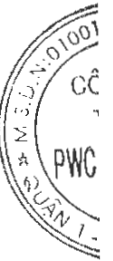


NO VA LAND INVESTMENT GROUP CORPORATION

**CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2020**



NO VA LAND INVESTMENT GROUP CORPORATION

**CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2020**

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NO VA LAND INVESTMENT GROUP CORPORATION

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 latest 50th amended Business Registration Certificate No. 0301444753 dated 10 March 2020.

Board of Directors

Mr. Bui Thanh Nhon	Chairman
Mr. Bui Xuan Huy	Member
Ms. Hoang Thu Chau	Member
Ms. Nguyen Thanh Bich Thuy	Independent Member (resignation letter on 15 July 2020)
Mr. Pham Tien Van	Independent Member
Mr. Le Quoc Hung	Independent Member (from 5 June 2020)

Audit Committee

Mr. Pham Tien Van	Head of Audit Committee (from 30 July 2020)
Ms. Nguyen Thanh Bich Thuy	Head of Audit Committee (until 30 July 2020)
Ms. Nguyen Thi Minh Thanh	Member
Mr. Le Quoc Hung	Member (from 30 July 2020)
Ms. Vo Thi Thu Van	Member (until 30 July 2020)

Board of Management

Mr. Bui Xuan Huy	General Director
Ms. Hoang Thu Chau	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

Auditor

PwC (Vietnam) Limited

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NO VA LAND INVESTMENT GROUP CORPORATION

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

The Board of Management of No Va Land Investment Group Corporation ("the Company") is responsible for preparing consolidated interim financial statements of the Company and its subsidiaries (together, "the Group") which give a true and fair view of the consolidated interim financial position of the Group as at 30 June 2020 and the consolidated interim results of its operations; and its consolidated interim cash flows for the six-month period ended. In preparing these consolidated interim 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 interim 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 interim financial statements to be prepared which comply with the basis of accounting set out in Note 2 to the consolidated interim 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 or errors.

APPROVAL OF THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

We hereby approve the accompanying consolidated interim financial statements as set out on pages 5 to 80 which give a true and fair view of the consolidated interim financial position of the Group as at 30 June 2020, and of the consolidated interim results of its operations and its consolidated interim cash flows for the six-month period ended, in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of consolidated interim financial statements.

On behalf of the Board of Management



Ho Chi Minh City, SR Vietnam
14 August 2020

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REPORT ON REVIEW OF CONSOLIDATED INTERIM FINANCIAL INFORMATION TO THE SHAREHOLDERS OF NO VA LAND INVESTMENT GROUP CORPORATION

We have reviewed the accompanying consolidated interim financial statements of No Va Land Investment Group Corporation ("the Company") and its subsidiaries (together, "the Group") which were prepared on 30 June 2020 and approved by the Board of Management on 14 August 2020. The consolidated interim financial statements comprise the consolidated interim balance sheet as at 30 June 2020, the consolidated interim income statement, the consolidated interim cash flow statement for the six-month period then ended, and explanatory notes to the consolidated interim financial statements including significant accounting policies, as set out on pages 5 to 80.

The Board of Management's Responsibility to the Consolidated Interim Financial Statements

The Board of Management of the Company is responsible for the preparation and the true and fair presentation of these consolidated interim financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of consolidated financial statements and for such internal control which the Board of Management determines is necessary to enable the preparation and fair presentation of the consolidated interim financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on these consolidated interim financial statements based on our review. We conducted our review in accordance with Vietnamese Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity."

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim financial statements do not present fairly, in all material respects, the consolidated financial position of the Group as at 30 June 2020, its consolidated financial performance and consolidated cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of the consolidated interim financial statements.

Other Matter

The report on the review of interim financial information is prepared in Vietnamese and English. Should there be any conflict between the Vietnamese and English versions, the Vietnamese version shall take precedence.

For and on behalf of PwC (Vietnam) Limited



Nguyen Hoang Nam
Audit Practising Licence No.
0849-2018-006-1
Authorised signatory

Report reference number: HCM9761
Ho Chi Minh City, 14 August 2020

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CONSOLIDATED INTERIM BALANCE SHEET

Code	ASSETS	Note	As at	
			30.6.2020 VND	31.12.2019 VND
100	CURRENT ASSETS		76,671,001,797,081	71,194,821,173,128
110	Cash and cash equivalents	4	5,879,568,292,345	6,466,219,516,377
111	Cash		2,420,756,202,467	1,951,125,604,251
112	Cash equivalents		3,458,812,089,878	4,515,093,912,126
120	Short-term investments		437,829,773,071	466,222,941,609
123	Investments held-to-maturity	5(a)(i)	437,829,773,071	466,222,941,609
130	Short-term receivables		9,890,462,206,274	5,894,052,885,444
131	Short-term trade accounts receivable	6	1,245,692,341,977	1,076,689,087,366
132	Short-term prepayments to suppliers	7	1,056,623,326,519	833,905,092,647
135	Short-term lendings	8	709,663,991,401	768,720,953,764
136	Other short-term receivables	9(a)	6,888,746,192,155	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)	59,188,053,649,717	57,205,793,200,220
141	Inventories		59,191,173,204,287	57,209,437,130,190
149	Provision for decline in value of inventories		(3,119,554,570)	(3,643,929,970)
150	Other current assets		1,275,087,875,674	1,162,532,629,478
151	Short-term prepaid expenses	12(a)	96,542,596,264	75,480,339,169
152	Value Added Tax ("VAT") to be reclaimed	20(a)	1,078,452,458,754	978,926,176,534
153	Tax and other receivables from the State	20(a)	100,092,820,656	108,126,113,775

The notes on pages 11 to 80 are an integral part of these consolidated interim financial statements.

CONSOLIDATED INTERIM BALANCE SHEET
(continued)

Code	ASSETS (continued)	Note	As at	
			30.6.2020 VND	31.12.2019 VND
200	LONG-TERM ASSETS		22,108,720,995,397	18,784,421,425,391
210	Long-term receivables		3,689,471,409,429	370,739,066,748
216	Other long-term receivables	9(b)	3,689,471,409,429	370,739,066,748
220	Fixed assets		917,678,801,889	840,044,553,105
221	Tangible fixed assets	13	783,362,970,376	698,416,074,605
222	Historical cost		919,856,171,191	907,176,013,686
223	Accumulated depreciation		(136,493,200,815)	(208,759,939,081)
227	Intangible fixed assets	14	134,315,831,513	141,628,478,500
228	Historical cost		170,913,630,022	168,706,830,022
229	Accumulated amortisation		(36,597,798,509)	(27,078,351,522)
230	Investment properties	15	3,807,552,000,681	3,798,441,570,836
231	Historical cost		4,052,110,117,128	4,011,909,056,671
232	Accumulated depreciation		(244,558,116,447)	(213,467,485,835)
240	Long-term assets in progress		634,132,131,995	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	452,135,467,291	668,092,545,428
250	Long-term investments		6,544,868,870,817	5,744,314,191,185
252	Investments in associates and joint ventures	5(b)	6,499,803,730,269	5,694,610,841,185
253	Investments in other entities	5(c)	7,939,750,000	7,939,750,000
255	Investments held to maturity	5(a)(ii)	37,125,390,548	41,763,600,000
260	Other long-term assets		6,515,017,780,586	7,180,794,229,076
261	Long-term prepaid expenses	12(b)	165,568,713,557	262,799,866,843
262	Deferred income tax assets	39(a)	84,071,046,021	76,536,421,869
269	Goodwill	17	6,265,378,021,008	6,841,457,940,364
270	TOTAL ASSETS		98,779,722,792,478	89,979,242,598,519

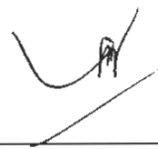
The notes on pages 11 to 80 are an integral part of these consolidated interim financial statements.

CONSOLIDATED INTERIM BALANCE SHEET
(continued)

Code	RESOURCES	Note	As at	
			30.6.2020 VND	31.12.2019 VND
300	LIABILITIES		74,212,578,643,838	65,518,168,766,672
310	Short-term liabilities		21,798,416,851,570	18,809,633,988,008
311	Short-term trade accounts payable	18	1,506,331,286,562	2,544,601,659,105
312	Short-term advances from customers	19	1,119,296,723,699	1,254,023,590,387
313	Tax and other payables to the State	20(b)	123,121,508,706	205,713,049,755
314	Payables to employees	21	68,442,845,702	31,296,329,923
315	Short-term accrued expenses	22	2,616,930,037,218	2,697,796,706,234
318	Short-term unearned revenue		1,385,510,372	1,677,668,051
319	Other short-term payables	23(a)	3,963,594,497,784	3,624,338,062,834
320	Short-term borrowings and finance lease liabilities	24(a)	12,393,765,576,232	8,444,638,010,326
322	Bonus and welfare fund		5,548,865,295	5,548,911,393
330	Long-term liabilities		52,414,161,792,268	46,708,534,778,664
336	Long-term unearned revenue		18,121,163,887	18,307,529,783
337	Other long-term payables	23(b)	20,186,295,875,435	14,133,031,990,444
338	Long-term borrowings and finance lease liabilities	24(b)	25,694,421,005,705	26,145,644,448,493
341	Deferred income tax liabilities	38(a)	6,361,477,002,405	6,255,537,958,898
342	Provision for long-term liabilities	25	153,846,744,836	156,012,851,046
400	OWNERS' EQUITY		24,567,144,148,640	24,461,073,831,847
410	Capital and reserves		24,567,144,148,640	24,461,073,831,847
411	Ordinary shares with voting rights	26, 27	9,695,407,970,000	9,695,407,970,000
411a	- Ordinary shares with voting rights		9,695,407,970,000	9,695,407,970,000
412	Share premium	27	3,860,189,781,026	3,860,189,781,026
421	Undistributed earnings	27	9,341,638,947,505	8,722,828,720,589
421a	- Undistributed post-tax profits of previous years		8,722,828,720,589	5,618,698,169,829
421b	- Post-tax profit of current period/year		618,810,226,916	3,104,130,550,760
429	Non-controlling interests	27	1,669,907,450,109	2,182,647,360,232
440	TOTAL RESOURCES		98,779,722,792,478	89,979,242,598,519



Nguyen Ngoc Bang
Preparer



Tran Thi Thanh Van
Chief Accountant



Bui Xuan Huy
General Director
14 August 2020

CONSOLIDATED INTERIM INCOME STATEMENT

Code		Note	For the six-month period ended	
			30.6.2020 VND	30.6.2019 VND (Restated)
01	Revenue from sales of goods and rendering of services		1,860,058,884,312	8,114,574,473,555
02	Less deductions		(196,214,759,955)	(70,193,053,598)
10	Net revenue from sales of goods and rendering of services	30	1,663,844,124,357	8,044,381,419,957
11	Cost of good sold and services rendered	31	(1,081,121,174,628)	(5,881,363,518,668)
20	Gross profit from sales of goods and rendering of services		582,722,949,729	2,163,017,901,289
21	Financial income	32	2,664,802,360,259	229,296,690,092
22	Financial expenses	33	(751,441,483,650)	(1,212,203,995,210)
23	- Including: Interest expense	33	(302,418,118,801)	(614,157,864,451)
24	Share of (loss)/profit from associates	34	(1,560,358,700)	927,819,327
25	Selling expenses	35	(25,724,220,770)	(150,559,771,953)
26	General and administration expenses	36	(614,411,491,715)	(574,538,319,423)
30	Net operating profit		1,854,387,755,153	455,940,324,122
31	Other income	37	13,563,265,568	963,520,335,123
32	Other expenses	37	(381,140,207,027)	(88,730,138,741)
40	Net other (expenses)/income		(367,576,941,459)	874,790,196,382
50	Net accounting profit before tax		1,486,810,813,694	1,330,730,520,504
51	Business income tax - current	38(b)	(68,076,890,000)	(464,115,191,345)
52	Business income tax - deferred	38(a)	(241,627,136,209)	(71,909,762,176)
60	Net profit after tax		1,177,106,787,485	794,705,566,983
Attributable to:				
61	Owners of the parent company		1,212,724,440,916	813,565,402,063
62	Non-controlling interests		(35,617,653,431)	(18,859,835,080)
70	Earnings per share	28(a)	1,251	845
71	Diluted earnings per share	28(b)	1,251	845


 Nguyen Ngoc Bang
 Preparer


 Tran Thi Thanh Van
 Chief Accountant


 Bui Xuan Huy
 General Director
 14 August 2020

The notes on pages 11 to 80 are an integral part of these consolidated interim financial statements.

CONSOLIDATED INTERIM CASH FLOW STATEMENT
(Indirect method)

		For the six-month period ended	
Code	Note	30.6.2020 VND	30.6.2019 VND (Restated)
CASH FLOWS FROM OPERATING ACTIVITIES			
01	Net profit before tax	1,486,810,813,694	1,330,730,520,504
	Adjustments for:		
02	Depreciation, amortisation, goodwill allocation and gain on bargain purchase	489,916,978,809	(494,396,098,945)
03	Reversal of provision	(607,239,209)	(1,987,999,184)
04	Foreign exchange losses	8,664,061,977	35,028,840,712
05	Profits from investing activities	(2,614,794,370,926)	(221,771,276,376)
06	Interest expense and bond issuance costs	309,564,231,229	638,591,590,139
08	Operating profit before changes in working capital	(320,445,524,426)	1,286,195,576,850
09	(Increase)/decrease in receivables	(426,510,157,852)	1,971,439,532,099
10	(Increase)/decrease in inventories	(1,758,711,793,419)	3,027,458,567,671
11	Increase/(decrease) in payables	5,059,229,389,440	(2,516,011,861,121)
12	Decrease in prepaid expenses	49,279,715,511	100,289,766,361
14	Interest paid	(1,427,353,946,256)	(1,438,832,123,266)
15	Business income tax paid	(178,899,234,034)	(738,183,542,143)
20	Net cash inflows from operating activities	996,588,448,964	1,692,355,916,451
CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchases of fixed assets and other long-term assets	(140,072,963,639)	(86,426,321,238)
22	Proceeds from disposals of long-term assets	12,832,609,199	4,510,000,000
23	Loans granted, purchases of debt instruments of other entities	(155,367,340,062)	(411,528,039,466)
24	Collection of loans, proceeds from sales of debt instruments of other entities	192,836,653,555	42,714,199,570
25	Investments in other entities	(8,956,383,674,038)	(6,344,073,925,405)
26	Proceeds from divestment in other entities	3,452,590,329,494	-
27	Dividends and interest received	85,055,482,581	194,465,612,511
30	Net cash outflows from investing activities	(5,508,508,902,910)	(6,600,338,474,028)

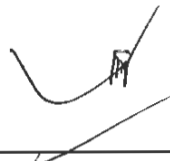
The notes on pages 11 to 80 are an integral part of these consolidated interim financial statements.

CONSOLIDATED INTERIM CASH FLOW STATEMENT
(Indirect method)
(continued)

		For the six-month period ended		
Code	Note	30.6.2020 VND	30.6.2019 VND (Restated)	
CASH FLOWS FROM FINANCING ACTIVITIES				
31	Proceeds from issue of shares and capital contribution	326,637,290,000	1,361,500,000	
32	Payments for share returns and repurchases	(1,506,000,000)	-	
33	Proceeds from borrowings	11,960,083,290,784	5,969,662,511,552	
34	Repayments of borrowings	(8,359,011,477,375)	(6,058,497,945,071)	
40	Net cash inflows/(outflows) from financing activities	3,926,203,103,409	(87,473,933,519)	
50	Net decrease in cash and cash equivalents	(585,717,350,537)	(4,995,456,491,096)	
60	Cash and cash equivalents at beginning of period	4	6,466,219,516,377	12,315,170,763,611
61	Effect of foreign exchange differences		(933,873,495)	150,923,048
70	Cash and cash equivalents at end of period	4	5,879,568,292,345	7,319,865,195,563



Nguyen Ngoc Bang
Preparer



Tran Thi Thanh Van
Chief Accountant



Bui Xuan Huy
General Director
14 August 2020

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**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 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 50th amended Business Registration Certificate No. 0301444753 dated 10 March 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 shares were officially listed on Ho Chi Minh City Stock Exchange ("HOSE") on 28 December 2016 under the code "NVL" pursuant to Decision No 500/QĐ-SGDHCM issued by the General Director of HOSE on 19 December 2016.

The principal activities of the Company and its subsidiaries ("the Group") are resident 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 June 2020, the Group had 1,975 employees (as at 31 December 2019: 2,247 employees).

As at 30 June 2020, the Group had 75 subsidiaries and 6 associates (as at 31 December 2019: 74 subsidiaries and 5 associates) as listed below:

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NO VA LAND INVESTMENT GROUP CORPORATION
Form B 09a – DN/HN
1 GENERAL INFORMATION (continued)

No	Name	Location	Principal activity	30.6.2020		31.12.2019	
				Percentage of ownership	Percentage of voting rights	Percentage of ownership	Percentage of voting rights
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	99.99	99.99	99.99	99.99
5	Sai Gon Housing and Infrastructure 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	65.00	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 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	98.96	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
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

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1 GENERAL INFORMATION (continued)

No	Name	Location	Principal activity	30.6.2020		31.12.2019	
				Percentage of ownership	Percentage of voting rights	Percentage of ownership	Percentage of voting rights
I – Subsidiaries (continued)							
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	Phu Tri Real Estate Investment Commercial Joint Stock Company	Ho Chi Minh City	Real estate trading	99.98	99.98	99.98	99.98
41	Phuc Binh Real Estate Company Limited	Ho Chi Minh City	Real estate trading	97.77	97.95	97.77	97.95
42	Sun City Real Estate Investment and Development Company Limited	Ho Chi Minh City	Real estate trading	98.86	100.00	98.86	100.00
43	Dinh Phat Real Estate Joint Stock Company	Ho Chi Minh City	Real estate trading	99.95	99.96	99.95	99.96
44	350 Real Estate Investment and Development Company Limited	Ho Chi Minh City	Real estate trading	99.97	99.99	99.97	99.99
45	CQ89 Real Estate Investment and Development Company Limited	Ho Chi Minh City	Real estate trading	99.56	99.59	99.56	99.59
46	Gia Huy Real Estate Investment and Development Company Limited	Ho Chi Minh City	Real estate trading	51.00	51.00	51.00	51.00
47	Thinh Vuong Real Estate Joint Stock Company	Ho Chi Minh City	Real estate trading	99.98	99.98	99.98	99.98
48	Thai Binh Real Estate Trading Joint Stock Company	Ho Chi Minh City	Real estate trading	99.95	99.96	99.95	99.96
49	Nova Hospitality Joint Stock Company	Ho Chi Minh City	Real estate trading	100.00	100.00	100.00	100.00
50	Truong Tay Real Estate Investment Joint Stock Company	Ho Chi Minh City	Real estate trading	99.97	99.98	99.97	99.98
51	Dat Viet Development Joint Stock Company	Ho Chi Minh City	Real estate trading	99.67	99.69	99.67	99.69
52	An Phu Dong Real Estate Development Investment Company Limited	Ho Chi Minh City	Real estate trading	79.93	80.00	79.93	80.00
53	Aqua City Company Limited	Dong Nai Province	Real estate trading	69.87	70.00	69.87	70.00
54	Huynh Gia Huy Joint Stock Company	Binh Thuan Province	Short-term accommodation activities	99.98	99.98	99.98	99.98
55	38 Real Estate Investment and Trading Company Limited	Ho Chi Minh City	Real estate trading	99.99	99.99	99.99	99.99
56	Hoa Thang Tourism Service Joint Stock Company	Binh Thuan Province	Short-term accommodation activities	95.79	95.80	95.79	95.80

NO VA LAND INVESTMENT GROUP CORPORATION

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1 GENERAL INFORMATION (continued)

No	Name	Location	Principal activity	30.6.2020		31.12.2019	
				Percentage of ownership	Percentage of voting rights	Percentage of ownership	Percentage of voting rights
I – Subsidiaries (continued)							
57	Thu Minh Nguyen Investment Joint Stock Company	Binh Thuan Province	Short-term accommodation activities	96.14	96.15	96.14	96.15
58	Khanh An Real Estate Investment and Development Joint Stock Company	Ho Chi Minh City	Real estate trading	99.94	99.99	99.94	99.99
59	Carava Resort Company Limited	Khanh Hoa Province	Real estate trading	95.44	95.49	95.44	95.49
60	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
61	Van Phat Real Estate Investment and Development Joint Stock Company	Ho Chi Minh City	Real estate trading	97.99	97.99	97.98	97.99
62	The Forest City Company Limited	Ba Ria - Vung Tau Province	Real estate trading	97.89	99.90	97.89	99.90
63	Ngoc Uyen Real Estate and Investment JSC	Ho Chi Minh City	Real estate trading	99.99	99.99	99.99	99.99
64	Bao Phuc Real Estate Company Limited	Ho Chi Minh City	Real estate trading	99.99	99.99	99.98	99.99
65	Nova Lexington Real Estate Joint Stock Company	Ho Chi Minh City	Real estate trading	99.95	99.97	99.92	99.94
66	KM Investment Group Ltd.	Ho Chi Minh City	Investment consulting	99.85	99.90	99.82	99.90
67	Binh Thuan Delta - Valley Company Limited	Binh Thuan Province	Real estate trading	99.85	100.00	99.82	100.00
68	Truong Thanh Real Estate Investment Joint Stock Company	Ho Chi Minh City	Real estate trading	99.99	100.00	99.99	100.00
69	Long Hung Phat Consulting Company Limited	Ho Chi Minh City	Real estate trading	79.94	80.00	66.62	66.67
70	Long Hung Phat Real Estate Investment Company Ltd.	Ho Chi Minh City	Real estate trading	79.94	100.00	66.62	100.00
71	Thuan Phat Real Estate Investment and Development JSC	Ho Chi Minh City	Real estate trading	99.98	99.98	99.98	99.98
72	Cuu Long Real Estate Investment and Development Ltd. Co	Ho Chi Minh City	Real estate trading	99.97	99.99	96.88	96.90
73	Lucky House Investment Service Joint Stock Company (i)	Ho Chi Minh City	Real estate trading	99.99	100.00	-	-
74	Phong Dien Real Estate Investment Joint Stock Company (ii)	Ho Chi Minh City	Real estate trading	-	-	50.99	50.99
75	Tan Kim Yen Real Estate Investment Company Limited (iii)	Ho Chi Minh City	Real estate trading	100.00	100.00	-	-
76	Phuc Hoa Real Estate Company Limited (iv)	Ho Chi Minh City	Real estate trading	69.86	99.99	-	-



NO VA LAND INVESTMENT GROUP CORPORATION

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1 GENERAL INFORMATION (continued)

				30.6.2020		31.12.2019	
				Percentage		Percentage	
No	Name	Location	Principal activity	Percentage of ownership	of voting rights	Percentage of ownership	of voting rights
II - Associates							
1	Sai Gon Electronics and Industrial Service Joint Stock Company	Ho Chi Minh City	Electronic components and telecommunication 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 (v)	Ho Chi Minh City	Real estate trading	55.64	55.88	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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**2.1 Basis of preparation of consolidated interim financial statements**

The consolidated interim 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 interim financial statements. The consolidated interim 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 2.5.

The accompanying consolidated interim 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 utilised in Vietnam may differ from those generally accepted in countries and jurisdictions other than Vietnam.

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

2.2 Fiscal year

The Group's fiscal year is from 1 January to 31 December. The consolidated interim financial statements are prepared for the six-month period from 1 January to 30 June.

2.3 Currency

The consolidated interim 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.

2.4 Exchange rates

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

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

2.5 Basis of consolidation***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.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.5 Basis of consolidation*****Subsidiaries (continued)***

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 recognised directly in the consolidated interim income statement.

Inter-company transactions, balances and unrealised 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 parties external 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 loss of control is accounted for as a transaction with owners. The difference between the change in the Group's share of net assets of the subsidiary and any consideration paid or received from divestment of Group's interest in subsidiaries is recorded directly in the undistributed earnings under equity.

Transactions that change the Group's ownership ratio in a subsidiaries resulting in the loss of control over the subsidiaries, the difference between the value of the change in the Group's share in the net assets of the company and the expenditure or income from the divestment of the subsidiaries are recognised in the consolidated interim income statement. The retained ownership in these companies will be recognized at the remaining amount of the investment in the consolidated financial statements, after being adjusted proportionally for changes in equity from the date of acquisition if the Group still has a significant impact on the invested entity.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.5 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 recognised 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 recognised in the consolidated interim income statement. 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 recognise 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.

Unrealised 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.

2.6 Goodwill

Goodwill represents 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 recognised directly in the consolidated interim income statement. After initial recognition, goodwill is measured at cost less any accumulated amortisation. 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 associates is included in the carrying amount of the investment at the date of acquisition. The Group does not amortise this goodwill.

On disposal of the investment in subsidiaries or joint ventures and associates, the attributable amount of unamortised 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 amortisation less accumulated impairment losses. If there is evidence that the impairment during the period is higher than the annual goodwill charge, the Group records the impairment immediately in the accounting year.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.7 Cash and cash equivalents**

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

2.8 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 interim balance sheet based on the remaining period from the consolidated interim balance sheet date to the maturity date.

2.9 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 recognised as inventories. Inventories are stated at the lower of cost and net realisable 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 realisable value is the estimated selling price in normal course of business less the estimated costs of completion and selling expenses. Provision is made, where necessary, for obsolete, slow-moving, defective inventory items and where cost is higher than net realisable 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.

2.10 Investments**(a) Investments held-to-maturity**

Investments held-to-maturity are investments which the Groups's Board of Management has a 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 period 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 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 Investments (continued)

Investments in associates and joint ventures are accounted for using the equity method when preparing the consolidated interim financial statements (Note 2.5).

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 period end.

Provision for investments in other entities is made when there is a diminution in value of the investments at the period 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 period 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 loans for interest earning granted under agreements among parties but not being traded as securities.

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 period 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 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 interim balance sheet based on the remaining term at the consolidated interim balance sheet date.

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.

- (i) 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.
- (ii) 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.

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.13 Fixed assets***Tangible 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 condition 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 interim income statement when incurred.

Depreciation and amortisation

Fixed assets are depreciated/amortised using the straight-line method so as to write off the historical cost of the fixed assets over their estimated useful lives. The estimated useful lives of each asset class are as follows:

Buildings	5 – 50 years
Plants and machinery	3 – 10 years
Motor vehicles	2 – 10 years
Office equipment	2 – 8 years
Software	2 – 10 years
Brand name and Trademark	3 years
Others	3 – 4 years

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

Disposals

Gains or losses on disposals are determined by comparing net disposal proceeds with the carrying amount of the fixed assets and are recognised as income or expense in the consolidated interim 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 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.14 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 assets or the present value of the minimum lease payments. Each lease payment is separated between the liability and finance charges so as to achieve a constant rate on the outstanding finance lease balance. 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 under the straight-line method 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.

2.15 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 interim income statement when incurred.

Depreciation and amortisation

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

Buildings	6 – 50 years
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Land use rights with indefinite useful life is recorded at historical cost and is not amortised.

According to the guidance of Circular No. 200/2014/TT-BTC ("Circular 200") dated 22 December 2014, since 1 January 2015, investment properties held for price appreciation are not depreciated. 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 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 carrying amount of investment properties and are recognised as income or expense in the consolidated interim income statement.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.16 Prepaid expenses**

Prepaid expenses include short-term and long-term prepayments on the consolidated interim balance sheet and are mainly sales commission, prepaid bond issuance costs, tools and equipment already put to use. Prepaid expenses are recorded at historical cost and allocated to expenses on the straight line basis over estimated useful lives, 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.

2.17 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 consolidated interim balance sheet based on remaining period from the consolidated interim balance sheet date to the maturity date.

2.18 Accrued expenses

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

2.19 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 borrowings and finance lease liabilities on the consolidated interim balance sheet 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 interim income statement when incurred.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.20 Provisions**

Provisions are recognised 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 recognised 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 recognised as a financial expense. Changes in the provision balance during the accounting fiscal year are recorded as an increase or decrease in operating expenses.

2.21 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 contract's average salary for the six-month period prior to the consolidated interim balance sheet date.

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

2.22 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.

2.23 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 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 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.24 Capital**

Contributed capital of the shareholders is recorded according to the actual amounts 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 or loss) after BIT at the reporting date.

2.25 Appropriation of profit

The Group's dividends are recognised as a liability in the consolidated interim financial statements in the period in which the dividends are approved by the General Meeting of shareholders.

Profit after BIT could be distributed to shareholders after approval at General Meeting of shareholders, and after appropriation to other funds in accordance with the Company's charter and Vietnamese regulations.

The Group's funds are as below:

Bonus and welfare fund

Bonus and welfare fund is appropriated from the Group's profit after BIT as proposed by the Board of Directors and subject to the shareholders' approval at the Annual General Meeting. This fund is presented as a liability on the consolidated interim balance sheet. This fund is set aside for rewarding, increasing general benefits and improving the welfare for officers and employees.

2.26 Revenue recognition**(a) Revenue from real estate sale**

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

- The real estate asset has been completed, and the Group has transferred to the buyer the significant risks and rewards of ownership of the real estate asset;
- The Group no longer holds the right to manage the real estate asset as the real estate's owner nor the right to control the real estate asset;
- The amount of revenue can be measured reliably;
- The Group has received or entitled to receive economic benefits from the sale of the real estate asset; and
- The costs incurred or to be incurred in respect of the real estate asset can be measured reliably.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.26 Revenue recognition (continued)****(b) Revenue from rendering of services**

Revenue from rendering of services is recognised in the consolidated interim 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 rendering 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 consolidated interim 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 recognised on an earned basis.

(d) Dividends income

Income from dividends is recognised when the Group has established the receiving right from investees.

2.27 Sales deductions

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

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

2.28 Cost of goods sold and services rendered

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

2.29 Financial expenses

Finance expenses are expenses incurred in the period for financial activities including expenses of lending and borrowing, expenses or losses relating to financial activities and bond issuance; losses incurred on selling foreign currencies; losses from foreign exchange differences; and payment discounts.

2.30 Selling expenses

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.31 General and administration expenses**

General and administration expenses represent expenses for administrative purposes which mainly include salary expenses of administrative; social insurance, health insurance, trade 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; utilities; and other expenses.

2.32 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 recognised 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 recognised, 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 realised or the liability is settled, based on tax rates that have been enacted or substantively enacted by the consolidated interim balance sheet date.

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.

2.33 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 Group, 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.

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.34 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 interim financial statements in order to help users of consolidated interim financial statements understand and evaluate the Group's operations in a comprehensive way.

2.35 Accounting estimates

The preparation of the consolidated interim financial statements in conformity with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of consolidated interim 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 interim financial statements and the reported amounts of revenues and expenses during the period.

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;
- Estimated useful lives of fixed assets (Note 2.13).

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 Lucky House Investment Service 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 assets of the Group at the acquisition date as follows:

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

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

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

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

	Fair values recognised at acquisition date VND
Assets	
Cash and cash equivalents	19,899,637,891
Other assets	35,524,804
	19,935,162,695
Liabilities	
Liabilities	24,772,000
	24,772,000
Total identifiable net assets	19,910,390,695
Goodwill from business combination	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	98,362,109

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

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

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

	Fair values recognised 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
	4,330,196,324,104
Liabilities	
Liabilities	30,001,650,000
	30,001,650,000
Total identifiable net assets	4,300,194,674,104
Goodwill from business combination	(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	4,299,235,535,065

(d) Acquisition of An Khang Real Estate Development Company Limited ("An Khang")

On 28 March 2020, Phong Dien Real Estate Investment Joint Stock Company ("Phong Dien") - a subsidiary of the Group, completed the acquisition and capital contribution in order to obtain 99.8% interest in An Khang with a consideration of 750,000,000,000 VND.

At the date of acquisition, the Group determined that the Group's control in An Khang was temporary as the acquisition of An Khang was for the purpose of resale within a period not exceeding 12 months.

On 31 March 2020, the Group disposed the entire equity interest in Phong Dien, thereby divesting its investment in An Khang (Note 3.2 (a)).

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 32).

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

On 23 June 2020, the Group disposed a part of equity interest in Phu Dinh Port with a total consideration of VND2,395,640,000,000. The gain of VND1,705,546,252,979 is the difference between the consideration and the carrying value of net assets transferred, was recognised in the consolidated interim income statement (Note 32). The retained investment in Phu Dinh Port is accounted as an investment in associate because the Group still has significant influence after the disposal (Note 1(vi)).

4 CASH AND CASH EQUIVALENTS

	30.6.2020	31.12.2019
	VND	VND
Cash on hand	309,565,307	1,510,564,933
Cash in bank	2,420,446,637,160	1,949,615,039,318
Cash equivalents (*)	3,458,812,089,878	4,515,093,912,126
	<u>5,879,568,292,345</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 3.9% per annum to 5.5% per annum (as at 31 December 2019: from 4.1% per annum to 6.0% per annum).

As at 30 June 2020, cash and cash equivalents of VND830,720 million (as at 31 December 2019: VND714,591 million) were pledged as collateral assets for the bank loans and VND1,684,690 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) Short-term**

	30.6.2020		31.12.2019	
	Cost VND	Book value VND	Cost VND	Book value VND
Term deposits	<u>437,829,773,071</u>	<u>437,829,773,071</u>	<u>466,222,941,609</u>	<u>466,222,941,609</u>

Short-term deposits represent bank deposits in VND with original maturity of more than three months and not exceed twelve months at the commercial banks with interest rate from 4.9% per annum to 8.1% per annum (as at 31 December 2019: from 6.2% per annum to 8.25% per annum).

As at 30 June 2020, short term deposits of VND280,996 million (as at 31 December 2019: VND116,815 million) were pledged as collateral assets and VND392 million (as at 31 December 2019: nil) were managed by bank under purpose of borrowings for each project.

As at 30 June 2020, deposits of VND392 million (as at 31 December 2019: nil) were managed by bank granting loans for specific projects.

(ii) Long-term

	30.6.2020		31.12.2019	
	Cost VND	Book value VND	Cost VND	Book value VND
Term deposits	<u>37,125,390,548</u>	<u>37,125,390,548</u>	<u>41,763,600,000</u>	<u>41,763,600,000</u>

Long-term term deposits represent bank deposits in VND with the remaining term over 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 June 2020, long-term term deposits of VND36,543 million (as at 31 December 2019: VND41,764 million) were pledged as collateral assets and the term deposits of VND582 million (as at 31 December 2019: nil) were managed by bank under purpose of borrowings for each project.

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5 INVESTMENTS (continued)

(b) Investments in associates

	30.6.2020			31.12.2019		
	Cost VND	Fair value VND	Provision VND	Cost VND	Fair value VND	Provision VND
Investments in associates	6,499,803,730,269	(*)	-	5,694,610,841,185	(*)	-

Detail of investments in associates is as follows:

Name	Principal activity	30.6.2020			31.12.2019		
		Book value VND	Fair value VND	Provision VND	Book value VND	Fair value VND	Provision VND
Thanh My Loi Joint Stock Company	Real estate trading	5,436,628,361,468	(*)	-	5,438,402,881,107	(*)	-
Saigon Golf Company Limited	Real estate trading	150,543,201,763	(*)	-	148,260,800,420	(*)	-
Ben Thanh Housing Service and Development Joint Stock Company	Real estate trading	74,397,739,301	(*)	-	71,625,904,472	(*)	-
Nova SQN Investment Joint Stock Company	Real estate trading	28,855,681,165	(*)	-	33,678,225,627	(*)	-
Sai Gon Electronics and Industrial Service Joint Stock Company	Electronic components and telecommunications trading	2,625,498,788	(*)	-	2,643,029,559	(*)	-
Phu Dinh Port Joint Stock Company (Note 1(vi))	Support activities related to transportation, real estate trading	806,753,247,784	(*)	-	-	-	-
		6,499,803,730,269		-	5,694,610,841,185		-

5 INVESTMENTS (continued)**(b) Investments in associates (continued)**

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

	For the six-month period ended 30.6.2020 VND	For the year ended 31.12.2019 VND
Beginning of period/year	5,694,610,841,185	7,694,964,022,477
Additional investments in the period/year	-	604,283,000,000
Transfers from subsidiaries to associates (Note 1(vi))	806,753,247,784	-
Loss sharing from investments in associates	(1,560,358,700)	(9,578,783,868)
Transfers from associates to subsidiaries	-	(2,583,098,255,939)
Dissolution of associate	-	(9,559,141,485)
Dividends received from associates	-	(2,400,000,000)
End of period/year	<u>6,499,803,730,269</u>	<u>5,694,610,841,185</u>

- (*) As at 30 June 2020 and 31 December 2019, the Group has not determined the fair value of these investments to disclose on the consolidated interim 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 interim 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.

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5 INVESTMENTS (continued)

(c) Investments in other entities

	30.6.2020			31.12.2019		
	Cost VND	Fair value VND	Provision VND	Cost VND	Fair value VND	Provision VND
Investments in other entities	7,939,750,000	(*)	-	7,939,750,000	(*)	-

Detail of investments in other entities is as follows:

Name	Principal activity	30.6.2020			31.12.2019		
		Cost VND	Fair value VND	Provision VND	Cost VND	Fair value VND	Provision VND
Hue Travel Company Limited	Tourism services	7,939,750,000	(*)	-	7,939,750,000	(*)	-

(*) As at 30 June 2020 and 31 December 2019, the Group has not determined the fair value of these investments to disclose on the consolidated interim 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 interim 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.

6 SHORT-TERM TRADE ACCOUNTS RECEIVABLE

	30.6.2020 VND	31.12.2019 VND
Trade receivables from sales of real estate		
Third parties (*)	1,004,933,361,991	964,108,260,507
Related parties (Note 41(b))	35,399,461,270	35,399,461,270
Trade receivables from rendering of services		
Third parties (*)	205,359,518,716	77,181,365,589
	<u>1,245,692,341,977</u>	<u>1,076,689,087,366</u>

(*) As at 30 June 2020 and 31 December 2019, there was no third party customer who has the balance accounting from 10% or more of the balance of short-term trade accounts receivable. Trade receivables from sales of real estate mainly included the receivables retained by customers and not yet paid until completion of transferring ownership certificate of real estate.

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

7 SHORT-TERM PREPAYMENTS TO SUPPLIERS

	30.6.2020 VND	31.12.2019 VND
Third parties		
<i>Sai Gon General Services Joint Stock Company</i>	323,104,203,797	323,024,476,227
<i>Sai Gon Coop Investment and Development Joint Stock Company</i>	102,500,000,000	102,500,000,000
<i>Others</i>	631,019,122,722	408,380,616,420
	<u>1,056,623,326,519</u>	<u>833,905,092,647</u>

As at 30 June 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.

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8 SHORT-TERM LENDING

	30.6.2020 VND	31.12.2019 VND
Third parties (*)	558,734,988,101	496,091,950,464
Related parties (Note 41(b))	150,929,003,300	272,629,003,300
	<u>709,663,991,401</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 4.2% per annum to 18.0% per annum (as at 31 December 2019: from 4.8% per annum to 18.0% per annum). The maturity of these lendings are from 3 to 12 months.

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

9 OTHER RECEIVABLES**(a) Short-term**

	30.6.2020		31.12.2019	
	Cost VND	Provision VND	Cost VND	Provision VND
Deposits for the acquisition of shares (*)	3,302,240,461,660	-	475,200,461,660	-
Deposits for the acquisition of lands for projects	1,276,727,461,500	-	1,276,727,461,500	-
Project development and investment co-operation (**)	569,719,000,000	-	53,219,000,000	-
Receivables relating to Saigon Golf (***)	388,560,000,000	-	388,560,000,000	-
Advances for projects	346,008,521,332	-	379,741,687,575	-
Interest receivable from deposits, lending and investment co-operation	133,358,797,652	-	103,019,159,618	-
Deposits for projects	90,739,134,192	-	98,839,134,192	-
Others	781,392,815,819	-	449,694,492,900	-
	<u>6,888,746,192,155</u>	<u>-</u>	<u>3,225,001,397,445</u>	<u>-</u>

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

	30.6.2020		31.12.2019	
	Cost VND	Provision VND	Cost VND	Provision VND
Third parties	6,426,248,623,018	-	2,770,959,941,152	-
Related parties (Note 41(b))	462,497,569,137	-	454,041,456,293	-
	<u>6,888,746,192,155</u>	<u>-</u>	<u>3,225,001,397,445</u>	<u>-</u>

9 OTHER RECEIVABLES (continued)**(a) Short-term (continued)**

- (*) 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.
- (**) 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.
- (***) These are receivables according to Cancellation Agreement of the Capital transfer contract and a return of the additional capital contributed to Saigon Golf.

(b) Long-term

	30.6.2020		31.12.2019	
	Cost VND	Provision VND	Cost VND	Provision VND
Deposits for projects (*)	212,959,234,290	-	215,973,712,452	-
Project development and investment co-operation	3,450,270,000,000	-	124,221,000,000	-
Others	26,242,175,139	-	30,544,354,296	-
	<u>3,689,471,409,429</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 projects.

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

	30.6.2020		31.12.2019	
	Cost VND	Provision VND	Cost VND	Provision VND
Third parties	3,486,931,409,429	-	365,056,749,293	-
Related parties (Note 41(b))	202,540,000,000	-	5,682,317,455	-
	<u>3,689,471,409,429</u>	<u>-</u>	<u>370,739,066,748</u>	<u>-</u>

As at 30 June 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.

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10 DOUBTFUL DEBTS

	30.6.2020				31.12.2019			
	Cost VND	Recoverable amount VND	Provision VND	Number of overdue days Day	Cost VND	Recoverable amount VND	Provision VND	Number of overdue days Day
Short-term trade receivables which were past due								
Hoang Phuc House Construction Development Investment Company Limited	10,263,645,778	-	10,263,645,778	1687	10,263,645,778	-	10,263,645,778	1505

11 INVENTORIES**(a) Inventories**

	30.6.2020		31.12.2019	
	Cost VND	Provision VND	Cost VND	Provision VND
Properties under construction (i)	53,380,843,098,057	-	51,233,696,639,571	-
Finished properties (ii)	5,673,609,947,797	(3,036,641,664)	5,834,252,601,525	(3,643,929,970)
Property merchandises	127,936,331,215	(82,912,906)	134,544,508,215	-
Other goods	8,783,827,218	-	6,943,380,879	-
	<u>59,191,173,204,287</u>	<u>(3,119,554,570)</u>	<u>57,209,437,130,190</u>	<u>(3,643,929,970)</u>
Provision for decline in value of inventories	(3,119,554,570)		(3,643,929,970)	
	<u>59,188,053,649,717</u>		<u>57,205,793,200,220</u>	

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

	For the six-month period ended 30.6.2020 VND	For the year ended 31.12.2019 VND
Beginning of period/year	(3,643,929,970)	(7,579,047,926)
Reversal	524,375,400	3,935,117,956
End of period/year	<u>(3,119,554,570)</u>	<u>(3,643,929,970)</u>

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

As at 30 June 2020, the Group's inventories of VND16,751,152 million (as at 31 December 2019: VND14,969,163 million) were pledged as collateral assets for borrowings.

Total interest expenses capitalised into value of inventories during the six-month period ended 30 June 2020 was VND1,314,659 million (year ended 31 December 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 progress of completing the paper works.

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12 PREPAID EXPENSES
(a) Short-term

	30.6.2020	31.12.2019
	VND	VND
Tools and equipment	8,779,965,812	2,654,165,805
Other deferred expenses	87,762,630,452	72,826,173,364
	<u>96,542,596,264</u>	<u>75,480,339,169</u>

(b) Long-term

	30.6.2020	31.12.2019
	VND	VND
Prepayment expenses for office and rental property renovation	15,054,522,220	72,207,090,994
Deferred expenses in accordance with revenue	55,967,813,615	53,464,458,773
Compensation cost for land clearance	-	41,881,487,734
Tools and equipment	15,776,160,018	13,645,182,869
Other deferred expenses	78,770,217,704	81,601,646,473
	<u>165,568,713,557</u>	<u>262,799,866,843</u>

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

	For the six-month period ended 30.6.2020	For the year ended 31.12.2019
	VND	VND
Beginning of period/year	262,799,866,843	414,115,027,558
Purchase	31,975,104,255	206,913,430,452
Transfers from construction in progress (Note 16)	7,027,785,503	-
Change from acquisition of subsidiaries	3,190,672	(99,318,908,130)
Allocation	(40,485,587,313)	(258,909,683,037)
Disposals	(54,039,949,062)	-
Changes due to disposal of subsidiaries	(41,711,697,341)	-
End of period/year	<u>165,568,713,557</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	-	5,072,783,639	1,134,176,252	3,190,339,083	-	9,397,298,974
Transfers from construction in progress (Note 16)	123,920,157,897	2,320,728,000	95,998,550,667	-	-	222,239,436,564
Disposal	-	(1,508,170,111)	(18,635,836,364)	-	-	(20,144,006,475)
Decrease from disposal of subsidiaries	(196,898,029,531)	(918,620,374)	(821,705,218)	(174,216,435)	-	(198,812,571,558)
As at 30 June 2020	<u>616,452,728,831</u>	<u>43,575,395,087</u>	<u>209,792,116,048</u>	<u>49,818,322,134</u>	<u>217,609,091</u>	<u>919,856,171,191</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	(9,411,473,803)	(1,986,813,954)	(9,464,503,608)	(4,348,979,472)	(5,827,040)	(25,217,597,877)
Disposal	-	1,052,294,769	2,345,469,747	-	-	3,397,764,516
Decrease from disposal of subsidiaries	92,736,167,862	673,507,647	536,390,904	140,505,214	-	94,086,571,627
As at 30 June 2020	<u>(35,600,002,996)</u>	<u>(14,860,731,626)</u>	<u>(55,180,364,757)</u>	<u>(30,635,463,518)</u>	<u>(216,637,918)</u>	<u>(136,493,200,815)</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 June 2020	<u>580,852,725,835</u>	<u>28,714,663,461</u>	<u>154,611,751,291</u>	<u>19,182,858,616</u>	<u>971,173</u>	<u>783,362,970,376</u>

Historical cost of fully depreciated tangible fixed assets but still in use as at 30 June 2020 was VND38,530 million (as at 31 December 2019: VND36,025 million).

Tangible fixed assets pledged as security for the borrowings granted to the Group was VND546,424 million (as at 31 December 2019: VND424,886 million).

14 INTANGIBLE FIXED ASSETS

	Land use rights VND	Brand name and Trademark 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
Additions	-	-	2,236,800,000	2,236,800,000
Decrease from disposal of subsidiaries	-	-	(30,000,000)	(30,000,000)
As at 30 June 2020	<u>68,702,167,947</u>	<u>30,000,000</u>	<u>102,181,462,075</u>	<u>170,913,630,022</u>
Accumulated amortisation				
As at 1 January 2020	-	(30,000,000)	(27,048,351,522)	(27,078,351,522)
Charge for the period	-	-	(9,549,446,987)	(9,549,446,987)
Decrease from disposal of subsidiaries	-	-	30,000,000	30,000,000
As at 30 June 2020	<u>-</u>	<u>(30,000,000)</u>	<u>(36,567,798,509)</u>	<u>(36,597,798,509)</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 June 2020	<u>68,702,167,947</u>	<u>-</u>	<u>65,613,663,566</u>	<u>134,315,831,513</u>

Historical cost of fully depreciated tangible fixed assets but still in use as at 30 June 2020 was VND11,350 million (as at 31 December 2019: VND10,304 million).

Intangible fixed assets pledged as security for the borrowings granted to the Group was VND33,822 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 construction in progress (Note 16)	-	15,891,354,449	15,891,354,449
Transfers from inventories	-	24,309,706,008	24,309,706,008
As at 30 June 2020	<u>1,006,049,946,364</u>	<u>3,046,060,170,764</u>	<u>4,052,110,117,128</u>
Accumulated amortisation			
As at 1 January 2020	-	(213,467,485,835)	(213,467,485,835)
Charge for the period	-	(31,090,630,612)	(31,090,630,612)
As at 30 June 2020	<u>-</u>	<u>(244,558,116,447)</u>	<u>(244,558,116,447)</u>
Net book value			
As at 1 January 2020	<u>1,006,049,946,364</u>	<u>2,792,391,624,472</u>	<u>3,798,441,570,836</u>
As at 30 June 2020	<u>1,006,049,946,364</u>	<u>2,801,502,054,317</u>	<u>3,807,552,000,681</u>

Investment properties are mainly for leases. As at 30 June 2020, investment properties with a carrying value of VND2,212,291 million (as at 31 December 2019: VND2,229,357 million) were pledged with banks as security for short-term and long-term borrowings granted to the Group.

16 CONSTRUCTION IN PROGRESS

	30.6.2020 VND	31.12.2019 VND
Projects in construction progress	341,733,863,765	464,785,187,965
Purchase of assets	38,711,237,783	140,155,939,740
Office repairs and maintenance	36,160,737,514	17,767,992,676
Showhouses	32,577,331,460	42,431,128,278
Others	2,952,296,769	2,952,296,769
	<u>452,135,467,291</u>	<u>668,092,545,428</u>

16 CONSTRUCTION IN PROGRESS (continued)

Movements in the construction in progress during the period/year were as follows:

	For the six-month period ended 30.6.2020 VND	For the year ended 31.12.2019 VND
Beginning of period/year	668,092,545,428	248,217,392,159
Increase in the period/year	46,184,006,238	537,087,011,700
Transfer to tangible fixed asset (Note 13)	(222,239,436,564)	(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	(7,814,671,059)	-
Transfer to long-term prepaid expense (Note 12(b))	(7,027,785,503)	-
Other decreases	(9,167,836,800)	(9,354,936,815)
End of period/year	<u>452,135,467,291</u>	<u>668,092,545,428</u>

17 GOODWILL

Movements in goodwill during the period/year were as follows:

	For the six-month period ended 30.6.2020 VND	For the year ended 31.12.2019 VND
Beginning of period/year	6,841,457,940,364	6,355,909,039,839
Increases (*)	260,016,310	1,305,272,410,195
Allocation (Note 36)	(424,195,302,039)	(819,723,509,670)
Decrease due to disposal of subsidiaries	(152,144,633,627)	-
End of period/year	<u>6,265,378,021,008</u>	<u>6,841,457,940,364</u>

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

	Goodwill VND	Allocation period Year
Lucky House Investment Service Joint Stock Company	170,415,966	10
Tan Kim Yen Real Estate Investment Company Limited	89,600,344	10
	<u>260,016,310</u>	

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

18 SHORT-TERM TRADE ACCOUNTS PAYABLE

	30.6.2020		31.12.2019	
	Value	Able-to-pay	Value	Able-to-pay
	VND	amount	VND	amount
		VND		VND
Third parties				
<i>Henry Enterprise Group</i>				
<i>Company Limited</i>	619,680,395,588	619,680,395,588	619,680,395,588	619,680,395,588
<i>Others</i>	886,650,890,974	886,650,890,974	1,924,602,250,778	1,924,602,250,778
Related parties (Note 41(b))	-	-	316,457,900	316,457,900
	<u>1,506,331,286,562</u>	<u>1,506,331,286,562</u>	<u>2,544,601,659,105</u>	<u>2,544,601,659,105</u>

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

20 TAXES AND (RECEIVABLES FROM)/PAYABLES TO THE STATE**(a) Taxes and other receivables from the State**

	30.6.2020	31.12.2019
	VND	VND
VAT to be reclaimed	1,078,452,458,754	978,926,176,534
Business income tax temporarily paid 1%	19,963,107,623	23,065,048,349
Overpaid business income tax	7,627,570,331	10,680,192,777
Others	72,502,142,702	74,380,872,649
	<u>1,178,545,279,410</u>	<u>1,087,052,290,309</u>

(b) Taxes and other payables to the State

	30.6.2020	31.12.2019
	VND	VND
Business income tax	61,723,263,029	178,287,280,513
Value added tax on domestic sales	39,320,931,967	6,739,208,458
Personal income tax	7,840,330,691	1,824,827,467
Others	14,236,983,019	18,861,733,317
	<u>123,121,508,706</u>	<u>205,713,049,755</u>

20 TAXES AND (RECEIVABLES FROM)/PAYABLES TO THE STATE (continued)

Movements of tax and (receivables from)/payables to the State during the period were as below:

	As at 1.1.2020 VND	Arose during the period VND	Netted off VND	Settled during the period VND	As at 30.6.2020 VND
(a) Tax receivables					
VAT to be reclaimed	(978,926,176,534)	(178,722,144,002)	79,195,861,782	-	(1,078,452,458,754)
Business income tax temporarily paid 1%	(23,065,048,349)	-	3,554,979,843	(453,039,117)	(19,963,107,623)
Overpaid business income tax	(10,680,192,777)	230,658,572	2,841,228,812	(19,264,938)	(7,627,570,331)
Others	(74,380,872,649)	(3,246,167)	1,881,976,114	-	(72,502,142,702)
	<u>(1,087,052,290,309)</u>	<u>(178,494,731,597)</u>	<u>87,474,046,551</u>	<u>(472,304,055)</u>	<u>(1,178,545,279,410)</u>
(b) Tax payables					
Business income tax	178,287,280,513	68,234,189,192	(6,371,276,697)	(178,426,929,979)	61,723,263,029
Value added tax on domestic sales	6,739,208,458	118,977,168,782	(79,195,861,782)	(7,199,583,491)	39,320,931,967
Personal income tax	1,824,827,467	54,064,581,922	(12,957,804)	(48,036,120,894)	7,840,330,691
Land use tax	-	347,210,321,865	(1,869,018,310)	(345,341,303,555)	-
Others	18,861,733,317	66,011,866,961	(24,931,958)	(70,611,685,301)	14,236,983,019
	<u>205,713,049,755</u>	<u>654,498,128,722</u>	<u>(87,474,046,551)</u>	<u>(649,615,623,220)</u>	<u>123,121,508,706</u>

21 PAYABLES TO EMPLOYEES

	30.6.2020 VND	31.12.2019 VND
Salary	2,590,621,998	499,876,797
13 th month salary, bonus	65,852,223,704	30,796,453,126
	<u>68,442,845,702</u>	<u>31,296,329,923</u>

22 SHORT-TERM ACCRUED EXPENSES

	30.6.2020 VND	31.12.2019 VND
Constructions costs	1,468,935,103,081	1,661,156,307,763
Interest on borrowings and investment co-operation	909,525,568,180	725,859,264,145
Others	238,469,365,957	310,781,134,326
	<u>2,616,930,037,218</u>	<u>2,697,796,706,234</u>

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

	30.6.2020 VND	31.12.2019 VND
Third parties	2,590,726,149,811	2,695,828,185,412
Related parties (Note 41(b))	26,203,887,407	1,968,520,822
	<u>2,616,930,037,218</u>	<u>2,697,796,706,234</u>

23 OTHER PAYABLES**(a) Short-term**

	30.6.2020 VND	31.12.2019 VND
Project development and investment co-operation (Note 23(b)(*))	1,847,350,000,000	2,079,350,000,000
Maintenance fund payables (i)	365,786,136,997	434,148,010,658
Payables relating to deposits received for contracts which were liquidated	120,000,000,000	492,000,000,000
Deposits for purchases of properties	162,149,850,000	88,824,850,000
Others	1,468,308,510,787	530,015,202,176
	<u>3,963,594,497,784</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 Committees when they are established.

23 OTHER PAYABLES (continued)**(b) Long-term**

	30.6.2020	31.12.2019
	VND	VND
Project development and investment co-operation (*)	20,180,886,155,973	14,127,007,050,899
Others	5,409,719,462	6,024,939,545
	<u>20,186,295,875,435</u>	<u>14,133,031,990,444</u>

(*) The balance represents the received amount for project development and investment cooperation with related parties and third parties. The Group is obliged to refund this amount in full to counter parties at the end of the projects. The Group will share profit at the end of the projects based on the agreed sharing ratio between parties in the agreement. 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 June 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 AND FINANCE LEASE LIABILITIES

	As at 1.1.2020 VND	Increase VND	Decrease VND	Current portion of long-term borrowings VND	As at 30.6.2020 VND
(a) Short-term					
- Bank loans (*)	1,761,119,694,971	898,717,969,923	(1,366,344,798,084)	2,258,280,015,372	3,551,772,882,182
- Bonds (**)	2,576,900,000,000	914,000,000,000	(1,770,900,000,000)	580,000,000,000	2,300,000,000,000
- Borrowings from third parties (***)	3,731,232,500,000	1,866,721,678,082	(1,705,108,725,291)	1,970,935,000,000	5,863,780,452,791
- Borrowings from related parties (Note 41(b))	384,230,000,000	448,220,346,330	(134,100,000,000)	-	698,350,346,330
- Costs of issuing bonds	(8,844,184,645)	(16,245,000,000)	10,251,669,847	(5,300,590,273)	(20,138,105,071)
	<u>8,444,638,010,326</u>	<u>4,111,414,994,335</u>	<u>(4,966,201,853,528)</u>	<u>4,803,914,425,099</u>	<u>12,393,765,576,232</u>
(b) Long-term					
- Bank loans (*)	12,764,603,252,307	3,012,307,856,111	(2,831,757,954,000)	(2,258,280,015,372)	10,686,873,139,046
- Bonds (**)	10,358,680,000,000	5,298,620,000,000	(1,159,100,000,000)	(580,000,000,000)	13,918,200,000,000
- Borrowings from third parties (***)	3,294,475,000,000	4,560,000,000	-	(1,970,935,000,000)	1,328,100,000,000
- Cost of issuing bonds	(272,113,803,814)	(30,013,933,332)	58,075,013,532	5,300,590,273	(238,752,133,341)
	<u>26,145,644,448,493</u>	<u>8,285,473,922,779</u>	<u>(3,932,782,940,468)</u>	<u>(4,803,914,425,099)</u>	<u>25,694,421,005,705</u>

24 BORROWINGS AND FINANCE LEASE LIABILITIES (continued)

(*) Details of bank loans:

	30.6.2020	31.12.2019
	VND	VND
Short-term		
Vietnam Prosperity Joint Stock Commercial Bank (i)	1,189,072,000,000	816,804,000,000
Credit Suisse AG - Singapore Branch (ii)	726,827,500,000	-
Industrial and Commercial Bank of China Limited		
- Hanoi City Branch (iii)	257,000,000,000	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)	235,416,467,725	224,711,513,310
Credit Suisse AG - Singapore Branch (vi)	218,437,500,000	-
Vietnam Prosperity Joint Stock Commercial Bank (vii)	190,000,000,000	190,000,000,000
Vietnam Prosperity Joint Stock Commercial Bank (viii)	150,000,000,000	-
Kien Long Commercial Joint Stock Bank		
- Sai Gon Branch (ix)	77,000,000,000	67,375,000,000
Sai Gon Thuong Tin Commercial Joint Stock Bank		
- Transaction Center (x)	74,000,000,000	60,441,000,000
Vietnam Joint Stock Commercial Bank for Industry		
and Trade Filiale Deutschland (xi)	67,570,000,000	-
The Shanghai & Savings Bank, Ltd. Offshore		
Banking Branch (xi)	11,650,000,000	-
Vietnam Joint Stock Commercial Bank for Industry		
and Trade - Branch 1 (xi)	2,300,000,000	-
Deutsche Investitions-und Entwicklungsgesellschaft		
mbH (xii)	66,571,427,240	33,171,427,908
Ho Chi Minh City Development Joint Stock		
Commercial Bank - Headquarter (xii)	50,000,000	-
Sai Gon Thuong Tin Commercial Joint Stock Bank		
- District 4 Branch (xiii)	37,932,853,753	113,798,571,753
Phuong Dong Commercial Joint Stock Bank		
- District 4 Branch (xiv)	4,945,133,464	-
Sai Gon Thuong Tin Commercial Joint Stock Bank		
- Transaction Center (xv)	-	136,818,182,000
	3,551,772,882,182	1,761,119,694,971

24 BORROWINGS AND FINANCE LEASE LIABILITIES (continued)

(*) Details of bank loans (continued)

	30.6.2020 VND	31.12.2019 VND
Long term		
Credit Suisse AG - Singapore Branch (ii)	5,087,792,500,000	3,458,200,000,000
Joint Stock Commercial Bank for Foreign Trade of Vietnam - Ho Chi Minh Branch (ii)	23,500,000,000	23,500,000,000
Credit Suisse AG - Singapore Branch (vi)	1,529,062,500,000	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)	1,188,660,000,000	1,783,196,000,000
Vietnam Joint Stock Commercial Bank for Industry and Trade Filiale Deutschland (xi)	608,130,000,000	673,380,000,000
The Shanghai & Savings Bank, Ltd. Offshore Banking Branch (xi)	104,850,000,000	-
Vietnam Joint Stock Commercial Bank for Industry and Trade - Branch 1 (xi)	20,700,000,000	23,000,000,000
Vietnam Prosperity Joint Stock Commercial Bank (viii)	450,000,000,000	600,000,000,000
Vietnam Prosperity Joint Stock Commercial Bank (xvi)	450,000,000,000	-
Deutsche Investitions-und Entwicklungsgesellschaft mbH (xii)	399,428,572,760	431,228,572,092
Ho Chi Minh City Development Joint Stock Commercial Bank - Headquarter (xii)	650,000,000	700,000,000
Vietnam Prosperity Joint Stock Commercial Bank (vii)	285,000,000,000	380,000,000,000
Kien Long Commercial Joint Stock Bank - Sai Gon Branch (ix)	211,750,000,000	250,250,000,000
Phuong Dong Commercial Joint Stock Bank - District 4 Branch (xiv)	192,849,566,286	122,466,862,215
Sai Gon Thuong Tin Commercial Joint Stock Bank - Transaction Center (x)	111,000,000,000	148,000,000,000
Sai Gon Thuong Tin Commercial Joint Stock Bank - Transaction Center (xv)	-	1,368,181,818,000
Vietnam Joint Stock Commercial Bank for Industry and Trade - Ho Chi Minh Branch (xvii)	-	1,157,000,000,000
	<u>10,686,873,139,046</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 June 2020, the Group had outstanding balance of VND2,377,732,000,000. 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 AND FINANCE LEASE LIABILITIES (continued)

- (ii) These are borrowings with a credit facility of USD251,000,000 to Nova Hospitality Joint Stock Company, including 2 loans as follows:
- 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 June 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) This is borrowing in Vietnamese Dong under a credit facility of VND350,000,000,000 for a term of twelve months (12) to finance working capital of the Company. Interest rates are being specified in each drawdown. As at 30 June 2020, the Company had the outstanding balance of VND257,000,000,000 which bears an interest rate of 8.9% per annum. These borrowings are guaranteed by shares of the companies owned by the Company's 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 June 2020, the Group had the outstanding balance of VND235,416,467,725 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. Until 30 June 2020, these borrowings was disbursed partially by USD100,000,000 and were repaid USD25,000,000. As at 30 June 2020, the Group had the outstanding balance of USD75,000,000.
 - 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.

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24 BORROWINGS AND FINANCE LEASE LIABILITIES (continued)

- (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.
- (viii) 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.
- (ix) 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). As at 30 June 2020, the Group had the outstanding balance of VND288,750,000,000 which bears an interest rate of 10.5% per annum. These borrowings are secured by a real estate in District 1, Ho Chi Minh City.
- (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 principals 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 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.

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24 BORROWINGS AND FINANCE LEASE LIABILITIES (continued)

(xii) 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 principals 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 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.

- (xiii) These are borrowings in Vietnamese Dong with a credit limit of VND800,000,000,000, which are due for repayment within 36 months duration since the first drawdown on 28 September 2017. The interest rates of these borrowings are equal to basic interest rate plus a margin of 3.5% per annum. These borrowings are secured by the land use right and assets formed in the future of a project in District 4, Ho Chi Minh City.
- (xiv) 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.
- (xv) 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 June 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 principals 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.

24 BORROWINGS AND FINANCE LEASE LIABILITIES (continued)

(xvii) 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 June 2020, these borrowings were early settled.

(**) Details of issued bonds are:

	30.6.2020 VND	31.12.2019 VND
Short-term		
Bonds issued at par		
MB Securities Joint Stock Company (i)	400,000,000,000	-
MB Securities Joint Stock Company (ii)	300,000,000,000	-
Tien Phong Commercial Joint Stock Bank (iii)	300,000,000,000	800,000,000,000
MB Securities Joint Stock Company (iv)	270,000,000,000	-
Military Commercial Joint Stock Bank		
- North Sai Gon Branch (v)	250,000,000,000	-
Military Commercial Joint Stock Bank		
- North Sai Gon Branch (vi)	214,000,000,000	-
Vietnam Public Joint Stock Commercial Bank		
- Sai Gon Branch (vii)	200,000,000,000	200,000,000,000
Tien Phong Commercial Joint Stock Bank (viii)	120,000,000,000	60,000,000,000
VietinBank Insurance Joint Stock Company (ix)	100,000,000,000	100,000,000,000
VietinBank Gold & Jewellery Company Limited (ix)	100,000,000,000	100,000,000,000
Vietnam Joint Stock Commercial Bank for Industry and Trade – Ho Chi Minh City Branch (x)	46,000,000,000	146,000,000,000
Military Commercial Joint Stock Bank		
- North Sai Gon Branch (xi)	-	570,900,000,000
MB Securities Joint Stock Company	-	400,000,000,000
Bao Viet Group	-	200,000,000,000
	<u>2,300,000,000,000</u>	<u>2,576,900,000,000</u>

24 BORROWINGS AND FINANCE LEASE LIABILITIES (continued)

(**) Details of issued bonds are: (continued)

	30.6.2020 VND	31.12.2019 VND
Long-term		
Bonds issued at par		
The Bank of New York Mellon, London Branch (xii)	5,561,500,000,000	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)	1,180,000,000,000	-
Vietnam Public Joint Stock Commercial Bank		
- Sai Gon Branch (vii)	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 (iii)	700,000,000,000	700,000,000,000
Military Commercial Joint Stock Bank		
- North Sai Gon Branch (xvi)	657,000,000,000	-
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 (v)	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 (iv)	140,000,000,000	410,000,000,000
Viet Dragon Securities Corporation (xix)	100,000,000,000	-
Tien Phong Commercial Joint Stock Bank (viii)	80,000,000,000	140,000,000,000
Military Commercial Joint Stock Bank		
- North Sai Gon Branch (xi)	-	1,159,100,000,000
	<u>13,918,200,000,000</u>	<u>10,358,680,000,000</u>

- (i) Bonds issued at 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.

24 BORROWINGS AND FINANCE LEASE LIABILITIES (continued)

- (iii) 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. Up to 30 June 2020, bond A were settled.

- (iv) 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.

- (v) 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 AND FINANCE LEASE LIABILITIES (continued)

- (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 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.
- (vii) 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.
- (viii) 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.
- (ix) Bonds issued at par value of VND200,000,000,000 in Vietnamese Dong, advised by Vietinbank Securities which will be matured in September 2020, bearing an interest rate of 10.75% per annum. These bonds are secured by shares of the Company owned by shareholders.
- (x) Bonds issued at par value in Vietnamese Dong to Vietnam Joint Stock Commercial Bank for Industry and Trade - Ho Chi Minh City Branch. Package of bonds with a par value of VND736,000,000,000, maturing in August 2020, bearing an interest rate of 10% per annum for the first three months. The interest rate will be adjusted for every three months at the interest rate of the twelve-month deposit from individuals (paid in arrears) in Vietnamese Dong plus a margin of 4.0% per annum. The reference rate is calculated by average of the interest rates offered for the twelve-month deposits from individuals in Vietnamese Dong (paid in arrears) on the date of interest rate determination. Until 30 June 2020, the Company repurchased total VND690,000,000,000 of par value, the remaining balance of bonds is VND46,000,000,000. These bonds are secured by shares of the Company owned by 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 June 2020, these bonds were early settled.

24 BORROWINGS AND FINANCE LEASE LIABILITIES (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 June 2020, total bonds converted into shares was USD1,000,000 of par value, the remaining balance of bonds is USD239,000,000.
- (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 VPS Securities Joint Stock Company with a total par value of VND1,180,000,000,000, maturing in June 2023. The interest rate for the first interest period is 11% per annum. Then, the interest rate is adjusted every three (3) months and defined as a reference rate plus 3.9% per annum. The reference rate is defined at the highest rate of the twelve-month (or equivalent term) normal saving deposits from individuals in Vietnamese Dong (paid in arrears) by Reference Bank on the date of interest rate determination. These bonds are non-convertible and without warrants and secured by the property rights related to the project at District 2, Ho Chi Minh City.

24 BORROWINGS AND FINANCE LEASE LIABILITIES (continued)

- (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 June 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. The total value which were successfully issued as at 30 June 2020 is VND214,000,000,000.
- Bond 2: total par value of VND214,000,000,000 with a term of 36 months, maturing in 2023. The total value which were successfully issued as at 30 June 2020 is VND214,000,000,000.
- Bond 3: total par value of VND214,000,000,000 with a term of 48 months, maturing in 2024. The total value which were successfully issued as at 30 June 2020 is VND214,000,000,000.
- Bond 4: total par value of VND107,700,000,000 with a term of 60 months, maturing in 2025. The total value which were successfully issued as at 30 June 2020 is VND107,700,000,000.

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 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.

- (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 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 VND100,000,000,000 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.

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24 BORROWINGS AND FINANCE LEASE LIABILITIES (continued)

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

	30.6.2020 VND	31.12.2019 VND
Short-term borrowings		
Nova Homes Trading Joint Stock Company (i)	1,553,855,452,791	1,046,300,000,000
GPI3 Co., Ltd (ii)	1,392,000,000,000	1,392,000,000,000
Credit Suisse AG, Singapore Branch (iii)	1,335,719,000,000	667,859,500,000
Crane Investment Ltd (iii)	675,906,000,000	337,953,000,000
GW Supernova Pte.Ltd. (iv)	466,000,000,000	-
Credit Suisse AG, Singapore Branch (v)	69,900,000,000	-
Others (i)	370,400,000,000	287,120,000,000
	<u>5,863,780,452,791</u>	<u>3,731,232,500,000</u>
Long-term borrowings		
Credit Suisse AG, Singapore Branch (v)	1,328,100,000,000	1,393,200,000,000
Credit Suisse AG, Singapore Branch (iii)	-	954,085,000,000
Crane Investment Ltd (iii)	-	482,790,000,000
GW Supernova Pte. Ltd. (iv)	-	464,400,000,000
	<u>1,328,100,000,000</u>	<u>3,294,475,000,000</u>

- (i) These are borrowings in Vietnamese Dong, having terms ranging from 1 to 12 months, bearing interest at the rate from 4.25% to 13.0% per annum and are unsecured.
- (ii) These are borrowings in Vietnamese Dong with a credit limit of USD90,000,000, in which Standard Chartered Bank is the arranger and bookrunner and Standard Chartered Bank (Hong Kong) Limited is the facility agent and security agent. The borrowings will be matured in September 2020 with the principal being paid on the maturity date. The interest of these borrowings is paid on every six (6) month at the rate of 6% per annum. At maturity or early repayment, the Company would pay an additional amount to ensure that lender receives a target internal rate of return of 11% per annum. These borrowings are secured by shares of the Company owned by shareholders. Until 30 June 2020, an amount of USD60,000,000 was disbursed partially by GPI3 Co., Ltd.
- (iii) 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 June 2020, these borrowings were paid USD37,500,000.

24 BORROWINGS AND FINANCE LEASE LIABILITIES (continued)

- (iv) 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 June 2020, the borrowing of USD30,000,000 were settled.
- (v) 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 June 2020, an amount of USD60,000,000 was disbursed.

25 PROVISION FOR LONG-TERM LIABILITIES

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**

	30.6.2020		31.12.2019	
	Ordinary shares	Preference shares	Ordinary shares	Preference shares
Number of shares registered	969,540,797	-	969,540,797	-
Number of shares issued	969,540,797	-	969,540,797	-
Number of existing shares in circulation	969,540,797	-	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 and 30 June 2020	969,540,797	-	969,540,797

Par value per share: VND10,000.

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27 MOVEMENTS IN OWNERS' EQUITY

	Ordinary shares VND	Preference shares VND	Share premium VND	Post-tax undistributed earnings VND	Non controlling interest VND	Total VND
As at 1 January 2019 (Restated)	9,304,466,740,000	68,300,000,000	3,996,839,781,026	5,618,698,169,829	981,494,999,352	19,969,799,690,207
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)
Net profit for the year	-	-	-	3,431,331,162,442	(44,009,060,531)	3,387,322,101,911
Dividends paid	-	-	-	(21,076,808,219)	(19,719,873,178)	(40,796,681,397)
Acquisition of new subsidiaries	-	-	-	-	1,328,995,600,196	1,328,995,600,196
Change in ownership of subsidiaries	-	-	-	(306,123,803,463)	(64,114,305,607)	(370,238,109,070)
As at 31 December 2019	9,695,407,970,000	-	3,860,189,781,026	8,722,828,720,589	2,182,647,360,232	24,461,073,831,847
Profit for the period	-	-	-	1,212,724,440,916	(35,617,653,431)	1,177,106,787,485
Acquisition of new subsidiaries	-	-	-	-	493,640,500	493,640,500
Change in ownership of subsidiaries	-	-	-	(593,914,214,000)	(477,615,897,192)	(1,071,530,111,192)
As at 30 June 2020	9,695,407,970,000	-	3,860,189,781,026	9,341,638,947,505	1,669,907,450,109	24,567,144,148,640

28 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 six-month period ended	
	30.6.2020	30.6.2019
Net profit attributable to shareholders (VND)	1,212,724,440,916	813,565,402,063
Dividend on preference shares (VND)	-	(10,245,000,000)
Profit calculation of basic earnings per share (VND)	<u>1,212,724,440,916</u>	<u>803,320,402,063</u>
Weighted average number of ordinary shares in issue (shares)	969,540,797	930,446,674
Mandatorily convertible shares (shares)	-	20,490,000
Weighted average number of ordinary shares including mandatorily convertible shares (shares)	<u>969,540,797</u>	<u>950,936,674</u>
Basic earnings per share (VND)	<u>1,251</u>	<u>845</u>

(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 year and the ordinary shares expected to be issued via conversion of other financial instruments into ordinary shares.

	For the six-month period ended	
	30.6.2020	30.6.2019
Net profit attributable to shareholders (VND)	1,212,724,440,916	813,565,402,063
Dividend on preference shares (VND)	-	(10,245,000,000)
Adjustment (*)	-	-
Profit calculation of basic earnings per share (VND)	<u>1,212,724,440,916</u>	<u>803,320,402,063</u>
Weighted average number of ordinary shares in issue (shares)	969,540,797	930,446,674
Mandatorily convertible shares (shares)	-	20,490,000
Weighted average number of ordinary shares including mandatorily convertible shares (shares)	<u>969,540,797</u>	<u>950,936,674</u>
Basic earnings per share (VND)	<u>1,251</u>	<u>845</u>

(*) 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.

During the period, potential ordinary shares are not treated as dilutive because their conversion to ordinary shares would not decrease earnings per share or increase loss per share.

29 OFF CONSOLIDATED INTERIM BALANCE SHEET ITEMS**(a) Foreign currencies**

	30.6.2020	31.12.2019
Foreign currencies (USD)	362,008	15,465,950

(b) Operating lease assets

The future minimum lease receipts under non-cancellable operating leases were presented in Note 42.

30 NET REVENUE FROM SALES OF GOODS AND RENDERING OF SERVICES

	For the six-month period ended	
	30.6.2020	30.6.2019
	VND	VND
		(Restated)
Revenue from sales of goods and rendering of services		
Revenue from sale of real estate	989,768,517,056	7,780,156,653,448
Rendering of services for corporate management, project development and sales consultancy	713,394,791,951	253,426,184,342
Sales from leasing properties	64,696,422,018	55,224,502,845
Others	92,199,153,287	25,767,132,920
	<u>1,860,058,884,312</u>	<u>8,114,574,473,555</u>
Sales deductions		
Trade discounts	(5,068,240,569)	(50,068,069,375)
Sales rebates	-	(1,378,181,818)
Sale returns	(191,146,519,386)	(18,746,802,405)
	<u>(196,214,759,955)</u>	<u>(70,193,053,598)</u>
Net revenue from sale of goods and rendering of services		
Net sales of real estate	793,553,757,101	7,709,963,599,850
Net sales of rendering of services for corporate management, project development and sales consultancy	713,394,791,951	253,426,184,342
Net sales from leasing properties	64,696,422,018	55,224,502,845
Others	92,199,153,287	25,767,132,920
	<u>1,663,844,124,357</u>	<u>8,044,381,419,957</u>

31 COST OF GOODS SOLD AND SERVICES RENDERED

	For the six-month period ended	
	30.6.2020 VND	30.6.2019 VND (Restated)
Cost of real estate sold	400,870,766,943	5,567,688,612,024
Cost of rendering of services for corporate management, project development and sales consultancy	504,417,753,692	237,221,256,325
Cost of leasing properties	48,616,027,816	36,395,657,500
Others	127,216,626,177	40,057,992,819
	<u>1,081,121,174,628</u>	<u>5,881,363,518,668</u>

32 FINANCIAL INCOME

	For the six-month period ended	
	30.6.2020 VND	30.6.2019 VND (Restated)
Gain from divestment of subsidiaries	2,501,043,453,142	-
Interest income from deposits at banks	77,383,094,644	183,333,448,403
Foreign exchange gains	47,595,304,289	5,977,639,630
Interest income from lending	35,612,025,971	22,721,476,750
Revaluation of investments at each business combination stage	-	14,787,440,987
Interest income from late payment	-	622,297,283
Interest income from business co-operation contracts	-	372,602,740
Others	3,168,482,213	1,481,784,299
	<u>2,664,802,360,259</u>	<u>229,296,690,092</u>

33 FINANCIAL EXPENSES

	For the six-month period ended	
	30.6.2020 VND	30.6.2019 VND (Restated)
Interest expenses	302,418,118,801	614,157,864,451
Interest expenses for business co-operation contracts	167,612,039,547	44,400,301,779
Expenses on cross currency swap contracts	133,765,220,723	74,281,073,671
Borrowings related costs	79,046,890,432	410,017,133,199
Foreign exchange losses	56,259,366,266	36,545,000,994
Cost of issuing bonds	7,146,112,428	24,433,725,688
Others	5,193,735,453	8,368,895,428
	<u>751,441,483,650</u>	<u>1,212,203,995,210</u>

34 SHARE OF PROFIT/(LOSS) FROM ASSOCIATES

During the period, share of profit/(loss) from associates represents the profit or loss from the associates corresponding to the interest rate of the Group.

35 SELLING EXPENSES

	For the six-month period ended	
	30.6.2020 VND	30.6.2019 VND
Staff costs	9,093,180,843	16,663,324,012
Outside services expenses	7,906,442,997	76,407,029,292
Depreciation expense	1,730,191,349	1,145,718,101
Material, package costs	5,100,000	5,250,000
Tool and supplies	-	12,495,138
Other cash expenses	6,989,305,581	56,325,955,410
	<u>25,724,220,770</u>	<u>150,559,771,953</u>

36 GENERAL AND ADMINISTRATION EXPENSES

	For the six-month period ended	
	30.6.2020 VND	30.6.2019 VND (Restated)
Allocation of goodwill (Note 17)	424,195,302,039	405,264,489,215
Outside services expenses	118,227,297,521	65,798,114,504
Staff costs	30,028,000,561	53,684,431,471
Depreciation expenses	6,424,336,276	5,485,791,294
Tax and other fees	2,545,947,922	301,640,755
Stationery expenses	1,833,175,932	1,242,183,202
Tools and supplies	443,087,388	647,954,025
Provision	205,050,050	1,051,860,043
Other cash expenses	30,509,294,026	41,061,854,914
	<u>614,411,491,715</u>	<u>574,538,319,423</u>

37 OTHER INCOME AND OTHER EXPENSES

	For the six-month period ended	
	30.6.2020 VND	30.6.2019 VND (Restated)
Other income		
Collection of penalties on contract violation	8,052,342,155	13,171,725,440
Gains on disposal of tools and scrap	714,097,121	142,800,454
Gains on disposal of fixed assets	408,053,938	1,090,909
Gain on bargain purchase (*)	135,998,706	948,580,140,038
Others	4,252,773,648	1,624,578,282
	<u>13,563,265,568</u>	<u>963,520,335,123</u>
Other expenses		
Penalty expenses on contract violation	(366,598,949,910)	(82,815,058,370)
Losses on disposal of fixed assets	(491,898,069)	-
Others	(14,049,359,048)	(5,915,080,371)
	<u>(381,140,207,027)</u>	<u>(88,730,138,741)</u>
Net other (expenses)/income	<u>(367,576,941,459)</u>	<u>874,790,196,382</u>

(*) For the period ended 30 June 2020, gain on bargain purchase is the excess of the Group's share of the fair value of identifiable net asset over the cost of the investment in Phuc Hoa (Note 3.1).

38 BUSINESS INCOME TAX ("BIT")

(a) Deferred BIT

Deferred BIT 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 BIT relate to the same taxation authority.

38 BIT (continued)**(a) Deferred BIT (continued)**

Movements in deferred BIT are as follows:

	For the six-month period ended	
	30.6.2020	30.6.2019
	VND	VND
		(Restated)
Deferred income tax assets	76,536,421,869	69,958,310,238
Deferred income tax liabilities	(6,255,537,958,898)	(2,298,846,949,689)
Beginning of period	(6,179,001,537,029)	(2,228,888,639,451)
Income statement charged (Note 38(b))	(241,627,136,209)	(71,909,762,176)
Impact of business combination during the period	-	(1,453,935,889,306)
Disposal of subsidiaries	143,222,716,854	-
End of period	(6,277,405,956,384)	(3,754,734,290,933)
In which:		
Deferred income tax assets	84,071,046,021	63,677,952,503
Deferred income tax liabilities	(6,361,477,002,405)	(3,818,412,243,436)

The deferred BIT 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 for determining deferred tax assets and deferred tax liabilities (2019: 20%).

Deferred BIT 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.

The Company is in process of assessment and adjusting the tax loss of previous years due to impact of Decree 68/2020/ND-CP.

38 BIT (continued)**(b) BIT**

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

	For the six-month period ended	
	30.6.2020 VND	30.6.2019 VND (Restated)
Net accounting profit before tax	1,486,810,813,694	1,330,730,520,504
Tax calculated at a rate of 20%	297,362,162,739	266,146,104,101
Effect of:		
Goodwill allocation	84,839,060,408	81,052,897,843
Expenses not deductible for tax purposes	4,474,839,438	3,991,840,322
Tax losses utilisation	(303,028,177,377)	(7,860,417,856)
Tax loss for which deferred tax asset is not recognised	234,905,524,165	381,406,965,268
Difference from share transfer of subsidiaries	10,078,893,213	-
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	-
Sharing profits from associates	312,071,740	(185,563,865)
Gain from subsidiaries acquisitions	(27,199,741)	(189,716,028,008)
Adjustments for business income tax of previous years	342,330,916	1,189,155,716
BIT charge (*)	309,704,026,209	536,024,953,521
Charged to income statement:		
BIT - current	68,076,890,000	464,115,191,345
BIT - deferred (Note 38(a))	241,627,136,209	71,909,762,176
	309,704,026,209	536,024,953,521

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

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39 COSTS OF OPERATIONS BY FACTOR

Costs of operation by factor represent all costs incurred during the period, excluding cost of merchandises for trading activities. The details are as follows:

	For the six-month period ended	
	30.6.2020	30.6.2019
	VND	VND
		(Restated)
Real estate development costs for selling	2,521,872,736,061	14,372,969,547,641
Labour costs	428,584,141,774	402,181,337,155
Outside services expenses	244,263,246,660	234,037,186,825
Depreciation expenses and goodwill allocation	490,052,977,515	428,486,376,885
Other expenses	42,325,910,849	99,597,333,444
	<u>3,727,099,012,859</u>	<u>15,537,271,781,950</u>

40 ADDITIONAL INFORMATION ON CERTAIN ITEMS OF THE CONSOLIDATED INTERIM CASH FLOW STATEMENT**(a) Non-cash transactions affect the cash flow statement:**

	For the six-month period ended	
	30.6.2020	30.6.2019
	VND	VND
Purchasing subsidiaries with payables	-	1,881,500,000,000

(b) Amount of borrowings actually withdrawn during the period

	For the six-month period ended	
	30.6.2020	30.6.2019
	VND	VND
Proceeds from borrowings following normal borrowing contracts	5,805,642,224,116	3,391,355,794,365
Issuing bonds	6,154,441,066,668	2,578,306,717,187
	<u>11,960,083,290,784</u>	<u>5,969,662,511,552</u>

(c) Amount of borrowings actually repaid during the period

	For the six-month period ended	
	30.6.2020	30.6.2019
	VND	VND
Repayments for borrowings following normal borrowing contracts	5,429,011,477,375	2,113,497,945,071
Repayments for bonds	2,930,000,000,000	3,945,000,000,000
	<u>8,359,011,477,375</u>	<u>6,058,497,945,071</u>

41 RELATED PARTY DISCLOSURES

During the period, the Group has transactions and balances with the 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	Phu Dinh Port Joint Stock Company
Associate	Saigon Golf Company Limited
Associate	Nova SQN Investment Joint Stock Company
Company owned by shareholders	NSQ Investment Development Joint Stock Company

(a) Related party transactions

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

	For the six-month period ended	
	30.6.2020	30.6.2019
	VND	VND
		(Restated)
i) Purchase of services		
Ben Thanh Housing Service and Development Joint Stock Company	-	25,816,371,816
ii) Interest on lending		
Saigon Golf Company Limited	5,437,037,808	-
Thanh My Loi Joint Stock Company	3,019,075,035	3,002,486,714
Sai Gon Electronics and Industrial Service Joint Stock Company	-	423,459,556
	<u>8,456,112,843</u>	<u>3,425,946,270</u>
iii) Interest expense		
Saigon Golf Company Limited	<u>10,051,682,738</u>	-
iv) Compensation of key management		
Gross salaries and other benefits	<u>9,162,856,153</u>	<u>11,075,100,954</u>

41 RELATED PARTY DISCLOSURES (continued)

(b) Year end balances with related parties

	30.6.2020 VND	31.12.2019 VND
i) Short-term trade account receivables (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
	<u>35,399,461,270</u>	<u>35,399,461,270</u>
ii) Short-term lendings (Note 8)		
Thanh My Loi Joint Stock Company	49,629,003,300	49,629,003,300
Saigon Golf Company Limited	101,300,000,000	223,000,000,000
	<u>150,929,003,300</u>	<u>272,629,003,300</u>
iii) Other short-term receivables (Note 9(a))		
Saigon Golf Company Limited	395,139,530,959	389,702,493,151
Ben Thanh Housing Service and Development Joint Stock Company	36,821,810,338	36,821,810,338
Thanh My Loi Joint Stock Company	15,536,227,840	12,517,152,804
Sai Gon Electronics and Industrial Service Joint Stock Company	15,000,000,000	15,000,000,000
	<u>462,497,569,137</u>	<u>454,041,456,293</u>
iv) Other long-term receivables (Note 9(b))		
Nova SQN Investment Joint Stock Company	201,540,000,000	-
Phu Dinh Port Joint Stock Company	1,000,000,000	-
Ben Thanh Housing Service and Development Joint Stock Company	-	5,682,317,455
	<u>202,540,000,000</u>	<u>5,682,317,455</u>
v) Short-term trade accounts payable (Note 18)		
Ben Thanh Housing Service and Development Joint Stock Company	-	316,457,900
	<u>-</u>	<u>316,457,900</u>

41 RELATED PARTY DISCLOSURES (continued)**(b) Year end balances with related parties (continued)**

	30.6.2020 VND	31.12.2019 VND
vi) Short-term accrued expenses (Note 22)		
Phu Dinh Port Joint Stock Company	14,183,683,847	-
Saigon Golf Company Limited	12,020,203,560	1,968,520,822
	<u>26,203,887,407</u>	<u>1,968,520,822</u>
vii) Borrowings (Note 24)		
Phu Dinh Port Joint Stock Company	448,220,346,330	-
Saigon Golf Company Limited	250,130,000,000	384,230,000,000
	<u>698,350,346,330</u>	<u>384,230,000,000</u>

42 COMMITMENTS**(a) Commitments under operating leases****(i) The Group as a lessee**

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

	Office rental	
	30.6.2020 VND	31.12.2019 VND
Within one year	59,995,196,832	70,712,545,970
From one to five years	58,671,210,768	127,176,250,710
Over five years	40,402,738,632	295,203,538,968
Total minimum payments	<u>159,069,146,232</u>	<u>493,092,335,648</u>

(ii) The Group as a lessor

The Group signed operating lease contracts. Accordingly, the future minimum lease receipts under non-cancellable operating leases are as follows:

	30.6.2020 VND	31.12.2019 VND
Within one year	100,621,704,885	76,998,378,018
Between one and five years	201,208,793,290	204,842,912,727
Over five years	153,900,417,560	155,420,891,532
Total minimum receipts	<u>455,730,915,736</u>	<u>437,262,182,277</u>

42 COMMITMENTS (continued)**(b) Capital commitments**

Capital expenditure contracted for at the balance sheet date but not recognised in the consolidated interim financial statements was as follows:

	30.6.2020	31.12.2019
	VND	VND
Construction cost of projects	7,385,724,434,871	3,521,454,232,828

43 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.

44 EVENTS AFTER THE CONSOLIDATED INTERIM BALANCE SHEET DATE**Acquisition of company The Ky Hoang Kim Real Estate Investment Company Limited ("The Ky Hoang Kim")**

According to Decision No.05/2020-QD-KH dated 25 June 2020, the Board of Members of Khai Hung Real Estate Company Limited approved the transfer of 99.999% capital contribution at The Ky Hoang Kim. As at the date of approval of these consolidated financial statements, the transfer has been made.

Addition in contributed capital at An Phat Investment and Development Real Estate Company Limited ("An Phat")

According to Resolution No.100/2020-NQ.HDQT-NVLG dated 7 August 2020, the Board of Directors of the Group approved the addition of VND1,612,500,000,000 in the contributed capital at An Phat to increase An Phat's charter capital from VND20,000,000,000 to VND1,632,500,000,000. After the contribution, the Group owns VND1,632,498,000,000, equivalent to 99.9999% interest in An Phat.

33/C/C.P.D.E.NH

45 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 six-month period ended 30 June 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:

CONSOLIDATED INTERIM INCOME STATEMENT

Code		For the period ended		
		30.6.2020 (As previously presented) VND	Restatements VND	30.6.2019 (Restated) VND
01	Sales of goods and rendering of services	8,114,790,473,555	(216,000,000)	8,114,574,473,555
10	Net revenue from sales of goods and rendering of services	8,044,597,419,957	(216,000,000)	8,044,381,419,957
11	Cost of sales	(5,881,584,232,846)	220,714,178	(5,881,363,518,668)
20	Gross profit from sales of goods and rendering of services	2,163,013,187,111	4,714,178	2,163,017,901,289
21	Financial income	229,448,182,903	(151,492,811)	229,296,690,092
22	Financial expenses	(1,211,834,962,293)	(369,032,917)	(1,212,203,995,210)
23	- Including: Interest expenses	(613,820,198,299)	(337,666,152)	(614,157,864,451)
24	Share of profit from associates	1,024,402,180	(96,582,853)	927,819,327
26	General and administration expenses	(582,407,775,949)	7,869,456,526	(574,538,319,423)
30	Net operating profit	448,683,261,999	7,257,062,123	455,940,324,122
31	Other income	963,734,606,523	(214,271,400)	963,520,335,123
32	Other expenses	(88,794,238,741)	64,100,000	(88,730,138,741)
40	Net other income	874,940,367,782	(150,171,400)	874,790,196,382
50	Net accounting profit before tax	1,323,623,629,781	7,106,890,723	1,330,730,520,504
51	Business income tax – current	(464,188,245,538)	73,054,193	(464,115,191,345)
52	Business income tax – deferred	(71,983,568,759)	73,806,583	(71,909,762,176)
60	Net profit after tax	787,451,815,484	7,253,751,499	794,705,566,983
61	Shareholders of the parent company	806,312,188,578	7,253,213,485	813,565,402,063
62	Non-controlling interests	(18,860,373,094)	538,014	(18,859,835,080)
70	Basic earnings per share	837	8	845
71	Diluted earnings per share	837	8	845

45 COMPARATIVE FIGURES (continued)

CONSOLIDATED INTERIM CASH FLOW STATEMENT
(Indirect method)

		For the period ended		
Code		30.6.2020 (As previously presented) VND	Restatements VND	30.6.2019 (Restated) VND
CASH FLOW FROM OPERATING ACTIVITIES				
01	Net profit before tax	1,323,623,629,781	7,106,890,723	1,330,730,520,504
Adjustments for:				
02	Depreciation, amortization and goodwill allocation	(483,879,462,127)	(10,516,636,818)	(494,396,098,945)
05	Profits from investing activities	(222,019,352,040)	248,075,664	(221,771,276,376)
06	Interest expenses, bond issuance costs	638,231,282,570	360,307,569	638,591,590,139
08	Operating profit before changes in working capital	1,288,996,939,712	(2,801,362,862)	1,286,195,576,850
09	Decrease in receivables	1,325,509,287,226	645,930,244,873	1,971,439,532,099
10	Decrease in inventories	3,042,738,204,468	(15,279,636,797)	3,027,458,567,671
11	Decrease in payables	(1,894,131,992,077)	(621,879,869,044)	(2,516,011,861,121)
12	Decrease in prepaid expenses	100,314,139,695	(24,373,334)	100,289,766,361
20	Net cash flows from operating activities	1,686,410,913,615	5,945,002,836	1,692,355,916,451
CASH FLOW FROM INVESTING ACTIVITIES				
27	Interest and dividend received	194,608,817,651	(143,205,140)	194,465,612,511
30	Net cash flows from investing activities	(6,600,195,268,888)	(143,205,140)	(6,600,338,474,028)
50	Net decrease in cash and cash equivalents	(5,001,258,288,792)	5,801,797,696	(4,995,456,491,096)
60	Cash and cash equivalents at beginning of the period	12,326,942,295,680	(11,771,532,069)	12,315,170,763,611
70	Cash and cash equivalents at end of the period	7,325,834,929,936	(5,969,734,373)	7,319,865,195,563

The consolidated interim financial statements were approved by the Board of Management on 14 August 2020.

Nguyen Ngoc Bang
Preparer

Tran Thi Thanh Van
Chief Accountant

Stamp: CÔNG TY CỔ PHẦN TẬP ĐOÀN ĐẦU TƯ ĐỊA ỐC NO VA
General Director: Bùi Xuân Huy