

NO VA LAND INVESTMENT GROUP CORPORATION

**CONSOLIDATED FINANCIAL STATEMENTS
QUARTER III 2020**



CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2020

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CORPORATE INFORMATION

Business Registration Certificate	No. 054350 dated 18 September 1992 was initially issued by the Department of Planning and Investment of Ho Chi Minh City and the 52nd amended Business Registration Certificate No. 0301444753 dated 22 October 2020.	
Board of Directors	Mr. Bui Thanh Nhon Mr. Bui Xuan Huy Ms. Hoang Thu Chau Ms. Nguyen Thanh Bich Thuy Mr. Pham Tien Van Mr. Le Quoc Hung Ms. Nguyen My Hanh	Chairman Member Member Independent Member (to 15 September 2020) Independent Member Independent Member (from 5 June 2020) Independent Member (from 21 October 2020)
Audit committee	Mr. Pham Tien Van Ms. Nguyen Thanh Bich Thuy Ms. Nguyen Thi Minh Thanh Mr. Le Quoc Hung Ms. Vo Thi Thu Van	Chairman (from 30 July 2020) Chairman (to 30 July 2020) Member Member (from 30 July 2020) Member (to 30 July 2020)
Board of Management	Mr. Bui Xuan Huy Ms. Hoang Thu Chau	General Director Deputy General Director
Legal representative	Mr. Bui Xuan Huy	General Director
Registered office	313B - 315 Nam Ky Khoi Nghia Street, Ward 7, District 3, Ho Chi Minh City, Vietnam	
Operation office	65 Nguyen Du Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	

STATEMENT OF THE RESPONSIBILITY OF THE BOARD OF MANAGEMENT OF THE COMPANY IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

The Board of Management of No Va Land Investment Group Corporation ("the Company") is responsible for preparing consolidated financial statements which give a true and fair view of the financial position of the Company and its subsidiaries (together, "the Group") as at 30 September 2020 and the results of its operations and cash flows for the period then ended. In preparing for these consolidated financial statements, the Board of Management is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent; and
- prepare the consolidated financial statements on a going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Board of Management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the financial position of the Group and which enable consolidated financial statements to be prepared which comply with the basis of accounting set out in Note 2 to the consolidated financial statements. The Board of Management is also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

I hereby approve the accompanying consolidated financial statements as set out on pages 3 to 77 which give a true and fair view of the financial position of the Group as at 30 September 2020 and of the results of its operations and cash flows for the period then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of consolidated financial statements.

On behalf of the Board of Management



Bùi Xuân Huy
General Director

Ho Chi Minh City, SR Vietnam
30 October 2020

CONSOLIDATED BALANCE SHEET

Code	ASSETS	Note	As at	
			30/09/2020 VND	31/12/2019 VND
100	CURRENT ASSETS		103,086,310,873,329	71,194,821,173,128
110	Cash and cash equivalents	4	9,697,718,598,051	6,466,219,516,377
111	Cash		5,826,562,288,161	1,951,125,604,251
112	Cash equivalents		3,871,156,309,890	4,515,093,912,126
120	Short-term investments		509,200,840,534	466,222,941,609
123	Investments held to maturity	5(a)	509,200,840,534	466,222,941,609
130	Short-term receivables		12,158,856,883,275	5,894,052,885,444
131	Short-term trade accounts receivable	6	1,623,914,222,264	1,076,689,087,366
132	Short-term prepayments to suppliers	7	1,759,728,935,169	833,905,092,647
135	Short-term lending	8(a)	4,243,324,256,181	768,720,953,764
136	Other short-term receivables	9(a)	4,542,153,115,439	3,225,001,397,445
137	Provision for doubtful debts - short term	10	(10,263,645,778)	(10,263,645,778)
140	Inventories	11(a)	79,380,083,398,071	57,205,793,200,220
141	Inventories		79,383,120,039,735	57,209,437,130,190
149	Provision for decline in value of inventories		(3,036,641,664)	(3,643,929,970)
150	Other current assets		1,340,451,153,398	1,162,532,629,478
151	Short-term prepaid expenses	12(a)	94,306,007,413	75,480,339,169
152	Value Added Tax to be reclaimed	20(a)	1,147,684,409,656	978,926,176,534
153	Taxes and other receivables from the State Budget	20(a)	98,460,736,329	108,126,113,775

The notes on pages 10 to 77 are an integral part of these consolidated financial statements.

CONSOLIDATED BALANCE SHEET
(continued)

Code	ASSETS (continued)	Note	As at	
			30/09/2020 VND	31/12/2019 VND
200	NON-CURRENT ASSETS		26,302,209,567,490	18,784,421,425,391
210	Long-term receivables		13,344,096,050,003	370,739,066,748
215	Long-term lending	8(b)	331,900,000,000	-
216	Other long-term receivables	9(b)	13,012,196,050,003	370,739,066,748
220	Fixed assets		1,262,684,017,186	840,044,553,105
221	Tangible fixed assets	13	1,133,157,040,783	698,416,074,605
222	Historical cost		1,287,231,222,309	907,176,013,686
223	Accumulated depreciation		(154,074,181,526)	(208,759,939,081)
227	Intangible fixed assets	14	129,526,976,403	141,628,478,500
228	Historical cost		170,949,246,022	168,706,830,022
229	Accumulated amortization		(41,422,269,619)	(27,078,351,522)
230	Investment properties	15	2,868,818,967,467	3,798,441,570,836
231	Historical cost		3,127,517,201,342	4,011,909,056,671
232	Accumulated depreciation		(258,698,233,875)	(213,467,485,835)
240	Long-term assets in progress		293,746,531,264	850,087,814,441
241	Long-term work in progress	11(b)	181,996,664,704	181,995,269,013
242	Construction in progress	16	111,749,866,560	668,092,545,428
250	Long-term investments		1,697,575,533,242	5,744,314,191,185
252	Investments in associates, joint ventures	5(c)	1,658,774,932,694	5,694,610,841,185
253	Investment in other entities	5(b)	7,939,750,000	7,939,750,000
255	Held-to-maturity investments	5(a)	30,860,850,548	41,763,600,000
260	Other long-term assets		6,835,288,468,328	7,180,794,229,076
261	Long-term prepaid expenses	12(b)	198,153,215,982	262,799,866,843
262	Deferred income tax assets	39(a)	86,202,725,764	76,536,421,869
269	Goodwill	17	6,550,932,526,582	6,841,457,940,364
270	TOTAL ASSETS		129,388,520,440,819	89,979,242,598,519

The notes on pages 10 to 77 are an integral part of these consolidated financial statements.

CONSOLIDATED BALANCE SHEET
(continued)

Code	RESOURCES	Note	As at	
			30/09/2020 VND	31/12/2019 VND
300	LIABILITIES		98,188,831,139,278	65,518,168,766,672
310	Current liabilities		25,268,019,195,144	18,809,633,988,008
311	Short-term trade accounts payable	18	2,096,354,742,393	2,544,601,659,105
312	Short-term advances from customers	19	2,181,591,716,458	1,254,023,590,387
313	Taxes and other payables to the State Budget	20(b)	342,333,482,899	205,713,049,755
314	Payable to employees	21	86,046,593,825	31,296,329,923
315	Short-term accrued expenses	22	2,870,856,391,068	2,697,796,706,234
318	Short-term unearned revenue		1,501,921,616	1,677,668,051
319	Other short-term payables	23(a)	4,891,292,452,204	3,624,338,062,834
320	Short-term borrowings	24(a)	12,773,535,835,275	8,444,638,010,326
321	Provisions for short-term payables	25	18,957,194,111	-
322	Bonus and welfare funds		5,548,865,295	5,548,911,393
330	Non-current liabilities		72,920,811,944,134	46,708,534,778,664
333	Long-term accrued expenses		2,062,534,521	-
336	Long-term unearned revenue		17,973,247,915	18,307,529,783
337	Other long-term payables	23(b)	31,722,489,486,427	14,133,031,990,444
338	Long-term borrowings	24(b)	31,622,164,016,778	26,145,644,448,493
341	Deferred income tax liabilities	39(a)	9,417,712,221,240	6,255,537,958,898
342	Provisions for long-term payables	25	138,410,437,253	156,012,851,046
400	OWNERS' EQUITY		31,199,689,301,541	24,461,073,831,847
410	Capital and reserves		31,199,689,301,541	24,461,073,831,847
411	Owners' capital	26, 27	9,855,641,520,000	9,695,407,970,000
411a	- Ordinary shares with voting rights		9,855,641,520,000	9,695,407,970,000
411b	- Preference shares		-	-
412	Share premium	27	3,934,202,031,026	3,860,189,781,026
421	Undistributed earnings	27	11,473,144,745,050	8,722,828,720,589
421a	- Undistributed post-tax profits of the previous years		8,722,828,720,589	5,618,698,169,829
421b	- Undistributed post-tax profit of the current year		2,750,316,024,461	3,104,130,550,760
429	Non-controlling interests	28	5,936,701,005,465	2,182,647,360,232
440	TOTAL RESOURCES		129,388,520,440,819	89,979,242,598,519


Nguyen Ngoc Bang
Preparer


Tran Thi Thanh Van
Chief Accountant


Bùi Hoàn Huy
General Director
30 October 2020

The notes on pages 10 to 77 are an integral part of these consolidated financial statements.

CONSOLIDATED INCOME STATEMENT

Code	Note	Quarter 3/2020 VND	Quarter 3/2019 (Restated) VND	For the period ended	
				30/09/2020 VND	30/09/2019 (Restated) VND
01	Sales of goods and rendering of services	2,148,169,244,901	1,524,634,149,618	4,008,228,129,213	9,639,208,623,173
02	Less deductions	(8,623,905,582)	(18,492,107,248)	(204,838,665,537)	(88,685,160,846)
10	Net revenue from sales of goods and rendering of services	2,139,545,339,319	1,506,142,042,370	3,803,389,463,676	9,550,523,462,327
11	Cost of sales	(1,342,965,170,790)	(984,256,664,891)	(2,424,086,345,418)	(6,865,620,183,559)
20	Gross profit from sales of goods and rendering of services	796,580,168,529	521,885,377,479	1,379,303,118,258	2,684,903,278,768
21	Financial income	2,391,099,212,416	359,631,364,245	5,055,901,572,675	588,928,054,337
22	Financial expenses	(542,168,794,833)	(256,484,155,510)	(1,293,610,278,483)	(1,468,688,150,720)
23	- Including: Interest expenses	(262,769,521,207)	(141,540,461,415)	(565,187,640,008)	(755,698,325,866)
24	Share of profit from associates	(3,484,405,491)	(10,280,376,589)	(5,044,764,191)	(9,352,557,262)
25	Selling expenses	(68,087,803,692)	(57,955,501,342)	(93,812,024,462)	(208,515,273,295)
26	General and administration expenses	(264,077,872,154)	(282,752,282,732)	(878,489,363,869)	(857,290,602,155)
30	Net operating profit	2,309,860,504,775	274,044,425,551	4,164,248,259,928	729,984,749,673
31	Other income	252,474,886,911	300,997,852,235	266,038,152,479	1,264,518,187,358
32	Other expenses	(199,782,136,062)	(14,556,141,351)	(580,922,343,089)	(103,286,280,092)
40	Net other income	52,692,750,849	286,441,710,884	(314,884,190,610)	1,161,231,907,266
50	Net accounting profit before tax	2,362,553,255,624	560,486,136,435	3,849,364,069,318	1,891,216,656,939
51	Business income tax – current	(104,343,973,215)	(127,683,866,155)	(172,420,863,215)	(591,799,057,500)
52	Business income tax – deferred	(137,676,841,079)	(142,640,579,601)	(379,303,977,288)	(214,550,341,777)
60	Net profit after tax	2,120,532,441,330	290,161,690,679	3,297,639,228,815	1,084,867,257,662

The notes on pages 10 to 77 are an integral part of these consolidated financial statements.

CONSOLIDATED INCOME STATEMENT
(continued)

				For the period ended	
		Quarter 3/2020	Quarter 3/2019	30/09/2020	30/09/2019
Code	Note	VND	(Restated) VND	VND	(Restated) VND
	Attributable to:				
61	Shareholders of the parent company	2,131,427,408,827	304,219,370,159	3,344,151,849,743	1,117,784,772,222
62	Non-controlling interests	(10,894,967,497)	(14,057,679,480)	(46,512,620,928)	(32,917,514,560)
70	Basic earnings per share	29(a) 2,190	315	3,445	1,159
71	Diluted earnings per share	29(b) 2,071	315	3,349	1,159



Nguyen Ngoc Bang
Preparer



Tran Thi Thanh Van
Chief Accountant



Bùi Xuân Huy
General Director
30 October 2020

The notes on pages 10 to 77 are an integral part of these consolidated financial statements.

CONSOLIDATED CASH FLOW STATEMENT
(Indirect method)

Code	Note	For the period ended	
		30/09/2020	30/09/2019 (Restated)
		VND	VND
CASH FLOWS FROM OPERATING ACTIVITIES			
01	Net profit before tax	3,849,364,069,318	1,891,216,656,939
	Adjustments for:		
02	Depreciation, amortization, goodwill allocation and bargain gain	497,419,061,519	(496,859,907,013)
03	Reversal of provisions	6,184,752,040	(5,504,749,805)
04	Foreign exchange (gain)/losses	(5,279,802,189)	14,091,779,333
05	Profits from investing activities	(4,996,570,582,840)	(564,883,465,020)
06	Interest expenses, bond issuance costs	580,003,692,607	781,186,889,379
08	Operating (losses)/profit before changes in working capital	(68,878,809,545)	1,619,247,203,813
09	(Increase)/decrease in receivables	(7,581,785,812,793)	3,407,457,692,527
10	(Increase)/decrease in inventories	(3,785,429,641,732)	3,296,995,208,534
11	Increase/(decrease) in payables	18,952,553,007,685	(1,272,442,028,545)
12	Decrease in prepaid expenses	19,603,968,726	115,907,551,650
14	Interest paid	(2,250,130,142,546)	(1,988,189,842,907)
15	Business income tax paid	(181,794,455,462)	(841,630,320,193)
20	Net cash flows from operating activities	5,104,138,114,333	4,337,345,464,879
CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchases of fixed assets and other long-term assets	(162,944,211,784)	(223,913,287,604)
22	Proceeds from disposals of fixed assets	26,218,972,836	18,130,107,831
23	Loans granted, purchases of debt instruments of other entities	(4,334,954,741,554)	(547,762,514,413)
24	Collection of loans, proceeds from sales of debt instruments of other entities	567,700,555,504	180,554,781,637
25	Investments in other entities	(11,490,890,302,163)	(10,952,084,091,732)
26	Proceeds from divestment in other entities	4,379,965,234,367	432,259,820,000
27	Interest and dividend received	189,189,322,260	277,894,683,347
30	Net cash flows from investing activities	(10,825,715,170,534)	(10,814,920,500,934)

The notes on pages 10 to 77 are an integral part of these consolidated financial statements.

CONSOLIDATED CASH FLOW STATEMENT
(Indirect method)
(continued)

		For the period ended	
		30/09/2020	30/09/2019
Code	Note	VND	(Restated) VND
CASH FLOWS FROM FINANCING ACTIVITIES			
31	Proceeds from issue of shares and capital contribution	619,283,827,000	1,758,500,000
32	Capital withdrawal, buying back issued stocks	(1,508,355,000)	-
33	Proceeds from borrowings	21,293,200,528,483	10,271,841,303,051
34	Repayments of borrowings	(12,907,494,514,421)	(11,815,051,077,128)
36	Dividends paid to equity holders	(49,460,850,941)	-
40	Net cash flows from financing activities	8,954,020,635,121	(1,541,451,274,077)
50	Net decrease in cash and cash equivalents	3,232,443,578,920	(8,019,026,310,132)
60	Cash and cash equivalents at beginning of the year	4 6,466,219,516,377	12,315,170,763,611
61	Effect of foreign exchange differences	(944,497,246)	87,579,452
70	Cash and cash equivalents at end of the period	4 9,697,718,598,051	4,296,232,032,931



Nguyen Ngoc Bang
Preparer



Tran Thi Thanh Van
Chief Accountant



Hồ Quản Huy
General Director
30 October 2020

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2020****1 GENERAL INFORMATION**

No Va Land Investment Group Corporation ("the Company") is a joint stock company which was established in SR Vietnam pursuant to Business Registration Certificate No. 054350 which was initially issued by the Department of Planning and Investment of Ho Chi Minh City on 18 September 1992 and the 52nd amended Business Registration Certificate No. 0301444753 dated 22 October 2020. The Company is formerly known as Thanh Nhon Trading Limited, which was established and operated under the Business Registration Certificate as above.

The Company's stock was officially listed on Ho Chi Minh City Stock Exchange ("HOSE") on 28 December 2016 with stock symbol "NVL" pursuant to Decision No. 500/QD-SGDHCM issued by General Director of HOSE on 19 December 2016.

The principal activities of the Group are residence project development; real estate trading; civil and industrial construction; providing design and management consultancy services; providing real estate brokerage services.

The normal business cycle of the Group's projects is within 36 months.

As at 30 September 2020, the Group had 2,119 employees (as at 31 December 2019: 2,247 employees).

As at 30 September 2020, the Group had 83 subsidiaries and 8 associates (as at 31 December 2019: 74 subsidiaries and 5 associates) as follows:

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1 GENERAL INFORMATION (continued)

No	Name	Location	The principal activity	30/09/2020		31/12/2019	
				% of ownership	% of voting right	% of ownership	% of voting right
I - Subsidiaries							
1	No Va Land Investment Joint Stock Company	Ho Chi Minh City	Real estate trading	99.91	99.91	99.91	99.91
2	No Va Thao Dien Company Limited	Ho Chi Minh City	Real estate trading	99.99	99.99	99.99	99.99
3	No Va Festival Corporation	Ho Chi Minh City	Real estate trading	94.02	94.02	94.02	94.02
4	Nova Saigon Royal Investment Company Limited	Ho Chi Minh City	Real estate trading	100.00	100.00	99.99	99.99
5	Sai Gon Housing and Infrastructure Investment Development Company Limited	Ho Chi Minh City	Real estate trading	99.96	99.96	99.96	99.96
6	Nova Lucky Palace Company Limited	Ho Chi Minh City	Real estate trading	100.00	100.00	100.00	100.00
7	The Prince Residence Joint Stock Company	Ho Chi Minh City	Real estate trading	99.81	99.81	99.81	99.81
8	Thanh Nhon Real Estate Joint Stock Company	Ho Chi Minh City	Real estate trading	99.72	99.72	99.72	99.72
9	Nova Sagel Company Limited	Ho Chi Minh City	Real estate trading	83.81	74.00	83.81	74.00
10	Novaland Agent Company Limited	Ho Chi Minh City	Real estate trading	100.00	100.00	100.00	100.00
11	Phuoc Long Investment and Development Company Limited	Ho Chi Minh City	Real estate trading	99.98	99.99	99.98	99.99
12	Vung Tau Youth Hotel and Travel Joint Stock Company	Ho Chi Minh City	Real estate trading	73.60	65.00	65.00	65.00
13	Nova Richstar Joint Stock Company	Ho Chi Minh City	Real estate trading, factory and warehouse lease	99.98	99.99	99.98	99.99
14	Nova Nippon Joint Stock Company	Ho Chi Minh City	Real estate trading	99.98	99.98	99.98	99.98
15	Khai Hung Real Estate Company Limited	Ho Chi Minh City	Real estate trading	100.00	100.00	100.00	100.00
16	Nova Nam A Company Limited	Ho Chi Minh City	Real estate trading	92.71	92.71	92.71	92.71
17	Nova Sasco Company Limited	Ho Chi Minh City	Real estate trading	99.99	99.99	99.99	99.99
18	No Va My Dinh Land Joint Stock Company	Ho Chi Minh City	Real estate trading	99.99	99.99	99.99	99.99
19	Thanh Nhon Investment Real Estate Company Limited	Ho Chi Minh City	Real estate trading	100.00	100.00	100.00	100.00
20	Nova An Phu Company Limited	Ho Chi Minh City	Real estate trading	100.00	100.00	100.00	100.00
21	Nova Phuc Nguyen Real Estate Development and Investment Company Limited	Ho Chi Minh City	Real estate trading	99.97	99.97	99.89	99.89
22	Tuong Minh Investment and Real Estate Company Limited	Ho Chi Minh City	Real estate trading	99.99	99.99	99.99	99.99
23	The 21st Century International Development Company Limited	Ho Chi Minh City	Real estate trading	98.97	98.97	98.96	98.97
24	Phuong Dong Building Joint Stock Company	Ho Chi Minh City	Real estate trading	99.88	99.89	99.88	99.89
25	Nova Rivergate Company Limited	Ho Chi Minh City	Real estate trading	99.77	99.77	99.77	99.77
26	Nova Princess Residence Joint Stock Company	Ho Chi Minh City	Real estate trading	99.90	99.90	99.90	99.90
27	Nha Rong Investment and Commercial Joint Stock Company	Ho Chi Minh City	Real estate trading	99.97	99.97	99.97	99.97
28	Mega Housing Joint Stock Company	Ho Chi Minh City	Real estate trading	98.60	98.60	98.60	98.60

1 GENERAL INFORMATION (continued)

No	Name	Location	The principal activity	30/09/2020		31/12/2019	
				% of ownership	% of voting right	% of ownership	% of voting right
I - Subsidiaries (continued)							
29	Mega Tie Company Limited	Ho Chi Minh City	Real estate trading	98.59	99.99	98.59	99.99
30	Bach Hop Real Estate Company Limited	Ho Chi Minh City	Real estate trading	100.00	100.00	100.00	100.00
31	Gia Duc Real Estate Company Limited	Ho Chi Minh City	Real estate trading	99.99	99.99	99.99	99.99
32	Gia Phu Real Estate Company Limited	Ho Chi Minh City	Real estate trading	99.99	99.99	99.99	99.99
33	Nova Riverside Real Estate Company Limited	Ho Chi Minh City	Real estate trading	99.97	99.98	99.97	99.98
34	Ngoc Linh Hoa Joint Stock Company	Ho Chi Minh City	Real estate trading	99.83	99.83	99.83	99.83
35	Nova Property Management Company Limited	Ho Chi Minh City	Real estate trading	99.99	99.99	99.99	99.99
36	Merufa-Nova Company Limited	Ho Chi Minh City	Real estate trading	99.88	99.90	99.88	99.90
37	Nhat Hoa Real Estate Joint Stock Company	Ho Chi Minh City	Real estate trading	99.81	99.98	99.81	99.98
38	Ky Nguyen Urban Development Joint Stock Company	Ho Chi Minh City	Real estate trading	100.00	100.00	99.99	99.99
39	Vuong Gia Real Estate Investment Joint Stock Company	Ho Chi Minh City	Real estate trading	99.81	99.83	99.81	99.83
40	Phuc Binh Real Estate Company Limited	Ho Chi Minh City	Real estate trading	97.77	97.95	97.77	97.95
41	Sun City Real Estate Investment & Development Company Limited	Ho Chi Minh City	Real estate trading	98.86	100.00	98.86	100.00
42	Dinh Phat Real Estate Joint Stock Company	Ho Chi Minh City	Real estate trading	99.95	99.96	99.95	99.96
43	350 Real Estate Investment & Development Company Limited	Ho Chi Minh City	Real estate trading	99.97	99.99	99.97	99.99
44	CQ89 Real Estate Investment & Development Company Limited	Ho Chi Minh City	Real estate trading	99.56	99.59	99.56	99.59
45	Gia Huy Real Estate Investment & Development Company Limited	Ho Chi Minh City	Real estate trading	51.00	51.00	51.00	51.00
46	Thinh Vuong Real Estate Joint Stock Company	Ho Chi Minh City	Real estate trading	99.98	99.98	99.98	99.98
47	Thai Binh Real Estate Trading Joint Stock Company	Ho Chi Minh City	Real estate trading	99.95	99.96	99.95	99.96
48	Nova Hospitality Joint Stock Company	Ho Chi Minh City	Real estate trading	100.00	100.00	100.00	100.00
49	Truong Tay Real Estate Investment Joint Stock Company	Ho Chi Minh City	Real estate trading	99.97	99.98	99.97	99.98
50	Dat Viet Development Joint Stock Company	Ho Chi Minh City	Real estate trading	99.67	99.69	99.67	99.69
51	An Phu Dong Real Estate Development Investment Company Limited	Ho Chi Minh City	Real estate trading	51.00	51.00	79.93	80.00
52	Aqua City Company Limited	Dong Nai Province	Real estate trading	69.87	70.00	69.87	70.00
53	Huynh Gia Huy Joint Stock Company	Binh Thuan Province	Short-term accommodation activities	99.98	99.98	99.98	99.98
54	38 Real Estate Investment and Trading Company Limited	Ho Chi Minh City	Real estate trading	99.99	99.99	99.99	99.99
55	Hoa Thang Tourism Service Joint Stock Company	Binh Thuan Province	Short-term accommodation activities	95.79	95.80	95.79	95.80
56	Thu Minh Nguyen Investment Joint Stock Company	Binh Thuan Province	Short-term accommodation activities	96.14	96.15	96.14	96.15

1 GENERAL INFORMATION (continued)

No	Name	Location	The principal activity	30/09/2020		31/12/2019	
				% of ownership	% of voting right	% of ownership	% of voting right
I - Subsidiaries (continued)							
57	Khanh An Real Estate Investment and Development Company Limited	Ho Chi Minh City	Real estate trading	99.94	99.99	99.94	99.99
58	Carava Resort Company Limited	Khanh Hoa Province	Real estate trading	95.44	95.49	95.44	95.49
59	Ho Tram Botanic Garden Company Limited	Ba Ria - Vung Tau Province	Botanical and zoological gardens and nature reserves activities	99.00	99.00	99.00	99.00
60	Van Phat Investment Development Real Estate Joint Stock Company	Ho Chi Minh City	Real estate trading	97.99	97.99	97.98	97.99
61	The Forest City Company Limited	Ba Ria - Vung Tau Province	Real estate trading	97.89	99.90	97.89	99.90
62	Ngoc Uyen Investment and Real Estate Joint Stock Company	Ho Chi Minh City	Real estate trading	99.99	99.99	99.99	99.99
63	Bao Phuc Real Estate Company Limited	Ho Chi Minh City	Real estate trading	99.99	99.99	99.98	99.99
64	Nova Lexington Real Estate Joint Stock Company	Ho Chi Minh City	Real estate trading	99.95	99.97	99.92	99.94
65	KM Investment Group Company Limited	Ho Chi Minh City	Investment consulting	99.85	99.90	99.82	99.90
66	Delta - Valley Binh Thuan Company Limited	Binh Thuan Province	Real estate trading	99.85	100.00	99.82	100.00
67	Truong Thanh Real Estate Investment Joint Stock Company	Ho Chi Minh City	Real estate trading	99.99	100.00	99.99	100.00
68	Long Hung Phat Consulting Company Limited	Ho Chi Minh City	Management consulting activities	79.94	80.00	66.62	66.67
69	Long Hung Phat Real Estate Investment Company Limited	Ho Chi Minh City	Real estate trading	79.94	100.00	66.62	100.00
70	Thuan Phat Investment and Development Real Estate Joint Stock Company	Ho Chi Minh City	Real estate trading	99.98	99.98	99.98	99.98
71	Cuu Long Real Estate Development and Investment Company Limited	Ho Chi Minh City	Real estate trading	99.97	99.99	96.88	96.90
72	Lucky House Investment Services Joint Stock Company	Ho Chi Minh City	Real estate trading	99.99	100.00	-	-
73	Phong Dien Real Estate Investment Joint Stock Company (i)	Ho Chi Minh City	Real estate trading	-	-	50.99	50.99
74	Tan Kim Yen Real Estate Investment Company Limited	Ho Chi Minh City	Real estate trading	99.99	99.99	-	-
75	Phuc Hoa Real Estate Company Limited	Ho Chi Minh City	Real estate trading	69.86	99.99	-	-
76	The Ky Hoang Kim Real Estate Company Limited	Ho Chi Minh City	Real estate trading	100.00	100.00	-	-
77	Nova Holiday Joint Stock Company (ii)	Ho Chi Minh City	Short-term accommodation activities	99.98	99.98	-	-
78	Phuc Thinh Real Estate Investment Company Limited (iii)	Ho Chi Minh City	Real estate trading	100.00	100.00	-	-

1 GENERAL INFORMATION (continued)

No	Name	Location	The principal activity	30/09/2020		31/12/2019	
				% of ownership	% of voting right	% of ownership	% of voting right
I - Subsidiaries (continued)							
79	An Phat Real Estate Development and Investment Company Limited (iv)	Ho Chi Minh City	Real estate trading	100.00	100.00	-	-
80	Big Ben Holiday Joint Stock Company (v)	Ho Chi Minh City	Short-term accommodation activities	99.98	99.98	-	-
81	An Huy Investment and Development Real Estate Company Limited	Ho Chi Minh City	Real estate trading	99.98	99.99	-	-
82	Ngan Hiep Real Estate Joint Stock Company	Ba Ria - Vung Tau Province	Real estate trading	99.96	99.98	-	-
83	Liberty Investment Joint Stock Company	Ho Chi Minh City	Real estate consulting, brokerage, auction, land use right auction	99.98	99.98	-	-
84	Thanh My Loi Joint Stock Company	Ho Chi Minh City	Real estate trading	69.75	70.00	-	-
II - Associates							
1	Sai Gon Electronics and Industrial Service Joint Stock Company	Ho Chi Minh City	Electronic components and telecommunications trading	37.75	37.75	37.75	37.75
2	Ben Thanh Housing Service and Development Joint Stock Company	Ho Chi Minh City	Real estate trading	25.00	25.00	25.00	25.00
3	Saigon Golf Company Limited	Ho Chi Minh City	Real estate trading	49.86	50.00	49.86	50.00
4	Thanh My Loi Joint Stock Company	Ho Chi Minh City	Real estate trading	-	-	55.64	55.88
5	Phu Dinh Port Joint Stock Company (vi)	Ho Chi Minh City	Support activities related to transportation, real estate trading	43.45	43.45	83.45	83.45
6	Nova SQN Investment Joint Stock Company	Ho Chi Minh City	Real estate trading	49.72	49.72	49.72	49.72
7	Nova Security Joint Stock Company (vii)	Ho Chi Minh City	Personal protection activities	23.98	23.98	-	-
8	Vietnam Youth Tourist Joint Stock Company (viii)	Ho Chi Minh City	Introduction and trade promotion activities	28.67	28.67	-	-
9	Phu Tri Real Estate Investment Commercial Joint Stock Company (ix)	Ho Chi Minh City	Real estate trading	48.98	48.98	99.98	99.98

1 GENERAL INFORMATION (continued)

- (i) According to Resolution No.24/2020-NQ.HDQT-NVLG dated 31 March 2020, the Board of Directors approved the transfer of capital contribution at Phong Dien Real Estate Investment Joint Stock Company ("Phong Dien") with the amount of VND189,980,000,000, accounting for 99.989% of the contributed capital in Phong Dien. In March 2020, the Group completed the transfer of this subsidiary with the total received amount of VND987,000,000,000. The gain of VND795,497,200,163 is the difference between the total transfer value and the carrying amount of the net asset recorded in the consolidated income statement (Note 33).
- (ii) According to Decision No.08/2020-QD-HPT dated 1 June 2020, the Board of Directors of Nova Hospitality Joint Stock Company approved the capital contribution for establishment of Nova Holiday Joint Stock Company ("Nova Holiday") with the total par value of VND19,996,000,000, accounting for 99.98% of the contributed capital in Nova Holiday.
- (iii) According to Decision No.05/2020-QD-BH dated 7 July 2020, the Board of Members of Bach Hop Real Estate Company Limited ("Bach Hop") has approved the separation of Bach Hop into two companies, including Bach Hop Real Estate Company Limited and Phuc Thinh Real Estate Investment Company Limited.
- (iv) According to Resolution No.84/2020-NQ.HDQT-NVLG dated 5 August 2020, the Board of Directors approved the capital contribution for establishment of An Phat Real Estate Development and Investment Company Limited ("An Phat") with total capital contribution of VND19,998,000,000, equivalent to 99.99% of the charter capital of An Phat. According to Resolution No.100/2020-NQ.HDQT-NVLG dated 7 August 2020, the Board of Directors approved the additional contribution of VND1,612,000,000,000 to An Phat to increase An Phat's charter capital from VND20,000,000,000 to VND1,632,500,000,000. As at 30 September 2020, the Group has completed its capital contribution with the Group's total contributed capital in An Phat is VND1,632,498,000,000, equivalent to 99.9999% of its charter capital in An Phat.
- (v) According to Decision No.13/2020-QD-HPT dated 21 August 2020, the Board of Directors of Nova Hospitality Joint Stock Company approved the capital contribution for establishment of Big Ben Holiday Joint Stock Company ("Big Ben Holiday") with the total par value of VND19,996,000,000, accounting for 99.98% of the contributed capital in Big Ben Holiday.
- (vi) According to Resolution No.58/2020-NQ.HDQT-NVLG dated 23 June 2020, the Board of Directors approved the transfer of 40,000,000 ordinary shares at Phu Dinh Port Joint Stock Company ("Phu Dinh"), accounting for 40% of the contributed capital in Phu Dinh. In June 2020, the Group completed the transfer of this subsidiary with the total received amount of VND2,395,640,000,000. The gain of VND1,707,671,035,676 is the difference between the total transfer value and the carrying amount of the net asset recorded in the consolidated income statement (Note 33). After the transfer, Phu Dinh became an associate of the Group as the Group still has a significant influence on Phu Dinh.
- (vii) According to Decision No.13/2020-QD-NVL dated 29 July 2020, the Board of Directors of No Va Land Investment Joint Stock Company approved the capital contribution for establishment of Nova Security Joint Stock Company ("Nova Security") with the total par value of VND480,000,000, accounting for 24% of the contributed capital in Nova Security.
- (viii) According to Decision No. 07A/2020-QD-LKH dated 17 August 2020, the Board of Directors of Lucky House Investment Services Joint Stock Company ("Lucky House") has approved of Lucky House purchasing (in the form of public auction or direct agreement) shares in initial public offering for the equitization of Vietnam Youth Tourist Company Limited ("Vietnam Youth Tourist"). Until 30 September 2020, Lucky House has successfully completed the purchase of 28.67% of the charter capital of Vietnam Youth Tourist with a total value of VND16,064,137,755.
- (ix) According to Decision No.08/2020-QD-KH dated 18 September 2020, the Board of Members of Khai Hung Real Estate Company Limited approved the transfer of 18,513,000 ordinary shares at Phu Tri Real Estate Investment Commercial Joint Stock Company ("Phu Tri"), accounting for 51% of the contributed capital in Phu Tri. In September 2020, the Group completed the transfer of this subsidiary with the total received amount of VND928,000,000,000. The gain of VND57,698,145,385 is the difference between the total transfer value and the carrying amount of the net asset recorded in the consolidated income statement (Note 33). After the transfer, Phu Tri became an associate of the Group as the Group still has a significant influence on Phu Tri.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation of consolidated financial statements

The consolidated financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of consolidated financial statements. The consolidated financial statements have been prepared under the historical cost convention except for investments in associates and joint ventures, and business combinations as presented in Note 2.4.

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

The consolidated financial statements in Vietnamese language are the official statutory financial statements of the Company. The consolidated financial statements in English language have been translated from the Vietnamese language financial statements.

2.2 Fiscal year

The Group's fiscal year is from 1 January to 31 December.

2.3 Currency

The consolidated financial statements are measured and presented in Vietnamese Dong ("VND"). The Company and its subsidiaries determine their accounting currencies based on the currencies which are mainly used in sales of goods and rendering of services, which have a significant impact on selling prices of goods and services, which are normally used to list selling prices and receive payments; which are mainly used in purchases of goods or services, which have a significant impact on costs of labor, materials and other production or operating costs and normally used as payments for those costs.

Additionally, the Group also use these currencies to raise financial resources (such as via issuance of shares or bonds) and regularly collect these currencies from business operations and savings.

Transactions arising in foreign currencies are translated at exchange rates ruling at the transaction dates. Foreign exchange differences arising from these transactions are recognized in the consolidated income statement.

Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are respectively translated at the buying and selling exchange rates at the balance sheet date of the bank where the Group regularly trades. Foreign currencies deposited in bank at the balance sheet date are translated at the buying exchange rate of the bank where the Group holds the foreign currency accounts. Foreign exchange differences arising from these translations are recognized in the consolidated income statement.

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.4 Basis of consolidation**

The Group prepared its consolidated financial statements in accordance with Circular 202/2014/TT-BTC - Guiding on the preparation and presentation of consolidated financial statements issued by the Ministry of finance on 22 December 2014.

Subsidiaries

Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies in order to gain future benefits from their activities generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognized directly in the consolidated income statement.

Inter-company transactions, balances and unrealized gains and losses on transactions between group companies are eliminated.

In a multi-phase acquisition, when determining goodwill or bargain purchase, the consideration is the sum of the total consideration on the date of acquiring control and previous considerations remeasured to fair value on the date of control acquisition.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The financial statements of the Group's subsidiaries are prepared for the same accounting period. If there are differences in end dates, the gap must not exceed 3 months. Adjustments are made to reflect impacts of significant transactions and events occurring between the end dates of the subsidiaries' accounting period and that of the Group's. The length of the reporting period and differences in reporting date must be consistent between periods.

Non-controlling transactions and interests

The Group applies a policy for transactions with non-controlling interests as transactions with external parties to the Group.

Non-controlling interests ("NCI") are measured at their proportionate share of the acquiree's identifiable net assets at date of acquisition.

The divestment of the Group's interest in a subsidiary that does not result in a loss of control is accounted for as transactions with owners. The difference between the change in the Group's share of net assets of the subsidiary and any consideration paid or received of divestment of the Group's interest in a subsidiary is recorded directly in the undistributed earnings under equity.

Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in the consolidated statement of income. Any interest retained in the former subsidiary when control is lost is stated at the carrying amount of the retained investment in the consolidated financial statements, adjusted for appropriate shares of changes in equity of the investee since the acquisition date if significant influence in the investee is maintained.

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.4 Basis of consolidation (continued)***Joint ventures and associates*

Joint ventures are contractual arrangements whereby two or more parties undertake an economic activity which is subject to joint control.

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in joint ventures and associates are accounted for using the equity method of accounting and are initially recognized at cost. The Group's investment in joint ventures and associates includes goodwill identified on acquisition, net of any accumulated impairment loss.

The Group's share of its joint ventures' and associates' post-acquisition profits or losses is recognized in the consolidated income statement, and its share of post-acquisition movements in reserves is recognized in consolidated reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in a joint venture or associate equals or exceeds its interest in the joint venture or associate, the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the joint venture or associate.

Accounting policies of joint ventures and associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

Unrealized gains and losses on transactions between the Group and its joint ventures and associates are eliminated to the extent of the Group's interest in the joint ventures and associates. Accounting policies of joint ventures and associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

2.5 Goodwill

Goodwill represents on the consolidated financial statements is initially measured at cost being the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary/ associate at the date of acquisition. If the cost of a business combination is less than the fair value of the net assets of the subsidiary acquired, the difference is recognized directly in the consolidated income statement. After initial recognition, goodwill is measured at cost less any accumulated amortization. Goodwill on acquisitions of subsidiaries is recognised as an asset and is amortised on the straight-line basis over its estimated period of benefit but not exceed 10 years.

Goodwill on acquisitions of investments in joint ventures and associates is included in the carrying amount of the investments at the date of acquisition. The Group does not amortise this goodwill.

On disposal of subsidiaries or associates, the attributable amount of unamortized goodwill is included in the determination of the profit or loss on the disposal.

Goodwill is tested annually for impairment and carried at cost less accumulated amortization less accumulated impairment losses. If there is evidence that the impairment during the year is higher than the annual goodwill charge, the Group records the impairment immediately in the accounting period.

2.6 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash at banks, cash in transit, demand deposits and other short-term investments with an original maturity of three months or less.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.7 Receivables**

Receivables represent trade receivables from customers arising from sales of goods and rendering of services or non-trade receivables from others and are stated at cost. Provision for doubtful debts is made for each outstanding amount based on overdue days in payment according to the initial payment commitment (exclusive of the payment rescheduling between parties), or based on the expected loss that may arise. Bad debts are written off when identified.

Receivables are classified into long-term and short-term receivables on the consolidated balance sheet based on the remaining period from the consolidated balance sheet date to the maturity date.

2.8 Inventories

Property acquired or being constructed for sale in the ordinary course of business, rather than to be held for rental or capital appreciation are recognized as inventories. Inventories are stated at the lower of cost and net realizable value. The cost of inventories includes cost of land and construction costs of infrastructure and apartments, direct expenditures and other overhead expenses incurred in bringing the inventories to their present location and condition. Net realizable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in marketing, selling and distribution. Provision is made, where necessary, for obsolete, slow-moving, defective inventory items and where cost is higher than net realizable values.

Provision is made, where necessary, for obsolete, slow-moving and defective inventory items. The difference between the provision of this period and the provision of the previous period recognised as an increase or decrease of cost of goods sold in the year.

2.9 Investments**(a) Investments held to maturity**

Investments held to maturity are investments which the Group's Board of Management has positive intention and ability to hold until maturity.

Investments held-to-maturity include term deposits, bonds, preference shares which should be repurchased by issuer at certain time in the future and other held-to-maturity. Those investments are initially accounted for at cost. Subsequently, the Board of Management reviews all outstanding investments to determine the amount of provision to recognise at the year end.

Provision for diminution in value of investments held to maturity is made when there is evidence that the investment is uncollectible in whole or in part. Changes in the provision balance during the accounting period/fiscal year are recorded as an increase or decrease in financial expenses. A reversal, if any, is made only to the extent the investment is restored to its original cost.

(b) Investments in joint ventures and associates

Investments in joint ventures and associates are accounted using the equity method when preparing the consolidated financial statements (Note 2.4).

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.9 Investments (continued)****(c) Investments in equity of other entities**

Investments in other entities are investments in equity instruments of other entities without controlling rights or co-controlling rights, or without significant influence over investee. These investments are initially recorded at cost. Subsequently, the Board of Management reviews all outstanding investments to determine the amount of provision to recognise at the year end.

Provision for investments in other entities is made when there is a diminution in value of the investments at the year end. Regarding investments in listed shares or the investments whose fair value can be determined reliably, the provision for diminution in value is made when the cost is higher than the market value. For other investments, provision for diminution in value is made when the entities make losses, except when the loss was anticipated by the Board of Management before date of investment. Changes in the provision balance during the accounting fiscal year are recorded as an increase or decrease in financial expenses. A reversal, if any, is made only to the extent the investment is restored to its original cost.

2.10 Lending held-to-maturity

Lending held-to-maturity are lending for interest earning granted under agreements among parties but not being traded as securities in the market.

Lendings are initially recognised at cost. Subsequently, the Board of Management reviews all outstanding amounts to determine the amount of provision to recognise at the year end. Provision for doubtful lending is made for each lending based on overdue days in payment of principals according to the initial payment commitment (exclusive of the payment rescheduling between parties), or based on the expected loss that may arise. Changes in the provision balance during the accounting period/fiscal year are recorded as an increase or decrease in financial expenses. A reversal, if any, is made only to the extent the investment is restored to its original cost.

Lendings are classified into short-term and long-term lending on the consolidated balance sheet based on the remaining term at the consolidated balance sheet date.

2.11 Business cooperation contract

A business cooperation contract ("BCC") is a cooperation contract between the Group and other parties to carry out specific business activities without establishing a new legal entity. These activities are controlled by one of the parties. The BCC states that each party is entitled to profits when the BCC is profitable and is required to bear losses when the BCC is loss making, in substance, the BCC parties share revenues and expense because each party can jointly control the operation and cash flows of the BCC.

- When the Group is in charge of accounting and tax finalisation, the Group is required to recognise the entire revenue and expenses arising from the BCC, and then allocate the proportionate shares of revenue and expenses to the other parties.
- When the Group is not in charge of accounting and tax finalisation, the Group accounts for its proportionate share of revenue and expenses from the BCC.

2.12 Fixed assets*Tangible fixed assets and intangible fixed assets*

Fixed assets are stated at historical cost less accumulated depreciation or amortisation. Historical cost includes any expenditure that is directly attributable to the acquisition of the fixed assets bringing them to a suitable conditions for their intended use. Expenditure incurred subsequently which has resulted in an increase in the future economic benefits expected to be obtained from the use of fixed assets, can be capitalised as an additional historical cost. Otherwise, they are charged to the consolidated income statement when incurred.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.12 Fixed assets (continued)***Depreciation/amortization*

Fixed assets are depreciated/amortized using the straight-line method so as to write off the cost of the assets over their estimated useful lives. The estimated useful lives of the assets are as follows:

Buildings	5 - 50 years
Machinery	3 - 10 years
Motor vehicles	2 - 10 years
Office equipment	2 - 8 years
Software	2 - 10 years
Trade mark	3 years
Others	3 - 4 years

Land use rights with indefinite useful life are recorded at historical cost and are not amortized.

Disposals

Gains and losses on disposals are determined by comparing net disposal proceeds with the carrying amount and are recognized as income or expense in the income statement.

Construction in progress

Construction in progress represents the cost of assets in the course of construction for production, rental or administrative purposes, or for purposes not yet determined, are carried at cost, including all costs needed to build or repair, renovate, expand or retrofit the engineering of the facility, such as construction costs; equipment costs; compensation, assistance and resettlement expenses; project management expenditures; construction consulting expenditures; and capitalised borrowing costs for qualifying assets in accordance with the Group's accounting policy. Depreciation of these assets, on the same basis as other fixed assets, commences when the assets are ready for their intended use.

2.13 Leased assets

Leases of property, plant and equipment where the lessor has transferred the ownership at the end of the lease period, and transferred substantially the risks and rewards, are classified as finance leases. Finance leases are capitalised at the inception of the lease at the lower of the fair value of leased property or the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charge, are included in long-term borrowings. The interest element of the finance cost is charged to the income statement over the lease period. The property, plant and equipment acquired under finance leasing contracts are depreciated over the shorter of the estimated useful life of the assets or the lease term. However, if there is reasonable certainty that the lessee will obtain ownership by the end of the lease term, depreciation is calculated over the estimated useful life of the assets.

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the income statement on a straight-line basis over the period of the lease.

2.14 Investment properties

The historical cost of an investment property represents the amount of cash or cash equivalents paid or the fair value of other consideration given to acquire the investment property at the time of its acquisition or completion of construction. Expenditure incurred subsequently which has resulted in an increase in the expected future economic benefits from the use of investment properties can be capitalised as an additional historical cost. Otherwise, they are charged to the consolidated income statement when incurred.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.14 Investment properties (continued)***Depreciation and amortization*

Investment properties for leasing are depreciated on the straight-line method to write off the cost of the assets over their estimated useful lives. The estimated useful lives of the investment properties are as follows:

Buildings

6 - 50 years

Land use rights with indefinite useful life are recorded at historical cost and are not amortized.

The Group does not depreciate the investment properties held for price appreciation. A reduction in value of investment properties held for price appreciation is recognised when there is objective evidence of the reduction in the value of investment properties compared to the market price and an allowance can be estimated reliably. Changes in the impairment balance during the accounting period/fiscal year are recorded as an increase or decrease in cost of goods sold and services rendered. A reversal, if any, is made only to the extent the investment properties is restored to its original cost.

Disposals

Gains or losses on disposals are determined by comparing net disposal proceeds with the net book value and are recognized as income or expense in the income statement.

2.15 Prepaid expenses

Prepaid expenses include short-term and long-term prepayments on the balance sheet and are mainly sales commissions, interest expense from issuing bonds, and tools and equipment already put to use. Prepaid expenses are recorded at historical cost and allocated to expenses using the straight line method over the allocation period, except for sales commissions which are allocated to expenses on the basis of matching with revenue recorded when the Group has handed over significant risks and rewards of ownership to the buyers.

2.16 Payables

Classifications of payables are based on the nature of economic transactions occurred.

- Trade accounts payable are trade payables arising from purchase of goods and services;
- Other payables are non-trade payables, and payables not relating to purchases of goods and services.

Payables are classified into long term and short term payables on the balance sheet based on remaining period from the balance sheet date to the maturity date.

2.17 Accrued expenses

Accrued expenses include liabilities for goods and services received in the period but not yet paid for due to pending invoice or sufficient records and documents. Accrued expenses are recorded as an expense in the reporting period.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.18 Borrowings and finance lease liabilities**

Borrowings and finance lease liabilities include borrowings and finance leases from banks, financial institutions, financial companies and other entities.

Borrowings and finance lease liabilities are classified into long-term and short-term based on remaining period from the balance sheet date to the maturity date.

Borrowing costs that are directly attributable to the construction or production of any qualifying assets are capitalised during the period of time that is required to complete and prepare the asset for its intended use. In respect of general-purpose borrowings, a portion of which used for the purpose of construction or production of any qualifying assets, the Group determines the amount of borrowing costs eligible for capitalisation by applying a capitalisation rate to the weighted average expenditure on that assets. The capitalisation rate is the weighted average of the interest rates applicable to the Group's borrowings that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. Other borrowing costs are recognised in the consolidated income statement when incurred.

2.19 Provisions

Provisions are recognized when: the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provision is not recognized for future operating losses.

Provisions are measured at the expenditures expected to be required to settle the obligation. If the time value of money is material, provision will be measured at the present value using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognized as a financial expense. Changes in the provision balance during the accounting fiscal year are recorded as an increase or decrease in operating expenses.

Provisions for warranty expenses for real estate held for sale: The Group estimates warranty provision expenses based on sales and existing information on warranty costs of properties sold in the past.

2.20 Provision for severance allowances

In accordance with Vietnamese labour laws, employees of the Group who have worked regularly for full 12 months or longer, are entitled to a severance allowance. The working period used for the calculation of severance allowance is the period during which the employee actually works for the Group less the period during which the employee participates the unemployment insurance scheme in accordance with the labour regulations and the working period for which the employee has received severance allowance from the Group.

The severance allowance is accrued at the end of the reporting period, on the basis that a half of an average monthly salary per each working year. The average monthly salary used for calculating the severance allowance is the employee's average salary for the six-month period prior to the balance sheet date.

This allowance will be paid as a lump sum when the employees terminate their labour contracts in according with current regulations.

2.21 Unearned revenue

Unearned revenue mainly comprises the amounts that customers have paid in advance for one or many accounting periods leased. The Group records unearned revenue for the future obligations that the Group has to fulfill. Once recognition criteria have been satisfied, unearned revenue will be recognised as revenue in the income statement to the extent that it has met the recognition criteria.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.22 Convertible bonds**

Convertible bonds are bonds that may be converted into ordinary shares of the same issuer under the conditions identified in the bond issuance plan.

At initial recognition, the Group calculates and determines separately the value of the debt component and equity component of convertible bonds using the effective interest rate method. The debt component of convertible bonds is recorded as a liability; equity component (share options) of convertible bonds is recorded as an owners' equity item. Subsequently, the Group regularly records bond interest using the effective interest rate. The costs of issuing convertible bonds are deducted to the bond's liability component and allocated to financial expenses/capitalised on straight line basis.

At maturity, the equity component which is a share option is transferred to the share premium account regardless whether the bond holder exercised the option or not.

2.23 Owners' capital

Contributed capital of the shareholders is recorded according to actual amount contributed. Contributions from owners are recorded according to par value of the share.

Share premium is the difference between the par value and the issue price of shares and the difference between the repurchase price and re-issuing price of treasury shares.

Share conversion options on bonds is the value of the equity component of the convertible bonds at the reporting date. The value is defined as the difference between the total sums received from the issuance of convertible bonds and the value of the debt component of convertible bonds. At initial recognition, the value of share conversion options on bonds is recorded separately in owners' capital. At the bond maturity, this option is transferred to share premium.

Undistributed earnings record the Group's results (profit, loss) after business income tax at the reporting date.

2.24 Appropriation of net profit

Dividend of the Company is recognised as a liability in the Group's consolidated financial statements in the period in which the dividends are approved by the Company's Annual General Meeting of shareholders.

Net profit after income tax could be distributed to owners/ shareholders after approval at General Meeting, and after appropriation to other funds in accordance with the Group's charter and Vietnamese regulations.

The bonus and welfare fund is appropriated from the Group's net profit as proposed by the Board of Directors and subject to the shareholders' approval at the Annual General Meeting. This fund is set aside for rewarding, increasing general benefits and improving the welfare for officers and employees.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.25 Revenue recognition****(a) Revenue from sale of real estate**

Revenue from real estate sale is recognised in the consolidated income statement when all five (5) following conditions are satisfied:

- The real estate has been completed, and the Group has transferred to the buyer the significant risks and rewards of ownership of the real estate;
- The Group no longer holds the right to manage the real estate as real estate's owners or the right to control the real estate;
- The amount of revenue can be measured reliably;
- The Group has received or enables to receive economic benefits from the sales of the real estate; and
- The costs incurred or to be incurred in respect of the real estate can be measured reliably.

(b) Rendering of services

Revenue from rendering of services is recognised in the income statement when the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided. Revenue from the sale of services is only recognised when all four (4) following conditions are satisfied:

- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Group;
- The percentage of completion of the transaction at the balance sheet date can be measured reliably; and
- The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

(c) Interest income

Interest income is recognized on an earned basis.

(d) Dividend income

Income from dividend is recognized when the Group has established the receiving right from investees.

2.26 Sales deductions

Sales deductions include trade discounts, sales returns and allowances. Sales deductions incurred in the same period of the related sales of products, goods and services are recorded as deduction of revenue of that period.

Sales deductions for products, goods or services which are sold in the period but are incurred after the balance sheet date but before the issuance of the consolidated financial statements are recorded as deduction of revenue of the period.

2.27 Cost of sales

Cost of goods sold or cost of services are cost of finished goods, merchandises, materials sold and cost of services rendered during the period, and recorded on the basis of matching with revenue and on prudent concept.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.28 Financial expenses**

Finance expenses are expenses incurred in the period for financial activities including interest expenses, expenses of borrowing and bond issuance, losses incurred when selling foreign currencies, losses from foreign exchange differences, cost related to repurchase conversion loan and payment discounts.

2.29 Selling expenses

Selling expenses represent expenses that are incurred in process of selling products, goods, providing services, which mainly include publicity, display, promotions, advertising expenses, and sale commissions.

2.30 General and administration expenses

General and administration expenses represent expenses for administrative purposes which mainly include salary expenses of administrative staffs (salaries, wages, allowances,...); social insurance; medical insurance; labour union fees; unemployment insurance of administrative staff; expenses of office materials; tools and supplies; depreciation of fixed assets used for administration; provision for bad debts; outside services and other cash expenses.

2.31 Current and deferred income tax

Income taxes include all income taxes which are based on taxable profits including profits generated from production and trading activities in other countries with which the Socialist Republic of Vietnam has not signed any double taxation agreement. Income tax expense comprises current tax expense and deferred tax expense.

Current income tax is the amount of income taxes payable or recoverable in respect of the current year taxable profits and at the current year tax rates. Current and deferred tax should be recognized as an income or an expense and included in the profit or loss of the period, except to the extent that the tax arises from a transaction or event which is recognized, in the same or a different period, directly in equity.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of occurrence affects neither the accounting nor the taxable profit or loss. Deferred income tax is determined at the tax rates that are expected to apply to the financial year when the asset is realized or the liability is settled, based on tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred income tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.32 Related parties**

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Group, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Group. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Group that gives them significant influence over the enterprise, key management personnel, including directors of the Group and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering of related party relationship, the Group considers the substance of the relationship not merely the legal form.

2.33 Segment reporting

A segment is a component which can be separated by the Group engaged in providing products or services (business segment), or providing products or services within a particular economic environment (geographical segment). Each segment is subject to risks and returns that are different from those of other segments. A reportable segment is the Group's business segment or the Group's geographical segment.

Segment reporting is prepared and presented in accordance with accounting policies applied to the preparation and presentation of the Group's consolidated financial statements in order to help users of consolidated financial statements understand and evaluate the Group's operations in a comprehensive way.

2.34 Accounting estimate

The preparation of the consolidated financial statements in conformity with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of consolidated financial statements requires the Board of Management 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 financial year.

The areas involving significant estimates and assumptions are as follows:

- Fair value of net asset at acquisition date in business combination;
- Provision for decline in value of inventories and provision for long-term liabilities;
- Accrued expenses.

Such estimates and assumptions are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

3 BUSINESS COMBINATION**3.1 Acquisition during the period****(a) Acquisition of company Lucky House Investment Services Joint Stock Company ("Lucky House")**

On 25 February 2020, the Group completed the acquisition and capital contribution in order to obtain 99.98% interest in Lucky House with a consideration of VND19,996,000,000.

This business combination impacts to the net asset of the Group at the acquisition date as follows:

	Fair values recognized at acquisition date VND
Assets	
Cash and cash equivalents	19,914,723,136
Other assets	16,834,961
	<u>19,931,558,097</u>
 Liabilities	
Liabilities	103,000,000
	<u>103,000,000</u>
Total identifiable net assets	<u><u>19,828,558,097</u></u>
 Goodwill	170,415,966
Non-controlling interests	(2,974,063)
	<u>19,996,000,000</u>
Purchase consideration transferred	19,996,000,000
Cash acquired	(19,914,723,136)
	<u><u>81,276,864</u></u>
Net cash outflow on acquisition	

3 BUSINESS COMBINATION**3.1 BUSINESS COMBINATION (continued)****(b) Acquisition of company Tan Kim Yen Real Estate Investment Company Limited ("Tan Kim Yen")**

On 22 June 2020, the Group completed the acquisition in order to obtain 99.99% interest in Tan Kim Yen with a consideration of VND19,998,000,000.

This business combination impacts to the net asset of the Group at the acquisition date as follows:

	Fair values recognized at acquisition date VND
Assets	
Cash and cash equivalents	19,899,637,891
Other assets	35,524,804
	<u>19,935,162,695</u>
Liabilities	
Liabilities	24,772,000
	<u>24,772,000</u>
Total identifiable net assets	<u>19,910,390,695</u>
Goodwill	89,600,344
Non-controlling interests	(1,991,039)
Purchase consideration transferred	19,998,000,000
Cash acquired	(19,899,637,891)
Net cash outflow on acquisition	<u>98,362,109</u>

3 BUSINESS COMBINATION**3.1 BUSINESS COMBINATION (continued)****(c) Acquisition of company Phuc Hoa Real Estate Company Limited ("Phuc Hoa")**

On 23 June 2020, the Group completed the acquisition in order to obtain 69.86% interest in Phuc Hoa with a consideration of VND4,299,570,000,000.

This business combination impacts to the net asset of the Group at the acquisition date as follows:

	Fair values recognized at acquisition date VND
Assets	
Cash and cash equivalents	334,464,935
Other short-term receivables	4,329,845,500,000
Other assets	16,359,169
	<u>4,330,196,324,104</u>
Liabilities	
Liabilities	30,001,650,000
	<u>30,001,650,000</u>
Total identifiable net assets	<u>4,300,194,674,104</u>
Bargain gain	(135,998,706)
Non-controlling interests	(488,675,398)
Purchase consideration transferred	4,299,570,000,000
Cash acquired	(334,464,935)
Net cash outflow on acquisition	<u>4,299,235,535,065</u>

3 BUSINESS COMBINATION**3.1 BUSINESS COMBINATION (continued)****(d) Acquisition of company The Ky Hoang Kim Real Estate Company Limited ("The Ky Hoang Kim")**

On 9 July 2020, the Group completed the acquisition in order to obtain 99.995% interest in The Ky Hoang Kim with a consideration of VND1,900,000,000,000.

This business combination impacts to the net asset of the Group at the acquisition date as follows:

	Fair values recognized at acquisition date VND
Assets	
Cash and cash equivalents	2,010,708,364
Other short-term receivables	1,387,514,764,819
Inventories	534,300,000,000
Other assets	4,118,899,307
	1,927,944,372,490
Liabilities	
Liabilities	49,058,549,869
Deferred tax liabilities	8,846,044,778
	57,904,594,647
Total identifiable net assets	1,870,039,777,843
Goodwill	29,986,675,213
Non-controlling interests	(26,453,056)
Purchase consideration transferred	1,900,000,000,000
Cash acquired	(2,010,708,364)
Net cash outflow on acquisition	1,897,989,291,636

3 BUSINESS COMBINATION**3.1 BUSINESS COMBINATION (continued)**

- (e) **Acquisition of a group of companies: An Huy Investment and Development Real Estate Company Limited ("An Huy") and Ngan Hiep Real Estate Joint Stock Company ("Ngan Hiep")**

On 21 September 2020, the Group completed the acquisition in order to obtain 99.98% interest in An Huy with a consideration of VND882,134,000,000. Through this acquisition, the Group also controlled Ngan Hiep because An Huy held 99.98% interest in Ngan Hiep.

This business combination impacts to the net asset of the Group at the acquisition date as follows:

	Fair values recognized at acquisition date VND
Assets	
Cash and cash equivalents	21,644,596,460
Other short-term receivables	24,153,446,426
Inventories	1,479,435,925,888
Other assets	627,159,844,335
	<u>2,152,393,813,109</u>
Liabilities	
Liabilities	762,522,575,380
Deferred tax liabilities	267,970,499,303
	<u>1,030,493,074,683</u>
Total identifiable net assets	<u><u>1,121,900,738,426</u></u>
Bargain gain	(239,413,560,241)
Non-controlling interests	(353,178,185)
Purchase consideration transferred	882,134,000,000
Cash acquired	(21,644,596,460)
Net cash outflow on acquisition	<u><u>860,489,403,540</u></u>

3 BUSINESS COMBINATION**3.1 BUSINESS COMBINATION (continued)****(f) Acquisition of a group of companies: Liberty Investment Joint Stock Company ("Liberty") and Thanh My Loi Joint Stock Company ("Thanh My Loi")**

On 29 September 2020, the Group completed the acquisition in order to obtain 99.98% interest in Liberty with a consideration of VND1,400,000,000,000. Through this acquisition, the Group also controlled Thanh My Loi because Liberty held 14.12% interest in Thanh My Loi, and previously the Group had owned 55.64% in Thanh My Loi.

This business combination impacts to the net asset of the Group at the acquisition date as follows:

	Provisional fair values recognized at acquisition date VND
Assets	
Cash and cash equivalents	360,038,664
Other short-term receivables	81,924,756,850
Inventories	18,586,000,000,000
Other assets	736,952,279,302
	19,405,237,074,816
Liabilities	
Liabilities	3,821,561,254,447
Deferred tax liabilities	2,902,154,281,907
	6,723,715,536,354
Total identifiable net assets	12,681,521,538,462
Goodwill	515,021,086,838
Non-controlling interests	(4,130,661,824,400)
Purchase consideration transferred	9,065,880,800,900
<i>First consideration which measured at equity method at the date had control</i>	5,436,080,847,927
<i>Revaluation of investment in associate at the acquisition date</i>	2,229,799,952,973
<i>Second consideration at the acquisition date</i>	1,400,000,000,000
Cash acquired	(360,038,664)
Accumulated profit after tax shared from associate	8,677,857,221
Net cash outflow on acquisition	6,844,398,666,484

Net cash outflow on acquisition includes VND5,444,758,705,148 paid by CQ89 Real Estate Investment & Development Company Limited ("CQ89") for purchasing Thanh My Loi in 2018 and VND1,399,639,961,336 paid in 2020.

3 BUSINESS COMBINATION (continued)**3.2 Disposal during the period****(a) Disposal of Phong Dien Real Estate Investment Joint Stock Company ("Phong Dien")**

On 31 March 2020, the Group disposed the entire equity interest in Phong Dien with a total consideration of VND987,000,000,000. The gain of VND795,497,200,163 is the difference between the consideration and the carrying value of net assets transferred, was recognised in the consolidated income statement (Note 33).

(b) Disposal of Phu Dinh Port Joint Stock Company ("Phu Dinh")

On 23 June 2020, the Group disposed a part of its equity interest in Phu Dinh with a total consideration of VND2,395,640,000,000. The gain of VND1,707,671,035,676 is the difference between the consideration and the carrying value of net assets transferred, was recognised in the consolidated income statement (Note 33).

(c) Disposal of Phu Tri Real Estate Investment Commercial Joint Stock Company ("Phu Tri")

On 18 September 2020, the Group disposed a part of its equity interest in Phu Tri with a total consideration of VND928,000,000,000. The gain of VND57,698,145,385 is the difference between the consideration and the carrying value of net assets transferred, was recognised in the consolidated income statement (Note 33).

4 CASH AND CASH EQUIVALENTS

	30/09/2020 VND	31/12/2019 VND
Cash on hand	4,947,263,970	1,510,564,933
Cash at bank	5,821,615,024,191	1,949,615,039,318
Cash equivalents (*)	3,871,156,309,890	4,515,093,912,126
	<u>9,697,718,598,051</u>	<u>6,466,219,516,377</u>

(*) Cash equivalents are term deposits in Vietnamese Dong at commercial banks with original maturity of 3 months or less and earn an interest rate from 2.2% to 5.0% per annum (at at 31 December 2019: from 4.1% to 6.0% per annum).

As at 30 September 2020, cash and cash equivalents of VND783,734 million (as at 31 December 2019: VND714,591 million) were pledged as collateral assets for the bank loans and VND1,761,195 million (as at 31 December 2019: VND303,996 million) were managed by bank under purpose of borrowings for each project.

5 INVESTMENTS**(a) Investments held to maturity***(i) Investments held to maturity - short term*

	30/09/2020			31/12/2019		
	Cost VND	Provision VND	Carrying value VND	Cost VND	Provision VND	Carrying value VND
Term deposits	509,200,840,534	-	509,200,840,534	466,222,941,609	-	466,222,941,609

Short-term deposits represent bank deposits in VND with original maturity of more than three months and the remaining term not exceed twelve months at the commercial banks with interest rate from 4.2% to 7.9% per annum (as at 31 December 2019: from 6.2% to 8.25% per annum).

As at 30 September 2020, short-term term deposits of VND349,789 million (as at 31 December 2019: VND116,815 million) were pledged as collateral assets and no term deposits (as at 31 December 2019: nil) were managed by bank under purpose of borrowings for each project.

(ii) Investments held to maturity - long term

	30/09/2020			31/12/2019		
	Cost VND	Provision VND	Carrying value VND	Cost VND	Provision VND	Carrying value VND
Term deposits	30,860,850,548	-	30,860,850,548	41,763,600,000	-	41,763,600,000

Long-term deposits represent bank deposits in VND with original maturity of more than twelve months at the commercial banks with interest rate from 6.1% to 7.5% per annum (as at 31 December 2019: 7.5% per annum).

As at 30 September 2020, long-term term deposits of VND30,279 million (as at 31 December 2019: VND41,764 million) were pledged as collateral assets and no term deposits (as at 31 December 2019: nil) were managed by bank under purpose of borrowings for each project.

(b) Investments in other entities

Name	The principal activity	30/09/2020		31/12/2019	
		Cost VND	Fair value VND	Cost VND	Fair value VND
Hue Travel Corporation	Tourism services	7,939,750,000	(*)	7,939,750,000	(*)
		<u>7,939,750,000</u>		<u>7,939,750,000</u>	

5 INVESTMENTS (continued)**(b) Investments in other entities (continued)**

(*) As at 30 September 2020 and 31 December 2019, the Group has not determined the fair value of these investments to disclose on the consolidated financial statements because they do not have listed prices and Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of consolidated financial statements do not provide detailed guidance on the methods to determine fair value. The fair value of such investments may be different from their book value.

(c) Investments in associates and joint ventures

Name	The principal activity	30/09/2020		31/12/2019	
		Cost VND	Fair value VND	Cost VND	Fair value VND
Thanh My Loi Joint Stock Company	Real estate trading	-		5,438,402,881,107	(*)
Saigon Golf Company Limited	Real estate trading	151,702,409,621	(*)	148,260,800,420	(*)
Ben Thanh Housing Service and Development Joint Stock Company	Real estate trading	73,313,453,685	(*)	71,625,904,472	(*)
Nova SQN Investment Joint Stock Company	Real estate trading	23,537,174,986	(*)	33,678,225,627	(*)
Sai Gon Electronics and Industrial Service Joint Stock Company	Electronic components and telecommunications trading	2,617,366,176	(*)	2,643,029,559	(*)
Phu Dinh Port Joint Stock Company (Note 1(vi))	Support activities related to transportation, real	806,753,247,784	(*)	-	
Nova Security Joint Stock Company (Note 1(vii))	Personal protection activities	394,824,599	(*)	-	
Phu Tri Real Estate Investment Commercial Joint Stock Company (Note 1(ix))	Real estate trading	584,392,318,088	(*)	-	
Vietnam Youth Tourist Joint Stock Company (Note 1(viii))	Introduction and trade promotion activities	16,064,137,755	(*)	-	
		<u>1,658,774,932,694</u>		<u>5,694,610,841,185</u>	

(*) As at 30 September 2020 and 31 December 2019, the Group has not determined the fair value of these investments to disclose on the consolidated financial statements because they do not have listed prices and Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of consolidated financial statements do not provide detailed guidance on the methods to determine fair value. The fair value of such investments may be different from their book value.

5 INVESTMENTS (continued)**(c) Long term investments (continued)***Investments in associates and joint ventures (continued)*

Movements in the investments in associates during the period/year were as follows:

	For the period ended 30/09/2020 VND	For the year ended 31/12/2019 VND
Beginning of the period/year	5,694,610,841,185	7,694,964,022,477
Transfers from subsidiaries to associates	1,391,145,565,872	-
Additional investments in the period/year	16,544,137,755	604,283,000,000
Loss sharing from investments in associates	(5,044,764,191)	(9,578,783,868)
Transfers from associates to subsidiaries	(5,436,080,847,927)	(2,583,098,255,939)
Dissolution of associate	-	(9,559,141,485)
Dividend received	(2,400,000,000)	(2,400,000,000)
End of the period/year	<u>1,658,774,932,694</u>	<u>5,694,610,841,185</u>

6 SHORT-TERM TRADE ACCOUNTS RECEIVABLE

	30/09/2020 VND	31/12/2019 VND
Trade receivables from sales of real estate		
Third parties	1,012,480,142,434	964,108,260,507
Related parties (Note 42(b))	35,399,461,270	35,399,461,270
Trade receivables from rendering services		
Third parties	576,034,618,560	77,181,365,589
	<u>1,623,914,222,264</u>	<u>1,076,689,087,366</u>

As at 30 September 2020 and 31 December 2019, the balance of short-term trade accounts receivable which was past due amounting to VND10,263,645,778 are presented in Note 10.

7 SHORT-TERM PREPAYMENTS TO SUPPLIERS

	30/09/2020 VND	31/12/2019 VND
Third parties		
Sai Gon General Services Joint Stock Company	323,104,203,797	323,024,476,227
Green Mark Construction Joint Stock Company	320,886,667,367	-
Nova Homes Trading Joint Stock Company	229,800,000,000	-
Sai Gon Coop Investment and Development Joint Stock Company	102,500,000,000	102,500,000,000
Others	783,438,064,005	408,380,616,420
	<u>1,759,728,935,169</u>	<u>833,905,092,647</u>

As at 30 September 2020 and 31 December 2019, there was no balance of short term prepayments to suppliers which was past due or not past due but doubtful.

8 LENDING**(a) Short-term lending**

	30/09/2020 VND	31/12/2019 VND
Third parties (*)	4,243,324,256,181	496,091,950,464
Related parties (Note 42(b))	-	272,629,003,300
	<u>4,243,324,256,181</u>	<u>768,720,953,764</u>

(*) These are the short-term lendings to third parties which are unsecured and earn interest at rate from 3.9% to 18.0% per annum (as at 31 December 2019: from 4.8% to 18.0% per annum). The maturity of these lendings are from 3 to 12 months.

(b) Long-term lending

	30/09/2020 VND	31/12/2019 VND
Third parties (*)	331,900,000,000	-
	<u>331,900,000,000</u>	<u>-</u>

(*) These are the long-term lendings which are unsecured, earn interest at rate at 13.0% per annum and mature in 24 months.

As at 30 September 2020 and 31 December 2019, there was no balance of short-term and long-term lending which was past due or not past due but doubtful.

9 OTHER RECEIVABLES**(a) Other short-term receivables**

	30/09/2020		31/12/2019	
	Cost VND	Provision VND	Cost VND	Provision VND
Deposits for the acquisition of lands for projects	1,358,175,861,500	-	1,276,727,461,500	-
Deposits for the acquisition of shares (*)	1,662,084,295,518	-	475,200,461,660	-
Receivables relating to Saigon Golf (**)	388,560,000,000	-	388,560,000,000	-
Advances for projects	344,397,369,911	-	379,741,687,575	-
Interest receivable from deposits, lending and investment co-operation	127,286,860,990	-	103,019,159,618	-
Project development and investment co-operation	-	-	53,219,000,000	-
Deposits for projects	90,739,134,192	-	98,839,134,192	-
Others	570,909,593,328	-	449,694,492,900	-
	<u>4,542,153,115,439</u>		<u>3,225,001,397,445</u>	

9 OTHER RECEIVABLES (continued)**(a) Other short-term receivables (continued)**

In which, the balances with related parties and third parties were as follows:

	30/09/2020		31/12/2019	
	Cost VND	Provision VND	Cost VND	Provision VND
Third parties	4,102,898,503,378	-	2,770,959,941,152	-
Related parties (Note 42(b))	439,254,612,061	-	454,041,456,293	-

(*) These deposits for share acquisition of companies which the Group is investing, these deposits will be recognised as investments in subsidiaries or associates when the Group completes share transfers.

(**) These are receivables according to Cancellation Agreement of the Capital transfer contract with an amount of VND645,444,132,075 and a return of the additional capital contributed to Saigon Golf of VND388,560,000,000. During 2019, the Group has received an amount of VND645,444,132,075.

(b) Other long-term receivables

	30/09/2020		31/12/2019	
	Cost VND	Provision VND	Cost VND	Provision VND
Deposits for projects (*)	217,123,179,715	-	215,973,712,452	-
Project development and investment co-operation (**)	12,768,903,000,000	-	124,221,000,000	-
Others	26,169,870,288	-	30,544,354,296	-
	<u>13,012,196,050,003</u>	<u>-</u>	<u>370,739,066,748</u>	<u>-</u>

(*) This balance represents long-term deposit at the Department of Planning and Investment as an amount guaranteed for performing the projects.

(**) This balance represents project development and investment co-operation with partners. These amounts will be repaid in full to the Group at the end of the projects. The Group will receive profits at the end of the projects in accordance with agreed sharing ratio in the agreement.

In which, the balances with related parties and third parties were as follows:

	30/09/2020		31/12/2019	
	Cost VND	Provision VND	Cost VND	Provision VND
Third parties	12,803,866,050,003	-	365,056,749,293	-
Related parties (Note 42(b))	208,330,000,000	-	5,682,317,455	-

As at 30 September 2020 and 31 December 2019, there was no balance of other short-term and long-term receivables which was past due or not past due but doubtful.

10 DOUBTFUL DEBTS

	30/09/2020		31/12/2019	
	Cost VND	Provision VND	Cost VND	Provision VND
Short-term trade receivables which were past due				
Hoang Phuc House Construction Development Investment Company Limited	10,263,645,778	10,263,645,778	10,263,645,778	10,263,645,778
	<u>10,263,645,778</u>	<u>10,263,645,778</u>	<u>10,263,645,778</u>	<u>10,263,645,778</u>

11 INVENTORIES

(a) Inventories

	30/09/2020		31/12/2019	
	Cost VND	Provision VND	Cost VND	Provision VND
Properties in construction progress (i)	73,922,827,751,648	-	51,233,696,639,571	-
Properties in construction completion (ii)	5,327,380,885,814	(3,036,641,664)	5,834,252,601,525	(3,643,929,970)
Property merchandises	124,255,571,254	-	134,544,508,215	-
Other merchandises	8,655,831,019	-	6,943,380,879	-
	<u>79,383,120,039,735</u>	<u>(3,036,641,664)</u>	<u>57,209,437,130,190</u>	<u>(3,643,929,970)</u>
Provision for decline in value of inventories	(3,036,641,664)		(3,643,929,970)	
	<u>79,380,083,398,071</u>		<u>57,205,793,200,220</u>	

11 INVENTORIES (continued)

Movements in the provision for decline in value of inventories during the period/year were as follows:

	For the period ended 30/09/2020 VND	For the year ended 31/12/2019 VND
Beginning of the period/year	(4,149,873,461)	(7,579,047,926)
Increase	-	-
Reversal	1,113,231,797	3,935,117,956
End of the period/year	<u>(3,036,641,664)</u>	<u>(3,643,929,970)</u>

(i) As at 30 September 2020, the properties in construction progress mainly include land costs, consulting and designing fees, construction costs and other costs relating to the projects.

(ii) As at 30 September 2020, the balance presents the properties in construction completion for sale.

As at 30 September 2020, the Group's inventories of VND21,616,201 million (as at 31 December 2019: VND14,969,163 million) were pledged as collateral assets for loans.

Total amount of interest expenses capitalised into value of inventories during the period ended 30 September 2020 was VND1,987,978 million (year 2019: VND1,410,659 million).

(b) Long-term work in progress

The balance represents the value of properties in construction progress of projects located in Ho Chi Minh City. These projects are in the progress of completing the legal papers for future developments.

12 PREPAID EXPENSES**(a) Short-term prepaid expenses**

	30/09/2020 VND	31/12/2019 VND
Tools and equipments	9,682,413,395	2,654,165,805
Other deferred expenses	84,623,594,018	72,826,173,364
	<u>94,306,007,413</u>	<u>75,480,339,169</u>

12 PREPAID EXPENSES (continued)

(b) Long-term prepaid expenses

	30/09/2020 VND	31/12/2019 VND
Prepayment expenses for office and rental property renovation	13,546,295,248	72,207,090,994
Deferred expenses in accordance with revenue	95,676,405,873	53,464,458,773
Compensation cost for land clearance	-	41,881,487,734
Tools and equipments	18,439,608,498	13,645,182,869
Other deferred expenses	70,490,906,363	81,601,646,473
	<u>198,153,215,982</u>	<u>262,799,866,843</u>

Movements in long-term prepaid expenses during the period/year were as follows:

	For the period ended 30/09/2020 VND	For the year ended 31/12/2019 VND
Beginning of the period/year	262,799,866,843	414,115,027,558
Purchase	76,423,740,690	206,913,430,452
Transfers from construction in progress (Note 16)	7,027,785,503	-
Changes due to acquisition of subsidiaries	35,243,046	(99,318,908,130)
Allocation	(52,368,129,695)	(258,909,683,037)
Disposals	(54,053,593,064)	-
Changes due to disposal of subsidiaries	(41,711,697,341)	-
End of the period/year	<u>198,153,215,982</u>	<u>262,799,866,843</u>

13 TANGIBLE FIXED ASSETS

	Buildings VND	Plants and machinery VND	Motor vehicles VND	Office equipment VND	Other fixed assets VND	Total VND
Historical cost						
As at 1 January 2020	689,430,600,465	38,608,673,933	132,116,930,711	46,802,199,486	217,609,091	907,176,013,686
New purchases	599,000,000	6,229,808,639	5,919,659,886	7,949,011,049	-	20,697,479,574
Transfer from construction in progress (Note 16)	483,032,742,888	2,320,728,000	95,998,550,667	-	-	581,352,021,555
Increase from subsidiary acquisitions	143,500,000	-	-	65,427,182	-	208,927,182
Disposals	-	(1,508,170,111)	(18,635,836,364)	(1,955,766,000)	-	(22,099,772,475)
Disposals of subsidiaries	(196,898,029,531)	(1,905,511,829)	(821,705,218)	(174,216,435)	-	(199,799,463,013)
Other decrease	(267,984,200)	-	(36,000,000)	-	-	(303,984,200)
As at 30 September 2020	<u>976,039,829,622</u>	<u>43,745,528,632</u>	<u>214,541,599,682</u>	<u>52,686,655,282</u>	<u>217,609,091</u>	<u>1,287,231,222,309</u>
Accumulated depreciation						
As at 1 January 2020	(118,924,697,055)	(14,599,720,088)	(48,597,721,800)	(26,426,989,260)	(210,810,878)	(208,759,939,081)
Charge for the period	(18,846,929,449)	(3,068,062,430)	(15,786,816,717)	(6,643,189,913)	(6,798,213)	(44,351,796,722)
Increase from subsidiary acquisitions	(7,175,000)	-	-	(65,427,182)	-	(72,602,182)
Disposals	-	1,052,294,769	2,357,799,293	626,599,315	-	4,036,693,377
Disposals of subsidiaries	92,736,167,862	1,660,399,102	536,390,904	140,505,214	-	95,073,463,082
As at 30 September 2020	<u>(45,042,633,642)</u>	<u>(14,955,088,647)</u>	<u>(61,490,348,320)</u>	<u>(32,368,501,826)</u>	<u>(217,609,091)</u>	<u>(154,074,181,526)</u>
Net book value						
As at 1 January 2020	<u>570,505,903,410</u>	<u>24,008,953,845</u>	<u>83,519,208,911</u>	<u>20,375,210,226</u>	<u>6,798,213</u>	<u>698,416,074,605</u>
As at 30 September 2020	<u>930,997,195,980</u>	<u>28,790,439,985</u>	<u>153,051,251,362</u>	<u>20,318,153,456</u>	<u>-</u>	<u>1,133,157,040,783</u>

As at 30 September 2020, cost of fully depreciated fixed assets but still in use was VND37,993 million (as at 31 December 2019: VND36,025 million) and tangible fixed assets pledged as security for the borrowings granted to the Group was VND892,439 million (as at 31 December 2019: VND424,886 million).

14 INTANGIBLE FIXED ASSETS

	Land use rights VND	Trade mark VND	Software VND	Total VND
Historical cost				
As at 1 January 2020	68,702,167,947	30,000,000	99,974,662,075	168,706,830,022
New purchases	-	-	2,272,416,000	2,272,416,000
Decrease due to disposal of subsidiaries	-	-	(30,000,000)	(30,000,000)
As at 30 September 2020	<u>68,702,167,947</u>	<u>30,000,000</u>	<u>102,217,078,075</u>	<u>170,949,246,022</u>
Accumulated amortization				
As at 1 January 2020	-	(30,000,000)	(27,048,351,522)	(27,078,351,522)
Charge for the period	-	-	(14,373,918,097)	(14,373,918,097)
Decrease due to disposal of subsidiaries	-	-	30,000,000	30,000,000
As at 30 September 2020	<u>-</u>	<u>(30,000,000)</u>	<u>(41,392,269,619)</u>	<u>(41,422,269,619)</u>
Net book value				
As at 1 January 2020	<u>68,702,167,947</u>	<u>-</u>	<u>72,926,310,553</u>	<u>141,628,478,500</u>
As at 30 September 2020	<u>68,702,167,947</u>	<u>-</u>	<u>60,824,808,456</u>	<u>129,526,976,403</u>

As at 30 September 2020, cost of fully depreciated intangible fixed assets but still in use was VND11,350 million (As at 31 December 2019: VND10,304 million) and intangible fixed assets pledged as security for the borrowings granted to the Group was VND56,360 million (as at 31 December 2019: VND33,822 million).

15 INVESTMENT PROPERTIES

	Land use rights VND	Buildings VND	Total VND
Historical cost			
As at 1 January 2020	1,006,049,946,364	3,005,859,110,307	4,011,909,056,671
Transfers from inventories	-	85,314,424,786	85,314,424,786
Transfers from construction in progress (Note 16)	-	15,891,354,449	15,891,354,449
Other increase	-	1,767,883,450	1,767,883,450
Transfers to inventories	(930,957,140,000)	(56,408,378,014)	(987,365,518,014)
As at 30 September 2020	<u>75,092,806,364</u>	<u>3,052,424,394,978</u>	<u>3,127,517,201,342</u>
Accumulated amortization			
As at 1 January 2020	-	(213,467,485,835)	(213,467,485,835)
Charge for the period	-	(46,767,372,667)	(46,767,372,667)
Transfers to inventories	-	1,536,624,627	1,536,624,627
As at 30 September 2020	<u>-</u>	<u>(258,698,233,875)</u>	<u>(258,698,233,875)</u>
Net book value			
As at 1 January 2020	1,006,049,946,364	2,792,391,624,472	3,798,441,570,836
As at 30 September 2020	<u>75,092,806,364</u>	<u>2,793,726,161,103</u>	<u>2,868,818,967,467</u>

As at 30 September 2020, investment properties pledged as security for bank borrowings granted to the Group was VND1,350,677 million (as at 31 December 2019: VND2,229,357 million).

16 CONSTRUCTION IN PROGRESS

	30/09/2020 VND	31/12/2019 VND
Project in construction progress	16,372,054,773	464,785,187,965
Purchase of fixed assets	38,711,237,783	140,155,939,740
Office renovation	32,625,095,933	17,767,992,676
Showhouses	21,089,181,302	42,431,128,278
Others	2,952,296,769	2,952,296,769
	<u>111,749,866,560</u>	<u>668,092,545,428</u>

16 CONSTRUCTION IN PROGRESS (continued)

Movement of construction in progress during the period/year were as below:

	For the period ended 30/09/2020 VND	For the year ended 31/12/2019 VND
Beginning of the period/year	668,092,545,428	248,217,392,159
Increase in the period/year	69,159,436,784	537,087,011,700
Transfer to tangible fixed asset (Note 13)	(581,352,021,555)	(36,143,258,953)
Transfer to intangible fixed asset	-	(65,763,185,580)
Transfer to investment properties (Note 15)	(15,891,354,449)	(5,950,477,083)
Transfer to short-term prepaid expense	(8,171,185,859)	-
Transfer to long-term prepaid expense (Note 12(b))	(7,027,785,503)	-
Other decreases	(13,059,768,286)	(9,354,936,815)
End of the period/year	111,749,866,560	668,092,545,428

17 GOODWILL

	For the period ended 30/09/2020 VND	For the year ended 31/12/2019 VND
Beginning of the period/year	6,841,457,940,364	6,355,909,039,839
Increase in the period/year (*)	545,267,778,361	1,305,272,410,195
Amortization (Note 36)	(631,475,532,980)	(819,723,509,670)
Decrease due to disposal of subsidiaries	(204,317,659,163)	-
End of the period/year	6,550,932,526,582	6,841,457,940,364

(*) Details of goodwill arising from business combinations during the period/year and estimated allocation time are as below:

	Goodwill VND	Allocated time Year
Lucky House Investment Services Joint Stock Company	170,415,966	10
Tan Kim Yen Real Estate Investment Company Limited	89,600,344	10
The Ky Hoang Kim Real Estate Company Limited	29,986,675,213	10
Group of companies: Liberty Investment Joint Stock Company and Thanh My Loi Joint Stock Company	515,021,086,838	10
	545,267,778,361	

Details of goodwill arising from business combinations are presented in Note 3.

18 SHORT-TERM TRADE ACCOUNTS PAYABLE

	30/09/2020 VND	31/12/2019 VND
Third parties	2,096,354,742,393	2,544,285,201,205
Related parties (Note 42(b))	-	316,457,900
	<u>2,096,354,742,393</u>	<u>2,544,601,659,105</u>

As at 30 September 2020 and 31 December 2019, the Company had no short-term trade accounts payable overdue.

19 SHORT-TERM ADVANCES FROM CUSTOMERS

The short-term advances from customers mainly include advances from customers, prepaid amounts or deposits of customers according to the property transfer agreements of the Group's projects. The amount is recognized as revenue when the Group completes and hands over apartments to customers.

As at 30 September 2020 and 31 December 2019, there were no customers accounting from 10% or more of the total balance.

20 TAXES AND OTHER PAYABLES TO THE STATE BUDGET**(a) Taxes and other receivables from the State Budget**

	30/09/2020 VND	31/12/2019 VND
VAT to be reclaimed	1,147,684,409,656	978,926,176,534
Business income tax temporarily paid 1%	19,759,553,494	23,065,048,349
Overpaid business income tax	7,188,426,651	10,680,192,777
Others	71,512,756,184	74,380,872,649
	<u>1,246,145,145,985</u>	<u>1,087,052,290,309</u>

(b) Taxes and other payables to the State Budget

	30/09/2020 VND	31/12/2019 VND
Business income tax	161,852,725,325	178,287,280,513
Value added tax on domestic sales	140,673,631,955	6,739,208,458
Personal income tax	7,090,091,432	1,824,827,467
Others	32,717,034,187	18,861,733,317
	<u>342,333,482,899</u>	<u>205,713,049,755</u>

20 TAXES AND OTHER PAYABLES TO THE STATE BUDGET (continued)

The movement of tax and other payables to the State Budget during the period were as below:

	As at 01/01/2020 VND	Arose during the period VND	Netted off VND	Settled during the period VND	As at 30/09/2020 VND
(a) Tax receivables					
VAT to be reclaimed	(978,926,176,534)	(395,883,705,164)	227,125,472,042	-	(1,147,684,409,656)
Business income tax temporarily paid 1%	(23,065,048,349)	-	4,020,113,674	(714,618,819)	(19,759,553,494)
Overpaid business income tax	(10,680,192,777)	269,003,137	3,242,027,927	(19,264,938)	(7,188,426,651)
Others	(74,380,872,649)	(53,607,172)	2,926,461,491	(4,737,854)	(71,512,756,184)
Total	(1,087,052,290,309)	(395,668,309,199)	237,314,075,134	(738,621,611)	(1,246,145,145,985)
(b) Tax payables					
Business income tax	178,287,280,513	171,863,226,160	(7,237,209,643)	(181,060,571,705)	161,852,725,325
Value added tax on domestic sales	6,739,208,458	391,853,794,526	(228,169,957,419)	(29,749,413,610)	140,673,631,955
Personal income tax	1,824,827,467	78,765,228,130	(12,957,804)	(73,487,006,361)	7,090,091,432
Land use tax	-	354,572,438,540	(1,869,018,310)	(346,817,703,655)	5,885,716,575
Others	18,861,733,317	95,276,724,809	(24,931,958)	(87,282,208,556)	26,831,317,612
Total	205,713,049,755	1,092,331,412,165	(237,314,075,134)	(718,396,903,887)	342,333,482,899

21 PAYABLES TO EMPLOYEES

	30/09/2020 VND	31/12/2019 VND
Salary	2,247,354,837	499,876,797
13th month salary, bonus	83,799,238,988	30,796,453,126
	<u>86,046,593,825</u>	<u>31,296,329,923</u>

22 SHORT-TERM ACCRUED EXPENSES

	30/09/2020 VND	31/12/2019 VND
Construction costs	1,445,866,765,631	1,661,156,307,763
Interest expenses on borrowings and investment co-operation	1,220,933,760,749	725,859,264,145
Others	204,055,864,688	310,781,134,326
	<u>2,870,856,391,068</u>	<u>2,697,796,706,234</u>

In which, the balances with related parties and third parties were as follows:

Third parties	2,841,526,249,236	2,695,828,185,412
Related parties (Note 42(b))	29,330,141,832	1,968,520,822
	<u>2,870,856,391,068</u>	<u>2,697,796,706,234</u>

23 OTHER PAYABLES**(a) Other short-term payables**

	30/09/2020 VND	31/12/2019 VND
Project development and investment co-operation (Note 23(b)(*))	2,195,350,000,000	2,079,350,000,000
Maintenance fund payables (i)	364,578,016,387	434,148,010,658
Payables relating to deposits received for contracts which were liquidated	120,000,000,000	492,000,000,000
Deposits for purchase of properties	166,538,415,000	88,824,850,000
Others	2,044,826,020,817	530,015,202,176
	<u>4,891,292,452,204</u>	<u>3,624,338,062,834</u>

(i) The maintenance fund payables represent 2% of the total net value of the contracts which the Group collected from the residents for the maintenance of apartments. This amount will be transferred to the Residence Committee when the Residence Committee is established.

(b) Other long-term payables

	30/09/2020 VND	31/12/2019 VND
Project development and investment co-operation (*)	31,717,382,595,973	14,127,007,050,899
Others	5,106,890,454	6,024,939,545
	<u>31,722,489,486,427</u>	<u>14,133,031,990,444</u>

(*) The balance represents the capital contribution for project development and investment cooperation from third parties. The Group is obliged to refund this amount in full to counter parties at the end of the projects. The Group shall share profits arising from the projects in accordance with agreed sharing ratios in agreements. In addition, for some contracts, the Group will have to pay a fixed interest according to the agreed payment schedule in the contract.

As at 30 September 2020 and 31 December 2019, there was no balance of other short-term and long-term payables which was past due or not past due but doubtful.

24 BORROWINGS

	As at 01/01/2020 VND	Increase VND	Decrease VND	Current portion of long-term borrowings VND	As at 30/09/2020 VND
(a) Short-term borrowings					
- Bank loans (*)	1,761,119,694,971	1,550,660,421,561	(2,202,328,915,543)	3,889,064,435,986	4,998,515,636,975
- Bonds issuance (**)	2,576,900,000,000	1,415,200,000,000	(2,016,900,000,000)	715,700,000,000	2,690,900,000,000
- Borrowings from third parties (***)	3,731,232,500,000	3,635,685,139,118	(4,727,570,498,631)	2,015,955,000,000	4,655,302,140,487
- Borrowings from related parties (****)	384,230,000,000	448,220,346,330	(384,230,000,000)	-	448,220,346,330
- Bond issuance cost	(8,844,184,645)	(22,923,000,000)	17,665,486,401	(5,300,590,273)	(19,402,288,517)
	8,444,638,010,326	7,026,842,907,009	(9,313,363,927,773)	6,615,418,845,713	12,773,535,835,275
(b) Long-term borrowings					
- Bank loans (*)	12,764,603,252,307	3,460,966,861,350	(3,063,597,954,000)	(3,889,064,435,986)	9,272,907,723,671
- Bonds issuance (**)	10,358,680,000,000	13,001,911,700,000	(1,247,914,700,000)	(715,700,000,000)	21,396,977,000,000
- Borrowings from third parties (***)	3,294,475,000,000	5,300,000,000	-	(2,015,955,000,000)	1,283,820,000,000
- Bond issuance cost	(272,113,803,814)	(150,209,152,510)	85,481,659,158	5,300,590,273	(331,540,706,893)
	26,145,644,448,493	16,317,969,408,840	(4,226,030,994,842)	(6,615,418,845,713)	31,622,164,016,778

24 BORROWINGS (continued)

(*) Details of closing balances of bank loans were as follows:

	30/09/2020 VND	31/12/2019 VND
(a) Short-term borrowings		
Vietnam Prosperity Joint Stock Commercial Bank (i)	1,189,072,000,000	816,804,000,000
Credit Suisse AG - Singapore Branch (ii)	1,597,865,500,000	-
Joint Stock Commercial Bank for Foreign Trade of Vietnam - Ho Chi Minh Branch (ii)	2,937,500,000	-
Industrial and Commercial Bank of China Limited - Hanoi City Branch (iii)	280,000,000,000	118,000,000,000
Nam A Commercial Joint Stock Bank - Ly Thuong Kiet Branch (iv)	243,000,000,000	-
Joint Stock Commercial Bank for Foreign Trade of Vietnam - South Saigon Branch (v)	164,297,077,941	224,711,513,310
Credit Suisse AG - Singapore Branch (vi)	189,068,750,000	-
Vietnam Prosperity Joint Stock Commercial Bank (vii)	190,000,000,000	190,000,000,000
Vietnam Prosperity Joint Stock Commercial Bank (viii)	561,892,000,000	-
Vietnam Prosperity Joint Stock Commercial Bank (ix)	225,000,000,000	-
Sai Gon Thuong Tin Commercial Joint Stock Bank - Transaction Center (x)	74,000,000,000	60,441,000,000
Deutsche Investitions-und Entwicklungsgesellschaft mbH (xi)	66,485,712,956	33,171,427,908
Ho Chi Minh City Housing Development Joint Stock Commercial Bank - Headquarter (xi)	50,000,000	-
Vietnam Joint Stock Commercial Bank for Industry and Trade Filiale Deutschland (xii)	168,707,500,000	-
The Shanghai & Savings Bank, Ltd. Offshore Banking Branch (xii)	29,087,500,000	-
Vietnam Joint Stock Commercial Bank for Industry and Trade - Branch 1 (xii)	5,750,000,000	-
Phuong Dong Commercial Joint Stock Bank - District 4 Branch (xiii)	11,302,096,078	-
Sai Gon Thuong Tin Commercial Joint Stock Bank - Transaction Center (xiv)	-	136,818,182,000
Kien Long Commercial Joint Stock Bank - Sai Gon Branch (xv)	-	67,375,000,000
Sai Gon Thuong Tin Commercial Joint Stock Bank - District 4 Branch	-	113,798,571,753
	<u>4,998,515,636,975</u>	<u>1,761,119,694,971</u>

24 BORROWINGS (continued)

(*) Details of closing balances of bank loans were as follows: (continued)

	30/09/2020 VND	31/12/2019 VND
(b) Long-term borrowings		
Credit Suisse AG - Singapore Branch (ii)	4,212,554,500,000	3,458,200,000,000
Joint Stock Commercial Bank for Foreign Trade of Vietnam - Ho Chi Minh Branch (ii)	20,562,500,000	23,500,000,000
Credit Suisse AG - Singapore Branch (vi)	1,323,481,250,000	2,322,000,000,000
Joint Stock Commercial Bank for Foreign Trade of Vietnam - Ho Chi Minh Branch (vi)	23,500,000,000	23,500,000,000
Vietnam Prosperity Joint Stock Commercial Bank (i)	891,392,000,000	1,783,196,000,000
Vietnam Joint Stock Commercial Bank for Industry and Trade Filiale Deutschland (xii)	506,122,500,000	673,380,000,000
The Shanghai & Savings Bank, Ltd. Offshore Banking Branch (xii)	87,262,500,000	-
Vietnam Joint Stock Commercial Bank for Industry and Trade - Branch 1 (xii)	17,250,000,000	23,000,000,000
Vietnam Prosperity Joint Stock Commercial Bank (ix)	375,000,000,000	600,000,000,000
Vietnam Prosperity Joint Stock Commercial Bank (xvi)	450,000,000,000	-
Deutsche Investitions-und Entwicklungsgesellschaft mbH (xi)	398,914,287,044	431,228,572,092
Ho Chi Minh City Housing Development Joint Stock Commercial Bank - Headquarter (xi)	650,000,000	700,000,000
Vietnam Prosperity Joint Stock Commercial Bank (vii)	237,500,000,000	380,000,000,000
Phuong Dong Commercial Joint Stock Bank - District 4 Branch (xiii)	214,729,186,627	122,466,862,215
Vietnam Prosperity Joint Stock Commercial Bank (viii)	216,689,000,000	-
Vietnam Maritime Commercial Joint Stock Bank - Ho Chi Minh Branch (xvii)	204,800,000,000	-
Sai Gon Thuong Tin Commercial Joint Stock Bank - Transaction Center (x)	92,500,000,000	148,000,000,000
Sai Gon Thuong Tin Commercial Joint Stock Bank - Transaction Center (xiv)	-	1,368,181,818,000
Kien Long Commercial Joint Stock Bank - Sai Gon Branch (xv)	-	250,250,000,000
Vietnam Joint Stock Commercial Bank for Industry and Trade - Ho Chi Minh Branch (xviii)	-	1,157,000,000,000
	<u>9,272,907,723,671</u>	<u>12,764,603,252,307</u>

(i) These are borrowings in Vietnamese Dong with the amount of VND2,600,000,000,000 for a term of thirty six (36) - forty eight (48) months since the first drawdown. As at 30 September 2020, the Group had outstanding balance of VND2,080,464,000,000. The interest rate is applied at the bank's highest rate of the twelve-month normal saving deposit to individuals (paid in arrears) plus a margin of 4.45% to 4.8% per annum. These borrowings are secured by the shares and contributed capital of the Group's subsidiary and associate, and the property rights arising from compensation for land clearance in District 2, Ho Chi Minh City.

24 BORROWINGS (continued)

(ii) These are borrowings with a credit facility of USD251,000,000 to Nova Hospitality Joint Stock Company, including 2 loans as follow:

- The borrowings in USD arranged by Credit Suisse AG, Singapore Branch; Industrial and Commercial Bank of China Limited, Hanoi City Branch; Taichung Commercial Bank Co, Ltd., Offshore Banking Branch; Taiwan Business Bank, Offshore Banking Branch; Taiwan Cooperative Bank, Offshore Banking Branch and other syndicated lenders. The loan duration is forty-two (42) months from the first date of drawdown. Interest rate is defined as LIBOR rate plus a margin of 4.25% per annum and repayable every six (6) months. Until 30 September 2020, these borrowings was disbursed fully by USD250,000,000. These borrowings are secured by a project in District 2, Ho Chi Minh City and a project in Xuyen Moc District, Ba Ria Vung Tau Province.

- The borrowings in Vietnamese Dong from Joint Stock Commercial Bank for Foreign Trade of Vietnam - Ho Chi Minh Branch with a credit limit of VND23,500,000,000 (equivalent to USD1,000,000) for a term of forty eight (48) months and ten (10) days since the drawdown date. Interest rate are adjusted every 6 months at a rate of twelve-month saving deposits from individuals plus a margin of 3.5% per annum. These borrowings are secured by deposit contracts at the bank.

(iii) These are borrowings in Vietnamese Dong under a credit facility of VND350,000,000,000 for a term of 12 months to finance the working capital. Interest rates are being specified in each drawdown. As at 30 September 2020, the Group had a outstanding balance of VND280,000,000,000 with an interest rate of 8.9% per annum. The loan is secured by shares of the Company owned by the shareholders.

(iv) These are borrowings in Vietnamese Dong with a credit limit of VND243,000,000,000 for a term of 12 months since the drawdown date to finance working capital. Interest rate is 7.9% per annum. These borrowings are secured by deposit contracts at the lender.

(v) These are borrowings in Vietnamese Dong under a credit facility of VND250,000,000,000 for a term of eleven (11) months to finance working capital of the Company. Interest rates are being specified in each drawdown. As at 30 September 2020, the Group had the outstanding balance of VND164,297,077,941 which bears an interest rate from 6.9% to 7.3% per annum. These borrowings are secured by deposit contracts at the lender ensuring the total value of collateral assets over the outstanding balance, at all time, is 10%.

(vi) These are borrowings with a credit facility of USD251,000,000 to Nova Hospitality Joint Stock Company, including 2 loans as follow:

- The borrowings in USD arranged by Credit Suisse AG, Singapore Branch and other syndicated lenders. The loan duration is forty-two (42) months from the first date of drawdown. Interest rate is defined as LIBOR rate plus a margin of 4.25% per annum and repayable every six (6) months. These borrowings are secured by a project in Phan Thiet City, Binh Thuan Province and a project in District 3, Ho Chi Minh City. Until 30 September 2020, these borrowings was disbursed partially by USD100,000,000 and were repaid USD35,000,000. As at 30 September 2020, the Group had the outstanding balance of USD65,000,000.

- The borrowings in Vietnamese Dong from Joint Stock Commercial Bank for Foreign Trade of Vietnam - Ho Chi Minh Branch with a credit limit of VND23,500,000,000 (equivalent to USD1,000,000) for a term of forty eight (48) months and ten (10) days since the drawdown date. Interest rate are adjusted every 6 months at a rate of twelve-month saving deposits from individuals plus a margin of 3% per annum. These borrowings are secured by deposit contracts at the bank.

(vii) These are borrowings in Vietnamese Dong with a credit limit of VND760,000,000,000 for a term of 60 months since the drawdown on 27 December 2017. The interest is applied at a highest rate of the twelve-month saving deposits in Vietnamese Dong (paid in arrears) plus a margin of 4% per annum. These borrowings are secured by the land use right of a real estate in District 2, Ho Chi Minh City and the shares owned by the Company in a subsidiary.

24 BORROWINGS (continued)

(viii) These are borrowings in Vietnamese Dong with the amount of VND1,200,000,000,000, with a term of forty eight (48) months from the first disbursement date in July 2018. Interest rate is 12% per annum and is adjusted every three (3) months. The loan is secured by shares and capital contributions of the Group's subsidiaries and property rights arising from land clearance compensation in District 2, Ho Chi Minh City.

(ix) These are borrowings in Vietnamese Dong with the amount of VND600,000,000,000 for a term of sixty-six (60) months since the first drawdown date of 29 December 2017. This loan bears an interest rate of the bank's highest rate of the twelve-month saving deposits from individuals in Vietnamese Dong (paid in arrears) of the highest level in Vietnam Prosperity Joint Stock Commercial Bank plus a margin of 4% per annum. These borrowings are guaranteed by shares of the Company owned by the shareholders and the capital contribution of the Group's subsidiary.

(x) These are borrowings in Vietnamese Dong with a credit limit of VND232,000,000,000 for a term of 60 months and the grace period is 12 months since the drawdown on 29 December 2017. The principal are paid on a three-month basis. Interest rate is 10.5% per annum for the first three-month period, and at a rate of the thirteen-month saving deposits from individuals in Vietnamese Dong (paid in arrears) plus a margin of 3.5% per annum from the fourth (4th) month onwards. These borrowings are secured by parking areas of Tropic 1 and Lexington project and a part of commercial blocks of three Sunrise City projects (South, Central, North).

(xi) These are borrowings with a credit facility of USD20,000,000 and VND700,000,000 to No Va Land Investment Group Corporation, including 2 loans as follow:

- The borrowings in USD with a credit limit of USD20,000,000 from Deutsche Investitions-und Entwicklungsgesellschaft mbH. The loan duration is ninety-six (96) months and does not exceed 15 June 2027. The interest rate is defined as the 6-month LIBOR rate plus the margin of 4.4% per annum. Interest is paid every six (6) months.

- The borrowings in Vietnamese Dong with a credit limit of VND700,000,000 from Ho Chi Minh City Development Joint Stock Commercial Bank for a term of ninety-six (96) months from the date following the date of drawdown and does not exceed 15 June 2027. The principal are paid on a six-month basis and the grace period is twelve (12) months since the drawdown date. Interest rate is 12% per annum for the first three months and since the fourth month, the interest is defined at a rate of the twelve-month saving deposits from individuals in Vietnamese Dong (paid in arrears) in Ho Chi Minh City Housing Development Joint Stock Commercial Bank plus the margin of 4.7% per annum.

These borrowings are secured by the land use right and the properties associated with the land belonging to a project in Can Tho province.

(xii) These are syndicated loans which Vietnam Joint Stock Commercial Bank for Industry and Trade - Branch 1 is the facility agent and the arranger agent. Loan amount is USD35,000,000, in which with respective parties as Vietinbank - Branch 1 (USD1 million, equivalent to VND23 billion), Vietnam Joint Stock Commercial Bank for Industry and Trade Filiale Deutschland (USD29 million) and The Shanghai & Savings Bank, Ltd. Offshore Banking Branch (USD5 million), for a term of thirty (30) months. The borrowing in USD is bearing an interest of 3-month LIBOR plus a margin of 5.5% per annum and the borrowing in Vietnamese Dong is bearing an interest of the twelve-month saving deposit in Vietnamese Dong from individuals in Vietinbank - Branch 1 plus a margin of 4% per annum. These borrowings are secured by parking area of three Sunrise City projects (South, Central, North) and two commercial blocks of Sunrise City South project.

(xiii) These are borrowings in Vietnamese Dong with a credit limit of VND300,000,000,000 for a term of 12 years since the drawdown on 19 February 2019 and the grace period is 24 months since the drawdown date. After the grace period, the principal is paid on a three-month basis. Interest rates are being specified in each drawdown and are adjusted every three (3) months at a rate of twelve-month saving deposits from individuals in Vietnamese Dong (paid in arrears) of OCB plus a margin of 3.5% per annum. These borrowings are secured by shares of the Company owned by shareholders, shares in the Developer Company, and total value of assets formed in the future of Ibis Vung Tau Project.

24 BORROWINGS (continued)

(xiv) These are borrowings in Vietnamese Dong with the amount of VND1,505,000,000,000 for a term of forty eight (48) months since the first drawdown. The interest rate is applied at the bank's interest rate of the thirteen-month saving deposit to individuals (paid in arrears) plus a margin of 4.0% per annum. These borrowings are secured by the contributed capital of the Group's subsidiary, real estates and property rights of a project in Long Hung Commune, Bien Hoa City, Dong Nai Province. Until 30 September 2020, these borrowings were early settled.

(xv) These are borrowings in Vietnamese Dong with a credit limit of VND385,000,000,000 for a term of 60 months since the drawdown on 6 February 2018. Interest rate is 9.65% per annum for the first month and 10.5% per annum for the next two months, then adjusted every three (3) months at a rate of the thirteen-month saving deposits in Vietnamese Dong (paid in arrears) plus a margin of 3.69% per annum and not lower than current interest rate quoted at the time of adjustment (for loans with the same type and method). These borrowings are secured by a real estate in District 1, Ho Chi Minh City. Until 30 September 2020, these borrowings were early settled.

(xvi) These are borrowings in Vietnamese Dong with the amount of VND450,000,000,000 for a term of 36 months since the drawdown on 3 March 2020 and the grace period is 18 months since the drawdown date. The principal are paid on a three-month basis. Interest rate is 11.5% per annum for the first two (2) months, and at a rate of Vietnam Prosperity Joint Stock Commercial Bank's twelve-month saving deposits from individuals in Vietnamese Dong (paid in arrears) plus a margin of 4.35% per annum but not lower than 11.5% per annum from the third (3rd) month onwards. These borrowings are secured by the land use right and assets formed in the future of a Project in Khanh Hoa Province and contributed capital in the Developer.

(xvii) These are borrowings in Vietnam Dong with the amount under the Debt Receipt of VND204,800,000,000 for a term of thirty six (36) months from the first disbursement date. Loan interest rate is 10% per annum for the first interest period and then is adjusted every six (06) months at the highest interest rate of twelve-month saving deposits from individuals in Vietnamese Dong (paid in arrears) plus a margin of 3.5% per annum but not lower than 10% per annum. This loan is secured by land use rights and property rights of the Group and the Group's subsidiaries in Ho Chi Minh City.

(xviii) These are borrowings in Vietnamese Dong with the amount of VND1,700,000,000,000 for a term of thirty-six (36) months since the first drawdown date. The loan bears an interest at 11.3% per annum and the loan interest rate is adjusted every three (3) months at a rate of twelve-month saving deposits from individuals in Vietnamese Dong (paid in arrears) plus the additional cost of capital mobilization determined by Vietnam Joint Stock Commercial Bank for Industry and Trade in case of market fluctuations plus a margin of 4.5% per annum. The loan is secured by all of the Group's contributed capital in the subsidiary; the capital contribution of the Group's subsidiary and the real estate, property rights under the project in Long Hung Commune, Bien Hoa City, Dong Nai Province. Until 30 September 2020, these borrowings were early settled.

24 BORROWINGS (continued)

(**) Details for the balances of issued bonds are as follows:

	30/09/2020 VND	31/12/2019 VND
(a) Short-term bonds issuance		
Bonds issued at par		
MB Securities Joint Stock Company (i)	400,000,000,000	-
MB Securities Joint Stock Company (ii)	300,000,000,000	-
MB Securities Joint Stock Company (iii)	340,000,000,000	-
MB Securities Joint Stock Company (iv)	255,000,000,000	-
Tien Phong Commercial Joint Stock Bank (v)	300,000,000,000	800,000,000,000
Military Commercial Joint Stock Bank - North Sai Gon Branch (vi)	250,000,000,000	-
Yuanta Securities Vietnam Company Limited (vii)	246,200,000,000	-
Military Commercial Joint Stock Bank - North Sai Gon Branch (viii)	214,000,000,000	-
Vietnam Public Joint Stock Commercial Bank - Sai Gon Branch (ix)	200,000,000,000	200,000,000,000
Tien Phong Commercial Joint Stock Bank (x)	120,000,000,000	60,000,000,000
Military Commercial Joint Stock Bank - North Sai Gon Branch (xvi)	65,700,000,000	-
Military Commercial Joint Stock Bank - North Sai Gon Branch (xi)	-	570,900,000,000
VietinBank Insurance Joint Stock Company	-	100,000,000,000
VietinBank Gold & Jewellery Company Limited	-	100,000,000,000
Vietnam Joint Stock Commercial Bank for Industry and Trade – Ho Chi Minh City Branch	-	146,000,000,000
MB Securities Joint Stock Company	-	400,000,000,000
Bao Viet Group	-	200,000,000,000
	<u>2,690,900,000,000</u>	<u>2,576,900,000,000</u>

(b) Long-term bonds issuance

	30/09/2020 VND	31/12/2019 VND
Bonds issued at par		
The Bank of New York Mellon, London Branch (xii)	5,465,977,000,000	5,549,580,000,000
Military Commercial Joint Stock Bank - North Sai Gon Branch (xiii)	2,600,000,000,000	-
Vietnam Prosperity Joint Stock Commercial Bank (xiv)	7,000,000,000,000	-
Vietnam Public Joint Stock Commercial Bank - Sai Gon Branch (ix)	1,100,000,000,000	1,100,000,000,000
Military Commercial Joint Stock Bank - North Sai Gon Branch (xv)	749,700,000,000	-
Tien Phong Commercial Joint Stock Bank (v)	700,000,000,000	700,000,000,000
Military Commercial Joint Stock Bank - North Sai Gon Branch (xvi)	591,300,000,000	-
Vietnam Public Joint Stock Commercial Bank - Sai Gon Branch (xvii)	500,000,000,000	500,000,000,000
Military Commercial Joint Stock Bank - North Sai Gon Branch (vi)	350,000,000,000	600,000,000,000
Agribank Securities Joint Stock Company (xviii)	200,000,000,000	200,000,000,000
MB Securities Joint Stock Company (iii)	70,000,000,000	410,000,000,000
Viet Dragon Securities Corporation (xix)	200,000,000,000	-
Tien Phong Commercial Joint Stock Bank (x)	80,000,000,000	140,000,000,000
Techcom Securities Joint Stock Company (xx)	1,290,000,000,000	-
Military Commercial Joint Stock Bank - North Sai Gon Branch (xxi)	400,000,000,000	-
Military Commercial Joint Stock Bank - North Sai Gon Branch (xxii)	100,000,000,000	-
Military Commercial Joint Stock Bank - North Sai Gon Branch (xi)	-	1,159,100,000,000
	<u>21,396,977,000,000</u>	<u>10,358,680,000,000</u>

24 BORROWINGS (continued)

(i) Bonds issued at total par value of VND400,000,000,000 in Vietnamese Dong maturing in March 2021, bearing interest rate at 10.5% per annum. These bonds are secured by shares of the Company owned by shareholders.

(ii) Bonds issued at par value in Vietnamese Dong to MB Securities Joint Stock Company including:

- The package of bonds with a par value of VND100,000,000,000, maturing in April 2021, bearing an interest rate of 10.5% per annum. These bonds are secured by shares of the Company owned by the shareholders.

- The package of bonds with a par value of VND200,000,000,000, maturing in May 2021, bearing an interest rate of 10.5% per annum. These bonds are secured by shares of the Company owned by the shareholders.

(iii) Bonds issued at par value in Vietnamese Dong to MB Securities Joint Stock Company, including:

- The package of bonds with a par value of VND200,000,000,000, maturing in May 2021, bearing an interest rate of 11% per annum for the first interest period. Then, the interest rate is adjusted every six (6) months and calculated by average of the interest rate offered for twelve-month deposits from individuals in Vietnamese Dong (paid in arrears) by four (4) banks including: Bank for Investment and Development of Viet Nam, Joint Stock Commercial Bank for Foreign Trade of Vietnam, Vietnam Joint Stock Commercial Bank for Industry and Trade, and Military Joint Stock Commercial Bank plus a margin of 4.0% per annum. These bonds are secured by shares of the Company owned by shareholders.

- The package of bond with par value of VND210,000,000,000, maturing in December 2021, bearing an interest rate of 11% per annum for the first interest period. Then, the interest rate is adjusted every three (3) months and calculated by average of the interest rate offered for twelve-month deposits from individuals in Vietnamese Dong (paid in arrears) by four (4) banks including: Bank for Investment and Development of Viet Nam, Joint Stock Commercial Bank for Foreign Trade of Vietnam, Vietnam Joint Stock Commercial Bank for Industry and Trade, and Military Joint Stock Commercial Bank plus a margin of 4.0% per annum. These bonds are secured by shares of the Company owned by shareholders.

(iv) Bonds issued at par value in Vietnamese Dong with MB Securities Joint Stock Company as an agent, with total par value of VND480,000,000,000, maturing in August 2021. The interest rate is fixed at 10.5% per annum. These bonds are secured by shares of the Company owned by shareholders. The total value which were successfully issued as at 30 September 2020 is VND255,000,000,000.

(v) Bonds issued at par value in Vietnamese Dong, including three (3) bonds with total par value of VND1,500,000,000,000. The details are as follows:

- Bond A: total par value of VND500,000,000,000 with a term of 18 months, maturing in 2020.
- Bond B: total par value of VND300,000,000,000 with a term of 24 months, maturing in 2020.
- Bond C: total par value of VND700,000,000,000 with a term of 36 months, maturing in 2021.

The interest rate of these bonds is 10.5% per annum for the first period. The interest period is three (3) months. The interest rate applied for the remaining period will be defined at a rate of the twelve-month saving deposits in Vietnamese Dong from individuals (paid in arrears) of TPBank plus a margin of 4.0% per annum. These bonds are secured by the development right of the project Grand Manhattan and shares of the Developer of this project owned by shareholders. Until 30 September 2020, bond A were settled.

(vi) Bonds issued at par value in Vietnamese Dong to Military Commercial Joint Stock Bank - North Sai Gon Branch, with a total par value of VND600,000,000,000, maturing in December 2022. The interest rate for the first year is 10.5% per annum then it is determined as the twelve-month normal saving deposit of Military Commercial Joint Stock Bank (paid in arrears) plus a margin of 3.5% per annum. These borrowings are secured by the land use rights and the property rights related to the project at Long Truong Ward, District 9, Ho Chi Minh City and all contributed capital of a Group's subsidiary at the project's Developer.

24 BORROWINGS (continued)

(vii) Bonds issued at par value in Vietnamese Dong with Yuanta Securities Vietnam Company Limited as an agent, with total par value of VND400,000,000,000. These bonds mature in August 2021 and bear an interest rate at 10.5% per annum. The total value which were successfully issued as at 30 September 2020 is VND246,200,000,000. These bonds are secured by shares of the Company owned by shareholders.

(viii) Bonds issued at par value in Vietnamese Dong to Military Commercial Joint Stock Bank - North Sai Gon Branch with a total par value of VND214,000,000,000, maturing in June 2021. The interest rate for the first quarter is 10% per annum, after that the interest rate is floating and adjusted every three (3) months and defined as the twelve-month normal saving deposits from individuals in Vietnamese Dong (paid in arrears) by Military Commercial Joint Stock Bank plus a margin of 2.5% per annum. These bonds are secured by the land use rights and the property rights related to the project at Bien Hoa City, Dong Nai Province, contributed capital at the project's Developer and a part of contributed capital at the parent company of the project's Developer.

(ix) Bonds issued at par value in Vietnamese Dong to Vietnam Public Joint Stock Commercial Bank - Sai Gon Branch. Bond package has a total value of VND1,300,000,000,000 and the final maturity date in 2023. The interest rate for the first interest period is 11.75% per annum. The interest rate for remaining periods is adjusted on a three-month basis and is defined as base rate at the time of adjustment plus 4.25% per annum. Base rate is the highest interest rate of "Public Bank Deposit" twelve-month saving deposits (paid in arrears), with the currency corresponding to that of borrowings, according to the deposit interest rate schedule of Vietnam Public Joint Stock Commercial Bank published from time to time. These bonds are secured by shares of the Company owned by the shareholders.

(x) Bonds issued at par value in Vietnamese Dong with a total par value of VND200,000,000,000 and a term of two (2) years. The last maturity date is in October 2021 and early redemption before the twelfth month is VND60 billion, the eighteenth month is VND60 billion, the twenty-fourth month is VND80 billion. The interest rate for the first interest period is 11% per annum and then it is adjusted every three (3) months and defined as the twelve-month normal saving deposit from individuals in Vietnamese Dong (paid in arrears) by Tien Phong Commercial Joint Stock Bank plus with a margin of 4% per annum. These bonds are secured by shares of the Company owned by the shareholders.

(xi) Bonds issued at par value in Vietnamese Dong, advised by MB Securities Joint Stock Company, with a total par value of VND1,730,000,000,000, maturing in December 2022. The interest rate for the first 3 months is 7.5% per annum. Then, the interest rate is adjusted to 10.0% per annum for the following 9 months and after that, it is adjusted every three (3) months and defined as a reference rate plus 3.5% per annum. The reference rate is calculated by average of the interest rate offered for twelve-month deposits from individuals in Vietnamese Dong (paid in arrears) by four (4) banks including: Bank for Investment and Development of Viet Nam, Joint Stock Commercial Bank for Foreign Trade of Vietnam, Vietnam Joint Stock Commercial Bank for Industry and Trade, and Military Joint Stock Commercial Bank. These bonds are secured by the capital contribution of the Company at the issuing company. Until 30 September 2020, these bonds were early settled.

24 BORROWINGS (continued)

(xii) These are 800 convertible bonds issued on 27 April 2018 ("Issue Date") and additional 400 convertible bonds issued on 14 December 2018 at par value in USD to international investors which The Bank of New York Mellon - London Branch is trustee, Credit Suisse - Singapore Branch is arranger and issuance agents. The package of convertible bonds amounted of USD240,000,000 with a par value of USD200,000 per bond will mature on 27 April 2023 ("Maturity Date"), subject to a bond coupon interest of 5.5% per annum which will be repaid every 6 months and a redemption yield of 6.25% per annum which is calculated on a 6 month basis. These bonds are unsecured and could be converted into shares of No Va Land Investment Group Corporation (NVL) since the 41st day from the Issue Date until the 10th day before the Maturity Date. The initial conversion price was determined at VND74,750 per share, and was adjusted to VND60,000 per share on 27 October 2019, corresponding to the conversion rate of 75,910 shares per convertible bond and may be adjusted in the following cases: (1) Business events resulting in a change in the share value, and/or (2) adjustment corresponding to the decrease in NVL share price with an adjustment not exceeding 75% of the Initial Conversion Price, VND56,062.5 per share. Until 30 September 2020, total bonds converted into shares was USD4,900,000 of par value, the remaining balance of bonds is USD235,100,000.

(xiii) Bonds issued at par value in Vietnamese Dong to Military Commercial Joint Stock Bank - North Sai Gon Branch, including four (4) bonds with total par value of VND2,600,000,000,000. The details are as follows:

- Bond 1: total par value of VND600,000,000,000 with a term of 24 months, maturing in 2022.
- Bond 2: total par value of VND600,000,000,000 with a term of 36 months, maturing in 2023.
- Bond 3: total par value of VND600,000,000,000 with a term of 48 months, maturing in 2024.
- Bond 4: total par value of VND800,000,000,000 with a term of 60 months, maturing in 2025.

The interest rate of these bonds is 10% per annum for the first year. After that, the interest rate will be defined at a rate of the twelve-month saving deposits in Vietnamese Dong from individuals (paid in arrears) of Military Commercial Joint Stock Bank plus a margin of 3.5% per annum. These bonds are secured by the land use rights and the property rights related to the project at Bien Hoa City, Dong Nai Province and contributed capital at the project's Developer.

(xiv) Bonds issued at par value in Vietnamese Dong, advised by advised by VPS Securities Joint Stock Company, including three (3) bonds with total par value of VND7,000,000,000,000. The details are as follows:

- Bond 1: total par value of VND3,000,000,000,000 with a term of 36 months, maturing in June 2023.
- Bond 2: total par value of VND1,500,000,000,000 with a term of 36 months, maturing in August 2023.
- Bond 3: total par value of VND2,500,000,000,000 with a term of 36 months, maturing in August and September 2023.

The interest rate of these bonds is 11% per annum for the first interest period. After that, the interest rate will be adjusted every three (3) months at a reference interest rate plus a margin of 3.9% per annum. The reference interest rate is defined as the highest interest rate of normal saving deposits in Vietnamese Dong from individuals (paid in arrears) for the term of twelve months (or equivalent term) announced at the reference bank at the interest rate determination date. These bonds are non-convertible, not accompanied by warrants, and are secured by property rights related to a project in District 2, Ho Chi Minh City.

(xv) Bonds issued at par value in Vietnamese Dong to Military Commercial Joint Stock Bank - North Sai Gon Branch, including four (4) bonds with total par value of VND1,068,000,000,000. The total value which were successfully issued as at 30 September 2020 is VND749,700,000,000, including:

- Bond 1: total par value of VND214,000,000,000 with a term of 24 months, maturing in 2022.
- Bond 2: total par value of VND214,000,000,000 with a term of 36 months, maturing in 2023.
- Bond 3: total par value of VND214,000,000,000 with a term of 48 months, maturing in 2024.
- Bond 4: total par value of VND107,700,000,000 with a term of 60 months, maturing in 2025.

The interest rate of these bonds is 10% per annum for the first year. After that, the interest rate is floating and adjusted every three (3) months. The interest rate then will be defined at a rate of the twelve-month normal saving deposits in Vietnamese Dong from individuals (paid in arrears) of Military Commercial Joint Stock Bank plus a margin of 3.5% per annum. These bonds are secured by the land use rights and the property rights related to the project at Bien Hoa City, Dong Nai Province, contributed capital at the project's Developer and a part of contributed capital at the parent company of the project's Developer.

24 BORROWINGS (continued)

(xvi) Bonds issued at par value in Vietnamese Dong to Military Commercial Joint Stock Bank - North Sai Gon Branch with a total par value of VND657,000,000,000, maturing in June 2025. The interest rate for the first interest period is 10% per annum, after that the interest rate is floating and adjusted every three (3) months and defined at the rate of the twelve-month normal saving deposits from individuals in Vietnamese Dong (paid in arrears) by Military Commercial Joint Stock Bank plus a margin of 3.5% per annum. These bonds are secured by the land use rights and the property rights related to the project at Bien Hoa City, Dong Nai Province, and all contributed capital of a Group's subsidiary.

(xvii) Bonds issued at par value in Vietnamese Dong to Vietnam Public Joint Stock Commercial Bank - Sai Gon Branch, with a total par value of VND500,000,000,000, maturing in 2023. The interest rate for the first interest period is 12.5% per annum. The interest rate for remaining periods is adjusted on a three-month basis and is defined as base rate at the time of adjustment plus 5% per annum. Base rate is the highest interest rate of "Public Bank Deposit" twelve-month saving deposits (paid in arrears), with the currency corresponding to that of borrowings, according to the deposit interest rate schedule of Vietnam Public Joint Stock Commercial Bank published from time to time. These bonds are secured by shares of the Company owned by the shareholders.

(xviii) Bonds issued at par value in Vietnamese Dong to Agribank Securities Joint Stock Company with a total par value of VND200,000,000,000, maturing in December 2023. The interest rate for the first interest period is 11% per annum. The interest rate applied for the remaining period will be adjusted every six (6) months and defined as a reference rate plus 4% per annum. The reference rate is calculated by average of the interest rate offered for twelve-month deposits from individuals in Vietnamese Dong (paid in arrears) by four (4) banks including: Bank for Investment and Development of Viet Nam, Joint Stock Commercial Bank for Foreign Trade of Vietnam, Vietnam Joint Stock Commercial Bank for Industry and Trade and Bank for Agriculture and Rural Development of Vietnam. These bonds are secured by shares of the Company owned by the shareholders.

(xix) Bonds issued at par value of VND200,000,000,000 in Vietnamese Dong to Viet Dragon Securities Corporation, maturing in June 2022, bearing an interest rate of 10% per annum. These bonds are secured by shares of the Company owned by shareholders.

(xx) These are bonds issued at par value in Vietnam Dong arranged by Techcom Securities Joint Stock Company with a total par value of VND1,290,000,000,000 and the final maturity date in 2022. The interest rate for the first four (4) interest periods is fixed at 10.5% per annum. The interest rate from the 5th interest period will be adjusted every three (3) months at the reference interest rate at the time of adjustment plus a margin of 4.2% per annum. The reference rate is calculated by average of the interest rate offered for twelve-month saving deposits from individuals in Vietnamese Dong by four (4) banks including: Bank for Investment and Development of Viet Nam, Joint Stock Commercial Bank for Foreign Trade of Vietnam, Vietnam Joint Stock Commercial Bank for Industry and Vietnam Technology and Commercial Joint Stock Bank. These bonds are secured by shares of the Company owned by the shareholders and contributed capital of the Company at a subsidiary.

24 BORROWINGS (continued)

(xxi) Bonds issued at par value in Vietnamese Dong to Military Commercial Joint Stock Bank - North Sai Gon Branch, including three (3) bonds with total par value of VND600,000,000,000. The total value which were successfully issued as at 30 September 2020 is VND400,000,000,000, including:

- Bond 1: total par value of VND200,000,000,000 with a term of 36 months, maturing in 2023. The total value which were successfully issued as at 30 September 2020 is VND200,000,000,000.
- Bond 2: total par value of VND200,000,000,000 with a term of 48 months, maturing in 2024. The total value which were successfully issued as at 30 September 2020 is VND120,000,000,000.
- Bond 3: total par value of VND200,000,000,000 with a term of 60 months, maturing in 2025. The total value which were successfully issued as at 30 September 2020 is VND80,000,000,000.

The interest rate of these bonds is 10% per annum for the first year. After that, the interest rate is floating and adjusted every three (3) months. The interest rate then will be defined at a rate of the twelve-month normal saving deposits in Vietnamese Dong from individuals (paid in arrears) of Military Commercial Joint Stock Bank plus a margin of 3.5% per annum. These bonds are secured by the land use rights and the property rights related to the project in Phuoc Thuan commune, Xuyen Moc district, Ba Ria Vung Tau province; capital contribution in the project Developer and all capital contribution in the parent company of the project Developer.

(xxi) Bonds issued at par value in Vietnamese Dong to Military Commercial Joint Stock Bank - North Sai Gon Branch, including five (5) bonds with total par value of VND100,000,000,000, including:

- Bond 1: total par value of VND20,000,000,000 with a term of 24 months, maturing in 2022.
- Bond 2: total par value of VND20,000,000,000 with a term of 36 months, maturing in 2023.
- Bond 3: total par value of VND20,000,000,000 with a term of 48 months, maturing in 2024.
- Bond 4: total par value of VND20,000,000,000 with a term of 60 months, maturing in 2025.
- Bond 5: total par value of VND20,000,000,000 with a term of 72 months, maturing in 2026.

The interest rate of these bonds is 10% per annum for the first year. After that, the interest rate then will be defined at a rate of the twelve-month normal saving deposits in Vietnamese Dong from individuals (paid in arrears) of Military Commercial Joint Stock Bank plus a margin of 3.5% per annum. These bonds are secured by the land use rights and the property rights related to the project at Bien Hoa City, Dong Nai Province and contributed capital at the project's Developer.

(***) Details for the balances of third parties are as follows:

	30/09/2020 VND	31/12/2019 VND
(a) Short-term borrowings		
GPI3 Co., Ltd	-	1,392,000,000,000
Credit Suisse AG, Singapore Branch (i)	954,085,000,000	667,859,500,000
Crane Investment .Ltd (i)	482,790,000,000	337,953,000,000
Nova Homes Trading Joint Stock Company (ii)	1,153,703,864,836	1,046,300,000,000
GW Supernova Pte.Ltd. (iii)	465,400,000,000	-
Credit Suisse AG, Singapore Branch (iv)	209,430,000,000	-
Others (ii)	1,389,893,275,651	287,120,000,000
	<u>4,655,302,140,487</u>	<u>3,731,232,500,000</u>
(b) Long-term borrowings		
Credit Suisse AG, Singapore Branch (iv)	1,186,770,000,000	1,393,200,000,000
Nova Homes Trading Joint Stock Company (v)	97,050,000,000	-
GW Supernova Pte. Ltd. (iii)	-	464,400,000,000
Credit Suisse AG, Singapore Branch (i)	-	954,085,000,000
Crane Investment .Ltd (i)	-	482,790,000,000
	<u>1,283,820,000,000</u>	<u>3,294,475,000,000</u>

24 BORROWINGS (continued)

(i) These are borrowings according to the loan agreement and appendices with a credit facility of USD125,000,000, which Credit Suisse AG, Singapore Branch is the facility agent and the arranger agent. In 2017, Credit Suisse AG, Singapore Branch transferred a portion of borrowing amounting to USD42,000,000 to Crane Investments Limited In Respect Of Series 211. The loan duration is forty-two (42) months from the first date of drawdown, the principal is repayable every six (6) months from the eighteenth (18th) month since the first date of drawdown to maturity. Interest rate is defined as LIBOR rate plus a margin of 5.5% per annum and repayable every three (3) months. At maturity or early repayment or conversion, the Company would pay an additional amount to ensure that lender receives a target IRR of 13% per annum. These borrowings are unsecured. Until 30 September 2020, these borrowings were paid USD62,500,000.

(ii) These are borrowings in Vietnamese Dong, having terms ranging from 3 to 12 months, bearing interest at the rate from 4.0% to 13.0% per annum and are unsecured.

(iii) This borrowing is denominated in USD from GW Supernova Pte. Ltd., with a credit facility of USD50,000,000, maturing in thirty-six (36) months since the first drawdown in December 2016, including a portion of non-convertible borrowing amounting to USD20,000,000 and the other portion of convertible borrowing amounting to USD30,000,000. These borrowings are unsecured. The maturity date of the borrowing of USD20,000,000 was adjusted to 31 March 2021. This borrowing bears an interest rate of 6% per annum and is repayable every six (6) months, the principal is repayable at the maturity date. If the Company makes repayment or early repayment at any time before 21 December 2019, the Company has to pay an additional amount to ensure that lender receives a target IRR of 15% per annum for the period from 1 April 2019 to the date of repayment or early repayment. If the Company makes repayment or early repayment at any time from 21 December 2019, the Company has to pay a fee to ensure the target IRR is the sum of: 15% per annum calculated for the period from 1 April 2019 to and including 21 December 2019 and 13% per annum for the period from 22 December 2019 to the date of repayment or early repayment. Until 30 September 2020, the borrowing of USD30,000,000 were settled.

(iv) These are borrowings according to the loan agreement and appendices with a credit facility of USD100,000,000, which is arranged by Credit Suisse AG, Singapore Branch. Interest rate is defined as LIBOR rate plus a margin of 5.5% per annum and repayable every three (3) months. At maturity or early repayment or conversion, the Company would pay an additional amount to ensure that lender receives a target IRR of 11.5% per annum. These borrowings are secured by shares of the Company owned by shareholders. Until 30 September 2020, an amount of USD60,000,000 was disbursed partially.

(v) These are borrowings in Vietnamese Dong, maturing in 24 months, bearing interest at the rate from 6.8% to 7.3% per annum and are unsecured.

(****) These are borrowings in Vietnamese Dong from an associate, maturing in 12 months, bearing interest at the rate of 6.3% per annum and are unsecured.

25 PROVISIONS FOR LONG-TERM PAYABLES

This balance represents the provision for warranty of properties that have been completed and handed over at the reporting date.

26 OWNERS' CAPITAL

(a) Number of shares

	30/09/2020		31/12/2019	
	Ordinary shares	Preference shares	Ordinary shares	Preference shares
Number of shares registered	985,564,152	-	969,540,797	-
Number of shares issued	985,564,152	-	969,540,797	-
Number of existing shares in circulation	985,564,152	-	969,540,797	-

(b) Movement of share capital

	Ordinary shares	Preference shares	Total
As at 1 January 2019	930,446,674	6,830,000	937,276,674
New shares issued for ESOP 2019	18,604,123	-	18,604,123
New shares issued for converting preference shares	20,490,000	(6,830,000)	13,660,000
As at 31 December 2019	969,540,797	-	969,540,797
New shares issued for ESOP 2020	14,543,110	-	14,543,110
New shares issued for converting convertible bonds	1,480,245	-	1,480,245
As at 30 September 2020	985,564,152	-	985,564,152

Par value per share: VND10,000.

27 MOVEMENTS IN OWNERS' EQUITY

	Ordinary shares	Preference shares	Share premium	Post-tax Undistributed earnings (Restated)	Total
	VND	VND	VND	VND	VND
As at 1 January 2019	9,304,466,740,000	68,300,000,000	3,996,839,781,026	5,618,698,169,829	18,988,304,690,855
Issuance of ordinary shares for ESOP 2019	186,041,230,000	-	-	-	186,041,230,000
Issuance of ordinary shares for converting preference shares	204,900,000,000	(68,300,000,000)	(136,600,000,000)	-	-
Share issuance costs	-	-	(50,000,000)	-	(50,000,000)
Profit for the year	-	-	-	3,431,331,162,442	3,431,331,162,442
Dividends paid	-	-	-	(21,076,808,219)	(21,076,808,219)
Change in ownership of subsidiaries	-	-	-	(306,123,803,463)	(306,123,803,463)
As at 31 December 2019	9,695,407,970,000	-	3,860,189,781,026	8,722,828,720,589	22,278,426,471,615
Profit for the period	-	-	-	3,344,151,849,743	3,344,151,849,743
Issuance of ordinary shares for ESOP 2020	145,431,100,000	-	-	-	145,431,100,000
Issuance of ordinary shares for converting convertible bonds	14,802,450,000	-	74,012,250,000	-	88,814,700,000
Change in ownership of subsidiaries	-	-	-	(593,835,825,282)	(593,835,825,282)
As at 30 September 2020	9,855,641,520,000	-	3,934,202,031,026	11,473,144,745,050	25,262,988,296,076

28 NON - CONTROLLING INTERESTS

The non-controlling interests represent the holdings of the other shareholders for the value of the net assets and results of operations of the subsidiaries at period/year end.

Movements in non-controlling interests are as below:

	For the period ended 30/09/2020 VND	For the year ended 31/12/2019 VND
Beginning of the period/year	2,182,647,360,232	981,494,999,352
Net profit allocated to non-controlling interest for the period/year	(46,512,620,928)	(44,009,060,531)
Increase due to acquisition and establishment of new subsidiaries	4,131,545,096,141	1,328,995,600,196
Decrease due to change in ownership of subsidiaries	(65,945,153,092)	(63,714,696,537)
Divestment of subsidiaries	(264,754,634,166)	(399,609,070)
Decrease due to dividend received	(279,042,722)	(19,719,873,178)
End of the period/year	<u><u>5,936,701,005,465</u></u>	<u><u>2,182,647,360,232</u></u>

29 EARNINGS PER SHARE**(a) Basic earnings per share**

Basic earnings per share is calculated by dividing the net profit attributable to shareholders after deducting the bonus and welfare funds by the weighted average number of ordinary shares outstanding during the period, excluding ordinary shares repurchased by the Group and held as treasury shares.

	For the period ended	
	30/09/2020	30/09/2019 (Restated)
	VND	VND
Net profit attributable to shareholders (VND)	3,344,151,849,743	1,117,784,772,222
Dividend on preference shares (VND)	-	(15,367,500,000)
Profit calculation of basic earnings per share (VND)	<u><u>3,344,151,849,743</u></u>	<u><u>1,102,417,272,222</u></u>
Weighted average number of ordinary shares in issue (shares)	970,856,849	930,446,674
Mandatorily convertible shares (shares)	-	20,490,000
Weighted average number of ordinary shares including mandatorily convertible shares (shares)	<u><u>970,856,849</u></u>	<u><u>950,936,674</u></u>
Basic earnings per share (VND)	<u><u>3,445</u></u>	<u><u>1,159</u></u>

29 EARNINGS PER SHARE (continued)**(b) Diluted earnings per share**

Diluted earnings per share is calculated by dividing the net profit attributable to shareholders, which already subtracted the bonus and welfare fund, by the weighted average number of ordinary shares outstanding during the period and the ordinary shares expected to be issued via conversion of other financial instruments into ordinary shares.

	For the period ended	
	30/09/2020	30/09/2019 (Restated)
	VND	VND
Net profit attributable to shareholders (VND)	3,344,151,849,743	1,117,784,772,222
Dividend on preference shares (VND)	-	(15,367,500,000)
Adjustment (VND) (*)	205,911,779,943	-
Profit calculation of basic earnings per share (VND)	3,550,063,629,686	1,102,417,272,222
Weighted average number of ordinary shares	970,856,849	930,446,674
Mandatorily convertible shares (shares)	-	20,490,000
Potential shares (shares) (*)	89,232,205	-
Weighted average number of ordinary shares including potential shares (shares)	1,060,089,054	950,936,674
Diluted earnings per share (VND)	3,349	1,159

(*) The Company considered each issue or series of potential ordinary shares in determining whether potential ordinary shares are dilutive. Potential ordinary shares shall be treated as dilutive when, and only when, their conversion to ordinary shares would decrease earnings per share or increase loss per share.

These are the adjustments of net profit attributable to shareholders corresponding with the adjustments of potential shares with assumption they will be converted in the future from convertible bonds.

In the nine-month period ended 30 September 2019, there were potential ordinary shares but they are not dilutive.

30 OFF BALANCE SHEET ITEMS

	30/09/2020	31/12/2019
Foreign currencies (USD)	351,730	15,465,950

31 REVENUE

	For the period ended	
	30/09/2020	30/09/2019
	VND	(Restated) VND
Sales of goods and rendering of services		
Sale of real estate	2,810,999,376,239	9,083,330,475,002
Rendering of services for corporate management, project development and sales consultancy	983,746,890,741	428,188,573,606
Sales from leasing properties	99,205,499,171	84,072,837,406
Others	114,276,363,062	43,616,737,159
	<u>4,008,228,129,213</u>	<u>9,639,208,623,173</u>
Sales deductions		
Trade discounts	(5,377,263,736)	(57,878,526,623)
Sales rebates	-	(1,378,181,818)
Sale returns	(199,461,401,801)	(29,428,452,405)
	<u>(204,838,665,537)</u>	<u>(88,685,160,846)</u>
Net revenue from sale of goods and rendering of services		
Net sales of real estate	2,606,160,710,702	8,994,645,314,156
Net sales of rendering of services for corporate management, project development and sales consultancy	983,746,890,741	428,188,573,606
Net sales from leasing properties	99,205,499,171	84,072,837,406
Others	114,276,363,062	43,616,737,159
	<u>3,803,389,463,676</u>	<u>9,550,523,462,327</u>

32 COST OF SALES

	For the period ended	
	30/09/2020	30/09/2019
	VND	(Restated) VND
Cost of real estate sold	1,437,476,336,769	6,378,804,951,899
Cost of rendering of services for corporate management, project development and sales consultancy	748,419,365,733	379,109,398,599
Cost of leasing properties	75,388,619,918	54,801,401,224
Others	162,802,022,998	52,904,431,837
	<u>2,424,086,345,418</u>	<u>6,865,620,183,559</u>

33 FINANCIAL INCOME

	For the period ended	
	30/09/2020	30/09/2019
	VND	(Restated) VND
Gain from divestment of subsidiaries (Note 3.2)	2,560,866,381,224	-
Interest income from deposits at banks	114,609,657,066	224,526,551,330
Interest income from lending	96,447,366,566	34,916,837,942
Foreign exchange gains	52,288,844,121	8,395,867,793
Revaluation of investments at each business combination stage	2,229,799,952,973	317,203,348,449
Interest income from late payment	3,446,157	694,003,345
Interest income from co-operation contracts	947,589,042	372,602,740
Others	938,335,526	2,818,842,738
	<u>5,055,901,572,675</u>	<u>588,928,054,337</u>

34 FINANCIAL EXPENSES

	For the period ended	
	30/09/2020	30/09/2019
	VND	(Restated) VND
Interest expenses	565,187,640,008	755,698,325,866
Foreign exchange losses	47,009,041,932	22,487,647,126
Interest expenses on investment co-operation contracts	336,502,326,963	75,069,185,340
Expenses on cross currency swap contracts	215,753,233,823	116,853,115,631
Borrowings related costs	101,822,946,251	467,417,826,617
Cost of issuing bonds	14,816,052,599	25,488,563,513
Others	12,519,036,907	5,673,486,627
	<u>1,293,610,278,483</u>	<u>1,468,688,150,720</u>

35 SELLING EXPENSES

	For the period ended	
	30/09/2020	30/09/2019
	VND	VND
Staff costs	8,655,478,363	19,964,214,356
Material, package costs	5,100,000	7,950,000
Tool and supplies	-	16,629,896
Depreciation expense	1,807,219,642	2,717,641,820
Outside services expenses	72,028,546,832	110,491,462,880
Other cash expenses	11,315,679,625	75,317,374,343
	<u>93,812,024,462</u>	<u>208,515,273,295</u>

36 GENERAL AND ADMINISTRATION EXPENSES

	For the period ended	
	30/09/2020	30/09/2019
	VND	(Restated) VND
Staff costs	21,605,449,385	47,671,263,765
Tools and supplies	446,309,261	994,254,721
Stationery expenses	9,193,358,484	2,136,066,859
Depreciation expenses	6,706,894,300	9,490,652,764
Tax and other fees	2,744,199,806	3,867,225,524
Provision	215,424,183	1,793,500,167
Outside services expenses	143,392,084,161	111,862,563,562
Other cash expenses	62,710,111,309	66,981,075,350
Allocation of goodwill (Note 17)	631,475,532,980	612,493,999,443
	<u>878,489,363,869</u>	<u>857,290,602,155</u>

37 OTHER INCOME

	For the period ended	
	30/09/2020	30/09/2019
	VND	(Restated) VND
Collection of penalties on contract violation	17,473,079,314	70,765,571,994
Gains on disposal of tools and scrap	3,965,349,847	143,627,727
Gains on disposal of fixed assets	383,887,271	1,090,909
Gain on bargain purchase	239,549,558,947	1,189,919,776,997
Others	4,666,277,100	3,688,119,731
	<u>266,038,152,479</u>	<u>1,264,518,187,358</u>

38 OTHER EXPENSES

	For the period ended	
	30/09/2020	30/09/2019
	VND	(Restated) VND
Penalty expenses on contract violation	382,672,788,165	93,286,166,399
Loss on disposal of fixed assets	491,898,069	3,189,421,674
Others	197,757,656,855	6,810,692,019
	<u>580,922,343,089</u>	<u>103,286,280,092</u>

39 BUSINESS INCOME TAX**(a) Deferred income tax**

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same taxation authority.

Movement in deferred income tax is as follows:

	For the period ended 30/09/2020 VND	For the period ended 30/09/2019 (Restated) VND
Deferred tax assets	76,536,421,869	69,958,310,238
Deferred tax liabilities	(6,255,537,958,898)	(2,298,846,949,689)
Beginning of the period	(6,179,001,537,029)	(2,228,888,639,451)
Income statement charge	(379,303,977,288)	(214,550,341,777)
Disposal of subsidiaries	405,766,844,829	-
Business combination during the period (*)	(3,178,970,825,988)	(1,721,092,044,563)
End of the period	<u>(9,331,509,495,476)</u>	<u>(4,164,531,025,791)</u>
In which:		
Deferred tax assets	86,202,725,764	61,558,359,498
Deferred tax liabilities	<u>(9,417,712,221,240)</u>	<u>(4,226,089,385,289)</u>

The deferred income tax assets and liabilities mainly arise from the temporary differences relating to unrealised profits from business combination.

The Group uses tax rate of 20% in year 2020 (2019: 20%) for determining deferred tax assets and deferred tax liabilities.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

(*) This is deferred tax liabilities incurred from business combination during the period.

39 BUSINESS INCOME TAX (continued)**(b) Business income tax expense**

The tax on the Company's profit before tax differs from the theoretical amount that would arise using the applicable tax rate of 20% as follows:

	For the period ended	
	30/09/2020	30/09/2019
	VND	(Restated) VND
Net accounting profit before tax	3,849,364,069,318	1,891,216,656,939
Tax calculated at a rate of 20%	769,872,813,864	378,243,331,388
Effect of:		
Allocation of goodwill	126,295,106,596	122,498,799,889
Expenses not deductible for tax purposes	6,402,470,018	9,230,977,133
Tax loss utilisation	(233,585,925,318)	(8,710,798,375)
Tax loss for which no deferred tax asset was recognised	337,987,936,551	540,001,959,134
Gain from revaluation of previous investments at the date of control of subsidiaries	(445,959,990,595)	-
Reversal of gain from revaluation of previous investments at the date of control of subsidiaries	(68,048,866,170)	-
Deferred tax is from the recognition of the remaining investment in the associate in the consolidated financial statements	48,493,386,878	-
Gain on acquisition subsidiaries during the period	(47,909,911,789)	(237,983,955,399)
Difference from share transfer of subsidiaries	64,666,011,686	-
Share of loss from associates	1,008,952,838	1,870,511,452
Tax exemption or reduction	(8,173,753,221)	-
Adjustment of tax expense in previous years	676,609,165	1,198,574,055
Business income tax charge (*)	551,724,840,503	806,349,399,277
Charged/(credited) to income statement:		
Business income tax - current	172,420,863,215	591,799,057,500
Business income tax - deferred	379,303,977,288	214,550,341,777
	551,724,840,503	806,349,399,277

(*) The business income tax charge for the period is based on estimated taxable income including the elimination of the assessable income charge determined by the Group. The records has yet to be audited by the tax authorities.

40 COST OF OPERATION BY FACTOR

	For the period ended	
	30/09/2020	30/09/2019
	VND	(Restated) VND
Real estate development costs for selling	23,867,306,036,931	16,784,458,063,284
Labor costs	607,849,323,341	596,463,601,861
Outside services expenses	356,632,300,365	312,055,628,647
Depreciation expense and goodwill allocation	736,968,620,466	688,454,143,511
Other cash expenses	86,414,758,485	149,320,576,693
	25,655,171,039,588	18,530,752,013,997

41 ADDITIONAL INFORMATION FOR THE ITEMS OF THE CASH FLOW STATEMENT**(a) Non-cash transactions affect the cash flow statement:**

	For the period ended	
	30/09/2020 VND	30/06/2019 VND
Purchasing subsidiaries with payables	-	581,500,000,000

(b) Amount of borrowings actually withdrawn during the period

	For the period ended	
	30/09/2020 VND	30/06/2019 VND
Proceeds from borrowings following normal borrowing contracts	7,054,432,680,993	7,493,534,575,864
Proceeds from bonds issuance	14,238,767,847,490	2,778,306,727,187

(c) Amount of borrowings actually repaid during the period

	For the period ended	
	30/09/2020 VND	30/06/2019 VND
Repayments for borrowings following normal borrowing contracts	(9,731,494,514,421)	(6,595,051,077,128)
Repayments for bonds	(3,176,000,000,000)	(5,220,000,000,000)

42 RELATED PARTY TRANSACTIONS

During the period, the Group had transactions and balances with following related parties:

Relationship	Name
Associate	Sai Gon Electronics and Industrial Service Joint Stock Company
Associate	Ben Thanh Housing Service and Development Joint Stock Company
Associate	Thanh My Loi Joint Stock Company (*)
Associate	Saigon Golf Company Limited
Associate	Phu Dinh Port Joint Stock Company (**)
Associate	SQN Investment Joint Stock Company
Company owned by the shareholder	NSQ Investment Development Joint Stock Company

42 RELATED PARTY TRANSACTIONS (continued)

(a) Related party transactions

During the period, the following transactions were carried out with related parties:

	For the period ended	
	30/09/2020	30/09/2019 (Restated)
	VND	VND
i) Purchase of services		
Ben Thanh Housing Service and Development Joint Stock Company	-	39,245,412,438
ii) Interest on lending		
Sai Gon Electronics and Industrial Service Joint Stock Company	-	638,698,667
Thanh My Loi Joint Stock Company (*)	4,545,200,879	4,528,612,558
Saigon Golf Company Limited	6,090,017,808	-
	10,635,218,687	5,167,311,225
iii) Interest expense		
Saigon Golf Company Limited	12,591,589,587	-
	12,591,589,587	-
iv) Compensation of key management		
Gross salaries and other benefits	12,938,478,486	15,971,229,227
(b) Ending balances with related parties		
	30/09/2020	31/12/2019
	VND	VND
i) Trade accounts receivable (Note 6)		
NSQ Investment Development Joint Stock Company	30,410,645,644	30,410,645,644
Ben Thanh Housing Service and Development Joint Stock Company	4,988,815,626	4,988,815,626
	35,399,461,270	35,399,461,270
ii) Short-term lending (Note 8(a))		
Thanh My Loi Joint Stock Company (*)	-	49,629,003,300
Saigon Golf Company Limited	-	223,000,000,000
	-	272,629,003,300
iii) Other short-term receivables (Note 9(a))		
Saigon Golf Company Limited	388,560,000,000	389,702,493,151
Ben Thanh Housing Service and Development Joint Stock Company	35,694,612,061	36,821,810,338
Sai Gon Electronics and Industrial Service Joint Stock Company	15,000,000,000	15,000,000,000
Thanh My Loi Joint Stock Company (*)	-	12,517,152,804
	439,254,612,061	454,041,456,293

42 RELATED PARTY TRANSACTIONS (continued)

(b) Ending balances with related parties (continued)

	30/09/2020 VND	31/12/2019 VND
<i>iv) Other long-term receivables (Note 9(b))</i>		
SQN Investment Joint Stock Company	207,330,000,000	-
Phu Dinh Port Joint Stock Company (**)	1,000,000,000	-
Ben Thanh Housing Service and Development Joint Stock Company	-	5,682,317,455
	<u>208,330,000,000</u>	<u>5,682,317,455</u>
<i>v) Short-term trade accounts payable (Note 18)</i>		
Ben Thanh Housing Service and Development Joint Stock Company	-	316,457,900
	<u>-</u>	<u>316,457,900</u>
<i>vi) Short-term accrued expenses (Note 22)</i>		
Saigon Golf Company Limited	9,190,110,409	1,968,520,822
Phu Dinh Port Joint Stock Company (**)	20,140,031,423	-
	<u>29,330,141,832</u>	<u>1,968,520,822</u>
<i>vii) Borrowings (Note 24)</i>		
Phu Dinh Port Joint Stock Company (**)	448,220,346,330	-
Saigon Golf Company Limited	-	384,230,000,000
	<u>448,220,346,330</u>	<u>384,230,000,000</u>

(*) During the period ended and as at 30 September 2020, this company became the Group's subsidiary and was consolidated in the consolidated financial statement of the Group.

(**) During the period ended and as at 30 September 2020, this company was no longer a subsidiary of the Group and became the Group's associate.

43 COMMITMENTS UNDER OPERATING LEASES

The future minimum lease payments under non-cancellable operating leases are as follows:

	30/09/2020 VND	31/12/2019 VND
Within one year	36,481,844,212	70,712,545,970
From one to five years	66,356,547,048	127,176,250,710
Over five years	25,657,648,500	295,203,538,968
	<u>128,496,039,760</u>	<u>493,092,335,648</u>

44 CAPITAL COMMITMENTS

Capital expenditure contracted for at the balance sheet date but not recognized in the consolidated financial statements is as follows:

	30/09/2020 VND	31/12/2019 VND
Construction cost of projects	<u>10,922,972,456,838</u>	<u>3,521,454,232,828</u>

45 SEGMENT REPORTING*Business activity segments:*

As the Group's revenue and profit are mainly derived from the business activities of the real estate while other sources of revenue are not material as a whole, the Board of Management accordingly believes that the Group's real estate and supporting activities for real estate are in a sole business segment only.

Geographical segments:

The Group's activities are mainly segmented by domestic activities. The Group does not monitor its operation results, fixed assets, other non-current assets or non-cash major expenses by the geographical areas of customers.

46 COMPARATIVE FIGURES

During the period, the Group has adjusted the comparative figures in the consolidated income statement and the consolidated cash flow statement for the nine-month period ended 30 September 2019 regarding the impact of the cancellation of the capital transfer transaction and the accounting treatment of Saigon Golf Company Limited business combination carried out in 2017 as presented in the consolidated financial statement 2019. Details of the restatement are as follows:

		For the period ended		
		30/09/2019 (as previously presented) VND	Restatements VND	30/09/2019 (Restated) VND
CONSOLIDATED INCOME STATEMENT				
01	Sales of goods and rendering of services	9,639,424,623,173	(216,000,000)	9,639,208,623,173
10	Net revenue from sales of goods and rendering of services	9,550,739,462,327	(216,000,000)	9,550,523,462,327
11	Cost of sales	(6,865,914,694,829)	294,511,270	(6,865,620,183,559)
20	Gross profit from sales of goods and rendering of services	2,684,824,767,498	78,511,270	2,684,903,278,768
21	Financial income	589,141,286,101	(213,231,764)	588,928,054,337
22	Financial expenses	-	(1,468,688,150,720)	(1,468,688,150,720)
23	- Including: Interest expenses	(755,193,842,804)	(504,483,062)	(755,698,325,866)
24	Share of profit from associates	(9,199,571,986)	(152,985,276)	(9,352,557,262)
26	General and administration expenses	(868,987,048,556)	11,696,446,401	(857,290,602,155)
30	Net operating profit	719,161,925,803	10,822,823,870	729,984,749,673
31	Other income	1,264,732,458,758	(214,271,400)	1,264,518,187,358
32	Other expenses	(103,350,380,092)	64,100,000	(103,286,280,092)
40	Net other income	1,161,382,078,666	(150,171,400)	1,161,231,907,266
50	Net accounting profit before tax	1,880,544,004,469	10,672,652,470	1,891,216,656,939
51	Business income tax – current	(591,872,111,693)	73,054,193	(591,799,057,500)
52	Business income tax – deferred	(214,667,525,129)	117,183,352	(214,550,341,777)
60	Net profit after tax	1,074,004,367,647	10,862,890,015	1,084,867,257,662
61	Shareholders of the parent company	1,106,922,734,410	10,862,037,812	1,117,784,772,222
62	Non-controlling interests	(32,918,366,763)	852,203	(32,917,514,560)
70	Basic earnings per share	1,148	11	1,159
71	Diluted earnings per share	1,148	11	1,159

46 COMPARATIVE FIGURES (continued)

Details of the restatement are as follows (continued):

		For the period ended		
		30/09/2019	Restatements	30/09/2019
		(as previously presented)		(Restated)
		VND	VND	VND
CONSOLIDATED CASH FLOW STATEMENT				
01	Net profit before tax	1,880,544,004,469	10,672,652,470	1,891,216,656,939
	Adjustments for:			
02	Depreciation, amortization and goodwill allocation	(485,682,130,430)	(11,177,776,583)	(496,859,907,013)
05	Profits from investing activities	(565,036,450,296)	152,985,276	(564,883,465,020)
06	Interest expenses, bond issuance costs	780,651,516,868	535,372,511	781,186,889,379
08	Operating profit before changes in working capital	1,619,063,970,139	183,233,674	1,619,247,203,813
09	Decrease in receivables	2,762,962,249,977	644,495,442,550	3,407,457,692,527
10	Decrease in inventories	3,310,227,165,269	(13,231,956,735)	3,296,995,208,534
11	Decrease in payables	(648,046,575,227)	(624,395,453,318)	(1,272,442,028,545)
12	Decrease in prepaid expenses	115,922,165,538	(14,613,888)	115,907,551,650
20	Net cash flows from operating activities	4,330,308,812,596	7,036,652,283	4,337,345,464,879
27	Interest and dividend received	277,894,683,347	-	277,894,683,347
30	Net cash flows from investing activities	(10,814,920,500,934)	-	(10,814,920,500,934)
50	Net decrease in cash and cash equivalents	(8,026,062,962,415)	7,036,652,283	(8,019,026,310,132)
60	Cash and cash equivalents at beginning of the year	12,326,942,295,680	(11,771,532,069)	12,315,170,763,611
70	Cash and cash equivalents at end of the period/year	4,300,966,912,717	(4,734,879,786)	4,296,232,032,931

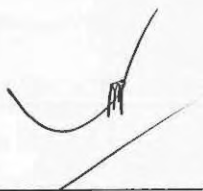
47 EVENTS AFTER THE BALANCE SHEET DATE

There has been no significant events occurring after the period ended 30 September 2020 to the date of these consolidated financial statements.

The consolidated financial statements were approved by the Board of Management on 30 October 2020.



Nguyen Ngoc Bang
Preparer



Tran Thi Thanh Van
Chief Accountant



Bui Xuan Huy
General Director
30 October 2020