

# **Phat Dat Real Estate Development Corp**

Interim consolidated financial statements

For the six-month period ended 30 June 2021



# Phat Dat Real Estate Development Corp

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# Phat Dat Real Estate Development Corp

## GENERAL INFORMATION

### 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.

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 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 Floors 8 and 9 Tower B, Viettel Building, 285 Cach Mang Thang Tam Street, Ward 12, District 10, Ho Chi Minh City, Vietnam.

### BOARD OF DIRECTORS

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

Mr Nguyen Van Dat	Chairman
Ms Tran Thi Huong	Deputy Chairwoman
Mr Nguyen Tan Danh	Deputy Chairman
Mr Bui Quang Anh Vu	Member
Mr Le Quang Phuc	Member
Mr Doan Viet Dai Tu	Member
Mr Le Minh Dung	Independent member
Mr Khuong Van Muoi	Independent member
Mr Tran Trong Gia Vinh	Independent member

### AUDIT COMMITTEE/INTERNAL AUDIT COMMITTEE

According to Decision of Board of Directors No. 09B/2021/QD-HDQT dated 31 March 2021, the Company renamed Internal Audit Committee into Audit Committee. Members of the Audit Committee/Internal Audit Committee during the period and at the date of this report are:

Mr Tran Trong Gia Vinh	Chairman of Audit Committee	appointed on 31 March 2021
Ms Tran Thi Huong	Member	appointed on 31 March 2021
Mr Le Quang Phuc	Member	appointed on 31 March 2021
Ms Nguyen Thi Thu Nguyet	Head of Internal Audit Committee	resigned on 31 March 2021
Mr Vo Hoang Tu	Member	resigned on 31 March 2021
Mr To Minh Tai	Member	resigned on 31 March 2021

### MANAGEMENT

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

Mr Bui Quang Anh Vu	General Director	
Mr Nguyen Thanh Thao	Deputy General Finance Director	
Mr Duong Hong Cam	Deputy General Investment Director	appointed on 3 May 2021
Mr Nguyen Dinh Tri	Deputy General Construction Director	appointed on 3 May 2021

### LEGAL REPRESENTATIVE

The legal representative of the Company during the period and at the date of this report are Mr Nguyen Van Dat and Mr Bui Quang Anh Vu.

### AUDITORS

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

# Phat Dat Real Estate Development Corp

## REPORT OF MANAGEMENT

Management of Phat Dat Real Estate Development Corp ("the Company") is pleased to present this report and the interim consolidated financial statements of the Company and its subsidiaries ("the Group") for the six-month period ended 30 June 2021.

### MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the interim consolidated financial statements of the Group of each financial period which give a true and fair view of the interim consolidated financial position of the Group, and of the interim consolidated results of its operation and its interim consolidated cash flows for the period. In preparing those interim 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 interim consolidated financial statements; and
- prepare the interim consolidated financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue its business.

Management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the interim 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 interim consolidated financial statements.

### STATEMENT BY MANAGEMENT

Management does hereby state that, in its opinion, the accompanying interim consolidated financial statements give a true and fair view of the interim consolidated financial position of the Group as at 30 June 2021, and of the interim consolidated results of its operations and its interim consolidated cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the interim consolidated financial statements.

For and on behalf of management:



Bui Quang Anh Vu  
General Director

Ho Chi Minh City, Vietnam

12 August 2021



Ernst & Young Vietnam Limited  
20th Floor, Bitexco Financial Tower  
2 Hai Trieu Street, District 1  
Ho Chi Minh City, S.R. of Vietnam

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Reference: 60822566/22632948/LR-HN

## REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL STATEMENTS

**To: The Shareholders of Phat Dat Real Estate Development Corp**

We have reviewed the accompanying interim consolidated financial statements of Phat Dat Real Estate Development Corp ("the Company") and its subsidiaries ("the Group") as prepared on 12 August 2021 and set out on pages 5 to 45, which comprise the interim consolidated balance sheet as at 30 June 2021, and the interim consolidated income statement and the interim consolidated cash flow statement for the six-month period 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 interim 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 interim consolidated financial statements, and for such internal control as management determines is necessary to enable the preparation and presentation of the interim consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditors' responsibility***

Our responsibility is to express a conclusion on the interim consolidated financial statements based on our review. We conducted our review in accordance with Vietnamese Standard on review engagements No. 2410 - Review of interim financial information performed by the independent auditor of the entity.

A review of interim consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Vietnamese Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim consolidated financial statements do not give a true and fair view, in all material respects, of the interim consolidated financial position of the Group as at 30 June 2021, and of the interim consolidated results of its operations and its interim consolidated cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the interim consolidated financial statements.

### **Ernst & Young Vietnam Limited**



Ernest Young Chin Kang  
Deputy General Director  
Audit Practicing Registration Certificate  
No. 1891-2018-004-1

Ho Chi Minh City, Vietnam

12 August 2021

INTERIM CONSOLIDATED BALANCE SHEET  
as at 30 June 2021

VND


Code	ASSETS	Notes	30 June 2021	31 December 2020
<b>100</b>	<b>A. CURRENT ASSETS</b>		<b>14,619,763,764,907</b>	<b>10,929,134,432,965</b>
<b>110</b>	<b>I. Cash and cash equivalents</b>	<b>5</b>	<b>296,823,592,596</b>	<b>53,166,353,724</b>
111	1. Cash		290,823,592,596	47,166,353,724
112	2. Cash equivalents		6,000,000,000	6,000,000,000
<b>120</b>	<b>II. Short-term investment</b>		<b>24,400,348,619</b>	<b>12,180,299,200</b>
123	1. Held-to-maturity investments	6	24,400,348,619	12,180,299,200
<b>130</b>	<b>III. Current accounts receivable</b>		<b>2,227,849,379,267</b>	<b>1,516,084,550,001</b>
131	1. Short-term trade receivables	7	365,188,690,410	170,232,056,537
132	2. Short-term advances to suppliers	8	744,494,457,271	1,070,601,322,639
136	3. Other short-term receivables	9	1,119,207,775,961	276,292,715,200
137	4. Provision for doubtful short-term receivables	7	(1,041,544,375)	(1,041,544,375)
<b>140</b>	<b>IV. Inventory</b>		<b>12,016,853,848,696</b>	<b>9,331,028,013,395</b>
141	1. Inventories	10	12,016,853,848,696	9,331,028,013,395
<b>150</b>	<b>V. Other current assets</b>		<b>53,836,595,729</b>	<b>16,675,216,645</b>
151	1. Short-term prepaid expenses	11	5,800,820,036	4,699,725,667
152	2. Value-added tax deductible	19	23,394,751,532	11,804,834,925
153	3. Tax and other receivables from the State	19	24,641,024,161	170,656,053
<b>200</b>	<b>B. NON-CURRENT ASSETS</b>		<b>4,097,697,473,858</b>	<b>4,688,355,121,724</b>
<b>210</b>	<b>I. Long-term receivables</b>		<b>932,982,056,580</b>	<b>988,174,914,270</b>
211	1. Long-term trade receivables	7	50,000,000,000	50,000,000,000
216	2. Other long-term receivables	9	882,982,056,580	938,174,914,270
<b>220</b>	<b>II. Fixed assets</b>		<b>35,764,183,580</b>	<b>34,077,217,131</b>
221	1. Tangible fixed assets	12	34,999,540,760	33,676,251,475
222	Cost		73,902,402,399	69,544,998,761
223	Accumulated depreciation		(38,902,861,639)	(35,868,747,286)
227	2. Intangible fixed assets	13	764,642,820	400,965,656
228	Cost		3,992,047,536	3,357,367,536
229	Accumulated amortisation		(3,227,404,716)	(2,956,401,880)
<b>230</b>	<b>III. Investment properties</b>	<b>14</b>	<b>68,623,724,672</b>	<b>69,391,784,192</b>
231	1. Cost		75,664,270,272	75,664,270,272
232	2. Accumulated depreciation		(7,040,545,600)	(6,272,486,080)
<b>240</b>	<b>IV. Long-term asset in progress</b>		<b>928,649,124,247</b>	<b>898,176,435,935</b>
242	1. Construction in progress	15	928,649,124,247	898,176,435,935
<b>250</b>	<b>V. Long-term investment</b>		<b>1,100,612,000,000</b>	<b>1,733,949,000,000</b>
252	1. Investment in associates	16	1,100,612,000,000	1,733,949,000,000
<b>260</b>	<b>VI. Other long-term assets</b>		<b>1,031,066,384,779</b>	<b>964,585,770,196</b>
261	1. Long-term prepaid expenses	11	1,031,001,299,187	964,520,684,604
262	2. Deferred tax assets	31.3	65,085,592	65,085,592
<b>270</b>	<b>TOTAL ASSETS</b>		<b>18,717,461,238,765</b>	<b>15,617,489,554,689</b>





INTERIM CONSOLIDATED BALANCE SHEET (continued)  
as at 30 June 2021

VND

Code	RESOURCES	Notes	30 June 2021	31 December 2020
<b>300</b>	<b>C. LIABILITIES</b>		<b>11,647,336,757,292</b>	<b>10,423,212,058,012</b>
<b>310</b>	<b>I. Current liabilities</b>		<b>5,201,819,767,341</b>	<b>4,386,260,247,758</b>
311	1. Short-term trade payables	17	1,182,567,042,409	288,279,900,889
312	2. Short-term advances from customers	18	2,403,569,297,095	619,995,008,225
313	3. Statutory obligations	19	143,231,589,827	489,894,325,264
314	4. Payables to employees		9,976,912,625	13,130,285,261
315	5. Short-term accrued expenses	20	35,637,331,227	78,205,851,801
319	6. Other short-term payables	21	930,307,450,821	1,480,519,543,789
320	7. Short-term loans	22	482,949,711,113	1,413,560,061,129
322	8. Bonus and welfare fund	23	13,580,432,224	2,675,271,400
<b>330</b>	<b>II. Non-current liabilities</b>		<b>6,445,516,989,951</b>	<b>6,036,951,810,254</b>
337	1. Other long-term liabilities	21	5,547,433,656,616	5,551,706,991,616
338	2. Long-term loans	22	898,083,333,335	485,244,818,638
<b>400</b>	<b>D. OWNERS' EQUITY</b>		<b>7,070,124,481,473</b>	<b>5,194,277,496,677</b>
<b>410</b>	<b>I. Capital</b>		<b>7,070,124,481,473</b>	<b>5,194,277,496,677</b>
411	1. Share capital	24.1	4,867,719,160,000	3,961,698,970,000
411a	- Shares with voting rights		4,867,719,160,000	3,961,698,970,000
412	2. Share premium	24.1	11,680,300,000	11,680,300,000
418	3. Investment and development fund	24.1	179,413,584,076	155,013,584,076
421	4. Undistributed earnings	24.1	520,878,106,753	973,918,145,839
421a	- Undistributed earnings by the end of prior period		12,997,955,839	17,609,608,196
421b	- Undistributed earnings of current period		507,880,150,914	956,308,537,643
429	5. Non-controlling interests	25	1,490,433,330,644	91,966,496,762
<b>440</b>	<b>TOTAL LIABILITIES AND OWNERS' EQUITY</b>		<b>18,717,461,238,765</b>	<b>15,617,489,554,689</b>


  
Vo Hoang Tu  
Preparer


  
Nguyen Thi Thuy Trang  
Chief Accountant


  
Bui Quang Anh Vu  
General Director

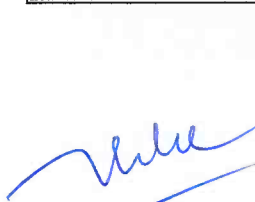

12 August 2021



INTERIM CONSOLIDATED INCOME STATEMENT  
for the six-month period ended 30 June 2021

VND

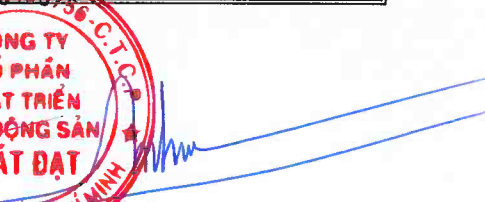
Code	ITEMS	Notes	For the six-month period ended 30 June 2021	For the six-month period ended 30 June 2020
10	1. Net revenue from sale of goods and rendering of services	26	1,123,830,898,001	1,181,813,305,822
11	2. Cost of goods sold and services rendered	27	(333,189,298,256)	(719,280,837,133)
20	3. Gross profit from sale of goods and rendering of services		790,641,599,745	462,532,468,689
21	4. Finance income		3,731,882,681	1,260,200,214
22	5. Finance expenses	28	(50,810,105,091)	(6,692,430,097)
23	- In which: Interest expenses		(48,227,002,688)	-
25	6. Selling expenses	29	(8,713,650,814)	(54,185,135,654)
26	7. General and administrative expenses	29	(87,436,662,842)	(52,221,186,597)
30	8. Operating profit		647,413,063,679	350,693,916,555
31	9. Other income		345,919,467	51,203,853
32	10. Other expenses		(10,629,122,527)	(1,094,240,979)
40	11. Other loss		(10,283,203,060)	(1,043,037,126)
50	12. Accounting profit before tax		637,129,860,619	349,650,879,429
51	13. Current corporate income tax expense	31.1	(135,075,959,786)	(70,819,320,841)
52	14. Deferred tax income	31.3	-	119,811,783
60	15. Net profit after tax		502,053,900,833	278,951,370,371
61	16. Net profit after tax attributable to shareholders of the parent		503,290,852,782	278,976,442,068
62	17. Net loss after tax attributable to non-controlling interests		(1,236,951,949)	(25,071,697)
70	18. Basic earnings per share (VND/share)	33	987	559
71	19. Diluted earnings per share (VND/share)	33	987	559



Vo Hoang Tu  
Preparer



Nguyen Thi Thuy Trang  
Chief Accountant

Bui Quang Anh Vu  
General Director

12 August 2021

INTERIM CONSOLIDATED CASH FLOW STATEMENT  
for the six-month period ended 30 June 2021

VND

Code	ITEMS	Notes	For the six-month period ended 30 June 2021	For the six-month period ended 30 June 2020
	<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>			
01	<b>Accounting profit before tax</b>		<b>637,129,860,619</b>	<b>349,650,879,429</b>
	<i>Adjustments for:</i>			
02	Depreciation and amortisation of fixed assets and investment properties	12, 13, 14	4,073,176,709	3,137,809,400
05	Interest income		(1,189,382,681)	(1,260,200,214)
06	Interest expenses and bond issuance costs		50,756,976,091	910,343
08	<b>Operating profit before changes in working capital</b>		<b>690,770,630,738</b>	<b>351,529,398,958</b>
09	(Increase) decrease in receivables		(700,137,638,794)	268,568,426,215
10	Decrease (increase) in inventories		342,378,833,999	(238,793,520,460)
11	Increase in payables		1,064,337,348,752	446,485,048,645
12	(Increase) decrease in prepaid expenses		(67,578,708,952)	36,712,164,096
14	Interest paid		(162,700,039,598)	(191,511,819,947)
15	Corporate income tax paid		(347,980,750,144)	(42,720,289,576)
17	Other cash outflows for operating activities	23	(22,121,256,718)	(8,546,178,003)
20	<b>Net cash flows from operating activities</b>		<b>796,968,419,283</b>	<b>621,723,229,928</b>
	<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
21	Purchase and construction of fixed assets		(21,676,574,690)	(423,703,191,030)
23	Payments for purchase of debt instruments of other entities		(12,220,049,419)	-
25	Payments for investments in other entities		(1,012,722,665,383)	(181,645,000,000)
26	Collections of investments in other entities		56,112,000,000	-
27	Interest received		1,189,382,681	1,260,200,214
30	<b>Net cash flows used in investing activities</b>		<b>(989,317,906,811)</b>	<b>(604,087,990,816)</b>
	<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
31	Capital contribution		959,985,988,000	-
33	Drawdown of borrowings		823,000,000,000	551,200,000,000
34	Repayment of borrowings		(1,346,927,850,000)	(522,262,583,738)
36	Dividends paid		(51,411,600)	(392,744,679,600)
40	<b>Net cash flows from (used in) financing activities</b>		<b>436,006,726,400</b>	<b>(363,807,263,338)</b>

INTERIM CONSOLIDATED CASH FLOW STATEMENT (continued)  
for the six-month period ended 30 June 2021

VND

Code	ITEMS	Notes	For the six-month period ended 30 June 2021	For the six-month period ended 30 June 2020
50	Net increase (decrease) in cash and cash equivalents for the period		243,657,238,872	(346,172,024,226)
60	Cash and cash equivalents at beginning of the period		53,166,353,724	646,334,409,446
70	Cash and cash equivalents at end of the period	5	296,823,592,596	300,162,385,220



Vo Hoang Tu  
Preparer



Nguyen Thi Thuy Trang  
Chief Accountant



Bui Quang Anh Vu  
General Director

12 August 2021

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS  
as at 30 June 2021 and for the six-month period then ended**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.

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 Floors 8 and 9 Tower B, Viettel Building, 285 Cach Mang Thang Tam Street, Ward 12, District 10, Ho Chi Minh City, Vietnam.

The number of the Group's employees as at 30 June 2021 was 287 (31 December 2020: 267).

**Corporate structure**

As at 30 June 2021, the Company has 9 following subsidiaries which were consolidated into the interim consolidated financial statements of the Group:

*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, as amended. DK Phu Quoc's registered head office is located at No. 229, 30/4 Street, Quarter 1, Duong Dong Town, Phu Quoc City, Kien Giang Province, Vietnam. The principal activities of DK Phu Quoc are to trade real estate properties and provide construction services.

As at 30 June 2021 and 31 December 2020, 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, 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 real estate properties and provide construction services.

As at 30 June 2021, the Company holds a 99.9% equity share and voting rights in this subsidiary (31 December 2020: 80% equity share and voting rights).

*Sai Gon - KL Real Estate Corporation ("Sai Gon - KL")*

Sai Gon - KL is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to the BRC No. 13700902915 issued by the DPI of Binh Duong Province on 29 April 2008, as amended. Sai Gon - KL's registered head office is located at Land lot No. 1186 - 1187, Map sheet No. 6-2 (D2), Binh Duc Quarter, Binh Hoa Ward, Thuan An City, Binh Duong Province, Vietnam. The principal activity of Sai Gon - KL is to trade real estate properties.

As at 31 December 2021 and 31 December 2020, the Company holds a 99% equity share and voting rights in this subsidiary.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

**1. CORPORATE INFORMATION** (continued)

**Corporate structure** (continued)

*Ngo May Real Estate Investment Joint Stock Company ("Ngo May")*

Ngo May is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to the BRC No. 4101553978 issued by the DPI of Binh Dinh Province on 19 November 2019. Ngo May's registered head office is located at No. 1, Ngo May Street, Nguyen Van Cu Ward, Quy Nhon City, Binh Dinh Province, Vietnam. The principal activity of Ngo May is to trade real estate properties.

As at 30 June 2021 and 31 December 2020, the Company holds a 94% equity share and voting rights in this subsidiary.

*Ben Thanh - Long Hai Corporation ("Ben Thanh - Long Hai")*

Ben Thanh - Long Hai is a shareholding company incorporated under the Law on Enterprises of Vietnam pursuant to the BRC No. 3500783805 issued by the DPI of Ba Ria - Vung Tau Province on 1 March 2007, as amended. Ben Thanh - Long Hai's registered head office is located at Road 44A, Phuoc Hai Town, Dat Do District, Ba Ria - Vung Tau Province, Vietnam. The principal activity of Ben Thanh - Long Hai is to trade real estate properties.

As at 30 June 2021 and 31 December 2020, the Company holds a 99% equity share and voting rights in this subsidiary.

*Phat Dat Industrial Park Investment Joint Stock Company ("Phat Dat IP")*

Phat Dat IP is a shareholding company incorporated under the Law on Enterprises of Vietnam pursuant to the BRC No. 0316462970 issued by the DPI of Ho Chi Minh City on 31 August 2020. Phat Dat IP's registered head office is located at Floor 9 Tower B, Viettel Building, 285 Cach Mang Thang Tam Street, Ward 12, District 10, Ho Chi Minh City, Vietnam. The principal activity of Phat Dat IP is to trade real estate properties.

As at 30 June 2021 and 31 December 2020, the Company holds a 68% equity share and voting rights in this subsidiary.

*Binh Duong Building Real Estate Investment and Development Joint Stock Company ("Binh Duong Building") (Note 4)*

Binh Duong Building is a shareholding company incorporated under the Law on Enterprises of Vietnam pursuant to the BRC No. 3702710768 issued by the DPI of Binh Duong Province on 12 October 2018, as amended. Binh Duong Building's registered head office is located at No. 352, Road XM2, Area 3, Hoa Phu Ward, Thu Dau Mot City, Binh Duong Province, Vietnam. The principal activity of Binh Duong Building is to trade real estate properties.

As at 30 June 2021, the Company holds a 99.5% equity share and voting rights in this subsidiary (31 December 2020: nil).

*Serenity Investment Joint Stock Company ("Serenity") (Note 4)*

Serenity is a shareholding company incorporated under the Law on Enterprises of Vietnam pursuant to the BRC No. 3502421310 issued by the DPI of Ba Ria - Vung Tau Province on 27 March 2020. Serenity's registered head office is located at Hai Tan Quarter, Phuoc Hai Town, Dat Do District, Ba Ria - Vung Tau Province, Vietnam. The principal activity of Serenity is to trade real estate properties.

As at 30 June 2021, the Company holds a 64% equity share and voting rights in this subsidiary (31 December 2020: 36% equity share and voting rights).



NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

## 1. CORPORATE INFORMATION (continued)

### *Corporate structure* (continued)

#### *Phat Dat Real Estate Business and Service Corporation ("Phat Dat Realtor")*

During the period, the Group established Phat Dat Realtor, a shareholding company incorporated under the Law on Enterprises of Vietnam pursuant to the BRC No. 0316916261 issued by the DPI of Ho Chi Minh City on 23 June 2021. Phat Dat Realtor's registered head office is located at Floor 10, Tower B, Viettel Building, 285 Cach Mang Thang Tam Street, Ward 12, District 10, Ho Chi Minh City, Vietnam. The principal activities of Phat Dat Realtor are real estate consulting and brokerage, real estate and land use right auction.

As at 30 June 2021, the Company holds a 51% equity share and voting rights in this subsidiary.

In addition, the Group has 2 associates as disclosed in Note 16.

## 2. BASIS OF PREPARATION

### 2.1 *Accounting standards and system*

The interim consolidated financial statements of the Group, expressed in Vietnam dong ("VND"), are prepared in accordance with the Vietnamese Enterprise Accounting System, Vietnamese Accounting Standard No. 27 – Interim financial statements and other 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 interim 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 interim consolidated financial position and the interim consolidated results of operations and the interim 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.

### 2.4 *Accounting currency*

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

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

## **2. BASIS OF PREPARATION (continued)**

### **2.5 Basis of consolidation**

The interim consolidated financial statements of the Group comprise the interim financial statements of the Company and its subsidiaries for the six-month period ended 30 June 2021.

Subsidiary is 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 interim 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 interim consolidated income statement and within equity in the interim consolidated balance sheet, separately from parent shareholders' equity.

Impact of change in the ownership interest of subsidiary, 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 and cash equivalents**

Cash and cash equivalents comprise cash on hand, cash in banks and short-term, highly liquid investments with an original maturity of not more than three months that are readily convertible into known amounts of cash and that are subject to an insignificant risk of change in value.

### **3.2 Inventories**

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

Net realisable value 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 balance sheet date.

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



NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

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

#### 3.2 *Inventories* (continued)

##### *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 interim 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 interim 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 interim 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.

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 interim 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 interim consolidated income statement.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

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

#### 3.5 *Leased assets*

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

*Where the Group is the lessee*

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

*Where the Group is the lessor*

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

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

#### 3.6 *Depreciation and amortisation*

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

Buildings and structures	5 – 25 years
Machinery and equipment	6 – 7 years
Means of transportation	3 – 6 years
Office equipment	6 – 8 years
Computer software	3 years

#### 3.7 *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.

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.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

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

#### 3.7 *Investment properties* (continued)

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 – 48 years
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Land use rights with indefinite useful life are not amortised.

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 interim 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.

#### 3.8 *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.

#### 3.9 *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.

#### 3.10 *Prepaid expenses*

Prepaid expenses are reported as short-term or long-term prepaid expenses on the interim 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.

The following types of expenses are recorded as long-term prepaid expenses and are amortised or recognised consistently with revenue to the interim consolidated income statement:

- ▶ The EverRich 2 project compensation expenses and management fees;
- ▶ Commission fees;
- ▶ Apartments management fees;
- ▶ Office renovation costs; and
- ▶ Tools and supplies.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

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

#### 3.11 *Assets acquisitions and business combinations*

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

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

#### 3.12 *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 interim 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 interim 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 interim 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 interim 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.

##### *Held-to-maturity investment*

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

##### *Provision for diminution in value of investments*

Provision of the investment is made when there are reliable evidences of the diminution in value of those investments at the balance sheet date. Increases or decreases to the provision balance are recorded as finance expenses in the interim consolidated income statement.

#### 3.13 *Payables and accruals*

Payables and accruals are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Group.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

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

#### 3.14 Foreign currency transactions

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

- Transactions resulting in receivables are recorded at the buying exchange rates of the commercial banks designated for collection; and
- Transactions resulting in liabilities are recorded at the selling exchange rates of the commercial banks designated for payment;

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

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

All foreign exchange differences incurred are taken to the interim consolidated income statement.

#### 3.15 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 interim consolidated balance sheet.

##### *Dividends*

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

#### 3.16 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. Revenue is measured at the fair value of the consideration received or receivable, excluding trade discount, rebate and sales return. The following specific recognition criteria must also be met before revenue is recognised:

##### *Sale of apartments*

For apartments sold after completion of construction, the revenue is recognised when the significant risks and rewards of ownership of apartments have been transferred to the buyers, usually upon the handing over of apartments.



NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

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

#### 3.16 *Revenue recognition* (continued)

##### *Sale of residential plots and related infrastructure*

Revenue is recognised when the significant risks and rewards of ownership of residential plots and related infrastructures have been transferred to the buyers, usually upon the handing over of residential plots and related infrastructures.

##### *Rental income*

Rental income receivable under operating leases is recognised on a straight-line basis over the term of the lease.

##### *Rendering of services*

Revenue is 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.

#### 3.17 *Taxation*

##### *Current income tax*

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

Current income tax is charged or credited to the interim 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.

##### *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.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

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

#### 3.17 *Taxation* (continued)

##### *Deferred tax* (continued)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset 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 interim 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.

#### 3.18 *Earnings per share*

Basic earnings per share amount is computed by dividing net profit after tax for the period attributable to ordinary shareholders of the Company (after adjusting for the bonus and welfare fund and BOD's remuneration) by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share amounts are calculated by dividing the net profit after tax attributable to ordinary shareholders of the Company (after adjusting for the bonus and welfare fund and BOD's remuneration) by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

#### 3.19 *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.

#### 3.20 *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 their families.



NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

#### 4. SIGNIFICANT EVENTS

##### 4.1 Assets acquisition

On 12 March 2021, Serenity received the 4<sup>th</sup> amended ERC issued by the DPI of Ba Ria – Vung Tau Province, approving the decrease in charter capital from VND 116,160,000,000 to VND 91,160,000,000. Accordingly, the Group's ownership interest in the charter capital of Serenity was proportionally increased from 36% to 46.4%. On 31 March 2021, the Group completed the additional acquisition of 17.6% ownership interest in Serenity from previous shareholder at a consideration of VND 240,895,000,000, increased the Group's ownership interest in Serenity from 46.4% to 64%. Accordingly, Serenity – the Group's associate, became its subsidiary from that date (*Note 16*).

On 3 June 2021, the Group completed the acquisition of 99.5% ownership interest in Binh Duong Building from previous shareholder at a consideration of VND 1,600,000,000,000. Accordingly, Binh Duong Building became the Group's subsidiary from that date.

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

##### 4.2 Acquisition of additional interest in existing subsidiary - Coinin

On 16 June 2021, the Group completed the additional acquisition of 19.9% ownership interest in Coinin from non-controlling interest at a consideration of VND 54,000,000,000, increased the Group's ownership interest in Coinin from 80% to 99.9%. The carrying value of the net assets of Coinin at the acquisition date was VND 307,114,149,116, and the carrying value of the additional interest acquired was VND 61,115,715,674. The difference of VND 7,115,715,674 between the consideration and the carrying value of the interest acquired has been recognised in undistributed earnings.

#### 5. CASH AND CASH EQUIVALENTS

	VND	
	30 June 2021	31 December 2020
Cash on hand	105,712,301	194,029,113
Cash in banks	290,717,880,295	46,972,324,611
Cash equivalents (*)	6,000,000,000	6,000,000,000
<b>TOTAL</b>	<b><u>296,823,592,596</u></b>	<b><u>53,166,353,724</u></b>

(\*) Cash equivalents represent bank deposit with original maturity of one month and earning interest at the rate of 3.5% per annum.

#### 6. HELD-TO-MATURITY INVESTMENTS

Held-to-maturity investments represent deposits at banks with original maturities of twelve months and earning interest at the rates ranging from 4.95% to 5.45% per annum.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

## 7. TRADE RECEIVABLES

	VND	
	30 June 2021	31 December 2020
<b>Short-term</b>	<b>365,188,690,410</b>	<b>170,232,056,537</b>
Receivables from other parties	365,188,690,410	119,083,656,537
- <i>Danh Khoi Holdings Investment Joint Stock Company</i>	202,348,732,000	-
- <i>Thien Minh Real Estate Investment Corporation</i>	70,615,693,202	70,615,693,202
- <i>CDK Real Estate Joint Stock Company</i>	57,000,000,000	-
- <i>Others</i>	35,224,265,208	48,467,963,335
Receivable from a related party (Note 32)	-	51,148,400,000
<b>Long-term</b>	<b>50,000,000,000</b>	<b>50,000,000,000</b>
Receivable from a related party (Note 32)	50,000,000,000	50,000,000,000
<b>TOTAL</b>	<b>415,188,690,410</b>	<b>220,232,056,537</b>
Provision for doubtful short-term receivables	(1,041,544,375)	(1,041,544,375)
<b>NET</b>	<b>414,147,146,035</b>	<b>219,190,512,162</b>

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

	VND	
	For the six-month period ended 30 June 2021	For the six-month period ended 30 June 2020
Beginning balance	1,041,544,375	3,108,486,026
Less: Write-off during the period	-	(2,066,941,651)
Ending balance	1,041,544,375	1,041,544,375

## 8. SHORT-TERM ADVANCES TO SUPPLIERS

	VND	
	30 June 2021	31 December 2020
Advances to individuals for project and capital transfer	311,771,947,060	275,371,128,500
- <i>Mr Pham Cong Thanh</i>	100,000,000,000	100,000,000,000
- <i>Ms Nguyen Thi Phuong Thao</i>	85,771,947,060	85,371,128,500
- <i>Mr Tran Hung Cuong</i>	75,000,000,000	-
- <i>Mr Nguyen Cao Tien</i>	51,000,000,000	36,000,000,000
- <i>Ms Nguyen Thi My Duyen</i>	-	54,000,000,000
Land Clearance and Compensation Corporation	178,934,648,207	178,881,848,207
Central Construction Corporation	147,804,853,158	147,804,853,158
Duc Khai Corporation	70,228,366,367	70,228,366,367
620 Infrastructure Development and Investment Corporation	-	373,200,000,000
Others	35,754,642,479	25,115,126,407
<b>TOTAL</b>	<b>744,494,457,271</b>	<b>1,070,601,322,639</b>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

## 9. OTHER RECEIVABLES

	VND	
	30 June 2021	31 December 2020
<b>Short-term</b>	<b>1,119,207,775,961</b>	<b>276,292,715,200</b>
Receivables from other parties	1,109,207,775,961	266,292,715,200
- Mr Pham Ngoc Dung	480,000,000,000	-
- Mr Nguyen Huy Le	479,985,988,000	-
- Minh Hoang Real Estate Business Joint Stock Company (i)	79,982,000,000	200,000,000,000
- Truong Phat Loc Shipping Joint Stock Company ("Truong Phat Loc") (ii)	50,000,000,000	50,000,000,000
- Deposits	810,560,000	733,360,000
- Others	18,429,227,961	15,559,355,200
Receivable from a related party (Note 32)	10,000,000,000	10,000,000,000
<b>Long-term</b>	<b>882,982,056,580</b>	<b>938,174,914,270</b>
Receivables from other parties	842,982,056,580	898,174,914,270
- Phu Quoc Doan Anh Duong Corporation ("Doan Anh Duong") (iii)	299,888,000,000	356,000,000,000
- Tan Hoang Real Estate Corporation (iv)	223,000,000,000	223,000,000,000
- Tam Binh Real Estate Corporation (iv)	200,000,000,000	200,000,000,000
- Truong Phat Loc (ii)	76,400,000,000	76,400,000,000
- Phu Quoc Economic Zone Management Board	38,548,000,000	38,548,000,000
- Deposits	5,146,056,580	3,960,245,380
- Others	-	266,668,890
Receivable from a related party (Note 32)	40,000,000,000	40,000,000,000
<b>TOTAL</b>	<b><u>2,002,189,832,541</u></b>	<b><u>1,214,467,629,470</u></b>

- (i) The amount represents remaining receivables from contributed capital resulted from the Business Cooperation Contract ("BCC") liquidation regarding to the development of commercial floors and office-apartments of Millennium project located at No. 132, Ben Van Don Street, Ward 6, District 4, Ho Chi Minh City ("Millennium project").
- (ii) The amount represents remaining receivable from contributed capital from the Investment Cooperation Contract ("ICC") liquidation regarding to the development of Millennium project.
- (iii) The amount represents the capital contribution in accordance with the ICC regarding to the development of Vung Bau Ecotourism Project located at Cua Can Commune, Phu Quoc City, Kien Giang Province and earning the shared profit according to the proportion of financial contributions but not less than the interest of 20% p.a.
- (iv) The amount represents capital contribution in accordance with the ICC regarding to the construction and development of the ICD Port of Transshipment project located at Long Binh Ward, Thu Duc City, Ho Chi Minh City and receiving the shared land area after the project's completion.

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as at 30 June 2021 and for the six-month period then ended

## 10. INVENTORIES

	VND	
	30 June 2021	31 December 2020
Real estate properties (*)	12,016,381,369,576	9,330,555,534,275
Merchandise	<u>472,479,120</u>	<u>472,479,120</u>
<b>TOTAL</b>	<b><u>12,016,853,848,696</u></b>	<b><u>9,331,028,013,395</u></b>

(\*) Real estate properties mainly include compensation costs, land clearance costs, construction costs, capitalised interest and other development costs incurred for the following on-going real estate projects:

	VND	
	30 June 2021	31 December 2020
The EverRich 2 project (i)	3,603,774,811,610	3,603,774,811,610
Tropicana Ben Thanh Long Hai project	1,988,692,950,430	1,987,898,486,111
Binh Duong Tower project	1,595,848,364,328	-
Nhon Hoi – Binh Dinh project	1,172,898,823,444	1,473,833,872,177
Phuoc Hai – Serenity project	1,372,117,701,855	-
The EverRich 3 project (i)	876,616,187,469	876,296,187,469
Binh Duong Commercial Center and Luxury Apartment project ("Astral City project")	625,755,765,258	624,315,412,280
DK Phu Quoc project	399,005,240,851	398,957,896,396
Ngo May project	137,574,421,136	133,451,877,454
Bau Ca – Quang Ngai project	26,336,175,364	25,530,072,475
Other projects	<u>217,760,927,831</u>	<u>206,496,918,303</u>
<b>TOTAL</b>	<b><u>12,016,381,369,576</u></b>	<b><u>9,330,555,534,275</u></b>

(i) The EverRich 2 and The EverRich 3 projects and all of their associated asset rights were pledged to Vietnam Prosperity Joint Stock Commercial Bank as security collateral for the loans taken by the Group's business partners.

As at the balance sheet date, the Group is in progress to fulfil the Government's requirements for transferring the remaining parts of these projects in accordance with ICCs entered with Big Gain Investment Company Limited ("Big Gain") and Dynamic Innovation Company Limited ("Dynamic") (Note 21).

The capitalised interest to invest, develop projects for the six-month period ended 30 June 2021 was VND 57,407,987,816 (for the six-month period ended 30 June 2020: VND 132,577,737,721).

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

#### 11. PREPAID EXPENSES

	VND	
	30 June 2021	31 December 2020
<b>Short-term</b>	<b>5,800,820,036</b>	<b>4,699,725,667</b>
Tools and supplies	3,719,275,241	649,309,740
External services fees	560,431,635	2,396,976,753
Insurance fees	266,152,554	624,185,572
Others	1,254,960,606	1,029,253,602
<b>Long-term</b>	<b>1,031,001,299,187</b>	<b>964,520,684,604</b>
The EverRich 2 project compensation cost (*)	923,823,243,655	923,823,243,655
Commission fees	89,578,844,088	20,763,679,587
Office renovation	4,010,743,421	5,703,519,522
Apartments management fees	3,383,934,585	3,383,934,585
Others	10,204,533,438	10,846,307,255
<b>TOTAL</b>	<b><u>1,036,802,119,223</u></b>	<b><u>969,220,410,271</u></b>

(\*) This is the compensation expenses paid to CRE & AGI Consulting Joint Stock Company and Phu Hung Real Estate Investment Company Limited, a Company's subsidiary, which was dissolved on 8 February 2020, upon liquidation of BCCs relating to construction and business management of The EverRich 2 project. These BCCs were terminated so that the Company can transfer this project to Big Gain under the ICC (Note 10).

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as at 30 June 2021 and for the six-month period then ended

**12. TANGIBLE FIXED ASSETS**

	<i>Buildings and structures</i>	<i>Means of transportation</i>	<i>Machinery and equipment</i>	<i>Office equipment</i>	<i>VND Total</i>
<b>Cost</b>					
As at 31 December 2020	34,020,488,862	28,452,034,286	6,941,300,642	131,174,971	69,544,998,761
New purchase	-	4,357,403,638	-	-	4,357,403,638
As at 30 June 2021	<u>34,020,488,862</u>	<u>32,809,437,924</u>	<u>6,941,300,642</u>	<u>131,174,971</u>	<u>73,902,402,399</u>
<i>In which:</i>					
<i>Fully depreciated</i>	5,141,750,887	4,486,489,376	4,002,637,187	131,174,971	13,762,052,421
<b>Accumulated depreciation</b>					
As at 31 December 2020	(18,349,476,269)	(12,876,676,147)	(4,511,419,899)	(131,174,971)	(35,868,747,286)
Depreciation for the period	(345,673,553)	(2,242,833,229)	(445,607,571)	-	(3,034,114,353)
As at 30 June 2021	<u>(18,695,149,822)</u>	<u>(15,119,509,376)</u>	<u>(4,957,027,470)</u>	<u>(131,174,971)</u>	<u>(38,902,861,639)</u>
<b>Net carrying amount</b>					
As at 31 December 2020	<u>15,671,012,593</u>	<u>15,575,358,139</u>	<u>2,429,880,743</u>	-	<u>33,676,251,475</u>
As at 30 June 2021	<u>15,325,339,040</u>	<u>17,689,928,548</u>	<u>1,984,273,172</u>	-	<u>34,999,540,760</u>

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as at 30 June 2021 and for the six-month period then ended

**13. INTANGIBLE FIXED ASSETS**

	VND
	<i>Computer software</i>
<b>Cost</b>	
As at 31 December 2020	3,357,367,536
New purchase	<u>634,680,000</u>
As at 30 June 2021	<u>3,992,047,536</u>
<i>In which:</i>	
Fully amortised	2,154,470,536
<b>Accumulated amortisation</b>	
As at 31 December 2020	(2,956,401,880)
Amortisation for the period	<u>(271,002,836)</u>
As at 30 June 2021	<u>(3,227,404,716)</u>
<b>Net carrying amount</b>	
As at 31 December 2020	<u>400,965,656</u>
As at 30 June 2021	<u>764,642,820</u>

**14. INVESTMENT PROPERTIES**

	VND		
	<i>Land use rights</i>	<i>Building and structures</i>	<i>Total</i>
<b>Cost</b>			
As at 31 December 2020 and at 30 June 2021	<u>7,306,972,991</u>	<u>68,357,297,281</u>	<u>75,664,270,272</u>
<b>Accumulated depreciation</b>			
As at 31 December 2020	-	(6,272,486,080)	(6,272,486,080)
Depreciation for the period	<u>-</u>	<u>(768,059,520)</u>	<u>(768,059,520)</u>
As at 30 June 2021	<u>-</u>	<u>(7,040,545,600)</u>	<u>(7,040,545,600)</u>
<b>Net carrying amount</b>			
As at 31 December 2020	<u>7,306,972,991</u>	<u>62,084,811,201</u>	<u>69,391,784,192</u>
As at 30 June 2021	<u>7,306,972,991</u>	<u>61,316,751,681</u>	<u>68,623,724,672</u>

The fair values of the investment properties were not formally assessed and determined as at 30 June 2021. 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.



NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

## 15. CONSTRUCTION IN PROGRESS

	VND	
	30 June 2021	31 December 2020
Office building (*)	440,870,527,127	424,892,553,707
The Internal Technical Infrastructure Construction Ancient project in Thu Duc City, Ho Chi Minh City	389,243,459,078	376,814,929,277
Other projects under Building and Transfer agreements	83,510,141,277	83,229,865,277
Accounting software	11,735,986,310	11,040,986,310
Others	3,289,010,455	2,198,101,364
<b>TOTAL</b>	<b><u>928,649,124,247</u></b>	<b><u>898,176,435,935</u></b>

(\*) Land use rights and its associated asset were pledged as security collateral for the loan obtained by the Group (Note 22).

The capitalised interest to invest, develop the projects for the six-month period ended 30 June 2021 was VND 13,788,197,260 (for the six-month period ended 30 June 2020: VND 6,213,698,630).

## 16. INVESTMENTS IN ASSOCIATES

	30 June 2021		31 December 2020	
	% of ownership	Amount VND	% of ownership	Amount VND
BIDICI Joint Stock Company	49	1,092,700,000,000	49	1,092,700,000,000
PDP Project Construction Investment Co., Ltd	49	7,912,000,000	49	6,067,000,000
Serenity Investment Joint Stock Company (Note 4.1)	-	-	36	635,182,000,000
<b>TOTAL</b>		<b><u>1,100,612,000,000</u></b>		<b><u>1,733,949,000,000</u></b>

BIDICI Real Estate Investment Joint Stock Company ("BIDICI") is a shareholding company incorporated under the Law on Enterprises of Vietnam pursuant to the ERC No. 4101576855 issued by the DPI of Binh Dinh Province on 16 October 2020. BIDICI's registered head office is located at 1 Ngo May Street, Nguyen Van Cu Ward, Quy Nhon City, Binh Dinh Province, Vietnam. The principal activity of BIDICI is to trade real estate properties.

PDP Project Construction Investment Co., Ltd ("PDP Project") is a limited liability company with two or more members incorporated under the Law on Enterprise of Vietnam pursuant to the BRC No. 0315143682 issued by the DPI of Ho Chi Minh City on 3 July 2018. PDP Project's registered head office is located at Floor 9 Tower B, Viettel Building, 285 Cach Mang Thang Tam Street, Ward 12, District 10, Ho Chi Minh City, Vietnam. The principal activity of PDP Project is to trade real estate properties. PDP Project's current main project is Phan Dinh Phung construction project at 8 Vo Van Tan, Vo Thi Sau Ward, District 3, Ho Chi Minh City. As at the balance sheet date, the Group has contributed of VND 7,912,000,000 over its charter capital of VND 147,000,000,000 as per BRC.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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**17. SHORT-TERM TRADE PAYABLES**

	VND	
	30 June 2021	31 December 2020
Mr Pham Ngoc Dung	920,000,000,000	-
Phu My Hung Investment Corporation	165,122,193,621	165,122,193,621
Sai Gon Transport Construction Joint Stock Company	31,336,050,766	31,336,050,766
Thien An Mechanical Co., Ltd	18,031,618,616	30,298,070,520
IDV Investment and Trading Joint Stock Company	12,540,947,074	13,074,589,917
Dong Khanh Construction Company Limited	9,302,067,669	11,636,067,669
T&T Trading & Services Limited	8,624,676,500	20,388,979,200
Others	17,609,488,163	16,423,949,196
<b>TOTAL</b>	<b><u>1,182,567,042,409</u></b>	<b><u>288,279,900,889</u></b>

**18. SHORT-TERM ADVANCES FROM CUSTOMERS**

	VND	
	30 June 2021	31 December 2020
Nhon Hoi – Binh Dinh project	2,281,036,810,800	593,402,049,007
Other projects	122,532,486,295	26,592,959,218
<b>TOTAL</b>	<b><u>2,403,569,297,095</u></b>	<b><u>619,995,008,225</u></b>
<i>In which:</i>		
<i>Other parties</i>	2,068,569,297,095	619,995,008,225
<i>Related party (Note 32)</i>	335,000,000,000	-

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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## 19. STATUTORY OBLIGATIONS

			VND	
	31 December 2020	Increase	Decrease	30 June 2021
<b>Payables</b>				
Corporate income tax	314,543,642,672	135,286,981,373	(323,510,382,036)	126,320,242,009
Value-added tax	172,345,363,638	9,049,318,474	(172,377,177,095)	9,017,505,017
Personal income tax	2,856,880,597	14,008,836,000	(14,257,219,830)	2,608,496,767
Other taxes	148,438,357	68,758,986,443	(63,622,078,766)	5,285,346,034
<b>TOTAL</b>	<b><u>489,894,325,264</u></b>	<b><u>227,104,122,290</u></b>	<b><u>(573,766,857,727)</u></b>	<b><u>143,231,589,827</u></b>
<b>Receivables</b>				
Value-added tax	11,804,834,925	23,255,305,916	(11,665,389,309)	23,394,751,532
Corporate income tax (*)	170,656,053	60,155,636,556	(35,685,268,448)	24,641,024,161
<b>TOTAL</b>	<b><u>11,975,490,978</u></b>	<b><u>83,410,942,472</u></b>	<b><u>(47,350,657,757)</u></b>	<b><u>48,035,775,693</u></b>

(\*) In accordance with Circular No. 96/2015/TT-BTC issued by the Ministry of Finance on 22 June 2015 which provides guidelines for implementation of the Law on corporate income tax, the Group is entitled to provisionally pay tax at the rate of 1% on cash collections from its customers.

## 20. SHORT-TERM ACCRUED EXPENSES

	VND	
	30 June 2021	31 December 2020
Interest expenses	26,884,328,760	70,161,180,594
Construction costs	3,870,537,650	3,870,537,650
Others	4,882,464,817	4,174,133,557
<b>TOTAL</b>	<b><u>35,637,331,227</u></b>	<b><u>78,205,851,801</u></b>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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## 21. OTHER PAYABLES

	VND	
	30 June 2021	31 December 2020
<b>Short-term</b>	<b>930,307,450,821</b>	<b>1,480,519,543,789</b>
Payables to related parties (Note 32)	765,550,000,000	1,100,758,150,229
Deposits received	93,850,000,000	282,856,500,000
ICCs – Nhon Hoi – Binh Dinh project (*)	43,584,786,290	75,649,786,290
Others	27,322,664,531	21,255,107,270
<b>Long-term</b>	<b>5,547,433,656,616</b>	<b>5,551,706,991,616</b>
ICCs – The EverRich 2 and The EverRich 3 projects (**)	5,547,433,656,616	5,547,433,656,616
Others	-	4,273,335,000
<b>TOTAL</b>	<b>6,477,741,107,437</b>	<b>7,032,226,535,405</b>

(\*) These represent capital received from individuals to develop the Nhon Hoi – Binh Dinh project under ICCs. Accordingly, they will receive the shared profit after tax arising from the project but not less than the interest of 15% p.a. on their contributed capital.

(\*\*) On 26 December 2017, the Group has entered into 5-year ICCs with Big Gain in relation to the development of a part of The EverRich 2 project and with Dynamic in relation to the development of apartment block of The EverRich 3 project. According to these ICCs and appendixes:

- a. Big Gain/Dynamic has obligation to settle the costs incurred by the Group for the cooperated project.
- b. The parties may receive profits from the project in accordance with the proportion of financial contributions of the parties.
- c. After the land use rights 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.
- d. 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 4,557,365,656,616 and VND 990,068,000,000 from Big Gain and Dynamic, respectively.

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B09-DN/HN

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**22. LOANS**

	31 December 2020	Increase	Decrease	Reclassify	VND 30 June 2021
<b>Short-term</b>	<b>1,413,560,061,129</b>	<b>152,317,499,984</b>	<b>(1,096,927,850,000)</b>	<b>14,000,000,000</b>	<b>482,949,711,113</b>
Loan from bank (Note 22.1)	334,152,850,000	-	(320,152,850,000)	14,000,000,000	28,000,000,000
Bonds issued (Note 22.2)	457,632,211,129	2,317,499,984	(105,000,000,000)	-	354,949,711,113
Loan from other party (Note 22.3)	621,775,000,000	150,000,000,000	(671,775,000,000)	-	100,000,000,000
<b>Long-term</b>	<b>485,244,818,638</b>	<b>683,838,514,697</b>	<b>(257,000,000,000)</b>	<b>(14,000,000,000)</b>	<b>898,083,333,335</b>
Loan from bank (Note 22.1)	238,000,000,000	-	-	(14,000,000,000)	224,000,000,000
Bonds issued (Note 22.2)	247,244,818,638	683,838,514,697	(257,000,000,000)	-	674,083,333,335
<b>TOTAL</b>	<b>1,898,804,879,767</b>	<b>836,156,014,681</b>	<b>(1,353,927,850,000)</b>	<b>-</b>	<b>1,381,033,044,448</b>

**22.1 Loan from bank**

Details of the loan from bank are as follows:

Bank	30 June 2021 VND	Principal repayment term	Purpose	Interest rate % p.a.	Description of collateral
Vietnam Joint Stock Commercial Bank for Industry and Trade – Branch 11 Ho Chi Minh City	<u>252,000,000,000</u>	From 16 July 2021 to 25 April 2030	To finance office building project at District 3, Ho Chi Minh City	Interest rate of 12- month deposits + additional capital mobilization cost + 4	Land use rights and associated asset at District 3, Ho Chi Minh City

In which:

Short-term	28,000,000,000
Long-term	224,000,000,000

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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22. LOANS (continued)

22.2 Bonds issued

Details of the bonds issued at par value are as follows:

	30 June 2021 VND	Principal repayment term	Purpose	Interest rate % p.a	Description of collateral
Bond 1	299,949,711,113	2 July 2021	To finance projects of the Company and its subsidiaries	13	20,550,000 PDR shares owned by shareholders
Bond 2	55,000,000,000	9 July 2021	To finance projects of the Company and its subsidiaries	13	2,400,000 PDR shares owned by shareholders
Bond 3	396,833,333,335	2 February 2023	To finance projects of the Company and its subsidiaries	13	17,000,000 PDR shares owned by shareholders
Bond 4	148,533,333,334	28 April 2023	To finance projects of the Company and its subsidiaries	13	5,000,000 PDR shares owned by shareholders
Bond 5	128,716,666,666	7 May 2023	To finance projects of the Company and its subsidiaries	13	4,400,000 PDR shares owned by shareholders
<b>TOTAL</b>	<b><u>1,029,033,044,448</u></b>				
<i>In which:</i>					
Short-term	354,949,711,113				
Long-term	674,083,333,335				

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

**22. LOANS** (continued)

**22.3 Loan from other party**

<i>Lender</i>	<i>30 June 2021 VND</i>	<i>Principal repayment term</i>	<i>Purpose</i>	<i>Interest rate % p.a.</i>	<i>Description of collateral</i>
Mirae Asset Finance Company Vietnam	<u>100,000,000,000</u>	25 May 2022	To finance projects of the Company and its subsidiaries	11	5,000,000 PDR shares owned by shareholders

**23. BONUS AND WELFARE FUND**

	<i>VND</i>	
	<i>For the six-month period ended 30 June 2021</i>	<i>For the six-month period ended 30 June 2020</i>
Beginning balance	2,675,271,400	6,592,068,523
Increase	33,026,417,542	16,640,913,781
Decrease	<u>(22,121,256,718)</u>	<u>(8,546,178,003)</u>
Ending balance	<u>13,580,432,224</u>	<u>14,686,804,301</u>



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## 24. OWNERS' EQUITY

### 24.1 Increase and decrease in owners' equity

	<i>Share capital</i>	<i>Share premium</i>	<i>Investment and development fund</i>	<i>Undistributed earnings</i>	<i>VND Total</i>
<b>For the six-month period ended 30 June 2020</b>					
As at 31 December 2019	3,276,579,720,000	11,680,300,000	137,513,584,076	871,304,238,377	4,297,077,842,453
Net profit for the period	-	-	-	278,976,442,068	278,976,442,068
Appropriation of fund	-	-	17,500,000,000	(17,500,000,000)	-
Transfer to bonus and welfare fund	-	-	-	(16,640,913,781)	(16,640,913,781)
Dividends by shares	425,949,150,000	-	-	(425,949,150,000)	-
Dividends by cash	-	-	-	(393,189,566,400)	(393,189,566,400)
BOD's allowance	-	-	-	(2,530,000,000)	(2,530,000,000)
As at 30 June 2020	<u>3,702,528,870,000</u>	<u>11,680,300,000</u>	<u>155,013,584,076</u>	<u>294,471,050,264</u>	<u>4,163,693,804,340</u>
<b>For the six-month period ended 30 June 2021</b>					
As at 31 December 2020	3,961,698,970,000	11,680,300,000	155,013,584,076	973,918,145,839	5,102,310,999,915
Net profit for the period	-	-	-	503,290,852,782	503,290,852,782
Appropriation of fund	-	-	24,400,000,000	(24,400,000,000)	-
Transfer to bonus and welfare fund	-	-	-	(24,400,000,000)	(24,400,000,000)
Dividends by shares (*)	906,020,190,000	-	-	(906,020,190,000)	-
Increase due to additional acquisition of ownership interest in subsidiary	-	-	-	7,115,715,674	7,115,715,674
BOD's allowance	-	-	-	(8,626,417,542)	(8,626,417,542)
As at 30 June 2021	<u>4,867,719,160,000</u>	<u>11,680,300,000</u>	<u>179,413,584,076</u>	<u>520,878,106,753</u>	<u>5,579,691,150,829</u>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

## 24. OWNERS' EQUITY (continued)

### 24.1 Increase and decrease in owners' equity (continued)

(\*) On 26 March 2021, the Company completed the issuance of 39,616,344 ordinary shares to pay dividend to shareholders at the par value of VND 10,000 per share amounting to VND 396,163,440,000 according to the Decision of BOD No. 02/2021/QD-HDQT dated 11 January 2021. On 20 April 2021, the Company received the 30<sup>th</sup> amended ERC issued by the DPI of Ho Chi Minh City, approving the increase in the Company's charter capital from VND 3,961,698,970,000 to VND 4,357,862,410,000.

On 29 April 2021, the Company completed the issuance of 50,985,675 ordinary shares to pay dividend to shareholders at the par value of VND 10,000 per share amounting to VND 509,856,750,000 according to the Resolution of Shareholders No. 01/DHDCD-NQ.2021 dated 27 March 2021 and Decision of BOD No. 09A/2021/QD-HDQT dated 31 March 2021. On 17 May 2021, the Company received the 31<sup>st</sup> amended ERC issued by the DPI of Ho Chi Minh City, approving the increase in the Company's charter capital from VND 4,357,862,410,000 to VND 4,867,719,160,000.

### 24.2 Capital transactions with owners and distribution of dividends

	VND	
	<i>For the six-month period ended 30 June 2021</i>	<i>For the six-month period ended 30 June 2020</i>
<b>Contributed share capital</b>		
Beginning balance	3,961,698,970,000	3,276,579,720,000
Increase during the period	<u>906,020,190,000</u>	<u>425,949,150,000</u>
Ending balance	<u>4,867,719,160,000</u>	<u>3,702,528,870,000</u>
<b>Dividends</b>		
Dividend declared	906,020,190,000	819,138,716,400
Dividend paid	906,020,190,000	818,551,679,600
<i>In which:</i>		
- Dividend paid by shares for 2020: 1 share per 10 existing shares and 117 shares per 1,000 existing shares (2019: 13 shares per 100 existing shares)	906,020,190,000	425,949,150,000
- Dividend paid by cash for 2019: VND 1,200 per share	-	392,602,529,600

### 24.3 Shares

	Quantity	
	<u>30 June 2021</u>	<u>31 December 2020</u>
<b>Authorised shares</b>	<b>486,771,916</b>	<b>396,169,897</b>
<b>Issued and paid-up shares</b>	<b>486,771,916</b>	<b>396,169,897</b>
<i>Ordinary shares</i>	486,771,916	396,169,897
<b>Shares in circulation</b>	<b>486,771,916</b>	<b>396,169,897</b>
<i>Ordinary shares</i>	486,771,916	396,169,897

Par value of outstanding share: VND 10,000/share (31 December 2020: VND 10,000/share).

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

**25. NON-CONTROLLING INTEREST**

	VND	
	<i>For the six-month period ended 30 June 2021</i>	<i>For the six-month period ended 30 June 2020</i>
Beginning balance	91,966,496,762	71,851,024,421
Accumulated losses	(1,236,951,949)	(25,071,697)
Increase due to acquisition of subsidiaries	<u>1,399,703,785,831</u>	<u>-</u>
Ending balance	<u><b>1,490,433,330,644</b></u>	<u><b>71,825,952,724</b></u>

**26. REVENUE FROM SALE OF GOODS AND RENDERING OF SERVICES**

	VND	
	<i>For the six-month period ended 30 June 2021</i>	<i>For the six-month period ended 30 June 2020</i>
<b>Net revenue from sale of goods and rendering of services</b>	<u><b>1,123,830,898,001</b></u>	<u><b>1,181,813,305,822</b></u>
<i>In which:</i>		
<i>Sale of residential plots</i>	1,115,029,820,848	1,140,847,096,886
<i>Revenue from investment properties</i>	3,535,365,226	3,992,118,181
<i>Sale of infrastructure</i>	3,480,000,000	35,320,000,000
<i>Revenue from rendering of services</i>	1,785,711,927	1,654,090,755
<i>In which:</i>		
<i>Sales to other parties</i>	1,123,830,898,001	1,181,652,821,953
<i>Sales to related parties</i>	-	160,483,869

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

	VND	
	<i>For the six-month period ended 30 June 2021</i>	<i>For the six-month period ended 30 June 2020</i>
Costs of residential plots	329,311,850,519	710,409,924,919
Costs of services rendered	1,547,646,000	1,487,000,000
Costs of investment properties	1,425,692,267	1,525,898,960
Costs of infrastructure	<u>904,109,470</u>	<u>5,858,013,254</u>
<b>TOTAL</b>	<u><b>333,189,298,256</b></u>	<u><b>719,280,837,133</b></u>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

**28. FINANCE EXPENSES**

	VND	
	<i>For the six-month period ended 30 June 2021</i>	<i>For the six-month period ended 30 June 2020</i>
Interest expenses	48,227,002,688	-
Bond issuance costs	2,529,973,403	-
Others	53,129,000	6,692,430,097
<b>TOTAL</b>	<b><u>50,810,105,091</u></b>	<b><u>6,692,430,097</u></b>

**29. SELLING EXPENSES AND GENERAL AND ADMINISTRATIVE EXPENSES**

	VND	
	<i>For the six-month period ended 30 June 2021</i>	<i>For the six-month period ended 30 June 2020</i>
<b>Selling expenses</b>	<b>8,713,650,814</b>	<b>54,185,135,654</b>
Advertising expenses	5,741,926,674	3,021,404,097
Salaries	2,587,360,857	2,436,691,149
Commission fees	-	48,419,162,975
Others	384,363,283	307,877,433
<b>General and administrative expenses</b>	<b>87,436,662,842</b>	<b>52,221,186,597</b>
Salaries	48,198,254,644	30,241,379,171
External services expenses	31,562,748,117	15,535,849,226
Depreciation and amortisation	2,268,256,485	1,679,984,750
Others	5,407,403,596	4,763,973,450
<b>TOTAL</b>	<b><u>96,150,313,656</u></b>	<b><u>106,406,322,251</u></b>

**30. OPERATING COSTS**

	VND	
	<i>For the six-month period ended 30 June 2021</i>	<i>For the six-month period ended 30 June 2020</i>
Construction costs	177,297,687,159	724,470,522,342
Interest expense	71,196,185,076	138,791,436,351
Salaries	50,785,615,501	32,678,070,320
External services expenses	37,179,248,822	66,957,689,643
Depreciation and amortisation (Notes 12, 13 and 14)	4,073,176,709	3,137,809,400
Others	5,917,192,848	5,090,577,538
<b>TOTAL</b>	<b><u>346,449,106,115</u></b>	<b><u>971,126,105,594</u></b>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

### 31. 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 interim consolidated financial statements could change at a later date upon final determination by the tax authorities.

#### 31.1 CIT expenses

	VND	
	<i>For the six-month period ended 30 June 2021</i>	<i>For the six-month period ended 30 June 2020</i>
Current CIT expense	135,075,959,786	70,819,320,841
Deferred CIT income	-	(119,811,783)
<b>TOTAL</b>	<b><u>135,075,959,786</u></b>	<b><u>70,699,509,058</u></b>

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

	VND	
	<i>For the six-month period ended 30 June 2021</i>	<i>For the six-month period ended 30 June 2020</i>
<b>Accounting profit before tax</b>	<b><u>637,129,860,619</u></b>	<b><u>349,650,879,429</u></b>
At CIT rate of 20%	127,425,972,124	69,930,175,886
<i>Adjustments:</i>		
Non-deductible expenses	6,945,328,902	740,635,634
Losses of subsidiaries not yet recognised deferred tax	<u>704,658,760</u>	<u>28,697,538</u>
<b>CIT expense</b>	<b><u>135,075,959,786</u></b>	<b><u>70,699,509,058</u></b>

#### 31.2 Current tax

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

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

### 31. CORPORATE INCOME TAX (CONTINUED)

#### 31.3 Deferred tax

The following is deferred tax assets recognised by the Company and its subsidiaries, and the movements thereon:

	VND			
	<i>Interim consolidated balance sheet</i>		<i>Interim consolidated income statement</i>	
	<i>30 June 2021</i>	<i>31 December 2020</i>	<i>For the six-month period ended 30 June 2021</i>	<i>For the six-month period ended 30 June 2020</i>
Accrued expenses	65,085,592	65,085,592	-	3,033,484
Adjustment of taxable income	-	-	-	116,778,299
<b>Deferred tax asset</b>	<b>65,085,592</b>	<b>65,085,592</b>		
<b>Deferred tax income</b>			<b>-</b>	<b>119,811,783</b>

### 32. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Significant transactions with related parties were as follows:

Related party	Relationship	Transaction	VND	
			<i>For the six-month period ended 30 June 2021</i>	<i>For the six-month period ended 30 June 2020</i>
Mr Nguyen Van Dat	Chairman	Borrowing	709,265,454,601	67,159,800,779
		Repayment	709,373,604,830	67,159,800,779
		Advances	621,280,121,149	925,980,334,323
		Collection of advances	621,280,121,149	926,071,018,526
BIDICI	Associate	Repayment	335,100,000,000	-
		Advances received for residential plots transfer	335,000,000,000	-
AKYN Service Trading Investment Joint Stock Company ("AKYN")	Related party of Chairman	Collection of capital transfer	50,000,000,000	-
		Rendering of services	-	50,583,869
Mr Le Quang Phuc	BOD member	Residential plot transfer	8,764,080,000	-
Ms Tran Thi Huong	Deputy Chairwoman	Residential plot transfer	6,801,352,000	-

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

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

Significant transactions with related parties were as follows: (continued)

Related party	Relationship	Transaction	VND	
			For the six-month period ended 30 June 2021	For the six-month period ended 30 June 2020
PDP Project	Associate	Capital contribution	1,845,000,000	1,645,000,000
BDSC Management Consulting Corporation	Related party of BOD member	Receive of service rendered	787,500,000	942,000,000
Ms Doan Thi Trang	Related party of Chairman	Payments on behalf	-	129,095,729

Remuneration to members of the BOD and Management was as follows:

Individuals	Position	VND	
		For the six-month period ended 30 June 2021	For the six-month period ended 30 June 2020
Mr Nguyen Van Dat	Chairman	5,443,465,101	3,246,896,000
Ms Tran Thi Huong	Deputy Chairwoman	3,032,723,563	2,006,680,000
Mr Nguyen Tan Danh	Deputy Chairman	740,000,000	542,436,000
Mr Le Quang Phuc	BOD member	640,000,000	407,412,000
Mr Doan Viet Dai Tu	BOD member	640,000,000	240,000,000
Mr Khuong Van Muoi	BOD Independent member	640,000,000	240,000,000
Mr Tran Trong Gia Vinh	BOD Independent member	640,000,000	240,000,000
Mr Le Minh Dung	BOD Independent member	510,000,000	240,000,000
Mr Bui Quang Anh Vu	General Director	3,085,118,947	1,896,418,000
Mr Nguyen Thanh Thao	Deputy General Finance Director	1,464,511,133	-
Mr Duong Hong Cam	Deputy General Investment Director	440,000,000	-
Mr Nguyen Dinh Tri	Deputy General Construction Director	460,000,000	-
Mr Pham Trong Hoa	Deputy General Construction Director	-	660,000,000
<b>TOTAL</b>		<b>17,735,818,744</b>	<b>9,719,842,000</b>



NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

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

Amounts due from and due to related parties were as follows:

Related party	Relationship	Transaction	VND	
			30 June 2021	31 December 2020
<b>Short-term trade receivable</b>				
AKYN	Related party of Chairman	Capital transfer	-	50,000,000,000
		Rendering of services	-	1,148,400,000
			-	<b>51,148,400,000</b>
<b>Other short-term receivable</b>				
AKYN	Related party of Chairman	Contributed capital from ICC liquidation	10,000,000,000	10,000,000,000
<b>Long-term trade receivable</b>				
AKYN	Related party of Chairman	Capital transfer	50,000,000,000	50,000,000,000
<b>Other long-term receivable</b>				
AKYN	Related party of Chairman	Capital contribution under ICC	40,000,000,000	40,000,000,000
<b>Short-term advance from customer</b>				
BIDICI	Associate	Residential plot transfer	335,000,000,000	-
<b>Other short-term payables</b>				
BIDICI	Associate	Borrowing	761,150,000,000	1,096,250,000,000
Mr Bui Quang Anh Vu	General Director	Deposit	800,000,000	800,000,000
Ms Tran Thi Huong	Deputy Chairwoman	Deposit	800,000,000	800,000,000
Mr Le Quang Phuc	BOD member	Deposit	800,000,000	800,000,000
Mr Tran Trong Gia Vinh	BOD Independence member	Deposit	400,000,000	400,000,000
Mr Le Minh Dung	BOD Independence member	Deposit	800,000,000	800,000,000
Mr Nguyen Thanh Thao	Deputy General Finance Director	Deposit	800,000,000	800,000,000
Mr Nguyen Van Dat	Chairman	Borrowing	-	108,150,229
			<b>765,550,000,000</b>	<b>1,100,758,150,229</b>



NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

### 33. EARNINGS PER SHARE

The Group uses following data to calculate the basic and diluted earnings per share:

	<i>For the six-month period ended 30 June 2021</i>	<i>For the six-month period ended 30 June 2020 (adjusted)</i>
Profit after tax attributable to ordinary shareholders of the Company	503,290,852,782	279,093,785,098
Less: BOD's allowance (*)	(7,549,362,792)	(1,395,468,925)
Bonus and welfare fund (*)	<u>(15,098,725,583)</u>	<u>(5,581,875,702)</u>
Net profit after tax attributable to ordinary shareholders of the Company (VND)	480,642,764,407	272,116,440,471
Weighted average number of ordinary shares for the period (shares) (**)	<u>486,771,916</u>	<u>486,771,916</u>
<b>Basic earnings per share (VND/share)</b> <i>(par value: VND 10,000/share)</i>	<u><b>987</b></u>	<u><b>559</b></u>
<b>Diluted earnings per share (VND/share)</b>	<u><b>987</b></u>	<u><b>559</b></u>

(\*) Profit used to compute earnings per share for the six-month period ended 30 June 2020 have been restated to the amounts reported in the interim consolidated financial statements for the six-month period ended 30 June 2020 to reflect the actual appropriation of bonus and welfare fund and BOD's allowance and bonus from undistributed net income of 2020 in accordance with the Resolution of Shareholders at annual general meeting dated 27 March 2021.

Profit used to compute earnings per share for the six-month period ended 30 June 2020 was adjusted for the provisional appropriation of bonus and welfare fund and BOD's allowance from undistributed net income of 2021 following the plan as approved by Shareholders at annual general meeting dated 27 March 2021.

(\*\*) The weighted average number of ordinary shares for the six-month period ended 30 June 2020 has been retrospectively adjusted for the dividend shares issued on 9 November 2020, 26 March 2021 and 29 April 2021.

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

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

### 34. COMMITMENTS

#### 34.1 Capital commitments

Capital commitments of the Group were as follows:

	VND	
	30 June 2021	31 December 2020
Project construction commitments	1,605,753,926,190	698,453,825,967
Capital contribution commitments	339,200,000,000	285,763,000,000
Doan Anh Duong	200,112,000,000	144,000,000,000
PDP Project	<u>139,088,000,000</u>	<u>141,763,000,000</u>
<b>TOTAL</b>	<b><u>1,944,953,926,190</u></b>	<b><u>984,216,825,967</u></b>

#### 34.2 Operating lease commitments

The Group leases office under operating lease arrangements with the minimum lease commitment were as follows:

	VND	
	30 June 2021	31 December 2020
Less than 1 year	20,002,655,700	15,393,410,900
From 1 to 5 years	<u>51,441,027,225</u>	<u>46,772,350,275</u>
<b>TOTAL</b>	<b><u>71,443,682,925</u></b>	<b><u>62,165,761,175</u></b>

### 35. OTHER DISCLOSURE AS DEEMED APPROPRIATE BY THE GROUP


#### Covid-19 pandemic


The Covid-19 pandemic is resulting in an economic slowdown and adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the Group operates. The Group's management has continuously monitored ongoing developments and assessed the financial impact in respects of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues as the situation has evolved, using the best information obtained up to the date of this interim consolidated financial statements.

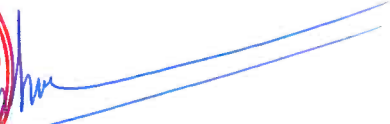
NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended


**36. EVENTS AFTER THE BALANCE SHEET DATE**

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

  
\_\_\_\_\_  
Vo Hoang Tu  
Preparer

  
\_\_\_\_\_  
Nguyen Thi Thuy Trang  
Chief Accountant

  
\_\_\_\_\_  
Bui Quang Anh Vu  
General Director



12 August 2021

