regular sponsor of the “Students to school” Scholarship and is one the founders of the “Quang Ngai Students to School Club” with large contribution in both long term and short term.



PDR's contributions to social and community activities over the years.

UNIT: Million Dong



- 01 Interior furniture support for Tra Xinh School in Quang Ngai.
- 02 Corporate social responsibility activities.
- 03 Scholarship Fund "Quang Ngai students to School".



In addition to scholarship grants, PDR engages in supporting the school children's learning and development environment in remote areas.

On July 20th, 2018, PDR contributed interior furniture for students' boarding houses in Tra Xinh (Tay Tra - Quang Ngai). Previously, in March 2018, PDR periodic support was provided to the Phu Hoa - Quang Ngai orphanage.

Funding activities and support for community organizations and projects are also implemented in Ho Chi Minh City and many other regions.

Not only helping people with low income, we also engage in capabilities - building in business communities. Among which we can name:

- Sponsoring the Industry 4.0 Forum organized by HCMC Business Women Association, for the advancement of women in an ever increasing technological world.
- Sponsoring the Ho Chi Minh City Gymnastics and Sports Contest to promote and improve the quality of sports nationwide.
- Funding the construction of the national flagpole at Hon La island, Quang Binh province. It is an educational project intended to infuse pride, patriotism in the younger generations, duty to protect the sovereignty and territorial integrity of the Fatherland...

30
(BILLION DONG)

PDR's contributions to social and community activities from 2006 up to now.

- 01 Funded construction of the national flagpole in Hon La island, Quang Binh.
- 02 Sponsored HCMC Sports Congress in Ho Chi Minh City.
- 03 Donated to the "Winter night dream" program in support of cancer patients.

IN ADDITION TO MATERIALISTIC DONATIONS, SPONSORSHIP, PDR ADVOCATES FOR EMPLOYEES' PARTICIPATION IN SOCIAL ACTIVITIES. THE SENSE OF RESPONSIBILITY TOWARDS THE COMMUNITY AND PRACTICAL CONTRIBUTION TO SOCIETAL PROGRESS ARE QUALITIES THAT ARE HIGHLY REGARDED AND NURTURED THROUGHOUT PDR.

2019 DEVELOPMENT PLAN



WITH THE MOMENTUM FROM 2017 AND ACCELERATED SUCCESS IN 2018, PDR IS NOW BETTER EQUIPPED WITH FINANCIAL RESOURCES, PEOPLE, BRAND EQUITY, CLOSE RELATIONSHIP WITH CUSTOMERS, PARTNERS AND RELATED PARTIES, TO PURSUE THE MAJOR GOALS SET FORTH.

STRATEGY FOR LAND BANK DEVELOPMENT



We aim to achieve a 400-hectares of available land bank in 2019. To achieve this, appropriate land bank acquisition strategies were devised, including:

In HCMC: Focusing on developing legally completed small and medium-scale land banks, in the central districts, through direct acquisitions and M&A, renovating old buildings into new residential areas, and swap from BT projects to deploy the projects in the shortest time.

In other key markets: Expanding operations to coastal and Class-2 cities markets – where urban central districts are being established with good infrastructure supporting tourism, such as upgraded airports, transportation, newly-planned domestic and national aviation routes, which, in turn, attract investment.

No.	Project Portfolio	Location	Area (Ha)
I EXISTING LAND BANK			386.1
1	River City (The EverRich 2)	District 7, HCMC	11.2
2	The EverRich 3	District 7, HCMC	9.9
3	Phat Dat Bau Ca Residential Area	Quang Ngai	7.7
4	Bo Bac Urban Residential Area	Quang Ngai	46.6
5	Ham Ninh traditional handcraft village	Phu Quoc	138.8
6	Nhon Hoi Eco-Tourism Urban Residential Area	Binh Dinh	116.2
7	Bac Ha Thanh Urban Residential Area	Binh Dinh	55.7
II JOINTLY-DEVELOPED LAND BANK			40.6
1	Vung Bau Eco-Tourism Area	Phu Quoc	40.6
TOTAL			426.7

PROJECT AND PRODUCT DIVERSIFICATION STRATEGY



The project and product diversification strategy remain a central aspect in the operations, thus, resulting in new product launches in major market segments:

In HCMC

- Small and medium-sized projects in the high-end and mid-end apartments segment, located within a radius of 5 – 7 Km from the CBD, with prices ranging from 2,000 – 4,000 USD /m².
- Properties for rent such as offices, serviced apartments, commercial centers in the city center.

In other provinces and cities

- Land plots in residential area projects – new urban area projects which are planned, designed, built (infrastructures), equipped with public facilities and sold by PDR to residents, who subsequently build their own houses according to specified designs.
- Diversified real estate products in mixed – use urban areas, hospitality property products in response to the increasing demand for a modern lifestyle as well as the region's tourism potential.

Please refer to the 2019 project implementation plan at the table **Summary of investment situation and project implementation** at page 66 to 69.

**FINANCIAL STRATEGIES
AND INVESTMENT
MOBILIZATION**



For a successful breakthrough with an expected 4-fold revenue compared to 2018, we have formulated a corresponding financial strategy, which encompasses the following key tasks:

- Improving financial management capabilities, establishing and managing medium and long-term financial plans, simultaneously, incorporating scenario planning which involves risk prevention measures.
- Limiting the use of loans, implementing restructuring to invest in developing projects with PDR's own equity.
- Establishing applicable roadmaps for mobilizing and increasing capital, with an actionable plan to attract financial institutions for future projects.
- Taking advantage of the capital market to mobilize more financial resources and add value to shareholders.
- Actively meeting with investors, financial institutions, real estate companies, business community and governmental bodies to build network and trust to facilitate better capital mobilization.
- The expansion of financial sourcing coupled with the cooperation from trusted international organizations will be an opportunity for PDR to acquire and adopt international standards in developing and managing real estate project.

BRAND STRATEGY



Besides the financial goals, trustworthiness and brand value are also key objectives that PDR always strives to protect and develop. In order for the upcoming leap, to be most comprehensive and sustainable, utmost importance is placed on building appropriate brand equity. At PDR, the depth and intrinsic values are highly respected thus, the brand strategy will be formulated with the following directions:

Brand development through products

- Boosting brand presence in the market through diverse product portfolio, along with continuous development of new projects.
- Affirming prestige and maintaining customers' trust in the Phat Dat - PDR brand, with products that bring quality, aesthetics, usability and long-term added values in line with the criteria set out initially.
- Building a leading brand position in markets outside of Ho Chi Minh City, with projects that pioneer in offering a desirable lifestyle.

Brand development through communication

- Investing in a renewed brand strategy to refresh the image of Phat Dat - PDR brand, corresponding to the desired status through professional, creative and effective communication.
- Building stronger relationships with the press, public, and customers while best managing and controlling the information to ensure business integrity and transparency; at the same time to protect the brand and minimize risk factors from the challenges in the media landscape today.

**STRATEGY FOR DEVELOPING
MANAGEMENT CAPABILITIES,
HUMAN RESOURCES AND
WORK ENVIRONMENT**



The solid human resource foundation is not only the driving force towards greater prospects, but also PDR's guiding principle in every phase of the development. Striving for business success, thereby bringing about individual fulfillment, developing a prosperous and humane home remains an ultimate goal for PDR in the journey ahead. The main strategic directions for human resources including:

- Leveraging advantages from experienced and highly capable manpower in corporate management, business development and investor relations.
- Perform surveys to assess the quality of human resources and work environment. From there, necessary actionable plans are built and implemented, during the course of time.
- Upgrading policies regarding training, attracting and retaining talents, paying special attention to human resources development in line with PDR's corporate culture and philosophy.
- Continuous improvements of policies regarding remuneration and corresponding welfare as well as ESOP plan to ensure long-term service.

**ENVIRONMENT AND
SOCIAL RESPONSIBILITIES**



On the environment

- Infuse the concept across all project teams, ensuring that all PDR projects reflect the harmony in functions and aesthetics in urban civilized environment.
- Emphasize on understanding and applying the latest technologies, equipments, materials, etc., to bring about optimal consumption of water, energy, and management of waste... from construction to project operation.

On humanitarian activities and corporate social responsibility

- Evaluate and select appropriate humanitarian activities to participate in order to ensure substantial and actual contributions in the localities where PDR is present, as well as activities that can make a positive impact on the community on a larger scale.
- Continuous advocate and prioritize the fields or projects that best contribute to resolving fundamental issues or laying the foundation for long-term social improvements. For instance, education, training, nurturing of young talents ...
- Participating, encouraging and supporting meaningful activities and projects to improve the business community capabilities in general, and the real estate sector in particular.

PDR's ultimate goal is to contribute a valuable part to the community and society. PDR will always be a company with positive influence on the development of the society. Therefore, considering the strategy for strong growth, prompt expansion into diversified markets and segments, we take great considerations and measurements to ensure being aligned with regional development directions as well as creating new opportunities and values for all localities where PDR is present.



BOARD OF SUPERVISORS REPORT

In 2018, the Board of Supervision exercised its rights and obligations in accordance with the provisions of the Enterprise Law as well as PDR policies. Specifically, the BOS held regular and periodical meetings as required and fully implemented the planned activities including: Supervising the activities of the Board of Directors and the Board of Management and the Company's business and financial situation.

BOS SUPERVISORY ACTIVITIES

- Supervised the execution of the 2018 AGM's resolution.
- Supervised the Company's execution of financial obligations towards the government and employees as required by law, including but not limited to tax obligations, social insurance, health insurance, and unemployment insurance.
- Worked with independent auditor to verify the reviewed interim financial statements for the six-month period and financial statement of 2018 in order to assess the truth and fairness of financial data against Vietnam's current applicable accounting standards. BOS aligned with the independent auditor's assessment of the Company's operations and financial situation during reporting period.

- Assessed the completeness, legality and truth of the Company's business performance report, 6-month and annual financial statements of the Company, and the report on BOD's management.
- Reviewed the compliance with corporate governance regulations and provisions of the law.
- Supervised the disclosure of information in accordance with applicable regulations, ensured transparency in information disclosure in the interests of the shareholders.

RESULTS OF SUPERVISION OF BOD AND BOM MEMBERS

- BOD and BOM members properly performed their rights and obligations, in compliance with provisions of the Enterprise Law and Corporate Charter in their management and administration.
- BOD satisfactorily exercised powers in planning strategies and development orientations for the Company. BOD issued many resolutions and

decisions related to investment and business activities within its scope of responsibilities and authority. Such resolutions and decisions, made following the right sequence and jurisdiction, were consistent with AGM Resolution, met business development demands as well as the Company's development strategy.

RESULTS OF SUPERVISION OF PDR'S OPERATIONS AND FINANCIAL SITUATION

All operational activities are in conformity with the business areas specified in the business registration license and are conducted within the financial capabilities, the corporate governance policies, the Corporate Charter, the provisions of the law, the 2018 AGM's resolution and Board's decisions have also been met.

The Company fully performed tax obligations and fully paid social-, health- and unemployment insurance premium on behalf of the employees as required by law. Concurrently, timely and sufficient payment of salaries and bonuses to employees in accordance with employment contracts was duly performed.

Full remuneration packages were paid to BOD and BOS.

The quarterly and annual financial statements, which were prepared in a timely and comprehensive manner in accordance with applicable regulations on accounting system. These reports covered all movements and adhered to the domestic accounting standards.

The report publications and information disclosure obligations were timely and comprehensively delivered in accordance with applicable laws.

The BOS conducted periodical and non-periodical inspections regarding the compliance with the management documentation system and supervised all business and financial activities through the implementation of goals and plans. It also proposed solutions to improve the operations and risk management.

The BOS aligned with the BOD's and the BOM's 2018 Business Performance Report and the audited financial report of 2018.

The 2018 financial statement indicators fully and clearly reflected the Company's financial situation.

The BOS highly appreciated BOM's efforts in the efficient implementation of the business activities. Accordingly, the BOM took prompt and timely actions in responding to market changes. PDR's business performance in 2018 proved a market position as an efficient performer with much potentials for sustainable development.

By the end of 2018, the BOS had not found any abnormalities in the Company's operations.

OPERATING
RESULTS IN 2018

A number of key financial data and indicators

Indicator	Unit	2016	2017	2018
Liquidity ratios				
+ Current ratio	Times	4.83	7.27	10.16
+ Quick ratio	Times	0.44	1.64	2.76
Capital structure ratios				
+ Total Debt to Total Assets Ratio	Times	0.73	0.72	0.68
+ Long-Term Debt to Total Assets Ratio	Times	0.55	0.61	0.61
Operating efficiency ratios				
+ Working capital turnover	Times	0.20	0.17	0.27
+ Inventory turnover	Times	0.16	0.12	0.25
+ Receivables turnover	Times	1.75	0.68	0.69
Profitability ratios				
+ Return On Sales	%	16.20	33.16	29.95
+ Return on Equity	%	10.38	16.82	20.30
+ Return on Assets	%	2.93	4.64	6.12
+ Profit margin	%	20.33	27.32	26.28

RESULTS OF COORDINATION AMONG BOS, BOD AND BOM

In 2018, BOS's exercised its rights and responsibilities was facilitated by the BOD and the BOM through provision of full information of the business operations and financial status.

The BOS consistently attended BOD and BOM meetings, to be kept abreast of the business goals, plans and strategies. As a result, the BOS could contribute opinions and duly fulfilled the tasks assigned by the Shareholders' General Meeting.

In 2018, the BOS held 3 meetings to implement plans and review the execution of the supervision function. In addition to these 3 official meetings, BOS members maintained regular contact via email and telephone.

BOS, BOD and BOM maintained close collaboration to promptly solve problems arised during BOS's supervision work.

BOS received no feedback from shareholders regarding issues relating to BOM's execution of business activities.

BOS'S COMMENTS AND RECOMMENDATIONS

In an effort to fulfill the tasks assigned by shareholders, the BOS acted with all honesty and sincerity while woking with BOD and BOM in building suggestions, rules and regulations.

In 2018, despite many positive developments, the domestic economic situation in general and the real estate industry in particular still faced many potential risks. In that context, the BOD and the BOM made huge efforts to achieve the planned business targets. In order to leverage on the growth momentum and achieve the planned breakthroughs, the BOS recommended to BOD and BOM to adopt the following measures:

- Strengthen the control of construction and management costs.
- Boost sales capacity and operations further through developing market fit policies as well as continuous review of partnerships with brokers for optimal selection of partnership.
- Continue to improve processes and regulations in order to optimize internal supervision work.
- Promote the role of the BOS in supervising operations, compliance with the financial management and control system of all departments/divisions of the Company as well as affiliate entities.
- Strengthen forecasting to improve resilience and risk control capabilities in business operations.

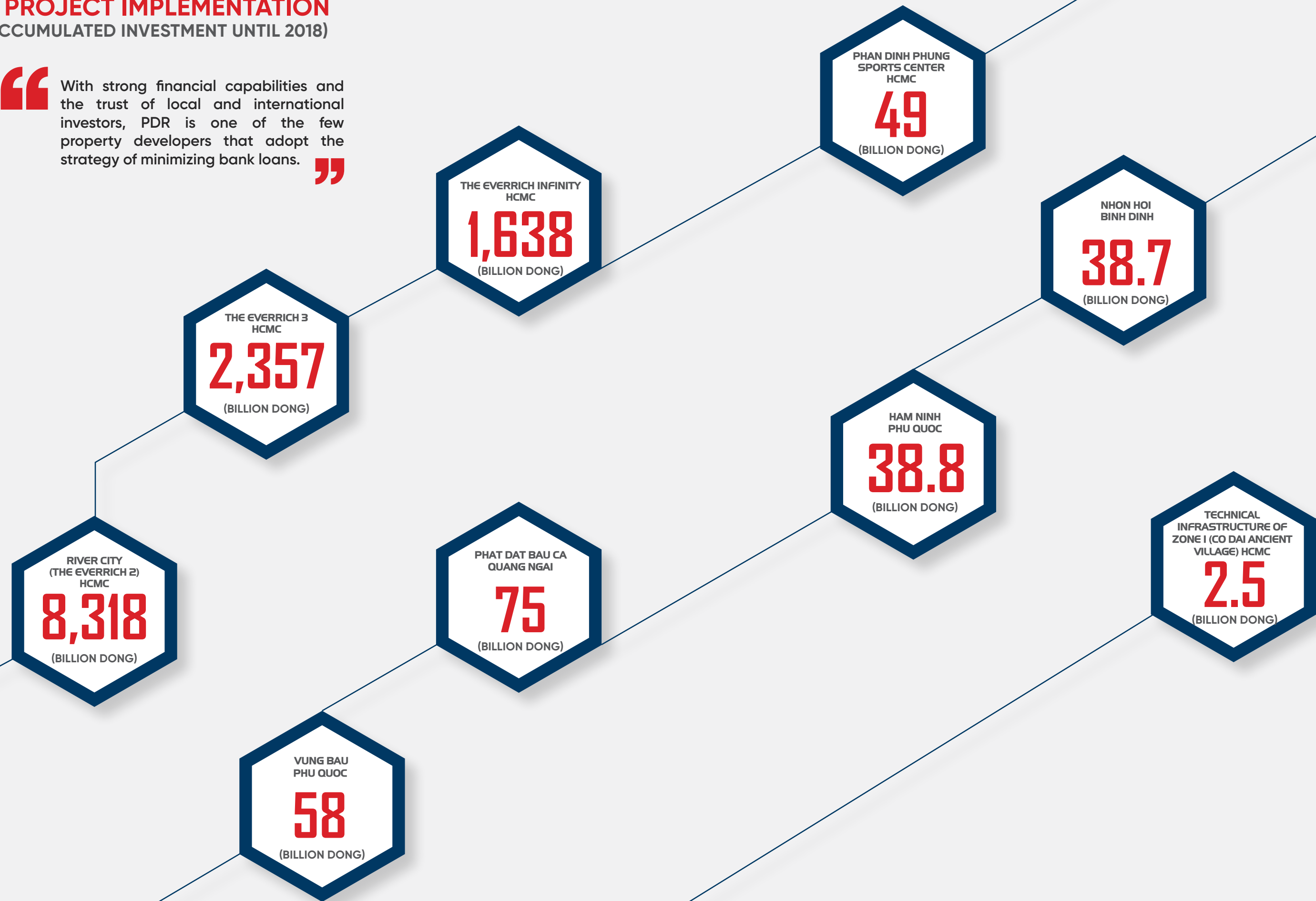
BOS'S ORIENTATION IN 2019

In 2019, the BOS continues to improve the supervision work in accordance with its rights and obligations as well as the applicable laws, and internal policies. Specifically:

- Supervise BOD's and BOM's activities in accordance with the Enterprise Law, internal regulations, the 2019 AGM's resolution and BOD's decisions.
- Periodically verify quarterly and annual financial statements prior to information disclosure.
- Collaborate with independent auditor in auditing bi-annual and annual financial statements.
- Supervise the the implementation of the Company's business and investment plans.
- Review, periodically and non-periodically (as requested by shareholders), the rationality, legality, and honesty in the operational management.
- Review the Company's financial statements, promptly contribute comments to BOD and BOM; strengthen and improve coordination processes with BOD and BOM to improve the efficiency of the supervision function.
- Closely work with the BOD and the BOM to improve the efficiency of internal supervision work. Continue to review and identify gaps in the Company's processes and regulations.

INVESTMENT SITUATION
& PROJECT IMPLEMENTATION
(ACCUMULATED INVESTMENT UNTIL 2018)

“ With strong financial capabilities and the trust of local and international investors, PDR is one of the few property developers that adopt the strategy of minimizing bank loans. ”



INVESTMENT SITUATION & PROJECT IMPLEMENTATION

No.	List of projects	Location	Scale	Total estimated investment (Billion VND)	Investment made in 2018 (Billion VND)	Estimated investment in 2019 (Billion VND)	Project implementation progress in 2018		Project implementation progress in 2019	
I.	PROJECTS BEING DEPLOYED			18,498.0	12,575.0	4,189.9	LEGAL	DESIGN AND CONSTRUCTION	LEGAL	DESIGN AND CONSTRUCTION
1	The EverRich Infinity	District 5, HCMC	0.8 ha	1,774	1,638		Continuing legal procedures to obtain ownership certificates for customers (by the end of 2018, PDR handed over around 600 ownership certificates to customers).			
2	Millennium	District 4, HCMC	0.73 ha	-	-		Completing the issue of house numbers for the entire project and continue to complete legal procedures for obtaining ownership certificates for customers.	Acceptance and completion and operation of the project, as well as handing over to customers from 06/2018.		
3	River City (The EverRich 2)	District 7, HCMC	11.2 ha	-	8,318	240.5	In legal procedures for project transfer.		In legal procedures for project transfer.	
4	The EverRich 3	District 7, HCMC	9.9 ha	-	2,357	-	In legal procedures for project transfer.		In legal procedures for project transfer.	
5	Internal technical infrastructure in Section 1 - (Co Dai Ancient Village)	District 9 - HCMC	84.1 ha	936	2,5	198.3	Legal, design and construction: Signed BT contract, currently under construction.		Legal, design and construction: Continuing Construction.	
6	Phan Dinh Phung Sports Center	District 3, HCMC	1.4 ha	1,954	49	447.2	Legal, design and construction Completed the investment agreement, completed the project's trial piles and temporary fences.		Legal, design and construction: Signed BT contract, currently under construction.	
7	Phat Dat Bau Ca Residential Area	Quang Ngai	7.7 ha	354	75	320.5	Continuing site clearance compensation and completing legal procedures to obtain land use right certificates for products under the project in 2019.	Design and construction Completed ground leveling and construction of the technical infrastructure, for customers to carry out own construction from 12/2018.	Completed legal procedures to obtain property ownership certificates for customers.	
8	Nhon Hoi Eco-Tourism Urban Residential Area	Binh Dinh	116.2 ha	2,900	38.7	2,902.0	PDR won the auction of Zone 4 in December 2018. Other land plots in the project were completed in documents and procedures in preparation for the auction.		Carrying out necessary investment procedures in order to be able to immediately open Area 4 for sale, and completing the auction for the remaining areas.	Continuing the design work.
9	Bac Ha Thanh Urban Residential Area	Binh Dinh	55.7 ha	1,500	-	66.3	Completing legal procedures for approving the policy of studying project formulation and making 1/500 detailed plan.	Implementing roject planning design	Continuing legal procedures for investment and site clearance compensation.	Implementing project planning design.
10	Bo Bac Urban Residential area	Quang Ngai	46.6 ha	1,380	-	3.7	Completing legal procedures to be obtain approval for setting up proposals and project FS.		Continuing subsequent legal procedures to implement the project.	
11	Ham Ninh traditional handcraft village	Phu Quoc	138.8 ha	2,700	38.8	6.9	Continuing subsequent legal procedures of the project.		Continuing subsequent legal procedures of the project.	Implementing project planning design.
12	Vung Bau Eco - Tourism Area	Phu Quoc	40.6 ha	5,000	58	4.5	Continuing subsequent legal procedures of the project.		Continuing subsequent legal procedures of the project.	Completing the design, planning and implementation of the project design.
II.	THE PROPOSED PROJECT CATEGORY		-	4,170.0	-	1,629.0				
1	Urban embellishment projects in District 3	HCMC	-	700.0	-	297.0	Continuing with the proposal.		Continuing with the proposal.	
2	Urban embellishment projects in District 4	HCMC	-	3,470.0	-	1,332.0	Continuing with the proposal.		Continuing with the proposal.	
TOTAL				22,668.0	12,575.0	5,818.9				

5-YEAR FINANCIAL HIGHLIGHTS

Indicator	Unit (VND)	2014	2015	2016	2017	2018
INCOME STATEMENT						
Net revenue	Billion	415.28	402.51	1,496.67	1,326.63	2,147.71
Gross profit	Billion	78.44	146.29	403.32	519.05	681.15
Operating costs	Billion	24.95	43.60	97.96	159.12	121.36
Net operating profit	Billion	52.03	99.79	304.28	362.42	564.34
Net profit from other activities	Billion	1.52	100.78	0.15	188.45	193.74
Net profit before tax	Billion	53.54	200.57	304.43	550.87	758.08
Net profit after tax	Billion	41.64	155.73	242.52	439.88	643.32
Dividend ratio				10%	20%	

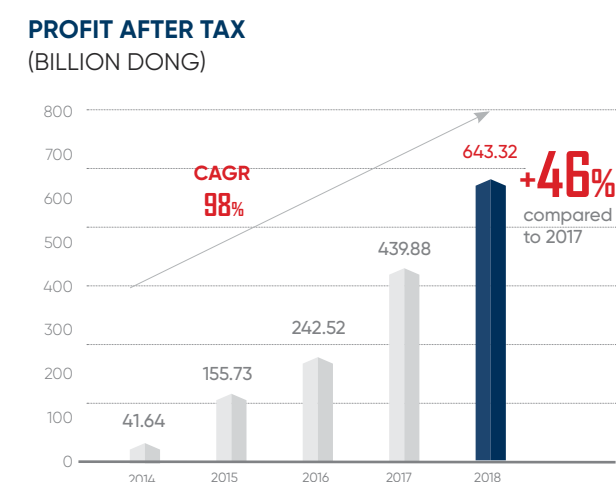
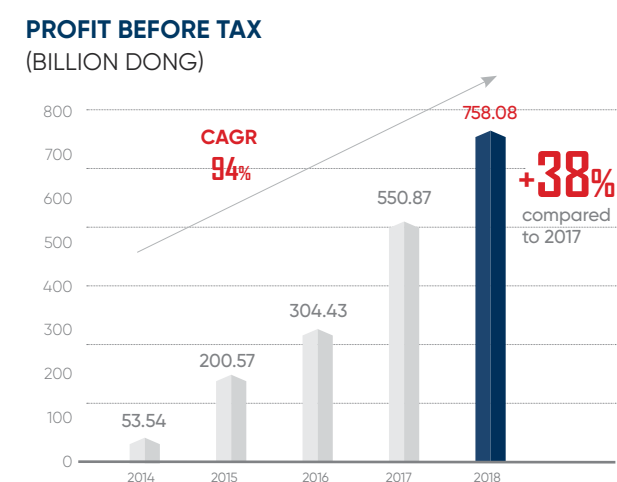
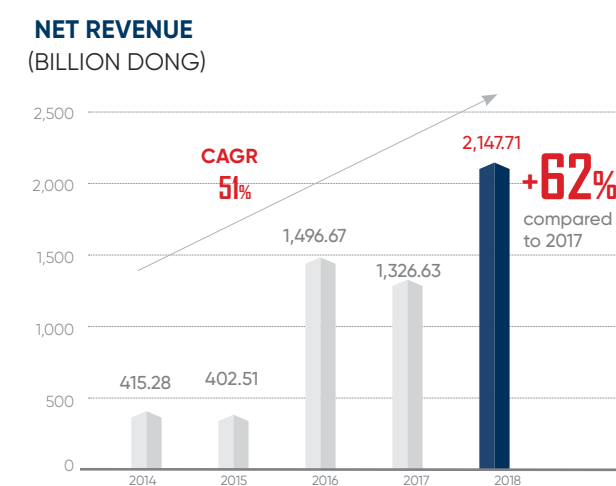
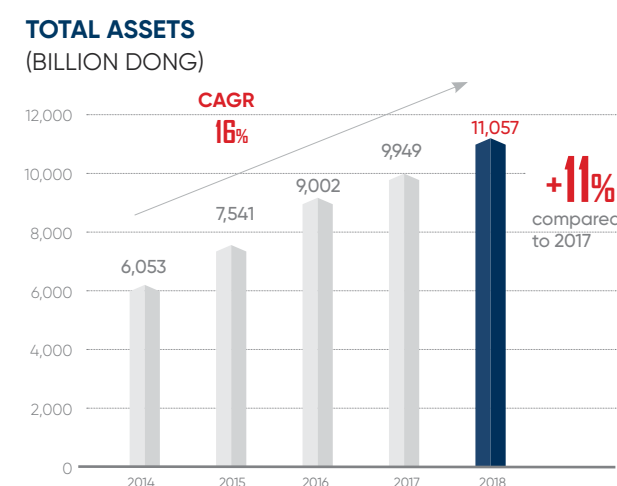
BALANCE SHEET	Unit (VND)	2014	2015	2016	2017	2018
Total assets	Billion	6,053	7,541	9,002	9,949	11,057
Charter capital	Billion	1,302	2,018	2,018	2,220	2,664
Owner's equity	Billion	1,468	2,271	2,404	2,827	3,512

FINANCIAL PERFORMANCE INDICATORS	Unit	2014	2015	2016	2017	2018
ROA	%	0.69	2.07	2.69	4.42	5.82
ROE	%	2.84	6.86	10.09	15.56	18.32
Ratio per share						
Total number of shares	Share	130,200,000	201,809,971	201,809,971	221,990,923	266,389,007
Earnings per share	VND	279	922	1,023	1,561	2,287
Book value per share	VND	11,277	11,252	11,911	12,734	13,182
Market share at year end	VND	16,100	13,300	13,100	35,700	25,500

Liquidity ratios						
+ Current ratio	Times	5.01	4.40	4.83	7.27	10.16
+ Quick ratio	Times	0.21	0.46	0.44	1.64	2.76
Capital structure ratios						
+ Total debt to Total assets ratio	Times	0.76	0.70	0.73	0.72	0.68
+ Total long-term debt to Total assets ratio	Times	0.57	0.50	0.55	0.61	0.61
Capacity ratios						
+ Working capital turnover	Times	0.08	0.06	0.20	0.17	0.27
+ Inventory turnover	Times	0.06	0.04	0.16	0.12	0.25
+ Receivables turnover	Times	1.62	0.69	1.75	0.68	0.69

Indicator	Unit	2014	2015	2016	2017	2018
Profitability ratios						
+ Profit after tax margin	%	10.03	38.69	16.20	33.16	29.95
+ Return on Equity	%	2.88	8.33	10.38	16.82	20.30
+ Return on Assets	%	0.71	2.29	2.93	4.64	6.12
+ Return On Sales	%	12.53	24.79	20.33	27.32	26.38

Source: 2014-2018 consolidated financial statements.





Corporate governance

PDR ACHIEVED SUFFICIENT PRECONDITIONS FOR MAJOR GOALS AND LONG TERM VISION. A LIVELY BUSINESS PICTURE AND THE OUTSTANDING PERFORMANCE IN 2018 CEMENT THE FOUNDATION FOR PDR TO REALIZE OUR MISSION OF CREATING NEW OPPORTUNITIES AND SMOOTHING THE JOURNEY TO PROSPERITY.

CORPORATE MANAGEMENT
MODEL

Since the start, PDR has always believed in building a professional corporate governance model and regulations. During development, there have been updates, adjustments, self-criticism on the model and regulations to fit the market environment.

- All strategies and actions are to be based on sustainable development criteria.
- Compliance with the law and ethical standards must be observed at the highest level.
- PDR's interests are protected with regard to fairness and harmony of the shareholders', customers, partners, employees, communities and related parties' interests.
- Information must be provided timely, promptly and accurately to relevant parties in all cases. Concurrently, periodic dialogue and interaction are performed to receive feedback, suggestions and remedies, to make appropriate changes from feedbacks and suggestions.
- PDR actively assess the risks regarding conflicts of interest, corruption, violations in code of conduct and business ethics, etc., to make effective prevention.
- Strict adherence to the reporting and monitoring mechanism, ensuring that business and development activities are in accordance with the directions, plans, regulations and corporate culture.



REMUNERATION, SALARY, BONUS
for BOD, BOM and BOS

Full name	Title	Number of shares	Own-ership rate	Remuneration, Salary, Bonus in 2018 (before personal income tax)		
				Remuneration, Bonus for BOD, BOS	Salary, Bonus for BOM	Total
		Share	%	VND	VND	VND
Mr. Nguyen Van Dat	Chairman cum CEO	162,911,528	61.16%	475,000,000	5,082,263,077	5,557,263,077
Ms. Tran Thi Huong	Vice Chairwoman and Executive Advisor	24,000	0.01%	260,000,000	3,064,046,154	3,324,046,154
Mr. Nguyen Tan Danh	Vice Chairman and Executive Advisor	1,200,000	0.45%	208,000,000	2,004,384,615	2,212,384,615
Mr. Le Quang Phuc	Board member and Executive Advisor	-	0.00%	208,000,000	-	208,000,000
Mr. Doan Viet Dai Tu	Non-executive Board member	721,200	0.27%	208,000,000	-	208,000,000
Mr. Khuong Van Muoi	Independent Board member	-	0.00%	160,000,000	-	160,000,000
Mr. Tran Trong Gia Vinh	Independent Board member	470	0.00%	160,000,000	-	160,000,000
Mr. Nguyen Thanh Tan	BOD Member	-	0.00%	48,000,000	-	48,000,000
Mr. Phan Ton Ngoc Tien	Head of the BOS	138	0.00%	12,000,000	-	12,000,000
Ms. Nguyen Thi Thu Nguyet	Head of the BOS	2,640	0.00%	64,000,000	-	64,000,000
Ms. Vo Thi Minh Hang	BOS Member	-	0.00%	52,000,000	39,158,333	91,158,333
Ms. Nguyen Ai Linh	BOS Member	6,000	0.00%	52,000,000	304,805,000	356,805,000
Mr. Phan Huy Han	Governance Manager	-	0.00%	101,000,000	495,213,333	596,213,333
Ms. Tran Thi Hoai An	Governance Manager	-	0.00%	40,000,000	243,992,752	283,992,752
Mr. Pham Trong Hoa	Deputy CEO	13,200	0.00%	-	2,725,746,154	2,725,746,154
Mr. Bui Quang Anh Vu	Deputy CEO	13,200	0.00%	-	2,731,561,538	2,731,561,538
Mr. Nguyen Thanh Thao	CFO	2,640	0.00%	-	807,283,077	807,283,077
Ms. Vu Quynh Hoa	Chief Accountant	-	0.00%	-	714,577,143	714,577,143
TOTAL		164,895,016	61.90%	2,048,000,000	18,213,031,176	20,261,031,176

CORPORATE MANAGEMENT

QUANTITY OF HOLDING STOCKS AND STOCK TRANSACTIONS BY INTERNAL SHAREHOLDERS AND RELATED PEOPLE:

No.	Full name	Title	Number of shares owned at beginning of period		Number of shares owned at end of period		Reason for increasing or decreasing
			Number of shares	Ownership rate	Number of shares	Ownership rate	
QUANTITY OF HOLDING STOCKS OF INTERNAL SHAREHOLDERS							
1	Mr. Nguyen Van Dat	Chairman cum CEO	135,759,607	61.16%	162,911,528	61.16%	Dividends by shares
2	Ms. Tran Thi Huong	Vice Chairwoman and Executive Advisor	132,000	0.05%	24,000	0.01%	Restructuring investment portfolio Dividends by shares
3	Mr. Nguyen Tan Danh	Vice Chairman and Executive Advisor	-	0.00%	1,200,000	0.45%	Restructuring investment portfolio Dividends by shares
4	Mr. Le Quang Phuc	Board member and Executive Advisor	55,000	0.02%	-	0.00%	Restructuring investment portfolio
5	Mr. Doan Viet Dai Tu	Non-executive Board member	226,000	0.1%	721,200	0.27%	Restructuring investment portfolio Dividends by shares
6	Mr. Tran Trong Gia Vinh	Independent Board member	11,000	0.00%	470	0.00%	Restructuring investment portfolio
7	Mr. Khuong Van Muoi	Independent Board member	-	0.00%	-	0.00%	
8	Mr. Pham Trong Hoa	Deputy CEO	11,000	0.00%	13,200	0.00%	Dividends by shares
9	Mr. Bui Quang Anh Vu	Deputy CEO	11,000	0.00%	13,200	0.00%	Restructuring investment portfolio
10	Ms. Nguyen Thi Thu Nguyet	Head of the BOS	2,200	0.00%	2,640	0.00%	Dividends by shares
11	Ms. Nguyen Ai Linh	BOS Member	60,000	0.02%	6,000	0.00%	Restructuring investment portfolio Dividends by shares
12	Ms. Vo Thi Minh Hang	BOS Member	11,000	0.00%	-	0.00%	Restructuring investment portfolio
13	Mr. Nguyen Thanh Thao	CFO	2,200	0.00%	2,640	0.00%	Dividends by shares
14	Ms. Vu Quynh Hoa	Chief Accountant	-	-		0.00%	
15	Mr. Phan Huy Han	Governance Manager	55,000	0.02%	-	0.00%	Restructuring investment portfolio
16	Ms. Tran Thi Hoai An	Governance Manager	22,000	0.01%	-	0.00%	Restructuring investment portfolio
TOTAL			136,358,007	61.43%	164,894,878	61.90%	
TRANSACTION OF RELATED PEOPLE							
1	Ms. Nguyen Thi Minh Thu	Related to Mr. Nguyen Van Dat	-	0.00%	2,400,000	0.90%	Restructuring investment portfolio Dividends by shares
2	Le & Partners Co., Ltd.	Related to Mr. Le Quang Phuc	30,000	0.01%	-	0.00%	Restructuring investment portfolio
3	Mr. Nguyen Thanh Tan *	BOD member	22,000	0.00%	-	0.00%	Restructuring investment portfolio
4	Ms. Nguyen Thi Kim Cuong	Related to Mr. Tran Trong Gia Vinh	47,724	0.02%	04	0.00%	Restructuring investment portfolio
TOTAL			99,724	0.04%	2,400,004	0.90%	

* End-of-tenure BOD members, March/2018

TRANSACTION WITH RELATED PEOPLE

- **April 2018:** Terminated transactions with Green City Services, JSC, in relation to Mr. Le Quang Phuc, Board member and Executive Advisor and Ms. Tran Thi Huong – Vice Chairman and Executive Advisor.
 - **June 2018:** Signed an advisory service contract with Business Development Solutions Company (BDSC) to Mr. Le Quang Phuc – Board member and Executive Advisor.
 - **June 2018:** Signed a HR service contract with Business Development Solutions Company (BDSC) to Mr. Tran Trong Gia Vinh – Independent Board member.
 - **June 2018:** Terminated the business cooperation contract with Minh Hoang JSC related to Mr. Nguyen Van Dat – Chairman and CEO.
- **July 2018:** Signed a contract to provide Investment and Construction Management Services with Phat Dat Nha Trang Investment JSC to Mr. Nguyen Van Dat – Chairman and CEO.
 - **August 2018:** Terminated the contract to contribute investment capital with Truong Phat Loc Shipping JSC related to Mr. Nguyen Van Dat – Chairman and CEO.
 - **December 2018:** Signed a property transfer contract, with the right to use a land plot of 2.332m² for Ms. Doan Thi Trang related to Mr. Nguyen Van Dat – Chairman and CEO.

SUBSIDIARIES AND AFFILIATES

Operation

No.	Company name	Tax code	Address	Charter capital (VND)	Ownership (%)	Capital contributed (VND)
A SUBSIDIARIES						
1	Phu Hung Real Estate Investment Company Limited	0313558191	30 Nguyen Thi Dieu, Ward 6, District 3, HCMC	100,000,000,000	100%	-
2	Phat Dat Investment One Member Company Limited	0313241765	422 Dao Tri, Quarter 1, Phu Thuan Ward, District 7, HCMC	800,000,000,000	100%	131,000,000,000
3	DK Phu Quoc Corporation	1701522101	Group 17, Lot C, Resettlement Area, Quarter 5, Duong Dong Town, Phu Quoc District, Kien Giang Province	710,000,000,000	99%	702,900,000,000
4	Coinin Construction Investment Infrastructure Company Limited	0313662185	271/16 An Duong Vuong, Ward 3, District 5, HCMC	270,000,000,000	80%	216,000,000,000
B AFFILIATES						
1	PDP Project Construction Investment Co., Ltd.	0315143682	422 Dao Tri, Quarter 1, Phu Thuan Ward, District 7, HCMC	300,000,000,000	49%	-
C PDR HAS DIVESTED FROM:						
1	Dien Gia Khang Real Estate Company Limited	0313294703	271/7B An Duong Vuong, Ward 3, District 5, HCMC	360,000,000,000	49%	176,000,000,000
2	Dien Gia Khanh Real Estate Development Company Limited	0313428366	271/7B An Duong Vuong, Ward 3, District 5, HCMC	170,000,000,000	49%	75,000,000,000
3	Phat Dat Anh Duong Real Estate Development Joint Stock Company	0309096681	357/359 An Duong Vuong, Ward 3, District 5, HCMC	330,000,000,000	48%	45,000,000,000

PHAT DAT INVESTMENT ONE MEMBER COMPANY LIMITED

Established in 2015 to receive the transfer of, and continue to develop, The EverRich with 100% capital contribution from PDR. However, by the end of 2015, PDR decided to cooperate with An Gia - Creed Group to jointly develop The EverRich 2 under the new name River City. After the change, Phat Dat Investment One Member Limited Company had no activities, and returned the contributed capital to PDR. This subsidiary company will soon be dissolved.

PHU HUNG REAL ESTATE INVESTMENT COMPANY LIMITED ("PH")

Originally an affiliate, it was established to develop River City (The EverRich 2) project. As of February 1st, 2018, PDR had acquired 50.1% of PH ownership, thus increasing PDR's ownership in PH from 49.9% to 100%. On April 26th, 2018, Phu Hung received the second adjusted Business Registration Certificate issued by Ho Chi Minh City Department of Planning and Investment, approving the conversion from a limited liability company with two or more members to a one member limited liability company.

DK PHU QUOC CORPORATION

On March 9th, 2018, PDR received a transfer of 99% contributed capital of DK Phu Quoc JSC for the investment project on Ham Ninh Traditional Handcraft Village in Ham Ninh Commune, Phu Quoc District, Kien Giang Province. The project is going through necessary legal procedures in accordance with the law.

PDP PROJECT CONSTRUCTION INVESTMENT CO., LTD.

Established on July 3rd, 2018, to invest in the construction of Phan Dinh Phung Sports Center (under BT form). At present, the project is completing necessary legal procedures.

COININ CONSTRUCTION INVESTMENT INFRASTRUCTURE COMPANY LIMITED ("COININ")

On March 19th, 2018, PDR received a transfer of 80% of Coinin's contributed capital, to implement the Internal technical infrastructure in Section 1 - (Co Dai Ancient Village) in the Historical Park of Ethnic Culture in Long Binh Ward, District. 9, HCMC, under BT form. This project has been under construction as planned.

In 2018, PDR fully divested from Phat Dat Anh Duong Real Estate Development Joint Stock Company, Dien Gia Khang Real Estate Company Limited, Dien Gia Khanh Real Estate Development Co., Ltd.

Shareholder structure

& LIST OF INTERNAL SHAREHOLDERS

TOTAL CHARTER CAPITAL

2,663,890,070,000

VIETNAMESE DONG

as of December 31, 2018

• Total number of shares	:	266,389,007
• Type of share	:	Common
• Par value	:	VND 10,000 /share
• Number of locked-up shares	:	0
• Number of freely transferable shares	:	266,389,007

SHAREHOLDER STRUCTURE

As per the list of shareholders closed at December 31, 2018

No.	Indicator	Local		Foreign		Total	
		Value	Proportion (%)	Value	Proportion (%)	Value	Proportion (%)
	Number of shares	250,918,070	94.19%	15,470,937	5.81%	266,389,007	100.00%
1	Individual	250,818,822	94.15%	122,486	0.05%	250,941,308	94.20%
2	Institutional	99,248	0.04%	15,348,451	5.76%	15,447,699	5.80%
	Number of shareholders	1,373	96.55%	49	3.45%	1,422	100.00%
1	Individual	1,348	94.80%	26	1.83%	1,374	96.62%
2	Institutional	25	1.76%	23	1.62%	48	3.38%

DETAILED SHAREHOLDER STRUCTURE

According to the list of shareholders on December 31, 2008

No.	Name	Number of shares	Percentage (%)
I	State ownership	-	-
II	Internal shareholders Ownership	-	-
1	BOD	-	-
	In which:		
	- Foreign	-	-
	- Domestic	164,857,198	61.89%
2	BOM	162,937,928	61.17%
3	BOS	8,640	0.00%
4	Chief Accountant	-	-
III	Treasury shares	-	-
IV	Labor Union	-	-
V	Major shareholders (>5%)	-	-
	In which:		
	- Foreign	-	-
	- Domestic	162,911,528	61.16%

CHANGES IN SHARE CAPITAL

No.	Year	Initial charter capital (VND)	Additional charter capital (VND)	Accumulated charter capital (VND)	Form of increase
1	2010	1,302,000,000			Official listing
2	2015	1,302,000,000	65,099,710	1,367,099,710	Pay-out of dividend in shares at a ratio of 5% of share capital
3	2015	1,367,099,710	651,000,000	2,018,099,710	Issue of additional shares at a ratio of 02:01, issue price of VND 10,000 per share
4	2017	2,018,099,710	201,809,520	2,219,909,230	Pay-out of dividend in shares at a ratio of 05:01
5	2018	2,219,909,230	443,980,840	2,663,890,070	Pay-out of dividend in shares at a ratio of 05:01

INVESTOR
RELATIONS

LIST OF INTERNAL SHAREHOLDERS, SHAREHOLDERS OWNERSHIP

According to the list of shareholders closed on December 31th, 2018

No.	Full name	Title	Share statistics							Ownership (%)
			Beginning number (Jan. 1, 2018)	Increase		Amount	Decrease		Closing number (Dec. 31, 2018)	
				Purchase	Dividend		Sale			
1	Mr. Nguyen Van Dat	Chairman cum CEO	135,759,607	-	27,151,921	27,151,921	-	-	162,911,528	61.16%
2	Ms. Tran Thi Huong	Vice Chairwoman and Executive Advisor	132,000	-	26,400	26,400	134,400	-	24,000	0.01%
3	Mr. Nguyen Tan Danh	Vice Chairman and Executive Advisor	-	1,200,000	-	1,200,000	-	-	1,200,000	0.45%
4	Mr. Le Quang Phuc	Board member and Executive Advisor	55,000	-	11,000	11,000	66,000	-	-	0.00%
5	Mr. Doan Viet Dai Tu	Non-executive Board member	226,000	375,000	120,200	495,200	-	-	721,200	0.27%
6	Mr. Khuong Van Muoi	Independent Board member	-	-	-	-	-	-	-	0.00%
7	Mr. Tran Trong Gia Vinh	Independent Board member	11,000	-	-	-	10,530	-	470	0.00%
8	Ms. Nguyen Thi Thu Nguyet	Head of the BOS	2,200	-	440	440	-	-	2,640	0.00%
9	Ms. Vo Thi Minh Hang	BOS Member	11,000	-	2,200	2,200	13,200	-	-	0.00%
10	Ms. Nguyen Ai Linh	BOS Member	60,000	-	12,000	12,000	66,000	-	6,000	0.00%
11	Mr. Phan Huy Han	Governance Manager	55,000	-	11,000	11,000	66,000	-	-	0.00%
12	Ms. Tran Thi Hoai An	Governance Manager	22,000	-	4,400	4,400	26,400	-	-	0.00%
13	Mr. Pham Trong Hoa	Deputy CEO	11,000	-	2,200	2,200	-	-	13,200	0.00%
14	Mr. Bui Quang Anh Vu	Deputy CEO	11,000	-	2,200	2,200	-	-	13,200	0.00%
15	Mr. Nguyen Thanh Thao	CFO	2,200	-	440	440	-	-	2,640	0.00%
16	Ms. Vu Quynh Hoa	Chief Accountant	-	-	-	-	-	-	-	0.00%
TOTAL			136,358,007	1,575,000	27,344,401	28,919,401	382,530	-	164,894,878	61.90%

TREASURY STOCK TRADING In 2018, the Company did not perform any transactions in treasury stock.

INVESTOR
Relations

Top3 LISTED ENTERPRISES

WITH IR ACTIVITIES WITH HIGHEST
NUMBER VOTES BY INVESTORS IN 2018

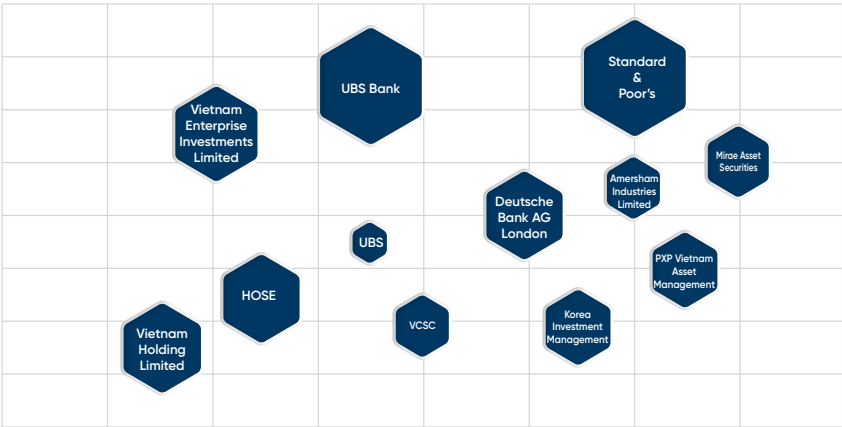
Upholding the corporate culture and code of conduct, PDR puts great importance to improving and upgrading Investor Relations, to ensure respect, fairness and optimal interests for investors at all levels. In 2018, this function recorded best performance ever. Specifically, at the IR Awards 2018 held by VietStock, PDR was honored as TOP 3 listed enterprises with the most appreciated investor relations activities 2018 (Mid-Cap).

INVESTOR RELATIONS
WITH STANDARDIZED
INFORMATION
DISCLOSURE

In 2018, PDR's IR team was handpicked in an important move towards public, transparent and timely disclosure of information to investors. In this effort, not only local standards of information disclosure is adhered, including but not limited to Circular 155, Decree 71, Circular 95 but also higher international practices and norms are adopted, such as the GRI, IFC, among others.

PERIODIC INVESTOR
RELATION ACTIVITIES

In 2018, PDR held several meetings with analysts from securities companies as well as local and foreign investors to provide updates of its business performance.



IR activities of PDR with prestigious domestic and foreign organizations

PDR STOCK PRICE UPDATES

In reality, share prices fully reflect PDR's intrinsic value through long-term development strategy, convincing business performance and a foundation for sustainable growth.

In 2018, PDR's stock was recommended by securities companies and purchased at the highest target price, an increase of 30%, from VND 25,400 to approximately VND 33,000 per share. This positive appraisal resulted from PDR's encouraging business performance. At the same time, positive signs on the property market added good prospects to the PDR stock.

CTS, a securities company known for reliable analyses, shared that despite the PDR stock price drop to VND 24.600 per share (July 2018), prospects remain unaffected. The decline reflected more of a temporary change caused by less positive information and less optimism among investors. CTS therefore trusted that PDR stock price would increase in the future. Clear signs of growth, a well-defined long-term strategy, a solid foundation and a long-term vision help increase market expectations for outstanding performance from the PDR stock in the next period.



OBJECTIVES OF INTERNAL AUDIT

Identify and manage (inherent or hidden) risks and apply remedial and preventive measures to overcome ineffective or non-compliance issues, according to management requirements during PDR's operation, to achieve the goals, plans and efficiency.

PDR STOCK PRICE CHART IN 2018



INTERNAL AUDIT PROCEDURES

No.	Work	Responsibilities
1	Planning on Internal Audit work (periodically and / or ad-hoc)	Board of Internal Audit
2	Performing internal audit work (periodically or ad-hoc):	Board of Internal Audit
	• Controlling compliance (according to the company's management requirements)	
	• Controlling operations (according to PDR's objectives and plans; quality and reliability of management reports, and financial statements)	
3	Reporting on non-compliance, inaccuracies, inefficiency, risks and proposing recommendations.	Board of Internal Audit
4	Making remedial plans, preventing non-compliance, inaccuracy, inefficiency and risk management plans.	Relevant units
5	Taking remedial actions to overcome, prevent and manage risks.	Relevant units
6	Supervising, inspecting and evaluating the implementation of remedies, prevention and risk management.	Board of Internal Audit
7	Reporting on results from remedies, prevention and risk management.	Board of Internal Audit

RISK management

DURING OPERATION, SOME RISKS ARE
DETECTED AND BEING MONITORED AND
CONTROLLED:

**GENERAL
ECONOMIC RISKS**



LEGAL RISKS



**INDUSTRY-SPECIFIC
RISKS**



FINANCIAL RISKS



**ENVIRONMENTAL
RISKS**



OTHER RISKS



**RISK
MANAGEMENT**

Risk management is an extremely important integral part enhancing efficient business operations. It ensures that the business advances in the right direction, objectives are closely followed and enhances the capability of preventing and promptly responding to unanticipated circumstances.



Further, it helps identify both prospects and opportunities that a business may aim at.

Therefore, PDR incorporates risk management into the corporate governance processes as a core function. The scope of this function covers, beyond foreseeable risks, the analysis and anticipation of potential or new risks stemming from the evolution of the global economy. Moreover, this function has to provide satisfactory interpretations, valuable recommendations and optimal scenario planning.

Aiming for a breakthrough, PDR is addressing an increased importance to risk management.

GENERAL ECONOMIC RISKS



In 2019, the local economy is forecast to maintain the growth momentum at an expected growth rate of 6.9%/year to 7%/year. Vietnam, however, will also face major challenges resulting from the impacts of both global economic-political environment and domestic. In particular, the US-China trade war is causing large scale multidimensional effects and could lead to unforeseeable changes.

Another significant challenge is the limited capability of the domestic economy as well as the business community, which is still in an emerging stage. This entails poor readiness for global competition on the home ground. Analyses have indicated that Vietnam's 2019 economic growth remains heavily dependent on multi-national corporations.

With the challenges in mind, many expressed their concern that curbing inflation rate at 4% per annum is not easy. Forecasts indicate that environment tax will most likely peak, which will subsequently result in price surge of most commodities.

Risk mitigating measures

PDR is to closely monitor market changes for prompt actions, both proactively and reactively. Efficient solutions to increase revenues and strict control of operating costs remain important focal points. Further, much focus is on seeking and expanding land banks for new potential projects in order to optimize revenues, costs and reasonable profit within PDR's capacity and opportunities, in conformity with the values in business ethics to which the Company has committed.

A number of specific solutions are addressed:

- Focus on the implementation of Build - Transfer (BT) and Land-for-infrastructure (LFI) contracts to develop new projects in Ho Chi Minh City.
- Continue to acquire legally available land bank located in prime locations in the centre of Ho Chi Minh City and other provinces such as Quang Ngai, Binh Dinh, etc. for prompt investment and business operation. Meanwhile, PDR is to strongly push sales operations and implement flexible sales policies in parallel with creative marketing campaigns tailored to reach the true target customers.
- Continue to control cost such as operational, investment and construction. In addition, in order to enhance competitiveness, multiple solutions are adopted to control investment capital, and product pricing to ensure business efficiency.

LEGAL RISKS



In recent years, although changes have been introduced to the domestic legal system to better regulate the property market, the system still needs refinement. Therefore, continued adjustments of existing laws and policies are to be expected to fit changes in the market environment. Such changes may affect PDR's business plan and operations.

One of major risks real estate businesses are facing include an insufficient legal corridor which leads to regulations overlaps and lack of information, resulting in difficulties to apply. Meanwhile, investment and land hand-over procedures remain complicated, and often not advocating for businesses' rights of ownership. Last but not least, compensation and site clearance work often face hardship while urban planning related matters are too complicated, etc.

Risk mitigating measures

In order to forecast and properly prepare for regulatory changes, an in-house legal team with senior lawyers was built. Besides this highly experienced team, law firm services are used to obtain relevant industry specific regulatory updates and propose adjustments to internal processes and policies to ensure legal compliance. In addition, legal consulting services are often used.

INDUSTRY-SPECIFIC RISKS



In 2019, the local real estate sector is forecast to have stable growth with reasonable restructuring of the market segments and products to meet the needs of a majority of customers. However, the market is expected to face many challenges which might even be more critical than those in 2018. Some major challenges are:

- A decline in supply that will lead to supply and demand imbalance. In parallel, an unbalanced product mix with high-end categories dominating the portfolio but failing to match customer demands in the mid- and low-end means the market lacks sustainability.
- The tightening of credit into real estate will spark a credit crunch, followed by increased interest rates from banks. Currently, funding is mostly of short term and the market is in severe lack of medium and long-term financing.
- More stringent customer preferences compared with 2018. Customers now tend to prefer higher safety in terms of better legality, international standards, reasonable pricing, and so on.
- Risks of compensation and site clearance associated with project development. This phase is often prolonged causing delays, extra costs and thus profit impairment. Compensation and site clearance is particularly challenging for a number of ongoing projects due to over-pricing caused by previous bubbles resulting in delays of site clearance.

Risk mitigating measures

Push for innovative solutions to invest in and develop new projects, continuously improve products and business operations.

Concentrate resources on reasonable-sized, high market absorption projects that are market fit to push sales operation, in terms of price, quality and locational advantages.

Cooperate with experienced partners with strong financial capacity to leverage the execution of construction work while building medium and long-term financing so as to relieve the pressure of an interest.

Focus on improving the management system, streamlining and up-skilling the staff to better control costs, quality and project implementation progress.

Acquire legal available land bank to develop projects in accordance with PDR's strategic orientations.

FINANCIAL RISKS



In 2019, the domestic banking system is expected to, apart from the granting of new loans, tighten credit supply and speed up the collection activities. This enables real economic growth but will also lead to an increase in lending rates. This uptrend is evident in the last months of 2018 when all banks raised their deposit rates concurrently.

This move has greatly affected all types of industries and the property sector is no exception. As a result, property developers' as well as their customers' access to loans is more limited.

RISK MANAGEMENT

Risk mitigating measures

By the end of 2018, all standing loans from bank and financial institutions were paid off. This is a very important premise for PDR's new development in the following years, especially in 2019.

Leveraging on this momentum, financial restructuring is being implemented by raising funds from alternative sources such as new equity issuance, divestment of poor performing projects, and co-investment with major domestic as well as foreign partners.

Investing in small and medium projects helps speed up sales operation to boost capital recovery, thus, minimizing the need for funding from credit institutions.

ENVIRONMENTAL RISKS



Risk mitigating measures

During project development phase, especially site clearance and construction stages, a number of temporary impacts on the environment including air pollution (from sand, stone, cement, dust, etc.), noise pollution is certain. Failure to properly assess and control these environmental impacts prior to project implementation, or the staff's failure to comply with labor safety and environmental protection regulations will result in threats to workers' health and lives as well as damages to the living environment in the neighborhood.

PDR's top code of conduct is to mitigate negative impacts on the environment. Therefore, for every project, continuous improvement in compliance both in terms of environmental impacts assessment and remedies is dedicated. Detailed instructions are provided for all activities including the handling of dust and noise pollution, treatment of waste water, maintainance of labor safety and reduced inconvenience for local people in the vicinity.

The Company will continue to adopt new technologies for treatment of exhaust gas, wastage, waste water and employ these for subsequent project operations.

In particular, projects developed by PDR are characterized by the dedication of space for greenery, open landscape and optimized nature preservation. This serves as a compelling competitive advantage and will be further promoted in the future.

OTHER RISKS

Other risks associated with force majeure circumstances such as natural disasters, flood, fire, etc. are less likely to occur but should they happen, damages will be huge and difficult to neutralize.

Risk mitigating measures



Build communication to ensure the compliance within applicable regulations regarding the control of fire, explosion and other disasters.

All properties and facilities (computer systems, office equipment) across the entire system ranging from the head office to exchanges and project sites are insured accordingly.

In addition, given the characteristics of real estate business, all PDR's buildings are insured, thus, assets attached are covered.



“ AS A LISTED COMPANY, PDR STRICTLY COMPLIES WITH APPLICABLE LAWS REGARDING GOVERNANCE OF LISTED COMPANIES AND SPECIALIZED LAWS INCLUDING ENTERPRISE LAW, LAW ON REAL ESTATE TRADING, LAW ON SECURITIES, ETC. ”

Regarding the Enterprise Law, Article 68/2014/QH13 governing the operation of joint stock companies such as the organization and convention of Shareholders' General Meetings.

Regarding the Law on Real Estate Trading, Article 66/2014/QH13 governing the off-plan properties specifics and requirements, the sales of off-plan properties, and the execution of guarantees regarding sales of these properties.

Law of Securities, Decree 71/2017/ND-CP, Circular 155/2015/TT-BTC regarding complete, transparent, accurate and timely disclosure of periodic and non-periodic information in accordance with regulations governing public companies.

Simultaneously, the Company complies with Circular 95/2017/TT-BTC and issues internal regulations using the form provided thereunder.



Corporate culture

UNDER ANY CIRCUMSTANCES, PDR ALWAYS UPD HOLD HONESTY, SINCERITY, AND RESPECT FOR INDIVIDUALITY. WE ARE WILLING TO LISTEN TO OUR EMPLOYEES AND HONOR OUR COMMITMENTS TO THEM IN ORDER TO FULLY LEVERAGE THE TEAM POWER.

CORPORATE CULTURE



CODE OF CONDUCT FOR Phat Dat People

“PDR CURRENTLY BOASTS A STRONG WORKFORCE CHARACTERIZED BY A DIVERSITY IN TERMS OF POSITION, EXPERTISE, AGE AND GENDER. IN ORDER TO HOST A DYNAMIC, STRONG AND CREATIVE TEAM IN A CIVILIZED AND POSITIVE WORKING ENVIRONMENT WHERE RESPECT FOR INDIVIDUALITY IS ALWAYS APPRECIATED AT PDR.”

However, in order to nurture a common identity of which each member will rely on as a springboard for development, a code of conduct with standard values is embraced. This is a set of rules for people of different backgrounds, needs and tendencies to share a harmonious home under the same identity: **the Phat Dat People**.

PHAT DAT PEOPLE ARE TO



- Understand the business philosophy, mission, vision, core values as well as applicable policies and regulations of the Company; work and behave in such a way as to ensure the compliance with the law, mandatory norms as well as generally accepted values.
- Prepared to participate in activities and contribute to develop the Company; give best effort for timely delivery of quality results, make positive contributions to PDR's long-term development objectives.
- Be dedicated, respect the common interest and the Company's interests; places the common interest before oneself'.
- **Phat Dat People** needs to respect fairness for the Company in any act of conduct and and chooses solutions that are in the best interests of the Company.
- Think different, do different, honor promises made.
- Take risk by changing for the better, be eager to learn.
- Challenge opinions in all fairness and protect what's right.
- Uphold integrity in all relationships, decline gifts from customers, partners and suppliers worth over VND 100,000 in any form.
- Be committed to protect the confidentiality of information and assets.

PDR'S COMMITMENTS TO EMPLOYEES



- Aiming to become one of the best workplaces in Vietnam, PDR realize people as the key factor in the development process. Therefore, not only does PDR ensure the full implementation of welfare policies for employees in accordance with applicable laws but also adopts additional incentives and build a friendly, constructive and competitive working environment.
- Maintainnig a stable and high level of employee income, ensuring transparency, consistency with market benchmark as well as relevance to the Company's business performance. Salary, bonus and reward policies are carried out with transparency and in proportion to individual contributions.
- Rejecting all forms of forced labor and committed to ensuring maximum benefits for the employees in accordance with Vietnamese laws, international practices and PDR's specific conditions and abilities.
- Under all circumstances, PDR is always straightforward and sincere, respectful towards differences of values and is willing to listen, to share and honor the promises made to employees in order to fully promote team power.

Talkshow between the BOD, BOM and employees.



Gala dinner as part of the team building program in Singapore.



Year-end party 2018.

CORPORATE CULTURE

PDR'S COMMITMENTS TO PARTNERS, INVESTORS AND CUSTOMERS



- Adopt customer satisfaction as one of the measures of the Company's equity, promote the protection of customers' rights and honor commitments to customers.
- Strictly comply with the provisions of the law, ensure the harmonization of interests for stakeholders in all activities and constantly promote good relationships among all parties.
- Treat information disclosure with confidentiality, tolerate no retribution on criticism and challenges. Appreciate all willingness to contribute, give feedback from partners, suppliers and customers. PDR has a dedicated team to receive comments from related parties and ensures to respond to such comments promptly and in accordance with the Company's standards as well as the laws of Vietnam.



2018 AGM.

PDR'S COMMITMENTS TO THE COMMUNITY AND SOCIETY



- Do our best to mitigate adverse impacts on the environment and the community in all activities related to investment and project development. PDR's projects are designed to build a modern setting which is rich in cultural and aesthetic values for Vietnamese cities, contribute to the improvement of living quality for residents and enhance the beauty of the social environment.
- Commit to sustainable development with all the responsibilities and ethics of a business, uphold operational capacity and business value in the highest correlation with the development of the community and society.
- Always attach importance to humanitarian and CSR (corporate social responsibility) activities, proactively contribute and create positive changes. PDR's humanitarian and social activities particularly focus on in-depth values and long-term efficiency to render the most practical impacts to the communities in need.

TESTIMONIAL FROM OUR CUSTOMERS



Ms. **Pham Thi Rap**

A customer of
The EverRich Infinity project

When looking for an apartment for my family, I had several options to consider. I needed an apartment located in the central area but also a green and spacious living space. The top priority, however, was the developer itself since I expected a lot, from quality to design, construction progress and maintenance services

One of my friends, who bought an apartment at The EverRich Infinity, referred to me. It was a quick decision as the project offered precisely what I need. And things have so far been great. The developer promised the apartment title would be transferred after 2 years and it was true. I already have the paper in my hand. My family has indeed settled down here at The EverRich Infinity.



Mr. **Nguyen Dong Hai**

A customer of
Phat Dat Bau Ca - Quang Ngai project

My family was very excited during a visit to the project and decided to buy immediately. A project like Phat Dat Bau Ca is a very fresh residential model in small cities like Quang Ngai. It's the kind of living space that people of my generation dream of.

Although buying land plot and have to build the house ourselves, we have access to the common infrastructure and utilities which are beyond expectation. From what I saw, Phat Dat have invested a lot and take great care of the common spaces. They've dedicated plenty of area for greenery and build many facilities suitable for residents' needs and demand. This kind of infrastructure enhances a healthier and more civilized lifestyle. It is the differentiating value that convinced us.



Ms. **Le Duc Xuan Trinh**

A customer of
The EverRich Infinity project

A couple of years ago, I was looking for an opportunity to make an investment. Among many options, I decided - after careful consideration - to buy an apartment at The EverRich Infinity because I saw the potential for decent return and a reliable developer. Things went smoothly from the beginning until now and I have rented out the apartment. Phat Dat has done a good job with customer services. Everything went smooth and I'm satisfied.

My decision to invest has proved to be a good one. Apart from the constant increase in value, I have also maximized the profit from rent. The location and facilities of The EverRich Infinity makes my apartment a good income generator. For people who seek investment opportunities like me, Phat Dat is one of my trusted partners. I am following their new projects for next investment decisions.



Ms. **Le Thi Dieu Hien**

A customer of
Phat Dat Bau Ca - Quang Ngai project

For new urban residents, a living space is not only limited to their own houses, no matter how comfortable they try to make it. We also have a great need for a green environment. Whenever we walk out of our homes, we want to have fresh air and spacious playgrounds for children. Therefore, when I saw Phat Dat Bau Ca, I knew that this is what my whole family needs.

Another thing I am very pleased with is the developer's commitment to obtain the title. No doubt, home buyers like us all want to have the paper in our hands as soon as possible. Phat Dat understand this very well and that's why we are completely rest assured. I think everyone wishes to settle down in an urban residential area like this, and if Phat Dat continue to develop new projects, they will have great advantages ahead.

TESTIMONIAL FROM
OUR PARTNERS

Ms. **Ton Nu Chau Bao**
Representative of Halo Design Co., Ltd.:
Design partner for some PDR's projects

“ For designers like us, the greatest expectation is the developer's understanding of our job. This makes us confident to develop creative designs that not only fulfill ideas but also create valuable products for consumers. Phat Dat is such a developer.

When working with Phat Dat, we can feel their dedication to both aesthetic and usability aspects. What they want to achieve is quality and uniqueness, not only optimized profits. Phat Dat's representatives are very professional and practical. They know how to present their requirements for designers to work onward the intended goals, thus helping all parties work efficiently. They are also reasonably demanding in their evaluation, which is appreciated by professional designers. The opportunities to cooperate with Phat Dat have really brought us many valuable experiences. We are very proud to name PDR in our customer portfolio. ”

Mr. **Nguyen Si Cong**
CEO – Coteccons Construction JSC
Long service contractor and
partner of PDR

“ Coteccons has had the opportunity to cooperate with PDR in many projects. We greatly appreciate the professionalism and integrity of the PDR team at all levels. In all projects that we are involved in, we can clearly see PDR's care and keenness for perfection in an attempt to achieve the best quality. Since this is also the criterion that Coteccons pursues, cooperation between the two parties has been very fruitful on the basis of mutual trust and respect.

As an enterprise, we also appreciate PDR's reputation in the business community. PDR always honor their promises, commitments and they expect the same from partners. Therefore, it requires a great deal of professionalism and dedication when dealing with PDR. Their reputation is an assurance for us as we know we will have understanding and the best level of support.

Therefore, in our view, PDR is a business that has successfully established both scale and ethics. They have a just mission and work towards the goals of creating genuine and optimal values for customers as well as society. I am convinced that PDR will continue to grow strongly and sustainably in the future. ”

Mr. **Nguyen Hoai Son**
Secretary General of Construction
and Building Materials Association

“ In the southern region, PDR is always highly appreciated for the quality of the projects. From what I see, PDR has always tried to improve the quality of building materials and seek optimal solutions to apply to their projects. This makes it possible for PDR to deliver modern projects with optimized usability as well as energy-efficient and environment friendly elements.

Besides, PDR also always show other positive characteristics of a real estate product developer. They attach importance to the aesthetic values of the projects and the urban landscape. Since they consider the interests of customers and society as their development objectives, they deserve trust and support. ”

TESTIMONIAL FROM
THE PRESS

VnEconomy

Evaluation of VnEconomy
dated 11/01/2019 – Author: Viet Hong

With positive business results, Phat Dat is ranked 62nd in the Top 500 Best Profit Enterprises in Vietnam (PROFIT 500) in 2018, voted by Vietnam Report. In addition to profitability, PROFIT 500 also relies on the strength and prospects of the enterprises, through the financial scoring model including key criteria such as pre-tax profit, total revenue, indicators reflecting profitability as ROA, ROE and reputable non-financial factors of the business on the media, labor scale, etc.

NHIPC
CAU
DAUTU

Evaluation of The Business Review (Nhiep Cau Dau Tu)
dated 10/04/2018 – Author: Ho Diep

Emerging as an upstream swimmer, Phat Dat Real Estate Development Corporation (PDR) has now got rid of its debt problems and placed itself in a completely new race by focusing heavily on BT (Build – Transfer) project to develop available land bank as well as develop the high-end apartment brand The EverRich.

Đầu tư
Chứng khoán

Evaluation by Securities News
dated 26/06/2018 – Author: Viet Duong

Recently, PDR has won many prestigious awards from reputable organizations, both domestic and foreign. These awards include Vietnam's Top 10 High-end Real Estate Developers by BCI Asia Awards 2017; Top 10 Reputation Award of Listed Companies in 2017 evaluated by Vietnam Report; Certificate the Best Financial Performer by the Business Forum in partnership with the Vietnam Research and Development Enterprise Institute (Vietnam Economic Association – VEA) and the Vietnam Association of Accountants and Auditors.

In particular, on June 7th, 2018, Phat Dat was honored as one of Vietnam's Top 50 best business performers. This is an award that involved consultation from leading economic and business experts from Harvard Business School, in reference to prestigious global rankings such as Bloomberg Businessweek, Fortune, and Forbes Global and was formulated to identify and honor good performers on the local stock market.



The PDR sustainable way

THE ULTIMATE GOAL OF ECONOMIC DEVELOPMENT IS SOCIAL PROSPERITY AND IMPROVED LIVING STANDARDS. THEREFORE, IN EACH STRATEGIC CHOICE FOR DEVELOPMENT, A BUSINESS MUST, AT THE SAME TIME, STRIVE FOR 3 VALUES INCLUDING: BUSINESS GROWTH, ENVIRONMENTAL PROTECTION, AND COMMUNITY PROSPERITY.



Sustainability Report

THIS IS PDR'S PROFOUND PHILOSOPHY OF SUSTAINABLE DEVELOPMENT AND OUGHT TO BE IMPLEMENTED EFFICIENTLY, PRACTICALLY AND PROACTIVELY IMPLEMENTED THROUGHOUT THE COMPANY'S OPERATION.

WHILE HEADING TOWARDS THE NEW ERA WITH GREAT ASPIRATIONS, WE ARE ADDRESSING MORE AND MORE IMPORTANCE TO SUSTAINABILITY CRITERIA WHICH HAVE NOW SECURED A CENTRAL ROLE IN THE VALUE SYSTEM THAT WE PURSUE.

“PDR’S JOURNEY OF ESTABLISHMENT AND DEVELOPMENT IS ALSO ONE OF STRIVING FOR CIVILIZED VALUES IN BUSINESS. WE MAKE NO COMPROMISES ON NATURAL ENVIRONMENT, CULTURAL AND SOCIAL ENVIRONMENT AND THE FOUNDATION OF COMMUNITY LIFE, WHETHER SHORT OR LONG TERM, FOR ECONOMIC GAINS. OUR DEVELOPMENT REPORTS ALL ACKNOWLEDGE THIS.”

Looking into the future, this philosophy and belief is also a source of motivation for PDR to boldly pursue admirable aspirations and great opportunities for a genuine business.



As a real estate development business, PDR implement sustainable development goals as follows: Meticulously and efficiently comply with 17 sustainable development criteria of the United Nations and the GRI (Global Reporting Initiative) standards, balance the interests of the Company with those of employees, customers, partners and the community. At the same time, a long-term vision for all projects implemented is set. One of the key questions to which we seek a satisfactory answer is: What are the benefits our projects contributing to the resident's living environment in the future, and how they relate to the overall development of the society.

On that foundation, PDR chooses appropriate business model, business strategy, technology application, materials selection, code of conduct, etc., which are supported by a well-defined monitoring and appraisal system.

The result of these efforts is that PDR's products are highly appreciated by governmental bodies, recieved great support from the market and gained customer trust. Further, it also bring a healthy and positive working environment with beneficial oportunities for employees, shareholders, partners, and suppliers.

PDR's prestige and outstanding competitiveness are built on such foundation which is continuously being strengthened in every new step. It is also one of the core factors that helps PDR to firmly overcome challenges and rigid screening in the business environment.



Living space at The EverRich Infinity.

OVERVIEW OF THE SUSTAINABLE DEVELOPMENT REPORT

STANDARD OF REPORT

The report is prepared in conformity with the GRI Standards – currently the latest international version of sustainability reporting standard for business and is being applied in many countries.

The key areas – after being determined based on a combination of the level of stakeholders' interest and their impacts on PDR – are published in this report as the core contents.

In addition, we also refer to the Guidelines on the Disclosure of environmental and social information of State Securities Commission of Vietnam, the IFC and Circular 155/2015/TT-BTC to implement this report in a more convenient, standardized, transparent and efficient manner.

This report is prepared in Vietnam, in the field of investment and real estate business.

SCOPE OF THE REPORT

This report is prepared for the following scope of operations:

Phat Dat Real Estate Development Corporation, including the Head Office and three branches, namely:

- Phat Dat Real Estate Development Corporation – Head Office.
- Phat Dat Real Estate Development Corporation – Quang Ngai Branch.
- Phat Dat Real Estate Development Corporation – Phu Thuan Branch.
- Phat Dat Real Estate Development Corporation – District 5 Branch.

Phat Dat Investment One Member Company Limited: a subsidiary wholly owned 100% by Phat Dat Real Estate Development Corporation.

Phu Hung Real Estate Investment Company Limited: a subsidiary – wholly owned 100% by Phat Dat Real Estate Development Corporation.

Phu Quoc DK Corporation: a subsidiary owned 99% by Phat Dat Real Estate Development Corporation.

Coinin Technical Infrastructure Investment and Construction Company Limited: a subsidiary with owned 80% by Phat Dat Real Estate Development Corporation.

REPORTING CYCLE

Information in the report is updated for the fiscal year 2018, beginning on January 1st, 2018 and ending on December 31st, 2018.

Starting from 2017, PDR's sustainability report will be reported on an annual basis and included in the Annual Report publication.

CONTACT INFORMATION

To make this report a valuable source of information and reference for PDR, stakeholders and the public, we look forward to receiving comments on issues covered by our report. Please send feedbacks to the following address:

Phat Dat Real Estate Development Corporation

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☎ (+84 28) 3773 2222

📠 (+84 28) 3773 8908

🌐 www.phatdat.com.vn



A panoramic view of Everich Infinity project.

PDR IN REFERENCE TO

THE UNITED NATIONS' 17 SUSTAINABLE DEVELOPMENT GOALS



PDR IN REFERENCE
TO THE UNITED
NATIONS'

17

SUSTAINABLE
DEVELOPMENT GOALS



NO POVERTY, ZERO HUNGER



Description

- End poverty in all its forms everywhere.
 - End hunger, achieve food security and improved nutrition and promote sustainable agriculture.
- Content**
- Contributed efforts and resources to multiple nationwide activities against poverty.
 - Support disadvantaged people to enjoy lunar new year.
 - Provided support to flood victims.
 - Support the Campaign "Buy watermelons from farmers" in Quang Ngai Province.
 - Donated funds to Phu Hoa Orphanage in Quang Ngai Province.

GOOD HEALTH AND WELL-BEING



Description

- Ensure health and promote well-being for all at all ages.

Content

- Performed periodical medical checkup for employees.
- Held meetings, team building events and travels abroad on an annual basis.
- Donated to the "Winter night dream" program to support cancer patients.
- Contributed to social security activities nationwide.
- Held activities to promote the World Oral Health Day.
- Granted 50 scholarships to the "10,000 steps – Health for Community".

QUALITY EDUCATION



Description

- Ensure inclusive and equitable quality education.
- Promote lifelong learning opportunities for all.

Content

- Donated to education promotion funds nationwide.
- Awarded scholarships to Thanh – a boy of filial piety in Quang Ngai.
- Donated funds and presents to the 10th National Congress of Vietnamese Students' Union.
- Financed the installation of interior equipments for the Semi-boarding area of Tra Xinh Semi-Boarding Secondary School for Ethnic Minority People, Quang Ngai Province.
- Carried out internal training on a monthly and quarterly basis.
- Carried out capability-building training for managers.
- Provided training for succeeding generation of managers.

PDR IN REFERENCE TO

THE UNITED NATIONS' 17 SUSTAINABLE DEVELOPMENT GOALS

GENDER EQUALITY



Description

- Achieve gender equality and empower all women and girls.

Content

- Female employees account for almost 40%.
- Continuous importance is addressed to facilitating the promotion of female employees to senior management and executive advisor positions.
- Provided full employee benefits during maternity period and female employees raising children of 12 months old.
- Presented gifts and delivered wishes on the occasion of March 8, October 20, birthdays, etc.

CLEAN WATER AND SANITATION



Description

- Ensure availability and sustainable management of water and sanitation for all.

Content

- Using water according to Vietnamese Standards, especially at projects according to Vietnam Construction Standards - QCVN 01: 2008/BXD.
- Periodically examined the water systems used in projects.
- Made use of rainwater and recycled wastewater using treatment stations at project sites for watering.
- Constant use of water-saving equipments and automatic washing machines of high capacity to best save water.

AFFORDABLE AND CLEAN ENERGY



Description

- Ensure access to affordable, reliable, sustainable and modern energy for all.

Content

- Used clean and sustainable sources of energy in all projects.
- Electric power: Used solar energy.
- Water resource: Used pure water supply with integrated solar system.
- Power from Natural gas: Used natural CNG with environmentally friendly methane.

DECENT WORK AND ECONOMIC GROWTH



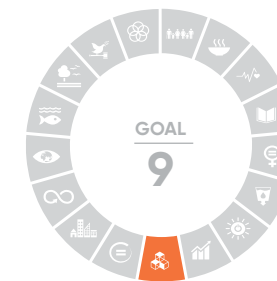
Description

- Decent Work and Economic Growth.

Content

- Generated thousands of opportunities for both direct job seekers and indirect beneficiaries.
- Posted high revenues and contributed billions of Dong to the budget.
- Participated in and supported the "Industry 4.0 – Conquer challenges and seize opportunities" program.
- Supported the development program of Quang Ngai Province Entrepreneurs' Club.

INDUSTRY, INNOVATION AND INFRASTRUCTURE



Description

- Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.

Content

- Constantly innovate and adopt globally prevailing technologies, create sustainable quality and safety for residents.
- Use environmentally friendly materials such as light bricks, unburnt bricks, engineered wood, etc.
- Use energy-regenerating elevators to save electricity.
- Attention to space and natural ventilation in designs by using sun blinds to avoid solar radiation and minimize the use of electricity.
- Build centralized wastewater treatment stations that meet hygiene standards.

REDUCED INEQUALITY



Description

- Reduced Inequality.

Content

- Support the disabled: Made donations to Vo Hong Son Center for disabled children.
- Sponsor the celebration of the War Invalids and Martyrs day.
- Donated funds to support disadvantaged children in District 7, HCMC.
- Support Agent Orange victims in Binh Chanh District, Ho Chi Minh City.
- Ensure stable jobs for employees.
- Create job opportunities and promote advancement opportunities for female employees.
- No employee discrimination by place of origin.

PDR IN REFERENCE TO

THE UNITED NATIONS' 17 SUSTAINABLE DEVELOPMENT GOALS

SUSTAINABLE CITIES AND COMMUNITIES



Description

- Make cities and human settlements inclusive, safe, resilient and sustainable.

Content

- Planting trees around the project sites and workplaces.
- Monitor and handle environmental impacts in a timely fashion.
- Build residential areas and urban residential areas with modern and adequate utilities, contributing to improved living standards.
- Funded the program "Role models of the neighborhood".
- Supported the development of The Library 2030 in Quang Ngai Province.
- Funded for the national flagpole at Hon La island, Quang Binh Province.

RESPONSIBLE CONSUMPTION AND PRODUCTION



Description

- Ensure sustainable consumption and production patterns.

Content

- Regularly perform environmental impact assessment (EIA) of all ongoing and completed projects.
- Monitor the environmental quality of projects every 6 months during the construction and operational phases.
- Manage, prevent and respond to risks during construction and operational phases.
- Committed to prevent negative impacts on the environment or affecting the community as well as economic and social activities.
- Committed to treating waste according to applicable environmental standards and norms.
- Ensure labor safety and fire & explosion protection during construction and operation.
- Contract with experienced consultants to optimize environmental impacts.
- Bind building contractors to comply with environmental protection requirements during construction.

CLIMATE ACTION



Description

- Take urgent action to combat climate change and its impacts.

CONTENT

- Low emission (Low E) glass is adopted to reduce heat, ultraviolet and infrared rays.
- Use solar panels in replacement of electricity.
- Projects are designed and implemented according to EDGE Green Building standards of the IFC organization – World Bank.
- Applying the calculation of the insulativity of enclosure walls and glass that meets the national standards of energy-efficient buildings – QCVN09/2013-BXD.

LIFE BELOW WATER



Description

- Bullet and sustainably use the oceans, seas and marine resources for sustainable development.

Content

- Make use of rainwater and recycle waste water through on-site treatment stations for watering.
- Build water collection pits that channel water from the storage cabinet into the drainage system and later to the wastewater treatment station, ensuring water safety and hygiene.
- The drain pipe system is made of PVC. The pipi sloping ensures best drainage.
- Collect garbage collection around project sites and workplaces.

LIFE ON LAND



Description

- Protect, restore and promote sustainable use of terrestrial ecosystems.

Content

- Excavated soil is used for site leveling at project sites.
- Contract with appropriate entities to legally dispose excavated soil.
- Ensure full compliance with applicable requirements such as the covering of excavated soil and building materials during transport to prevent dust spread.
- Call for tender to select both main and sub-contractors for transportation and treatment of excavated soil in accordance with applicable regulations.
- Committed to the treatment of excavated soil in compliance with Decision No. 44/2015/QĐ-UBND.

PDR IN REFERENCE TO

THE UNITED NATIONS' 17 SUSTAINABLE DEVELOPMENT GOALS

PEACE, JUSTICE AND
STRONG INSTITUTIONS



Description

- Promote peaceful and inclusive societies for sustainable development.

Content

- Organize regular quarterly dialogues with employees.
- Develop a set of code of conduct for “Phat Dat People” based on core values such as: Creativity, commitment, fairness and respect.
- Sponsored “The Law Day 2018” program held by the People’s Committee of District 12.
- Sponsored the 8th HCMC Sports Meet of Ho Chi Minh City.
- Supported the candle-lighting ceremony to celebrate the 43rd anniversary of the Liberation of the South.

PARTNERSHIPS TO ACHIEVE
THE GOAL



Description

- The Global Partnership for Development.

Content

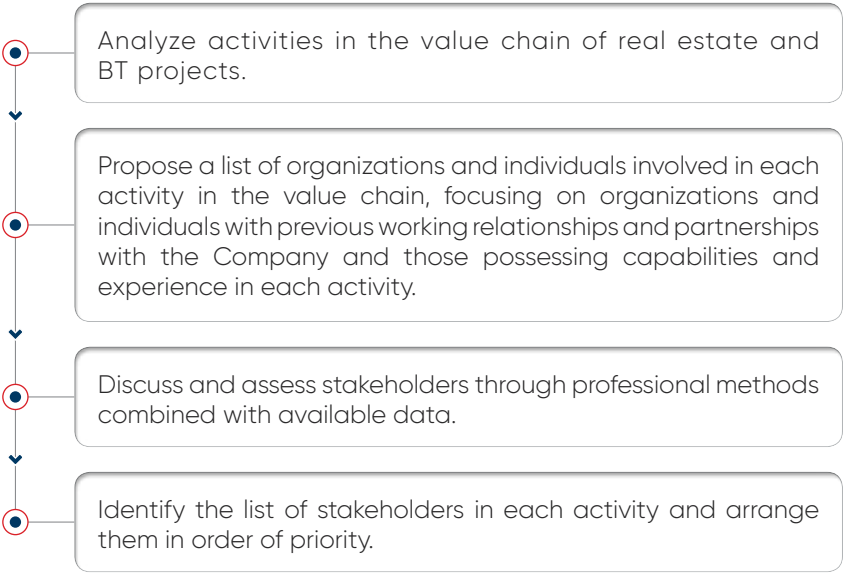
- Actively participate in Saigon Association of Construction & Building Materials (SACA).
- Participated and won Asia’s most prestigious construction & architecture award – the BCI Asia Awards.
- Encourage the creativity of a socially responsible architecture industry.



The Participation OF THE STAKEHOLDERS

GRI 102-43
PROCESS OF IDENTIFYING STAKEHOLDERS

PDR identifies
stakeholders through
the following impacts



THE PARTICIPATION
OF STAKEHOLDERS



GRI 102-42
IDENTIFY AND SELECT STAKEHOLDERS

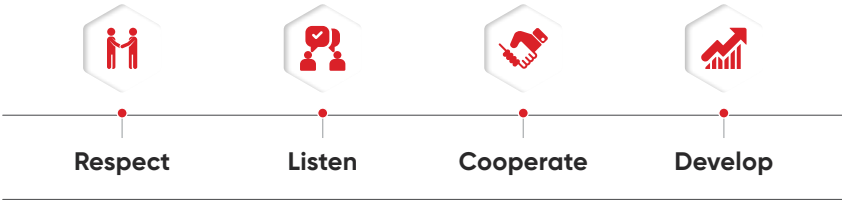
We list all relevant groups which are, at various levels of influence and interest, affected by PDR's activities sustainable development. Based on the level of interaction these groups have with PDR, the key stakeholders are identified.

The list of stakeholders in PDR's sustainable development activities is defined as follows:

-  **Customers:** PDR products' End-users.
-  **Partners:** Providers of services and solutions relating to the development of property projects, building contractors, suppliers of equipment, facilities, etc.
-  **Shareholders and investors:** Legal owners of part or all of the share capital. These have rights and obligations associated with PDR's business performance.
-  **Employees:** One of the factors constituting the Company's production capacity.
-  **Community:** Formed on the basis of relationships between individuals and groups of people.
-  **Government:** Legal instances or regulatory entities participating in inspection and policy-making activities.
-  **Competitors:** Competitors within same segment, competing products and pricing, and possessing competitive strengths.
-  **The media:** Entities that operate in publishing and communication.
-  **Financial institutions:** Entities that provide financial solutions.

GRI 102-21
MECHANISM TO CONSULT STAKEHOLDERS, STAKEHOLDERS' KEY CONCERNS AND FEEDBACK FROM PDR

In consistency with corporate culture and code of business conduct, PDR have been proactively building sustainable relationships with stakeholders based on such values as to bring long-term prosperity to all parties:



Plentiful of feedback from related parties have been received, resulting in positive changes in the Company's plan or the adoption of measures that fit practical situations. This has made business operations more efficient, while minimized costs, and better aligned the Company's compliance with the law.

Feedback from stakeholders is the base for PDR to realize and identify further useful solutions to our sustainable development strategy. Therefore, stakeholder feedback is received and processed timely, publicly and reasonably.

Stakeholders' feedbacks is received, analyzed and processed concurrently by responsible personnel of the dedicated department. At the same time, such feedback is also delivered to the BOD/BOM via written or in direct reports at meetings. After due diligence has been made, appropriate instructions and measures are to be executed immediately. In cases where feedback cannot be solved or executed immediately due to various reasons, the specific stakeholder is to will be informed and further discussions are due.



THE PARTICIPATION

OF STAKEHOLDERS



MECHANISM TO APPROACH STAKEHOLDERS

STAKEHOLDERS	APPROACH METHOD		STAKEHOLDERS' KEY CONCERNS	PDR'S FEEDBACK
<div>CUSTOMERS</div> 	<ul style="list-style-type: none"> Receive feedback via direct meetings or social networking platforms, and mail box info@phatdat.com.vn Organize meetings and gatherings with customers through sales events, loyalty programs, customer conferences, etc. Send product information and business policies related to the Company directly to customers in writing. 		<ul style="list-style-type: none"> Reasonable prices. Quality and service. Customer satisfaction. Staff's efficiency and working manner. The Company's responsibility over products. Sale policy. After-sales policy. 	<ul style="list-style-type: none"> Strictly comply with regulations both at home and abroad; adopt reasonable pricing policies, ensure harmony between customer benefits and business benefits. Guarantee of best quality and service provided to customers. Each PDR's member is requested to pay attention to and be ready to meet customers' justified requirements during interactions. Express appreciation to customers by holding customer conferences, promotions and optimal after-sales policies. Establish a mechanism to handle customer complaints.
<div>PARTNERS</div> 	<ul style="list-style-type: none"> Meet and discuss via direct meetings or receive and resolve questions via email, phone, fax. Participate in joint activities related to cooperation in project investment and development, sustainable development with society and community. Record feedback and promptly handle critical issues. 		<ul style="list-style-type: none"> Business performance. Cooperation ability and attitude. Respect for interests of related parties. Cooperation efficiency. Safety, health and environment. Information confidentiality. 	<ul style="list-style-type: none"> Select suppliers fairly based on capability profile with diverse evaluation criteria of experience, ability to meet quality and technological requirements. Confidential supplier info is not to be disclosed to their competitors. Promote Open dialogues and positive aspects while limiting negative ones, work towards building a long-term bilateral relationship which is beneficial for all parties.
<div>SHAREHOLDERS AND INVESTORS</div> 	<ul style="list-style-type: none"> Hold vis-a-vis meetings on a monthly and quarterly basis as well as when required. Receive and handle inquiries through email, phone, fax, etc. Organize Annual shareholders' meeting, periodic and non-periodic meetings. Publish detailed financial statements on mass media in accordance with regulations of the State Securities Commission and Ho Chi Minh City Stock Exchange. Attend annual conferences, forums, and exhibitions of the construction industry to share information. 		<ul style="list-style-type: none"> Business performance. Operating situation and efficiency. Development orientation and strategy. Risk management. Transparent information. Information confidentiality. 	<ul style="list-style-type: none"> Regularly organizing meetings, public exchanges, regular and extraordinary meetings, issuing periodic newsletters to investors, etc. This is aimed at providing timely and appropriate information to help shareholders and investors have a more comprehensive view of PDR's operations and development strategy. The exchanges and disclosure of information must be done fairly, ensuring equal opportunities for all investors. Refraining from making uncontrolled information disclosure of investors and shareholders without permission, or without the request of law enforcement agencies.

THE PARTICIPATION

OF STAKEHOLDERS




MECHANISM TO APPROACH STAKEHOLDERS

STAKEHOLDERS	APPROACH METHOD		STAKEHOLDERS' KEY CONCERNS	PDR'S FEEDBACK
<div>EMPLOYEES</div> 	<ul style="list-style-type: none"> Survey, either directly or indirectly, to obtain employees' feedback on the working environment, working protocol, welfare policies, remuneration, and so on. Organize discussions and dialogues with employees on a monthly basis. Organize team building events and activities on important occasions such as company anniversary, lunar new year, other holidays, etc. 		<ul style="list-style-type: none"> The Company's remuneration policy. Promotion opportunities. Work environment safety. Working environment. Colleague relationship. Management – staff relationship. 	<ul style="list-style-type: none"> Every year, the Company introduces improvements in remuneration policies and benefits for employees. Talent retention policy. Training and career development programs for employees. Issue a code of conduct as a base for behavior and interactions. Regularly hold internal activities to promote a healthy and engaging environment for employees. The staff management is based on the respect for employees, including respect for decisions, wishes, aspirations, right of freedom and other legitimate rights.
<div>COMMUNITY</div> 	<ul style="list-style-type: none"> Participate in donation programs and community building activities of organizations and local authorities. Provide information on business activities to the community through mainstream media channels. 		<ul style="list-style-type: none"> Employment issues. Contributions to the community. Care and responsibility to the community. Direct and indirect impacts on the environment during operation. 	<ul style="list-style-type: none"> To be committed to placing the environment above the Company's development goals, minimize environmental impacts during the project implementation and operation. Affirm the sense of responsibility and high efforts in harmonizing the goals of environmental protection with that of contributing to socio-economic growth. Continue to promote the charity programs and sponsorship, promote positive social changes and development.
<div>GOVERNMENT</div> 	<ul style="list-style-type: none"> Participate in real estate, construction and architecture workshops held by various authorities and regulators. Actively participate in the activities of architecture, construction and project development associations. Publish tax information and perform tax reporting according to applicable regulations. 		<ul style="list-style-type: none"> The Company's compliance with the law. Difficulties facing the Company during the implementation of legal policies and provisions. General market and industry trends. Carry out investment and business activities in a responsible manner towards customers, society and the environment. 	<ul style="list-style-type: none"> Duly comply with the country's applicable laws regarding business operation, society and environment. Duly perform the obligation of tax contribution to the state budget.

THE PARTICIPATION

OF STAKEHOLDERS

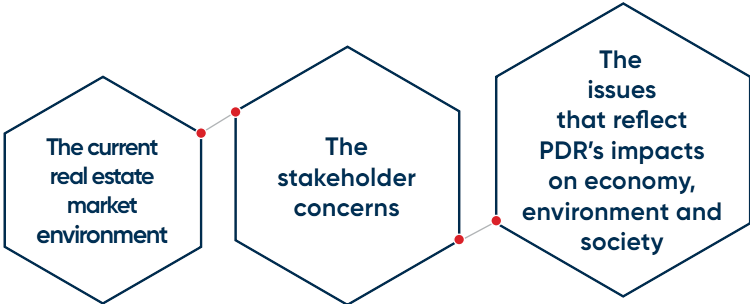
MECHANISM TO APPROACH STAKEHOLDERS

STAKEHOLDERS	APPROACH METHOD		STAKEHOLDERS' KEY CONCERNS	PDR'S FEEDBACK
<div>COMPETITORS</div> <div>  </div>	<ul style="list-style-type: none"> Meet and share information with competitors through construction and real estate associations meetings or meetings with investors interested in the real estate industry held by the Ho Chi Minh City Stock Exchange. Maintain personal relationships between the PDR's management and competitors'. Gather competition information from mainstream media channels. 		<ul style="list-style-type: none"> Code of conduct for dealing with competitors. Healthy competition. Compliance with antitrust laws and competition laws 	<ul style="list-style-type: none"> Maintain harmony with competitors with full goodwill and continuously learn from their success. To not defame or vandalize against competitors, recognize their success and respect their interests on the principle "The best company is the winning one". To be committed to fair competition, commit no collusion or manipulation of market prices, refuse to receive competitor information that may be confidential. Flexibly respond to fierce competition, be persistent with the principle of honesty in business; uphold quality and brand reputation as the top priority; respect and comply with antitrust laws, competition laws, ensure healthy, free and open competition.
<div>MEDIA</div> <div>  </div>	<ul style="list-style-type: none"> Distribute press releases and hold press conferences. Respond to media interviews on mass media channels. Regularly update important information on the corporate website and social network. Coordinate to implement many TV programs and publish information on the official media about upcoming major events. 		<ul style="list-style-type: none"> Business performance. The Company's development strategy. The accuracy of information. Proactivity in providing information. 	<ul style="list-style-type: none"> Build good relationships with the media on the principles of equality, transparency and legality. Always ensure accuracy, clarity, completeness and objectivity of messages and information provided, thus helping the press to be precisely informed of the Company's operations. Handle media crisis with skill and with calmness. Announcements are to be conscientious and well-versed towards objections and accusations.
<div>FINANCIAL INSTITUTIONS</div> <div>  </div>	<ul style="list-style-type: none"> Meet and discuss directly through meetings, emails, workshops on investment cooperation. Carefully develop plans to ensure cooperation between concerned parties. Manage risk and provide transparent and accurate information. Participate in joint activities relating to cooperation in project investment and development as well as sustainable development with society and community. Record feedback and promptly handle critical issues. 		<ul style="list-style-type: none"> Business performance. Operating situation and efficiency. Development orientation and strategy. Cooperation ability and attitude. Respect the interests of concerned parties. Cooperation efficiency. Safety, health and environment. Risk management. Transparent information. Information confidentiality. 	<ul style="list-style-type: none"> Commit to timely delivery of transparent and consistent information. Build and strictly implement strategic risk management to monitor financial situation for stable cash flow and yoy growth. Information regarding related parties is not to be disclosed. Respect all parties' interest to ensure balanced benefits in investment and all cooperations.

THE PARTICIPATION
OF STAKEHOLDERS

Identify
RELATED ISSUES

PDR identifies related areas based on:



ASSESSMENT
OF KEY ISSUES

The assessment of key issues is carried out at meetings between the Board of Management and department heads. At such meetings, participants will align on the topics of the key areas and update results on the matrix of criticality.



Matrix of criticality



ECONOMY



- GRI 201 Economic efficiency
- GRI 202 Indirect economic impacts
- GRI 205 Anti-corruption
- GRI 206 Obstruction of competition

ENVIRONMENT



- GRI 301 Materials
- GRI 302 Energy
- GRI 303 Water
- GRI 306 Wastewater and waste
- GRI 307 Environmental compliance
- GRI 308 Re-assessment of suppliers of environmental solutions

SOCIETY



- GRI 401 Employment
- GRI 402 Management/staff relationship
- GRI 403 Occupational safety and health
- GRI 404 Education and training
- GRI 405 Diversity and equality
- GRI 413 Community and locality
- GRI 416 Customer safety and health

PDR ESTABLISHED THE MATRIX OF 17 CRITICALITIES



ECONOMIC PERFORMANCE

GRI 201 ECONOMIC PERFORMANCE

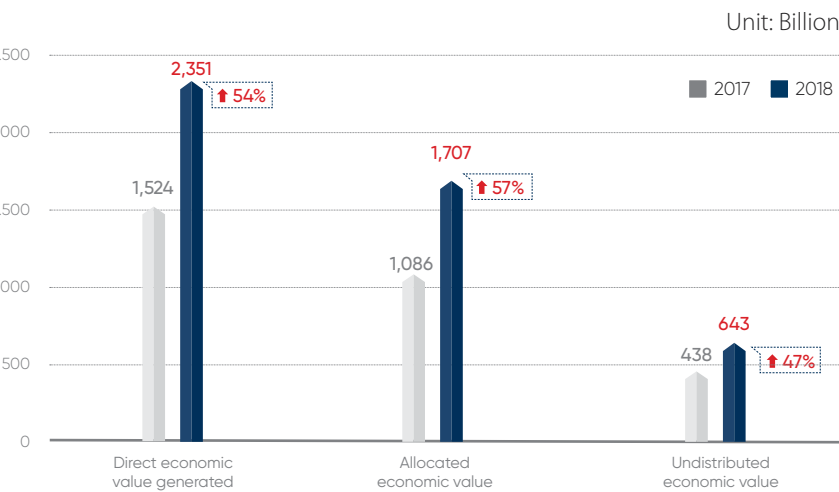
PDR is profoundly aware of its growing responsibility toward stakeholders, especially investors and shareholders, who contribute important funds to the Company. In order to evaluate the resonance between PDR and our stakeholders, the Company has devised a matrix to analyze 17 key areas under three important categories, namely Economy, Society and Environment.

PDR focus on building information on aspects of direct economic values generated, distributed and undistributed. At the same time, the efficiency of sustainable contributions to the economy in general is demonstrated by the contribution to the state budget and the community - society.

Direct economic value generated **2,350,716,000,000**
VND

Throughout the development, PDR also bring opportunities for investors, shareholders, employees and customers.

In 2018, the total direct economic value generated was VND 2,350.72 billion, a year-on-year increase of 54%. The distributed economic value and the undistributed amount were VND 1,707.40 billion and VND 643.32 billion, respectively, up by respective 57% and 47% against 2017.



Economic performance

No.	Item	Revenues (VND)
I	Direct economic value generated	2,350,716,000,000
1	Revenues from projects	1,889,480,000,000
2	Revenues from transfer of investment properties	234,876,000,000
3	Income from investment cooperation contracts	190,000,000,000
4	Revenues from other services	36,360,000,000
II	Distributed economic value	1,707,400,000,000
1	Operating expenses	1,519,169,000,000
2	Staff salary and benefits	67,816,000,000
3	Payments to fund provider	-
4	Payments to the state budget	114,761,000,000
5	Investment for the community	5,654,000,000
III	Undistributed economic value	643,320,000,000

GRI 205
ANTI-CORRUPTION

Identify corruption - related risks

According to the evaluation, PDR identifies corruption risks in the following activities:

- Site clearance and compensation for land and houses.
- Bidding for selection of service providers and construction contractors.
- Management of contractors during the supply of services and construction.
- Distribution of the Company's products to customers.

Communication of and
training on anti-corruption
policies and procedures

In 2018, no corruption cases were found at PDR. In order to prevent corruption, PDR adopts the following methods:

- Actively inform and warn employees of the harm and consequences of bribery and corruption; promote right attitude and course of action. This is done regularly in monthly meetings with a clear, scientific and practical manner of communication.
- Introduce sanctions and strict regulations against violations of bribery and corruption terms in contract with all partners.



GRI 206
ANTI-COMPETITION
BEHAVIOR

- We are committed to healthy competition based on product quality and pricing and do not defame competitors' products.
- Carefully examine the competitors' marketing and communication messages to promptly detect unfair competition, if any.



GRI 301
MANAGEMENT
OF MATERIALS

Prioritize the use of environmental friendly materials and locally available building materials (bricks, technical equipment, technical pipelines, etc.) in gradual replacement of imports.

- Use light brick materials and unbaked bricks in replacement of traditional baked bricks which are responsible for increasing air pollution. This replacement brings higher environmental efficiency while still ensuring structural safety.
- Use flooring made from manufactured wood, laminate wood, MDF, Plywood, sawdust, and so on as substitutes for natural wood. These materials are less prone to warping, resistant to water and abrasion resistance, aesthetically satisfactory and cost-efficient. At the same time, certain types of wood flooring from bamboo, which is durable, light, easily renewable and environmentally friendly are also chosen for some projects.
- Use energy-regenerating elevators to save electricity.
- Install solar panels.
- Use solar water heating system to save electricity.

The level of application of environmental friendly materials

Alternative materials	Unit	Total
Ratio of replacement of baked bricks with light bricks/light partition plates	%	50
Ratio of use of manufactured wood (apartment flooring) to natural wood	%	100
Ratio of use of Led in replacment of fluorescent and compact bulbs	%	90

ENVIRONMENTAL
PROTECTION

Quantity of alternative materials used for construction in one project

No.	Type of materials	Unit	Quantity
A	Materials as per design		
1	Hollow bricks of 8x8x19 dimensions, 20-cm thick walls, height <= 4m, cement mortar of grade 75	m ³	3,800
B	Alternative materials		
1	Plaster partition wall	m ³	19,000

Fuel and chemicals for one project

No.	Type of fuel and chemicals	Unit	Quantity
1	Gasoline	Liter	120
2	Additives	kg	18,345
3	Water-proofing chemicals	kg	6,845

GRI 302
ENERGY CONSUMPTION

Utilize local power supply with appropriate capacity for each specific project. Rigorous capacity calculations are carried during design stage to optimize power consumption.

Promote the use of solar energy systems, green energy, apply solutions during design stage to create natural ventilation, thus helping to minimize the use of electricity.

Use low-power LEDs to replace fluorescent and compact bulbs. Despite higher investment, this helps reduce the cost of electricity consumption significantly for both construction and households.

Always pay attention to splitting the line during design stage to save resources, electricity and reduce costs for users.

Use inverter / chiller air conditioning system and smart control solutions to ensure power consuming devices are switched off when not in use.



Living space at The EverRich Infinity.

Forecast of total maximum power supply of one project

No.	Description	Data	Unit	Quota as per norm	Unit	Year 1 (Down by about 10%)		Year 2 (Down by about 8%)		Year 3 (Down by about 5%)	
						Calculated quota	Total load (W)	Calculated quota	Total load (W)	Calculated quota	Total load (W)
1	Electricity quota for apartment section	2,000	Person	800	W/person	936	1,872,000	853	1,706,000	800	1,600,000
2	Electricity quota for commercial section	21,906	m ²	30	W/m ²	35	766,710	32	700,992	30	657,180
3	Load of public lighting, elevator, etc.			50	%	32	844,387	29	698,028	27	609,439
4	Total power						3,483,097		3,105,020		2,866,619
5	Total transformer load (kVA) – CosΨ 0.8						4,353,871		3,881,275		3,583,274

GRI 303
WATER CONSUMPTION

Water supply and
saving water

Water supply and saving water:

Use clean water from local water supply plants with appropriate capacity for each specific project.

In technical design, we use water taps with sensor, taps with air mixing mode in the discharge process, dual-flush toilets, high-capacity automatic washing machines, etc. for optimized water saving.

Use hot water systems with solar energy for power-intensive projects such as hotels, contributing to considerable electricity consumption decrease.

Build underground water tanks and recycle rain water and wastewater treated by environmentally accredited systems at project sites for plant watering (on average, the amount of recycled water is about 300 m³ per project).

Apply electronic devices to control water consumption and detect losses and incidents for timely actions.

Target and demand
for water

Supply

Water provided to the project site is from the City's clean water supply.

Water quota and demand

The site area is located in the new urban area of Ho Chi Minh City.

The non-regulated water use coefficient of $K_{day} = 1.2$ and $K_{hour} = 1.4$.

A project's water demand is calculated according to Vietnam Building Code - QCVN 01: 2008/BXD.



Millennium
Project

ENVIRONMENTAL QUALITY MONITORING
DURING OPERATION

Monitoring the quality of emission at the source

Electric generators are equipped with dual-stage smoke filters which reduce toxic gases emitted during fuel combustion.

Monitoring position: 2 points at the 2 exhaust ducts of the standby generator's.

Monitoring indicators: Dust, CO, NO_x, SO₂, and noise.

Monitoring frequency: every 3 months and when requested by the regulator.

Comparative norms:

- QCVN 19:2009/BTNMT - National technical norms on industrial emissions for dust and inorganic substances (column B, K_p = 0.9; K_v = 0.6).
- QCVN 26:2010/BTNMT - National technical norms on noise.

Environmental monitoring of waste water
quality

Monitoring position:

- 01 position in front of the wastewater treatment system.
- 01 position behind waste water treatment system.
- 01 position at the manhole connecting wastewater with the shared sewer.

Monitoring indicators: pH, BOD₅, TSS, total dissolved solid, sulphide (calculated according to H₂S), nitrate (calculated according to N), Ammonium (calculated

according to N), dynamic oil, plants, total surface-active agents, phosphate, coliform.

Monitoring frequency: every 3 months and when requested by the regulator.

Comparative norm: QCVN 14: 2008/BTNMT - National technical norm on domestic wastewater quality (column B; K = 1).

Continuous automatic monitoring of treated wastewater with a discharge volume of 1,000 m³ per day and more.

Supervision of domestic solid waste and hazardous waste

Scope of monitoring: Monitoring the storage of waste, its composition, volume and contracting vendors.

Monitoring frequency: every 6 months and when requested by the regulator.

Apply:

- Circular No. 36/2015/TT-BTNMT dated 30 June, 2015 of the Ministry of Natural Resources and Environment on the management of hazardous waste.
- Decree No. 38/2015/ND-CP dated 24 April, 2015 of the Government regulating waste and scrap management, payment of sanitation fees and environmental protection fees according to Decision No. 88/2008/QĐ-UBND dated December 20, 2008 of the Municipal People's Committee.

The estimated environmental monitoring cost when the project enters stable operation about VND 20 million per time.

Forecast the maximum water supply of one project

No.	Water use purpose	Quota	Unit	Sizing	Unit	Flow rate (cu. meters per day)
1	Water for apartments	250 (*)	Liter/person	1,500	Person	375
2	Water for offices and restaurants	75 (*)	Liter/person	200	Person	15.0
3	Public use, watering, etc.	5	%			19.5
4	Total					409.5
5	Contingency (leakages, etc.)	<25	%			97.5
6	Total water demand					507.0



ENVIRONMENTAL QUALITY MONITORING
DURING OPERATION

Air quality monitoring

Monitoring position:

- 01 point at the project entrance gate.
- 01 point in the second basement near the wastewater treatment system.
- 01 point on the ground floor near the waste storage area.

Monitoring indicators: Dust, SO₂, NO₂, CO, NH₃, H₂S, noise.

- Monitoring frequency: every 6 months.

Comparative norms:

- QCVN 05: 2013/BTNMT – National technical norms on ambient air quality.
- QCVN 26: 2010/BTNMT – National technical norms on noise.

Emission monitoring at the source

Monitoring positions: 1 point at the exhaust opening of the standby generator's.

Monitoring indicators: Dust, CO, NO_x, SO₂, and noise.

Monitoring frequency: every 3 months.

Comparative norms:

- QCVN 19: 2009/BTNMT– National technical norms on industrial emissions for dust and inorganic substances (column B, Kp = 0.9; Kv = 0.6).
- QCVN 26: 2010/BTNMT – National technical norms on noise.

Environmental monitoring
of wastewater quality

Sampling location: post – treatment wastewater.

Monitoring indicators: pH, BOD₅, TSS, total dissolved solid, sulfur (calculated according to H₂S), nitrate (calculated according to N), ammonium (calculated according to N), dynamic oil, plants, total surface active substances, phosphate, coliform.

Monitoring frequency: every 3 months.

Comparative norms: QCVN 14: 2008/BTNMT – National technical norms on domestic wastewater quality. (column B; K = 1).

Monitoring of solid waste
and hazardous waste:

Hazardous waste

- Frequency: every 6 months.
- Apply: Circular No. 12/2011/TT-BTNMT dated 14 April, 2011 of the Ministry of Natural Resources and Environment on hazardous waste management.

Monitor domestic solid waste

- Frequency of gathering: daily.
- Gathering done by: Responsible entities.
- Apply Decree No. 59/2007/ND-CP dated 9 April, 2007 of the Government on solid waste management, payment of sanitation fees and environmental protection fees under Decision No. 88/2008/QĐ-UBND dated 20 December, 2008 of the Municipal People's Committee.

The environmental monitoring cost is estimated at VND 15 million per occasion during stable operation.

GRI 307
ENVIRONMENTAL PROTECTION COMPLIANCE

Environmental monitoring management methods are introduced in our projects appropriately and absolute compliance with the applicable laws on environment is assured.

Environmental impact assessment (EIA) reports are implemented in accordance with applicable regulations and submitted to relevant authorities for appraisal before construction commencement.

Planning and technical standards and norms are adopted in compliance with both central government and local authorities. Much space is dedicated to greenery and landscaping, thus, profit is second to a well balanced land to building ratio. Typically: At River City project (The EverRich 2), a large proportion of the site is dedicated to a water reservoir which helps balance the surface water amount and prevent flooding for the entire area.

Constantly invest in new machinery, modern and standard equipment to minimize noise, smoke, odor, and gas pollution.

At any project, close liaison with contractors is carried out to establish environmental protection rules and regulations.

Work with contractors to consider and implement high-safety and environmental friendly technical solutions in construction work.

Organize inspections and supervision of contractors' compliance with environmental protection regulations. Coordinate with contractors to handle any inappropriate events.

Barriers with solid structures are installed at all construction areas, meeting aesthetic and sustainability requirements throughout the construction process and preventing the spread of dust, noise, vibration, and light within the neighbourhood.

Drainage systems with proper connectivity are implemented at project sites to ensure thorough drainage and prevent flooding. Construction wastewater, before being discharged into the shared drainage system, must be channeled into well-sized manholes where soil and mud will settle down through settling compartments.

Wastewater and waste is treated before being discharged into the environment. Wastewater from construction work is led into the sedimentation tank for treatment before being discharged into the City's sewer.



COMPLIANCE WITH LAWS ON FINES

Criterion	of cases
Total monetary value of significant fines	01
Total non-monetary sanctions	None
Cases referred to dispute handling mechanisms	None

In 2018, PDR was fined for 01 case

Upholding the compliance with applicable regulations. After the receipt of Decision No. 5742/QĐ-CT-XP on September 12nd, 2018, PDR paid the full fine amount notified by the tax authority of HCMC.

Other areas

In 2018, PDR was not involved in any cases relating to the conflict of interests. We neither used forced labor nor child labor and strictly comply with the laws regarding social insurance, health insurance and other benefits for employees relevant to the labor market.



Labor Policies

GRI 401
EMPLOYMENT

New recruits: 84 persons.
Termination: 64 persons, including 29 new hires in 2018.

GRI 402
STAFF - MANAGEMENT
RELATIONSHIP

The right to join the Trade union, collective labor agreements, commitments to workers:
Employees are free to register for trade union membership.
Monthly dialogues with employees are an opportunity for the BOM to share company situation with employees and receive their recommendations and feedback.
The Company's collective labor agreement ensures employees enjoy social insurance, health insurance, unemployment insurance, and other regulatory benefits.

GRI 403
OCCUPATIONAL
HEALTH AND SAFETY

Benefits provided to full-time employees
The company fully implements salary and bonus policies. Besides, we offer health care insurance for managers and combined accident insurance for all employees. Other benefits including but not limited to maternity leave, pension benefits, shares ownership rights are also offered.

Social insurance for PDR employees

Year	Unit	Total social, medical and unemployment insurance premiums	Employees' share of social, medical and unemployment insurance premiums	Total social, medical and unemployment insurance premiums
2014	Million VND	784	374	1,158
2015		1,147	547	1,694
2016		1,650	788	2,438
2017		2,670	1,295	3,966
2018		4,634	2,263	6,898

Maternity leave Maternity leave return rate: 100% - Maternity leave retention rate: 100%

Description	Labors (person)	Rate (%)
Total number of employees eligible for maternity leave	02	100%
Total number of employees actually taking maternity leave	02	100%
Total number of employees returning to work in 2018 after maternity leave	02	Not available since several employees are still on their maternity leave in 2018



Work safety
Apply regulations on safety, environmental sanitation and food hygiene and safety at the head office as well as at project management units at construction sites.
Equip uniforms and protective equipment for employees working at construction sites as well as those working in hazardous environment such as security guards and cleaning workers.
Fully implement support programs for workers encountering accidents or occupational diseases. The company buys combined health and accident insurance for all employees, thereby ensuring timely support for workers in the event of misfortunes.
Regularly organize education, training and consulting activities related to worksafety and occupational health to prevent and control risks of diseases and accidents.
Organize training courses on fire control and safety with the participation of all employees.

SOCIAL
DEVELOPMENT

GRI 404
EDUCATION AND TRAINING

Much importance is addressed to on-the-job training. More senior employees act as coaches for newcomers, thereby ensuring succession and promoting the Company's strengths.

Refer to the "BOM's evaluation report HR policy" - page 52



GRI 416
CUSTOMER SAFETY
AND HEALTH

Responsibilities for products

In order to absolutely ensure customer benefits, PDR always pays attention to quality control from the start of project implementation to delivery. PDR's quality control, in summary, comprises of four steps as follows:

- 1
- Control the quality of inputs
- Check construction technical design drawings.
 - Check and control all materials used.
 - Implementing product models.
- 2
- Quality control during construction
- Approve construction methods.
 - Control quality during construction.
 - Inspect, test, and approve each construction item.
 - Control quality through author supervision and quality control by government bodies such as fire control authorities, construction inspectors, appraisal authorities, etc.
- 3
- Control the quality of finished products
- Trial operation of all systems both under no load and full load conditions.
 - Seek government bodies' inspection, approval and certification.
 - Invite customers to perform comparative checking of real products and samples (in the event there is a commitment of sample products).
- 4
- Product hand-over
- Establish a product quality inspection and approval committee whose membership comprises of: The developer, the Building Management Committee, the consultant, and the contractor to review product quality before hand-over to customers.
 - Invite customers to accept products at site, acknowledge customers' feedback and solve any outstanding issues (if any).



Currently PDR is only in the process of understanding the green capital market and has no activities related to this field.

Report related to the green capital market under the guidance of the State Securities Commission

In our viewpoint, the green financial development roadmap comprises of the following steps:

- 1
- Develop a green growth plan
- Determine development and growth objectives; Define and review the current green growth plan (if it is already available); Evaluate economic, social, environmental, political, institutional, policy, and legal framework conditions as well as impacts on green growth.
- 2
- Evaluate by industry
- Evaluate industry potential / demand for green growth to achieve economic and development objectives; Prioritize investment by industry; Evaluate priority industries.
- 3
- Prepare policy
- Identify environmental standards and requirements; Identify certification reports and verification methodology; Industry; Ecological areas (such as water, agricultural waste, etc.); Determine penalties for non-compliance.
- 4
- Funding
- Provide funding options; Tax assessment; Allocation between the private sector and the public sector.
- 5
- Implement policy



Consolidated Financial Statements

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

THE COMPANY

Phat Dat Real Estate Development Corp ("the Company") is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to the Business Registration Certificate ("BRC") No. 4103002655 issued by the Department of Planning and Investment ("DPI") of Ho Chi Minh City on 13 September 2004, as amended.

On 5 June 2018, the Company received the 25th amended Enterprise Registration Certificate ("ERC") issued by the DPI of Ho Chi Minh City, approving the increase in charter capital from VND 2,219,909,230,000 to VND 2,663,890,070,000.

The Company's shares were listed on the Ho Chi Minh Stock Exchange ("HOSE") with code PDR in accordance with the License No. 1207/SGDHCM-NY issued by the HOSE on 9 July 2010.

The current principal activities of the Company and its subsidiaries ("the Group") are to construct and trade real estate properties; to undertake the civil and industrial projects, bridges and roads; and to provide real estate brokerage and valuation services, and real estate trading centre and management.

The Company's registered head office is located at No. 422, Dao Tri Street, Quarter 1, Phu Thuan Ward, District 7, Ho Chi Minh City, Vietnam.

BOARD OF DIRECTORS

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

Mr Nguyen Van Dat	Chairman
Mr Nguyen Tan Danh	Vice Chairman
Ms Tran Thi Huong	Vice Chairwoman
Mr Doan Viet Dai Tu	Member
Mr Le Quang Phuc	Member
Mr Khuong Van Muoi	Member
Mr Tran Trong Gia Vinh	Member

BOARD OF SUPERVISION

Members of the Board of Supervision during the year and at the date of this report are:

Ms Nguyen Thi Thu Nguyet	Head
Ms Nguyen Ai Linh	Member
Ms Vo Thi Minh Hang	Member

MANAGEMENT

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

Mr Nguyen Van Dat	CEO
Mr Pham Trong Hoa	Deputy CEO
Mr Bui Quang Anh Vu	Deputy CEO

LEGAL REPRESENTATIVE

The legal representative of the Company during the year and as the date of this report is Mr Nguyen Van Dat.

AUDITORS

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

Management of Phat Dat Real Estate Development Corp ("the Company") is pleased to present this report and the consolidated financial statements of the Company and its subsidiaries ("the Group") for the year ended 31 December 2018.

MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the consolidated financial statements of the Group of each financial year which give a true and fair view of the consolidated financial position of the Group, and of the consolidated results of its operation and its consolidated cash flows for the 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 Group will continue in business.

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

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

STATEMENT BY MANAGEMENT

Management does hereby state that, in its opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2018, 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:

NGUYEN VAN DAT
CEO

Ho Chi Minh City, Vietnam
14 March 2019

To: The Shareholders of Phat Dat Real Estate Development Corp

We have audited the accompanying consolidated financial statements of Phat Dat Real Estate Development Corp ("the Company") and its subsidiaries ("the Group") as prepared on 14 March 2019 and set out on pages 148 to 185, which comprise the consolidated balance sheet as at 31 December 2018, and the consolidated income statement and the consolidated cash flow statement for the year then ended and the notes thereto.

Management's responsibility

The Company's management is responsible for the preparation and fair presentation of the Group's 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 Group's 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 Group'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 Group'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.

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 Group as at 31 December 2018, 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



HANG NHAT QUANG
Deputy General Director
Audit Practicing Registration Certificate
No. 1772-2018-004-1

Ho Chi Minh City, Vietnam
14 March 2019

LUONG KIM DIEN AN
Auditor
Audit Practicing Registration Certificate
No. 2736-2019-004-1

VND

Code	ASSETS	Notes	Ending balance	Beginning balance
100	A. CURRENT ASSETS		8,050,298,505,590	7,860,010,625,298
110	<i>I. Cash</i>	5	189,341,108,610	144,054,693,984
111	1. Cash		189,341,108,610	144,054,693,984
130	<i>II. Current accounts receivable</i>		1,987,986,155,701	1,578,903,070,849
131	1. Short-term trade receivables	6	877,410,270,588	236,287,708,511
132	2. Short-term advances to suppliers	7	759,480,588,629	690,230,052,651
136	3. Other short-term receivables	8	354,908,379,358	656,526,367,981
137	4. Provision for doubtful short-term receivables	6	(3,813,082,874)	(4,141,058,294)
140	<i>III. Inventories</i>	9	5,865,813,659,699	6,089,786,830,966
141	1. Inventories		5,865,813,659,699	6,089,786,830,966
150	<i>IV. Other current assets</i>		7,157,581,580	47,266,029,499
151	1. Short-term prepaid expenses	10	3,227,850,322	2,355,117,576
152	2. Value-added tax deductible	18	249,242,268	35,849,517,006
153	3. Tax and other receivables from the State	18	3,680,488,990	9,061,394,917
200	B. NON-CURRENT ASSETS		3,007,127,704,904	2,088,844,517,292
210	<i>I. Long-term receivables</i>		1,218,785,810,900	1,459,408,639,650
211	1. Long-term trade receivables	6	136,493,450,000	159,372,177,750
216	2. Other long-term receivables	8	1,082,292,360,900	1,300,036,461,900
220	<i>II. Fixed assets</i>		10,533,573,446	8,058,761,804
221	1. Tangible fixed assets	11	8,670,954,220	2,760,319,809
222	Cost		16,207,907,380	8,527,551,925
223	Accumulated depreciation		(7,536,953,160)	(5,767,232,116)
227	2. Intangible fixed assets	12	1,862,619,226	5,298,441,995
228	Cost		3,171,378,036	7,028,037,476
229	Accumulated amortisation		(1,308,758,810)	(1,729,595,481)
230	<i>III. Investment properties</i>	13	81,803,718,760	187,656,326,218
231	1. Cost		85,069,855,272	189,664,270,272
232	2. Accumulated depreciation		(3,266,136,512)	(2,007,944,054)
240	<i>IV. Long-term asset in progress</i>		772,508,407,217	66,911,660,005
242	1. Construction in progress	14	772,508,407,217	66,911,660,005
250	<i>V. Long-term investments</i>	15	-	345,228,665,217
252	1. Investments in associates	15.1	-	293,748,665,217
253	2. Investment in other entity	15.2	-	51,480,000,000
260	<i>VI. Other long-term assets</i>		923,496,194,581	21,580,464,398
261	1. Long-term prepaid expenses	10	923,019,095,140	21,067,019,225
262	2. Deferred tax assets	29.3	477,099,441	513,445,173
270	TOTAL ASSETS		11,057,426,210,494	9,948,855,142,590

VND

Code	RESOURCES	Notes	Ending balance	Beginning balance
300	C. LIABILITIES		7,545,800,025,971	7,121,973,655,093
310	<i>I. Current liabilities</i>		791,983,019,355	1,080,841,341,631
311	1. Short-term trade payables	16	312,970,270,795	100,187,824,622
312	2. Short-term advances from customers	17	10,173,673,983	701,189,815,134
313	3. Statutory obligations	18	106,085,585,958	44,356,017,704
314	4. Payables to employees		4,723,195,905	3,703,172,029
315	5. Short-term accrued expenses	19	78,224,554,568	100,108,893,586
319	6. Other short-term payables	20	266,522,206,379	71,095,134,376
320	7. Short-term loans	21	-	47,196,419,134
322	8. Bonus and welfare fund	22	13,283,531,767	13,004,065,046
330	<i>II. Non-current liability</i>		6,753,817,006,616	6,041,132,313,462
337	1. Other long-term liabilities	20	6,753,817,006,616	6,041,132,313,462
400	D. OWNERS' EQUITY		3,511,626,184,523	2,826,881,487,497
410	<i>I. Capital</i>		3,511,626,184,523	2,826,881,487,497
411	1. Share capital	23.1	2,663,890,070,000	2,219,909,230,000
411a	-Shares with voting rights		2,663,890,070,000	2,219,909,230,000
412	2. Share premium	23.1	11,680,300,000	11,680,300,000
418	3. Investment and development fund	23.1	124,713,584,076	102,713,584,076
421	4. Undistributed earnings	23.1	645,866,230,447	492,578,373,421
421a	- Undistributed earnings by the end of prior years		4,597,533,421	54,146,503,375
421b	- Undistributed earnings of current year		641,268,697,026	438,431,870,046
429	5. Non-controlling interests	24	65,476,000,000	-
440	TOTAL LIABILITIES AND OWNERS' EQUITY		11,057,426,210,494	9,948,855,142,590



VO VAN GIAP
Preparer

14 March, 2019



VU QUYNH HOA
Chief Accountant





NGUYEN VAN DAT
CEO

CONSOLIDATED INCOME STATEMENT
for the year ended 31 December 2018

B02-DN/HN

VND				
Code	ITEMS	Notes	Current year	Previous year
01	1. Revenue from sale of goods and rendering of services	25	2,268,746,544,025	1,542,032,394,877
02	2. Deductions	25	(121,037,201,884)	(215,406,237,704)
10	3. Net revenue from sale of goods and rendering of services	25	2,147,709,342,141	1,326,626,157,173
11	4. Costs of goods sold and services rendered	26	(1,466,558,349,018)	(807,580,163,076)
20	5. Gross profit from sale of goods and rendering of services		681,150,993,123	519,045,994,097
21	6. Finance income		4,553,157,729	3,695,423,725
22	7. Finance expenses		-	(878,810,109)
23	- - In which: Interest expense		-	(638,810,109)
24	8. Share of loss of associates		-	(321,622,551)
25	9. Selling expenses	27	(41,308,040,594)	(101,154,109,064)
26	10. General and administrative expenses	27	(80,054,505,689)	(57,970,821,539)
30	11. Operating profit		564,341,604,569	362,416,054,559
31	12. Other income	28	198,454,186,942	194,137,535,123
32	13. Other expenses		(4,718,208,025)	(5,686,153,216)
40	14. Other profit		193,735,978,917	188,451,381,907
50	15. Accounting profit before tax		758,077,583,486	550,867,436,466
51	16. Current corporate income tax expense	29.1	(114,724,540,728)	(110,270,491,673)
52	17. Deferred tax expense	29.3	(36,345,732)	(717,074,747)
60	18. Net profit after tax		643,316,697,026	439,879,870,046
61	19. Net profit after tax attributable to shareholders of the parent		643,316,697,026	439,879,870,046
70	20. Basic earnings per share (VND/share)	23.3	2,287	1,561
71	21. Diluted earnings per share (VND/share)	23.3	2,287	1,561



NGUYEN VAN DAT
CEO

VO VAN GIAP
Preparer

14 March, 2019

VU QUYNH HOA
Chief Accountant

CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 December 2018

B03-DN/HN

VND				
Code	ITEMS	Notes	Current year	Previous year
01	I. CASH FLOWS FROM OPERATING ACTIVITIES			
	Accounting profit before tax		758,077,583,486	550,867,436,466
	Adjustments for:			
02	Depreciation and amortisation of fixed assets and investment properties	11, 12, 13	3,912,036,535	2,392,731,239
03	(Reversal of provision) provisions		(327,975,420)	255,263,000
05	Profits from investing activities		(4,553,157,729)	(3,679,904,844)
06	Interest expense		-	638,810,109
08	Operating profit before changes in working capital		757,108,486,872	550,474,335,970
09	Decrease (increase) in receivables		933,434,560,707	(1,335,377,357,404)
10	Increase in inventories		(708,091,347,875)	(222,203,288,906)
11	Increase in payables		418,210,999,785	5,957,052,238,083
12	Increase in prepaid expenses		(902,791,656,039)	(5,118,094,786)
14	Interest paid		(70,549,175,311)	(1,561,581,403,647)
15	Corporate income tax paid		(83,035,315,972)	(118,810,894,203)
17	Other cash outflows for operating activities	22	(21,720,533,279)	(10,077,716,432)
20	Net cash flows from (used in) operating activities		322,566,018,888	3,254,357,818,675
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchase of fixed assets		(9,743,614,002)	(4,945,421,449)
22	Proceeds from disposals of fixed assets		119,059,556,440	-
25	Payments for investments in other entities		(689,180,950,512)	-
26	Proceeds from sale of investments in other entities		347,480,000,000	-
27	Interest received		2,301,822,946	3,679,904,844
30	Net cash flows used in investing activities		(230,083,185,128)	(1,265,516,605)
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
33	Drawdown of borrowings		1,056,991,706,980	-
34	Repayment of borrowings	21	(1,104,188,126,114)	(3,258,349,398,407)
36	Dividend paid	21	-	(116,625,000)
40	Net cash flows used in financing activities		(47,196,419,134)	(3,258,466,023,407)
50	Net increase (decrease) in cash		45,286,414,626	(5,373,721,337)
60	Cash at beginning of year		144,054,693,984	149,428,415,321
70	Cash at end of year	5	189,341,108,610	144,054,693,984



NGUYEN VAN DAT
CEO

VO VAN GIAP
Preparer

14 March, 2019

VU QUYNH HOA
Chief Accountant

1. CORPORATE INFORMATION

Phat Dat Real Estate Development Corp ("the Company") is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to the Business Registration Certificate ("BRC") No. 4103002655 issued by the Department of Planning and Investment ("DPI") of Ho Chi Minh City on 13 September 2004, as amended.

On 5 June 2018, the Company received the 25th amended Enterprise Registration Certificate ("ERC") issued by the DPI of Ho Chi Minh City, approving the increase in charter capital from VND 2,219,909,230,000 to VND 2,663,890,070,000.

The Company's shares were listed on the Ho Chi Minh Stock Exchange ("HOSE") with code PDR in accordance with the License No. 1207/SGDHCM-NY issued by the HOSE on 9 July 2010.

The current principal activities of the Company and its subsidiaries ("the Group") are to construct and trade real estate properties; to undertake the civil and industrial projects, bridges and roads; and to provide real estate brokerage and valuation services, and real estate trading centre and management.

The Company's registered head office is located at No. 422, Dao Tri, Quarter 1, Phu Thuan Ward, District 7, Ho Chi Minh City, Vietnam.

The number of the Group's employees as at 31 December 2018 was 185 (31 December 2017: 168).

Corporate structure

As at 31 December 2018, the Company has 4 following subsidiaries which were consolidated into the consolidated financial statements of the Group:

Phat Dat Investment Limited Company ("Phat Dat Investment")

Phat Dat Investment is a one-member limited liability company incorporated under the Law on Enterprise of Vietnam pursuant to the BRC No. 0313241765 issued by the DPI of Ho Chi Minh City on 11 May 2015 and as amended. Phat Dat Investment's principal activities are to trade in real estate properties, leased land use rights of owners, users or lessee. The registered head office of Phat Dat Investment is located at No. 422 Dao Tri Street, Quarter 1, Phu Thuan Ward, District 7, Ho Chi Minh City, Vietnam.

As at 31 December 2018, the Company holds a 100% equity share and voting rights in this subsidiary.

Phu Hung Real Estate Investment Company Limited ("Phu Hung")

Phu Hung is a one-member limited liability company incorporated under the Law on Enterprise of Vietnam pursuant to the BRC No. 0313558191 issued by the DPI of Ho Chi Minh City on 1 December 2015 and as amended. Phu Hung's registered head office is located at No. 30 Nguyen Thi Dieu Street, District 3, Ho Chi Minh City, Vietnam. The principal activities of Phu Hung are to trade in real estate properties. On 26 April 2018, Phu Hung received the 2nd amended ERC issued by the DPI of Ho Chi Minh City, approving the change of business type from a limited liability company with two or more members to a one-member limited liability company.

As at 31 December 2018, the Company holds a 100% equity share and voting rights in this subsidiary.

DK Phu Quoc Corporation ("DK Phu Quoc")

DK Phu Quoc is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to the BRC No. 1701522101 issued by the DPI of Kien Giang Province on 22 April 2011 and as amended. DK Phu Quoc's registered head office is located at Group 17, C Lot, Quarter 5, Duong Dong Town, Phu Quoc District, Kien Giang Province, Vietnam. The principal activities of DK Phu Quoc are to trade in real estate properties.

As at 31 December 2018, the Company holds a 99% equity share and voting rights in this subsidiary.

Coinin Construction Investment Infrastructure Company Limited ("Coinin")

Coinin is a limited liability company with two or more members incorporated under the Law on Enterprise of Vietnam pursuant to the BRC No. 0313662185 issued by the DPI of Ho Chi Minh City on 25 February 2016 and as amended. Coinin's registered head office is located at No. 271/16 An Duong Vuong Street, Ward 3, District 5, Ho Chi Minh City, Vietnam. The principal activities of Coinin are to trade in real estate properties.

As at 31 December 2018, the Company holds a 80% equity share and voting rights in this subsidiary.

2. BASIS OF PREPARATION

2.1 Accounting standards and system

The consolidated financial statements of the Group, expressed in Vietnam dong ("VND"), are prepared in accordance with the 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).

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

2.2 Applied accounting documentation system

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

2.3 Fiscal year

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

2. BASIS OF PREPARATION (continued)

2.4 Accounting currency

The consolidated financial statements are prepared in VND which is also the Group's accounting currency.

2.5 Basis of consolidation

The consolidated financial statements of the Group comprise the financial statements of the Company and its subsidiaries for the year ended 31 December 2018.

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

The consolidated financial statements of the Company and its subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies.

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

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

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

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.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Cash

Cash comprises cash on hand and cash in banks.

3.2 Inventories

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

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

The perpetual method is used to record inventories, which are valued as follows:

Merchandise – cost of purchase on a weighted average basis.

Provision for obsolete inventories

An inventory provision is created for the estimated loss arising due to the impairment of value (through diminution, damage, obsolescence, etc.) of inventories owned by the Group, based on appropriate evidence of impairment available at the consolidated balance sheet date.

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

Inventory property

Property acquired or being constructed for sale in the ordinary course of business, rather than to be held for rental or capital appreciation, is held as inventory property and is measured at the lower of cost and net realisable value.

Cost includes:

- » Freehold and leasehold rights for land;
- » Amounts 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 balance sheet date and discounted for the time value of money if material, less costs to completion and the estimated costs of sale.

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

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

3.4 Fixed assets

Tangible fixed assets and intangible fixed assets are stated at cost less accumulated depreciation and amortisation.

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.4 Fixed assets (continued)

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

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

3.5 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:

Machinery and equipment	3 – 7 years
Means of transportation	3 – 6 years
Land use rights	49 years
Computer software	3 years

3.6 Investment properties

Investment properties comprise land use rights, buildings or part of a building or both and infrastructure held to earn rentals or for capital appreciation, or both, rather than for use in the production or supply of goods or services; administration purposes or sale in the ordinary course of business.

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

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

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

Buildings and structures	25 – 45 years
--------------------------	---------------

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

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.

3.7 Construction in progress

Construction in progress represents fixed assets under construction and is stated at historical cost. This includes costs of construction, installation of equipment and other direct costs. Construction in progress is not depreciated until such time as the relevant assets are completed and put into operation.

3.8 Borrowing costs

Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds, and are recorded as expense during the period in which they are incurred, except to the extent that they are capitalised as explained in the following paragraph.

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.

3.9 Prepaid expenses

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

3.10 Investments

Investments in associates

The Group’s investment in its associate is accounted for using the equity method of accounting. An associate is an entity in which the Group has significant influence that is neither subsidiaries nor joint ventures. The Group generally deems 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 Group’s 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. The consolidated income statement reflects the share of the post-acquisition results of operation of the associate.

The share of post-acquisition profit (loss) of the associates is presented on face of the consolidated income statement and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Dividend 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 Group. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

Investment in other entity

Investment in other entity is accounted under cost method.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.10 Investments (continued)

Provision for investments in entities

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

3.11 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 Group.

3.12 Earnings per share

Basic earnings per share amount is computed by dividing net profit for the year attributable to ordinary shareholders (after the allocation to bonus and welfare fund) by the weighted average number of ordinary shares outstanding during the year, where applicable.

Diluted earnings per share amounts are calculated by dividing the net profit after tax attributable to ordinary equity holders of the Company 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

3.13 Appropriation of net profits

Net profit after tax (excluding negative goodwill arising from a bargain purchase) is available for appropriation to shareholders after approval by shareholders at the annual general meeting, and after making appropriation to reserve funds in accordance with the Company's Charter and Vietnam's regulatory requirements.

The Group maintains the following reserve funds which are appropriated from the Group's net profit as proposed by the Board of Directors ("BOD") and subject to approval by shareholders at the annual general meeting.

Investment and development fund

This fund is set aside for use in the Group's expansion of its operation or in-depth investments.

Bonus and welfare fund

This fund is set aside for the purpose of pecuniary rewarding and encouraging, common benefits and improvement of the employees' benefits and presented as a liability on the consolidated balance sheet.

Dividends

Final dividends proposed by the Company's BOD are classified as a allocation of undistributed earnings within the equity section on the consolidated balance sheet, until they have been approved by the Company's shareholders at the annual general meeting. At that time, they are recognised as a liability in the consolidated balance sheet.

3.14 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Sale of apartments

For apartments sold after completion of construction, the revenue and associated costs are recognised when the significant risks and rewards of ownership of the apartments have passed to the buyers, usually upon the handing over of the apartments, or upon the expiring of the Notice of Handover, which is usually 7 days from the due date that was informed on the hand-over notice.

Sale of residential plots and related infrastructure

Revenue from the sale of residential plots and related infrastructures are recorded at the total consideration received when residential plots and related infrastructures are transferred to the customers.

Rental income

Rental income receivable under operating leases is recognized on a straight-line basis over the term of the lease, except for contingent rental income which is recognized when it arises.

Rendering of services

Revenues are recognised upon the services had been provided and completed.

Interest income

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

3.15 Taxation

Current income tax

Current income tax assets and liabilities for the current and previous 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 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 Group to offset current tax assets against current tax liabilities and when the Group intends to settle its current tax assets and liabilities on a net basis.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.15 Taxation (continued)

Deferred tax

Deferred tax is provided using the balance sheet liability method on temporary differences at the 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. 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.

The carrying amount of deferred tax assets is reviewed at each 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 income tax asset to be utilised. Previously unrecognised deferred tax assets are re-assessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

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

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right for the Group to offset current tax assets against current tax liabilities and when they relate to income taxes levied on the same taxable entity by the same taxation authority.

3.16 Related parties

Parties are considered to be related parties of the Group 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 Group 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.

3.17 Segment information

A segment is considered as an independent department of the Group which involve in the process of providing products or rendering services (business segment), or providing products or rendering services in a specific economic environment (geographical segment). These departments are responsible for risk and gain benefit separately from other department.

The Group's principal activities are to construct and trade real estate properties; to undertake the civil and industrial projects, bridges and roads; and to provide real estate brokerage and valuation services, and real estate trading centre and management. In addition, these activities are mainly taking place within Vietnam. Therefore, the Group's risks and returns are not impacted by the Group's products that the Group is constructing or the locations where the Group is operating. As a result, the Group's management is of the view that there is only one segment for business and geography and therefore presentation of segmental information is not required.

4. BUSINESS COMBINATIONS

4.1 Acquisition of additional ownership interest in Phu Hung

On 1 February 2018, the Group acquired an additional 50.1% ownership interest in Phu Hung at the consideration of VND 50,000,000,000, increasing its ownership interest in Phu Hung to 100%. Accordingly, Phu Hung from an associate became the Group's subsidiary.

The fair values of the identifiable assets and liabilities of Phu Hung were as follows:

	Fair value recognized on acquisition
Assets	VND
Cash	432,828,416
Short-term trade receivables	2,550,000,000
Short-term advances to suppliers	17,100,001
Other short-term receivables	44,681,759,697
Value-added tax deductible	15,527,689,611
Tax and other receivables from the State	4,453,660,760
	67,663,038,485
Liabilities	
Other short-term payables	3,357,142,693
Other long-term payables	14,305,895,792
	17,663,038,485
Total identifiable net assets at fair value	50,000,000,000
Non-controlling interests	50,000,000,000
Goodwill arising from acquisition	-
Purchase consideration transferred	50,000,000,000

On 6 November 2018, the Group's Board of Directors decided to dissolve Phu Hung in accordance with Decision No. 21/2018/QĐ-HĐQT. As at the balance sheet date, legal procedures for the dissolution of Phu Hung are in progress.

4.2 Acquisitions of DK Phu Quoc and Coinin

On 9 March 2018, the Group acquired 99% ownership interest in DK Phu Quoc at a consideration of VND 393,624,000,000. Accordingly, DK Phu Quoc became the Group's subsidiary as at this date.

On 19 March 2018, the Group acquired 80% ownership interest in Coinin at a consideration of VND 246,000,000,000. Accordingly, Coinin became the Group's subsidiary at as this date.

Management assessed that the said costs of acquisitions represent the fair value of the projects owned by these newly-acquired subsidiaries. As a result, management accounted for these acquisitions as asset acquisitions rather than business combinations because these subsidiaries only own real estate projects or future developing real estate projects and are not in commercial operation yet.

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5. CASH

	VND	
	Ending balance	Beginning balance
Cash on hand	113,633,563	87,679,956
Cash in banks	189,227,475,047	143,967,014,028
TOTAL	189,341,108,610	144,054,693,984

Additional information regarding the consolidated cash flow statement:

	VND	
	Current year	Previous year
Significant non-cash transaction that is excluded from the cash flow statement:		
Conversion of receivables to investments in other entities	103,000,000,000	-

6. TRADE RECEIVABLES

	VND	
	Ending balance	Beginning balance
Short-term	877,410,270,588	236,287,708,511
Receivable from others	766,661,526,919	175,235,626,934
- Thien Minh Real Estate Investment Joint Stock Company ("Thien Minh") (*)	419,425,589,072	-
- Mr Pham Thanh Dien	71,000,000,000	-
- Minh Hoang Real Estate Business Joint Stock Company ("Minh Hoang")	25,135,776,394	-
- Vinh Hoi Investment and Development Joint Stock Company (currently merged into Phu My Hung Investment Corporation) ("Vinh Hoi")	24,200,000,000	26,400,000,000
- Big Gain Investment Company Limited ("Big Gain")	13,951,350,000	-
- Toan Tam Management Service Corporation ("Toan Tam")	4,785,609,500	48,744,884,500
- Xuan Thanh Real Estate Company Limited	-	-
- Others	208,163,201,953	62,191,079,434
Receivable from related parties (Note 30)	110,748,743,669	61,052,081,577
Long-term	136,493,450,000	159,372,177,750
Receivable from a related party (Note 30)	117,000,000,000	117,000,000,000
Receivable from other party - Toan Tam	19,493,450,000	42,372,177,750
TOTAL	1,013,903,720,588	395,659,886,261
Provision for doubtful short-term receivables	(3,813,082,874)	(4,141,058,294)
NET	1,010,090,637,714	391,518,827,967

(*) This represents receivables regarding the sale of 194 office-apartments of Millennium project located at No. 132, Ben Van Don Street, Ward 6, District 4, Ho Chi Minh City ("Millennium project").

Movements of provision for doubtful short-term receivables are as follows:

	VND	
	Current year	Previous year
Beginning balance	4,141,058,294	3,885,795,294
Add: Provision made during the year	-	255,493,000
Less: Reversal of provision during the year	(327,975,420)	(230,000)
Ending balance	3,813,082,874	4,141,058,294

7. SHORT-TERM ADVANCES TO SUPPLIERS

	VND	
	Ending balance	Beginning balance
Tan Hoang Real Estate Corporation (*)	223,000,000,000	223,000,000,000
Tam Binh Real Estate Corporation (*)	200,000,000,000	200,000,000,000
Land Clearance and Compensation Corporation	174,188,023,851	174,340,420,229
Duc Khai Corporation	67,051,706,000	-
Toan Thuan Phat Construction Trading and Service Company Limited	62,576,147,735	68,237,428,763
Other	32,664,711,043	24,652,203,659
TOTAL	759,480,588,629	690,230,052,651

(*) These are advances relating to the investment and cooperation in the construction of the ICD Port of Transshipment located at Long Binh Ward, District 9, Ho Chi Minh City, Vietnam.

8. OTHER RECEIVABLES

	VND	
	Ending balance	Beginning balance
Short-term	354,908,379,358	656,526,367,981
Receivables from other parties	274,903,770,358	48,617,982,678
- Deposit to auction Nhon Hoi - Binh Dinh project	132,400,000,000	-
- Minh Hoang	50,000,000,000	-
- Others deposits	6,600,000,000	6,000,000,000
- Others	85,903,770,358	42,617,982,678
Receivables from related parties (Note 30)	80,004,609,000	607,908,385,303
Long-term	1,082,292,360,900	1,300,036,461,900
Receivables from other parties	854,952,609,000	1,072,696,710,000
- Phu Quoc Doan Anh Duong Corporation ("Doan Anh Duong") (i)	446,000,000,000	476,000,000,000
- Minh Hoang (ii)	361,400,000,000	500,000,000,000
- Phat Dat Quang Ngai Hotel and Resort Corporation	9,000,000,000	18,000,000,000
- Others	38,552,609,000	78,696,710,000
Receivables from related parties (Note 30)	227,339,751,900	227,339,751,900
- Truong Phat Loc Shipping Joint Stock Company ("Truong Phat Loc") (iii)	126,400,000,000	126,400,000,000
- T.A.M Service Trading Investment Joint Stock Company ("T.A.M") (iv)	100,939,751,900	100,939,751,900
TOTAL	1,437,200,740,258	1,956,562,829,881

(i) On 18 December 2017, the Group entered into the Investment Cooperation Contract ("ICC") No. 01/2017/HDHTDT/DAD-PD with Doan Anh Duong regarding to the construction, exploitation and development of Vung Bau Ecotourism Project located at Cua Can Commune, Phu Quoc District, Kien Giang Province with total amount of VND 1,727,000,000,000. Accordingly, the actual profit after tax arising from the project will be divided according to the proportion of financial contributions of the parties but not less than the interest of 20% p.a. on the Group's contributed capital to the project. As at 31 December 2017, the Group has contributed of VND 476,000,000,000. During the year 2018, the Group has collected of VND 30,000,000,000.

(ii) On 8 December 2017, the Group entered into the Business Cooperation Contract ("BCC") No. 01/2017/HDHTKD/MH-PD with Minh Hoang regarding to the development of commercial floors and office-apartments of Millennium project with total amount of VND 628,822,606,040 and will earn the actual profit after tax arising according to the proportion of financial contributions. As at 31 December 2017, the Group has contributed of VND 500,000,000,000. In the year 2018, the Group additionally contributed of VND 14,000,000,000. However, on 12 June 2018, the Group liquidated this contract, collected of VND 152,600,000,000 and earned the profit after tax sharing of VND 65,000,000,000. As at the balance sheet date, the Group has received profit sharing of VND 15,000,000,000, while the original capital contributed of VND 361,400,000,000 and the remaining profit sharing of VND 50,000,000,000 are still outstanding.

(iii) On 10 November 2015, the Group entered into a 3-year ICC with Truong Phat Loc regarding to the development of Millennium project with total amount of VND 883,000,000,000. Accordingly, the Group will earn the actual profit after tax arising from the project but not less than the initial investment. As at 31 December 2017, the Group has contributed of VND 126,400,000,000. On 30 August 2018, the Group liquidated this contract and earned the profit after tax sharing of VND 125,000,000,000. As at the balance sheet date, the Group has received profit sharing of VND 45,000,000,000, while the original capital contributed of VND 126,400,000,000 and the remaining profit sharing of VND 80,000,000,000 are still outstanding.

(iv) On 12 April 2016, the Group entered into a 3-year ICC No. 01/HD-2016/PD-T.A.M with T.A.M regarding to the development of a project located at No. 239, Cach Mang Thang Tam Street, Ward 4, District 3, Ho Chi Minh City. According to the ICC, the Group contributed of VND 100,939,751,900 and will earn the actual profit after tax arising from the project. On 25 December 2017, the two parties decided to liquidate the contract before the maturity date. Accordingly, the Group transferred all rights in developing this project to T.A.M and received the initial contributed capital plus the agreed gain of VND 180,000,000,000. As at the balance sheet date, the Group has received the agreed gain amount, while the contributed capital will be collected over the agreed payment schedule.

9. INVENTORIES

	VND	
	Ending balance	Beginning balance
Real estate properties (*)	5,865,341,180,580	6,089,306,979,559
Merchandise	472,479,119	479,851,407
TOTAL	5,865,813,659,699	6,089,786,830,966

(*) Real estate properties mainly include compensation and land clearance costs to acquire the land use rights, and construction costs and capitalised interest, incurred for the following on-going real estate projects:

	VND	
	Ending balance	Beginning balance
The EverRich 2 project (i)	3,593,255,243,078	4,290,528,718,898
The EverRich 3 project (ii)	2,051,827,016,256	1,545,661,117,204
Bau Ca project (iii)	98,559,426,839	19,845,061,918
Phan Dinh Phung project (iv)	72,633,584,240	40,568,907,458
The EverRich Infinity project (v)	-	143,905,122,710
Other projects	49,065,910,167	48,798,051,371
TOTAL	5,865,341,180,580	6,089,306,979,559

On 3 January 2019, the Group entered into the pledge contracts with Vietnam Prosperity Joint Stock Commercial Bank ("VPBank") to place The EverRich 2 and The EverRich 3 projects and all of their associated asset rights to secure for the loans taken by its business partners from VPBank.

The loan interest incurred during the year of VND 70,549,175,311 to invest, develop projects was capitalised (for the year ended 31 December 2017: VND 253,791,707,190).

- (i) The EverRich 2 project (formerly known as River City project)

This project is located at No. 442, Dao Tri Street, Quarter 1, Phu Thuan Ward, District 7, Ho Chi Minh City, Vietnam. The ending balance mainly includes cost of land compensation, capitalised interest and construction costs. The foundation level of this project including four blocks A, B, C and D have been completed.

On 8 February 2018, the Company signed the Liquidation Minutes of BCCs with CRE & AGI Consulting Joint Stock Company ("CRE & AGI") and Phu Hung Real Estate Investment Company Limited ("Phu Hung") regarding the co-operation investment for construction and business management of The EverRich 2 project. Accordingly, the Company had obligation to compensate to CRE & AGI and Phu Hung the amounts of VND 350,000,000,000 and VND 565,331,115,914, respectively. As at the balance sheet date, the Company had completed these obligations and is in progress to fulfil the Government's requirements for transferring the project in accordance with ICC No. 01/HDHTDT-E2/2017 dated 26 December 2017 and appendixes (Note 20).

On 24 December 2018, the Company entered into a contract to sell 297 apartments of block C to Big Gain at the sale price of VND 947,833,813,745.

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9. INVENTORIES (continued)

(ii) The EverRich 3 project

This project is located at Tan Phu Ward, District 7, Ho Chi Minh City. The ending balance includes costs of land compensation, design, and infrastructure construction. As at the balance date, the Group is in progress to fulfil the Government's requirements for transferring the project in accordance with ICC No. 01/HDHTDT-E3/2017 dated 26 December 2017 and appendixes (Note 20).

On 21 February 2019, the BOD approved the Decision No. 02/2019/QD-HDQT regarding the sale of part of this project (Lot B1 and Lot B4) having the area of 29,060.8 m² following Decision No. 498/QD-UBND issued by the People's Committee of Ho Chi Minh City on 2 February 2019 to Dynamic Innovation Company Limited ("Dynamic") at the price of VND 1,162,432,000,000.

(iii) Bau Ca project

This project is located at Le Hong Phong Ward and Tran Hung Dao Ward, Quang Ngai City, Quang Ngai Province. The ending balance mainly includes land compensation costs and construction costs.

(iv) Phan Dinh Phung project

This project is located at No. 8 Vo Van Tan Street, District 3, Ho Chi Minh City under Build - Transfer Contract. On 2 January 2018, the Company was approved on joint venture investor according to the Decision No. 01/QD-UBND issued by the People's Committee of Ho Chi Minh City. The ending balance mainly includes consulting, surveying and guarantee fee.

(v) The EverRich Infinity project

This project is located at No. 290, An Duong Vuong Street, Ward 4, District 5, Ho Chi Minh City. As at the balance sheet date, this project had been completed and the Company handed over all apartments to customers under the signed contracts.

10. PREPAID EXPENSES

	VND	
	Ending balance	Beginning balance
Short-term	3,227,850,322	2,355,117,576
External services fees	1,782,577,621	1,590,681,406
Insurance fees	522,160,041	467,583,892
Rental fees	368,836,791	39,771,375
Others	554,275,869	257,080,903
Long-term	923,019,095,140	21,067,019,225
The EverRich 2 project compensation expenses (Note 9)	915,331,115,914	-
Apartments management fees	3,382,434,585	11,711,809,547
Rental fees	2,684,144,642	4,871,306,448
Commission fees	-	3,801,263,949
Others	1,621,399,999	682,639,281
TOTAL	926,246,945,462	23,422,136,801

11. TANGIBLE FIXED ASSETS

	VND		
	Machinery and equipment	Means of transportation	Total
Cost:			
Beginning balance	3,301,132,387	5,226,419,538	8,527,551,925
New purchase	38,455,455	7,641,900,000	7,680,355,455
Ending balance	3,339,587,842	12,868,319,538	16,207,907,380
In which:			
Fully depreciated	2,244,925,203	3,066,637,720	5,311,562,923
Accumulated depreciation:			
Beginning balance	(2,288,082,466)	(3,479,149,650)	(5,767,232,116)
Depreciation for the year	(363,082,738)	(1,406,638,306)	(1,769,721,044)
Ending balance	(2,651,165,204)	(4,885,787,956)	(7,536,953,160)
Net carrying amount:			
Beginning balance	1,013,049,921	1,747,269,888	2,760,319,809
Ending balance	688,422,638	7,982,531,582	8,670,954,220

12. INTANGIBLE FIXED ASSETS

	VND		
	Land use right (*)	Computer software	Total
Cost:			
Beginning balance	5,059,556,440	1,968,481,036	7,028,037,476
New purchase	-	1,202,897,000	1,202,897,000
Disposal	(5,059,556,440)	-	(5,059,556,440)
	-	3,171,378,036	3,171,378,036
In which: Fully amortised	-	718,481,036	718,481,036
Accumulated amortisation:			
Beginning balance	(837,503,335)	(892,092,146)	(1,729,595,481)
Amortisation for the year	(94,974,605)	(416,666,664)	(511,641,269)
Disposal	932,477,940	-	932,477,940
Ending balance	-	(1,308,758,810)	(1,308,758,810)
Net carrying amount:			
Beginning balance	4,222,053,105	1,076,388,890	5,298,441,995
Ending balance	-	1,862,619,226	1,862,619,226

(*) Land use right ("LUR") of VND 5,059,556,440 located at Tran Phu Ward, Quang Ngai City, Quang Ngai Province, Vietnam. This LUR period will end in 2058. On 26 December 2018, the Group transferred this LUR to Ms Doan Thi Trang according to the Contract No. 2621/HDCNQSDD/PD at the amount of VND 42,774,404,040 (Note 30).

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13. INVESTMENT PROPERTIES

	VND		
	Land use rights	Building and structures	Total
Cost:			
Beginning balance	120,446,972,991	69,217,297,281	189,664,270,272
Project completion	-	9,405,585,000	9,405,585,000
Disposal	(113,140,000,000)	(860,000,000)	(114,000,000,000)
Ending balance	7,306,972,991	77,762,882,281	85,069,855,272
Accumulated depreciation:			
Beginning balance	-	(2,007,944,054)	(2,007,944,054)
Depreciation for the year	-	(1,630,674,222)	(1,630,674,222)
Disposal	-	372,481,764	372,481,764
Ending balance	-	(3,266,136,512)	(3,266,136,512)
Net carrying amount:			
Beginning balance	120,446,972,991	67,209,353,227	187,656,326,218
Ending balance	7,306,972,991	74,496,745,769	81,803,718,760

The Group's land use rights consist of the following:

- indefinite life LUR of VND 113,140,000,000 located at No. 131, Nguyen Trai Street, Ward 2, District 5, Ho Chi Minh City, Vietnam. On 1 November 2018, the Group transferred this LUR to Mr Pham Thanh Dien according to the Contract No. 023970 at the amount of VND 192,101,818,182.
- indefinite life LUR of VND 7,306,972,991 representing the basement B1 and B2 of The EverRich 1 project is located at No. 968, 3 February Street, District 11, Ho Chi Minh City, Vietnam.

The fair values of the investment properties were not formally assessed and determined as at 31 December 2018. However, given the current occupancy rate of these properties and market price of surrounding land, it is management's assessment that these properties' market values are higher than their carrying value as at the balance sheet date.

14. CONSTRUCTION IN PROGRESS

	VND	
	Ending balance	Beginning balance
The Internal Technical Infrastructure Construction Ancient project in District 9, Ho Chi Minh City (i)	307,445,996,284	-
Ham Ninh Industrial Complex and Residential Village and Center projects in Ham Ninh Ward, Phu Quoc Province (ii)	398,094,823,275	-
Phu Quoc five-star Hotel & Resort	53,732,479,734	53,732,479,734
Hospital for Traumatology and Orthopaedics	7,171,734,009	6,214,296,380
Others	6,063,373,915	6,964,883,891
TOTAL	772,508,407,217	66,911,660,005

The loan interest incurred during the year of VND 818,071,265 to invest, develop projects was capitalised (for the year ended 31 December 2017: VND 3,103,804,813).

- This is the project which is performed according to the BT Contract No. 2648/UB-HDBT dated 31 May 2016 between the People's Committee of Ho Chi Minh City and the Group. Accordingly, the Group will be transferred the Cu Lao Ba Sang land area located at Long Binh Ward, District 9, Ho Chi Minh City to invest and develop a project after completion of this BT project. As at the balance sheet date, the project's legal procedures are in progress.
- This is the project located at Ham Ninh Ward, Phu Quoc District, Kien Giang Province with the land area of 79,691 ha. As at the balance sheet date, the project's legal procedures are in progress.

15. LONG-TERM INVESTMENTS

	VND	
	Ending balance	Beginning balance
Investments in associates (Note 15.1)	-	293,748,665,217
Investment in other entity (Note 15.2)	-	51,480,000,000
TOTAL	-	345,228,665,217

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15. LONG-TERM INVESTMENTS (continued)

15.1 Investments in associates

(*) On 3 July 2018, PDP Project received the first Enterprise Registration Certificate with charter capital amounting to VND 300,000,000,000, in which, the Group has interest ownership of 49%, equivalent to VND 147,000,000,000. As at the balance sheet date, the Group has not yet completed the capital contribution.

(**) As at the balance sheet date, the Group liquidated and collected fully its investments in these entities at carrying amounts.

Details of investments in associates as at balance sheet dates are presented as follows:

	PDP Project Construction Investment Co., Ltd. ("PDP Project") (*)	Dien Gia Khang Real Estate Co., Ltd. ("Dien Gia Khang") (**)		Dien Gia Khanh Real Estate Co., Ltd. ("Dien Gia Khanh") (**)	Phat Dat Anh Duong Real Estate Development Corporation ("Phat Dat Anh Duong") (**)	Phu Hung (Note 4,1)	VND Total
Cost of investment:							
Beginning balance	-	176,000,000,000		75,000,000,000	45,000,000,000	-	(296,000,000,000)
Disposal	-	(176,000,000,000)		(75,000,000,000)	(45,000,000,000)	-	(2,251,334,783)
Ending balance	-	-		-	-	-	-
Accumulated share in post-acquisition loss of the associates:							
Beginning balance	-	-		-	-	(2,251,334,783)	(2,251,334,783)
Business combination	-	-		-	-	2,251,334,783	2,251,334,783
Ending balance	-	-		-	-	-	-
Carrying amount:							
Beginning balance	-	176,000,000,000		75,000,000,000	45,000,000,000	(2,251,334,783)	293,748,665,217
Ending balance	-	-		-	-	-	-

15.2 Investment in other entity

	Ending balance		Beginning balance	
	% of ownership and voting rights	Amount	% of ownership and voting rights	Amount
		VND		VND
My Loi Bridge Investment Corporation	-	-	19,8	51,480,000,000

As at the balance sheet date, the Group liquidated and collected fully this investment at cost.

16. SHORT-TERM TRADE PAYABLES

VND

	Ending balance	Beginning balance
Vinh Hoi (*)	264,925,416,441	-
Dong Khanh Construction Company Limited	28,544,533,703	-
Cotec Construction Joint Stock Company	10,837,593,182	86,545,894,373
Dat Moi Trading Service Joint Stock Company	5,699,012,385	4,565,155,125
Others	2,963,715,084	9,076,775,124
TOTAL	312,970,270,795	100,187,824,622

(*) This represents payables for the purchase of 194 office-apartments of Millennium project.

17. SHORT-TERM ADVANCES FROM CUSTOMERS

VND

	Ending balance	Beginning balance
Big Gain (*)	-	595,141,256,792
Others	10,173,673,983	106,048,558,342
TOTAL	10,173,673,983	701,189,815,134

(*) As at the balance sheet date, the Group sold 297 apartments of Block C of The EverRich 2 project to Big Gain (Note 9).

18. STATUTORY OBLIGATIONS

VND

	Beginning balance	Increase	Decrease	Ending balance
Payables				
Corporate income tax	42,296,256,485	114,724,540,728	(91,889,892,728)	65,130,904,485
Personal income tax	2,042,522,396	8,479,236,360	(9,960,823,921)	560,934,835
Value-added tax	17,238,823	127,516,338,710	(87,139,830,895)	40,393,746,638
Other taxes	-	1,137,640,740	(1,137,640,740)	-
TOTAL	44,356,017,704	251,857,756,538	(190,128,188,284)	106,085,585,958
Receivables				
Corporate income tax	9,061,394,917	4,155,907,436	(9,577,534,721)	3,639,767,632
Value-added tax	35,849,517,006	51,725,077,928	(87,325,352,666)	249,242,268
Personal income tax	-	51,154,098	(10,432,740)	40,721,358
TOTAL	44,910,911,923	55,932,139,462	(96,913,320,127)	3,929,731,258

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

as at 31 December 2018 and for the year ended

B09-DN/HN

19. SHORT-TERM ACCRUED EXPENSES

	VND	
	Ending balance	Beginning balance
Construction costs	65,969,868,741	70,297,902,207
Commission fees	-	20,297,566,999
Interest expense	7,032,367,645	6,214,296,380
Others	5,222,318,182	3,299,128,000
TOTAL	78,224,554,568	100,108,893,586

20. OTHER PAYABLES

	VND	
	Ending balance	Beginning balance
Short-term	266,522,206,379	71,095,134,376
Advance received from CRE & AGI	80,000,000,000	-
Deposits received	129,993,679,000	4,725,753,000
Maintenance fund	48,866,690,401	48,234,742,310
Payables to related parties (Note 30)	-	14,490,455,153
Others	7,661,836,978	3,644,183,913
Long-term	6,753,817,006,616	6,041,132,313,462
Payable under ICCs (*)	6,723,817,006,616	6,027,000,000,000
Deposits received	30,000,000,000	14,132,313,462
TOTAL	7,020,339,212,995	6,112,227,447,838

(*) On 26 December 2017, the Group has entered into a 5-year ICC No. 01/HDHTDT-E2/2017 with Big Gain regarding to the development of a part of The EverRich 2 project and a 5 years ICC 01/HDHTDT-E3/2017 with Dynamic regarding to the development of apartment block of The EverRich 3 project. According to these ICCs:

a. Big Gain/Dynamic has obligation to settle the costs incurred by the Group for the cooperated project.

- The parties may receive the profits from the project in accordance with the proportion of financial contributions of the parties.
- After the land use right certificate of the project is granted for the Group, Big Gain/Dynamic has the option to purchase and the Group has the option to sell 99% of the Group's interest in the ICC at the price equivalent to 99% of the agreed contributed value of the Group in this ICC, plus a surplus that will be agreed upon by the parties.
- When the legal conditions of the project are met, the Group has the right to assign this project to another partner provided that it fully reimburses Big Gain/Dynamic the contributed amount plus interest. The amount of interest shall be agreed upon by the parties.

As at the balance sheet date, the Group received the amount of VND 4,571,317,006,616 and VND 2,152,500,000,000 from Big Gain and Dynamic, respectively.

On 21 February 2019, the BOD approved the Decision regarding the sale of part of The EverRich 3 project (Lot B1 and Lot B4) to Dynamic at the price of VND 1,162,432,000,000 (Note 9).

(**) On 6 November 2018, the Group signed a Capital Contribution Agreement with Ms. Le Thi Vinh Phuc in order to invest and develop Nhon Hoi – Binh Dinh project.

21. SHORT-TERM LOAN

	VND			
	Beginning balance	Increase	Decrease	Ending balance
Loan from bank	-	1,056,991,706,980	(1,056,991,706,980)	-
Loan from others	47,196,419,134	-	(47,196,419,134)	-
TOTAL	47,196,419,134	1,056,991,706,980	(1,104,188,126,114)	-

22. BONUS AND WELFARE FUND

	VND	
	Current year	Previous year
Beginning balance	13,004,065,046	8,681,781,478
Increase	22,000,000,000	14,400,000,000
Decrease	(21,720,533,279)	(10,077,716,432)
Ending balance	13,283,531,767	13,004,065,046

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

as at 31 December 2018 and for the year ended

B09-DN/HN

23. OWNERS' EQUITY

23.1 Increase and decrease in owners' equity

VND

	Share capital	Share premium	Investment and development fund	Undistributed earnings	Total
Previous year					
Beginning balance	2,018,099,710,000	11,680,300,000	85,413,584,076	288,603,423,375	2,403,797,017,451
Net profit for the year	-	-	-	439,879,870,046	439,879,870,046
Appropriation of net profit	-	-	17,300,000,000	(17,300,000,000)	-
Transfer to bonus and welfare fund	-	-	-	(14,400,000,000)	(14,400,000,000)
Dividends share	201,809,520,000	-	-	(201,809,520,000)	-
Dividends declared	-	-	-	(287,400,000)	(287,400,000)
BOD's allowance	-	-	-	(2,108,000,000)	(2,108,000,000)
Ending balance	2,219,909,230,000	11,680,300,000	102,713,584,076	492,578,373,421	2,826,881,487,497
Current year					
Beginning balance	2,219,909,230,000	11,680,300,000	102,713,584,076	492,578,373,421	2,826,881,487,497
Net profit for the year	-	-	-	643,316,697,026	643,316,697,026
Appropriation of net profit	-	-	22,000,000,000	(22,000,000,000)	-
Transfer to bonus and welfare fund	-	-	-	(22,000,000,000)	(22,000,000,000)
Dividends share (*)	443,980,840,000	-	-	(443,980,840,000)	-
BOD's allowance	-	-	-	(2,048,000,000)	(2,048,000,000)
Ending balance	2,663,890,070,000	11,680,300,000	124,713,584,076	645,866,230,447	3,446,150,184,523

(*) On 2 May 2018, the Group issued 44,398,084 ordinary shares to pay dividend at the price of VND 10,000 per share amounting to VND 443,980,840,000 according to the Resolution of Shareholders No. 01/DHDCCD-NQ.2018 dated 30 March 2018 and Decision No. 08/2018/QĐ-HĐQT dated 4 April 2018. On 5 June 2018, the Company received the 25th amended ERC issued by the DPI of Ho Chi Minh City, approving the increase in the Group's charter capital from VND 2,219,909,230,000 to VND 2,663,890,070,000.

23.2 Ordinary shares

VND

	Ending balance	Beginning balance
	Share	Share
Shares authorised to be issued	266,389,007	221,990,923
Shares issued and fully paid	266,389,007	221,990,923
Ordinary shares	266,389,007	221,990,923

Par value of outstanding share: VND 10,000 (2017: VND 10,000).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

as at 31 December 2018 and for the year ended

B09-DN/HN

23. OWNERS' EQUITY (continued)

23.3 Earnings per share

Basic earnings per share is calculated by dividing net profit after tax for the year (after adjusting for the bonus and welfare fund and Board of Director's allowance) attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

	VND	
	Current year	Previous year
Net profit attributable to ordinary equity holders of the parent	643,316,697,026	439,879,870,046
Less: BOD's allowance	(2,048,000,000)	(2,108,000,000)
Bonus and welfare fund (*)	(32,165,834,851)	(21,993,993,502)
Net profit after tax attributable to ordinary equity holders for basic earnings (VND)	609,102,862,175	415,777,876,544
Weighted average number of ordinary shares for the year (shares) (**)	266,389,007	266,389,007
Basic earnings per share (VND/share) (par value: VND 10,000 per share)	2,287	1,561
Diluted earnings per share (VND/share)	2,287	1,561

(*) Profit used to compute current year's earnings per share was adjusted for the provisional allocation to bonus and welfare fund from 2018 is undistributed earnings following the plan as approved in the Resolution No. 01/DHĐCĐ-NQ.2018 of Shareholders at Annual General Meeting dated 30 March 2018.

(**) The weighted average number of ordinary shares for the year ended 31 December 2017 has been retrospectively adjusted for dividend shares issued and increase in capital from undistributed earnings in 2018.

There have been no dilutive potential ordinary shares during the year and up to the date of these consolidated financial statements.

23.4 Dividends

	VND	
	Current year	Previous year
Dividends declared and paid during the year		
Dividends declared during the year	-	287,400,000
Shares issued to pay dividends	443,980,840,000	201,809,520,000

24. NON-CONTROLLING INTEREST

	VND	
	Current year	Previous year
Increase due to acquisition of subsidiaries and at end of year	65,476,000,000	-

25. REVENUE FROM SALE OF GOODS AND RENDERING OF SERVICES

	VND	
	Current year	Previous year
Gross revenue	2,268,746,544,025	1,542,032,394,877
Of which:		
Sale of apartments	1,785,221,757,252	1,458,081,614,417
Sale of other real estate properties	407,213,263,593	57,046,019,669
Revenue from rendering of services	68,683,883,180	20,522,095,795
Revenue from investment properties	7,627,640,000	6,382,664,998
Deductions:	(121,037,201,884)	(215,406,237,704)
Sale returns	(120,895,496,884)	(205,717,795,286)
Sale deduction	(141,705,000)	(9,688,442,418)
NET REVENUE	2,147,709,342,141	1,326,626,157,173
In which:		
Sale of apartments	1,664,184,555,368	1,302,369,759,342
Revenue from rendering of services	407,213,263,593	(1,528,362,960)
Sale of other real estate properties	68,683,883,180	19,402,095,793
Revenue from investment properties	7,627,640,000	6,382,664,998

	VND	
	Current year	Previous year
NET REVENUE (continued)		
In which:		
Sale to other customers	2,084,122,006,833	1,339,991,381,288
Sale to related parties (Note 30)	63,587,335,308	(13,365,224,115)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

as at 31 December 2018 and for the year ended

B09-DN/HN

26. COSTS OF GOODS SOLD AND SERVICES RENDERED

	VND	
	Current year	Previous year
Costs of apartments sold	1,253,596,040,062	799,660,414,749
Costs of other real estate properties sold	201,937,626,291	4,795,613,069
Costs of services rendered	9,498,288,563	2,371,913,733
Cost of investment properties	1,526,394,102	752,221,525
TOTAL	1,466,558,349,018	807,580,163,076

27. SELLING EXPENSES AND GENERAL AND ADMINISTRATIVE EXPENSES

	VND	
	Current year	Previous year
Selling expenses	41,308,040,594	101,154,109,064
Advertising expenses	18,265,951,374	3,406,575,637
Commission expenses	17,557,807,277	79,671,870,745
Salary expenses	3,866,585,129	2,752,214,966
Customers meeting expenses	195,058,480	5,045,812,260
Interest support expenses	-	8,601,168,387
Others	1,422,638,334	1,676,467,069
General and administrative expenses	80,054,505,689	57,970,821,539
Salary expenses	55,070,243,192	37,931,276,693
External services expenses	15,386,009,825	10,511,801,857
Depreciation and amortisation expenses	1,534,758,866	2,392,731,239
Others	8,063,493,806	7,135,011,750
TOTAL	121,362,546,283	159,124,930,603

28. OTHER INCOME AND OTHER EXPENSES

	VND	
	Current year	Previous year
Other income	198,454,186,942	194,137,535,123
Profit sharing from ICCs (Note 8)	190,000,000,000	180,000,000,000
Others	8,454,186,942	14,137,535,123
Other expenses	4,718,208,025	5,686,153,216
Interest support fee	1,925,578,534	2,784,276,853
Others	2,792,629,491	2,901,876,363
OTHER PROFIT	193,735,978,917	188,451,381,907

29. CORPORATE INCOME TAX

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

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 change at a later date upon final determination by the tax authorities.

29.1 CIT expenses

	VND	
	Current year	Previous year
Current CIT expense	114,724,540,728	109,756,961,359
Adjustment for under accrual of CIT from prior years	-	513,530,314
Deferred CIT expense	36,345,732	717,074,747
TOTAL	114,760,886,460	110,987,566,420

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

as at 31 December 2018 and for the year ended

B09-DN/HN

29. CORPORATE INCOME TAX (continued)

29.1 CIT expenses (continued)

Reconciliation between CIT expense and the accounting profit before tax multiplied by CIT rate is presented below:

	VND	
	Current year	Previous year
Accounting profit before tax	758,077,583,486	550,867,436,466
At CIT rate of 20% applicable to companies in the Group	151,615,516,697	110,162,138,780
Adjustments:		
Non-deductible expenses	1,145,369,763	247,572,816
Adjustment for under accrual of CIT from prior years	-	513,530,314
Loss from associate	-	64,324,510
Distributed profits after tax under ICCs	(38,000,000,000)	-
CIT expense	114,760,886,460	110,987,566,420

29.2 Current tax

The current CIT payable is based on taxable profit for the current year. The taxable profit of the Group for the year differs from the accounting profit before tax 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 Group's liability for current tax is calculated using tax rates that have been enacted by the balance sheet date.

29.3 Deferred tax

The following is deferred tax assets recognised by the Group, and the movements thereon for the current and previous years:

	VND			
	Consolidated balance sheet		Consolidated income statement	
	Ending balance	Beginning balance	Current year	Previous year
Accrued expenses	477,099,441	513,445,173	(36,345,732)	(717,074,747)
Deferred tax asset	477,099,441	513,445,173		
Deferred tax expense			(36,345,732)	(717,074,747)

30. TRANSACTIONS WITH RELATED PARTIES

Related party transactions include all transactions undertaken with other individuals and companies to which the Group is related, either through the investor, investee relationship or because they share a common investor and thus are considered to be a part of the same corporate company.

The sales to and purchase from related parties are made on terms equivalent to those that prevail in arm's length transactions.

Amounts due to and from related parties at the balance sheet date are unsecured and non-interest bearing.

Significant transactions with related parties during the current and previous years were as follows:

		VND		
Related party	Relationship	Transaction	Current year	Previous year
Mr Nguyen Van Dat	General Director	Borrowings	429,834,936,510	460,077,012,570
		Payment of borrowings	444,325,391,663	445,586,557,417
		Advances and collections	140,463,500,929	305,586,711,215
BDSC Management Consulting Corporation	Related party of BOD's member	Consulting services	1,581,250,000	1,222,250,000
Truong Phat Loc	Related party of BOD's member	ICC distributed profit	125,000,000,000	-
		ICC distributed profit collection	45,000,000,000	-
		Rendering of services	267,781,817	286,172,728
		Office rental	108,000,000	1,156,000,000
		Office rental fee deduction	-	1,120,000,000
		Sale return	-	13,687,396,843
T.A.M	Related party of BOD's member	ICC income collection	90,000,000,000	90,000,000,000
		Income under ICC	-	180,000,000,000
		Payment of borrowings	31,520,000,000	-
		Sale of office-apartments	20,437,149,451	-
		Collection of capital transfer	5,000,000,000	-
Dien Gia Khang	Associate	Collection of capital contribution	176,000,000,000	-
Dien Gia Khanh	Associate	Collection of capital contribution	75,000,000,000	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

as at 31 December 2018 and for the year ended

B09-DN/HN

30. TRANSACTIONS AND BALANCES WITH RELATED PARTIES (continued)

VND				
Related party	Relationship	Transaction	Current year	Previous year
Ms Doan Thi Trang	Related party of BOD's member	Transfer of real estate property	42,774,404,040	-
Phat Dat Anh Duong	Associate	Collection of capital contribution	45,000,000,000	-
My Loi Bridge Investment Corporation	Investee	Collection of capital contribution	51,480,000,000	-

Remuneration to members of the BOD and Management for the current and previous years was as follows:

VND		
	Current year	Previous year
BOD		
Allowance and bonus	2,048,000,000	1,448,000,000
Management		
Salaries and bonus	10,539,570,769	8,472,000,000
TOTAL	12,587,570,769	9,920,000,000

Amounts due to and due from related parties as at the balance sheet dates were as follows:

VND				
Related party	Relationship	Transaction	Ending balance	Beginning balance
Short-term trade receivables				
T.A.M	Related party of BOD's member	Capital transfer	55,000,000,000	60,000,000,000
		Sale of office-apartments	22,089,172,092	-
Ms Doan Thi Trang	Related party of BOD's member	Real estate property transfer	32,648,000,000	-
Truong Phat Loc	Related party of BOD's member	Office rental	1,011,571,577	1,052,081,577
			110,748,743,669	61,052,081,577
Long-term trade receivable				
T.A.M	Related party of BOD's member	Capital transfer	117,000,000,000	117,000,000,000
Capital transfer				
Phu Hung (*)	Subsidiary	Advances	-	517,908,385,303
T.A.M	Related party of BOD's member	ICC interest income	-	90,000,000,000

VND				
Related party	Relationship	Transaction	Ending balance	Beginning balance
PDP Project	Associate	Advances	4,609,000	-
Truong Phat Loc	Related party of BOD's member	ICC interest income	80,000,000,000	-
			80,004,609,000	607,908,385,303
Other long-term receivables				
Truong Phat Loc	Related party of BOD's member	Capital contribution under ICC	126,400,000,000	126,400,000,000
T.A.M	Related party of BOD's member	Capital contribution under ICC	100,939,751,900	100,939,751,900
			227,339,751,900	227,339,751,900
Other short-term payables				
Mr Nguyen Van Dat	CEO	Borrowings	-	14,490,455,153

(*) On 1 February 2018, the Group acquired additional 50.1% ownership in Phu Hung and Phu Hung from associate became subsidiary of the Company.

31. COMMITMENTS

VND		
	Ending balance	Beginning balance
Project construction commitments	97,067,244,677	103,551,925,451
Capital contribution commitments	171,000,000,000	202,658,084,832
PDP Project	147,000,000,000	-
Doan Anh Duong	24,000,000,000	24,000,000,000
Phat Dat Anh Duong	-	113,400,000,000
Phu Hung	-	49,900,000,000
Dien Gia Khanh	-	8,300,000,000
Minh Hoang	-	3,058,084,832
Dien Gia Khang	-	400,000,000
TOTAL	268,067,244,677	306,210,010,283

32. EVENTS AFTER THE BALANCE SHEET DATE

Except for the events presented in Note 9, there has been no other significant event occurring after the balance sheet date which would require adjustments or disclosures to be made in the consolidated financial statements of the Group.



VO VAN GIAP
Preparer



VU QUYNH HOA
Chief Accountant



NGUYEN VAN DAT
CEO

14 March, 2019



PDR'S Corporate profile

IN 2019, PDR CELEBRATES THE 15TH ANNIVERSARY OF OPERATION IN THE LOCAL PROPERTY MARKET. OVER A RELATIVELY SHORT PERIOD, A YOUNG BUSINESS HAS EMERGED AS ONE OF THE LEADING BRAND NAMES WITH MULTIPLE PIONEERING VALUES.

GENERAL INFORMATION

Official name: Công ty Cổ phần Phát triển Bất động sản Phát Đạt
Name in English: Phat Dat Real Estate Development Corporation
Address: 422 Dao Tri, Quarter 1, Phu Thuan Ward, District 7, HCMC
Tax ID: 0303493756
Tel/fax: (+84 28) 3773 2222 - (+84 28) 3773 8908
Website: www.phatdat.com.vn

LISTING INFORMATION

Stock ticker: PDR
Date of listing: July 30, 2010
Listed on: Ho Chi Minh Stock Exchange (HOSE)
Charter capital: VND 2,663,890,070,000
Owner's equity: VND 3,511,626,184,523
Business lines: Investment in and development of real estate projects

AUDITOR

Ernst & Young Vietnam Ltd
Address: 2 Hai Trieu, Ben Nghe, District 1, HCM City
Tel: (+84 28) 3915 7888
Web: <http://www.ey.com/vn/en/home/ey-vietnam>



The EverRich Infinity project.

VISION – MISSION

CORE VALUES – BUSINESS PHILOSOPHY

“ PDR commits to sustain the process of innovation, strive to lead real estate industry and accompany development with customers, partners, shareholders, employees and communities. The organization cohere our sustainable development with the general development of Vietnam’s economy and community. ”



Become Vietnam’s top real estate developer through prominent brands.



Create impeccable living space with unique architecture and outstanding quality so as to generate added values for customers, shareholders and the community as a whole.



“Be visionary, grow sustainably”.



- CREATIVITY
Think different and dare to change.
- COMMITTMENT
Honor promises to clients, staff and the community.
- FAIRNESS
Evaluate and behave in a fact-based and unbiased manner.
- RESPECT
Listen and share different opinions to development.

PROJECT LOCATION MAP

DISTRICT 3

- Phan Dinh Phung Sports Center

DISTRICT 4

- Millennium

DISTRICT 5

- The EverRich Infinity

DISTRICT 7

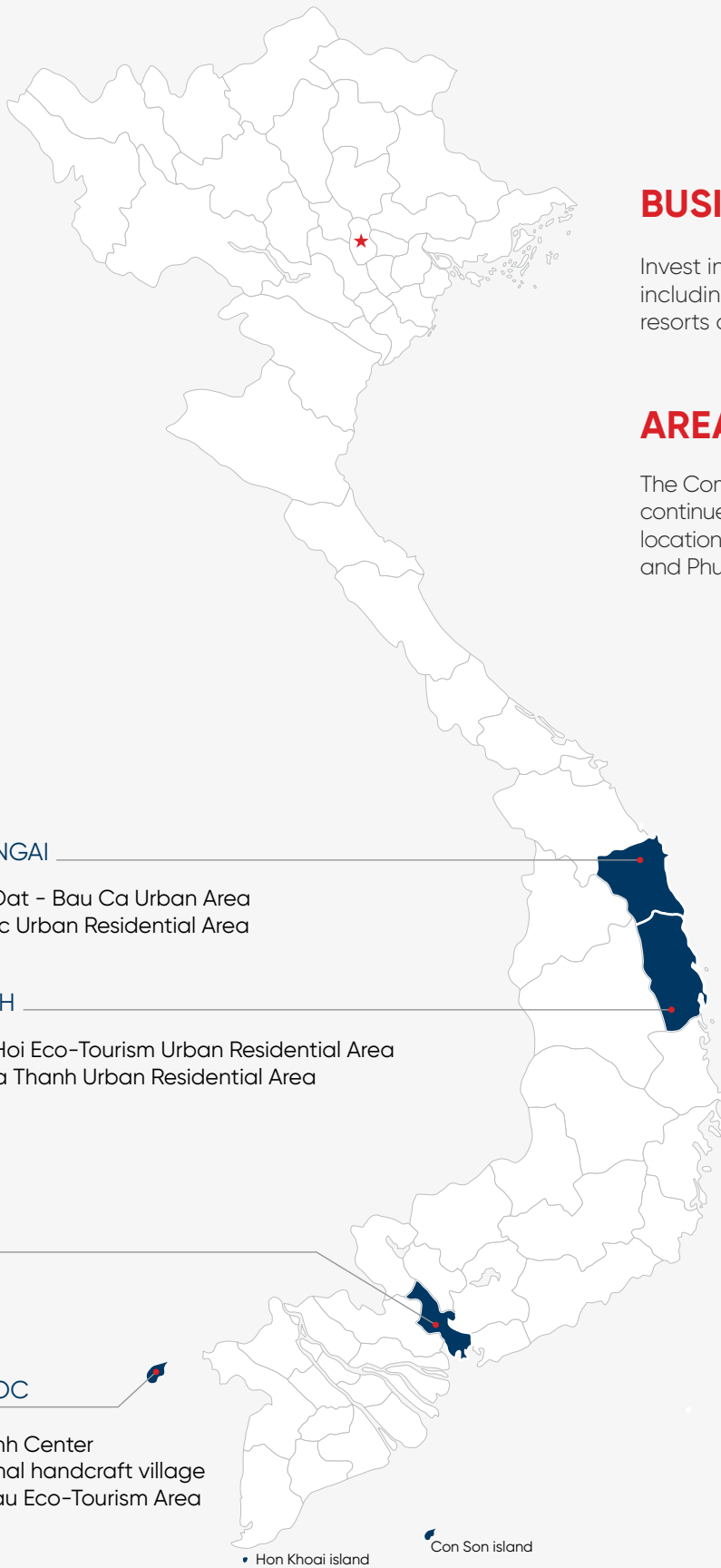
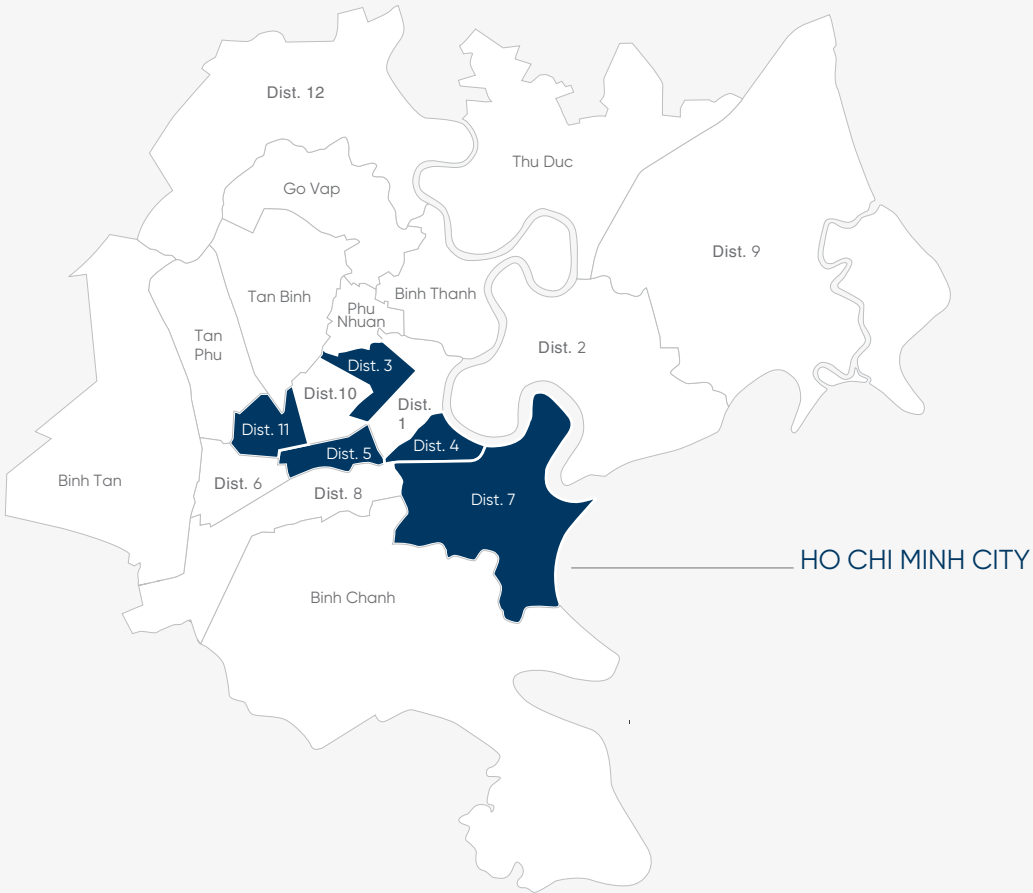
- River City (The EverRich 2)
- The EverRich 3

DISTRICT 9

- Internal technical infrastructure in Section I – (Co Dai Ancient Village)

DISTRICT 11

- The EverRich 1



BUSINESS AREAS

Invest in and develop real estate projects including but not limited to hotels, high-end resorts and villas, etc.

AREAS OF OPERATION

The Company has been developing and will continue to develop real estate projects in major locations including Ho Chi Minh City, Quang Ngai and Phu Quoc.

QUANG NGAI

- Phat Dat – Bau Ca Urban Area
- Bo Bac Urban Residential Area

BINH DINH

- Nhon Hoi Eco-Tourism Urban Residential Area
- Bac Ha Thanh Urban Residential Area

PHU QUOC

- Ham Ninh Center traditional handcraft village
- Vung Bau Eco-Tourism Area



COMPLETED IN 2018

02 PROJECTS

ONGOING

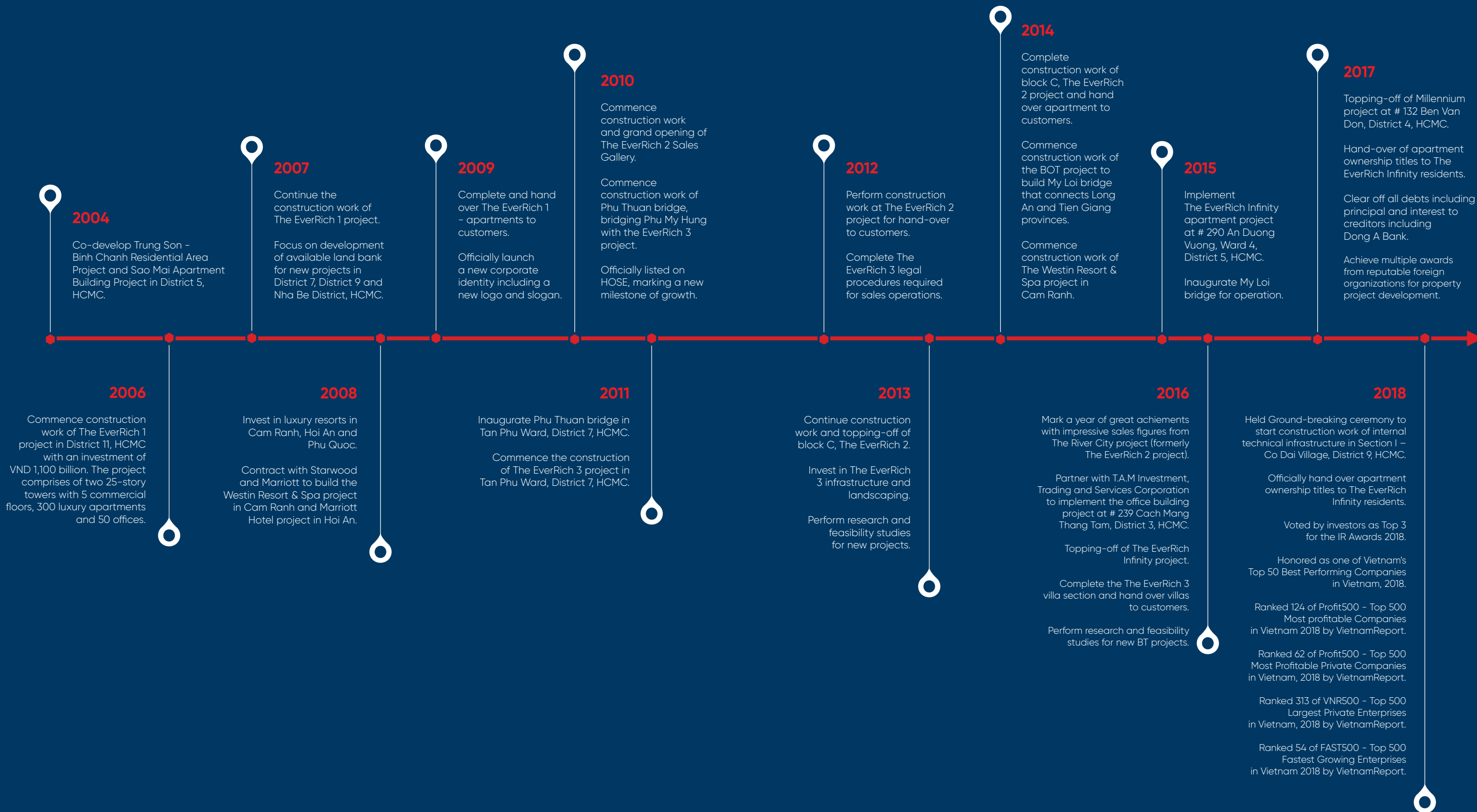
10 PROJECTS

UNDER PROPOSED

02 PROJECTS



HISTORY
OF GROWTH



PROJECT
HIGHLIGHTS

PROJECTS COMPLETED IN 2018

The EverRich Infinity Project



Location	: District 5, HCMC
Area	: 0.8 ha
Products	: 439 apartments; 325 offices and 1,271 m² of commercial and service area
Facilities	: Parking, gym, restaurant, cafe, swimming pool, convenient store, relax garden, common room, etc
Award	: The best apartment project presented by Vietnam Property Awards

Just a few metres from District 1, The EverRich Infinity is designed as a resort compound in the heart of the city, The EverRich Infinity offers peace and tranquility that is not easy to find in the middle of the bustling Saigon. Right at the entrances, refreshing trees, tall walls are covered in greenery and the sound of the running waterfall give a feeling of being lost in a primeval forest.

To cater for a luxury lifestyle, the residents of The EverRich Infinity can enjoy a wide variety of internal facilities including, restaurants, café, gym, leisure centers, spas, and supermarkets.... In particular, a warm water sky pool offers absolute relaxation while enjoying the city view from high above. All the facilities are carefully invested to serve the residents’ demand for a sophisticated lifestyle.



PROJECT
HIGHLIGHTS

PROJECTS COMPLETED IN 2018

Millennium Project



Location	: District 4, HCMC
Area	: 0.73 ha
Products	: 653 apartments, 387 offices and 17 residenceals
Facilities	: Parking, gym, restaurant, cafe, swimming pool, convenient store, relax garden, common room, playground, BBQ, etc
Award	: Vietnam's best luxrui apartment project by Vietnam Property Awards and the best retail apartment project by BCI Asia - Top 10

Millennium possesses the most precious location among luxury apartment projects in central HCMC. Facing the beautiful Tê canal with 4 street frontages, the project offers a panoramic view of the entire city. Millenium certainly offers great living spaces in a strongly developing, urban district.

Millenium is stylishly designed with imported quality materials and equipments. The internal facilities are extensive, completely able to serve the needs of the young urban demographic, whether that is a night gathering of friends or a moment of relax by the infinity sky pool with a magnicent panoramic view of the entire District 1.



ONGOING PROJECTS

River City Project (The EverRich 2)



Location	: District 7, HCMC
Area	: 11.2 ha
Products	: 4,800 apartments; 23,515 m ² of commercial and service area
Facilities	: Parking, gym, restaurant, cafe, 2 level swimming pool, light & water square, convenient store, central flower garden, common room, playground, BBQ, office, etc
Award	: The CityScape Award at the CityScape Asia Singapore

River City is located at one of the most valuable areas left in southern Saigon, District 7. Right at the foot of Phu My bridge, by the gentle Saigon River, a riverside urban area is forming. With extraordinary architecture, to merge people and nature, Phat Dat has shaped a splendidly peaceful, natural and fresh environment. Further,

the architectural design was a breakthrough in terms of design, lifestyle and community enhancement.

River City promise to be a great place to build a family with classy facilities such as a water and light square, a flower garden, and 2-level waterfall-style swimming pool, besides the regular facilities.

The EverRich 3 Project



Location	: District 7, HCMC
Area	: 9.9 ha
Products	: 2,246 residential apartments, 1,536 offices and 12,500 m ² of commercial and service area
Facilities	: Parking, gym, restaurant, cafe, swimming pool, convenient store, central flower garden, common room, playground, BBQ, office , etc

Located on the wide Phu Thuan Road, Tan Phu, District 7, The EverRich 3 is an extension of Phu My Hung, often referred to as the best urban residential area in Vietnam with an abundance of facilities such as shopping centres, entertainment centers as well as a premium international education system, etc.

Designed by Archetype (France) and built by CotecCons,, The EverRich 3 blends in perfectly with the natural habitat of the area with twisty internal roads and wild fauna and flora by the sides. Even the pools and the lakes embrace this inspiration, enhancing the feeling of nature. The EverRich 3 is designed to maximize the use of natural light and air flow to enhance living quality as well as minimize engery consumption.

PROJECT
HIGHLIGHTS

ONGOING PROJECTS

Phat Dat - Bau Ca
Residential Area Project



Location	: Le Hong Phong Ward and Tran Hung Dao Ward, Quang Ngai Province
Area	: 7.7 ha
Total estimated investment	VND 354 billion
Products	: 335 land lots for villas
Facilities	: Swimming pool, parking, restaurant, cafe, water square, central garden, mixed - use training court, convenient store, playground, BBQ, office, etc

A residential area right in the CBD of Quang Ngai City, Phat Dat Bau Ca offers a fresh breeze of modern design urban residential area with extraordinary facilities such as internal swimming pool or mixed-use training court, playground, etc, which are a luxury even in major cities.

Phat Dat Bau Ca centers around enhancing living quality through modern infrastructure, create a civilized environment and a healthy lifestyle. The greatest aspiration is for Phat Dat Bau Ca to be the best place to raise a small family where safety and abundant green space is a catalyst for an active, healthy lifestyle.

Internal technical infrastructure in Section I
- (Co Dai Ancient Village) Project

(a Build-Transfer project)



Location	: District 9, HCMC
Area	: 84.1 ha
Total estimated investment	: VND 936 billion

Investing in and building an internal technical infrastructure in Section I (The Historic and - Cultural Park) and functional sections following the approved plan to accommodate for spiritual activities.

PROJECT
HIGHLIGHTS

ONGOING PROJECTS

Phan Dinh Phung
Sports Center Project

(a Build-Transfer project)



Location	: District 3, HCMC
Construction area	: 1.4 ha
Total estimated investment	: VND 1,954 billion

Building of a large, modern and international-class venue to host major events such as SEA Games 2021.

Nhon Hoi Eco - Urban Area Project
Binh Dinh Province (Sub-area 4)



Location	: Nhon Hoi Economic Zone – Binh Dinh
Area	: 34.16 ha
Total estimated investment	: VND 1,000 billion
Products	: Land plots, apartments, retail and services
Facilities	: Parking, sports arena, park, tennis court, etc

Situated in Nhon Hoi Economic Zone which is planned to spear the Quy Nhon Sity tourism sector, Nhon Hoi EcoTourism Urban Residential Area will significantly help to boost the area in terms of status, tourism potential and improve the socio-economic environment. PDR is is determined to develop an a luxury, aesthetic and well planned urban area with great facilities and consistent infrastructure.



Bac Ha Thanh Urban
Residential Area Project



Location	: Tuy Phuoc District, Binh Dinh
Area	: 55.7ha
Total estimated investment	: VND 1,500 billion
Products	: Land plots, commercial

A modern residential area designed with sustainability as focal point with the architectural design and landscaping offering great living spaces. The infrastructure is consistent and well planned, help improving the neighborhood and the project as a whole is aligned with the socio-economic development of the region.

AWARDS &
ACCOLADES



TOP 50 BEST PERFORMING COMPANIES IN VIETNAM 2018



TOP 3 IR AWARDS 2018 VOTED BY INVESTORS



TOP 500 MOST PROFITABLE COMPANIES IN VIETNAM 2018



TOP 500 LARGEST PRIVATE ENTERPRISES IN VIETNAM



CERTIFICATE OF RECOGNITION BY THE FINANCE MINISTER



CERTIFICATE OF RECOGNITION BY THE CHAIRMAN OF THE PEOPLE'S COMMITTEE OF HO CHI MINH CITY



THE EVERRICH INFINITY
IS HONORED
"A NEW STANDARD OF LIVING SPACE"
BY THE INVESTMENT NEWSPAPER

DECLARATION OF ACCURACY AND HONESTY
OF THE ANNUAL REPORT 2018



PDR DECLARES THAT THE CONTENT OF THIS ANNUAL REPORT 2018 HAS BEEN PREPARED IN FULL COMPLIANCE WITH APPENDIX 04 – CIRCULAR 155/2015/TT-BTC. IN ADDITION, THE INFORMATION PRESENTED IN THIS REPORT REPRESENTS PDR'S EFFORTS TO ENSURE TRANSPARENCY, TIMELINESS AND ACCURACY IN THE COMPANY'S COMMUNICATION WITH INVESTORS AND SHAREHOLDERS.

RELATING TO DEPARTMENTS, INDIVIDUALS
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CONTACT INFORMATION

To make the report valuable regarding information and references to PDR, the stakeholders and the public, PDR looks forward to receiving comments on issues in our report. Please send any feedback to the following address:

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