

**577 INVESTMENT CORPORATION**  
**AUDITED CONSOLIDATED FINANCIAL STATEMENTS**  
**For the year ended 31 December 2021**

**TABLE OF CONTENTS**

<b><u>CONTENTS</u></b>	<b><u>PAGE(S)</u></b>
STATEMENT OF THE BOARD OF GENERAL DIRECTORS	1 - 2
INDEPENDENT AUDITORS' REPORT	3
CONSOLIDATED BALANCE SHEET	4 - 6
CONSOLIDATED INCOME STATEMENT	7
CONSOLIDATED CASH FLOW STATEMENT	8 - 9
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS	10 - 53

## STATEMENT OF THE BOARD OF GENERAL DIRECTORS

The Board of General Directors of 577 Investment Corporation (“the Company”) presents this report together with consolidated financial statements of the Company for the year ended 31 December 2021.

### THE BOARDS OF MANAGEMENT, SUPERVISORY AND GENERAL DIRECTORS

The members of the Boards of Management, Supervisory and General Directors of the Company who held office during the year and to the date of this report are as follows:

#### **Board of Management**

Mr. Luu Hai Ca	Chairman (appointed on 27 September 2021)
Ms. Nguyen Quynh Huong	Chairwoman (resigned on 27 September 2021)
Mr. Le Quoc Binh	Permanent Vice Chairman
Mr. Nguyen Van Chinh	Member
Mr. Doan Tuong Trieu	Member
Mr. Nguyen Ba Lan	Member (resigned on 23 April 2021 and reappointed on 14 December 2021)
Mr. Pham Thanh Vu	Independent member (appointed on 14 December 2021)

#### **Board of Supervisory**

Ms. Duong Quynh Diep	Head of the Board
Mr. Le Trung Hieu	Member
Ms. Le Thi Kieu Diem	Member

#### **Board of General Directors**

Mr. Nguyen Ba Lan	General Director (appointed on 27 September 2021)
Mr. Luu Hai Ca	General Director (resigned on 27 September 2021)
Mr. Mai Thanh Truc	Deputy General Director
Mr. Nguyen Quy Binh	Deputy General Director
Mr. Truong Hai Dang Khoa	Deputy General Director

#### **Legal Representative**

The legal representative of the Company for the period from 01 January 2021 to 26 September 2021 was Mr. Luu Hai Ca and from 27 September 2021 to the date of this report is Mr. Nguyen Ba Lan – The General Director.

### THE AUDITORS

The consolidated financial statements of the Company for the year ended 31 December 2021 have been audited by International Auditing Company Limited - An independent member firm of AGN International.

### BOARD OF GENERAL DIRECTORS’ STATEMENT OF RESPONSIBILITY

The Board of General Directors of the Company is responsible for preparing the consolidated financial statements, which give a true and fair view of the consolidated financial position of the Company as of 31 December 2021, and its consolidated financial performance and its consolidated cash flows for the year ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to consolidated financial reporting. In preparing these consolidated financial statements, the Board of General Directors is required to:

**STATEMENT OF THE BOARD OF GENERAL DIRECTORS** (continued)

**BOARD OF GENERAL DIRECTORS' STATEMENT OF RESPONSIBILITY** (continued)

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting principles have been followed, subject to any material departures disclosed and explained in the consolidated financial statements;
- Prepare the consolidated financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business; and
- Design and implement an effective internal control system for the purpose of properly preparing and presenting the consolidated financial statements so as to minimize errors and frauds.

The Board of General Directors is responsible for ensuring that proper accounting records are kept, which disclose, with reasonable accuracy at any time, the consolidated financial position of the Company and that the consolidated financial statements comply with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to consolidated financial reporting. The Board of General Directors is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of frauds and other irregularities.

The Board of General Directors confirms that the Company has complied with the above requirements in preparing these consolidated financial statements.

For and on behalf of the Board of General Directors,



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**Nguyen Ba Lan**  
**General Director**

*Ho Chi Minh City, 16 March 202*

## INDEPENDENT AUDITORS' REPORT

**To: The shareholders  
The Boards of Management, Supervisory and General Directors  
577 Investment Corporation**

We have audited the accompanying consolidated financial statements of 577 Investment Corporation ("the Company"), prepared on 16 March 2022, as set out from page 4 to page 53, which comprise the consolidated balance sheet as of 31 December 2021, the consolidated statements of income and consolidated cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Board of General Directors' Responsibility

The Board of General Directors is responsible for the preparation and presentation of these consolidated financial statements comply with Vietnamese Standards on Accounting, Vietnamese Accounting Regime for enterprise and prevailing relevant regulations in the consolidated financial statements preparation and disclosure and for such internal control as the Board of General Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

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

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

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

### Opinion

In our opinion, the accompanying consolidated financial statements give a true and fair view of, in all material respects, the consolidated financial position of the Company as of 31 December 2021, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to consolidated financial reporting.



**Luong Giang Thach**  
Deputy Branch Director  
Audit Practising Registration Certificate  
No. 2178-2018-072-1

**Pham Thi Toan**  
Auditor  
Audit Practising Registration Certificate  
No. 2767-2019-072-1

*Ho Chi Minh City, 16 March 2022*

**CONSOLIDATED BALANCE SHEET**

As at 31 December 2021

Unit: VND

ASSETS	Codes	Notes	31/12/2021	01/01/2021 (Restated)
<b>A. CURRENT ASSETS</b>	<b>100</b>		<b>1,773,894,194,316</b>	<b>2,122,027,160,667</b>
<b>I. Cash and cash equivalents</b>	<b>110</b>		<b>30,190,337,086</b>	<b>67,500,904,393</b>
1. Cash	111	V.1	30,190,337,086	67,500,904,393
<b>II. Short-term receivables</b>	<b>130</b>		<b>780,438,620,716</b>	<b>1,109,974,440,551</b>
1. Short-term trade receivables	131	V.2	302,494,036,540	531,484,663,142
2. Short-term advances to suppliers	132	V.3	333,692,653,776	326,332,085,830
3. Short-term loan receivables	135	V.4	2,300,000,000	9,500,000,000
4. Other short-term receivables	136	V.5	177,371,407,620	244,671,604,365
5. Provision for short-term doubtful debts	137	V.6	(35,419,477,220)	(2,013,912,786)
<b>III. Inventories</b>	<b>140</b>	<b>V.7</b>	<b>931,327,870,572</b>	<b>930,436,448,355</b>
1. Inventories	141		931,327,870,572	930,436,448,355
<b>IV. Other short-term assets</b>	<b>150</b>		<b>31,937,365,942</b>	<b>14,115,367,368</b>
1. Short-term prepayments	151	V.8	22,361,483	250,028,546
2. Value added tax deductibles	152		29,143,492,487	13,742,019,922
3. Taxes and other receivables from the State budget	153	V.17	2,771,511,972	123,318,900

**CONSOLIDATED BALANCE SHEET** (continued)

As at 31 December 2021

Unit: VND

ASSETS	Codes	Notes	31/12/2021	01/01/2021 (Restated)
<b>B. NON-CURRENT ASSETS</b>	<b>200</b>		<b>2,599,759,787,000</b>	<b>1,968,685,279,233</b>
<b>I. Long-term receivables</b>	<b>210</b>		<b>605,251,112,951</b>	<b>57,399,765,003</b>
1. Long-term loan receivables	215	V.4	562,911,347,948	-
2. Other long-term receivables	216	V.5	42,339,765,003	57,399,765,003
<b>II. Fixed assets</b>	<b>220</b>		<b>221,363,570,050</b>	<b>233,680,578,068</b>
1. Tangible fixed assets	221	V.9	189,875,063,839	198,712,252,361
- Cost	222		222,725,972,979	226,193,349,524
- Accumulated depreciation	223		(32,850,909,140)	(27,481,097,163)
2. Intangible fixed assets	227	V.10	31,488,506,211	34,968,325,707
- Cost	228		31,646,927,986	35,037,047,482
- Accumulated amortisation	229		(158,421,775)	(68,721,775)
<b>III. Investment properties</b>	<b>230</b>	<b>V.11</b>	<b>55,766,254,435</b>	<b>54,830,628,535</b>
- Cost	231		71,176,150,497	67,786,031,001
- Accumulated depreciation	232		(15,409,896,062)	(12,955,402,466)
<b>IV. Long-term assets in progress</b>	<b>240</b>		<b>1,595,707,989,463</b>	<b>1,546,941,804,143</b>
1. Long-term construction in progress	242	V.12	1,595,707,989,463	1,546,941,804,143
<b>V. Long-term financial investments</b>	<b>250</b>	<b>V.13</b>	<b>16,150,000,000</b>	<b>16,150,000,000</b>
1. Equity investments in other entities	253	V.13	18,150,000,000	18,150,000,000
2. Provision for impairment of long-term financial investments	254	V.13	(2,000,000,000)	(2,000,000,000)
<b>VI. Other long-term assets</b>	<b>260</b>		<b>105,520,860,101</b>	<b>59,682,503,484</b>
1. Long-term prepayments	261	V.8	101,207,075,475	59,173,130,484
2. Deferred tax assets	262	V.14	4,313,784,626	509,373,000
<b>TOTAL ASSETS</b> <b>(270 = 100 + 200)</b>	<b>270</b>		<b>4,373,653,981,316</b>	<b>4,090,712,439,900</b>


**CONSOLIDATED BALANCE SHEET** (continued)

As at 31 December 2021

Unit: VND

RESOURCES	Codes	Notes	31/12/2021	01/01/2021
<b>C. LIABILITIES</b>	<b>300</b>		<b>2,543,451,546,798</b>	<b>2,324,059,503,188</b>
<b>I. Current liabilities</b>	<b>310</b>		<b>2,181,867,086,547</b>	<b>2,093,652,132,089</b>
1. Short-term trade payables	311	V.15	85,351,910,000	122,447,310,596
2. Short-term advances from customers	312	V.16	34,066,767,633	28,355,829,700
3. Taxes and amounts payable to the State budget	313	V.17	220,126,571,985	254,447,788,078
4. Payables to employees	314		1,127,035,257	2,397,766,044
5. Short-term accrued expenses	315	V.18	342,093,825,863	424,771,231,972
6. Other current payables	319	V.19	641,273,008,823	948,728,967,676
7. Short-term loans and obligations under finance leases	320	V.20	837,132,014,400	301,844,828,384
8. Short-term provisions	321	V.21	7,272,727,273	-
9. Bonus and welfare funds	322	V.22	13,423,225,313	10,658,409,639
<b>II. Long-term liabilities</b>	<b>330</b>		<b>361,584,460,251</b>	<b>230,407,371,099</b>
1. Other long-term payables	337	V.19	7,045,116,036	8,568,645,142
2. Long-term loans and obligations under finance leases	338	V.20	350,000,000,000	216,839,691,730
3. Deferred tax liabilities	341	V.14	786,852,028	-
4. Long-term provisions	342	V.21	3,752,492,187	4,999,034,227
<b>D. EQUITY</b>	<b>400</b>		<b>1,830,202,434,518</b>	<b>1,766,652,936,712</b>
<b>I. Owner's equity</b>	<b>410</b>	<b>V.23</b>	<b>1,830,202,434,518</b>	<b>1,766,652,936,712</b>
1. Owner's contributed capital	411		1,004,756,560,000	1,004,756,560,000
- Ordinary shares carrying voting rights	411a		1,004,756,560,000	1,004,756,560,000
2. Share premium	412		207,059,165,444	479,559,579,732
3. Treasury shares	415		(7,087,077,763)	(498,686,282,051)
4. Investment and development fund	418		-	103,604,269,349
5. Retained earnings	421		618,642,613,957	669,234,115,649
- Retained earnings accumulated to the prior year end	421a		304,230,949,178	341,892,716,169
- Retained earnings of current year	421b		314,411,664,779	327,341,399,480
6. Non-controlling interests	429		6,831,172,880	8,184,694,033
<b>TOTAL RESOURCES</b> <b>(440 = 300 + 400)</b>	<b>440</b>		<b>4,373,653,981,316</b>	<b>4,090,712,439,900</b>

  
**Nguyen Tran Phuong Uyen**  
Preparer

  
**Nguyen Van Minh**  
Chief Accountant



**Nguyễn Bá Lan**  
General Director

Ho Chi Minh City, 16 March 2022



**CONSOLIDATED INCOME STATEMENT**

For the year ended 31 December 2021

Unit: VND

ITEMS	Codes	Notes	2021	2020
<b>1. Gross revenue from goods sold and services rendered</b>	<b>01</b>	<b>VI.1</b>	<b>565,231,601,936</b>	<b>3,500,669,919,571</b>
2. Deductions	02		-	-
<b>3. Net revenue from goods sold and services rendered (10 = 01 - 02)</b>	<b>10</b>		<b>565,231,601,936</b>	<b>3,500,669,919,571</b>
4. Cost of sales	11	VI.2	310,033,364,483	2,719,710,463,940
<b>5. Gross profit from goods sold and services rendered (20 = 10 - 11)</b>	<b>20</b>		<b>255,198,237,453</b>	<b>780,959,455,631</b>
6. Financial income	21	VI.3	434,722,605,516	20,265,600,796
7. Financial expenses	22	VI.4	165,859,558,529	198,418,616,255
- In which: Interest expense	23		99,297,320,355	3,650,533,698
8. Selling expenses	25	VI.5	3,081,056,166	126,913,421,129
9. General and administration expenses	26	VI.6	66,459,390,277	41,387,173,846
<b>10. Operating profit</b>				
<b>[30 = 20 + (21 - 22) + 24 - (25 + 26)]</b>	<b>30</b>		<b>454,520,837,997</b>	<b>434,505,845,197</b>
11. Other income	31	VI.7	20,033,705,435	29,412,960,202
12. Other expenses	32	VI.8	53,679,618,679	6,312,403,073
<b>13. (Loss)/profit from other activities (40 = 31 - 32)</b>	<b>40</b>		<b>(33,645,913,244)</b>	<b>23,100,557,129</b>
<b>14. Accounting profit before tax (50 = 30 + 40)</b>	<b>50</b>		<b>420,874,924,753</b>	<b>457,606,402,326</b>
15. Current corporate income tax expense	51	VI.9	110,799,867,482	129,721,080,763
16. Deferred corporate tax expense/(income)	52	V.14	(3,017,559,598)	594,147,000
<b>17. Net profit after corporate income tax (60 = 50 - 51 - 52)</b>	<b>60</b>		<b>313,092,616,869</b>	<b>327,291,174,563</b>
18. Net profit attributable to owners of the parent	61		314,411,664,779	327,341,399,480
19. Net profit attributable to non-controlling interest	62		(1,319,047,910)	(50,224,917)
<b>20. Basic earnings per share</b>	<b>70</b>	<b>VI.10</b>	<b>2,982</b>	<b>2,905</b>

**Nguyen Tran Phuong Uyen**  
Preparer

**Nguyen Van Minh**  
Chief Accountant



**Nguyen Ba Lan**  
General Director

Ho Chi Minh City, 16 March 2022

**CONSOLIDATED CASH FLOW STATEMENT***(Indirect method)*

For the year ended 31 December 2021

Unit: VND

ITEMS	Codes	2021	2020
<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>1. Accounting profit before tax</b>	<b>01</b>	<b>420,874,924,753</b>	<b>457,606,402,326</b>
<b>2. Adjustments for</b>			
Depreciation of fixed assets, investment properties and amortization of goodwill	02	8,872,297,235	8,636,986,169
Provisions	03	33,405,564,434	1,300,000,000
Gain from investing activities	05	(61,099,596,370)	(17,762,107,320)
Interest expenses	06	99,297,320,355	3,650,533,698
<b>3. Operating profit before movements in working capital</b>	<b>08</b>	<b>501,350,510,407</b>	<b>453,431,814,873</b>
Decrease/(increase) in receivables	09	179,901,557,410	(54,415,632,602)
(Increase)/decrease in inventories	10	(45,974,752,558)	1,526,218,208,058
Decrease in payables (excluding accrued loan interest and corporate income tax payable)	11	(460,303,270,869)	(1,524,163,271,892)
(Increase)/decrease in prepaid expenses	12	(41,806,277,928)	48,695,233,407
Interest paid	14	(102,197,708,501)	(41,289,628,473)
Corporate income tax paid	15	(100,800,826,053)	(66,984,709,538)
Other cash outflows	17	(33,344,488,293)	(34,999,606,649)
<b>Net cash (used in)/generated from operating activities</b>	<b>20</b>	<b>(103,175,256,385)</b>	<b>306,492,407,184</b>
<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
1. Acquisition and construction of fixed assets and other long-term assets	21	(9,870,930,019)	(7,519,432,275)
2. Proceeds from sales of fixed assets and other long-term assets disposal	22	5,204,090,909	1,545,454,545
3. Cash outflow for lending and buying debt instruments of other companies	23	(617,300,000,000)	-
4. Cash recovered from lending and selling debt instruments of other entities	24	61,588,652,052	-
5. Investments in other entities	25	-	(21,042,448,895)
6. Cash recovered from investments in other entities	26	38,188,351,642	-
7. Interest, dividends and profits received	27	44,806,135,808	2,363,730,933
<b>Net cash used in investing activities</b>	<b>30</b>	<b>(477,383,699,608)</b>	<b>(24,652,695,692)</b>

**CONSOLIDATED CASH FLOW STATEMENT** (continued)  
(Indirect method)  
For the year ended 31 December 2021

Unit: VND

ITEMS	Codes	2021	2020
<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
1. Capital withdrawals, buy-back issued shares	32	-	(359,522,715,837)
2. Proceeds from borrowings	33	1,071,163,288,496	623,100,529,646
3. Repayment of borrowings	34	(402,715,794,210)	(381,191,657,443)
4. Dividends and profits paid	36	(125,199,105,600)	(236,201,952,500)
<b>Net cash generated from/(used in) financing activities</b>	<b>40</b>	<b>543,248,388,686</b>	<b>(353,815,796,134)</b>
<b>Net decrease in cash and cash equivalents (50 = 20 + 30 + 40)</b>	<b>50</b>	<b>(37,310,567,307)</b>	<b>(71,976,084,642)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>60</b>	<b>67,500,904,393</b>	<b>139,476,989,035</b>
<b>Cash and cash equivalents at the end of the year (70 = 50 + 60)</b>	<b>70</b>	<b>30,190,337,086</b>	<b>67,500,904,393</b>



**Nguyen Tran Phuong Uyen**  
Preparer



**Nguyen Van Minh**  
Chief Accountant



**Nguyen Ba Lan**  
General Director

Ho Chi Minh City, 16 March 2022

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the year ended 31 December 2021

**I. GENERAL INFORMATION****Structure of ownership**

577 Investment Corporation (hereinafter referred to as “the Company”) was incorporated under the Enterprise Registration Certificate No. 4103003556 issued by the Department of Planning and Investment of Ho Chi Minh City dated 4 July 2005 and the 15<sup>th</sup> amendment dated 4 October 2021 about the change of the legal representative and the General Director of the Company.

The charter capital of the Company is VND 1,004,756,560,000, divided equally into 100,475,656 shares with par value of VND 10,000.

The parent Company of the Company is Ho Chi Minh City Infrastructure Investment Joint Stock Company (“CIL”).

The English name of the Company: 577 Investment Corporation.

The head office of the Company is located at 1648 Vo Van Kiet, Ward 16, District 8, Ho Chi Minh City, Vietnam.

The Company’s shares were officially listed on the Ho Chi Minh City Stock Exchange as of 18 February 2009 with the stock code as NBB.

The number of employees of Company and its subsidiaries as of 31 December 2021 were 140 (as of 31 December 2020: 134).

**Business sector**

The Company operates in the real estate business sector.

**Operating industry**

The operating industry of the Company consist of developing and trading real estate properties; executing transportation and civil construction, investing in urban infrastructure; exploiting and processing minerals.

**Principal activities**

The principal activities of the Company during the year comprise of developing and trading real estate properties.

**Normal production and business cycle**

The average production and business cycle of the Company's real estate sector starts from the time of applying for the investment license, carrying out site clearance and construction until completion. Therefore, the business cycle of the real estate sector is estimated for the period from 24 months to 60 months.

The production and business cycle of other activities of the Company is normally carried out in a period not exceeding 12 months.

**The significant transaction effecting the consolidated financial statements**

According to the authorization in Resolution No. 32/NQ-DHDCD dated 23 April 2021 of the Annual General Meeting of Shareholders for the fiscal year 2020, as of 16 June 2021, the Board of Management of the Company approved the reward of 22,225,740 treasury shares to the existing shareholders with bonus ratio of 7:25 (each shareholder owning 25 shares was rewarded seven bonus shares). Up to 27 December 2021, the Company has completely rewarded the number of 21,909,879 treasury shares to its shareholders, of which the amount of VND 219,098,790,000 from retained earnings and VND 272,500,414,288 from share premium have been used as the resources for the issuance of the bonus shares.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)

For the year ended 31 December 2021

**I. GENERAL INFORMATION** (continued)**The Company's structure**

As of 31 December 2021, the Company has invested directly in three (03) subsidiaries and one (01) associate. Details of these investees are as follows:

Names of Companies	Places of incorporation and operation	Proportion of ownership interest (%)	Proportion of voting right power held (%)	Principal activities
<b>Subsidiaries</b>				
1. Hung Thanh Construction - Trading - Service - Manufacturing Company Limited	Ho Chi Minh City	95.00%	95.00%	Investing, managing and trading real estate projects
2. Huong Tra Company Limited	Quang Ngai Province	99.00%	99.00%	Investing, managing and running Tra Bong mineral water mine
3. Quang Ngai Mineral Investment Joint Stock Company	Quang Ngai Province	90.00%	90.00%	Exploitation of stone, sand, gravel and clay
<b>Associate</b>				
1. Tam Phu Investment & Construction Company Limited	Quang Nam Province	49.00%	49.00%	Real estate business

The Company's dependent accounting branches include:

- Binh Thuan Branch, registered at Group 2, Phuoc Hai Hamlet, Tan Phuoc Commune, Lagi Town, Binh Thuan Province.
- Southwest branch, registered at 444 Ninh Binh Street, Ward 2 Residential Area, Bac Lieu City, Bac Lieu Province.
- Northern branch, registered at 2<sup>nd</sup> Floor, Villa A29, Lot BT-A3, Doi Thuy San Villa area, 9B Area, Bai Chay Ward, Ha Long City, Quang Ninh Province.
- Quang Ngai Branch, registered at 364 Vo Nguyen Giap, Truong Quang Trong Ward, Quang Ngai City, Quang Ngai Province.

**Disclosure of information comparability in the consolidated financial statements**

The Company has applied consistently Circular No. 200/2014/TT-BTC and Circular No. 202/2014/TT-BTC guiding the accounting regime for enterprises dated 22 December 2014 issued by the Ministry of Finance, so that the information and accounting data presented on the consolidated financial statements are comparable.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)

For the year ended 31 December 2021

**II. ACCOUNTING CONVENTION AND FINANCIAL YEAR****Accounting convention**

The accompanying consolidated financial statements, expressed in Vietnamese Dong (VND), are prepared under the historical cost convention and in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to consolidated financial reporting.

The accompanying consolidated financial statements are not intended to present the financial position, results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Vietnam.

**Financial year**

The Company's financial year begins on 01 January and ends on 31 December.

**III. ACCOUNTING STANDARDS AND REGIME APPLIED**

The Board of General Directors ensures to comply with requirements of Vietnamese Accounting Standards and the Accounting regime for enterprises promulgated under Circular No. 200/2014/TT-BTC ("Circular 200") dated 22 December 2014 by the Ministry of Finance guiding the accounting regime for enterprises, and Circular No. 53/2016/TT-BTC dated 21 March 2016 amending and supplementing some articles of Circular No. 200/2014/TT-BTC, and Circular No. 202/2014/TT-BTC ("Circular 202") dated 22 December 2014 guiding the preparing and presenting of the consolidated financial statements, as well as circulars guiding the implementation of accounting standards of the Ministry of Finance in the preparation and presentation of consolidated financial statements.

**IV. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The significant accounting policies, which have been adopted by the Company in the preparation of these consolidated financial statements, are as follows:

**Estimates**

The preparation of consolidated financial statements in conformity with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to consolidated financial reporting requires the Board of General Directors to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the year. Although these accounting estimates are based on the Board of General Directors's best knowledge, actual results may differ from those estimates.

**Basis of consolidation**

The consolidated financial statements incorporate the separate financial statements of the Company and enterprises controlled by the Company (its subsidiaries) for the year ended 31 December 2021. Control is achieved where the Company has the power to govern the financial and operating policies of an investee enterprise so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used in line with those used by the Company.

Intragroup transactions and balances are eliminated in full on consolidation.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)

For the year ended 31 December 2021

**IV. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)**Basis of consolidation** (continued)

Non-controlling interests in the net assets of consolidated subsidiaries are identified consolidated from the parent's ownership interests in them and presented as an item of the owner's equity in consolidated balance sheet. Non-controlling interests consist of the amount of those non-controlling interests at the date of the original business combination and the non-controlling interests' share of changes in equity since the date of the combination. Losses applicable to the non-controlling interests in excess of their interest in the subsidiary's equity are allocated against the interests of the Company except to the extent that the non-controlling interests have a bidding obligation and are able to make an additional investment to cover the losses.

**Business combinations**

On acquisition, the assets and liabilities and contingent liabilities of a subsidiary are measured at their fair values at the date of acquisition. Any excess of the cost of acquisition over the fair values of the identifiable net assets acquired is recognized as goodwill. Any deficiency of the cost of acquisition below the fair values of the identifiable net assets acquired is credited to profit and loss in the financial year of acquisition.

The non-controlling interests are initially measured at the non-controlling shareholders' proportion of the net fair value of the assets, liabilities and contingent liabilities recognized.

The effect of transactions resulting in changes in the Group's ownership interest in the subsidiaries without loss of control is recorded directly in the retained earnings in the consolidated balance sheet.

**Investments in associates**

An associate is an entity over which the Company has significant influence and that is neither a subsidiary nor an interest in joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but not control or joint control over those policies.

The results, assets and liabilities of associates are incorporated in these financial statements using the equity method of accounting. Interests in associates are carried in the balance sheet at cost as adjusted by post-acquisition changes in the Company's share of the net assets of the associate. Losses of an associate in excess of the Company's interest in that associate (which includes any long-term interests that, in substance, form part of the Company's net investment in the associate) are not recognized.

Where a group entity transacts with an associate of the Company, unrealized profits and losses are eliminated to the extent of the Company's interest in the relevant associate.

**Goodwill**

Goodwill represents the excess of the cost of acquisition over the Company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of a subsidiary, associate or jointly controlled entity at the date of acquisition.

Goodwill arising on the acquisition of a subsidiary is recognized as a non-current asset in the consolidated balance sheet and is amortized on the straight-line basis over its estimated period of benefit which the maximum estimated period should not exceed 10 years.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)

For the year ended 31 December 2021

**IV. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)**Goodwill** (continued)

On disposal of a subsidiary, the attributable amount of unamortized goodwill included in the determination of the profit or loss on disposal. The Company conducts the periodical review for impairment of goodwill of investments in subsidiaries. If there are indicators that the impairment loss incurred is higher than the yearly allocated amount of goodwill on the straight-line basis, the higher amount will be recognized in the consolidated income statement.

Goodwill arising on the acquisition of associates and jointly controlled entities is included in the carrying amount of the associates and jointly controlled entities. The Company does not amortize this goodwill.

**Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand, demand deposits and short-term, highly liquid investments, which are matured within three months commencing on transaction date, are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**Financial investments*****Loan receivables***

Loan receivables present the loans under agreements which are not traded on the market as securities.

Loan receivables are measured at cost less provision for doubtful debts. Provision for doubtful debts relating to loan receivables is made based on expected losses that may arise.

***Equity investment in other entities***

Investments in other entities represent the Company's investments in equity of the entities over which the Company has no control, joint control, or significant influence.

Investments in other entities are initially recognized at cost, including the purchase price, capital contribution and any directly attributable transaction costs. Pre-acquisition dividends and profits of the investment are recorded as a reduction in the value of the investment. Post-acquisition dividends and profits are recognized as revenue. When the investors receive stock dividends, they only record the number of additional shares, not recording an increase in the value of investments and income from stock dividends.

Provisions for impairment of equity investment are made as follows:

- For investments in listed companies or equity investments for which the fair value can be reliably measured, the allowance shall be made according to the fair value of the shares;
- For investments whose fair value is not identifiable at the reporting date, the allowance shall be made according to the investee's loss with an amount equal to the difference between the actually contributed capital and the owner's equity multiplied by the portion of ownership interest.

An increase or decrease in allowance for diminution in value of investments in other entities at the closing date is recognized as financial expense in the period.



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)

For the year ended 31 December 2021

**IV. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)**Receivables**

Receivables represent the amounts recoverable from customers or other debtors and are stated at book value less provision for doubtful debts.

Provision for doubtful debts is made for: overdue receivables stated in economic contract, loan agreements, contractual commitments or debt commitments, and outstanding receivables which are doubtful of being recovered. Provision for overdue receivables is made based on overdue days in payment of principals following the initial economic contract, exclusive of the debts rescheduling between contracting parties, provision for outstanding receivables is made when the debtor is in bankruptcy, or is doing procedures to dissolve, missing, escaped.

An increase or decrease in provision for doubtful debts at the closing date is recognized in general and administration expenses in the period.

**Inventories*****Properties held for sale***

Properties held for sale include properties acquired or constructed for sale in the ordinary course of business and shall be measured at the lower of cost and net realisable value. Cost of properties held for sale include freehold and leasehold rights for land, costs of site preparation; construction and borrowing costs, planning and design costs, construction management cost and other related costs (if any) that have been incurred in bringing the inventory property to their present location and condition.

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

***Other inventories***

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in marketing, selling and distribution.

Provision for devaluation of inventories is made in accordance with prevailing accounting regulations which allow provision to be made for obsolete, damaged, or sub-standard inventories and for those which have costs higher than net realisable values as at reporting date. The provision for devaluation of obsolete, damaged, or sub-standard inventories is not included in deductible expenses for calculation of corporate income tax until such inventories are disposed.

An increase or decrease in provision for devaluation of inventories at the closing date is recognized in the cost of sales in the period.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)

For the year ended 31 December 2021

**IV. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)**Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less accumulated depreciation.

The costs of purchased tangible fixed assets comprise their purchase prices and any directly attributable costs of bringing the assets to their working condition and location for their intended use.

The costs of self-constructed or manufactured assets are the actual construction or manufacturing cost plus installation and test running costs.

Tangible fixed assets are depreciated using the straight-line method over their estimated useful lives, as follows:

	<u>Years</u>
Building and structure	50
Machinery and equipment	4 - 10
Motor vehicle and transmission	6 - 8
Office equipment	3

Loss or gain resulting from sales and disposals of tangible fixed assets is the difference between profit from sales or disposals of assets and their residual values and is recognized in the consolidated income statement.

**Intangible fixed assets and amortisation**

Intangible fixed asset is presented at cost less accumulated amortization. Intangible fixed assets of the Company consist of land use rights with indefinite term and the computer software.

The costs of land use rights comprise all directly attributable costs of bringing the land to the condition available for use. Land use rights with indefinite term are not amortized.

The costs of computer software comprise their directly attributable costs of bringing the assets to their working condition for their intended use. Computer software is amortized using the straight-line method within 3 years.

**Investment properties**

Investment properties are composed of shopping mall, swimming pool and tennis court in Carina Apartment held by the Company to earn rentals or for capital appreciation or both. Investment properties held to earn rentals are stated at cost less accumulated depreciation. The costs of self-constructed investment properties are the finally accounted construction or directly attributable costs of the properties.

Investment properties held to earn rentals are depreciated using the straight-line method over their estimated useful lives, as follow:

	<u>Years</u>
Shopping mall	30
Swimming pool and tennis court	10 - 30

For investment properties held for price appreciation, the Company does not depreciate. Where there is firm evidence that investment property held for appreciation has declined in value from its market value and the impairment loss can be measured reliably, the investment property held pending increase in value is available. Costs are reduced to cost and losses are recognized in cost of goods sold during the year.

The transfer from owner-occupied property to investment property or from investment property to owner-occupied property or inventory shall be made only if there are any changes in using purposes. Owner-occupied property shall be converted into investment property when the owner finishes using that property and leasing it to other party for operation. Investment property shall be converted into owner-occupied property when the owner begins to use this property. Investment property shall be converted into inventory when the owner begins to sell it. Inventory shall be converted into investment property when the owner begins to lease it to other party for operation.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)

For the year ended 31 December 2021

**IV. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)**Investment properties** (continued)

Construction property shall be converted into investment property at the end of the construction period and put into investment period.

The transfer of using purposes between investment property and owner-occupied property or inventory does not change the book value of the transferred asset and the cost of the property for their evaluation or for preparation of consolidated financial statements.

Investment property is no longer presented in the consolidated balance sheet after it is sold or after it is no longer held for the long term and it is found that no future economic benefits will be generated from the disposal of the property. that investment property. Revenue from the sale of investment property is recognized at the fair value of the amounts received or to be received. The carrying amount of the investment property is recognized as cost in the year in which the investment property is sold.

**Construction in progress**

Properties in the course of construction for production, rental or administrative purposes, or for the purposes not yet determined, are carried at cost. Cost includes professional fees, and for qualifying assets, borrowing costs dealt with in accordance with the Company's accounting policy. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

**Prepayments**

Prepayments are expenses which have already been paid but relate to results of operations of multiple accounting periods and are expected to provide future economic benefits to the Company. Prepayments comprise cost of show flat and real estate brokerage commissions; tools and supplies issued for consumption.

Cost of show flat and real estate brokerage commissions are recognized as long-term prepayments and amortised to the income statement as a proportion of revenue of projects when the Company hands over properties to customers.

Tools and supplies issued for consumption are capitalised as prepayments, and are allocated to operating cost using the straight-line method within 3 years in accordance with the current prevailing accounting regulations.

**Trade and other payables**

Accounts payable are monitored in detail by payable terms, debtors, original currency and other factors depending on the Company's managerial requirements. Accounts payable to suppliers include trade payables arising from buying-selling transactions and payables for import through trustees (in import entrustment transactions). Other payables include non-trade payables, not related to buying-selling transactions. Accounts payable are classified as short-term and long-term in the consolidated statement of financial position based on the remaining year of these payables at the reporting date.

**Accrued expenses**

Accrued expenses are recognized for amounts to be paid in the future for goods and services received, whether or not billed to the Company or lack of accounting document, which are recorded to operating expenses of the reporting year.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)

For the year ended 31 December 2021

**IV. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)**Payable provisions**

Payable provisions are recognized when the Company has a present obligation as a result of a past event, and it is probable that the Company will be required to settle that obligation. Provisions are measured at the Board of General Directors's best estimate of the expenditure required to settle the obligation as at the balance sheet date.

**Bonds**

Bonds are issued as long-term borrowings.

Carrying value of straight bond is recorded on net basis, equal to bonds' nominal amount less (-) Bond discount plus (+) Bond premium.

The Company accounts for the issued bonds' discount and premium individually and recognizes their amortization for the purpose of determining borrowing costs which are recorded as expenses or capitalized during each period, as follows:

- Bond discount is amortized gradually during bonds' life, accounted for as borrowing costs;
- Bond premium is amortized gradually during bonds' life, reducing borrowing costs;

Discount or premium is amortized by using straight-line method during bond term.

Costs directly attributable to the issuance of straight bond are initially recorded as a deduction from the principal of the straight bond. Periodically, such costs are allocated under the straight-line method over the term of the bond by increasing the principal and corresponding borrowing cost.

**Owner's equity recognition**

Owner's equity is recognized by actual capital contributions from shareholders.

Share premium is recognized at the larger or smaller difference between issuing price and par value of shares upon the initial public offering, additional issue or re-issue of treasury shares.

Treasury shares are shares issued by the Company and then acquired. Treasury shares are recorded at the actual value and presented on the consolidated balance sheet as a deduction from equity. No gain or loss is recognized upon purchase, sale, issue or cancellation of the Company's own equity instruments.

Retained earnings are recognized by net profit after corporate income tax during the year and are adjusted due to retroactive application of accounting policy changes also material errors of the previous years.

Net profit after tax is available for distribution to the shareholders and being paid in the following period under approval in the Annual General Meeting of the Company.

Appropriation of reserves and funds from profit after tax is based on the Company's ordinance and approval in the Annual General Meeting.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)

For the year ended 31 December 2021

**IV. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)**Revenue recognition*****Revenue from the sale of real estate***

Revenue from the sale of real estate which the Company is the investor is recognised when all five (5) following conditions are satisfied:

- (a) The real estate has been completed and transferred to the buyer, the Company has transferred to the buyer the significant risks and rewards of ownership of the real estate;
- (b) The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the real estate sold;
- (c) The amount of revenue can be measured reliably;
- (d) The economic benefits associated with the transaction flowed or will flow to the Company; and
- (e) The costs incurred or to be incurred in respect of the transaction can be measured reliably.

For subdivided land plot for sale, if it is transferred to the customer (regardless legal procedures for land use right certificate done or not) and contract is irrevocable, revenue is recognized when satisfying the following conditions:

- (a) Risks and rewards associated with land plot are transferred to the buyer;
- (b) The amount of revenue can be measured reliably;
- (c) Costs related to sale of plots may be determined; and
- (d) The Company has received or will receive economic benefits from sales of the plots.

***Revenue from services rendered***

Revenue of a transaction involving the rendering of services is recognised when the outcome of such transactions can be measured reliably. Where a transaction involving the rendering of services is attributable to several years, revenue is recognized in each year by reference to the percentage of completion of the transaction at the consolidated balance sheet date of that year. The outcome of a transaction can be measured reliably when all four (4) following conditions are satisfied:

- (a) The amount of revenue can be measured reliably. Where the contract stipulates that the buyer is entitled to return the supplied services under specific conditions, revenue is recognized only when those specific conditions no longer exist and the buyer is not entitled to return the services;
- (b) It is probable that the economic benefits associated with the transaction will flow to the Company;
- (c) The percentage of completion of the transaction at the consolidated balance sheet date can be measured reliably; and
- (d) The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

***Interest income***

Interest income is accrued on a time basis, by reference to the principal outstanding and at the applicable interest rate. Gains on financial investments are recognized when the Company's right to receive payment has been established.

***Income from transferring the right to participate in project***

Income from transferring the right to participate in project is defined as the amount received from the transfer contract and is recognized in consolidated income statement when the contract is operative. The economic benefits associated with the transaction flowed or will flow to the Company without any obligation to repay under any circumstances.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)

For the year ended 31 December 2021

**IV. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)**Cost of sales recognition*****Cost of real estate properties sold***

The cost of real estate sold is determined and recognized in profit or loss by reference to directly attributable cost and an allocation of overhead costs to corresponding size of the properties sold.

***Goods and other services***

Cost of goods sold and services rendered are recorded at actually incurred amount and aggregated by value and quantity of finished goods, merchandise and materials sold and services rendered to customers, conforming to the matching principle and the precautionary principle. The costs exceeded normal levels of inventory and services are recognized immediately in operating results in the year.

**Borrowing costs**

Borrowing costs are recognized in the consolidated income statement in the year when incurred unless they are capitalised in accordance with Vietnamese Accounting Standard "Borrowing costs". Accordingly, borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the cost of those assets. For specific borrowings for the purpose of construction of fixed assets and investment properties, borrowing costs are capitalised even when the construction period is under 12 months.

**Cost of project investment cooperation**

Regarding the investment cooperation contracts of real estate projects where the Company is the controlling party of activities and assets, the annually settled profits distributed to the partners shall be recognized in the consolidated income statement as the cost of project investment cooperation.

**Taxation**

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the consolidated income statement because it excludes items of income or expense that are taxable or deductible in other years (including loss carried forward, if any) and it further excludes items that are never taxable or deductible.

Deferred tax is recognized on significant differences between carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using balance sheet liability method. Deferred tax liabilities are generally recognized for all temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which deductible temporary differences can be utilised.

Deferred tax is calculated at the tax rates that are expected to apply in the year when the liability is settled or the asset realised. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)

For the year ended 31 December 2021

**IV. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)**Taxation** (continued)

The determination of the tax currently payable is based on the current interpretation of tax regulations. However, these regulations are subject to periodic variation and their ultimate determination depends on the results of the tax authorities' examinations.

Other taxes are paid in accordance with the prevailing tax laws in Vietnam.

**Earnings per share**

Basic earnings per share is calculated by dividing post-tax profits or loss attributable to ordinary shareholders (after adjusting for appropriation for bonus and welfare funds) by weighted average number of ordinary shares in circulation during the year.

**Diluted earnings per share**

Diluted earnings per share is calculated by dividing post-tax profits or loss attributable to ordinary shareholders (after adjustment for dividends of preference shares) by the weighted average number of ordinary shares in circulation during the year and the weighted average number of ordinary shares to be issued in the case that all dilutive potential ordinary shares are converted into ordinary shares.

**Related parties**

The enterprises, associates and individuals are considered to be related to the Company if one party has ability, directly or indirectly through one or more intermediaries, to control over the other party or is under the control of the Company, or joint control with the Company; the associates and individuals directly or indirectly holding the voting power over the Company that exercise significant influence over the Company. Related parties may be the key management personnel, General Director and officers of the Company. Close family members of any individuals or associates herein or associates of these individuals are also considered as related parties.

In considering the relationship of each related party, the substance of the relationship is noted over the legal form.

**Segment report**

A segment is a distinguishable part of the Company involved in the provision of related products or services (by business segment), or in the provision of products or services within the scope a particular economic environment (geographical area) that has a risk and economic benefit different from the other business units. The Board of General Directors is of the view that the Company operates in its business segments of trading real estate properties, other activities and operates in a single geographic area of Vietnam. Therefore, segment report is prepared in term of business sector and segment report by geographical area will not be presented.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)

For the year ended 31 December 2021

**V. INFORMATION SUPPLEMENTING THE ITEMS IN THE CONSOLIDATED BALANCE SHEET****1. Cash**

	31/12/2021	01/01/2021
	VND	VND
Cash on hand	478,318,123	1,056,527,489
Bank demand deposits	29,712,018,963	66,444,376,904
<b>Total</b>	<b>30,190,337,086</b>	<b>67,500,904,393</b>

**2. Short-term trade receivables**

	31/12/2021	01/01/2021
	VND	VND
<b>Receivables from transferring real estate properties</b>	<b>279,684,632,290</b>	<b>471,920,412,265</b>
Diamond Riverside High-rise Apartment project	140,253,810,312	272,156,004,577
The City Gate Towers Apartment project	106,411,610,505	90,980,567,064
Seafood Hill Villas project - Quang Ninh Province	23,812,975,473	76,539,589,474
Son Tinh Residential Area Project - Quang Ngai	6,676,390,000	29,714,405,150
Other projects	2,529,846,000	2,529,846,000
<b>Receivables from transferring investments in other entities</b>	<b>11,605,500,000</b>	<b>49,793,851,642</b>
Arch Real Estate Service Joint Stock Company	-	38,188,351,642
Other customers	11,605,500,000	11,605,500,000
<b>Other trade receivables</b>	<b>11,203,904,250</b>	<b>9,770,399,235</b>
<b>Total</b>	<b>302,494,036,540</b>	<b>531,484,663,142</b>

**3. Short-term advances to suppliers**

	31/12/2021	01/01/2021
	VND	VND
Arch Real Estate Service Joint Stock Company	192,841,775,900	192,841,775,900
E&C Civil Construction Joint Stock Company	33,647,883,701	31,134,864,794
Other suppliers	107,202,994,175	102,355,445,136
<b>Total</b>	<b>333,692,653,776</b>	<b>326,332,085,830</b>
<b><i>Of which, advances to the related parties:</i></b>		
CII Engineering and Construction Joint Stock Company	20,773,681,440	19,775,961,199
NBB Quang Ngai One Member Company Limited	1,119,755,484	2,123,290,904
CII Infrastructure Service Company Limited	-	129,271,906
<b>Total</b>	<b>21,893,436,924</b>	<b>22,028,524,009</b>



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)

For the year ended 31 December 2021

**V. INFORMATION SUPPLEMENTING THE ITEMS IN THE CONSOLIDATED BALANCE SHEET**  
(continued)**4. Loan receivables**

	31/12/2021 VND	01/01/2021 VND
<b>a. Short-term loan receivables</b>		
E&C Civil Construction Joint Stock Company	2,300,000,000	-
592 Investment Construction and Trading JSC.	-	9,500,000,000
	<b>2,300,000,000</b>	<b>9,500,000,000</b>
<b>b. Long-term loan receivables</b>		
<b>Related party</b>		
Khu Bac Thu Thiem Company Limited (i)	562,911,347,948	-
<b>Total</b>	<b>565,211,347,948</b>	<b>9,500,000,000</b>

(i) The balance represents the investment cooperation under contract and attached appendices approved by the Board of Management with a maximum limit of VND 615 billion and a cooperation term of 36 months commencing on the date of the first proceed from contribution. The cooperation is for Khu Bac Thu Thiem Company Limited to carry out its business activities regarding the projects in Thu Thiem's new urban area. The Company will be distributed profit on the investment cooperation once every 6 months at a fixed interest rate of 14% per annum on the actual contribution.

**5. Other receivables**

	31/12/2021 VND	01/01/2021 VND
<b>a. Other short-term receivables</b>		
Advances for land compensation	54,411,646,574	70,527,033,677
Profit advances under BCC contract (i)	34,841,439,583	-
Capital support for Hifill Holding Company	30,648,060,434	15,648,060,434
Capital support for Saigon Riverfront Limited Liability Company	12,991,822,400	12,991,822,400
Deposits	8,315,000,000	8,315,000,000
Compensation advances for fire damages in Carina Apartment (ii)	-	104,438,750,348
Other receivables	36,163,438,629	32,750,937,506
<b>Total</b>	<b>177,371,407,620</b>	<b>244,671,604,365</b>
<b>b. Other long-term receivables</b>		
Project performance deposit	42,108,620,000	42,108,620,000
Capital support for Hifill Holding Company	-	15,000,000,000
Other receivables	231,145,003	291,145,003
<b>Total</b>	<b>42,339,765,003</b>	<b>57,399,765,003</b>

**Of which, receivables from related party:**

Khu Bac Thu Thiem Company Limited (iii)	20,759,556,010	-
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(i) The balance presents profit on the investment cooperation advanced to Pearl City Investment Joint Stock Company regarding to Son Tinh Residential Area project (see more at Note V.7).

(ii) During the year, the Company has handled the compensation and remedial expenses caused by the fire at Carina apartment building after the official conclusion from the investigation agency (see more in the Note VII.3).

(iii) This is the amount due from Khu Bac Thu Thiem Company Limited regarding interest and capital mobilization fees incurred under the investment cooperation contract as presented in the Note V.4.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)

For the year ended 31 December 2021

**V. INFORMATION SUPPLEMENTING THE ITEMS IN THE CONSOLIDATED BALANCE SHEET** (continued)**6. Bad debts**

	31/12/2021			01/01/2021		
	Cost	Recoverable amount	Provision	Cost	Recoverable amount	Provision
	VND	VND	VND	VND	VND	VND
Short-term trade receivables	709,811,486	-	(709,811,486)	709,811,486	-	(709,811,486)
Short-term advances to suppliers	1,057,504,000	-	(1,057,504,000)	-	-	-
Other short-term receivables	33,652,161,734	-	(33,652,161,734)	1,304,101,300	-	(1,304,101,300)
<b>Total</b>	<b>35,419,477,220</b>	<b>-</b>	<b>(35,419,477,220)</b>	<b>2,013,912,786</b>	<b>-</b>	<b>(2,013,912,786)</b>

The movements in provision for bad debts are as follows:

	2021	2020
	VND	VND
<b>Opening balance</b>	<b>2,013,912,786</b>	<b>709,811,486</b>
Additional provision	33,405,564,434	1,300,000,000
Increase due to consolidation of subsidiaries	-	4,101,300
<b>Closing balance</b>	<b>35,419,477,220</b>	<b>2,013,912,786</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)

For the year ended 31 December 2021

**V. INFORMATION SUPPLEMENTING THE ITEMS IN THE CONSOLIDATED BALANCE SHEET** (continued)**7. Inventories**

	31/12/2021		01/01/2021 (Restated)	
	Cost VND	Provision VND	Cost VND	Provision VND
Tools and supplies	37,790,150	-	-	-
Real estate properties in progress (*)	884,921,637,208	-	873,033,283,405	-
Finished real estate properties	26,415,185,899	-	37,449,907,635	-
Properties held for sale	19,953,257,315	-	19,953,257,315	-
<b>Total</b>	<b>931,327,870,572</b>	<b>-</b>	<b>930,436,448,355</b>	<b>-</b>

(\*) Real estate properties in progress present the investment and development costs of the following projects:

	31/12/2021		01/01/2021	
	Cost VND	Provision VND	Cost VND	Provision VND
Son Tinh Residential Area Project - Quang Ngai (i)	488,859,772,048	-	535,721,144,515	-
De Lagi luxury resort and residential area project	325,075,410,626	-	181,710,251,529	-
City Gate Towers project	14,719,834,263	-	98,499,905,088	-
Other projects	56,266,620,271	-	57,101,982,273	-
<b>Total</b>	<b>884,921,637,208</b>	<b>-</b>	<b>873,033,283,405</b>	<b>-</b>

(i) The Company engaged in the investment cooperation in Son Tinh Residential Area Project - Quang Ngai with Pearl City Investment Joint Stock Company and shared profits of the project to Pearl City as the agreement signed by both parties herein.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)

For the year ended 31 December 2021

**V. INFORMATION SUPPLEMENTING THE ITEMS IN THE CONSOLIDATED BALANCE SHEET**  
(continued)**8. Prepayments**

	31/12/2021	01/01/2021
	VND	VND
<b>a. Short-term prepayments</b>		
Tools and supplies issued for consumption	22,361,483	85,757,465
Other prepayments	-	164,271,081
	<b>22,361,483</b>	<b>250,028,546</b>
<b>b. Long-term prepayments</b>		
Real estate brokerage commissions <i>(i)</i>	93,326,254,547	-
Cost of show flat	5,623,321,309	3,415,258,900
Tools and supplies issued for consumption	1,314,985,713	1,540,588,333
Investment cooperation cost of project	-	54,184,198,305
Other prepayments	942,513,906	33,084,946
	<b>101,207,075,475</b>	<b>59,173,130,484</b>
<b>Total prepayments</b>	<b>101,229,436,958</b>	<b>59,423,159,030</b>

*(i)* The real estate brokerage commissions will be charged to profit and loss when the properties are handed over to the customers.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)

For the year ended 31 December 2021

**V. INFORMATION SUPPLEMENTING THE ITEMS IN THE CONSOLIDATED BALANCE SHEET** (continued)**9. Tangible fixed assets**

	Buildings and structures VND	Machinery and equipment VND	Motor vehicles VND	Office equipment VND	Total VND
<b>Cost</b>					
<b>As at 01/01/2021</b>	<b>205,359,762,505</b>	<b>1,282,753,442</b>	<b>17,379,171,031</b>	<b>2,171,662,546</b>	<b>226,193,349,524</b>
New purchases during the year	-	219,350,000	1,919,507,546	303,890,909	2,442,748,455
Disposals during the year	-	-	(5,840,000,000)	(70,125,000)	(5,910,125,000)
<b>As at 31/12/2021</b>	<b>205,359,762,505</b>	<b>1,502,103,442</b>	<b>13,458,678,577</b>	<b>2,405,428,455</b>	<b>222,725,972,979</b>
<b>Accumulated depreciation</b>					
<b>As at 01/01/2021</b>	<b>16,731,538,970</b>	<b>1,198,189,678</b>	<b>8,541,856,015</b>	<b>1,009,512,500</b>	<b>27,481,097,163</b>
Charged for the year	4,421,183,892	249,829,165	1,472,598,095	184,492,487	6,328,103,639
Disposals during the year	-	-	(888,166,662)	(70,125,000)	(958,291,662)
<b>As at 31/12/2021</b>	<b>21,152,722,862</b>	<b>1,448,018,843</b>	<b>9,126,287,448</b>	<b>1,123,879,987</b>	<b>32,850,909,140</b>
<b>Net book value</b>					
<b>As at 01/01/2021</b>	<b>188,628,223,535</b>	<b>84,563,764</b>	<b>8,837,315,016</b>	<b>1,162,150,046</b>	<b>198,712,252,361</b>
<b>As at 31/12/2021</b>	<b>184,207,039,643</b>	<b>54,084,599</b>	<b>4,332,391,129</b>	<b>1,281,548,468</b>	<b>189,875,063,839</b>

As of 31 December 2021, the cost of the Company's tangible fixed assets included the amount of VND 7,052,886,352 which have been fully depreciated but are still in use (as of 31 December 2020: VND 1,323,694,676).

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)

For the year ended 31 December 2021

**V. INFORMATION SUPPLEMENTING THE ITEMS IN THE CONSOLIDATED BALANCE SHEET**  
(continued)**10. Intangible fixed assets**

	Land use right	Software program	Total
	VND	VND	VND
<b>Cost</b>			
<b>As at 01/01/2021</b>	<b>34,767,947,482</b>	<b>269,100,000</b>	<b>35,037,047,482</b>
Reclassification	(3,390,119,496)	-	(3,390,119,496)
<b>As at 31/12/2021</b>	<b>31,377,827,986</b>	<b>269,100,000</b>	<b>31,646,927,986</b>
<b>Accumulated amortisation</b>			
<b>As at 01/01/2021</b>	-	<b>68,721,775</b>	<b>68,721,775</b>
Charged for the year	-	89,700,000	89,700,000
<b>As at 31/12/2021</b>	-	<b>158,421,775</b>	<b>158,421,775</b>
<b>Net book value</b>			
<b>As at 01/01/2021</b>	<b>34,767,947,482</b>	<b>200,378,225</b>	<b>34,968,325,707</b>
<b>As at 31/12/2021</b>	<b>31,377,827,986</b>	<b>110,678,225</b>	<b>31,488,506,211</b>

**11. Investment properties**

	Swimming pool and tennis court	Shopping mall of Carina Apartment	Total
	VND	VND	VND
<b>Cost</b>			
<b>As at 01/01/2021</b>	<b>1,977,748,637</b>	<b>65,808,282,364</b>	<b>67,786,031,001</b>
Reclassification	-	3,390,119,496	3,390,119,496
<b>As at 31/12/2021</b>	<b>1,977,748,637</b>	<b>69,198,401,860</b>	<b>71,176,150,497</b>
<b>Accumulated depreciation</b>			
<b>As at 01/01/2021</b>	<b>904,625,426</b>	<b>12,050,777,040</b>	<b>12,955,402,466</b>
Charged for the year	104,942,376	2,349,551,220	2,454,493,596
<b>As at 31/12/2021</b>	<b>1,009,567,802</b>	<b>14,400,328,260</b>	<b>15,409,896,062</b>
<b>Net book value</b>			
<b>As at 01/01/2021</b>	<b>1,073,123,211</b>	<b>53,757,505,324</b>	<b>54,830,628,535</b>
<b>As at 31/12/2021</b>	<b>968,180,835</b>	<b>54,798,073,600</b>	<b>55,766,254,435</b>

The shopping mall of Carina Apartment has been pledged for the loan from Asia Commercial Joint Stock Bank (as further presented in the Note V.20).

The fair value of the investment properties has not been measured and presented in the notes to the consolidated financial statements. However, on the basis of market value of similar assets and occupancy rates, the Company's Board of General Directors believes that the fair value of these properties exceeds its carrying amount on the balance sheet date.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)

For the year ended 31 December 2021

**V. INFORMATION SUPPLEMENTING THE ITEMS IN THE CONSOLIDATED BALANCE SHEET**  
(continued)**11. Investment properties** (continued)

Revenues and operating expenses related to investment properties are presented as follows:

	2021	2020
	VND	VND
Investment properties rental income	2,223,330,839	3,118,431,315
Directly operating expenses generating rental income during the year	3,854,224,154	4,730,095,695
<b>Investment properties rental profit</b>	<b>(1,630,893,315)</b>	<b>(1,611,664,380)</b>

**12. Long-term construction in progress**

	31/12/2021	01/01/2021 (Restated)
	VND	VND
NBB Garden III real estate investment project	814,910,144,026	809,180,484,515
NBB II real estate investment project	772,091,636,468	733,886,052,911
Other projects	8,706,208,969	3,875,266,717
<b>Total</b>	<b>1,595,707,989,463</b>	<b>1,546,941,804,143</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)

For the year ended 31 December 2021

**V. INFORMATION SUPPLEMENTING THE ITEMS IN THE CONSOLIDATED BALANCE SHEET** (continued)**13. Long-term financial investments****a. Investment in associate**

	31/12/2021				01/01/2021			
	Voting rights	Cost	Post-acquisition profits	Fair value	Voting rights	Cost	Post-acquisition profits	Fair value
	%	VND	VND	VND	%	VND	VND	VND
Tam Phu Construction & Investment Company Limited	49.00%	4,579,636,245	(4,579,636,245)	(i)	49.00%	4,579,636,245	(4,579,636,245)	(i)
<b>Carrying amount</b>		<u>-</u>	<u>-</u>			<u>-</u>	<u>-</u>	

**b. Equity investments in other entities**

	31/12/2021				01/01/2021			
	Voting rights	Cost	Provision	Fair value	Voting rights	Cost	Provision	Fair value
		VND	VND	VND		VND	VND	VND
Sai Gon Dan Kia Water Supply Corporation	9.50%	16,150,000,000	-	(i)	9.50%	16,150,000,000	-	(i)
Hifill Holding Company	5.00%	2,000,000,000	(2,000,000,000)	(i)	5.00%	2,000,000,000	(2,000,000,000)	(i)
<b>Carrying amount</b>		<u>16,150,000,000</u>				<u>16,150,000,000</u>		

(i) The fair value of these investments has not been determined for disclosure in the consolidated financial statements because there is no quoted market price. Market information and transactions for these investments are not available. The fair value of these investments may differ from the carrying amount.



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)

For the year ended 31 December 2021

**V. INFORMATION SUPPLEMENTING THE ITEMS IN THE CONSOLIDATED BALANCE SHEET** (continued)**14. Deferred tax assets**

	Unrealized profit/(loss) from intra-group transactions eliminated on consolidation	Expenses deducted from taxable income in the future	Total
	VND	VND	VND
<b>a. Deferred tax assets</b>			
<b>As at 01/01/2020</b>	<b>1,103,520,000</b>	-	<b>1,103,520,000</b>
Charge to consolidated income statement for the year	(594,147,000)	-	(594,147,000)
<b>As at 01/01/2021</b>	<b>509,373,000</b>	-	<b>509,373,000</b>
Charge to consolidated income statement for the year	165,528,000	3,638,883,626	3,804,411,626
<b>As at 31/12/2021</b>	<b>674,901,000</b>	<b>3,638,883,626</b>	<b>4,313,784,626</b>
	Unrealized profit/(loss) from intra-group transactions	Provisions for investments in subsidiaries	Total
	VND	VND	VND
<b>b. Deferred tax liabilities</b>			
<b>As at 01/01/2020</b>	-	-	-
Charge to consolidated income statement for the year	-	-	-
<b>As at 01/01/2021</b>	-	-	-
Charge to consolidated income statement for the year	-	(786,852,028)	(786,852,028)
<b>As at 31/12/2021</b>	-	<b>786,852,028</b>	<b>786,852,028</b>
Tax rate used to calculate deferred tax			20%

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)

For the year ended 31 December 2021

**V. INFORMATION SUPPLEMENTING THE ITEMS IN THE CONSOLIDATED BALANCE SHEET** (continued)**15. Short-term trade payables**

	31/12/2021		01/01/2021	
	Carrying amount VND	Amount able to be paid off VND	Carrying amount VND	Amount able to be paid off VND
Sai Gon Construction Joint Stock Company	56,236,691,002	56,236,691,002	46,262,765,576	46,262,765,576
Pidi Vietnam Power Consultancy & Construction Corporation	6,104,404,126	6,104,404,126	8,919,581,795	8,919,581,795
Tan Hung Thinh Company Limited	1,300,000,000	1,300,000,000	8,895,644,166	8,895,644,166
Other suppliers	21,710,814,872	21,710,814,872	58,369,319,059	58,369,319,059
<b>Total</b>	<b>85,351,910,000</b>	<b>85,351,910,000</b>	<b>122,447,310,596</b>	<b>122,447,310,596</b>
<b>Of which, payable to the related parties:</b>				
CII Infrastructure Service Company Limited	13,443,885	13,443,885	-	-
CII Engineering and Construction Joint Stock Company	-	-	66,354,960	66,354,960
<b>Total</b>	<b>13,443,885</b>	<b>13,443,885</b>	<b>66,354,960</b>	<b>66,354,960</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)

For the year ended 31 December 2021

**V. INFORMATION SUPPLEMENTING THE ITEMS IN THE CONSOLIDATED BALANCE SHEET**  
(continued)**16. Short-term advances from customers**

	31/12/2021	01/01/2021
	VND	VND
Advances from customers buying real estate properties (*)	34,060,963,433	28,292,155,700
Other advances from customers	5,804,200	63,674,000
<b>Total</b>	<b>34,066,767,633</b>	<b>28,355,829,700</b>

**(\*) Detail of advances from customers buying real estate properties**

Project of Son Tinh Residential Area - Quang Ngai	22,898,332,202	24,669,524,469
Project of Residential area at Ward 2, Bac Lieu City	3,022,631,231	3,022,631,231
City Gate Towers Apartment project	8,140,000,000	600,000,000
<b>Total</b>	<b>34,060,963,433</b>	<b>28,292,155,700</b>

**17. Taxes and other receivables and payables to the State budget**

	01/01/2021	Payable during the year	Payment during the year	31/12/2021
	VND	VND	VND	VND
<b>a. Receivables</b>				
Value added tax	-	-	2,770,486,112	2,770,486,112
Personal income tax	10,688,200	10,688,200	-	-
Other taxes	112,630,700	112,630,700	1,025,860	1,025,860
<b>Total</b>	<b>123,318,900</b>	<b>123,318,900</b>	<b>2,771,511,972</b>	<b>2,771,511,972</b>
<b>b. Payables</b>				
Value added tax	67,503,767,534	25,541,626,130	71,586,790,614	21,458,603,050
Corporate income tax	141,132,209,933	110,799,867,482	100,800,826,053	151,131,251,362
Personal income tax	3,946,035,058	6,772,110,828	5,366,362,467	5,351,783,419
Other payables	41,865,775,553	20,929,933,160	20,610,774,559	42,184,934,154
<b>Total</b>	<b>254,447,788,078</b>	<b>164,043,537,600</b>	<b>198,364,753,693</b>	<b>220,126,571,985</b>

**18. Short-term accrued expenses**

	31/12/2021	01/01/2021
	VND	VND
Land use levy of real estate projects (*)	321,000,000,000	321,000,000,000
Interest expense	12,723,024,376	5,188,013,914
Construction costs	7,079,788,497	97,529,968,735
Other accrued expenses	1,291,012,990	1,053,249,323
<b>Total</b>	<b>342,093,825,863</b>	<b>424,771,231,972</b>

**(\*) Details of land use levy of projects:**

Diamond Riverside High-rise Apartment project	201,000,000,000	201,000,000,000
City Gate Towers Apartment project	120,000,000,000	120,000,000,000
<b>Total</b>	<b>321,000,000,000</b>	<b>321,000,000,000</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)

For the year ended 31 December 2021

**INFORMATION SUPPLEMENTING THE ITEMS IN THE CONSOLIDATED BALANCE SHEET**  
(continued)**19. Other payables**

	31/12/2021 VND	01/01/2021 VND
<b>a. Other current payables</b>		
Deposit for buying real estate properties from customers	463,322,913,500	690,145,015,860
Investment cooperation capital contribution	112,913,213,000	184,650,000,000
Maintenance fund of apartments	45,437,479,557	42,670,405,681
Profit payable on investment cooperation	13,281,782,213	23,717,180,821
Other payables	6,317,620,553	7,546,365,314
<b>Total</b>	<b>641,273,008,823</b>	<b>948,728,967,676</b>
<b>b. Other long-term payables</b>		
Deposits received	6,098,031,000	7,078,031,000
Maintenance fund of apartments	947,085,036	947,085,036
Other payables	-	543,529,106
<b>Total</b>	<b>7,045,116,036</b>	<b>8,568,645,142</b>
<b>Of which, payables to the related party:</b>		
Amounts due to CII Company:		
<i>Investment cooperation capital contribution (i)</i>	112,913,213,000	184,650,000,000
<i>Profit payable on investment cooperation</i>	13,281,782,213	23,717,180,821
<b>Total</b>	<b>126,194,995,213</b>	<b>208,367,180,821</b>

(i) This amount presents the capital contribution from Ho Chi Minh City Infrastructure Investment Joint Stock Company under the investment cooperation contract No. 37/2020 dated 16 October 2020 for cooperation in Son Tinh Residential Area Project - Quang Ngai Province. Accordingly, CII is entitled to a fixed interest rate of 13% per annum on the actual amount contributed to the project.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)

For the year ended 31 December 2021

**V. INFORMATION SUPPLEMENTING THE ITEMS IN THE CONSOLIDATED BALANCE SHEET** (continued)**20. Loans and obligations under finance leases**

	31/12/2021		Arising during the year		01/01/2021	
	Carrying amount	Principal able to be paid off	Increase	Decrease	Carrying amount	Principal able to be paid off
	VND	VND	VND	VND	VND	VND
<b>a. Short-term loans and debts</b>						
Loans from individuals	670,132,014,400	670,132,014,400	451,163,288,496	59,004,349,096	277,973,075,000	277,973,075,000
Ho Chi Minh City Infrastructure Investment Joint Stock Company	125,000,000,000	125,000,000,000	130,000,000,000	5,000,000,000	-	-
Add: Current portion of long-term loans (See note b)	42,000,000,000	42,000,000,000			23,871,753,384	23,871,753,384
<b>Total</b>	<b>837,132,014,400</b>	<b>837,132,014,400</b>	<b>581,163,288,496</b>	<b>64,004,349,096</b>	<b>301,844,828,384</b>	<b>301,844,828,384</b>
<b>b. Long-term loans and debts</b>						
<b>Bank loans</b>	-	-	-	198,711,445,114	216,839,691,730	216,839,691,730
Asia Commercial Joint Stock Bank	42,000,000,000	42,000,000,000	-	-	42,000,000,000	42,000,000,000
Tien Phong Commercial Joint Stock Bank	-	-	-	198,711,445,114	198,711,445,114	198,711,445,114
Less: Amount due for settlement within 12 months	(42,000,000,000)	(42,000,000,000)			(23,871,753,384)	(23,871,753,384)
<b>Bonds</b>						
NBBH2124001	350,000,000,000	350,000,000,000	490,000,000,000	140,000,000,000	-	-
<b>Total</b>	<b>350,000,000,000</b>	<b>350,000,000,000</b>	<b>490,000,000,000</b>	<b>338,711,445,114</b>	<b>216,839,691,730</b>	<b>216,839,691,730</b>
<b>Total loans</b>	<b>1,187,132,014,400</b>	<b>1,187,132,014,400</b>	<b>1,071,163,288,496</b>	<b>402,715,794,210</b>	<b>518,684,520,114</b>	<b>518,684,520,114</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)

For the year ended 31 December 2021

**V. INFORMATION SUPPLEMENTING THE ITEMS IN THE CONSOLIDATED BALANCE SHEET** (continued)**20. Loans and obligations under finance leases** (continued)**Additional information for loans**

<b>Creditors</b>	<b>Closing balance</b>	<b>Duration</b>	<b>Interest rate</b>	<b>Loan purposes</b>	<b>Collaterals and other information</b>
<b><u>Short-term loans</u></b>					
Loans from individuals	670,132,014,400	Up to 31/12/2022 or another maturity under agreement	8.00% - 9.00%	Supplement to working capital and finance in operations.	None collateral
Ho Chi Minh City Infrastructure Investment Joint Stock Company	125,000,000,000	Up to 01/06/2024 or another maturity under agreement	11.00%	Supplement to working capital and finance in operations.	None collateral
<b><u>Long-term loans</u></b>					
Asia Commercial Joint Stock Bank - Pham Ngoc Thach Branch	42,000,000,000	60 months up to 30/12/2022	10.50%	Deposit for the Diamond Riverside project.	Three commercial and service floors in Block B of Carina Plaza building owned by Hung Thanh Construction - Trading - Service - Manufacturing Company Limited.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)

For the year ended 31 December 2021

**V. INFORMATION SUPPLEMENTING THE ITEMS IN THE CONSOLIDATED BALANCE SHEET**  
(continued)**20. Loans and obligations under finance leases** (continued)**Additional information for issued bonds***Bond NBBH2124001 with a maximum par value of VND 500 billion.*

- Par value of bonds: 100 million VND per bond;
- Number of bonds issued: 4,900 bonds;
- Number of bonds redeemed: 1,400 bonds;
- Issuance method: private placement;
- Bondholder: Ho Chi Minh City Development Commercial Joint Stock Bank;
- Type of bond: non-convertible and without a warrant but accompanied by collaterals; bearing coupon with a combination of fixed and floating rates, and not a subordinated debt;
- Issuance date: 11 June 2021;
- Term of bond: 36 months;
- Maturity date: 11 June 2024;
- The coupon rate: the interest rate of 11% per annum applicable for the first two periods. For the following periods, the coupon rate is referred to as the interest rate of twelve-month saving personal deposits announced by HDBank plus (+) 4.5% per annum, but not less than 11% per annum in any cases;
- Payment of coupon: each six months and paid arrears;
- Purpose of issuance: investment cooperation with Khu Bac Thu Thiem Company Limited to carry out business activities in projects in Thu Thiem new urban area and financing the project of Son Tinh Residential Area - Quang Ngai;
- Collaterals: All assets, property rights, existing and future economic benefits derived from Son Tinh Residential Area - Quang Ngai project; shares owned by parent Company; rights derived from the investment cooperation contract with Khu Bac Thu Thiem Company Limited; balances and property rights arising on accounts opened at HDBank specializing in collecting and managing revenue from buyers, contributing capital, and mobilizing other capital at Son Tinh Residential Area - Quang Ngai project.

**Long-term loans and bonds are repayable on the following schedule**

	31/12/2021	01/01/2021
	VND	VND
On demand	42,000,000,000	23,871,753,384
In the second year	-	210,871,753,384
In the third to fifth year inclusive	350,000,000,000	5,967,938,346
	<b>392,000,000,000</b>	<b>240,711,445,114</b>
Less: Amount due for settlement within 12 months	(42,000,000,000)	(23,871,753,384)
<b>Amount due for settlement after 12 months</b>	<b>350,000,000,000</b>	<b>216,839,691,730</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)

For the year ended 31 December 2021

**V. INFORMATION SUPPLEMENTING THE ITEMS IN THE CONSOLIDATED BALANCE SHEET**  
(continued)**21. Provision payables**

	2021	2020
	-	VND
<b>a. Short-term provisions</b>		
<b>Opening balance</b>	-	-
Additional provision for the year	7,272,727,273	-
<b>Closing balance</b>	<b>7,272,727,273</b>	-
<b>b. Long-term provisions</b>		
<b>Opening balance</b>	4,999,034,227	10,000,000,000
Utilization during the year	(1,246,542,040)	(5,000,965,773)
<b>Closing balance</b>	<b>3,752,492,187</b>	<b>4,999,034,227</b>

**22. Bonus and welfare funds**

	2021	2020
	VND	VND
<b>Opening balance</b>	<b>10,658,409,639</b>	<b>15,014,160,526</b>
Appropriation of fund during the year	33,418,582,316	18,851,903,656
Other adjustments	-	(506,580,651)
Utilization of fund during the year	(30,653,766,642)	(22,701,073,892)
<b>Closing balance</b>	<b>13,423,225,313</b>	<b>10,658,409,639</b>



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)

For the year ended 31 December 2021

**V. INFORMATION SUPPLEMENTING THE ITEMS IN THE CONSOLIDATED BALANCE SHEET** (continued)**23. Owner's equity****a. Movements of owner's equity**

	Owner's contributed capital VND	Share premium VND	Treasury shares VND	Investment and development fund VND	Retained earnings VND	Non-controlling interests VND	Total VND
<b>As at 01/01/2020</b>	<b>1,004,756,560,000</b>	<b>479,559,579,732</b>	<b>(139,163,566,214)</b>	<b>131,477,728,497</b>	<b>596,541,179,174</b>	<b>8,015,371,540</b>	<b>2,081,186,852,729</b>
Repurchased shares	-	-	(359,522,715,837)	-	-	-	(359,522,715,837)
Profit for the year	-	-	-	-	327,341,399,480	(50,224,917)	327,291,174,563
Dividends declared	-	-	-	-	(233,303,140,000)	-	(233,303,140,000)
Appropriation of bonus and welfare funds	-	-	-	-	(18,851,903,656)	(79,282,757)	(18,931,186,413)
Remuneration for the Boards of Management and Supervisory	-	-	-	-	(3,000,000,000)	-	(3,000,000,000)
Utilization of investment and development fund (i)	-	-	-	(27,873,459,148)	-	-	(27,873,459,148)
Increase due to consolidation of subsidiary in year	-	-	-	-	-	298,830,167	298,830,167
Other adjustments	-	-	-	-	506,580,651	-	506,580,651
<b>As at 31/12/2020</b>	<b>1,004,756,560,000</b>	<b>479,559,579,732</b>	<b>(498,686,282,051)</b>	<b>103,604,269,349</b>	<b>669,234,115,649</b>	<b>8,184,694,033</b>	<b>1,766,652,936,712</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)

For the year ended 31 December 2021

**V. INFORMATION SUPPLEMENTING THE ITEMS IN THE CONSOLIDATED BALANCE SHEET** (continued)**23. Owner's equity** (continued)**a. Movements of owner's equity** (continued)

	Owner's contributed capital VND	Share premium VND	Treasury shares VND	Investment and development fund VND	Retained earnings VND	Non-controlling interests VND	Total VND
<b>As at 01/01/2021</b>	<b>1,004,756,560,000</b>	<b>479,559,579,732</b>	<b>(498,686,282,051)</b>	<b>103,604,269,349</b>	<b>669,234,115,649</b>	<b>8,184,694,033</b>	<b>1,766,652,936,712</b>
Profit for the year	-	-	-	-	314,411,664,779	(1,319,047,910)	313,092,616,869
Bonus shares rewarded to shareholders	-	(272,500,414,288)	491,599,204,288	-	(219,098,790,000)	-	-
Dividends declared	-	-	-	-	(125,199,865,600)	-	(125,199,865,600)
Appropriation of bonus and welfare funds	-	-	-	-	(33,384,109,073)	(34,473,243)	(33,418,582,316)
Remuneration for the Boards of Management and Supervisory	-	-	-	-	(3,000,000,000)	-	(3,000,000,000)
Other adjustments	-	-	-	(15,679,598,202)	15,679,598,202	-	-
Utilization of investment and development fund (i)	-	-	-	(87,924,671,147)	-	-	(87,924,671,147)
<b>As at 31/12/2021</b>	<b>1,004,756,560,000</b>	<b>207,059,165,444</b>	<b>(7,087,077,763)</b>	<b>-</b>	<b>618,642,613,957</b>	<b>6,831,172,880</b>	<b>1,830,202,434,518</b>

(i) According to the Resolution No. 21/NQ-DHDCD of the Annual General Meeting of Shareholders 2019 dated 12 May 2020, the Company is approved to use the investment and development fund to compensate for financial impairments due to legal risks and incidents occurring to operation of the Company. For the year 2021, the Company has used this resource to deal with the consequences caused by the fire at the Carina Apartment (see more Note VII.3).

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)

For the year ended 31 December 2021

**V. INFORMATION SUPPLEMENTING THE ITEMS IN THE CONSOLIDATED BALANCE SHEET**  
(continued)**23. Owner's equity** (continued)**b. Shares**

	31/12/2021	01/01/2021
	Shares	Shares
Number of shares authorized to be issued	100,475,656	100,475,656
Number of shares issued to the public	100,475,656	100,475,656
+ <i>Ordinary share</i>	100,475,656	100,475,656
Number of treasury shares	(315,861)	(22,225,740)
+ <i>Ordinary share</i>	(315,861)	(22,225,740)
Number of outstanding shares in circulation	100,159,795	78,249,916
+ <i>Ordinary share</i>	100,159,795	78,249,916
Par value is of VND 10,000/share		

**c. Dividends**

According to the Resolution No. 32/NQ-DHDCD of the Annual General Meeting 2020 dated 23 April 2021, the dividends for the year 2020 were approved at 25%, equivalent to VND 2,500 for each share in circulation. In the year, the Company has made the first dividend payment at the rate of 16%, corresponding to a total value of VND 125,199,865,600. Currently, the Company continues to balance its financial resources to complete remaining dividend payment of 2020 with the amount of VND 70,424,924,400.

Dividends for the year 2021 may be paid at the rate of 25%, equivalent to VND 2,500 for each share in circulation. The final payment level and form of dividends will be approved at the 2021 Annual General Meeting of Shareholders.

**d. Bonus shares**

According to the authorization in Resolution No. 32/NQ-DHDCD dated 23 April 2021 of the Annual General Meeting of Shareholders for the fiscal year 2020, as of 16 June 2021, the Board of Management of the Company approved the reward of 22,225,740 treasury shares to the existing shareholders with bonus ratio of 7:25 (each shareholder owning 25 shares was rewarded seven bonus shares). Up to 27 December 2021, the Company has completely rewarded the number of 21,909,879 treasury shares to its shareholders, of which the amount of VND 219,098,790,000 from retained earnings and VND 272,500,414,288 from share premium have been used as the resources for the issuance of the bonus shares.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)

For the year ended 31 December 2021

**VI. INFORMATION SUPPLEMENTING THE ITEMS IN THE CONSOLIDATED INCOME STATEMENT****1. Revenue**

	2021 VND	2020 VND
Revenue from sales of real estate properties	537,752,096,740	3,482,401,626,524
Revenue from goods sold and services rendered	27,479,505,196	18,268,293,047
<b>Total</b>	<b>565,231,601,936</b>	<b>3,500,669,919,571</b>

**2. Cost of sales**

	2021 VND	2020 VND
Cost of real estate properties sold	276,911,501,946	2,695,478,838,302
Cost of goods sold and services rendered	33,121,862,537	24,231,625,638
<b>Total</b>	<b>310,033,364,483</b>	<b>2,719,710,463,940</b>

**3. Financial income**

	2021 VND	2020 VND
Income from transferring the right to participate in the project (i)	370,000,000,000	-
Bank and loan interest income	45,042,605,516	3,388,559,700
Other financial income	19,680,000,000	16,877,041,096
<b>Total</b>	<b>434,722,605,516</b>	<b>20,265,600,796</b>

***Of which, financial income from transactions with related parties:***

Khu Bac Thu Thiem Company Limited	63,973,643,684	-
Ho Chi Minh City Infrastructure Investment Joint Stock Company	-	4,327,041,096
CII Engineering and Construction Joint Stock Company	-	144,842,466
<b>Total</b>	<b>63,973,643,684</b>	<b>4,471,883,562</b>

(i) The income arose from transferring the right to participate in the investments in Son Tinh - Quang Ngai residential area project and De Lagi luxury resort and residential area project. Under the agreements, the Company has no obligation to return these amounts. Up to the date of these consolidated financial statements, the Company has fully received cash from transferees.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)

For the year ended 31 December 2021

**INFORMATION SUPPLEMENTING THE ITEMS IN THE CONSOLIDATED INCOME STATEMENT** (continued)**4. Financial expenses**

	2021	2020
	VND	VND
Interest expense	99,297,320,355	3,650,533,698
Investment cooperation cost (*)	66,562,238,174	194,012,329,133
Other financial expenses	-	755,753,424
<b>Total</b>	<b>165,859,558,529</b>	<b>198,418,616,255</b>

***Of which, financial expenses from transactions with related party:***

Ho Chi Minh City Infrastructure Investment Joint Stock Company	7,730,709,591	-
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**(\*) Details of investment cooperation cost:**

Son Tinh Residential Area project (i)	66,562,238,174	114,115,801,695
Diamond Riverside project	-	79,896,527,438
<b>Total</b>	<b>66,562,238,174</b>	<b>194,012,329,133</b>

(i) This amount presented profit from Son Tinh Residential Area Project shared with Pearl City Investment Joint Stock Company for investment cooperation in Son Tinh project as described in the Note V.7 hereinabove.

**5. Selling expenses**

	2021	2020
	VND	VND
Cost of show flat	870,333,784	5,383,547,146
Real estate brokerage commissions	-	120,222,815,412
Outsourced service expenses	-	16,636,364
Other monetary expenses	2,210,722,382	1,290,422,207
<b>Total</b>	<b>3,081,056,166</b>	<b>126,913,421,129</b>

***Of which, expenses from transactions with the related party:***

CII Engineering and Construction Joint Stock Company	-	169,253,652
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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)

For the year ended 31 December 2021

**VI. INFORMATION SUPPLEMENTING THE ITEMS IN THE CONSOLIDATED INCOME STATEMENT** (continued)**6. General and administration expenses**

	2021 VND	2020 VND
Management staff expenses	24,950,197,145	27,443,741,593
Office stationary expenses	261,375,019	379,797,231
Depreciation of fixed assets	1,488,397,050	2,349,574,319
Provision for bad debts	33,405,564,434	1,300,000,000
Tax, duties and fees	246,097,504	283,521,928
Outsourced service expenses	1,986,282,733	2,897,572,976
Other monetary expenses	4,121,476,392	6,732,965,799
<b>Total</b>	<b>66,459,390,277</b>	<b>41,387,173,846</b>

***Of which, expenses from transactions with related party:***

NBB Quang Ngai One Member Company Limited	-	18,430,909
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**7. Other income**

	2021 VND	2020 VND
Refunded land use levy	13,917,579,620	-
Contractual penalties received	4,620,985,742	12,223,371,415
Gain from disposal of fixed assets	252,257,571	373,547,620
Income from transferring mining right	-	14,000,000,000
Other income	1,242,882,502	2,816,041,167
<b>Total</b>	<b>20,033,705,435</b>	<b>29,412,960,202</b>

**8. Other expenses**

	2021 VND	2020 VND
Cost of compensation and remedy for damage caused by fire at Carina Apartment (see Note VII.3)	21,333,079,201	
Fines on tax violation	22,592,591,968	5,299,370,414
Fines against breach of contract	4,589,120,000	-
Other expenses	5,164,827,510	1,013,032,659
<b>Total</b>	<b>53,679,618,679</b>	<b>6,312,403,073</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)

For the year ended 31 December 2021

**VI. INFORMATION SUPPLEMENTING THE ITEMS IN THE CONSOLIDATED INCOME STATEMENT** (continued)**9. Current corporate income tax expense**

	2021 VND	2020 VND
<b>Accounting profit before tax</b>	<b>420,874,924,753</b>	<b>457,606,402,326</b>
<b>Adjustments for taxable income</b>		
Non-Deductible expenses	102,834,224,904	7,989,570,907
Other adjustments for taxable income	11,696,533,110	184,748,988,459
Unrealized loss from intra-group transactions eliminated on consolidation	(3,106,620,139)	(2,973,944,737)
Reversal of assessable loss offset by consolidation	3,886,195,672	1,010,278,313
<b>Assessable income</b>	<b>536,185,258,300</b>	<b>648,381,295,268</b>
Normal tax rate	20%	20%
Corporate income tax payable	107,237,051,660	129,676,259,054
Additional corporate income tax for prior year	3,562,815,822	44,821,709
<b>Current corporate income tax expense</b>	<b>110,799,867,482</b>	<b>129,721,080,763</b>

**10. Basic earnings per share**

	2021 VND	2020 (Restated) VND
Net profit attributable to the owners of parent Company	314,411,664,779	327,341,399,480
Less: Appropriation of bonus and welfare funds and remuneration for the Boards of Management and Supervisory	(15,720,583,239)	(36,418,582,316)
<b>Net profit attributable to the ordinary shareholders of the parent Company</b>	<b>298,691,081,540</b>	<b>290,922,817,164</b>
Weighted average number of ordinary shares	100,159,795	100,159,795
<b>Basic earnings per share</b>	<b>2,982</b>	<b>2,905</b>

Net profit attributable to the calculation of basic earnings per share for the current year has been deducted from bonus and welfare funds, and remuneration for the Boards of Management and Supervisory appropriated from net profit for 2021. The planning rate of appropriation was presented in the Resolution of Annual General Meeting of Shareholders 2020 dated 23 April 2021.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)

For the year ended 31 December 2021

**VI. INFORMATION SUPPLEMENTING THE ITEMS IN THE CONSOLIDATED INCOME STATEMENT** (continued)**10. Basic earnings per share** (continued)

Net profit attributable to the calculation of basic earnings per share for the year ended 31 December 2020 was adjusted for the appropriation of bonus and welfare fund from net profit for the year 2020 approved by the Annual General Meeting. In 2021, the Company issued bonus shares to existing shareholders using treasury shares with the resources from share premium and retained earnings (*as presented in the Note V.23 hereinabove*). Therefore, basic earnings per share for the year ended 31 December 2020 was restated as follows:

	2020 (As previously presented) VND	2020 (As restated VND)
<b>Net profit attributable to the owners of parent Company</b>	<b>327,341,399,480</b>	<b>327,341,399,480</b>
Less: Appropriation of bonus and welfare funds and remuneration for the Boards of Management and Supervisory	(36,007,553,943)	(36,418,582,316)
<b>Net profit attributable to the ordinary shareholders of the parent Company</b>	<b>291,333,845,537</b>	<b>290,922,817,164</b>
Weighted average number of ordinary shares	91,167,913	100,159,795
<b>Basic earnings per share</b>	<b>3,196</b>	<b>2,905</b>



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)

For the year ended 31 December 2021

**VII. OTHER INFORMATION****1. List of related parties and transactions**

<u>List of related parties</u>	<u>Relationship</u>
Ho Chi Minh City Infrastructure Investment Joint Stock Company	Parent company
Hung Thanh Construction - Trading - Service - Manufacturing Company Limited	Subsidiary
Huong Tra Company Limited	Subsidiary
Quang Ngai Mineral Investment Joint Stock Company	Subsidiary
Tam Phu Construction & Investment Company Limited	Associate
Khu Bac Thu Thiem Company Limited	Inter-group company
NBB Quang Ngai One Member Company Limited	Inter-group company
CII Engineering and Construction Joint Stock Company	Inter-group company
CII Infrastructure Service Company Limited	Inter-group company
Sai Gon Dan Kia Water Supply Corporation	Inter-group company
CII Bridges and Roads Investment Joint Stock Company	Inter-group company
Saigon Water Infrastructure Corporation	Inter-group company
Dien Bien Phu Building Investment Company Limited	Inter-group company
Lu Gia Real Estate Trading Investment Company Limited	Inter-group company
Binh Trieu Road Bridge Construction and Investment Joint Stock Company	Inter-group company
Vinaphil Technical Infrastructure Investment Joint Stock Company	Inter-group company
Sai Gon Long Khanh Green City Company Limited	Inter-group company
Ha Noi Highway Construction and Investment Joint Stock Company	Inter-group company
BOT Ninh Thuan Province Company Limited	Inter-group company
Ninh Thuan Investment and Construction Development Joint Stock Company	Inter-group company
Rach Mieu Bridge BOT Company Limited	Inter-group company
Co Chien Investment Company Limited	Inter-group company
Hien An Binh Bridges and Road Joint Stock Company	Inter-group company
VRG Infrastructure Investment One Member Company Limited	Inter-group company
Sai Gon Bridge Construction Joint Stock Company	Inter-group company
BOT Trung Luong - My Thuan Joint Stock Company	Inter-group company
Gia Lai Water Supply Sewerage Joint Stock Company	Inter-group company
Sai Gon - Pleiku Water Supply Corporation	Inter-group company
Cu Chi Water Supply Sewerage Joint Stock Company	Inter-group company
SGN Investment Company Limited	Inter-group company
Enviro Engineering Coporation	Inter-group company
MCSC Service Company Limited	Inter-group company
Tan Hiep Water Investment Joint Stock Company	Associate of the group
Sai Gon - An Khe Water Joint Stock Company	Associate of the group

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)

For the year ended 31 December 2021

**VII. OTHER INFORMATION** (continued)**1. List of related parties and transaction** (continued)

In addition to the balances and transactions with related parties which have been presented in other notes of these consolidated financial statements, during the year, the Company entered into other significant transactions with related parties as follows:

	2021 VND	2020 VND
<b>Ho Chi Minh City Infrastructure Investment Joint Stock Company</b>		
Proceeds from capital contribution for investment cooperation in Son Tinh project	200,513,213,000	1,050,150,000,000
Repayment of capital contribution for investment cooperation in Son Tinh project	272,250,000,000	901,500,000,000
Costs arising from investment cooperation contract in Son Tinh project	14,692,547,966	26,400,667,122
Proceeds from borrowing	130,000,000,000	-
Repayment of borrowing	5,000,000,000	-
<b>Khu Bac Thu Thiem Company Limited</b>		
Cash outflow for investment cooperation	615,000,000,000	-
Cash recovered from investment cooperation	52,088,652,052	-
<b>NBB Quang Ngai One Member Company Limited</b>		
Construction cost of Son Tinh project arising during the year	14,592,529,286	9,310,486,999
<b>CII Engineering and Construction Joint Stock Company</b>		
Cash outflow for lending	-	9,500,000,000
Cash recovered from lending	-	9,500,000,000
Construction cost of Son Tinh project arising during the year	18,252,819,490	25,641,532,191
Purchasing equipment for show flat	-	169,253,652
<b>CII Infrastructure Service Limited Company</b>		
Construction cost arising during the year	244,434,280	-

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)

For the year ended 31 December 2021

**VII. OTHER INFORMATION** (continued)**1. List of related parties and transaction** (continued)

Remuneration for the Boards of Management, Supervisory and General Directors during the year:

	2021	2020
	VND	VND
<b>The Boards of Management and General Directors</b>		
Mr. Luu Hai Ca	1,866,134,021	2,454,054,285
Ms. Nguyen Quynh Huong	823,917,526	616,153,846
Mr. Le Quoc Binh	371,134,021	-
Mr. Nguyen Van Chinh	309,278,351	-
Mr. Doan Tuong Trieu	-	1,095,072,000
Mr. Nguyen Ba Lan	1,073,868,428	-
Mr. Truong Hai Dang Khoa	1,889,000,000	2,006,653,846
Mr. Mai Thanh Truc	1,449,000,000	2,312,415,954
Mr. Nguyen Quy Binh	1,354,000,000	871,503,966
<b>The Board of Supervisory</b>		
Ms. Duong Quynh Diep	309,278,351	-
Mr. Le Trung Hieu	154,639,175	-
Ms. Le Thi Kieu Diem	154,639,175	-

**2. Segment report**

For management purposes, the Company is organized into different business units. Accordingly, the primary segment report is based on type of production and business activities.

Segment reporting results include items directly attributable to a segment and to segments that are divided on a reasonable basis. The items not allocated to segment reporting results include assets, liabilities, financial income, financial expenses, selling expenses, general and administrative expenses, other profit, losses and corporate income tax.

The Company's business divisions include two (02) divisions as follows:

- Real estate sector: Investing, developing and selling apartments, land plots and other infrastructures.
- Other activities: Leasing premises and providing utility services.

The Company prepares segment reports following 2 business units. Business results of each segment are presented in the table below:

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)

For the year ended 31 December 2021

**VII. OTHER INFORMATION** (continued)**2. Segment report** (continued)

For the year ended 31 December 2021

	Real estate sector VND	Other activities VND	Elimination of intra-group transactions VND	Total VND
<b>Revenue</b>				
External customers	537,752,096,740	27,479,505,196	-	565,231,601,936
Inter-segment	-	2,603,095,745	(2,603,095,745)	-
<b>Total</b>	<b>537,752,096,740</b>	<b>30,082,600,941</b>	<b>(2,603,095,745)</b>	<b>565,231,601,936</b>
<b>Cost of sales of segment</b>	<b>276,911,501,946</b>	<b>33,121,862,537</b>	<b>-</b>	<b>310,033,364,483</b>
<b>Gross profit /(loss) of segment</b>	<b>260,840,594,794</b>	<b>(3,039,261,596)</b>	<b>(2,603,095,745)</b>	<b>255,198,237,453</b>
Financial income				434,722,605,516
Financial expenses				165,859,558,529
Selling expenses				3,081,056,166
General and administration expenses				66,459,390,277
Other income				20,033,705,435
Other expenses				53,679,618,679
Current corporate income tax expense				110,799,867,482
Deferred corporate tax expense				(3,017,559,598)
<b>Net profit after tax</b>				<b>313,092,616,869</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)

For the year ended 31 December 2021

**VII. OTHER INFORMATION** (continued)**2. Segment report** (continued)

For the year ended 31 December 2020

	Real estate sector VND	Other activities VND	Elimination of intra-group transactions VND	Total VND
<b>Revenue</b>				
External customers	3,482,401,626,524	18,268,293,047	-	3,500,669,919,571
Inter-segment	-	3,532,832,136	(3,532,832,136)	-
<b>Total</b>	<b>3,482,401,626,524</b>	<b>21,801,125,183</b>	<b>(3,532,832,136)</b>	<b>3,500,669,919,571</b>
<b>Cost of sales of segment</b>	<b>2,695,478,838,302</b>	<b>24,231,625,638</b>	<b>-</b>	<b>2,719,710,463,940</b>
<b>Gross profit /(loss) of segment</b>	<b>786,922,788,222</b>	<b>(2,430,500,455)</b>	<b>(3,532,832,136)</b>	<b>780,959,455,631</b>
Financial income				20,265,600,796
Financial expenses				198,418,616,255
Selling expenses				126,913,421,129
General and administration expenses				41,387,173,846
Other income				29,412,960,202
Other expenses				6,312,403,073
Current corporate income tax expense				129,721,080,763
Deferred corporate tax expense				594,147,000
<b>Net profit after tax</b>				<b>327,291,174,563</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)

For the year ended 31 December 2021

**VII. OTHER INFORMATION** (continued)**3. Contingent liabilities**

As presented in the Note V.18 hereinabove, the Company has made the most reasonable estimate for land use levies regarding the Diamond Riverside project and City Gate Towers Apartment project in the amount of VND 201 billion and VND 120 billion, respectively. As of the date of this report, the Company has not yet finalized the land use levies to determine the amount payable to the State budget accurately. Therefore, the land use levies of the project may differ from the accounting estimate upon the final decision of the competent authority.

As of 16 February 2022, the investigation agency has completed files for the fire incident at Carina Apartment. Consequences caused by the fire have been agreed to compensate by the owner and victims at VND 109,257,750,348. According to Resolution No. 21/NQ-DHCD dated 12 May 2020 of Annual General Meeting 2019, the Board of General Directors is allowed to use investment and development funds to compensate for financial impairments due to legal risks and incidents occurring during the operation of the Company. Accordingly, the Company utilized the amount of VND 87,924,671,147 from development investment fund to deal with consequences of the fire. The remaining compensation of VND 21,333,079,201 was recognised as expense for the year (see Note VI.8). Certain disagreed compensation claims shall be resolved during the trial of the case. However, the Company's Board of Directors considers that these obligations (if incurred) will not have a material impact on the consolidated financial statements of the Company.

**4. Comparative figures**

The comparative figures are those of the audited consolidated financial statements for the year ended 31 December 2020.

The Company made restatement for certain comparative figures regarding the investment cost of real estate projects held for many future investment purposes. The Company assesses that the classification for these projects from inventory as short-term assets to construction in progress as long-term assets is appropriate because the Company tends to develop and sell apartments in the future or might transfer the projects to earn capital appreciation. The effect of the reclassification on the opening balances of the consolidated balance sheet is as follows:

ITEMS	Code	31/12/2020		01/01/2021
		As previously reported VND	Reclassification VND	As restated VND
<b>SHORT-TERM ASSETS</b>	<b>100</b>	<b>3,665,093,698,093</b>	<b>(1,543,066,537,426)</b>	<b>2,122,027,160,667</b>
<b>Inventories</b>	<b>140</b>	<b>2,473,502,985,781</b>	<b>(1,543,066,537,426)</b>	<b>930,436,448,355</b>
Inventories	141	2,473,502,985,781	(1,543,066,537,426)	930,436,448,355
<b>LONG-TERM ASSETS</b>	<b>200</b>	<b>425,618,741,807</b>	<b>1,543,066,537,426</b>	<b>1,968,685,279,233</b>
<b>Long-term assets in progress</b>	<b>240</b>	<b>3,875,266,717</b>	<b>1,543,066,537,426</b>	<b>1,546,941,804,143</b>
Construction in progress	242	3,875,266,717	1,543,066,537,426	1,546,941,804,143

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)

For the year ended 31 December 2021

**VII. OTHER INFORMATION** (continued)**5. Subsequent events**

On 15 February 2022, the Company signed a loan contract with Joint Stock Commercial Bank for Foreign Trade of Vietnam - South Binh Duong Branch with a credit limit up to VND 900 billion to invest in De Lagi luxury resort and residential area project.

On 28 February 2022, the Parent Company registered to sell 2,140,000 shares during the period from 7 March 2022 to 5 April 2022 to reduce the number of shares held to 49,081,332 shares, equivalent to 49% of the total number of 100,159,795 NBB shares in circulation. Thereby, the Company has become an associate of CII since that date.

Other than the event stated above, there have been no significant events occurring after the balance sheet date which would requires adjustments or disclosure in the consolidated financial statements.

**6. Other information**

The covid-19 pandemic has become increasingly complicated, causing significant fluctuations, affecting the entire economy and the real estate market. This situation leads to factors of uncertainty and may impact the Company's operating environment. The Board of General Directors of the Company continues to monitor the developments of the epidemic, assess the impact, and consider provisions, potential loss of assets, and liabilities on the principle of prudence. In addition, the Board of General Directors also uses estimates and judgments for various matters based on the most reliable information available at the date of these consolidated financial statements.



**Nguyen Tran Phuong Uyen**  
Preparer



**Nguyen Van Minh**  
Chief Accountant



**Nguyen Ba Lan**  
General Director

*Ho Chi Minh City, 16 March 2022*