

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.16 Foreign currency transactions

The Group applies guidance of Circular 53/2016/TT-BTC dated 21 March 2016 amending and supplementing some articles of Circular 200/2014/TT-BTC to record foreign currency transactions.

Transactions in currencies other than the Group's reporting currency of VND are recorded at the exchange rate that approximates the average of buying and selling transfer exchange rates announced by the commercial bank where the Group most frequently conducts its transactions ("the average transfer exchange rate"). This approximate exchange rate does not exceed +/- 1% of the average transfer exchange rate. The average transfer exchange rate is determined daily based on the average of daily buying transfer rates and selling transfer rates of the commercial bank.

Borrowing contracts of which risk is mitigated by cross-currency interest rate swap contracts ("swap contracts") are translated at the exchange rate determined in the swap contracts (Note 3.25).

At the end of the year, balances of monetary items denominated in foreign currencies are translated at the transfer exchange rate announced by the commercial bank where the Group most frequently conducts its transactions. The transfer exchange rate is the average transfer exchange rate of the commercial bank.

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

3.17 Treasury shares

Own equity instruments which are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised upon purchase, sale, re-issue or cancellation of the Group's own equity instruments. Upon re-issuance of treasury shares, the Group recognises the difference between the consideration paid and cost of treasury shares to share premium.

3.18 Appropriation of net profits

Net profit after tax (excluding negative goodwill arising from bargain purchases) is available for appropriation to shareholders after approval by the Board of Directors (being approved by shareholders at the General Shareholders' Meeting), and after making appropriation to reserve funds in accordance with the Company's Charter, each subsidiary's Charter and Vietnam's regulatory requirements.

The Group maintains the reserve funds which are appropriated from the Group's net profit as proposed by the Board of Directors and subject to approval by shareholders at the Annual General Shareholders' Meeting.

3.19 Advances from customers

Payments received from customers as deposits for the purchase of goods and services in the future that do not meet the conditions for revenue recognition, are recognised and presented as "Advances from customers" in the liability section in the consolidated balance sheet. Supports under promotion programs for sales of properties which are, in substance, revenue deductions are presented as deductions against "Advances from customers" for the purchase of goods and services that do not meet the conditions for revenue recognition in the year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.20 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, excluding trade discount, rebate and sales return. The following specific recognition criteria must also be met before revenue is recognised:

Revenue from sale of inventory properties

Revenue from sale of inventory properties is recognised when the significant risks and returns associated with the ownership of the properties have been transferred to the buyer. Revenue from sales of inventory properties also includes revenue from transfer of real estate projects.

Revenue from sale of inventory properties also includes long-term lease of inventory properties qualified for recognition of outright sales. If the lease-term is greater than 90% of the asset's useful life, the Group will recognise the revenue for the entire prepaid lease payment if all of the following conditions are met:

- ▶ Lessee is not allowed to cancel the lease contract during the lease term, and the lessor is not responsible for reimbursing the prepaid lease payments under any circumstances;
- ▶ The prepaid lease payment is not less than 90% of the total estimated lease payment collected under contract over the lease period and lessee must pay all rental within 12 months from the commencement of the lease;
- ▶ Almost all risks and rewards associated with the ownership of leased assets are transferred to the lessee; and
- ▶ Lessor must estimate the full cost of leasing activity.

Revenue from leasing of properties

Rental income arising from operating lease is recognised in the consolidated income statement on a straight-line basis over the lease terms of ongoing leases.

Sale of goods

Revenue is recognised when the significant risks and rewards of ownership of the goods have been passed to the buyer, usually upon the delivery of the goods.

Rendering of services

Revenue from hotel, amusement park, education, hospital, real estate management and other related services are recorded when the services are rendered, and the outcome of the contract is certainly determined.

Gains from transfer of shares and capital

Gains from transfer of shares and capital are determined as the excess of selling prices against the cost of shares and capital sold. Such gains are recognised on the transaction date when the relevant contracts are executed.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.20 Revenue recognition (continued)

Interest

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

Dividends

Income is recognised when the Group's entitlement as an investor to receive the dividend is established.

Revenue from goods and services in multiple elements package

In the transaction in which the Group provides multiple products and services to the customer in the same arrangement, the Group determines the obligation to sell the product and the obligation to render the services separately and only recognises the revenue when each individual obligation is completed by the Group. The contract value is allocated to individual product or service by taking the total contract value minus the estimated fair value of the service. Payments from customers under contracts corresponding to the unfulfilled obligations will be recognised in advance from customers/unearned revenues in the consolidated balance sheet.

3.21 Construction contract

Where the outcome of a construction contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the consolidated balance sheet date based on the construction works as certified by customers. Variations in contract work, claims and incentive payments are included to the extent that they have been agreed with the customer.

Where the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that is probably recoverable. Contract costs are recognised as expenses in the year in which they are incurred.

3.22 Taxation

Current income tax

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

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

Current income tax assets and liabilities are offset when there is a legally enforceable right for the Group to offset current tax assets against current tax liabilities and when the Group intends to settle its current tax assets and liabilities on a net basis.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.22 *Taxation* (continued)

Deferred tax

Deferred tax is provided using liability method on temporary differences at the consolidated balance sheet date between the tax base of assets and liabilities and their carrying amount for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- ▶ where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the transaction affects neither the accounting profit nor taxable profit or loss; and
- ▶ in respect of taxable temporary differences associated with investments in subsidiaries and associates, and interests in jointly controlled entity where timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carried forward unused tax credit and unused tax losses, to the extent that it is probable that taxable profit will be available against which deductible temporary differences, carried forward unused tax credit and unused tax losses can be utilised, except:

- ▶ where the deferred tax asset in respect of deductible temporary difference which arises from the initial recognition of an asset or liability which at the time of the related transaction, affects neither the accounting profit nor taxable profit or loss at the time transaction incurred; and
- ▶ in respect of deductible temporary differences associated with investments in subsidiaries, associates, and interests in jointly controlled entity, deferred tax assets are recognised only to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profits will be available against which the temporary differences can be utilised.

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

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.22 Taxation (continued)

Deferred tax (continued)

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

- ▶ either the same taxable entity; or
- ▶ when the Group intends either to settle current tax liabilities and assets on a net basis or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

3.23 Exchangeable bond

Exchangeable bond that can be exchanged into a fixed number of ordinary shares are separated into a financial liability component (for the contractual obligation to deliver cash or other financial assets) and an equity component (for the exchange right into ordinary shares for a specified period of time) with an exception where there is no equity component in these exchangeable bonds in accordance with the contract terms (the entire exchangeable bond is recognised as a debt).

3.24 Bond issuance transaction cost

Transaction costs relating to bond issuance are charged to the consolidated income statement on a straight-line basis over the tenor of the bond. At initial recognition, these transaction costs are deducted from liability component of the bond.

3.25 Cross-currency and interest rate swap contract

The Group enters into swap contracts to mitigate the risk relating to fluctuation of interest rate and exchange rate. The Group recognises and translates principal and interest expense related to borrowing contracts, of which risks are mitigated by swap contracts, at the interest rate and exchange rate determined in the swap contracts.

3.26 Earnings per share

Basic earnings per share amounts are calculated by dividing net profit/(loss) after tax for the year attributable to ordinary shareholders of the Company (after adjusting for the bonus and welfare fund) by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the net profit after tax attributable to ordinary equity holders of the Company (after adjusting for interest expense of exchangeable bonds and dividend of the convertible preference shares) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.27 Segment information

A segment is a component determined separately by the Group which is engaged in providing products or related services (business segment) or providing products or services in a particular economic environment (geographical segment), that is subject to risks and returns that are different from those of other segments. Management defines the Group's segment report to be based on type of products and services provided. The Group's management is of the view that the Group's geography segment is derived mainly from revenues and profit in Vietnam. Therefore, presentation of geographical segment is not required.

3.28 Related parties

Parties are considered to be related parties of the Group if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions, or when the Group and other party are under common control or under common significant influence. Related parties can be enterprise or individual, including close members of the families of any such individual.

4. SIGNIFICANT ACQUISITIONS AND DISPOSALS DURING THE YEAR

During the year, the Group has made some significant acquisitions and disposals disclosed as follows:

4.1 Acquisition of group of assets

During the year, the Group has acquired certain companies and assessed that these acquisitions are acquisitions of group of assets as follows:

Acquisition of Huong Hai – Quang Ngai Joint Stock Company ("Huong Hai – Quang Ngai JSC")

In March 2020, the Group acquired 100% of the voting shares of Huong Hai – Quang Ngai JSC from counterparties with total consideration of VND450 billion. Thereby, Huong Hai – Quang Ngai JSC became a subsidiary of the Group. The principal activities of Huong Hai – Quang Ngai JSC are mining and mineral exploration.

Acquisition of Dai An Investment Construction Joint Stock Company ("Dai An JSC")

In May 2020, the Group acquired 100% of the voting shares of Dai An JSC from counterparties with total consideration of VND4,600 billion. Thereby, Dai An JSC became a subsidiary of the Group. The principal activities of Dai An JSC are to invest in, construct and trade real estate projects.

Acquisition of Hon Mot Tourism Joint Stock Company and Cam Ranh Investment Joint Stock Company ("Hon Mot Tourism JSC and Cam Ranh Investment JSC")

In October 2020, the Group acquired 100% of the voting shares of Hon Mot Tourism JSC and Cam Ranh Investment JSC from counterparties with total consideration of VND9,153 billion. Thereby, Hon Mot Tourism JSC and Cam Ranh Investment JSC became subsidiaries of the Group. The principal activities of Hon Mot Tourism JSC and Cam Ranh Investment JSC are to invest in, construct and provide hospitality services.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

4. SIGNIFICANT ACQUISITIONS AND DISPOSALS DURING THE YEAR (continued)

4.1 Acquisition of group of assets (continued)

Acquisition of Nguyen Phu Trading and Development Investment Joint Stock Company ("Nguyen Phu JSC")

In December 2020, the Group acquired 100% of the voting shares of Nguyen Phu JSC from counterparties with total consideration of VND880 billion. Thereby, Nguyen Phu JSC became a subsidiary of the Group. The principal activities of Nguyen Phu JSC are to invest in, develop and trade real estate projects.

4.2 Business combination

During the year, the Group has acquired and consolidated new subsidiaries and business cooperated with a corporate counterparty, in which significant transactions are as below:

Business Combination with assets and business activities of components under the scope of Business Cooperation Contract ("BCC") with Phu Quoc Tourism Development and Investment Joint Stock Company ("Phu Quoc JSC") and transfer of shares of Phu Quoc JSC

In January 2020, the Group signed a BCC with Phu Quoc JSC, an existing associate which owned hotels, hospitality real estates and amusement projects in Phu Quoc. Assets and business activities under the scope of business cooperation mainly include activities of operating hotels, golf courses, beach villas in Bai Dai eco-tourism area and Vinpearl Safari (hereinafter referred to as "Cooperation component"). Therefore, the Group has consolidated the above cooperation component since the date on which the Group obtains control. Bargain purchase arising from this business combination is VND268.6 billion was recognised in the consolidated income statement.

Subsequently, the Group transferred 25% voting shares in Phu Quoc JSC (excluding Cooperation component) for total consideration of VND1,950 billion. Gain from this transaction of VND1,405 billion was recognised in the consolidated income statement (Note 30.3).

After these transactions, the Group has the right to control over and is entitled to almost risks and returns related to Cooperation component and has 5% voting shares in Phu Quoc JSC, which is presented as an investment in other entities (Note 19.2).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
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4. SIGNIFICANT ACQUISITIONS AND DISPOSALS DURING THE YEAR (continued)

4.2 Business combination (continued)

Business Combination with assets and business activities of components under the scope of Business Cooperation Contract ("BCC") with Phu Quoc Tourism Development and Investment Joint Stock Company ("Phu Quoc JSC") and transfer of shares of Phu Quoc JSC (continued)

The fair value of identifiable assets and liabilities of the Cooperation component on business combination date are presented as below:

Currency: VND million

Fair value recognised
on business
combination date

Assets

Cash and cash equivalents	9,070
Short-term trade receivables	1,161,810
Short-term advances to suppliers	190,256
Other receivables	1,866,829
Tangible fixed assets	4,970,173
Construction in progress	5,176,939
Deferred tax assets	125,171
Other assets	1,113,930
	14,614,178

Liabilities

Short-term trade payables	4,586,777
Loans	410,000
Deferred revenue	2,461,849
Deferred tax liabilities	192,327
Other payables	4,928,428
	12,579,381

Total net assets

	2,034,797
Bargain purchase from business combination	268,626
Total purchase consideration	1,766,171

Analysis of cash flows on business combination

Cash of the acquired the Cooperation component	9,070
Cash paid for acquiring the Cooperation component up to 31 December 2020	(1,766,171)
Net cash flow on business combination	(1,757,101)

Total purchase consideration was VND1,766 billion. Loss before tax of the Cooperation component from the BCC date to 31 December 2020 is VND1,950 billion.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

4. SIGNIFICANT ACQUISITIONS AND DISPOSALS DURING THE YEAR (continued)

4.2 Business combination (continued)

Acquisition of Bao Lai Investment Joint Stock Company ("Bao Lai JSC")

In December 2020, the Group acquired 96.5% voting shares of Bao Lai JSC with total consideration of VND2,780 billion. Thereby, Bao Lai JSC and its subsidiaries became subsidiaries of the Group. The current principal activities of Bao Lai JSC are mineral exploiting, trading and other related products.

As at 31 December 2020, the Group is in the process of determining fair value of identifiable assets, liabilities or contingent liabilities and identifiable consideration of Bao Lai JSC. The provisional fair value of identifiable assets and liabilities of Bao Lai JSC at acquisition date are presented as below:

Currency: VND million

*Provisional fair
value recognised
on acquisition*

Assets

Cash and cash equivalents	44,594
Short-term trade receivables	65,421
Inventories	178,318
Prepaid expenses	113,679
Fixed assets	1,536,244
Construction in progress	120,116
Other assets	96,240
	2,154,612

Liabilities

Short-term trade payables	37,598
Loans	504,792
Other payables	48,043
	590,433

Total net assets

1,564,179

Non-controlling interests

282,918

Goodwill from business combination

932,903

Total purchase consideration

2,780,000

Analysis of cash flows on acquisition

Cash of the acquired subsidiary	44,594
Cash paid for acquiring the subsidiary up to 31 December 2020	(2,700,000)

Net cash flow on acquisition

(2,655,406)

Total purchase consideration was VND2,780 billion. Revenue and loss before tax of Bao Lai JSC and its subsidiaries for the period from 1 January 2020 to the acquisition date was VND482 billion and VND367 billion respectively and from the acquisition date to 31 December 2020 is insignificant.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

4. SIGNIFICANT ACQUISITIONS AND DISPOSALS DURING THE YEAR (continued)

4.3 Significant disposals with loss of control

Disposal of MV Viet Nam Real Estate Trading Joint Stock Company ("MV Viet Nam JSC")

During the year, the Group contributed 99.8% charter capital and then disposed 80% voting shares in MV Viet Nam JSC, an existing subsidiary, for total consideration of VND8,799 billion. Gain from this disposal of VND7,148 billion was recognised in the consolidated income statement (Note 30.3). Following this disposal, the Group no longer controls over as well as has no significant influence on MV Viet Nam JSC. The remaining investment in MV Viet Nam JSC is presented as an investment in other entities (Note 19.2).

Disposal of MV1 Viet Nam Real Estate Trading Limited Liability Company ("MV1 Viet Nam LLC")

During the year, the Group established a subsidiary, MV1 Viet Nam LLC, and then disposed 80% voting shares in this entity for total consideration of VND9,651 billion. Gain from this disposal of VND6,785 billion was recognised in the consolidated income statement (Note 30.3). Following this disposal, the Group no longer controls over but still has significant influence on MV1 Viet Nam LLC. The remaining investment in MV1 Viet Nam LLC is presented as an investment in associates (Note 19.1).

Disposal of S-Vin Vietnam Real Estate Trading Joint Stock Company ("S-Vin JSC")

During the year, the Group established a subsidiary, S-Vin JSC, and then disposed 90% voting shares in this entity for total consideration of VND3,273 billion. Gain from this disposal of VND2,948 billion was recognised in the consolidated income statement (Note 30.3). Following this disposal, the Group no longer controls over as well as has no significant influence on S-Vin JSC. The remaining investment in S-Vin JSC is presented as an investment in other entities (Note 19.2).

4.4 Significant disposals of investment in associates

Transfer of shares in Viet Thang Feed Joint Stock Company ("Viet Thang Feed JSC")

During the year, the Group transferred 40% voting shares in Viet Thang Feed JSC, an associate for total consideration of VND1,285 billion. Gain from this transaction of VND627 billion was recognised in the consolidated financial income statement (Note 30.3).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

5. CASH AND CASH EQUIVALENTS

	Currency: VND million	
	Ending balance	Beginning balance
Cash on hand	11,396	22,546
Cash at banks	9,058,857	7,602,372
Cash in transit	6,119	14,451
Cash equivalents	20,327,316	10,807,599
TOTAL	29,403,688	18,446,968

Cash equivalents as at 31 December 2020 comprise of bank deposits in VND with terms ranging from 1 month to 3 months, earning interests at rate ranging from 2.2% to 4% per annum (as at 31 December 2019: 3.9% to 5.5% per annum) and investments in corporate bonds in VND, with maturity less than 3 months from the date of investment and earning interests at rate ranging from 5% to 6.2% per annum (as at 31 December 2019: no similar corporate bonds investment).

Cash at banks and cash equivalents as at 31 December 2020 include VND180.2 billion in restricted-for-use accounts and in escrow accounts for business and other activities of the Group (as at 31 December 2019: VND268.6 billion).

Cash at banks and cash equivalents as at 31 December 2020 also include maintenance funds of handed-over apartments at real estate projects of the Group. These maintenance funds will be transferred to the Building Management Boards.

6. SHORT-TERM AND LONG-TERM INVESTMENTS

6.1 Held-for-trading securities

	Currency: VND million					
	Ending balance			Beginning balance		
	Cost	Fair value	Provision	Cost	Fair value	Provision
Shares/Share options (i)	5,538,327	(*)	-	9,539,371	9,539,371	-
Bonds	359,323	370,044	-	-	-	-
TOTAL	5,897,650	(*)	-	9,539,371	9,539,371	-

(i) During the year, the Group transferred 2,088,623 share options to several counterparties. Subsequently, the Group converted all the remaining share options into shares of The CrownX Joint Stock Company ("The CrownX JSC"), a newly established company, and then transferred 4,809,729 shares of this company to a corporate counterparty. As at 31 December 2020, the Group has signed deposit agreements to transfer all of the remaining shares of The CrownX JSC to a corporate counterparty.

(*) As at 31 December 2020, the Group is in the process of determining the fair value of this investment.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

6. SHORT-TERM AND LONG-TERM INVESTMENTS (continued)

6.2 Short-term held-to-maturity investments

Balance as at 31 December 2020 mainly includes short-term bank deposits in VND with terms ranging from more than 3 months to 1 year and earning interest at rates ranging from 2% to 7.1% per annum (as at 31 December 2019: short-term bank deposits in VND have terms ranging from more than 3 months to 1 year and earning interest at rates ranging from 5% to 7.5% per annum).

Short-term bank deposits as at 31 December 2020 include maintenance funds of handed-over apartments at real estate projects of the Group. These maintenance funds will be transferred to the Building Management Boards.

6.3 Long-term held-to-maturity investments

	Currency: VND million	
	Ending balance	Beginning balance
Long-term bank deposits	515	515
Long-term bonds (i)	234,680	284,680
TOTAL	235,195	285,195

(i) Balance as at 31 December 2020 includes bonds in VND with terms ranging from 7 years to 10 years and earning interest at a reference rate plus (+) 0.8% to 1.2% per annum (as at 31 December 2019: bonds in VND with terms ranging from 6 years to 10 years and earning interest at a reference rate plus (+) 0.8% to 1.3% per annum).

7. TRADE RECEIVABLES AND ADVANCES TO SUPPLIERS

7.1 Short-term trade receivables

	Currency: VND million	
	Ending balance	Beginning balance
Receivable from sale of inventory properties	8,330,847	8,208,786
Receivable from transfer of shares	4,524,072	1,425
Receivable from production activities	1,038,603	1,953,993
Receivable from leasing activities and rendering related services	639,753	292,872
Receivable from rendering construction services and related services	460,316	5,139,171
Receivable from rendering hotel services, amusement park services and related services	254,794	351,263
Receivable from rendering hospital services and related services	189,219	194,368
Receivable from rendering real estate management services	98,603	115,562
Others	490,667	383,360
TOTAL	16,026,874	16,640,800
<i>In which:</i>		
Short-term trade receivables from related parties (Note 37)	32,202	4,789,528
Short-term trade receivables from transfer of shares to corporate counterparty No.1 (Note 4.3)	2,906,619	-
Short-term trade receivables from transfer of shares to corporate counterparty No.2 (Note 4)	1,617,453	-
Short-term trade receivables from other parties	11,470,600	11,851,272
Provision for doubtful debts	(35,414)	(25,406)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

7. TRADE RECEIVABLES AND ADVANCES TO SUPPLIERS (continued)

7.2 Short-term advances to suppliers

Short-term advances to suppliers as at 31 December 2020 and 31 December 2019 mainly include advances to suppliers and construction contractors for developing projects of the Group and purchasing other goods and services.

As at 31 December 2020, the Group has made a provision for uncollectible advances of VND41.3 billion (31 December 2019: VND34.8 billion).

8. LOAN RECEIVABLES

8.1 Short-term loan receivables

	Currency: VND million	
	Ending balance	Beginning balance
Loans to individuals (i)	8,127,530	12,001,530
Loans to corporate counterparties (ii)	328,730	8,999,185
Current portion of long-term loans to corporate counterparties	83,650	21,324
TOTAL	8,539,910	21,022,039
Provision for doubtful short-term loan receivables	(70,638)	(70,638)

(i) Balance as at 31 December 2020 mainly includes loan receivables of VND8,128 billion maturing from November to December 2021, earning interest at a rate of 9.5% per annum and being secured by shares of a listed company.

(ii) During the year, maturity date of certain loan receivables of VND5,190 billion is extended over 12 months since 31 December 2020 and thus being reclassified to long-term loan receivables.

8.2 Long-term loan receivables

	Currency: VND million	
	Ending balance	Beginning balance
Loans to corporate counterparties (i)	6,015,000	1,207,650
TOTAL	6,015,000	1,207,650

(i) Balance as at 31 December 2020 mainly includes:

- ▶ Loan receivables of VND2,720 billion maturing in April and July 2022, earning interest at a rate of 9% per annum and being secured by the capital of the corporate counterparty and shares of a listed company;
- ▶ Loan receivables of VND2,440 billion maturing in April 2022, earning interest at a rate of 9% per annum and being secured by the capital of a corporate counterparty and shares of unlisted companies; and
- ▶ A convertible interest-free and unsecured loan receivable of VND855 billion with 3-year term made by a subsidiary to a corporate counterparty and maturing in October 2022. Accordingly, the subsidiary can convert the loan into shares of such counterparty.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
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9. OTHER RECEIVABLES

		Currency: VND million	
		Ending balance	Beginning balance
Short-term:			
Interest receivables from bank deposits, deposits and loans to others	3,201,442		3,316,254
Advances for land clearance	1,937,081		542,016
Guarantee deposits for project development	1,024,417		770,327
Receivable from build-transfer contract	615,740		582,831
Receivables from payment on behalf	261,243		354,373
Customers' advances collected by third party on behalf of the Group	1,034		3,552,949
Receivables from deposit for investment purpose	-		125,000
Short-term other receivables from related parties (Note 37)	4,073,549		-
Others	1,674,518		818,959
TOTAL	12,789,024		10,062,709
Provision for doubtful other short-term receivables	(159,471)		(241,998)
Long-term:			
Interest receivables from loans to others (i)	1,230,646		-
Deposit for business co-operation contracts	73,367		73,367
Deposit for guarantee of payment obligations	-		120,256
Others	60,636		63,159
TOTAL	1,364,649		256,782

(i) Balance as at 31 December 2020 includes interest receivables from loans to corporate counterparties of which maturity date is extended over 12 months since 31 December 2020.

10. BAD DEBTS

Bad debts of the Group mainly include overdue trade receivables, advance to suppliers, loan principal receivables and interest receivables:

	Currency: VND million			
	Ending balance		Beginning balance	
	Cost	Recoverable amount	Cost	Recoverable amount
Overdue receivables	270,428	34,270	313,002	10,733
Overdue loans receivable	70,638	-	70,638	-
TOTAL	341,066	34,270	383,640	10,733

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
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10. BAD DEBTS (continued)

Details of overdue receivables which account for more than 10% of total overdue receivables:

	Ending balance		Beginning balance	
	Currency: VND million			
	Cost	Recoverable amount	Cost	Recoverable amount
Debtor				
Corporate Counterparty No. 1	-	-	138,657	-
Corporate Counterparty No. 2	82,705	-	82,705	-

11. INVENTORIES

	Ending balance		Beginning balance	
	Currency: VND million			
	Cost	Provision	Cost	Provision
Completed inventory properties	839,714	(6,414)	958,748	(9,356)
Inventory properties under construction	53,496,581	(14,721)	70,581,103	(22,647)
Inventories for supermarkets, retail outlets and other finished goods	302,595	(250)	679,970	-
Work in progress for manufacturing activities	1,195,286	(205,314)	1,182,274	(271,287)
Completed inventories for manufacturing activities	2,109,614	(239,369)	5,532,541	(587,327)
Raw materials	4,186,783	(578,246)	5,810,242	(1,091,703)
Purchased goods in transit	741,030	(42,417)	772,066	(176,719)
Others	734,938	(24,541)	452,808	(1,957)
TOTAL	63,606,541	(1,111,272)	85,969,752	(2,160,996)

At 31 December 2020, the inventories with carrying amount of VND3,183 billion is pledged with banks to secure the Group's loans, debts and bonds.

Detail movements of provision for obsolete inventories:

	Currency: VND million	
	Current year	Previous year
Beginning balance	2,160,996	511,388
Add: Acquisition of subsidiaries	23,000	-
Add: Provision made during the year	1,064,263	2,198,940
Less: Utilisation and reversal of provision during the year	(2,136,987)	(511,216)
Less: Disposal of subsidiaries	-	(38,116)
Ending balance	1,111,272	2,160,996

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

12. PREPAID EXPENSES

	Currency: VND million	
	Ending balance	Beginning balance
Short-term		
Selling expenses related to inventory properties not yet handed-over	912,572	1,935,989
Products development expenses	750,395	321,881
Provisional corporate income tax	296,233	392,347
Tools and supplies	81,087	210,519
Others	712,773	393,809
TOTAL	2,753,060	3,254,545
Long-term		
Prepaid land rental	3,365,145	3,954,036
Tools and supplies	1,278,260	1,121,198
Pre-operating expenses	866,288	496,972
Prepaid committed profit under villas and condotels management program	263,472	550,845
Others (i)	2,569,312	558,644
TOTAL	8,342,477	6,681,695

(i) Balance as at 31 December 2020 mainly comprises prepaid expense pertaining to organize an event.

13. OTHER ASSETS

	Currency: VND million	
	Ending balance	Beginning balance
Short-term		
Deposits for investment purpose (i)	3,054,163	11,763,952
Others	-	1,100,000
TOTAL	3,054,163	12,863,952
Long-term		
Deposits for investment purpose (ii)	1,032,337	1,032,337
TOTAL	1,032,337	1,032,337

(i) Balance as at 31 December 2020 mainly comprises an unsecured and interest-free deposit of VND1,976 billion to counterparties for acquiring shares of a company operating in trading real estate properties; and

(ii) Balance as at 31 December 2020 is an unsecured deposit to a corporate counterparty earning interest at the rate determined by 12-month interest paid-in-arrears VND saving rate of Joint Stock Commercial Bank for Foreign Trade of Vietnam adjusted in every 3-month. The deposit and its associated interest will be used as a settlement for 10% of certified value under contracts signed between the Group and this corporate counterparty.

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as at 31 December 2020 and for the year then ended

14. TANGIBLE FIXED ASSETS

	Currency: VND million				
	Buildings and structures	Machinery and equipment	Means of transportation	Office equipment	Others
					Total
Cost:					
Beginning balance	43,157,563	52,838,016	1,923,852	1,034,224	1,085,375
Newly purchased	144,610	341,097	245,445	124,770	67,853
Newly constructed (Note 16)	8,700,956	5,552,574	78,914	-	374,365
Increase due to acquisition of subsidiaries	5,865,485	1,326,051	140,457	9,969	308,618
Reclassified from investment properties (Note 16)	561,738	215,665	-	-	-
Reclassification	738,206	(860,634)	(3,152)	(230,183)	355,763
Sold, disposed	(292,156)	(135,174)	(279,805)	(36,953)	(3,696)
Reclassified to investment properties (Note 16)	(524,321)	(127,081)	-	-	-
Others	(621)	(99,981)	153,344	(9,609)	(41,994)
Ending balance	58,351,460	59,050,533	2,259,055	892,218	2,146,284
<i>In which:</i>					
<i>Fully depreciated</i>	172,789	511,577	54,989	125,320	133,557
Accumulated depreciation:					
Beginning balance	3,652,990	6,792,823	514,317	416,717	363,581
Depreciation for the year	1,765,815	3,851,355	212,160	123,267	204,963
Increase due to acquisition of subsidiaries	551,607	388,028	44,378	64	87,814
Reclassified from investment properties (Note 16)	212,760	161,610	-	-	-
Reclassification	244,706	(244,866)	(284)	(177,136)	177,580
Sold, disposed	(85,607)	(66,150)	(139,878)	(24,990)	(3,370)
Reclassified to investment properties (Note 16)	(73,740)	(56,709)	-	-	-
Others	6,502	(12,369)	(1,177)	(215)	(158)
Ending balance	6,275,033	10,813,722	629,516	337,707	830,410
Net carrying amount:					
Beginning balance	39,504,573	46,045,193	1,409,535	617,507	721,794
Ending balance	52,076,427	48,236,811	1,629,539	554,511	1,315,874

As at 31 December 2020, tangible fixed assets with carrying amount of VND40,225 billion are pledged with banks to secure the Group's loans, debts and bonds.

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15. INTANGIBLE FIXED ASSETS

	Currency: VND million			
	Land use rights	Computer software	Copyrights and other related intangible fixed assets	Total
Cost:				
Beginning balance	292,933	2,159,126	18,400,746	21,348,251
Newly purchased	-	360,504	18,495	425,539
Newly constructed (Note 18)	-	474,808	2,375,011	3,299,498
Increase due to acquisition of subsidiary	132,722	679	-	134,753
Others	12,396	92,636	(27,308)	(360,150)
Ending balance	438,051	3,087,753	20,766,944	24,847,891
In which:				
Fully depreciated	-	72,249	225	73,416
Accumulated amortisation:				
Beginning balance	49,171	367,072	633,323	1,377,959
Amortisation for the year	17,271	405,281	1,341,414	1,818,720
Increase due to acquisition of subsidiary	32,288	679	-	33,102
Others	(3,179)	55,248	(738)	(208,597)
Ending balance	95,551	828,280	1,973,999	3,021,184
Net carrying amount:				
Beginning balance	243,762	1,792,054	17,767,423	19,970,292
Ending balance	342,500	2,259,473	18,792,945	21,826,707

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as at 31 December 2020 and for the year then ended

16. INVESTMENT PROPERTIES

Currency: VND million

	<i>Land use rights, buildings and structures</i>	<i>Machinery and equipment</i>	<i>Total</i>
Cost:			
Beginning balance	32,699,848	6,378,670	39,078,518
Newly constructed (Note 18)	2,068,415	551,785	2,620,200
Reclassified from tangible fixed assets (Note 14)	524,321	127,081	651,402
Disposal	(308,206)	(13,879)	(322,085)
Reclassified to tangible fixed assets (Note 14)	(561,738)	(215,665)	(777,403)
Others	(50,413)	47,896	(2,517)
Ending balance	<u>34,372,227</u>	<u>6,875,888</u>	<u>41,248,115</u>
Accumulated depreciation:			
Beginning balance	3,398,970	1,807,290	5,206,260
Depreciation for the year	960,162	629,099	1,589,261
Reclassified from tangible fixed assets (Note 14)	73,740	56,709	130,449
Disposal	(21,832)	(4,386)	(26,218)
Reclassified to tangible fixed assets (Note 14)	(212,760)	(161,610)	(374,370)
Others	(9,167)	6,034	(3,133)
Ending balance	<u>4,189,113</u>	<u>2,333,136</u>	<u>6,522,249</u>
Net carrying amount:			
Beginning balance	<u>29,300,878</u>	<u>4,571,380</u>	<u>33,872,258</u>
Ending balance	<u>30,183,114</u>	<u>4,542,752</u>	<u>34,725,866</u>

As at 31 December 2020, investment properties with carrying amount of VND6,933 billion are pledged with banks to secure the Group's loans, debts and bonds.

Investment properties of the Group mainly include shopping malls, offices and factories owned and operated by the Group for providing leasing and related services. As at 31 December 2020, the Group is in the process of determining the fair value of these investment properties.

Revenue and expenses relating to investment properties are presented in Note 30.2.

17. CAPITALISED BORROWING COSTS

During the year, the Group capitalised borrowing costs with an amount of VND1,009 billion (for the year ended 31 December 2019: VND2,083 billion). These costs related to specific and general borrowings obtained to finance the real estate and manufacturing projects of the Group.

The capitalised borrowing costs in relation to the general borrowings are determined by applying a capitalisation rate of 9.13% per annum (for the year ended 31 December 2019: 8.45% per annum) on the accumulated weighted average expenditures of the real estate and manufacturing projects. The capitalisation rate used is the weighted average of the borrowing rates applicable to the borrowings of the Group that are outstanding during the year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
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18. CONSTRUCTION IN PROGRESS

	Currency: VND million	
	Current year	Previous year
Beginning balance	48,057,748	58,529,123
Acquisition of subsidiaries	17,473,382	23,034,155
Increase during the year	27,038,857	60,466,494
Transferred to tangible fixed assets (Note 14)	(14,706,809)	(51,578,417)
Transferred to intangible fixed assets (Note 15)	(3,299,498)	(19,415,370)
Transferred to investment properties (Note 16)	(2,620,200)	(3,908,341)
Transferred to inventories	(4,021,861)	(17,608,708)
Disposal of subsidiaries	-	(1,461,188)
Ending balance	67,921,619	48,057,748

Details for each item of which balance is higher than 10% of total balance:

	Currency: VND million	
Projects	Ending balance	Beginning balance
Vinfast project	9,874,017	5,965,855
Vinhomes Long Beach Can Gio project	12,539,036	12,456,304

Construction in progress includes freehold and leasehold rights for land, construction costs, land development rights, borrowing costs, consulting and designing fee, costs of site preparation, construction overheads costs relating to researching, developing and manufacturing activities and other related costs.

At 31 December 2020, the construction in progress with carrying amount of VND64 billion is pledged with banks to secure the Group's loans and debts.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
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19. LONG-TERM INVESTMENTS

19.1 Investments in associates and jointly controlled entities

Name	Equity Interest (%)		Voting right (%)		Principal activities
	Ending balance	Beginning balance	Ending balance	Beginning balance	
Phu Quoc JSC	(*)	29.99	(*)	30.00	Providing hospitality and other services
Viet Thang Feed JSC	-	40.00	-	40.00	Feed producing
Hanoi Breeds JSC	26.34	37.63	37.63	37.63	Cattle breeding
Vinfast-An Phat Plastic Auto Part Company Limited	25.76	25.57	50.00	50.00	Manufacturing car plastic accessories
Vietnam Book Printing JSC	18.13	18.13	27.76	27.76	Printing
Vinfast Lithium Battery Pack LLC	33.49	33.25	65.00	65.00	Producing batteries and accumulators
Vin-ACE Technologies Company Limited	24.81	-	40.00	-	Producing electronic accessories and media devices
MV1 Viet Nam LLC (Note 4.3)	14.45	-	20.00	-	Investing, developing and trading real estate properties
Tuong Phu Natural Stone Exploiting and Processing LLC	25.85	-	40.00	-	Mining

(*) During the year, the Group transferred 25% voting shares in Phu Quoc JSC. Thereby, the Group no longer has significant influence on Phu Quoc JSC. The remaining investment in Phu Quoc JSC is presented as an investment in other entities (Note 19.2).

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19. LONG-TERM INVESTMENTS (continued)

19.1 Investments in associates and jointly controlled entities (continued)

Details of investment in these associates and jointly controlled entities are listed below:

Name	Beginning balance (*)	Additional investment during the year	Share of profit/(loss) from associates and jointly controlled entities	Dividends/other	Currency: VND million	
					Transfer to investment in other entities/Disposal of investment	Ending balance (*)
Phu Quoc JSC	1,183,665	-	(255,000)	5,922	(934,587)	-
Viet Thang Feed JSC	626,915	-	31,186	-	(658,101)	-
Vinfast Lithium Battery Pack LLC	185,990	-	(17,257)	-	-	168,733
Vinfast-An Phat Plastic Auto Part Company Limited	97,434	-	(24,263)	-	-	73,171
Hanoi Breeds JSC	47,124	-	-	-	-	47,124
Vietnam Book Printing JSC	6,340	-	56	(485)	-	5,911
Vin-ACE Technologies Company Limited	-	6,325	-	-	-	6,325
MV1 Viet Nam LLC (Note 4.3)	-	2,412,849	-	-	-	2,412,849
Tuong Phu Natural Stone Exploiting and Processing LLC	-	11,347	-	-	-	11,347
TOTAL	2,147,468	2,430,521	(265,278)	5,437	(1,592,688)	2,725,460

(*) As at 31 December 2020, the Group is in the process of determining the fair value of these investments.

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19. LONG-TERM INVESTMENTS (continued)

19.2 Investment in other entities

	Ending balance				Beginning balance					
	Ownership (%)	Voting right (%)	Cost (VND million)	Provision (VND million)	Fair value (VND million)	Ownership (%)	Voting right (%)	Cost (VND million)	Provision (VND million)	Fair value (VND million)
MV Viet Nam Real Estate Trading JSC (Note 4.3)	19.82	19.82	2,179,637	-	(*)	-	-	-	-	-
Viet Nam Textile and Garment JSC	10.00	10.00	552,395	(78,062)	474,333	10.00	10.00	552,395	(143,395)	409,000
Vien Dong Pearl Urban Development Investment LLC	9.62	9.62	521,072	-	(*)	9.62	9.62	521,072	-	(*)
Phat Loc Commercial Investment Trading LLC (i)	51.00	-	342,076	-	(*)	51.00	-	342,076	-	(*)
SV Real Estate Investment Development Business JSC	4.00	4.00	77,000	-	(*)	4.00	4.00	110,000	-	(*)
SV West Hanoi Real Estate Investment Development Business JSC	4.00	4.00	70,000	-	(*)	4.00	4.00	70,000	-	(*)
Phu Quoc Tourism Development and Investment Joint Stock Company	5.00	5.00	390,000	-	(*)	-	-	-	-	-
S-Vin Vietnam Real Estate Trading JSC (Note 4.3)	10.00	10.00	363,621	-	(*)	-	-	-	-	-
Others			80,904	(45,470)	(*)			111,540	(45,470)	(*)
TOTAL			4,576,705	(123,532)				1,707,083	(188,865)	

(*) As at 31 December 2020, the Group is in the process of determining the fair value of these long-term investments.

(i) As at 31 December 2020, the Group no longer holds control or significant influence over Phat Loc Commercial Investment Trading LLC due to a share transfer agreement dated 25 December 2018. Therefore, Phat Loc Commercial Investment Trading LLC becomes an investment in other entity of the Group.

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20. GOODWILL

	Currency: VND million				
	Hanoi Southern JSC	Sai Dong JSC	Royal City JSC	Bao Lai JSC	Others
					Total
Cost:					
Beginning balance	1,629,906	2,150,488	1,002,332	-	2,764,916
Increases from business combination	-	-	-	932,903	80,326
Decreases	(54,926)	(556,754)	(152,439)	-	(53,014)
Ending balance	1,574,980	1,593,734	849,893	932,903	2,792,228
					7,743,738
Accumulated amortisation:					
Beginning balance	1,310,763	1,413,647	828,339	-	1,620,754
Amortisation for the year	164,487	216,933	102,267	-	220,885
Decreases	(46,088)	(421,493)	(136,404)	-	(18,816)
Ending balance	1,429,162	1,209,087	794,202	-	1,822,823
					5,255,274
Net carrying amount:					
Beginning balance	319,143	736,841	173,993	-	1,144,162
Ending balance	145,818	384,647	55,691	932,903	969,405
					2,488,464

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

21. TRADE PAYABLES AND ADVANCES FROM CUSTOMERS

21.1 Short-term trade payables

	Currency: VND million	
	<i>Balance (also amount payables)</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Trade payables to suppliers	18,511,262	17,563,738
TOTAL	18,511,262	17,563,738

21.2 Short-term advances from customers

The balance of short-term advances from customers as at 31 December 2020 and 31 December 2019 mainly includes downpayment from customers under sale and purchase agreements for real estate properties and advance payments from customers of other business activities of the Group.

The balance as at 31 December 2020 also includes advances from the Government for the purpose of implementation of a build-transfer contract.

22. STATUTORY OBLIGATIONS

	Currency: VND million			
	<i>Beginning balance</i>	<i>Payables for the year</i>	<i>Payment made/offset in the year</i>	<i>Ending balance</i>
Payables				
Value added tax	559,321	3,607,375	(3,679,364)	487,332
Corporate income tax	3,060,407	10,133,851	(8,526,916)	4,667,342
Personal income tax	238,297	1,695,775	(1,732,423)	201,649
Land use fee, land rental fee and obligations under build-transfer contracts	1,662,222	212,789	(327,917)	1,547,094
Others	471,428	5,777,434	(5,347,043)	901,819
TOTAL	5,991,675	21,427,224	(19,613,663)	7,805,236
	<i>Beginning balance</i>	<i>Receivables for the year</i>	<i>Payment received/offset in the year</i>	<i>Ending balance</i>
Receivables				
Corporate income tax	65,864	882,782	(40,374)	908,272
Others	2,936	4,956	(2,177)	5,715
TOTAL	68,800	887,738	(42,551)	913,987

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended**23. ACCRUED EXPENSES**

	Currency: VND million	
	Ending balance	Beginning balance
Short-term		
Accrued construction and development costs of handed-over real estate properties and other assets	16,390,002	11,273,933
Accrued selling expenses	2,828,011	1,830,302
Accrued interest expenses	1,284,898	1,779,416
Accrued committed profit under villas and condotels management program	1,089,052	318,337
Others	3,082,994	1,291,339
TOTAL	24,674,957	16,493,327
Long-term		
Accrued interest expenses	1,077,494	370,071
Others	30,036	117,326
TOTAL	1,107,530	487,397

24. UNEARNED REVENUE

	Currency: VND million	
	Ending balance	Beginning balance
Short-term		
Unearned revenue for villas and condotels leasing management services	1,156,365	780,044
Unearned revenue for education services	1,453,737	1,110,313
Unearned revenue for apartments and villas management services	490,202	439,862
Unearned revenue for other services	1,850,148	194,303
TOTAL	4,950,452	2,524,522
Long-term		
Unearned revenue for villas and condotel leasing management services	3,701,397	2,768,347
Unearned revenue for apartments and villas management services	1,260,367	1,286,692
Unearned revenue for hotel and entertainment services	152,741	102,601
Unearned revenue for other services	206,233	842,341
TOTAL	5,320,738	4,999,981
<i>In which:</i>		
Unearned revenue from related parties (Note 37)	1,735,404	769,867
Unearned revenue from other parties	8,535,786	6,754,636

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as at 31 December 2020 and for the year then ended

25. OTHER PAYABLES

	Currency: VND million	
	Ending balance	Beginning balance
Short-term		
Payables under deposit and other agreements relating to real estate projects (i)	30,156,595	37,934,307
Deposits for investment purpose	5,697,222	8,495,107
Apartment maintenance funds (ii)	2,297,299	1,691,419
Deposits from tenants to be refunded within the next 12 months	599,618	605,510
Others	4,699,455	4,137,981
TOTAL	43,450,189	52,864,324
<i>In which:</i>		
<i>Other short-term payables to related parties (Note 37)</i>	-	1,200,000
<i>Other short-term payables to other parties</i>	43,450,189	51,664,324
Long-term		
Deposits from tenants	1,505,571	1,615,016
Deposits from tenants to be refunded within the next 12 months	(599,618)	(605,510)
Deposits for transferring real estate project	3,727,387	-
Deposits for investment purpose	1,080,233	-
Others	543,645	20,288
TOTAL	6,257,218	1,029,794

- (i) The balance as at 31 December 2020 includes amounts received from customers under deposit and other agreements relating to real estate projects and deposits from corporate counterparties for the purpose of transferring a portion of real estate projects of the Group.
- (ii) The balance is maintenance funds of handed-over apartments at real estate projects of the Group. These maintenance funds will be transferred to the Building Management Boards.

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as at 31 December 2020 and for the year then ended

26. LOANS AND DEBTS

Currency: VND million					
	Notes	Beginning balance	Movement during the year		Ending balance
		Carrying value (also payable amount)	Increase	Decrease	Carrying value (also payable amount)
Short-term loans					
Short-term loans	26.1	7,698,000	18,032,799	(24,642,914)	1,087,885
Current portion of long-term loans	26.2	4,124,113	10,464,190	(3,970,050)	10,618,253
Current portion of corporate bonds	26.3	21,173,677	14,392,168	(21,300,001)	14,265,844
TOTAL		32,995,790	42,889,157	(49,912,965)	25,971,982
Long-term loans					
Long-term loans	26.2	61,760,749	12,442,862	(10,488,802)	63,714,809
Corporate bonds	26.3	22,669,691	28,406,112	(16,481,388)	34,594,415
TOTAL		84,430,440	40,848,974	(26,970,190)	98,309,224

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as at 31 December 2020 and for the year then ended

26. LOANS AND DEBTS (continued)

26.1 Short-term loans

Lender	Ending balance		Maturity date	Collateral
	Original currency	VND million		
Joint Stock Commercial Bank for Foreign Trade of Vietnam	VND	590,000	January 2021	(i)
Others	EUR, VND	497,885		(ii)
TOTAL		1,087,885		

Details about interest rate of short-term loans as at 31 December 2020 are as follows:

Loans	Original currency	Rate
Secured loans	VND	Fixed interest rate, interest rate for the year ranging from 4.9% to 6.8% per annum.
Unsecured loans	EUR	Floating interest rate, the 12-month EURIBOR plus (+) 3% per annum.
(i) As at 31 December 2020, short-term loans are secured by the following collaterals:		
- Tangible fixed assets (Note 14); and		
- A number of shares of a subsidiary held by the Company.		
(ii) These loans are unsecured;		

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26. LOANS AND DEBTS (continued)

26.2 Long-term loans

Lender/credit arranger	Ending balance		Maturity date	Collateral
	Original currency	VND million		
Joint Stock Commercial Bank for Foreign Trade of Vietnam	VND	481,600	From January 2021 to October 2025	(ii)
<i>In which: current portion</i>	VND	90,000		
Joint Stock Commercial Bank for Investment and Development of Vietnam	VND	128,625	From January 2021 to December 2024	(ii)
<i>In which: current portion</i>	VND	28,160		
Vietnam Technological and Commercial Joint Stock Bank	VND	1,371,098	January 2021	(ii)
<i>In which: current portion</i>	VND	1,371,098		
Military Commercial Joint Stock Bank	VND	218,157	From January 2021 to April 2023	(ii)
<i>In which: current portion</i>	VND	90,259		
Vietnam Joint Stock Commercial Bank for Industry and Trade	VND	329,246	From March 2021 to June 2022	(ii)
<i>In which: current portion</i>	USD	175,534		
<i>In which: current portion</i>	VND	9,839		
Corporate counterparties	VND	5,320,000	From April 2022 to November 2022	(i)
Lenders of the syndicated loan No. 1	USD	18,225,639	From March 2021 to September 2030	(ii)
<i>In which: current portion</i>	USD	2,125,995		
Lenders of the syndicated loan No. 2	USD	7,702,234	From April 2021 to April 2023	(ii)
<i>In which: current portion</i>	USD	1,382,880		
Lenders of the syndicated loan No. 3	USD	3,224,669	From January to July 2021	(ii)
<i>In which: current portion</i>	USD	3,224,669		
Lenders of the syndicated loan No. 4	USD	8,327,841	March 2022	(ii)
Lenders of the syndicated loan No. 5	USD	6,945,340	From November 2021 to November 2024	(ii)
<i>In which: current portion</i>	USD	539,516		
Lenders of the syndicated loan No. 6	USD	6,128,174	From November 2021 to November 2024	(ii)
<i>In which: current portion</i>	USD	467,837		
Lenders of the syndicated loan No. 7 (iii)	VND	8,972,247	From March 2021 to December 2027	(ii)
<i>In which: current portion</i>	VND	1,288,000		
Lenders of the syndicated loan No. 8	USD	6,782,658	From February 2022 to February 2024	(ii)
TOTAL		74,333,062		
<i>In which:</i>				
Long-term loans		63,714,809		
Current portion of long-term loans		10,618,253		

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26. LOANS AND DEBTS (continued)

26.2 Long-term loans (continued)

Details of interest rates for long-term loans as at 31 December 2020 are as follows:

<i>Loans</i>	<i>Original currency</i>	<i>Interest rate</i>
Secured loans	VND	Floating interest rate, interest rate for the year ranging from 7.6% to 10.8% per annum
Unsecured loans	VND	Fixed interest rate of 9% per annum
Secured loans without swap contract	USD	Floating interest rate, interest rate for the year ranging from 0.86% to 7% per annum
Secured loans with floating interest rate swapped for fixed interest rate (also fixed transaction rate) under swap contracts	USD	Fixed interest rate under swap contracts, interest rate for the year ranging from 4.1% to 9.25% per annum

(i) These loans are unsecured;

(ii) As at 31 December 2020, these long-term loans are secured by the following collaterals:

- Inventories (Note 11), tangible fixed assets (Note 14), investment properties (Note 16), constructions in progress (Note 18), benefits accompanied with certain inventories, the Debt Service Reserve Account at the offshore account management bank and the Revenue Account at a commercial bank with outstanding balance and accumulated other related benefits arising from such account; and
- A number of shares of a subsidiary held by another subsidiary of the Group, a number of shares of subsidiaries held by the Company and capital contribution of a subsidiary in another subsidiary of the Group.
- (iii) According to a syndicated loan agreement, the Group and/or its associate commits to maintain average monthly balance at bank accounts opened at such bank at a minimum amount specified in the agreement to ensure the sufficient and timely payment of all credit loan agreement's obligations.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

26. LOANS AND DEBTS (continued)

26.3 Corporate bonds

<i>Underwriter</i>	<i>Ending balance (VND million)</i>	<i>Maturity date</i>	<i>Interest rate</i>	<i>Collateral</i>
Vietnam Bank for Industry and Trade Securities Joint Stock Company	2,598,976	March 2022	Floating interest rate, interest rate for the year ranging from 9% to 10% per annum	(i)
Techcom Securities Company Joint Stock Company	42,269,649	From January 2021 to February 2026	Floating interest rate, interest rate for the year ranging from 8.95% to 11.4%. Fixed rate from 7.75% to 8.5% per annum	(i)
<i>In which: current portion</i>	14,265,844			
KB Securities Vietnam Joint Stock Company	3,991,634	From December 2022 to May 2023	Floating interest rate, interest rate for the year ranging from 9.5% to 10.8% per annum	(i)
TOTAL	48,860,259			
<i>In which:</i>				
<i>Long-term bonds</i>	34,594,415			
<i>Current portion of long-term bonds</i>	14,265,844			

(i) As at 31 December 2020, these bonds are secured by the following collaterals:

- Inventories (Note 11), tangible fixed assets (Note 14), investment properties (Note 16), constructions in progress (Note 18) and a payment guarantee by a trusted fund of the Asian Development Bank; and
- A number of shares of subsidiaries held by the Company and another subsidiary of the Group and a number of shares of the Company held by subsidiaries of the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

27. EXCHANGEABLE BONDS

Exchangeable bonds amounting to USD450 million were issued in June and October 2018 with a term of 5 years. These bonds are unsecured and bear interest at a fixed rate of 3.5% per annum.

Management assesses that there is no equity component in these exchangeable bonds (since there is not known fixed number of shares to be exchanged) and as a result, has recognised the entire exchangeable bonds as long-term debts.

Following the terms of these exchangeable bonds, the bondholders have the right to exchange the bonds into ordinary shares of the Company at the price which is subject to adjustments made after 12, 22, 36 and 48 months from the issuance date starting from 14 June 2019. The principal balance of these bonds as at 31 December 2020 is following:

	Movement during the year					Ending balance
	Beginning balance	New issuance	Exchanged to shares	Due but not yet exchanged	Redemption	
Value (USD)	450,000,000	-	-	-	(209,400,000)	240,600,000
Currency: VND million						
				Current year	Previous year	
Initial recognition of exchangeable bonds				10,259,215	10,205,665	
Equity component				-	-	
Liability component at initial recognition				10,259,215	10,205,665	
Add: Accumulated amortisation of bond issuance cost						
Beginning balance				81,913	26,113	
Amortisation during the year				120,417	55,800	
Ending balance				202,330	81,913	
Add: Unrealised foreign exchange gain arising from revaluation				(5,227)	(2,250)	
Redemption				(4,868,759)	-	
Liability component at the end of the year				5,505,646	10,259,215	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended**28. PROVISIONS**

	<i>Currency: VND million</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Short-term		
Provision for onerous contracts (i)	3,537,864	-
Provision for cost on purchase commitment	1,551,888	-
Warranty provision	505,621	242,220
Others	47,636	6,114
TOTAL	5,643,009	248,334
Long-term		
Warranty provision	374,297	164,873
Others	2,016	17,191
TOTAL	376,313	182,064

- (i) The balance as at 31 December 2020 mainly includes provision for obligation of organising an event (Note 33) and a deposit contract with supplier.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

29. OWNERS' EQUITY

29.1 Increase and decrease in owners' equity

Currency: VND million

	Issued share capital	Share premium	Other owner's capital	Treasury shares	Exchange rate differences	Other funds belonging to owner's equity	Undistributed earnings	Non-controlling interest	Total
<i>Previous year</i>									
Beginning balance	32,756,212	11,442,901	7,235,206	(2,974,924)	-	42,845	5,143,008	45,521,466	99,166,714
• Share issuance	1,552,928	15,505,305	-	-	-	-	-	-	17,058,233
• Reissuance of treasury shares	-	3,316,770	-	690,865	-	-	-	1,672,306	5,679,941
• Net profit for the year	-	-	-	-	-	-	7,545,915	170,698	7,716,613
• Distribution to other funds	-	-	-	-	-	10,000	(7,847)	(2,153)	-
• Acquisition of new subsidiaries	-	-	-	-	-	-	-	483,660	483,660
• Disposal of subsidiaries	-	-	-	-	-	-	(1,722,598)	(1,469,197)	(3,191,795)
• Change of equity interest in existing subsidiaries without loss of control	-	3,731,392	-	-	-	-	(3,731,961)	5,166,823	5,166,254
• Repurchase of subsidiaries' shares by these subsidiaries	-	-	-	-	-	-	(4,106,759)	(3,397,428)	(7,504,187)
• Capital contribution by non-controlling interest	-	-	-	-	-	-	-	1,417,968	1,417,968
• Dividend declared to non-controlling interest	-	-	-	-	-	-	-	(2,193,685)	(2,193,685)
• Decrease in preference shares of subsidiaries	-	-	-	-	-	-	-	(3,093,749)	(3,093,749)
• Others	-	-	-	-	(11,784)	-	-	(105,594)	(117,378)
Ending balance	34,309,140	33,996,368	7,235,206	(2,284,059)	(11,784)	52,845	3,119,758	44,171,115	120,588,589

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

29. OWNERS' EQUITY (continued)

29.1 Increase and decrease in owners' equity (continued)

Currency: VND million

	Issued share capital	Share premium	Other owners' capital	Treasury shares	Exchange rate differences	Other funds belonging to owner's equity	Undistributed earnings	Non-controlling interest	Total
Current year									
Beginning balance	34,309,140	33,996,368	7,235,206	(2,284,059)	(11,784)	52,845	3,119,758	44,171,115	120,588,589
- Share issuance (i)	138,551	1,450,822	-	-	-	-	-	-	1,589,173
- Net profit/(loss) for the year	-	-	-	-	-	-	5,464,627	(919,054)	4,545,573
- Distribution to other funds	-	-	-	-	-	15,000	(12,366)	(2,634)	-
- Acquisition of new subsidiaries	-	-	-	-	-	-	-	(302,301)	(302,301)
- Disposal of subsidiaries	-	-	-	-	-	-	-	(60,000)	(60,000)
- Change of equity interest in existing subsidiaries without loss of control (i)	-	(35,033)	-	-	-	-	(4,212,374)	1,280,432	(2,966,975)
- Capital contribution by non-controlling interest (ii)	-	-	-	-	-	-	-	12,539,449	12,539,449
- Others	-	-	-	-	(30,624)	-	-	(50,169)	(80,793)
Ending balance	34,447,691	35,411,957	7,235,206	(2,284,059)	(42,408)	67,845	4,359,645	56,656,838	135,852,715

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

29. OWNERS' EQUITY (continued)

29.1 Increase and decrease in owners' equity (continued)

(i) Transactions resulting in change of equity interest in existing subsidiaries without loss of control that have significant impact on non-controlling interest and undistributed earnings mainly include:

- ▶ In January 2020, the Company completed the issuance of 13,855,034 ordinary shares to swap all shares owned by non-controlling interest of Sai Dong JSC, a subsidiary;
- ▶ Acquisition of 20% voting shares in Vinpearl Air JSC from counterparties;
- ▶ Acquisition of 1.28% voting shares in Vinhomes JSC and transfer these shares to counterparties;
- ▶ Acquisition of additional 4.66% voting shares in VEFAC JSC through the market order;
- ▶ Merge P&S Business Investment and Trading LLC, a subsidiary of the Group, into Vinfast LLC;
- ▶ Transfer of 10% equity interest in Green City JSC between subsidiaries within the Group;
- ▶ Transfer of 98% voting shares in Sai Dong JSC between subsidiaries within the Group;
- ▶ The contribution of non-controlling interest into VMC Holding Business Investment JSC; and
- ▶ The contribution of non-controlling interest into Vinpearl Invest JSC.

(ii) The increase in the year was mainly the contribution of non-controlling interest to OMG JSC, Vinfast LLC, VMC Holding JSC, Vinpearl Invest JSC, Vinsmart JSC.

29.2 Contributed share capital

	Ending balance			Beginning balance		
	Total	Ordinary shares	Preference shares	Total	Ordinary shares	Preference shares
Issued share capital	34,447,691	33,824,306	623,385	34,309,140	33,685,755	623,385
Share premium	35,411,957	27,144,762	8,267,195	33,996,368	25,729,173	8,267,195
Treasury shares	(2,284,059)	(2,284,059)	-	(2,284,059)	(2,284,059)	-
TOTAL	67,575,589	58,685,009	8,890,580	66,021,449	57,130,869	8,890,580

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

29. OWNERS' EQUITY (continued)

29.3 Capital transactions with owners

	Currency: VND million	
	Current year	Previous year
Issued share capital		
Beginning balance	34,309,140	32,756,212
Share issuance	138,551	1,552,928
Ending balance	<u>34,447,691</u>	<u>34,309,140</u>

29.4 Ordinary shares and preference shares

	Shares	
	Ending balance	Beginning balance
Authorised shares	3,444,769,056	3,430,914,022
Issued shares	3,444,769,056	3,430,914,022
Ordinary shares	3,382,430,590	3,368,575,556
Preference shares	62,338,466	62,338,466
Shares in circulation	3,293,998,576	3,280,143,542
Ordinary shares	3,231,660,110	3,217,805,076
Preference shares	62,338,466	62,338,466
Treasury shares	150,770,480	150,770,480
Ordinary shares	150,770,480	150,770,480

The par value of outstanding share: VND10,000 per share (2019: VND10,000 per share).

According to Share Subscription Agreement on 7 August 2018, preference shares are not entitled to vote, being restricted for transfer within one year since 22 August 2018 and have the right to convert into ordinary shares of the Company at the conversion price specified in the contract at any time after the issuance date. The Company has the right to redeem a portion or the entire of these preference shares during a period of 5.5 years to 6.5 years from the issuance date.

29.5 Treasury shares

As at 31 December 2020, the number of shares of the Company held by subsidiaries is 150,770,480 shares, of which 131,947,198 shares are being used as collateral for a loan of a subsidiary of the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

30. REVENUES**30.1 Revenue from sale of goods and rendering of services**

	Currency: VND million	
	Current year	Previous year
Gross revenue	110,755,497	130,161,398
<i>In which:</i>		
Sale of inventory properties	72,239,056	64,504,850
Manufacturing activities	17,599,985	9,259,382
Leasing activities and rendering related services	6,662,044	6,791,611
Rendering of hotel services, amusement park services and related services	4,878,073	8,555,321
Rendering of hospital services and related services	2,674,749	3,025,286
Rendering of education services and related services	2,244,430	2,063,081
Sale of goods in supermarkets, convenience stores and retail outlets	-	29,743,388
Others	4,457,160	6,218,479
Less sales deduction	(265,464)	(125,384)
Net revenue	110,490,033	130,036,014
<i>In which:</i>		
Sale of inventory properties	72,167,292	64,504,850
Manufacturing activities	17,415,481	9,201,038
Leasing activities and rendering related services	6,662,044	6,791,611
Rendering of hotel services, amusement park services and related services	4,868,877	8,548,983
Rendering of hospital services and related services	2,674,749	3,025,286
Rendering of education services and related services	2,244,430	2,063,081
Sale of goods in supermarkets, convenience stores and retail outlets	-	29,702,243
Others	4,457,160	6,198,922
<i>In which:</i>		
Sale to others	110,455,046	125,223,288
Sale to related parties (Note 37)	34,987	4,812,726

30.2 Revenue and expense relating to investment properties

	Currency: VND million	
	Current year	Previous year
Rental income from leasing investment properties	6,526,977	6,342,763
Direct operating expenses of investment properties that generated rental income during the year	(3,259,637)	(2,725,857)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

30. REVENUES (continued)

30.3 Finance income

	Currency: VND million	
	Current year	Previous year
Gains from disposal of subsidiaries and other investments (i)	28,595,170	11,299,238
Interest income from loans and deposits	2,250,964	2,475,618
Others	222,277	226,033
TOTAL	31,068,411	14,000,889

- (i) Gains from disposal of subsidiaries and investments mainly includes gains from disposal of subsidiaries with loss of control (Note 4.3), disposal of investment in associates (Note 4.2 and Note 4.4) and disposal of held-for-trading securities (Note 6.1).

31. COST OF GOODS SOLD AND SERVICES RENDERED

	Currency: VND million	
	Current year	Previous year
Inventory properties sold	44,228,229	29,986,659
Manufacturing activities	25,110,350	14,239,688
Leasing activities and rendering related services	3,395,295	3,138,052
Rendering of hotel services, amusement park services and related services	11,562,009	8,904,029
Rendering of hospital services and related services	2,833,990	2,965,732
Rendering of education services and related services	1,989,737	1,754,895
Goods sold in supermarkets, convenience stores and retail outlets	-	25,519,168
Others	4,057,617	5,976,574
TOTAL	93,177,227	92,484,797

32. FINANCE EXPENSES

	Currency: VND million	
	Current year	Previous year
Interest expenses	10,172,023	7,147,357
Issuance costs	1,230,362	377,825
Foreign exchange losses	268,136	151,244
Others	1,134,040	504,945
TOTAL	12,804,561	8,181,371

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

33. SELLING EXPENSES AND GENERAL AND ADMINISTRATIVE EXPENSES

	<i>Currency: VND million</i>	
	<i>Current year</i>	<i>Previous year</i>
Selling expenses		
- External service expenses	5,175,983	7,651,830
- Labour costs	1,387,606	4,596,982
- Depreciation and amortisation of fixed assets	96,232	1,041,151
- Others	593,764	958,485
TOTAL	7,253,585	14,248,448
General and administrative expenses		
- Labour costs	3,581,266	5,002,408
- External service expenses	2,049,541	2,750,953
- Subsidy and charity expenses	1,650,188	1,284,513
- Depreciation and amortisation of fixed assets and goodwill	1,386,416	2,006,510
- Provision and other expenses (i)	4,735,678	1,633,054
TOTAL	13,403,089	12,677,438

(i) Mainly includes provision for onerous contract (Note 28).

34. OTHER INCOME AND EXPENSES

	<i>Currency: VND million</i>	
	<i>Current year</i>	<i>Previous year</i>
Other income	982,699	832,187
Penalty received	265,150	176,005
Gains from disposal of fixed assets	47,087	99,598
Others	670,462	556,584
Other expenses	1,694,848	951,169
Penalty expenses	1,487,246	275,002
Loss from disposal of fixed assets	52,319	320,337
Others	155,283	355,830
NET OTHER LOSS	(712,149)	(118,982)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

35. PRODUCTION AND OPERATING COSTS

Currency: VND million

	<i>Current year</i>	<i>Previous year</i>
Development costs of inventory properties	22,016,883	52,004,001
External service expenses	17,337,195	19,166,515
Raw materials	15,390,717	21,297,152
Labour costs	11,118,610	16,542,696
Depreciation, amortisation, and allocation of goodwill	10,332,161	8,337,680
Others (excluding finance expenses)	9,668,345	7,098,920
TOTAL	85,863,911	124,446,964

36. CORPORATE INCOME TAX

The current statutory corporate income tax ("CIT") rate applicable to the Group and its subsidiaries is 20%, except for the following entities:

- ▶ Vinmec JSC and Vinschool LLC (for income from social service activities) apply the incentive tax rate of 10%; and
- ▶ Vinfast LLC, Vinsmart JSC and certain subsidiaries operating in technology business apply the incentive tax rate of 10% in the first 15 years commencing from the first year in which revenue is generated, CIT exemption for 4 years commencing from the first year in which taxable profit is earned (or commencing from the fourth year from the first year in which revenue is generated if no taxable profit is earned for the first 3 years), and a 50% reduction of CIT for the subsequent 9 years for manufacturing activities.

Certain subsidiaries with total revenue in 2020 not exceeding VND200 billion are entitled to a 30% reduction of the CIT payable for the financial year 2020 according to the Decree 114/2020/ND-CP issued by the Government on 25 September 2020.

The tax returns filed by the Company and its subsidiaries are subject to examination by the tax authorities. As the application of tax laws and regulations is susceptible to varying interpretations, the amounts reported in the consolidated financial statements could be changed at a later date upon final determination by the tax authorities.

36.1 CIT expenses

Currency: VND million

	<i>Current year</i>	<i>Previous year</i>
Current tax expenses	10,282,745	8,286,824
Deferred tax income	(885,763)	(366,013)
TOTAL	9,396,982	7,920,811

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

36. CORPORATE INCOME TAX (continued)

36.1 CIT expenses (continued)

Reconciliation between CIT expenses and the accounting profit multiplied by applicable CIT rate is presented below:

	Currency: VND million	
	Current year	Previous year
Accounting profit before tax	13,942,555	15,637,424
At CIT rate applied to the Company and its subsidiaries	2,788,511	3,127,485
<i>Adjustments:</i>		
Losses of subsidiaries	4,906,468	2,469,517
Non-deductible interest expense	1,875,188	1,537,365
Income/expenses from equity transactions in the consolidated financial statements resulting from acquisitions of group of assets and business combination	538,559	(490,691)
Gain/loss from equity transactions in the consolidated financial statements	154,133	1,416,923
Goodwill allocation in the consolidated financial statements	140,915	232,498
Losses ineligible for offsetting against taxable income	-	54,673
Others	498,418	562,173
Reversal of provisions for investments in subsidiaries	(1,363,586)	(385,351)
Tax losses carried forward	(141,624)	(603,781)
Estimated CIT expenses	9,396,982	7,920,811

36.2 Current tax

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

36. CORPORATE INCOME TAX (continued)

36.3 Deferred tax

	Currency: VND million		
	Consolidated balance sheet	Consolidated income statement	
	Ending balance	Beginning balance	
			Current year
			Previous year
Deferred tax assets			
Provision for accruals	749,128	30,000	719,128
Unrealised profit from inter-company transactions within the Group	446,162	57,772	388,390
Selling expenses allowable for capitalisation for tax purpose during the year	63,288	214,203	(150,914)
Fair value adjustments from merger of subsidiaries	173,444	68,205	(19,931)
Others	113,831	275,313	(161,484)
			(26,831)
Deferred tax liabilities			
Fair value adjustments from acquisition of subsidiaries	(531,694)	(466,107)	126,741
Others	(20,082)	(3,916)	(16,167)
			335,228
Net deferred tax assets	994,077	175,470	17,870
Net deferred tax credit to the consolidated income statement			
<i>Presented on the consolidated balance sheet</i>			
Deferred tax assets	1,545,853	645,493	
Deferred tax liabilities	(551,776)	(470,023)	
Net deferred tax assets	994,077	175,470	366,013

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36.4 Unrecognised deferred tax

The Group is entitled to carry each individual tax loss forward to offset against taxable profits arising within five years subsequent to the year in which the loss was incurred. At the balance sheet date, the Group had aggregated accumulated tax losses of VND41,061 billion available for offset against future taxable profits (31 December 2019: VND19,699 billion). These are estimated accumulated tax losses as per the CIT declarations of Company and its subsidiaries, which have not been finalised by the local tax authorities as of the date of these consolidated financial statements. No deferred tax assets have been recognised in respect of these accumulated tax losses because future taxable profit cannot be ascertained at this stage.

Non-deductible interest expense under Decree 132/2020/ND-CP shall be carried forward to the next tax period when determining total deductible interest expense in case the total interest expense deducted for the next tax period is lower than the level prescribed in this Decree. The deferred tax assets have not been recognised in respect of this non-deductible interest expense because future taxable profits and the conditions to deduct in subsequent tax periods cannot be ascertained at this stage.

Vingroup Joint Stock Company

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

37. TRANSACTIONS WITH RELATED PARTIES

Significant transactions with related parties in current year and prior year were as follows:

Related parties	Relationship	Transactions	Currency: VND million	
			Current year	Previous year
Kind Heart Foundation	Under common owners	Charity expenses incurred during the year	908,046	1,200,000
		Cash transferred to Kind Heart Foundation	2,617,100	180,000
		Receivables from rendering hospital services	38,486	153,576
		Collection from rendering hospital services	57,217	258,724
		Cash collection from Kind Heart Foundation	-	1,134,000
Phu Quoc Tourism JSC	Associate until 30 September 2020	Receivables from rendering general contractor management service	-	4,567,438
		Cash collection under business co-operation contract	-	249,112
		Receivables from selling goods and rendering services	-	124,206
		Cash collection from disposal of assets and providing materials	-	441,432
		Capital contribution in cash	-	188,906
Vinfast Lithium Battery Pack LLC	Jointly controlled entity	Receivable from disposal of assets	67,840	403,988
		Cash received from disposal of assets	239,323	205,399
Vinfast-An Phat Plastic Auto Part Company Limited	Jointly controlled entity	Capital contribution in cash	-	74,000
Vietnam Investment Group JSC	Under common owners	Payables for office, hotel rental and lunch meal to employees	58,947	66,778
		Receivables from selling goods and rendering services	102,000	44,791
Other individuals	Key management personnel	Receivable from payment on behalf of capital contribution	3,564,495	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

37. TRANSACTIONS WITH RELATED PARTIES (continued)

Terms and conditions of transactions with related parties:

During the year, the Group sold/purchased goods and services to/from related parties based on the price stated in contracts.

During the year, the Group has not made provision for doubtful debts relating to amounts due from related parties (31 December 2019: nil). This assessment is undertaken each financial year through the examination of the financial position of the related parties and the market in which the related parties operate.

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

			Currency: VND million	
Related parties	Relationship	Transactions	Ending balance	Beginning balance
Short-term trade receivables (Note 7.1)				
Kind Heart Foundation	Under common owners	Receivables from rendering hospital service	5,096	23,501
Phu Quoc Tourism JSC	Associate until 30 September 2020	Receivables from selling goods, rendering advisory services and general contractor management service	-	4,567,438
Vinfest Lithium Battery Pack LLC	Jointly controlled entity	Receivables from disposal of assets	27,106	198,589
			32,202	4,789,528
Other receivables (Note 9)				
Other individuals	Key management personnel	Receivable from payment for capital contribution on behalf	3,564,495	-
Kind Heart Foundation	Under common owners	Receivable from charity expenses	509,054	-
			4,073,549	-
Unearned revenue (Note 24)				
Phu Quoc Tourism JSC	Associate until 30 September 2020	Unearned revenue from disposal of fixed assets and rendering services	-	769,867
MV1 Viet Nam LLC	Associate	Unearned revenue from capital contribution in associate	1,735,404	-
			1,735,404	769,867
Other short-term payables (Note 25)				
Kind Heart Foundation	Under common owners	Charity expense payables	-	1,200,000
			-	1,200,000

Remuneration of members of the Board of Directors and Management:

		Currency: VND million	
		Current year	Previous year
Salaries and bonus		50,293	46,723
TOTAL		50,293	46,723

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

38. EARNINGS PER SHARE

Basic earnings per share amounts are calculated by dividing net profit or loss after tax for the year attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the net profit or loss after tax attributable to ordinary shareholders of the Group (after adjusting for dividend on the convertible preference shares) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

The following reflects the income and share data used in the basic and diluted earnings per share computations:

Currency: VND million		
	Current year	Previous year
Net profit after tax attributable to ordinary shareholders	5,464,627	7,545,915
Distribution to bonus and welfare fund	-	-
Net profit after tax attributable to ordinary shareholders for basic earnings	5,464,627	7,545,915
Net profit attributable to ordinary shareholders adjusted for the effect of dilution	5,464,627	7,545,915
Unit: shares		
	Current year	Previous year
Weighted average number of ordinary shares (excluding treasury shares) for basic earnings per share	3,231,357,268	3,101,191,565
Effect of dilution due to:		
Convertible preference shares	65,154,820	65,154,820
Weighted average number of ordinary shares (excluding treasury shares) adjusted for the effect of dilution	3,296,512,088	3,166,346,385
Currency: VND		
	Current year	Previous year
Basic earnings per share	1,691	2,433
Diluted earnings per share	1,658	2,383

There are exchangeable bonds issued by Vinpearl JSC, a subsidiary, which could potentially dilute basic earnings per share in future but were not included in the calculation of diluted earnings per share because they are anti-dilutive for the current year.

The convertible preference shares issued by the Company are assumed to be converted which dilute basis earnings per share for current year. Preference shares are not entitled to vote, being restricted for transfer within one year and have the right to convert into ordinary shares of the Company at the conversion price specified in the contract at any time after the issuance date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

39. COMMITMENTS AND CONTINGENCIES

Capital expenditure commitments relating to on-going real estate projects

The Group has entered into a number of contracts relating to the development of certain real estate projects and other operating activities of the Group. The remaining commitment on these contracts as at 31 December 2020 is approximately VND24,773 billion (as at 31 December 2019: VND27,497 billion).

The Group has signed Build-Transfer contracts with the State authorities to commit on investment cost of the new administration center project in Thanh Hoa city, the overhead road project along the Ring Road No.2 from Vinh Tuy bridge to Nga Tu So, the park and eco-lake located at the southern and extended northern areas of Mai Dich Cemetery, Hanoi, and the park and eco-lake located at the land lot CV1, Cau Giay urban area, Hanoi.

Commitment under operating leases where the Group is a lessor

The Group, as lessor, lets out office, retail, factories and mixed-use spaces under operating lease agreements. The future minimum rental receivables under these agreements are as follows:

	Currency: VND million	
	Ending balance	Beginning balance
Less than 1 year	4,976,736	5,164,395
From 1-5 years	9,367,538	9,472,514
More than 5 years	7,583,218	7,375,359
TOTAL	21,927,492	22,012,268

Under the business co-operation contract signed between certain subsidiaries of the Group and Thien Huong Investment JSC ("Thien Huong JSC") regarding the school operation in Vinhomes Riverside and Vinhomes Royal City projects, the Group is entitled to the share of Thien Huong JSC's revenue, which is equal to 15% of revenue and can be adjusted according to the business co-operation contract. The duration of the business co-operation contract is from February 2012 to the end of August 2043.

Commitment under operating leases where the Group is a lessee

The Group, as lessee, entered into certain operating lease agreements with the minimum lease commitments under these agreements are as follows:

	Currency: VND million	
	Ending balance	Beginning balance
Less than 1 year	248,691	234,035
From 1-5 years	1,202,476	891,656
More than 5 years	14,208,651	9,500,088
TOTAL	15,659,818	10,625,779

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended**39. COMMITMENTS AND CONTINGENCIES (continued)****Other commitments***Commitment under the contract to purchase shares of VEFAC JSC*

According to the Share Transfer Contract for strategic investor signed between the Company and VEFAC JSC dated 13 March 2015, the Company committed to raising 100% financing sources for the development of National Exhibition Center Project following the approved master plan.

Commitment under the contract to purchase shares of Berjaya VFC Co., Ltd

In May 2018, Vinhomes JSC and Can Gio JSC signed a capital transfer contract with a corporate counterparty to acquire 32.5% equity interest in Berjaya VFC Co., Ltd. The remaining commitment of this contract as at 31 December 2020 is 503.7 billion VND.

Commitment related to acquire of shares in a real estate project

On 25 June 2019, Metropolis Hanoi LLC, a subsidiary, entered into a co-operation contract with corporate counterparties for developing a real estate project. Accordingly, Metropolis Hanoi LLC deposited to a counterparty for acquiring shares of this counterparty in the project. The remaining commitment of this contract as at 31 December 2020 is VND172.5 billion.

Commitment related to the business co-operation for a potential real estate project in Hanoi

Under the business co-operation contract dated 23 November 2017 between Royal City JSC and a corporate counterparty, Royal City JSC commits to contributing 100% investment capital in a potential real estate project in Hanoi. The total estimated investment capital is VND790 billion. The remaining commitment of this agreement as at 31 December 2020 is VND782 billion.

Guarantee for payment obligation of bonds issued by Phu Quoc JSC, an associate until 30 September 2020

Under guarantee agreements among Phu Quoc JSC, Techcom Securities Joint Stock Company and Vinpearl JSC, a subsidiary, Vinpearl JSC commits to guarantee for payment obligations of Phu Quoc JSC relating to certain secured bonds issued by this company.

Commitments related to future loans relating to credit line contracts

In accordance with a number of credit line contracts signed among the Group, a number of subsidiaries and commercial banks, the Group commits to use certain inventories and a number of shares of subsidiaries held by the Company to secure for these contracts. As at 31 December 2020, the Group did not incur any outstanding balance arising from these credit line contracts.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

39. COMMITMENTS AND CONTINGENCIES (continued)

Other commitments (continued)

Commitments related to business co-operation and leasing contracts of South Vincom Retail LLC

Under the business co-operation contract and lease contracts of a number of shopping malls between South Vincom Retail LLC, a subsidiary, and corporate counterparties in Dong Nai and Ho Chi Minh City, South Vincom Retail LLC commits to transferring buildings and fixed equipment attached to the existing structures to the lessors or these counterparties without any additional condition at the end of contract terms.

Commitment to transferring a certain part of Vincom Ba Trieu Tower A&B

On 31 July 2006, the Company had transferred certain parts of the Vincom City Towers to a corporate counterparty. According to the transfer agreement, the Group has committed to transferring the ownership of the following investment properties to this corporate counterparty on 20 July 2052:

- The ownership of half of the commercial area (from 1st floor to 6th floor of Vincom City Towers (the "towers"), except for the reception and elevator waiting area of 160m² on the 1st floor); and
- The ownership of half of the basement B1 and B2 of the building.

Commitments under interest support agreements to buyers of apartments, villas at the Group's projects

According to three-party interest support agreements among the investors, buyers of the inventory properties of the Group's projects and certain banks, the investors commit to supporting the buyers in settling the interest in committed period in accordance with loan contracts signed between buyers and these banks.

Commitments related to program of management and properties leasing services

The Group provided management and leasing services to customers who bought villas and condotels at real estate projects of Vinpearl JSC and South Vincom Retail LLC. Accordingly, for the first 10 years from the date of villas being handed over and for the first 5 years from the date of the condotels being handed over, customers are guaranteed by these entities to receive the committed profit under signed agreement with customers.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

40. SEGMENT INFORMATION

For the management purpose, the operating businesses are organised and managed separately according to the nature of the products and services provided, and consist of business segments as follows:

- ▶ Sales of inventory properties: including developing and trading properties at real estate projects of the Group as well as other investment activities in real estate sector;
- ▶ Leasing investment properties and related services: including leasing of office and retail areas and rendering related services at investment properties owned by the Group;
- ▶ Hospitality, entertainment and related services: including provision of hotel, rendering restaurants, organizing sports-car racing and related services at the hotels and resorts owned by the Group;
- ▶ Health care and related services: including provision of health care and related services at Vinmec International General Hospitals;
- ▶ Education and related services: including provision of education and related services at Vinschool and VinAcademy system of the Group;
- ▶ Manufacturing activities: including manufacturing and trading automotive vehicles, mobile phones and other related products; and
- ▶ Others: including provision of construction services; rendering real estate management services; warehousing, storage of goods; data processing; and other services.

The Group monitors each segment's performance for the purpose of making decisions on resource allocation and performance assessment. The performance of each segment is assessed based on profit and loss and is determined in a consistent manner with the Group's profit and loss on the consolidated financial statements. However, the Group's financing activities (including financial expenses and financial revenue) are monitored on a centralised basis and not allocated to segment. Other incomes and others expenses are not included in segment profit/(loss).

Unallocated assets monitored on a centralised basis are mainly deferred tax assets, short-term investments, other long-term investments, loan receivables, interest receivables, value-added tax deductible and tax and other receivables from the State.

Unallocated liabilities monitored on a centralised basis are mainly loans and debts, exchangeable bonds, statutory obligations, interest payables and deferred tax liabilities.

Transaction price between segments are determined on the basis of the same contractual agreement as transactions with third parties. Revenue, costs and profit/loss of the segment include transactions between segments. These transactions are eliminated in the consolidated financial statements.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

40. SEGMENT INFORMATION (continued)

The following tables present revenue and profit and certain asset and liability information regarding the Group's business segment as at 31 December 2020 and for the year then ended:

	Sale of inventory properties	Leasing investment properties and related services	Hospitality, entertainment and other services	Health care and related services	Education and related services	Manufacturing activities and related services	Others	Adjustment and elimination	Total
Currency: VND million									
Net revenue									
Net sales to external customers	72,167,292	6,662,044	4,868,877	2,674,749	2,244,430	17,415,481	4,457,160	-	110,490,033
Net inter-segment sales	-	590,398	97,064	91,087	-	1,552,839	3,853,741	(6,185,129)	-
Net total revenue	72,167,292	7,252,442	4,965,941	2,765,836	2,244,430	18,968,320	8,310,901	(6,185,129)	110,490,033
Results									
Depreciation and amortisation (including amortisation of goodwill)	520,339	1,994,416	2,549,190	624,484	276,016	4,081,757	285,959	-	10,332,161
Share of profit/(loss) of associates and jointly controlled entities	-	-	(255,000)	-	-	(41,520)	31,242	-	(265,278)
Segment net profit/(loss) before tax	21,459,694	2,743,551	(12,064,754)	(1,414,485)	(250,649)	(12,385,746)	(1,311,204)	(385,555)	(3,609,148)
Unallocated income									17,551,703
Assets and liabilities									
Segment assets	139,130,525	48,320,747	55,001,974	9,409,263	10,070,097	101,195,839	7,710,010	(1,242,769)	369,595,686
Unallocated assets									52,908,081
Segment liabilities	102,436,571	3,301,896	15,850,911	894,193	1,929,741	12,784,324	3,335,361	(1,242,769)	139,290,228
Unallocated liabilities									147,360,824
Other segment information									
Investment in associates and jointly controlled entities	2,412,849	-	-	-	-	248,229	64,382	-	2,725,460
Capital expenditure	1,051,288	4,505,370	6,160,298	662,768	2,385,931	12,250,461	819,450	-	27,835,566

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

40. SEGMENT INFORMATION (continued)

The following tables present revenue and profit and certain assets and liability information regarding the Group's business segment as at 31 December 2019 and for the year then ended:

	Sale of inventory properties	Leasing investment properties and related services	Hospitality, entertainment and other services	Health care and related services	Education and related services	Retail services	Manufacturing activities and related service	Others	Currency: VND million Adjustment and elimination Total
Net revenue									
Net sales to external customers	64,504,850	6,791,611	8,548,983	3,025,286	2,063,081	29,702,243	9,201,038	6,198,922	- 130,036,014
Net inter-segment sales	-	1,953,489	293,748	56,185	-	2,183,218	155,617	2,757,081	(7,399,338)
	64,504,850	8,745,100	8,842,731	3,081,471	2,063,081	31,885,461	9,356,655	8,956,003	(7,399,338)
Net total revenue									130,036,014
Results									
Depreciation and amortisation (including amortisation of goodwill)	514,567	1,624,570	1,970,875	662,694	145,688	826,945	2,307,626	284,715	- 8,337,680
Share of profit/(loss) of associates and jointly controlled entities	-	-	(758,983)	-	-	391	(12,023)	82,172	- (688,443)
Segment net profit/(loss) before tax	28,666,021	3,442,811	(3,347,855)	(1,428,777)	(217,194)	(6,097,969)	(9,913,086)	(1,159,409)	(7,655)
Unallocated income									9,936,887
Assets and liabilities									5,700,537
Segment assets (Restated)	140,429,171	42,923,150	38,482,971	9,569,998	8,097,274	2,585,191	96,370,540	7,929,107	(1,442,132)
Unallocated assets									344,945,270
									58,795,483
Segment liabilities (Restated)	108,346,179	3,186,784	6,167,558	971,504	1,832,586	439,521	14,085,869	3,360,652	(1,442,132)
Unallocated liabilities									136,948,521
									146,203,643
Other segment Information									
Investment in associates and jointly controlled entities	-	-	1,183,665	-	-	6,340	283,424	674,039	- 2,147,468
Capital expenditure	5,730,677	5,735,740	3,654,541	1,960,640	2,466,762	651,693	45,003,618	906,234	- 66,109,905

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

41. ADDITIONAL INFORMATION REGARDING TO THE CONSOLIDATED CASH FLOW STATEMENT

	<i>Currency: VND million</i>	
	<i>Current year</i>	<i>Previous year</i>
Significant non-cash transactions that will have impact on the cash flow statement in the future:		
Transfer to payables of operating and financing activities	256,060	236,742
Actual cash received for the year, except interests addition to principal:		
Cash received from normal loan agreements	12,951,651	54,594,979
Cash received from issuance of bonds	28,041,946	8,651,215
Actual cash payment for the year: (*)		
Cash payment for normal loan agreements	(11,673,816)	(16,482,542)
Cash payment for principal of bonds	(22,415,545)	(9,700,000)
Cash payment for exchangeable bonds	(4,868,759)	-

(*) Actual cash payment for the year include prepayments of principal amounts of VND2,130 billion (VND1,276 billion for the year ended 31 December 2019) for loans and bonds maturing after the reporting date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended**42. OFF BALANCE SHEET ITEMS**

Details of foreign currencies:

	<i>Ending balance</i>	<i>Beginning balance</i>
Foreign currencies:		
- United States Dollar	37,173,307	4,179,721
- Australian Dollar	1,700,115	3,388
- Singapore Dollar	18,104	5,460
- Euro	5,409,649	12,080,343
- Korean Won	-	349,342,638
- Japanese Yen	10,000	315,789
- Sterling	-	911
- Russian Ruble	65,561,721	3,305,341
- Ukrainian Hryvnia	41,524	-

As at 31 December 2020, overdue receivables of VND54.8 billion which have been written off as management assesses that these receivables are irrecoverable (as at 31 December 2019: VND54.8 billion).

43. EVENTS AFTER THE BALANCE SHEET DATE

Except for the events after the consolidated balance sheet date as presented in other notes of the consolidated financial statements, the Group also has following events after the consolidated balance sheet date:

In February and March 2021, the Company issued bonds with a total par value of VND4,375 billion, maturing in 2024, offered in twice, bearing an interest rate in the first year of 9.7% per annum and interest rate for subsequent years would be floating and determined by the average 12-month term interest rate of certain commercial banks plus margin. Proceed from the above bond issuance would be used to increase capital in certain subsidiaries of the Company.

In March 2021, the Company completed the acquisition of shares representing 56% equity interest in a foreign company with a consideration of USD11,4 million. Accordingly, this company became a subsidiary of the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended**44. EVENTS AFTER THE BALANCE SHEET DATE** (continued)

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



Van Thi Hai Ha
Preparer



Nguyen Thi Thu Hien
Chief Accountant



Mai Hương Noi
Deputy Chief Executive Officer

Hanoi, Vietnam

19 March 2021

Vingroup Joint Stock Company

APPENDIX 1 – LIST OF SUBSIDIARIES AS AT 31 DECEMBER 2020

No.	Full name	Short name	Voting right (%) (*)	Equity interest (%)	Registered office's address	Principal activities
1	Vincom Retail JSC	Vincom Retail JSC	60.33	60.30	Vinhomes Riverside ⁽¹⁾	Investing, developing and trading real estate properties and leasing real estate properties
2	South Vincom Retail LLC	South Vincom Retail LLC	100.00	60.30	No.72, Le Thanh Ton Street and No.45A Ly Tu Trong Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	Investing, developing and trading real estate properties and leasing real estate properties
3	Northern Vincom Retail LLC	Northern Vincom Retail LLC	100.00	60.30	No.72A, Nguyen Trai Street, Thuong Dinh Ward, Thanh Xuan District, Hanoi, Vietnam	Investing, developing and trading real estate properties and leasing real estate properties
4	Suoi Hoa Urban Development and Investment JSC	Suoi Hoa JSC	97.27	58.66	Km1 + 200, Tran Hung Dao Street, Suoi Hoa Ward, Bac Ninh City, Bac Ninh Province, Vietnam	Investing, developing and trading real estate properties and leasing real estate properties
5	Ha Thanh Real Estate Development and Investment Co., Ltd	Ha Thanh Real Estate Co., Ltd	100.00	60.30	Vinhomes Riverside ⁽¹⁾	Investing, developing and trading real estate properties and leasing real estate properties
6	Vinhomes JSC	Vinhomes JSC	73.66	72.33	Symphony office tower, Chu Huy Man Street, Vinhomes Riverside Eco-Urban Area, Phuc Loi Ward, Long Bien District, Hanoi, Vietnam	Investing, developing and trading real estate properties and leasing real estate properties
7	Royal City Real Estate Development & Investment JSC	Royal City JSC	97.85	70.78	No.72A, Nguyen Trai Street, Thuong Dinh Ward, Thanh Xuan District, Hanoi, Vietnam	Investing, developing and trading real estate properties and leasing real estate properties
8	Saidong Urban Development and Investment JSC	Sai Dong JSC	100.00	72.27	Vinhomes Riverside ⁽¹⁾	Investing, developing and trading real estate properties
9	Xavinco Land JSC	Xavinco JSC	96.44	96.15	No.191, Ba Trieu Street, Le Dai Hanh Ward, Hai Ba Trung District, Hanoi, Vietnam	Investing, developing and trading real estate properties

Vingroup Joint Stock Company

APPENDIX 1 – LIST OF SUBSIDIARIES AS AT 31 DECEMBER 2020 (continued)

No.	Full name	Short name	Voting right (%) (*)	Equity interest (%)	Registered office's address	Principal activities
10	Xalivico LLC	Xalivico LLC	74.00	71.15	No.233 Nguyen Trai Street, Thuong Dinh Ward, Thanh Xuan District, Hanoi, Vietnam	Investing, developing and trading real estate properties
11	Thang Long Real Estate Trading Investment JSC	Thang Long Real Estate JSC	73.00	70.23	Vinhomes Riverside (1)	Investing, developing and trading real estate properties
12	Vietnam Exhibition Fair Centre JSC	VEFAC JSC	87.97	86.68	No.148 Giang Vo Street, Giang Vo Ward, Ba Dinh District, Hanoi, Vietnam	Investing, developing and trading real estate properties
13	Metropolis Hanoi LLC	Metropolis Hanoi LLC	100.00	72.33	HH land area, Pham Hung Street, Me Tri Ward, Nam Tu Liem District, Hanoi, Vietnam	Investing, developing and trading real estate properties
14	Viet Nam Books JSC	Savina JSC	65.33	65.33	No.44, Trang Tien Street, Trang Tien Ward, Hoan Kiem District, Hanoi, Vietnam	Public and trading books
15	Can Gio Tourist City Corporation	Can Gio JSC	99.89	72.26	No.72 Le Thanh Ton, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	Investing, developing and trading real estate properties
16	Central Park Development LLC	Central Park LLC	100.00	72.27	Room 900, 9th floor, IPH Tower, No.241 Xuan Thuy Street, Dich Vong Hau Ward, Cau Gay District, Hanoi, Vietnam	Investing, developing and trading real estate properties
17	Ecology Development and Investment JSC	Ecology JSC	100.00	72.32	No.191, Ba Trieu Street, Le Dai Hanh Ward, Hai Ba Trung District, Hanoi, Vietnam	Investing, developing and trading real estate properties
18	Gia Lam Urban Development and Investment Co., Ltd	Gia Lam Co., Ltd	99.39	71.88	2 nd floor, Vincom Mega Mall Ocean Park, Lot CCTP-10, Gia Lam Urban Area Project, Trau Quy Town, and Duong Xa Commune, Kieu Ky Commune, Da Ton Commune, Gia Lam District, Hanoi, Vietnam	Investing, developing and trading real estate properties
19	Vietnam Investment and Consulting Investment JSC	Vietnam Investment JSC	70.00	50.62	No.191, Ba Trieu Street, Le Dai Hanh Ward, Hai Ba Trung District, Hanoi, Vietnam	Investing, developing and trading real estate properties
20	Tay Tang Long Real Estate LLC	Tay Tang Long LLC	90.00	65.10	No.72, Le Thanh Ton Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	Investing, developing and trading real estate properties
21	Berjaya Vietnam International University Town LLC	Berjaya VIUT LLC	97.90	70.74	20A Floor, Dong Khoi Vincom Center, No.72 Le Thanh Ton Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	Investing, developing and trading real estate properties

Vingroup Joint Stock Company

APPENDIX 1 – LIST OF SUBSIDIARIES AS AT 31 DECEMBER 2020 (continued)

No.	Full name	Short name	Voting right (%) (*)	Equity interest (%)	Registered office's address	Principal activities
22	Lang Van Development and Investment JSC	Lang Van JSC	100.00	72.49	No.07, Truong Sa Street, Hoa Hai Ward, Ngu Hanh Son District, Da Nang City, Vietnam	Investing, developing and trading real estate properties
23	Berjaya Vietnam Financial Center Co., Ltd	Berjaya VFC Co., Ltd	67.50	48.77	20A Floor, Dong Khoi Vincom Center, No.72 Le Thanh Ton Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	Investing, developing and trading real estate properties
24	Times Trading Investment and Development One Member Co., Ltd	Times Trading Ltd	100.00	100.00	No.72, Le Thanh Ton Street and No.45A Ly Tu Trong Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	Investing, developing and trading real estate properties
25	Millennium Trading Investment and Development LLC	Millennium Trading LLC	100.00	72.33	20A Floor, Dong Khoi Vincom Center, No.72 Le Thanh Ton Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	Investing, developing and trading real estate properties and leasing office properties
26	Thai Son Investment Construction Corporation	Thai Son JSC	100.00	72.26	Vinhomes Riverside (1)	Investing, developing and trading real estate properties
27	GS Cu Chi Development JSC	GS Cu Chi JSC	100.00	72.26	20A Floor, Dong Khoi Vincom Center, No.72 Le Thanh Ton Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	Investing, developing and trading real estate properties
28	Phuc An Travel Development and Investment LLC	Phuc An LLC	100.00	100.00	Vinhomes Riverside (1)	Providing short – stay services
29	Green City Development JSC	Green City JSC	100.00	72.27	No.72 Le Thanh Ton, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	Investing, developing and trading real estate properties
30	Delta JSC	Delta JSC	100.00	72.27	No. 110 Dang Cong Binh, Hamlet 6, Xuan Thoi Thuong Commune, Hoc Mon District, Ho Chi Minh City, Vietnam	Investing, developing and trading real estate properties
31	Vinhomes Industrial Zone Investment JSC	VinhomesIZ JSC	100.00	72.30	Vinhomes Riverside (1)	Investing, developing and trading real estate properties
32	Dai An Investment Construction JSC	Dai An JSC	100.00	72.27	Road 5A, Dinh Du Village, Dinh Du Commune, Van Lam District, Hung Yen Province, Vietnam	Investing, developing and trading real estate properties

Vingroup Joint Stock Company

APPENDIX 1 – LIST OF SUBSIDIARIES AS AT 31 DECEMBER 2020 (continued)

No.	Full name	Short name	Voting right (%) (*)	Equity interest (%)	Registered office's address	Principal activities
33	SADO Trading Commercial JSC	SADO JSC	100.00	99.93	Symphony Office Building, Chu Huy Man Street, Vinhomes Riverside Ecological Urban Area, Phuc Loi Ward, Long Bien District, Hanoi City, Vietnam	▲ Consulting and investment activities
34	Hon Mot Tourism JSC	Hon Mot Tourism JSC	100.00	72.26	Hon Tre Island, Vinh Nguyen Ward, Nha Trang City, Khanh Hoa Province, Vietnam	▲ Investing, developing and trading hospitality services
35	Newco Development and Investment JSC	Newco JSC	100.00	72.27	72 Le Thanh Ton, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	▲ Investing, developing and trading real estate properties
36	Vinpearl JSC	Vinpearl JSC	100.00	99.88	Hon Tre Island, Vinh Nguyen Ward, Nha Trang City, Khanh Hoa Province, Vietnam	▲ Investing, developing and trading hospitality services
37	Vinpearl Invest JSC	Vinpearl Invest JSC	70.00	70.00	Symphony office tower, Chu Huy Man Street, Vinhomes Riverside Eco-Urban Area, Phuc Loi Ward, Long Bien District, Hanoi, Vietnam	▲ Investing, developing and trading real estate properties
38	Cam Ranh Investment JSC	Cam Ranh Investment JSC	100.00	87.80	Hon Tre Island, Vinh Nguyen Ward, Nha Trang City, Khanh Hoa Province, Vietnam	▲ Investing, developing and trading hospitality services
39	Nha Trang Port JSC	Nha Trang Port JSC	91.94	64.35	No.5 Tran Phu, Vinh Nguyen Ward, Nha Trang City, Khanh Hoa Province, Vietnam	▲ Cargo handling
40	Co.co International Co., Ltd	Co.co International Ltd	69.99	35.00	No. 14 Thuy Khue Street, Thuy Khue Ward, Tay Ho District, Hanoi, Vietnam	▲ Investing, developing and trading real estate properties
41	Vinpearl Air Aviation JSC	Vinpearl Air JSC	100.00	76.00	2 nd floor, Almaz Market, Hoa Lan Street, Vinhomes Riverside Ecological Urban Area, Phuc Loi Ward, Long Bien District, Hanoi, Vietnam	▲ Operation and aviation services
42	Vinpearl Travel LLC	Vinpearl Travel LLC	100.00	70.00	Vinhomes Riverside ⁽¹⁾	▲ Travel agency
43	Vinpearl Travel Ru LLC	Vinpearl Travel Ru LLC	100.00	80.00	Ne 24 Building, Timur Frunze St., Moscow, Russian Federation	▲ Travel agency
44	Vinpearl Travel Australia Pty Ltd.,	Vinpearl Travel Australia Pty Ltd.,	100.00	55.92	HAYMARKET NSW 2000, Australia	▲ Travel agency

Vingroup Joint Stock Company

APPENDIX 1 – LIST OF SUBSIDIARIES AS AT 31 DECEMBER 2020 (continued)

No.	Full name	Short name	Voting right (%) (*)	Equity interest (%)	Registered office's address	Principal activities
45	Vinwonders JSC	Vinwonders JSC	100.00	99.97	Vinhomes Riverside ⁽¹⁾	Providing short – stay services
46	Vietnam Grand Prix LLC	Grand Prix LLC	100.00	100.00	Vinhomes Riverside ⁽¹⁾	Organise and promote events, exhibitions, conferences and seminars
47	Nguyen Phu Trading and Development Investment JSC	Nguyen Phu JSC	100.00	98.98	Hon Tre Island, Vinh Nguyen Ward, Nha Trang City, Khanh Hoa Province, Vietnam	Investing, developing and trading real estate properties
48	Vinpearl Australia Pty Ltd.,	Vinpearl Australia Pty Ltd.,	100.00	70.00	234 Balaclava Road, Caulfield North 3161, Melbourne, Victoria, Australia	Providing short – stay services and travel agency
49	One Mount Group JSC	OMG JSC	51.22	51.22	5th floor, T26 building, Times City urban area, 458 Minh Khai Street, Vinh Tuy Ward, Hai Ba Trung District, Hanoi, Vietnam	Agency, broker, goods auction
50	OneID JSC	OneID JSC	99.95	51.22	4th floor, T26 building, Times City urban area, 458 Minh Khai Street, Vinh Tuy Ward, Hai Ba Trung District, Hanoi, Vietnam	Other monetary intermediation activities
51	VinID Pay JSC	VinID Pay JSC	100.00	55.27	2nd floor, T26 building, Times City urban area, 458 Minh Khai Street, Vinh Tuy Ward, Hai Ba Trung District, Hanoi, Vietnam	Other monetary intermediation activities
52	One Distribution JSC	One Distribution JSC	99.90	51.17	3rd floor, T26 building, Times City, 458 Minh Khai Street, Vinh Tuy Ward, Hai Ba Trung District, Hanoi, Vietnam	Warehousing, storage of goods
53	1MG Housing JSC	1MG Housing JSC	99.90	51.17	1st floor, T26 building, Times City, 458 Minh Khai Street, Vinh Tuy Ward, Hai Ba Trung District, Hanoi, Vietnam	Trading real estate properties
54	VMC Holding Business Investment JSC	VMC Holding JSC	75.00	74.85	Vinhomes Riverside ⁽¹⁾	Consulting and management activities
55	Vinmec International General Hospital JSC	Vinmec JSC	100.00	74.85	No.458, Minh Khai Street, Vinh Tuy Ward, Hai Ba Trung District, Hanoi, Vietnam	Healthcare, medical and related services
56	Vinschool One Member Co., Ltd	Vinschool Co., Ltd	100.00	100.00	Vinhomes Riverside ⁽¹⁾	Rendering education services



Vingroup Joint Stock Company

APPENDIX 1 – LIST OF SUBSIDIARIES AS AT 31 DECEMBER 2020 (continued)

No.	Full name	Short name	Voting right (%) (*)	Equity interest (%)	Registered office's address	Principal activities
57	VinAcademy Education and Training LLC	VinAcademy LLC	100.00	98.20	Vinhomes Riverside ⁽¹⁾	▲ Rendering education services
58	Vincom Security Service Co., Ltd	Vincom Security Co., Ltd	100.00	100.00	Vinhomes Riverside ⁽¹⁾	▲ Rendering security services
59	Vinbus Ecology Transport Services LLC	VinBus LLC	100.00	100.00	Vinhomes Riverside ⁽¹⁾	▲ Providing transportation services
60	Vinfast Trading and Production LLC	Vinfast LLC	51.52	51.52	Dinh Vu - Cat Hai Economic Zone, Cat Hai Island, Cat Hai Town, Cat Hai District, Hai Phong City, Vietnam	▲ Producing of motor vehicle
61	Vinfast Commercial and Services Trading LLC	Vinfast Trading LLC	99.50	51.26	Vinhomes Riverside ⁽¹⁾	▲ Retail cars
62	Smart Solution Service Business JSC	Smart Solution JSC	100.00	51.47	2nd floor, Almaz Market, Hoa Lan Street, Vinhomes Riverside Eco-Urban Area, Phuc Loi Ward, Long Bien District, Hanoi, Vietnam	▲ Retail cars
63	Vinfast Germany GmbH	Vinfast Germany GmbH	100.00	51.52	106 ResCowork 04, Frankfurt, Alte Oper, Bockenheimer Landstraße 17/19, 60325 Frankfurt am Main, Germany	▲ Trading, import and export of equipment, components and spare parts for motorbikes and related goods
64	Vinfast Engineering Australia Pty Ltd	Vinfast Australia Pty Ltd	100.00	51.52	65 Fennel Street, Port Melbourne, Victoria, Australia	▲ Designing automotive, collaborating in technological research, importing and distributing goods
65	Huong Hai – Quang Ngai JSC	Huong Hai – Quang Ngai JSC	100.00	51.63	33/11, Le Loi Street, Chanh Lo Ward, Quang Ngai City, Quang Ngai Province, Vietnam	▲ Mining and mining minerals and other materials
66	Vin3S JSC	Vin3S JSC	100.00	89.50	Vinhomes Riverside ⁽¹⁾	▲ Producing and sale of pharmaceuticals
67	Vinsmart Research and Manufacture JSC	Vinsmart JSC	62.03	62.03	Lot CN1-06B-1&2, Hi-tech Industrial Park 1, Hoa Lac Hi-tech Park, Ha Bang Commune, Thach That District, Hanoi, Vietnam	▲ Mobile production
68	V-G Lithium Battery LLC	V-G Lithium Battery LLC	75.00	46.53	Dinh Vu - Cat Hai Economic Zone, Cat Hai Island, Cat Hai Town, Cat Hai District, Hai Phong City, Vietnam	▲ Batteries production

Vingroup Joint Stock Company

APPENDIX 1 – LIST OF SUBSIDIARIES AS AT 31 DECEMBER 2020 (continued)

No.	Full name	Short name	Voting right (%) (*)	Equity interest (%)	Registered office's address ⁽¹⁾	Principal activities
69	Vingroup Investment Vietnam JSC	Vingroup Investment Vietnam JSC	100.00	99.89	Vinhomes Riverside ⁽¹⁾	▲ Consultancy and investment activities
70	Mundo Reader S.L. (**)	Mundo Reader LLC	51.00	40.80	Calle Sofia 10, 28232 Las Rozas de Madrid, Spain	▲ Mobile production
71	Luarna Ediciones S.L.	Luarna Ediciones	100.00	40.80	Calle Sofia 10, 28232 Las Rozas de Madrid, Spain	▲ Retailers in department stores
72	Marcha Technology S.L.	Marcha Technology	60.00	24.48	Calle Sofia 10, 28232 Las Rozas de Madrid, Spain	▲ Developing 3D Printing products
73	lot & Mobility Y Commerce. S.L.	lot & Mobility Y Commerce	100.00	40.80	Calle Sofia 10, 28232 Las Rozas de Madrid, Spain	▲ Retailers in department stores
74	Inteligencia Operacional Para La Ingeniería. S.L.	Inteligencia Operacional Para La Ingeniería	100.00	40.80	Calle Sofia 10, 28232 Las Rozas de Madrid, Spain	▲ Engineering and IT. Digital transformation
75	Deep Technology & Engineering Services. S.L.	Deep Technology & Engineering Services	100.00	40.80	Calle Sofia 10, 28232 Las Rozas de Madrid, Spain	▲ Product design
76	Contact Services For Satisfaction. S.L.	Contact Services For Satisfaction	100.00	40.80	Calle Sofia 10, 28232 Las Rozas de Madrid, Spain	▲ Customer care services
77	Educación Y Robótica S.L.	Educación Y Robótica	100.00	40.80	Calle Sofia 10, 28232 Las Rozas de Madrid, Spain	▲ Developing education products
78	3D Printing & Printers	3D Printing & Printers	100.00	40.80	Calle Sofia 10, 28232 Las Rozas de Madrid, Spain	▲ 3D Printing Manufacturing
79	BQ-Mundo Rader, Unipessoal Lda	BQ-Mundo Rader, Unipessoal Lda	100.00	40.80	Avenida D, João II, Número 46, 4 A. Lisboa, freguesia de Parque das Nações, concelho de Lisboa, Portugal	▲ Retailers in department stores
80	Mundo Reader France S.A.R.L.	Mundo Reader France	100.00	40.80	5, Rue Lesseps, 75020 Paris, France	▲ Retailers in department stores
81	Mundo Reader Gmbh	Mundo Reader Gmbh	100.00	40.80	Hanauer Landstrabe 126-128 60314 Frankfurt am Main, Germany	▲ Retailers in department stores
82	Mundo Reader S.R.L.	Mundo Reader S.R.L.	100.00	40.80	Via Monti n 8 Milano, Italy	▲ Retailers in department stores
83	Smart European Devices Limited	Smart European Devices	100.00	40.80	16/F RYDAKAN CAPITAL TOWER, Hoi Bun Road, Kwun Tong, Hong Kong	▲ Retailers in department stores

Vingroup Joint Stock Company

APPENDIX 1 – LIST OF SUBSIDIARIES AS AT 31 DECEMBER 2020 (continued)

No.	Full name	Short name	Voting right (%) (*)	Equity interest (%)	Registered office's address	Principal activities
84	Xibantronics Trading Company Limited	Xibantronics Trading	100.00	40.80	E Maoye ShiDai Building, No.2 HaiDe Road, WenXin Road, NanShan – Shenzhen, China	▲ Retailers in department stores
85	Electronic 2 Trade	Electronic 2 Trade	100.00	40.80	16/F Rykadan Capital Tower, 135 Hoi Bun Road, Kwun Tong, Hong Kong	▲ Retailers in department stores
86	Fundación Para La Educación Y El Desarrollo Tecnológico	Fundación Para La Educación Y El Desarrollo Tecnológico	100.00	40.80	Calle Sofia 10, 28232 Las Rozas de Madrid, Spain	▲ Development Fund
87	Vingroup Global Pte. Ltd.	Vingroup Global	100.00	62.03	120 Lower Delta Road #02-00, Cendex Centre, Singapore	▲ Import and distribution of goods
88	Vingroup Ru Co., Ltd	Vingroup Ru	100.00	80.00	2nd floor, Room 4, Building 7, 1-ST Kazachiy Lane, Moscow City, Russian Federation	▲ Wholesale of household electrical goods, technology research
89	Vingroup Investment Pte. Ltd.,	Vingroup Investment Pte. Ltd.,	90.15	55.92	120 Lower Delta Road, #02-05, Cendex Centre, Singapore	▲ Market research and development
90	Vinsmart Ukraine LLC	Vinsmart Ukraine LLC	100.00	55.92	61105, Building 15, Zabaikalskuy lane, Kharkiv Zone, Kharkiv City, Ukraina	▲ Market research and development
91	Vinsmart Technology LLC	Vinsmart Technology LLC	100.00	55.92	Avenida Paseo de la Reforma 404, Piso 6, Desp. 602Col. Juarez, Delegación Cuauhtémoc, México D.F. CP 06600	▲ Market research and development
92	Vinfast Dealer San Francisco #1, LLC	Vinfast Dealer San Francisco #1, LLC	100.00	99.89	333 W. San Carlo Street, Suite 600, San Jose, CA	▲ Automobile import and distribution
93	Vinfast USA Distribution, LLC	Vinfast USA Distribution, LLC	100.00	99.89	333 W. San Carlo Street, Suite 600, San Jose, CA	▲ Automobile import and distribution
94	VinTech Technology Development JSC	VinTech JSC	80.00	80.00	Vinhomes Riverside ⁽¹⁾	▲ Research and experimental development of natural sciences and technology
95	Vingroup USA LLC	Vingroup USA, LLC	100.00	99.89	333 W. San Carlos St., Suite 600, San Jose, CA 95110, USA	▲ Importing and distributing electronic and telecommunications equipment

Vingroup Joint Stock Company

APPENDIX 1 – LIST OF SUBSIDIARIES AS AT 31 DECEMBER 2020 (continued)

No.	Full name	Short name	Voting right (%) (*)	Equity interest (%)	Registered office's address	Principal activities
96	VANTIX Technology Solutions and Services JSC	Vantix JSC	100.00	81.00	Vinhomes Riverside ⁽¹⁾	▲ Activities of information technology services and other services related to computers
97	VINCSS Internet Security Services LLC	VINCSS LLC	100.00	80.00	Vinhomes Riverside ⁽¹⁾	▲ Scientific research and technology development
98	HMS Software Production and Trading LLC	HMS LLC	100.00	80.00	Vinhomes Riverside ⁽¹⁾	▲ Software production
99	Vinsoftware software system development LLC	Vinsoftware LLC	100.00	80.00	Vinhomes Riverside ⁽¹⁾	▲ Software production
100	Vinbrain LLC	Vinbrain LLC	100.00	80.00	Vinhomes Riverside ⁽¹⁾	▲ Activities of information technology services and other services related to computers
101	ViniTIS Information Technology and Communication Infrastructure Solution JSC	ViniTIS JSC	80.00	63.12	Vinhomes Riverside ⁽¹⁾	▲ Data processing, leasing of mobile broadcasting infrastructure, voice network, television and related activities
102	Bao Lai Investment JSC	Bao Lai JSC	96.48	69.73	166 Pham Van Dong, Xuan Dinh Ward, Bac Tu Liem District, Hanoi, Vietnam	▲ Mining
103	Bao Lai Marble One Member Company Limited	Bao Lai Marble Co., LTD	100.00	69.73	Hop Nhat Village, Thinh Hung Commune, Yen Binh District, Yen Bai Province, Vietnam	▲ Mining
104	Doc Thang Marble JSC	Doc Thang JSC	57.58	40.15	Ngoi Ken Village, Lieu Do Commune, Luc Yen District, Yen Bai Province, Vietnam	▲ Mining
105	An Phu White Marble Company Limited	An Phu White Marble Co., Ltd	100.00	69.73	Khau Ca Village, An Phu Commune, Luc Yen District, Yen Bai Province, Vietnam	▲ Mining
106	Bao Lai Luc Yen Mineral Exploitation One Member Company Limited	Bao Lai Luc Yen LTD	100.00	69.73	Ngoi Ken Village, Lieu Do Commune, Luc Yen District, Yen Bai Province, Vietnam	▲ Mining
107	Phan Thanh Mineral JSC	Phan Thanh Mineral JSC	91.36	42.95	Ban Ro Village, Phan Thanh Commune, Luc Yen District, Yen Bai Province, Vietnam	▲ Mining
108	Van Khoa Luc Yen One Member Company Limited	VKLY Co., LTD	100.00	64.63	Ngoi Ken Village, Lieu Do Commune, Luc Yen District, Yen Bai Province, Vietnam	▲ Mining

Vingroup Joint Stock Company

APPENDIX 1 – LIST OF SUBSIDIARIES AS AT 31 DECEMBER 2020 (continued)

No.	Full name	Short name	Voting right (%) (*)	Equity interest (%)	Registered office's address	Principal activities
109	Van Khoa Investment JSC	Van Khoa Investment JSC	92.69	64.63	166 Pham Van Dong, Xuan Dinh Ward, Bac Tu Liem District, Hanoi, Vietnam	▲ Mining
110	Vinpro Business and Trading services LLC (**)	Vinpro LLC	100.00	100.00	Vinhomes Riverside ⁽¹⁾	▲ Retail sale of audio-visual equipment, computers, software and telecommunications equipment
111	Ecology Development and Trading JSC (**)	Ecology JSC	100.00	72.32	Symphony office tower, Chu Huy Man Street, Vinhomes Riverside Eco-Urban Area, Phuc Loi Ward, Long Bien District, Hanoi, Vietnam	▲ Investing, developing and trading real estate properties
112	VINDFS JSC (**)	VINDFS JSC	80.00	56.00	Slot CC-1 (KT-A Division), An Vien Beach Urban Area, Vinh Nguyen Ward, Nha Trang City, Khanh Hoa Province, Vietnam	▲ Direct supporting services for air transport
113	An Thinh Trading and Commercial Development JSC (**)	An Thinh JSC	100.00	76.39	Floor 20A, Vincom Center Building, 72 Le Thanh Ton, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	▲ Investing, developing and trading real estate properties
114	Vingroup Myanmar Ltd., (**)	Vingroup Myanmar Ltd., Myanmar	100.00	55.92	Hospital Street, No. 4B Yankin Township, Yagon, Myanmar	▲ Market research and development

(1) Full registered office address: No.7, Bang Lang 1 Street, Vinhomes Riverside Eco-urban area, Viet Hung Ward, Long Bien District, Hanoi.

(*) The voting right is also the ownership of the Group in these subsidiaries.

(**) These subsidiaries are under the process of insolvency, dissolution.



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Vingroup Joint Stock Company

Consolidated financial statements

For the year ended 31 December 2019



Vingroup Joint Stock Company

Consolidated financial statements

For the year ended 31 December 2019



Vingroup Joint Stock Company

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Vingroup Joint Stock Company

GENERAL INFORMATION

THE COMPANY

Vingroup Joint Stock Company ("the Company") is a joint stock company established in Vietnam pursuant to the Business Registration Certificate No. 0103001016 issued by the Hanoi Department of Planning and Investment on 3 May 2002 and the Business Registration Certificate No. 0101245486 re-issued on 12 May 2010. The Company subsequently received amended Enterprise Registration Certificates, with the latest amendment being the 69th amended Enterprise Registration Certificate dated 31 January 2020.

The Company's shares were officially listed on the Ho Chi Minh City Stock Exchange ("HOSE") from 19 September 2007 pursuant to Decision No.106/QĐ-TTGDHCM issued by the Director of HOSE on 7 September 2007.

The current principal activities of the Company are to invest in, construct and trade real estate properties; to carry out capital mobilization and investment activities; and to provide general administrative services. The current principal activities of the Company's subsidiaries are presented in Appendix 1.

The Company's head office is registered at No. 7, Bang Lang 1 street, Vinhomes Riverside Eco-urban Area, Viet Hung ward, Long Bien District, Hanoi, Vietnam. Its branch is located at No. 72, Le Thanh Ton and No. 45A, Ly Tu Trong street, Ben Nghe ward, District 1, Ho Chi Minh City, Vietnam.

BOARD OF DIRECTORS

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

Mr. Pham Nhat Vuong	Chairman	
Ms. Pham Thuy Hang	Vice Chairwoman	
Ms. Pham Thu Huong	Vice Chairwoman	
Ms. Nguyen Dieu Linh	Vice Chairwoman	
Mr. Nguyen Viet Quang	Vice Chairman	
Mr. Le Khac Hiep	Vice Chairman	
Mr. Ling Chung Yee Roy	Member	
Mr. Marc Villiers Townsend	Member	
Mr. Joseph Raymond Gagnon	Member	resigned on 8 July 2019
Mr. Park Woncheol	Member	appointed on 16 August 2019

BOARD OF SUPERVISION

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

Mr. Nguyen The Anh	Head
Mr. Dinh Ngoc Lan	Member
Ms. Do Thi Hong Van	Member

Vingroup Joint Stock Company

GENERAL INFORMATION (continued)

MANAGEMENT

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

Mr. Nguyen Viet Quang	Chief Executive Officer
Ms. Mai Huong Noi	Deputy Chief Executive Officer
Mr. Pham Van Khuong	Deputy Chief Executive Officer
Ms. Nguyen Thi Diu	Deputy Chief Executive Officer
Ms. Duong Thi Hoan	Deputy Chief Executive Officer

LEGAL REPRESENTATIVE

The legal representative of the Company during the year and at the date of this report is Mr. Nguyen Viet Quang.

Ms. Mai Huong Noi is authorised by Mr. Nguyen Viet Quang to sign the accompanying consolidated financial statements for the year ended 31 December 2019 in accordance with the Letter of Authorisation No. 029/2018/GUQ-TGD-VINGROUP dated 2 May 2018.

AUDITOR

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

Vingroup Joint Stock Company

REPORT OF MANAGEMENT

Management of Vingroup Joint Stock Company ("the Company") is pleased to present this report and the consolidated financial statements of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 December 2019.

MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the consolidated financial statements of each financial year which give a true and fair view of the consolidated financial position of the Group and of the consolidated results of its operations and its consolidated cash flows for the year. In preparing those consolidated financial statements, management is required to:

- ▶ select suitable accounting policies and then apply them consistently;
- ▶ make judgements and estimates that are reasonable and prudent;
- ▶ state whether applicable accounting standards for the Group have been followed, subject to any material departures disclosed and explained in the consolidated financial statements; and
- ▶ prepare the consolidated financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue its business.

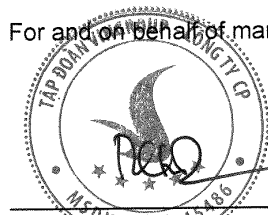
Management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the consolidated financial position of the Group and to ensure that the accounting records comply with the applied accounting system. It is also responsible for safeguarding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

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

STATEMENT BY MANAGEMENT

Management does hereby state that, in its opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2019 and of the consolidated results of its operations and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the consolidated financial statements.

For and on behalf of management:



Mai Huong Noi
Deputy Chief Executive Officer

Hanoi, Vietnam

30 March 2020



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Reference: 60729565/21109763-HN

INDEPENDENT AUDITORS' REPORT

To: The Shareholders of Vingroup Joint Stock Company

We have audited the accompanying consolidated financial statements of Vingroup Joint Stock Company ("the Company") and its subsidiaries (collectively referred to as "the Group") as prepared on 30 March 2020 and set out on pages 6 to 97, which comprise the consolidated balance sheet as at 31 December 2019, the consolidated income statement and the consolidated cash flow statement for the year then ended and the notes thereto.

Responsibility of the Company's management

The Company's management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the consolidated financial statements, and for such internal control as the Company's management determines is necessary to enable the preparation and presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

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

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

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



Building a better
working world

Opinion

In our opinion, the consolidated financial statements give a true and fair view, in all material respects, of the consolidated financial position of the Group as at 31 December 2019, and of the consolidated results of its operations and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the consolidated financial statements.

Ernst & Young Vietnam Limited



Trần Phú Sơn
Deputy General Director
Audit Practising Registration
Certificate No. 0637-2018-004-1

Chu Anh Dung
Auditor
Audit Practising Registration
Certificate No. 3814-2016-004-1

Hanoi, Vietnam

30 March 2020

Vingroup Joint Stock Company

B01-DN/HN

CONSOLIDATED BALANCE SHEET
as at 31 December 2019

Currency: VND million

Code	ASSETS	Notes	Ending balance	Beginning balance (Restated)
100	A. CURRENT ASSETS		197,392,876	135,401,658
110	I. Cash and cash equivalents	5	18,446,968	13,557,055
111	1. Cash		7,639,369	8,566,276
112	2. Cash equivalents		10,807,599	4,990,779
120	II. Short-term investments		11,172,867	1,951,598
121	1. Held-for-trading securities	6.1	9,539,371	-
123	2. Held-to-maturity investments	6.2	1,633,496	1,951,598
130	III. Current accounts receivable		63,871,798	50,075,353
131	1. Short-term trade receivables	7.1	16,640,800	7,492,516
132	2. Short-term advances to suppliers	7.2	16,519,157	16,677,008
135	3. Short-term loan receivables	8.1	21,022,039	5,077,857
136	4. Other short-term receivables	9	10,062,709	20,993,915
137	5. Provision for doubtful short-term receivables	10	(372,907)	(165,943)
140	IV. Inventories	11	83,808,756	55,228,146
141	1. Inventories		85,969,752	55,739,534
149	2. Provision for obsolete inventories		(2,160,996)	(511,388)
150	V. Other current assets		20,092,487	14,589,506
151	1. Short-term prepaid expenses	12	3,254,545	2,484,729
152	2. Value-added tax deductible		3,905,190	2,402,675
153	3. Tax and other receivables from the State	22	68,800	312,854
155	4. Other current assets	13	12,863,952	9,389,248

Vingroup Joint Stock Company

B01-DN/HN

CONSOLIDATED BALANCE SHEET (continued)
as at 31 December 2019

Currency: VND million

Code	ASSETS	Notes	Ending balance	Beginning balance (Restated)
200	B. NON-CURRENT ASSETS		206,347,877	152,725,517
210	I. Long-term receivables		1,464,432	360,542
215	1. Long-term loan receivables	8.2	1,207,650	55,000
216	2. Other long-term receivables	9	256,782	305,542
220	II. Fixed assets		108,268,894	49,456,326
221	1. Tangible fixed assets	14	88,298,602	48,549,323
222	Cost		100,039,030	57,637,791
223	Accumulated depreciation		(11,740,428)	(9,088,468)
227	2. Intangible fixed assets	15	19,970,292	907,003
228	Cost		21,348,251	1,566,339
229	Accumulated amortisation		(1,377,959)	(659,336)
230	III. Investment properties	16	33,872,258	26,743,666
231	1. Cost		39,078,518	30,173,967
232	2. Accumulated depreciation		(5,206,260)	(3,430,301)
240	IV. Long-term assets in progress		48,057,748	58,529,123
242	1. Construction in progress	18	48,057,748	58,529,123
250	V. Long-term investments		3,950,881	6,068,157
252	1. Investments in associates, jointly controlled entities	19.1	2,147,468	2,546,386
253	2. Investments in other entities	19.2	1,707,083	1,594,869
254	3. Provision for long-term investments	19.2	(188,865)	(72,778)
255	4. Held-to-maturity investments	6.3	285,195	1,999,680
260	VI. Other long-term assets		10,733,664	11,567,703
261	1. Long-term prepaid expenses	12	6,681,695	5,570,350
262	2. Deferred tax assets	36.3	645,493	614,227
268	3. Other long-term assets	13	1,032,337	1,231,431
269	4. Goodwill	20	2,374,139	4,151,695
270	TOTAL ASSETS		403,740,753	288,127,175

Vingroup Joint Stock Company

B01-DN/HN

CONSOLIDATED BALANCE SHEET (continued)
as at 31 December 2019

Currency: VND million

Code	RESOURCES	Notes	Ending balance	Beginning balance (Restated)
300	C. LIABILITIES		283,152,164	188,960,461
310	I. Current liabilities		181,293,250	109,245,613
311	1. Short-term trade payables	21.1	17,563,738	14,773,384
312	2. Short-term advances from customers	21.2	51,470,178	25,203,958
313	3. Statutory obligations	22	5,991,675	15,520,707
314	4. Payables to employees		1,141,362	1,014,578
315	5. Short-term accrued expenses	23	16,493,327	16,017,109
318	6. Short-term unearned revenues	24	2,524,522	2,473,599
319	7. Other short-term payables	25	52,864,324	14,900,338
320	8. Short-term loans and debts	26	32,995,790	19,115,963
321	9. Short-term provisions	28	248,334	225,977
330	II. Non-current liabilities		101,858,914	79,714,848
333	1. Long-term accrued expenses	23	487,397	123,714
336	2. Long-term unearned revenues	24	4,999,981	5,718,562
337	3. Other long-term liabilities	25	1,029,794	947,426
338	4. Long-term loans and debts	26	84,430,440	61,770,712
339	5. Exchangeable bonds	27	10,259,215	10,205,665
341	6. Deferred tax liabilities	36.3	470,023	824,660
342	7. Long-term provisions	28	182,064	124,109

Vingroup Joint Stock Company

B01-DN/HN

CONSOLIDATED BALANCE SHEET (continued)
as at 31 December 2019

Currency: VND million

Code	RESOURCES	Notes	Ending balance	Beginning balance (Restated)
400	D. OWNERS' EQUITY		120,588,589	99,166,714
410	I. Capital	29	120,588,589	99,166,714
411	1. Issued share capital		34,309,140	32,756,212
411a	- Shares with voting rights		33,685,755	31,916,212
411b	- Preference shares		623,385	840,000
412	2. Share premium		33,996,368	11,442,901
414	3. Other owners' capital		7,235,206	7,235,206
415	4. Treasury shares		(2,284,059)	(2,974,924)
417	5. Foreign exchange differences reserve		(11,784)	-
420	6. Other funds belonging to owners' equity		52,845	42,845
421	7. Undistributed earnings		3,119,758	5,143,008
421a	- Undistributed earnings by the end of prior year		5,135,161	38,952
421b	- (Losses)/Undistributed earnings of current year		(2,015,403)	5,104,056
429	8. Non-controlling interests		44,171,115	45,521,466
440	TOTAL LIABILITIES AND OWNERS' EQUITY		403,740,753	288,127,175

Thas

Van Thi Hai Ha
Preparer

NTTH

Nguyen Thi Thu Hien
Chief Accountant



Mai Huong Noi
Deputy Chief Executive Officer

Hanoi, Vietnam

30 March 2020

Vingroup Joint Stock Company

B02-DN/HN

CONSOLIDATED INCOME STATEMENT
for the year ended 31 December 2019

Currency: VND million

Code	ITEMS	Notes	Current year	Previous year (Restated)
01	1. Revenue from sale of goods and rendering of services	30.1	130,161,398	121,971,751
02	2. Deductions	30.1	(125,384)	(77,350)
10	3. Net revenue from sale of goods and rendering of services	30.1	130,036,014	121,894,401
11	4. Cost of goods sold and services rendered	31	(92,484,797)	(92,943,726)
20	5. Gross profit from sale of goods and rendering of services		37,551,217	28,950,675
21	6. Finance income	30.3	14,000,889	7,478,550
22	7. Finance expenses	32	(8,181,371)	(4,908,950)
23	- In which: Interest expenses		(7,147,357)	(3,939,282)
24	8. Shares of loss of associates, joint controlled entity	19.1	(688,443)	(424,919)
25	9. Selling expenses	33	(14,248,448)	(10,112,289)
26	10. General and administrative expenses	33	(12,677,438)	(7,367,839)
30	11. Operating profit		15,756,406	13,615,228
31	12. Other income	34	832,187	778,971
32	13. Other expenses	34	(951,169)	(493,550)
40	14. Other (loss)/profit	34	(118,982)	285,421
50	15. Accounting profit before tax		15,637,424	13,900,649
51	16. Current corporate income tax expense	36	(8,286,824)	(7,273,130)
52	17. Deferred tax income/ (expense)	36	366,013	(389,626)
60	18. Net profit after tax		7,716,613	6,237,893
61	19. Net profit after tax attributable to shareholders of the parent	29.1	7,545,915	3,823,739
62	20. Net profit after tax attributable to non-controlling interests	29.1	170,698	2,414,154

Vingroup Joint Stock Company

B02-DN/HN

CONSOLIDATED INCOME STATEMENT (continued)
for the year ended 31 December 2019

Currency: VND

Code	ITEMS	Notes	Current year	Previous year (Restated)
70	21. Basic earnings per share	38	2,433	1,286
71	22. Diluted earnings per share	38	2,383	1,273

Van Thi Hai Ha
Preparer

Nguyen Thi Thu Hien
Chief Accountant



Mai Huong Noi
Deputy Chief Executive Officer

Hanoi, Vietnam

30 March 2020

Vingroup Joint Stock Company

B03-DN/HN

CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 December 2019

Currency: VND million

Code	ITEMS	Notes	Current year	Previous year (Restated)
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	Profit before tax		15,637,424	13,900,649
	<i>Adjustments for:</i>			
02	Depreciation of tangible fixed assets and investment properties and amortisation of intangible fixed assets (including amortisation of goodwill)		8,337,680	5,155,271
03	Provisions		2,629,024	241,330
04	Foreign exchange losses		6,516	192,368
05	Profits from investing activities		(12,853,241)	(6,703,086)
06	Interest expenses (including amortisation of issuance costs)	32	7,525,182	4,283,365
08	Operating profit before changes in working capital		21,282,585	17,069,897
09	(Increase)/decrease in receivables		(12,230,443)	1,520,338
10	(Increase)/decrease in inventories		(16,411,200)	4,848,007
11	Increase/(decrease) in payables (other than interest, corporate income tax)		39,864,097	(24,972,741)
12	(Increase)/decrease in prepaid expenses		(1,909,881)	1,038,687
13	Decrease in held-for-trading securities		535,050	12,864
14	Interest paid		(7,221,315)	(3,740,381)
15	Corporate income tax paid	22	(7,941,805)	(5,760,402)
20	Net cash flows from/(used in) operating activities		15,967,088	(9,983,731)
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchase and construction of fixed assets and other long-term assets		(55,175,557)	(44,772,133)
22	Proceeds from disposals of fixed assets and other long-term assets		422,482	1,305,734
23	Loans to other entities and payments for purchase of debt instruments of other entities		(16,422,931)	(21,453,789)
24	Collections from borrowers and proceeds from sale of debt instruments of other entities		38,074,294	20,729,470
25	Payments for investments in other entities (net of cash held by entity being acquired)		(61,532,925)	(46,807,073)
26	Proceeds from sale of investments in other entities (net of cash held by entity being disposed)		34,006,507	27,524,119
27	Interest, dividends and distributed profit received		762,065	1,160,050
30	Net cash flows used in investing activities		(59,866,065)	(62,313,622)

Vingroup Joint Stock Company

B03-DN/HN

CONSOLIDATED CASH FLOW STATEMENT (continued) for the year ended 31 December 2019

Currency: VND million

Code	ITEMS	Notes	Current year	Previous year
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
31	Capital contribution and issuance of shares		24,156,142	24,903,259
32	Capital redemption and repurchase of issued shares		(10,703,530)	-
33	Drawdown of borrowings		63,707,975	91,020,447
34	Repayment of borrowings		(26,182,542)	(36,981,047)
36	Dividends paid to non-controlling equity holders		(2,188,673)	(1,222,822)
40	Net cash flows from financing activities		48,789,372	77,719,837
50	Net increase in cash and cash equivalents for the year		4,890,395	5,422,484
60	Cash and cash equivalents at the beginning of the year		13,557,055	8,141,750
61	Impact of exchange rate fluctuation		(482)	(7,179)
70	Cash and cash equivalents at the end of the year	5	18,446,968	13,557,055

Van Thi Hai Ha
Preparer

Nguyen Thi Thu Hien
Chief Accountant



Ma Hong Noi
Deputy Chief Executive Officer

Hanoi, Vietnam

30 March 2020

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
as at 31 December 2019 and for the year then ended

1. CORPORATE INFORMATION

Vingroup Joint Stock Company ("the Company") is a joint stock company established in Vietnam pursuant to the Business Registration Certificate No. 0103001016 issued by the Hanoi Department of Planning and Investment on 3 May 2002 and the Business Registration Certificate No. 0101245486 re-issued on 12 May 2010. The Company subsequently received amended Enterprise Registration Certificates, with the latest amendment being the 69th amended Enterprise Registration Certificate dated 31 January 2020.

The Company's shares were officially listed on the Ho Chi Minh City Stock Exchange ("HOSE") from 19 September 2007 pursuant to Decision No.106/QĐ-TTGDHCM issued by the Director of HOSE on 7 September 2007.

The current principal activities of the Company are to invest in, construct and trade real estate properties; to carry out capital mobilization and investment activities; and to provide general administrative services. The current principal activities of the Company's subsidiaries are presented in Appendix 1.

The Group's normal course of business cycle of real estate business starts at the time of application for investment certificate, commencement of site clearance, construction and ends at the time of completion. Thus, the Group's normal course of business cycle of real estate trading is from 12 to 36 months. The Group's normal course of business cycle of other business activities is 12 months.

The Company's head office is registered at No. 7, Bang Lang 1 street, Vinhomes Riverside Eco-urban Area, Viet Hung Ward, Long Bien District, Hanoi, Vietnam. Its branch is located at No. 72, Le Thanh Ton and No. 45A, Ly Tu Trong Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam.

The number of the Company's employees as at 31 December 2019 is: 418 (31 December 2018: 466).

As at 31 December 2019, the Company and its subsidiaries (collectively referred to as "the Group"):

- ▶ Have 91 subsidiaries (as at 31 December 2018: 67 subsidiaries). The information on these subsidiaries, along with the Company's voting rights and equity interest in each subsidiary are detailed in the Appendix 1.
- ▶ Holds investments in a number of associates and jointly controlled entities as disclosed in Note 19.1.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

2. BASIS OF PREPARATION

2.1 Accounting standards and system

The consolidated financial statements of the Group expressed in Vietnam dong ("VND") are prepared in accordance with Vietnamese Enterprise Accounting System and Vietnamese Accounting Standard issued by the Ministry of Finance as per:

- ▶ Decision No. 149/2001/QĐ-BTC dated 31 December 2001 on the Issuance and Promulgation of Four Vietnamese Accounting Standards (Series 1);
- ▶ Decision No. 165/2002/QĐ-BTC dated 31 December 2002 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 2);
- ▶ Decision No. 234/2003/QĐ-BTC dated 30 December 2003 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 3);
- ▶ Decision No. 12/2005/QĐ-BTC dated 15 February 2005 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 4); and
- ▶ Decision No. 100/2005/QĐ-BTC dated 28 December 2005 on the Issuance and Promulgation of Four Vietnamese Accounting Standards (Series 5).

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

2.2 Applied accounting documentation system

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

2.3 Fiscal year

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

2.4 Accounting currency

The Group's accounting currency is Vietnam dong ("VND"). For the purpose of preparing the consolidated financial statements for the year ended 31 December 2019, all amounts are rounded to the nearest million and presented in Vietnam dong million ("VND million").

2.5 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries for the year ended 31 December 2019.

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

The financial statements of the subsidiaries are prepared for the same reporting year as the parent company, using consistent accounting policies.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended**2. BASIS OF PREPARATION** (continued)**2.5 Basis of consolidation** (continued)

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

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

In case the Group disposes a partial interest in a subsidiary and loses control but retains an interest as an associate or a joint controlled entity, the Group's investment is accounted for using the equity method of accounting. Profit/(loss) from this transaction is recognised in the consolidated income statement.

In case the Group disposes a partial interest in a subsidiary and loses control but retains an interest as an investment in other entities, the Group's investment is accounted for using the cost method. Profit/(loss) from this transaction is recognised in the consolidated income statement.

In case the Group previously disposed a partial interest in a subsidiary and recognised difference between the consideration and carrying amount of the transferred equity interest in undistributed earnings in the consolidated balance sheet, and then disposes a further interest in that subsidiary which results in a loss of control, thereby, the Group reclassifies the difference recognised previously in undistributed earnings to the consolidated income statement.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**3.1 Changes in accounting policies and disclosures**

The accounting policies adopted by the Group in preparation of the consolidated financial statements are consistent with those followed in the preparation of the Group's consolidated financial statements for the year ended 31 December 2018.

3.2 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash in transit, cash at banks and short-term, highly liquid investments with an original maturity of no longer than three months that are readily convertible into known amounts of cash and that are subject to an insignificant risk of change in value.

3.3 Inventories*Inventory property*

Property acquired or being constructed for sale in the ordinary course of business or for long-term lease qualified for recognition of outright sales, rather than to be held for rental or capital appreciation, is held as inventory and is measured at the lower of cost incurred in bringing the inventories to their present location and condition, and net realisable value.

Cost includes:

- ▶ Freehold and leasehold rights for land;
- ▶ Amounts payable to contractors for construction; and
- ▶ Borrowing costs, planning and design costs, costs of site preparation, construction overheads and other related costs.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****3.3 Inventories (continued)***Inventory property (continued)*

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

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

Inventory for manufacturing

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

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

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

- | | | |
|--------------------------------------|---|---|
| Raw materials, tools and consumables | - | cost of purchase on a weighted average basis. |
| Finished goods and work-in process | - | cost of direct materials and labour plus attributable manufacturing overheads based on the normal operating capacity on a weighted average basis. |

Other inventories

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

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

The periodic method is used to record the costs of inventories for hotel and related services. The perpetual method is used to record the costs of other inventories.

The costs of inventories for hospital are valued on a specific identification basis. The costs of other inventories are valued on weighted average basis.

Provision for obsolete inventories

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****3.4 Receivables**

Receivables are presented in the consolidated financial statements at the carrying amounts due from customers and other debtors, after provision for doubtful debts.

The provision for doubtful debts represents amounts of outstanding receivables at the balance sheet date which are doubtful of being recovered. Increases and decreases to the provision balance are recorded as general and administrative expenses in the consolidated income statement.

3.5 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation.

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

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

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

3.6 Leased assets

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

A lease is classified as a finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the asset to the lessee. All other leases are classified as operating leases.

Where the Group is the lessee

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

Where the Group is the lessor

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****3.7 Intangible fixed assets**

Intangible fixed assets are stated at cost less accumulated amortisation.

The cost of an intangible fixed asset comprises of its purchase price and any directly attributable costs of preparing the intangible asset for its intended use.

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

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

Land use rights

Definite and indefinite land use rights are recorded as intangible fixed assets based on land use right certificates issued by governing bodies.

The advance payment for land rental, of which the land lease contracts have effectiveness prior to 2003 and Land use right certificate being issued, are recorded as intangible fixed asset according to Circular No. 45/2013/TT-BTC issued by the Ministry of Finance on 25 April 2013 guiding the management, use and depreciation of fixed assets ("Circular 45").

Research and development costs

Research costs are expensed as incurred. Development expenditure on an individual project is recognised as an intangible fixed asset only if the Group can demonstrate all of the following conditions:

- ▶ The technical feasibility study of completing the intangible fixed asset so that it will be available for use or sale;
- ▶ The intention to complete and use or sell the intangible fixed asset;
- ▶ The ability to use or sell the intangible fixed asset;
- ▶ The asset will generate probable future economic benefits;
- ▶ The availability of resources to complete the development and to use or sell the intangible fixed asset; and
- ▶ The ability to measure reliably the expenditure during the development.

Development costs capitalised as intangible fixed asset are stated at cost less accumulated amortisation. Amortisation of the asset begins when development is completed and the asset is available for use.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.8 Depreciation and amortisation

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

Buildings and structures	5 - 50 years
Machinery and equipment	3 - 25 years
Means of transportation	3 - 25 years
Office equipment	2 - 10 years
Computer software	3 - 10 years
Land use rights	36 - 48 years
Copy rights	3 - 28 years
Others	3 - 20 years

The estimated useful life of land use rights with definite term is recorded based on term of land use rights issued by governing bodies.

No amortisation is charged on the land use rights with indefinite terms.

3.9 Investment properties

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

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

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

Land use rights, buildings and structures	5 - 50 years
Machinery and equipment	3 - 25 years

No amortisation is charged on the land use rights presented as investment properties with indefinite terms.

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

Transfers are made to investment properties when, and only when, there is a change in use, evidenced by ending of owner-occupation and commencement of an operating lease to another party. Transfers are made from investment properties when, and only when, there is change in use, evidenced by commencement of owner-occupation or commencement of development with a view to sale. The transfer from investment property to owner-occupied property or inventories does not change the cost or the carrying value of the property for subsequent accounting at the date of change in use.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****3.10 Borrowing costs**

Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds.

Borrowing costs are recorded as expense during the year in which they are incurred, except to the extent that they are capitalised as explained in the following paragraph.

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that necessarily take a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset.

3.11 Prepaid expenses

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

Long-term prepaid expenses include long-term prepaid land rental, pre-operation expenditure, tools and supplies, and other prepaid expenses that bring future economic benefits for more than one year.

The prepaid land rental represents the unamortised balance of advance payment or accrual made in accordance with Land Rental Contract signed with authorities and other expenditures offset against land rental fee obligation. Such prepaid land rental is recognised as a long-term prepaid expense for allocation to the consolidated income statement over the remaining lease period according to Circular 45.

3.12 Business combinations and goodwill

Business combinations are accounted for using the purchase method. The cost of a business combination is measured as the fair value of assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange plus any costs directly attributable to the business combination. Identifiable assets and liabilities and contingent liabilities assumed in a business combination are measured initially at fair values at the date of business combination.

When issued equity instruments are constituted in the consideration of a business combination, such consideration shall include the fair value of those equity instruments as of acquisition date. In case the fair value of those equity instruments cannot be reliably measured, it can be estimated by referring to either the acquirer's fair value or the acquiree's fair value, whichever is more reliably evidenced.

In case prior to the date that control is obtained, the investment is an investment in associate or a long-term investment and the acquisition of that subsidiary is a business combination, when preparing the consolidated financial statements, the Group shall remeasure its previously held equity interests at its acquisition-date fair value and recognise the resulting gain or loss, if any, in the consolidated income statement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****3.12 Business combinations and goodwill (continued)**

Goodwill acquired in a business combination is initially measured at cost being the excess of the cost the business combination over the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities. 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 income statement. After initial recognition, goodwill is measured at cost less any accumulated amortisation. Goodwill is amortised over 10-year period on a straight-line basis. The Group conducts the periodical review for impairment of goodwill of investment in subsidiaries. If there are indicators of impairment loss incurred is higher than the yearly allocated amount of goodwill on the straight-line basis, the higher amount will be recorded in the consolidated income statement.

Assets acquisitions and business combinations

In cases, the Group acquires subsidiaries that own real estate projects, at the time of acquisition, the Group considers whether the acquisition represents the acquisition of a business. The Group accounts for an acquisition as a business combination where an integrated set of activities is acquired in addition to the property.

When the acquisition of subsidiaries does not represent a business combination, it is accounted for as an acquisition of a group of assets and liabilities. The cost of the acquisition is allocated to the assets and liabilities acquired based upon their relative fair values, and no goodwill or deferred tax is recognised. Non-controlling interests in the acquired identifiable assets and liabilities are also recognised. The acquired assets and liabilities are presented in classes of assets and liabilities with the same characteristics of the Group.

In case prior to the date that control is obtained, the investment is an investment in associate or a long-term investment and the acquisition of the subsidiary is not a business combination, when preparing the consolidated financial statements, the Group shall not remeasure the previously held equity interests, instead previously held equity interests and the consideration was allocated to the assets and liabilities acquired based on their relative fair values on acquisition date.

Change of equity interest in subsidiary without losing control

When the Group acquires additional equity interest in subsidiary, the difference between the acquisition cost and carrying amount of the additional equity interest is recorded in undistributed earnings.

When the Group disposes a part of equity interest in subsidiary without losing control, the difference between the consideration and carrying amount of the transferred equity interest is recorded in undistributed earnings.

Business combinations involving entities under common control

A business combination involving entities under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory. An entity can be under common control of an individual or a group of individuals following a contractual agreement.

Business combinations involving entities under common control are accounted for as follows:

- ▶ The assets and liabilities of the two combined entities are reflected at their carrying amounts on the date of business combination;
- ▶ No goodwill is recognised from the business combination;
- ▶ The consolidated income statement reflects the results of the combined entities from the date of the business combination; and
- ▶ Any difference between the consideration paid and the net assets of the acquiree is recorded in equity.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****3.13 Investments***Investment in associates*

The Group's investment in its associate is accounted for using the equity method of accounting. An associate is an entity in which the Group has significant influence that are neither subsidiaries nor joint ventures. The Group generally deems they have significant influence if they have over 20% of the voting rights in the investee.

Under the equity method, the investment is carried in the consolidated balance sheet at cost plus post-acquisition changes in the Group's share of net assets of the associates. Goodwill arising on acquisition of the associate is included in the carrying amount of the investment. The Goodwill is not amortised and subject to annual review for impairment. The consolidated income statement reflects the Group's share of the post-acquisition results of operation of the associate.

The share of post-acquisition profit/(loss) of the associates is presented on face of the consolidated income statement and its share of post-acquisition movements in reserves is recognised in reserves. The accumulative post-acquisition movements are adjusted against the carrying amount of the investment. Dividend/profit sharing receivable from associates reduces the carrying amount of the investment.

The financial statements of the associates are prepared for the same reporting year as the Group and using the consistent accounting policies with the Group. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

The Group ceases the use of the equity method of accounting since the date it no longer has significant influence over the associate. If the retained equity interest is a long-term investment, the entity measures the retained equity interest at fair value regarded as the cost on initial recognition. Profit/(loss) from the disposal of associate is recognised in the consolidated income statement.

Investments in a jointly controlled entity

The Group's investment in a jointly controlled entity is accounted for using the equity method of accounting. Under the equity method, the investment is carried in the consolidated balance sheet at cost plus post joint controlled entity changes in the Group's share of net assets of the jointly controlled entity. The consolidated income statement reflects the share of the post-acquisition results of operation of the jointly controlled entity.

The share of profit/(loss) of the jointly controlled entity is presented on face of the consolidated income statement and its share of post-acquisition movements in reserves is recognised in reserves. The accumulative post-acquisition movements are adjusted against the carrying amount of the investment. Profit sharing received or receivable from jointly controlled entity reduces the carrying amount of the investment.

The financial statements of the jointly controlled entity are prepared for the same reporting period and use the same accounting policies as the Group. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****3.13 Investments (continued)***Held-for-trading securities and investments in other entities*

Held-for-trading securities and in securities and investments in other entities are stated at their acquisition costs.

Provision for diminution in value of investments

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

Held-to-maturity investments

Held-to-maturity investments are stated at their acquisition costs. After initial recognition, these investments are measured at recoverable amount. Any impairment loss incurred is recognised as expense in the consolidated income statement and deducted against the value of such investments.

3.14 Payables and accruals

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

3.15 Provisions*General provisions*

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Group expects some or all of a provision to be reimbursed by a third party, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the consolidated income statement net of any reimbursement.

The Group assesses onerous contracts are those contracts in which, the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. The Group recognised and assessed obligations under onerous contracts as provisions and these provisions are made for each onerous contract.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance expense.

Provision for warranty expenses

The Group estimates provision for warranty expenses based on revenue and available information about the repair of real estate properties and goods sold in the past.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****3.16 Foreign currency transactions**

The Group applies guidance of Circular 53/2016/TT-BTC dated 21 March 2016 amending and supplementing some articles of Circular 200 to record foreign currency transactions.

Transactions in currencies other than the Group's reporting currency of VND are recorded at the exchange rate that approximates the average of buying and selling transfer exchange rates announced by the commercial bank where the Group most frequently conducts its transactions ("the average transfer exchange rate"). This approximate exchange rate does not exceed +/- 1% of the average transfer exchange rate. The average transfer exchange rate is determined daily based on the average of daily buying transfer rates and selling transfer rates of the commercial bank.

Borrowing contracts of which risk is mitigated by cross-currency interest rate swap contracts ("swap contracts") are translated at the exchange rate determined in the swap contracts (Note 3.25).

At the end of the year, balances of monetary items denominated in foreign currencies are translated at the transfer exchange rate announced by the commercial bank where the Group most frequently conducts its transactions. The transfer exchange rate is the average transfer exchange rate of the commercial bank.

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

3.17 Treasury shares

Own equity instruments which are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised upon purchase, sale, re-issue or cancellation of the Group's own equity instruments. Upon re-issuance of treasury shares, the Group recognises the difference between the consideration paid and cost of treasury shares to share premium.

3.18 Appropriation of net profits

Net profit after tax (excluding negative goodwill arising from bargain purchases) is available for appropriation to shareholders after approval by the Board of Directors (being approved by shareholders at the General Shareholders' Meeting), and after making appropriation to reserve funds in accordance with the Company's Charter, each subsidiary's Charter and Vietnam's regulatory requirements.

The Group maintains the reserve funds which are appropriated from the Group's net profit as proposed by the Board of Directors and subject to approval by shareholders at the Annual General Shareholders' Meeting.

3.19 Advances from customers

Payments received from customers as deposits for the purchase of properties in the future that do not meet the conditions for revenue recognition, are recognised and presented as "Advances from customers" in the liability section in the consolidated balance sheet. Supports under promotion programs for sales of properties which are, in substance, revenue deductions are presented as deductions against "Advances from customers" for the purchase of properties that do not meet the conditions for revenue recognition in the year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****3.20 Revenue recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, excluding trade discount, rebate and sales return. The following specific recognition criteria must also be met before revenue is recognised:

Revenue from sale of inventory properties

Revenue from sale of inventory properties is recognised when the significant risks and rewards incident to ownership of the properties have been transferred to the buyer. Revenue from sales of inventory properties also includes revenue from transfer of real estate projects.

Revenue from sale of inventory properties also includes long-term lease of inventory properties qualified for recognition of outright sales. If the lease-term is greater than 90% of the asset's useful life, the Group will recognise the revenue for the entire prepaid lease payment if all of the following conditions are met:

- ▶ Lessee is not allowed to cancel the lease contract during the lease term, and the lessor is not responsible for reimbursing the prepaid lease payments under any circumstances;
- ▶ The prepaid lease payment is not less than 90% of the total estimated lease payment collected under contract over the lease period and lessee must pay all rental within 12 months from the commencement of the lease;
- ▶ Almost all risks and rewards associated with the ownership of leased assets are transferred to the lessee; and
- ▶ Lessor must estimate the full cost of leasing activity.

Revenue from leasing of properties

Rental income arising from operating lease is recognised in the consolidated income statement on a straight-line basis over the lease terms of ongoing leases.

Sale of goods

Revenue is recognised when the significant risks and rewards of ownership of the goods have been passed to the buyer, usually upon the delivery of the goods.

Rendering of services

Revenue from hotel, amusement park, education, hospital, real estate management and other related services is recorded when the services are rendered and the outcome of the contract is certainly determined.

Gains from transfer of shares and capital

Gains from transfer of shares and capital are determined as the excess of selling prices against the cost of shares and capital sold. Such gains are recognised on the transaction date when the relevant contracts are executed.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.20 Revenue recognition (continued)

Interest

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

Dividends

Income is recognised when the Group's entitlement as an investor to receive the dividend is established.

Revenue from goods and services in multiple elements package

In the transaction in which the Group provides multiple products and services to the customer in the same arrangement, the Group determines the obligation to sell the product and the obligation to render the services separately and only recognises the revenue when each individual obligation is completed by the Group. The contract value is allocated to individual product or service by taking the total contract value minus the estimated fair value of the service. Payments from customers under contracts corresponding to the unfulfilled obligations will be recognised in advance from customers/unearned revenues in the consolidated balance sheet.

3.21 Construction contract

Where the outcome of a construction contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the consolidated balance sheet date based on the construction works as certified by customers. Variations in contract work, claims and incentive payments are included to the extent that they have been agreed with the customer.

Where the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that is probably recoverable. Contract costs are recognised as expenses in the year in which they are incurred.

3.22 Taxation

Current income tax

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

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

Current income tax assets and liabilities are offset when there is a legally enforceable right for the Group to offset current tax assets against current tax liabilities and when the Group intends to settle its current tax assets and liabilities on a net basis.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****3.22 Taxation (continued)***Deferred tax*

Deferred tax is provided using liability method on temporary differences at the consolidated balance sheet date between the tax base of assets and liabilities and their carrying amount for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- ▶ where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the transaction affects neither the accounting profit nor taxable profit or loss; and
- ▶ in respect of taxable temporarily differences associated with investments in subsidiaries and associates, and interests in jointly controlled entity where timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carried forward, unused tax credit and unused tax losses, to the extent that it is probable that taxable profit will be available against which deductible temporary differences, carried forward unused tax credit and unused tax losses can be utilised, except:

- ▶ where the deferred tax asset in respect of deductible temporary difference which arises from the initial recognition of an asset or liability which at the time of the related transaction, affects neither the accounting profit nor taxable profit or loss; and
- ▶ in respect of deductible temporarily differences associated with investments in subsidiaries, associates, and interests in jointly controlled entity, deferred tax assets are recognised only to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profits will be available against which the temporary differences can be utilised.

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

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****3.22 Taxation (continued)***Deferred tax (continued)*

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

- ▶ either the same taxable entity; or
- ▶ when the Group intends either to settle current tax liabilities and assets on a net basis or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

3.23 Exchangeable bond

Exchangeable bonds that can be exchanged into a fixed number of ordinary shares are separated into a financial liability component (for the contractual obligation to deliver cash or other financial assets) and an equity component (for the exchange right into ordinary shares for a specified period of time) with an exception where there is no equity component in these exchangeable bonds in accordance with the contract terms (the entire exchangeable bond is recognised as a debt).

3.24 Bond issuance transaction cost

Transaction costs relating to bond issuance are charged to the consolidated income statement on a straight-line basis over the tenor of the bond. At initial recognition, these transaction costs are deducted from liability component of the bond.

3.25 Cross-currency and interest rate swap contract

The Group enters into swap contracts to mitigate the risk relating to fluctuation of interest rate and exchange rate. The Group recognises and translates principal and interest expense related to borrowing contracts, of which risks are mitigated by swap contracts, at the interest rate and exchange rate determined in the swap contracts.

3.26 Earnings per share

Basic earnings per share amounts are calculated by dividing net profit/(loss) after tax for the year attributable to ordinary shareholders of the Group (after adjusting for the bonus and welfare fund) by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the net profit after tax attributable to ordinary equity holders of the Group (after adjusting for interest expense of exchangeable bonds and dividend of the convertible preference shares) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.27 Segment information

A segment is a component determined separately by the Group which is engaged in providing products or related services (business segment) or providing products or services in a particular economic environment (geographical segment), that is subject to risks and returns that are different from those of other segments. Management defines the Group's segment report to be based on type of products and services provided. The Group's management is of the view that the Group's geography segment is derived mainly from revenues and profit in Vietnam. Therefore, presentation of geographical segment is not required.

3.28 Related parties

Parties are considered to be related parties of the Group if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions, or when the Group and other party are under common control or under common significant influence. Related parties can be enterprise or individual, including close members of the family of any such individual.

4. SIGNIFICANT ACQUISITIONS AND DISPOSALS DURING THE YEAR

During the year, the Group has made some significant acquisitions and disposals disclosed as follows:

4.1 Acquisition of group of assets

During the year, the Group has acquired certain companies and assessed that these acquisitions are acquisitions of group of assets as follows:

Acquisition of Vinpearl Air Aviation Joint Stock Company ("Vinpearl Air JSC")

On 5 June 2019, the Group acquired 104,000,000 voting shares, representing 80% ownership of Vinpearl Air JSC from a corporate counterparty and two individuals with total consideration of VND1,040 billion. Thereby, Vinpearl Air JSC became a subsidiary of the Group. As of the acquisition date, Vinpearl Air JSC was the owner of a potential aviation project. Subsequently, on 14 January 2020, the Group made a publication regarding the termination of the aforementioned aviation project.

Acquisition of Green City Development Joint Stock Company ("Green City JSC")

On 1 July 2019, the Group acquired 100% of the voting shares of Green City JSC from individuals with total consideration of VND17,194 billion. Thereby, Green City JSC became a subsidiary of the Group. As of the acquisition date, Green City JSC was the owner of a potential real estate project.

Acquisition of Delta Joint Stock Company ("Delta JSC")

On 8 July 2019, the Group acquired 100% of the voting shares of Delta JSC from individuals with total consideration of VND4,920 billion. Thereby, Delta JSC became a subsidiary of the Group. As of the acquisition date, Delta JSC was the owner of a potential real estate project.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended**4. SIGNIFICANT ACQUISITIONS AND DISPOSALS DURING THE YEAR (continued)****4.2 Business combination***Acquisition of Mundo Reader, S.L. ("Mundo Reader LLC")*

On 28 February 2019, the Group acquired 604,027 voting shares of Mundo Reader LLC with total consideration of VND475 billion, representing 34.22% ownership of Mundo Reader LLC. After that, the Group contributed additional capital of VND479 billion to Mundo Reader LLC. As a result, the voting right of the Group in Mundo Reader LLC is 51% and thereby, Mundo Reader LLC and its subsidiaries became subsidiaries of the Group. The principal activities of Mundo Reader LLC are to research, manufacture and trade technology products (including smartphones).

As at 31 December 2019, the Group was in the process of determining fair value of identifiable assets, liabilities or contingent liabilities of Mundo Reader LLC at acquisition date. The provisional fair value of identifiable assets and liabilities of Mundo Reader LLC at acquisition date are presented below:

	<i>Currency: VND million</i>
	<i>Provisional fair value recognised on acquisition</i>
Assets	
Cash and cash equivalents	159,405
Short-term trade receivables	425,414
Short-term advance to suppliers	315,390
Inventories	739,737
Tangible fixed assets	114,198
Intangible fixed assets	154,190
Deferred tax assets	173,356
Other assets	85,813
	2,167,503
Liabilities	
Short-term trade payables	437,027
Short-term loans	634,991
Other liabilities	259,251
	1,331,269
Total net assets	836,234
Non-controlling interests	(304,174)
Goodwill from business combination	422,324
Total purchase consideration	954,384
Analysis of cash flows on acquisition	
Cash of the acquired subsidiary	159,405
Cash paid for acquiring the subsidiary up to 31 December 2019	(954,384)
Net cash flow on acquisition	(794,979)

Total purchase consideration was VND954.4 billion paid in cash. Revenue and loss before tax of Mundo Reader LLC for the period from 1 January 2019 to the acquisition date are VND698 billion and VND55 billion, respectively. Loss before tax of Mundo Reader LLC for the period from the acquisition date to 31 December 2019 is VND820 billion.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

4. SIGNIFICANT ACQUISITIONS AND DISPOSALS DURING THE YEAR (continued)

4.2 Business combination (continued)

Acquisition of Aapico Vinfast Auto Parts Limited Liability Company ("Aapico Vinfast LLC")

On 17 September 2019, the Group acquired an additional of 51% voting rights of Aapico Vinfast LLC from a corporate counterparty for total consideration of VND288 billion and thereby, Aapico Vinfast LLC became a subsidiary of the Group. The principal activities of Aapico Vinfast LLC are to manufacture car body structure and other automotive.

The fair value of identifiable assets and liabilities of Aapico Vinfast LLC at acquisition date are presented below:

Currency: VND million

*Fair value recognised
on acquisition*

Assets

Cash and cash equivalents	4,746
Short-term trade receivables	5,450
Inventories	78,428
Short-term prepaid expenses	152
Value-added tax deductible	24,926
Construction in progress	726,868
Long-term prepaid expenses	10,085
Other assets	121
	850,776

Liabilities

Short-term trade payables	391,478
Statutory obligations	336

391,814

458,962

Total net assets

Non-controlling interests	26,840
Goodwill from business combination	28,103

513,905

Total purchase consideration

Analysis of cash flows on acquisition

Cash of the acquired subsidiary	4,746
Cash paid for acquiring the subsidiary up to 31 December 2019	(288,155)

(283,409)

Net cash flow on acquisition

Total purchase consideration was VND514 billion, including VND288 billion paid in cash and VND226 billion is the fair value of 49% equity interest in Aapico Vinfast LLC previously held by the Group. Loss before tax of Aapico Vinfast LLC for the period from 1 January 2019 to the acquisition date and from the acquisition date to the date of the merger into Vinfast LLC is insignificant.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

4. SIGNIFICANT ACQUISITIONS AND DISPOSALS DURING THE YEAR (continued)

4.3 Significant disposals with loss of control

Disposal of Prime Land Real Estate Development Joint Stock Company ("Prime Land JSC")

On 28 March 2019, the Group disposed 60,000,000 voting shares, representing 100% ownership of Prime Land JSC to a corporate counterparty and individuals for total consideration of VND2,610 billion. Gain from this disposal of VND1,612 billion was recognised in the consolidated income statement.

Disposal of Southern Star Urban Development and Trading Investment Joint Stock Company ("Southern Star JSC")

On 29 March 2019, the Group disposed 60,000,000 voting shares, representing 100% ownership of Southern Star JSC to a corporate counterparty and individuals for total consideration of VND1,920 billion. Gain from this disposal of VND1,124 billion was recognised in the consolidated income statement.

Disposal of VCM Services and Trading Development Joint Stock Company ("VCM JSC")

On 31 December 2019, the Group disposed 413,885,893 voting shares, representing 64.3% ownership of VCM JSC to a corporate counterparty for the consideration of a number of option shares of a company to be established in the future (Note 6.1). Gain from this disposal of VND8,502 billion was recognised in the consolidated income statement.

At the date of disposal, VCM JSC was controlling directly and indirectly the following subsidiaries:

- ▶ Vincommerce General Commerce Services JSC ("Vincommerce JSC");
- ▶ VinEco Agricultural Investment Development and Production LLC;
- ▶ VinEco - Tam Dao Agricultural Investment Development and Production LLC; and
- ▶ Dong Nai - VinEco Agriculture LLC.

As a result, from 31 December 2019, VCM JSC and its subsidiaries were no longer subsidiaries of the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

4. SIGNIFICANT ACQUISITIONS AND DISPOSALS DURING THE YEAR (continued)

4.4 Completion of the provisional accounting for business combination

Acquisition of General Motors Vietnam LLC ("General Motors Vietnam LLC")

On 4 December 2018, the Group acquired 100% voting right of General Motors Vietnam LLC from a corporate counterparties for total consideration of VND919.4 billion and applied provisional accounting to consolidate General Motors Vietnam LLC on the consolidated financial statement for the year ended 31 December 2018.

In 2019, the Group completed the provisional accounting applied for the acquisition of General Motors Vietnam LLC. Accordingly, the Group assesses that the finalised results of this business combination is changed compared to the provisional results determined previously, therefore, retrospectively adjusted as follows:

	Currency: VND million		
	Provisional fair value	Adjustment	Fair value after adjustment
Assets			
Cash and cash equivalents	332,621	-	332,621
Trade receivables	101,494	(101,494)	-
Other receivables	25,725	(24,367)	1,358
Inventory	625,864	250,040	875,904
Tangible fixed assets	69,382	-	69,382
Intangible fixed assets	-	87,131	87,131
	1,155,086	211,310	1,366,396
Liabilities			
Trade payables	30,915	-	30,915
Statutory obligations	103,433	43,906	147,339
Short-term accrued expenses	112,170	(4,399)	107,771
Provision for non-current liabilities	70,161	-	70,161
Provision for current liabilities	21,543	-	21,543
Other payables	32,893	(10,635)	22,258
Total identifiable net assets	783,971	182,438	966,409
Non-controlling interests	78,696	(105,988)	(27,292)
Goodwill from business combination	56,764	(56,764)	-
Gain from bargain purchase	-	(19,686)	(19,686)

Total purchase consideration was VND919.4 billion paid in cash. Profit before tax of General Motors Vietnam LLC for the period from 1 January 2018 to the acquisition date was VND157 billion. Profit before tax of General Motors Vietnam LLC for the period from the acquisition date to 31 December 2018 is VND51.4 billion.

In 2019, General Motors Vietnam LLC was merged into Vinfast LLC, an existing subsidiary.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

5. CASH AND CASH EQUIVALENTS

Currency: VND million

	Ending balance	Beginning balance
Cash on hand	22,546	364,083
Cash in banks	7,602,372	8,157,247
Cash in transit	14,451	44,946
Cash equivalents	10,807,599	4,990,779
TOTAL	18,446,968	13,557,055

Cash equivalents as at 31 December 2019 comprised of bank deposits in VND with terms ranging from 1 month to 3 months, earning interests ranging from 3.9% to 5.5% per annum (as at 31 December 2018: 4.3% to 5.5% per annum).

Cash at banks and cash equivalents as at 31 December 2019 include VND268.6 billion in restricted-for-use accounts and in escrow accounts for business and other activities of the Group (as at 31 December 2018: VND1,388.8 billion).

Cash at banks and cash equivalents as at 31 December 2019 also include maintenance funds of handed-over apartments at real estate projects of the Group. These maintenance funds will be transferred to the Building Management Boards.

6. SHORT-TERM AND LONG-TERM INVESTMENTS

6.1 Held-for-trading securities

Currency: VND million

	Ending balance			Beginning balance		
	Cost	Fair value	Provision	Cost	Fair value	Provision
Option shares (i)	9,539,371	9,539,371	-	-	-	-
TOTAL	9,539,371	9,539,371	-	-	-	-

(i) In 2019, the Group disposed 64.3% ownership of a subsidiary to a corporate counterparty for the consideration of a number of option shares of a company to be established in the future (Note 4.3). Subsequently, the Group transferred a portion of these option shares to another corporate counterparty.

6.2 Short-term held-to-maturity investments

Balance as at 31 December 2019 mainly includes short-term bank deposits in VND with terms ranging from more than 3 months to 1 year and earning interest at rates ranging from 5.0% to 7.5% per annum (as at 31 December 2018: short-term bank deposits in VND have terms ranging from 6 months to 1 year and earning interest at rates ranging from 5.2% to 7.1% per annum).

Bank deposits as at 31 December 2019 include maintenance funds of handed-over apartments at real estate projects of the Group. These maintenance funds will be transferred to the Building Management Boards.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

6. SHORT-TERM AND LONG-TERM INVESTMENTS (continued)

6.3 Long-term held-to-maturity investments

	Currency: VND million	
	Ending balance	Beginning balance
Long-term bank deposits	515	1,830,000
Long-term bonds (i)	284,680	169,680
TOTAL	285,195	1,999,680

(i) Balance as at 31 December 2019 includes bonds in VND with terms ranging from 6 years to 10 years and earning interest at a reference rate plus (+) 0.8% to 1.3% per annum (as at 31 December 2018: bonds in VND with 10-year term and earning interest at a reference rate plus (+) 0.8% to 1.2% per annum).

7. TRADE RECEIVABLES AND ADVANCES TO SUPPLIERS

7.1 Short-term trade receivables

	Currency: VND million	
	Ending balance	Beginning balance (Restated)
Receivable from sale of inventory properties	8,208,786	5,701,975
Receivable from construction activities and related services	5,139,171	449,849
Receivable from manufacturing activities	1,953,993	31,198
Receivable from rendering hotel services, amusement park services and related services	351,263	268,595
Receivable from leasing activities and rendering related services	292,872	267,757
Others	694,715	773,142
TOTAL	16,640,800	7,492,516

In which:

Short-term trade receivables from related parties (Note 37)	4,789,528	256,303
Short-term trade receivables from other customers	11,851,272	7,236,213
Provision for doubtful short-term receivables	(25,406)	(23,327)

7.2 Short-term advances to suppliers

Short-term advances to suppliers as at 31 December 2019 and 31 December 2018 mainly include advances to suppliers and construction contractors for developing projects of the Group and purchasing other goods and services.

As at 31 December 2019, the Group has made a provision for uncollectible advances of VND34.8 billion (31 December 2018: VND24.7 billion).

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8. LOAN RECEIVABLES

8.1 Short-term loan receivables

	Currency: VND million	
	Ending balance	Beginning balance
Loans to individuals (i)	12,001,530	-
Loans to corporate counterparties (ii)	8,999,185	5,054,600
Current portion of long-term loans to corporate counterparties	21,324	23,257
TOTAL	21,022,039	5,077,857
Provision for doubtful short-term loan receivables	(70,638)	(70,638)

(i) Balance as at 31 December 2019 includes loan receivables to counterparties maturing in 2020, earning interest at rate ranging from 10% to 10.15% per annum and being secured by shares of a listed company and unlisted companies;

(ii) Balance as at 31 December 2019 mainly includes loan receivables of VND8,620 billion to counterparties maturing in 2020 and earning interest at rate of 9% per annum, in which:

- ▶ Loan receivables of VND3,430 billion are unsecured;
- ▶ Loan receivables of VND2,720 billion are secured by capital of a borrower and shares of a listed company; and
- ▶ Loan receivables of VND2,470 billion are secured by shares of unlisted companies.

8.2 Long-term loan receivables

	Currency: VND million	
	Ending balance	Beginning balance
Loans to corporate counterparties (i)	1,207,650	55,000
TOTAL	1,207,650	55,000

(i) Balance as at 31 December 2019 mainly includes a convertible interest-free unsecured loan receivable of VND840 billion with 3-year term made by a subsidiary to a corporate counterparty. Accordingly, the subsidiary can convert the loan into shares of such counterparty.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

9. OTHER RECEIVABLES

	Currency: VND million	
	Ending balance	Beginning balance
Short-term:		
Customers' advances collected by third party on behalf of the Group	3,552,949	406,983
Interest on bank deposits, deposits and loans to others	3,316,254	1,699,918
Guarantee deposits for project development	770,327	360,178
Receivables from build-transfer contract	582,831	966,530
Receivables from payment on behalf	354,373	361,357
Deposit for investment co-operation contracts	125,000	593,000
Deposit for business co-operation contracts (i)	-	13,950,000
Deposits for guarantee of payment obligations	-	120,190
Short-term other receivables from related parties (Note 37)	-	1,383,112
Others	1,360,975	1,152,647
TOTAL	10,062,709	20,993,915
Provision for doubtful other short-term receivables	(241,998)	(47,849)
Long-term:		
Deposits for guarantee of payment obligations	120,256	-
Deposit for business co-operation contracts	73,367	73,367
Long-term deposits for outlet rentals	13,642	212,873
Others	49,517	19,302
TOTAL	256,782	305,542

- (i) Balance as at 31 December 2018 is a deposit to a corporate counterparty for the purpose of developing a real estate project under business co-operation and project development contracts. In July 2019, the Group acquired the whole shares of such counterparty (Note 4.1) and collected the entire deposit and interest associated to these contracts.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

10. BAD DEBTS

Currency: VND million

	Ending balance		Beginning balance (Restated)	
	Cost	Recoverable amount	Cost	Recoverable amount
Overdue receivables	313,002	10,733	159,679	64,374
Overdue loans receivables	70,638	-	70,638	-
TOTAL	383,640	10,733	230,317	64,374

Details of overdue receivables which account for more than 10% of total overdue receivables:

Currency: VND million

Debtor	Ending balance		Beginning balance (Restated)	
	Cost	Recoverable amount	Cost	Recoverable amount
Corporate Counterparty No. 1	138,657	-	-	-
Corporate Counterparty No. 2	82,705	-	82,705	-

11. INVENTORIES

Currency: VND million

	Ending balance		Beginning balance (Restated)	
	Cost	Provision	Cost	Provision
Completed inventory properties	958,748	(9,356)	1,681,671	(9,269)
Inventory properties under construction	70,581,103	(22,647)	48,126,882	(201,474)
Inventories for supermarkets, retail outlets and other finished goods	679,970	-	3,576,493	(52,566)
Work in progress for manufacturing activities	1,182,274	(271,287)	14,280	(5,605)
Completed inventories for manufacturing activities	5,532,541	(587,327)	959,970	(109,410)
Raw materials	5,810,242	(1,091,703)	673,262	(121,046)
Purchased goods in transit	772,066	(176,719)	528,666	-
Others	452,808	(1,957)	178,310	(12,018)
TOTAL	85,969,752	(2,160,996)	55,739,534	(511,388)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

11. INVENTORIES (continued)

Details of inventories and associated rights used as collaterals for borrowings and bonds of the Group are disclosed in Note 26.

Detail movements of provision for obsolete inventories:

	<i>Currency: VND million</i>	
	<i>Current year</i>	<i>Previous year</i>
Beginning balance	511,388	344,400
Add: Provision made during the year	2,198,940	489,208
Less: Utilisation and reversal of provision during the year	(511,216)	(322,220)
Less: Disposal of subsidiaries	(38,116)	-
Ending balance	<u>2,160,996</u>	<u>511,388</u>

12. PREPAID EXPENSES

	<i>Currency: VND million</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Short-term:		
Selling expenses related to inventory properties not yet handed-over	1,935,989	1,372,076
Provisional corporate income tax	392,347	268,431
Products development expenses	321,881	56,966
Tools and supplies	210,519	219,922
Prepaid committed profit under villas and condotels management program	10,694	267,618
Others	383,115	299,716
TOTAL	<u>3,254,545</u>	<u>2,484,729</u>
Long-term:		
Prepaid land rental	3,954,036	1,888,740
Tools and supplies	1,121,198	1,729,119
Prepaid committed profit under villas and condotels management program	550,845	665,519
Pre-operating expenses	496,972	514,618
Others	558,644	772,354
TOTAL	<u>6,681,695</u>	<u>5,570,350</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

13. OTHER ASSETS

	Currency: VND million	
	Ending balance	Beginning balance
Short-term:		
Deposits for investment purpose (i)	11,763,952	9,081,321
Others (ii)	1,100,000	307,927
TOTAL	12,863,952	9,389,248
Long-term:		
Deposits for investment purpose (iii)	1,032,337	1,231,431
TOTAL	1,032,337	1,231,431

(i) Balance as at 31 December 2019 mainly includes:

- ▶ Interest-free deposits of VND3,500 billion to counterparties for acquiring additional shares in an existing subsidiary of the Group. The deposits are secured by shares of an unlisted company;
- ▶ Interest-free deposits of VND3,400 billion to counterparties for acquiring shares of a company which owns a potential real estate project. The deposits are secured by shares of unlisted companies; and
- ▶ An interest-free deposit of VND2,750 billion to a counterparty for acquiring shares of a company owning a potential project. The deposit is secured by shares of an unlisted company.

(ii) Balance as at 31 December 2019 is the amount of VND1,100 billion deposited to a securities company for purpose of fulfilling the payment obligation of principal and interest due in January 2020 to bondholders in accordance with relevant transaction documents.

(iii) Balance as at 31 December 2019 is an unsecured deposit to a corporate counterparty earning interest at the rate determined by 12-month interest paid-in-arrears VND saving rate of Joint Stock Commercial Bank for Foreign Trade of Vietnam adjusted in every 3-month. The deposit and its associated interest will be used as a settlement for 10% of certified value under contracts signed between the Group and this corporate counterparty.

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as at 31 December 2019 and for the year then ended

14. TANGIBLE FIXED ASSETS

	Currency: VND million				
	Buildings and structures	Machinery and equipment	Means of transportation	Office equipment	Others
					Total
Cost:					
Beginning balance	36,105,006	17,923,830	1,392,529	1,189,343	57,637,791
Newly purchased	540,241	776,772	462,186	376,436	2,382,814
Newly constructed (Note 18)	15,552,763	35,753,724	134,907	-	51,578,417
Increase due to acquisition of subsidiaries	30,105	124,046	4,188	-	379,090
Reclassified from investment properties (Note 16)	723,819	115,897	-	87,060	840,373
Reclassification	(1,566,024)	1,712,955	42,678	(407,005)	-
Sold, disposed	(190,601)	(82,349)	(35,855)	(28,157)	(350,734)
Reclassified to investment properties (Note 16)	(4,878,145)	(946,587)	-	-	(5,852,411)
Decrease due to disposal of subsidiaries	(3,082,255)	(2,457,462)	(67,904)	(208,085)	(6,420,366)
Others	(77,346)	(82,810)	(8,877)	24,632	(155,944)
Ending balance	43,157,563	52,838,016	1,923,852	1,034,224	100,039,030
<i>In which:</i>					
Fully depreciated	50,802	231,897	44,331	91,111	424,225
Accumulated depreciation:					
Beginning balance	3,748,630	4,182,958	387,994	383,531	9,088,468
Depreciation for the year	1,649,738	2,919,998	180,057	150,257	5,063,280
Increase due to acquisition of subsidiaries	4,753	105,262	2,024	60,933	175,001
Reclassified from investment properties (Note 16)	80,973	79,396	-	-	160,433
Reclassification	(795,971)	809,753	3,113	(41,048)	-
Sold, disposed	(64,163)	(31,935)	(22,686)	(14,589)	(138,248)
Reclassified to investment properties (Note 16)	(467,477)	(279,284)	-	-	(748,879)
Decrease due to disposal of subsidiaries	(483,321)	(940,789)	(25,785)	(136,216)	(1,777,146)
Others	(20,172)	(52,536)	(10,400)	13,849	(82,481)
Ending balance	3,652,990	6,792,823	514,317	416,717	11,740,428
Net carrying amount:					
Beginning balance	32,356,376	13,740,872	1,004,535	805,812	48,549,323
Ending balance	39,504,573	46,045,193	1,409,535	617,507	88,298,602

Details of tangible fixed assets used as collaterals for loans and bonds of the Group and third parties are disclosed in Note 26.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
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15. INTANGIBLE FIXED ASSETS

	Land use rights (Restated)	Computer software	Copy rights	Others	Total (Restated)
Currency: VND million					
Cost:					
Beginning balance (Restated)	319,759	863,273	-	383,307	1,566,339
Newly purchased	-	568,738	56,510	16,775	642,023
Newly constructed (Note 18)	-	1,064,621	18,344,236	6,513	19,415,370
Decrease due to disposal of subsidiaries	-	(316,889)	-	(55,362)	(372,251)
Others	(26,826)	(20,617)	-	144,213	96,770
Ending balance	292,933	2,159,126	18,400,746	495,446	21,348,251
<i>In which:</i>					
Fully depreciated	-	74,649	-	220,001	294,650
Accumulated amortisation:					
Beginning balance	46,960	299,846	-	312,530	659,336
Amortisation for the year	16,987	224,172	633,323	19,058	893,540
Decrease due to disposal of subsidiaries	-	(150,156)	-	(24,286)	(174,442)
Others	(14,776)	(6,790)	-	21,091	(475)
Ending balance	49,171	367,072	633,323	328,393	1,377,959
Net carrying amount:					
Beginning balance (Restated)	272,799	563,427	-	70,777	907,003
Ending balance	243,762	1,792,054	17,767,423	167,053	19,970,292

Details of intangible fixed assets used as collaterals for loans and bonds of the Group are disclosed in Note 26.

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16. INVESTMENT PROPERTIES

Currency: VND million

	Land use rights, buildings and structures	Machinery and equipment	Total
Cost:			
Beginning balance	25,689,519	4,484,448	30,173,967
Newly purchased	144,338	4,356	148,694
Newly constructed (Note 18)	3,304,908	603,433	3,908,341
Reclassified from tangible fixed assets (Note 14)	4,905,824	946,587	5,852,411
Sold, disposal	(434,188)	(5,991)	(440,179)
Reclassified to tangible fixed assets (Note 14)	(724,476)	(115,897)	(840,373)
Others	(186,077)	461,734	275,657
Ending balance	32,699,848	6,378,670	39,078,518
Accumulated depreciation:			
Beginning balance	2,255,353	1,174,948	3,430,301
Depreciation/amortisation for the year	803,096	366,664	1,169,760
Reclassified from tangible fixed assets (Note 14)	469,595	279,284	748,879
Sold, disposal	(5,880)	(3,564)	(9,444)
Reclassified to tangible fixed assets (Note 14)	(81,037)	(79,396)	(160,433)
Others	(42,157)	69,354	27,197
Ending balance	3,398,970	1,807,290	5,206,260
Net carrying amount:			
Beginning balance	23,434,166	3,309,500	26,743,666
Ending balance	29,300,878	4,571,380	33,872,258

Details of investment properties used as collaterals for loans and bonds of the Group are presented in Note 26.

Investment properties of the Group mainly include shopping malls, offices and factories owned and operated by the Group for providing leasing and related services. As at 31 December 2019, the Group is in the process of determining the fair value of these investment properties.

Revenue and expenses relating to investment properties are presented in Note 30.2.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended**17. CAPITALISED BORROWING COSTS**

During the year, the Group capitalised borrowing costs with an amount of VND2,083 billion (for the year ended 31 December 2018: VND1,584 billion). These costs related to specific and general borrowings obtained to finance the real estate and manufacturing projects of the Group.

The capitalised borrowing costs in relation to the general borrowings are determined by applying a capitalisation rate of 8.45% per annum (for the year ended 31 December 2018: 8.7% per annum) on the accumulated weighted average expenditures of the real estate and manufacturing projects. The capitalisation rate used is the weighted average of the borrowing rates applicable to the borrowings of the Group that are outstanding during the year.

18. CONSTRUCTION IN PROGRESS

Currency: VND million

	Current year	Previous year
Beginning balance	58,529,123	37,492,138
Acquisition of subsidiaries	23,034,155	8,638,301
Increase during the year	60,466,494	49,469,805
Transferred to tangible fixed assets (Note 14)	(51,578,417)	(19,580,139)
Transferred to intangible fixed assets (Note 15)	(19,415,370)	-
Transferred to investment properties (Note 16)	(3,908,341)	(6,483,883)
Transferred to inventories	(17,608,708)	(9,729,966)
Disposal of subsidiaries	(1,461,188)	(1,277,133)
Ending balance	48,057,748	58,529,123

Details for each item of which balance is higher than 10% of total balance:

Currency: VND million

Projects	Ending balance	Beginning balance
Vinfast project	5,965,855	26,684,996
Vinhomes Long Beach Can Gio project	12,456,304	12,406,031

Construction in progress includes freehold and leasehold rights for land, construction costs, land development rights, borrowing costs, consulting and designing fee, costs of site preparation, construction overheads costs relating to researching, developing and manufacturing activities and other related costs.

Construction in progress used as collaterals for loans and bonds of the Group are disclosed in Note 26.

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19. LONG-TERM INVESTMENTS

19.1 Investment in associates and jointly controlled entity

Name	Voting right (%) (also equity interest)		Principal activities
	Ending balance	Beginning balance	
Phu Quoc Tourism Development and Investment JSC ("Phu Quoc Tourism JSC")	30.00	30.00	Providing hospitality and other services
Viet Thang Feed JSC	40.00	40.00	Feed producing
Hanoi Breeds JSC	37.63	37.63	Cattle breeding
Vinfast-An Phat Plastic Auto Part Company Limited	50.00	50.00	Manufacturing car plastic accessories
Vietnam Book Printing JSC	27.76	35.00	Printing
Vinfast Lithium Battery Pack LLC	65.00	-	Producing batteries and accumulators

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19. LONG-TERM INVESTMENTS (continued)

19.1 Investment in associates and jointly controlled entity (continued)

Details of investment in these associates and jointly controlled entity are listed below:

	Beginning balance (*)	Additional investment during the year	Share of profit/(loss) from associates and jointly controlled entity	Dividends/other	Transfer to subsidiary investment in other entities	Ending balance (*)
Phu Quoc Tourism JSC	1,919,308	-	(758,983)	23,340	-	1,183,665
Viet Thang Feed JSC	543,184	-	83,731	-	-	626,915
Vinfast Lithium Battery Pack LLC	-	188,906	(2,916)	-	-	185,990
Vinfast-An Phat Plastic Auto Part Company Limited	30,000	74,000	(6,566)	-	-	97,434
Hanoi Breeds JSC	48,836	-	(1,559)	(153)	-	47,124
Vietnam Book Printing JSC	5,058	1,050	666	(434)	-	6,340
Aspico Vinfast LLC	-	228,291	(2,541)	-	(225,750)	-
Vinfa Pharmaceuticals Trading and Distribution JSC	-	5,820	(275)	-	(5,545)	-
TOTAL	2,546,386	498,067	(688,443)	22,753	(231,295)	2,147,468

(*) The fair values of these investments have not been determined because the Group does not have all necessary information to measure these fair values.

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19. LONG-TERM INVESTMENTS (continued)

19.2 Investment in other entities

	Ending balance				Beginning balance					
	Equity interest (%)	Voting right (%)	Cost (VND million)	Provision (VND million)	Fair value (VND million)	Equity interest (%)	Voting right (%)	Cost (VND million)	Provision (VND million)	Fair value (VND million)
Viet Nam Textile and Garment JSC	10.00	10.00	552,395	(143,395)	409,000	10.00	10.00	552,395	(22,395)	530,000
Vien Dong Pearl Urban										
Development Investment LLC	9.62	9.62	521,072	-	(*)	9.62	9.62	521,072	-	(*)
Phat Loc Commercial Investment Trading LLC (i)	51.00	-	342,076	-	(*)	51.00	-	342,076	-	(*)
SV Real Estate Investment										
Development Business JSC	4.00	4.00	110,000	-	(*)	-	-	-	-	(*)
SV West Hanoi Real Estate Investment										
Development Business JSC	4.00	4.00	70,000	-	(*)	-	-	-	-	(*)
Vinestate Real Estate Service Trading LLC	-	-	-	-	-	15.00	15.00	90,000	-	(*)
Others			111,540	(45,470)	(*)			89,326	(50,383)	(*)
TOTAL			1,707,083	(188,865)				1,594,869	(72,778)	

(*) As at 31 December 2019, the Group is in the process of determining the fair value of these long-term investments.

(i) As at 31 December 2019, the Group no longer holds control or significant influence over Phat Loc Commercial Investment Trading LLC. Therefore, Phat Loc Commercial Investment Trading LLC becomes an investment in other entity of the Group.

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20. GOODWILL

	Currency: VND million				
	Hanoi Southern JSC	Sai Dong JSC	Royal City JSC	Nhat Nam JSC	Others
Cost:					
Beginning balance (Restated)	1,629,906	2,251,824	1,024,509	901,050	2,812,853
Increases from business combination	-	-	-	-	586,198
Decreases from disposal of subsidiaries	-	-	-	(901,050)	(510,914)
Other decreases	-	(101,336)	(22,177)	-	(123,221)
Ending balance	1,629,906	2,150,488	1,002,332	-	2,764,916
Accumulated amortisation:					
Beginning balance (Restated)	1,200,759	1,255,540	758,965	21,947	1,231,236
Amortisation for the year	110,004	221,328	88,070	90,006	653,080
Decreases from disposal of subsidiaries	-	-	-	(111,953)	(196,098)
Other decreases	-	(63,221)	(18,696)	-	(67,464)
Ending balance	1,310,763	1,413,647	828,339	-	1,620,754
Net carrying amount:					
Beginning balance (Restated)	429,147	996,284	265,544	879,103	1,581,617
Ending balance	319,143	736,841	173,993	-	1,144,162

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

21. TRADE PAYABLES AND ADVANCES FROM CUSTOMERS

21.1 Short-term trade payables

Currency: VND million

	<i>Balance (also amount payables)</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Trade payables to suppliers	17,563,738	14,773,384
- A corporate counterparty	235,089	1,587,096
- Others	17,328,649	13,186,288
TOTAL	17,563,738	14,773,384

In which:

<i>Short-term trade payables to related parties (Note 37)</i>	168	443,547
<i>Short-term trade payables to other parties</i>	17,563,570	14,329,837

21.2 Short-term advances from customers

The balance of short-term advances from customers as at 31 December 2019 and 31 December 2018 mainly includes downpayment from customers under sale and purchase agreements for real estate properties and advance payments from customers of other business activities of the Group.

The balance as at 31 December 2019 also includes advances from the Government for the purpose of implementation of a build-transfer contract.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
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22. STATUTORY OBLIGATIONS

Currency: VND million

	Beginning balance	Payables for the year	Payment made/offset in the year	Ending balance
Payables				
Value added tax	532,078	5,692,272	(5,665,029)	559,321
Corporate income tax (Note 36)	2,827,841	8,048,600	(7,816,034)	3,060,407
Personal income tax	181,603	1,760,090	(1,703,396)	238,297
Land use fee, land rental fee, and obligations under build-transfer contracts	11,729,011	8,331,601	(18,398,390)	1,662,222
Others	250,174	5,370,068	(5,148,814)	471,428
TOTAL	15,520,707	29,202,631	(38,731,663)	5,991,675
	Beginning balance	Receivables for the year	Payment received/offset in the year	Ending balance
Receivables				
Corporate income tax (Note 36)	309,752	125,771	(369,659)	65,864
Others	3,102	199,780	(199,946)	2,936
TOTAL	312,854	325,551	(569,605)	68,800

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended**23. ACCRUED EXPENSES**

	<i>Currency: VND million</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Short-term:		
Accrued construction and development costs of handed-over real estate properties and other assets	11,273,933	10,096,936
Accrued selling expenses	1,830,302	2,531,932
Accrued interest expenses	1,779,416	1,379,481
Accrued committed profit under villas and condotels management program	318,337	262,109
Others	1,291,339	1,746,651
TOTAL	16,493,327	16,017,109
Long-term:		
Accrued interest expenses	370,071	102,099
Others	117,326	21,615
TOTAL	487,397	123,714

24. UNEARNED REVENUE

	<i>Currency: VND million</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Short-term:		
Education services	1,110,313	840,825
Villas and condotels leasing management services	780,044	651,932
Apartments and villas management services	439,862	499,785
Customer loyalty program - Vingroup Card	13,453	254,156
Others	180,850	226,901
TOTAL	2,524,522	2,473,599
Long-term:		
Villas and condotels leasing management services	2,768,347	3,242,269
Apartments and villas management services	1,286,692	1,642,103
Royalty fee	669,710	618,333
Others	275,232	215,857
TOTAL	4,999,981	5,718,562
<i>In which:</i>		
Unearned revenue from related parties (Note 37)	769,867	774,490
Unearned revenue from other parties	6,754,636	7,417,671

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

25. OTHER PAYABLES

Currency: VND million

	Ending balance	Beginning balance
Short-term:		
Payables under deposit and other agreements relating to real estate projects (i)	37,934,307	8,653,853
Deposits for investment purpose (ii)	8,495,107	1,316,348
Apartment maintenance funds (iii)	1,691,419	1,715,962
Deposits from tenants to be refunded within the next 12 months	605,510	493,794
Deposits from customers purchasing automobiles and motorbikes	190,190	178,909
Others	3,947,791	2,541,472
TOTAL	52,864,324	14,900,338
<i>In which:</i>		
<i>Other short-term payables to related parties (Note 37)</i>	1,200,000	180,000
<i>Other short-term payables to other parties</i>	51,664,324	14,720,338
Long-term:		
Deposits from tenants	1,615,016	1,413,985
Deposits from tenants to be refunded within the next 12 months	(605,510)	(493,794)
Others	20,288	27,235
TOTAL	1,029,794	947,426

- (i) The balance as at 31 December 2019 includes amounts received from customers under deposit and other agreements relating to real estate projects and deposits from corporate counterparties for the purpose of transferring a portion of real estate projects of the Group;
- (ii) The balance as at 31 December 2019 mainly includes a deposit of VND6,159 billion from a corporate counterparty for the purchase of shares in a subsidiary of the Group; and
- (iii) The balance is maintenance funds of handed-over apartments at real estate projects of the Group. These maintenance funds will be transferred to the Building Management Boards.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
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26. LOANS AND DEBTS

Currency: VND million					
	Notes	Beginning balance	Movement during the year		Ending balance
		Carrying value (also payable amount)	Increase	Decrease	Carrying value (also payable amount)
Short-term loans:					
Short-term loans	26.1	9,299,560	13,792,353	(15,393,913)	7,698,000
Current portion of long-term loans	26.2	1,307,492	4,215,719	(1,399,098)	4,124,113
Current portion of corporate bonds	26.3	8,508,911	21,264,766	(8,600,000)	21,173,677
TOTAL		19,115,963	39,272,838	(25,393,011)	32,995,790
Long-term loans:					
Long-term loans	26.2	26,791,140	43,873,957	(8,904,348)	61,760,749
Corporate bonds	26.3	34,979,572	8,863,796	(21,173,677)	22,669,691
TOTAL		61,770,712	52,737,753	(30,078,025)	84,430,440

Currency: VND million

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

26. LOANS AND DEBTS (continued)

26.1 Short-term loans

<i>Lender</i>	<i>Ending Balance</i> <i>VND million</i>	<i>Maturity date</i>	<i>Interest rate</i>	<i>Collateral</i>
Malayan Banking Berhad ("Maybank")	249,427	June 2020	From 4.45% to 6.4% per annum	(i)
Vietnam Technological and Commercial Joint Stock Bank	4,343,199	From May to October 2020	From 8.25% to 10.35% per annum and floating interest according to agreements	(ii)
Military Commercial Joint Stock Bank	178,181	April 2020	The 12-month residential savings interest rate of Military Commercial Joint Stock Bank plus (+) 0.7% per annum	(i)
Vietnam Prosperity Joint Stock Commercial Bank	16,633	May 2020	9.3% per annum	(iii)
Joint Stock Commercial Bank for Foreign Trade of Vietnam	476,032	From March to May 2020	6.5% per annum	(iv)
Corporate counterparties	1,960,000	From September to October 2020	9% per annum	(i)
Others	474,528	From January to October 2020	From 2% to 6% per annum, the 12-month Euribor plus (+) 1.9% to 3.5% per annum, the 6-month Euribor plus (+) 2.5% per annum and the 3-month Euribor plus (+) 2.5% per annum	(i)
TOTAL	7,698,000			

(i) These loans are unsecured;

(ii) These loans are secured by development rights, receivables and account balances relating to a real estate project located in the Southern of Vietnam ("the South") of a subsidiary and a number of shares of certain subsidiaries held by the Company and other subsidiaries of the Group;

(iii) The loan is secured by a number of shares of certain subsidiaries held by the Company; and

(iv) The loan is secured by a number of goods circulating in the production process of a subsidiary of the Group.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued) as at 31 December 2019 and for the year then ended

26. LOANS AND DEBTS (continued)

26.2 Long-term loans

Lender/credit arranger	Ending balance		Maturity date	Interest rate	Collateral
	Original currency	VND million			
Joint Stock Commercial Bank for Foreign Trade of Vietnam		551,600	From January 2020 to October 2025	The 12-month interest paid-in-arrears saving rate for individuals plus (+) 3.3% per annum with interest paid quarterly	(i)
<i>In which: current portion</i>		65,000			
Joint Stock Commercial Bank for Investment and Development of Vietnam		140,912	From January 2020 to December 2024	The 12-month interest paid-in-arrears saving rate for individuals plus (+) 2% per annum with interest paid quarterly	(ii)
<i>In which: current portion</i>		28,160			
Vietnam Technological and Commercial Joint Stock Bank		1,371,098	January 2021	The 12-month interest paid-in-arrears saving rate for individuals plus (+) 3.33% per annum with interest paid quarterly	(iii)
Military Commercial Joint Stock Bank		193,706	April 2023	The 24-month interest paid-in-arrears saving rate for individuals plus (+) 2.7% per annum with interest paid quarterly	(iv)
Corporate counterparties		3,390,000	July 2021	9% per annum with interest paid at the maturity date	
Other counterparties and financial institutions		45,036	From July 2020 to February 2027	0.26% to 3.95% per annum	
<i>In which: current portion</i>		6,372			
Lenders of the syndicated loan No. 1	USD801,804,679	15,493,610	From September 2020 to April 2029	The 6-month LIBOR plus (+) 0.95% per annum with interest paid semi-annually	(v)
<i>In which: current portion</i>	USD40,090,234	928,574			
Lenders of the syndicated loan No. 2	USD400,000,000	9,027,649	From April 2020 to April 2023	Fixed interest rate of 9.15% per annum under the swap contract with Vietnam Technological and Commercial Joint Stock Bank with interest paid quarterly	(vi)
<i>In which: current portion</i>	USD60,000,000	1,382,880			
Lenders of the syndicated loan No. 3	USD202,500,000	4,542,883	From January 2020 to July 2021	Fixed interest rate of 9.25% per annum under the swap contract with Vietnam Technological and Commercial Joint Stock Bank with interest paid quarterly	(vii)
<i>In which: current portion</i>	USD60,000,000	1,368,300			(viii)
Lenders of the syndicated loan No. 4	USD360,000,000	8,259,973	March 2022	Fixed interest rate of 7.6% per annum under the swap contract with Vietnam Technological and Commercial Joint Stock Bank with interest paid quarterly	(ix)
Lenders of the syndicated loan No. 5	USD310,000,000	6,869,546	November 2024	The 3-month LIBOR plus (+) 3.35% per annum with interest paid quarterly	(x)
Lenders of the syndicated loan No. 6	USD265,000,000	6,018,432	December 2024	The 3-month LIBOR plus (+) 3.05% per annum with interest paid quarterly	(xi)
Lenders of the syndicated loan No. 7		9,980,417	From December 2020 to December 2027	The 12-month interest paid-in-arrears saving rate for individuals plus (+) 3% per annum interest paid quarterly*	
<i>In which: current portion</i>		344,827			
TOTAL		65,884,862			
<i>In which:</i>					
Long-term loans		61,760,749			
Current portion of long-term loans		4,124,113			

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued) as at 31 December 2019 and for the year then ended

26. LOANS AND DEBTS (continued)

26.2 Long-term loans from banks (continued)

- (i) These loans are secured by a portion of assets and beneficial rights associated to insurance contracts attached to these assets belonging to a resort located in the Northern of Vietnam ("the North");
- (ii) This loan is secured by a hospital located in the Central of Vietnam ("the Central");
- (iii) This loan is secured by capital contribution of a subsidiary in another subsidiary of the Group;
- (iv) This loan is secured by an extended clinic located in the North;
- (v) This loan is from Credit Suisse AG - Singapore Branch and The Hongkong and Shanghai Banking Corporation Limited. This loan is secured by the Debt Service Reserve Account at the offshore account management bank which is Credit Suisse AG - Singapore Branch and the Revenue Account at Vietnam Technological and Commercial Joint Stock Bank with outstanding balance and accumulated other related benefits arising from such account, and a number of shares of a subsidiary held by the Company and associated benefits attached to these shares;
- (vi) This loan is from Credit Suisse AG - Singapore Branch, Bank of China (Thai) Public Company Limited, Bank of China Limited - Singapore Branch, Industrial and Commercial Bank of China Limited - Hongkong Branch, Maybank International - Labuan Branch, The Hongkong and Shanghai Banking Corporation Limited and Taipei Fubon Commercial Bank Co., Limited - Foreign Branch. This loan is secured by a number of shares of a subsidiary held by the Company and another subsidiary of the Group;
- (vii) This loan is from Credit Suisse AG - Singapore Branch, Industrial and Commercial Bank of China Limited - Hanoi Branch, Maybank International - Labuan Branch and Taipei Fubon Commercial Bank - Foreign Branch. This loan is secured by a number of shares of a subsidiary held by the Company;
- (viii) This loan is from Deutsche Bank AG - Singapore Branch, Mega International Commercial Bank Co Limited - Foreign Branch, Taipei Fubon Commercial Bank Co Limited - Foreign Branch, Maybank International - Labuan Branch, KEB Hana Bank - Singapore Branch. This loan is secured by a number of shares of a subsidiary held by the Company and associated benefits attached to these shares;

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
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26. LOANS AND DEBTS (continued)

26.2 Long-term loans from banks (continued)

- (ix) This loan is from Maybank International - Labuan Branch, The Hongkong and Shanghai Banking Corporation Limited – Singapore Branch, Taipei Fubon Commercial Bank, Deutsche Bank AG - Singapore Branch and Union Bank of Taiwan. This loan is secured by a number of shares of a subsidiary held by the Company;
- (x) This loan is from Deutsche Bank AG – Singapore Branch, Taipei Fubon Commercial Bank, The Hong Kong and Shanghai Banking – Singapore Branch, Maybank International – Labuan Branch, Union Bank of Taiwan, Bank of China (Hongkong), Bank of China – Singapore Branch, Cathay United Bank, China construction Bank Corporation – Seoul Branch, Hua nan Commercial Bank – Foreign Branch, Taishin International Bank, Taiwan Cooperative Bank - Foreign Branch, Taichung Commercial Bank – Foreign Branch, Shinhan Bank – Hongkong Branch, Cimb Bank Berhad – Lubuan Branch, Mega International Commercial Bank – Foreign Branch, Sunny Bank, First commercial Bank – Foreign Branch, Taiwan Business Bank – Foreign Branch. This loan is secured by a number of shares of a subsidiary held by the Company; and
- (xi) This loan is from the Investment and Development of Vietnam - Ha Thanh Branch, Vietnam Joint Stock Commercial Bank for Foreign Trade of Vietnam - Ba Dinh Branch and Joint Stock Commercial Bank Vietnam Industry and Trade - Hanoi Branch. This loan is secured by real estate properties, machinery, main equipment of a manufacturing project located in the North of a subsidiary of the Group; land use rights and assets associated to land area of certain resort projects located in the Central of a subsidiary of the Group and a number of shares of another subsidiary held by the Company.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
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26. LOANS AND DEBTS (continued)

26.3 Corporate bonds

<i>Underwriter</i>	<i>Ending balance (VND million)</i>	<i>Maturity date</i>	<i>Interest rate</i>	<i>Collateral</i>
Vietnam Bank for Industry and Trade Securities Joint Stock Company	2,598,095	March 2022	The 12-month interest paid-in-arrears VND saving rate plus (+) 3% per annum with interest paid semi-annually	(i)
Techcom Securities Company Joint Stock Company	38,458,226	From January 2020 to February 2026	The 12-month interest paid-in-arrears VND saving rate plus (+) 2.9% to 4.5% per annum and fixed interest rate from 7.75% to 10% per annum with interest paid quarterly and semi-annually	(ii)
<i>In which: current portion</i>	21,173,677			
KB Securities Vietnam Joint Stock Company	2,787,047	From November 2021 to December 2022	The 12-month interest paid-in-arrears VND saving rate plus (+) 3.3% per annum with interest paid semi-annually	(iii)

TOTAL

43,843,368

In which:

Long-term bonds

22,669,691

Current portion of long-term bonds

21,173,677

(i) The bond is secured by land use rights and assets attached to land areas of a number of shopping malls located in the South and the Central and assets attached to the land areas of other shopping malls located in the South and the North;

(ii) These bonds are secured by an eco-tourism area and a cultural park project located in the Central; a number of hotel projects located in the Central and the South of subsidiaries of the Group; a real estate project and a number of shares of a subsidiary held by the Company and another subsidiary of the Group. The payment obligations of certain bonds are guaranteed by a trusted fund of the Asian Development Bank; and

(iii) These bonds are secured by asset rights associated to the build-transfer contract of the overhead road project along the Ring Road No.2; assets and associated rights of a functional urban area project located in the North and a number of shares of a subsidiary held by the Company.

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27. EXCHANGEABLE BONDS

Exchangeable bonds amounting to USD450 million were issued in June and October 2018 with a term of 5 years. These bonds are unsecured and bear interest at a fixed rate of 3.5% per annum.

Management assesses that there is no equity component in these exchangeable bonds (since there is not known fixed number of shares to be exchanged) and as a result, has recognised the entire exchangeable bonds as long-term debts.

Following the terms of these exchangeable bonds, the bondholders have the right to exchange the bonds into ordinary shares of the Company at the price which is subject to adjustments made after 12, 22, 36 and 48 months from the issuance date starting from 14 June 2019. The principal balance of these bonds as at 31 December 2019 is following:

	<i>Beginning balance</i>	<i>Movement during the year</i>			<i>Ending balance</i>
		<i>New issuance</i>	<i>Exchanged to shares</i>	<i>Due but not yet exchanged</i>	
Value (USD)	450,000,000	-	-	-	450,000,000

Currency: VND million

	<i>Current year</i>	<i>Previous year</i>
Initial recognition of exchangeable bonds	10,205,665	10,060,202
Equity component	-	-
Liability component at initial recognition	10,205,665	10,060,202
Add: Accumulated amortisation of bond issuance cost		
Beginning balance	26,113	-
Amortisation during the year	55,800	26,113
Ending balance	81,913	26,113
Add: Unrealised foreign exchange (gain)/loss arising from revaluation	(2,250)	119,350
Liability component at the end of the year	10,259,215	10,205,665

28. PROVISIONS

Currency: VND million

	<i>Ending balance</i>	<i>Beginning balance</i>
Short-term:		
Warranty provision	242,220	215,965
Others	6,114	10,012
TOTAL	248,334	225,977
Long-term:		
Warranty provision	164,873	91,761
Others	17,191	32,348
TOTAL	182,064	124,109

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
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29. OWNERS' EQUITY

29.1 Increase and decrease in owners' equity

Currency: VND million

<i>Previous year</i>	<i>Issued share capital</i>	<i>Share premium</i>	<i>Other owners' capital</i>	<i>Treasury shares</i>	<i>Other funds belonging to owner's equity</i>	<i>Undistributed earnings</i>	<i>Non-controlling interest</i>	<i>Total</i>
Beginning balance	26,377,079	2,651,165	-	(2,974,924)	37,845	5,583,085	20,882,760	52,557,010
· Issuance of preference shares	840,000	8,276,981	-	-	-	-	-	9,116,981
· Net profit for the year (Restated)	-	-	-	-	-	3,823,739	2,414,154	6,237,893
· Distribution to other funds	-	-	-	-	5,000	(5,000)	-	-
· Stock dividends	5,539,133	-	7,235,206	-	-	(12,774,339)	-	-
· Acquisition of new subsidiaries	-	-	-	-	-	-	-	-
· (Restated)	-	-	-	-	-	-	3,653,680	3,653,680
· Disposal of subsidiaries	-	-	-	-	-	-	(240,503)	(240,503)
· Change of equity interest in existing subsidiaries without loss of control	-	514,755	-	-	-	8,515,523	4,247,919	13,278,197
· Capital contribution by non-controlling interest	-	-	-	-	-	-	15,786,278	15,786,278
· Dividend declared to non-controlling interest	-	-	-	-	-	-	(1,222,822)	(1,222,822)
Ending balance (Restated)	32,756,212	11,442,901	7,235,206	(2,974,924)	42,845	5,143,008	45,521,466	99,166,714

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29. OWNERS' EQUITY (continued)

29.1 Increase and decrease in owners' equity (continued)

Currency: VND million

Current year	Issued share capital	Share premium	Other owner's capital	Treasury shares	Exchange rate differences	Other funds belonging to owner's equity	Undistributed earnings	Non-controlling interest	Total
Beginning balance (Restated)	32,756,212	11,442,901	7,235,206	(2,974,924)	-	42,845	5,143,008	45,521,466	99,166,714
- Share issuance (i)	1,552,928	15,505,305	-	-	-	-	-	-	17,058,233
- Reissuance of treasury shares (i)	-	3,316,770	-	690,865	-	-	-	1,672,306	5,679,941
- Net profit for the year	-	-	-	-	-	-	7,545,915	170,698	7,716,613
- Distribution to other funds	-	-	-	-	-	10,000	(7,847)	(2,153)	-
- Acquisition of new subsidiaries	-	-	-	-	-	-	-	483,660	483,660
- Disposal of subsidiaries	-	-	-	-	-	-	(1,722,598)	(1,469,197)	(3,191,795)
- Change of equity interest in existing subsidiaries without loss of control (ii)	-	3,731,392	-	-	-	-	(3,731,961)	5,166,823	5,166,254
- Repurchase of subsidiaries' shares by these subsidiaries (iii)	-	-	-	-	-	-	(4,106,759)	(3,397,428)	(7,504,187)
- Capital contribution by non-controlling interest (iv)	-	-	-	-	-	-	-	1,417,968	1,417,968
- Dividend declared to non-controlling interest (v)	-	-	-	-	-	-	-	(2,193,685)	(2,193,685)
- Decrease in preference shares of subsidiaries (vi)	-	-	-	-	-	-	-	(3,093,749)	(3,093,749)
- Others	-	-	-	-	(11,784)	-	-	(105,594)	(117,378)
Ending balance	34,309,140	33,996,368	7,235,206	(2,284,059)	(11,784)	52,845	3,119,758	44,171,115	120,588,589

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

29. OWNERS' EQUITY (continued)

29.1 Increase and decrease in owners' equity (continued)

- (i) On 25 March 2019, the General Shareholders of the Company approved the Resolution No. 01/2019/NQ-DHDCD-VINGROUP on the plan of private offering. On 16 May 2019, the Company privately issued 154,314,159 ordinary shares and transferred 51,438,053 shares of the Company held by Vincommerce JSC, a subsidiary of the Group up to 31 December 2019, to SK Investment Vina. II PTE. LTD ("the Investor"). Thereby, the Company collected VND22,755 billion (net of issuance cost) after this transaction. The Investor has the pre-emptive right, together with the Company, to buy or invest in certain qualified companies in accordance with agreements signed between the Investor and the Company;

According to the conversion notice of preference shareholders dated 4 October 2019 followed by the Resolution No. 07/2019/NQ-DHDCD-VINGROUP of the Company's General Shareholders Meeting on 30 October 2019, preference shareholders converted a portion of preference shares into ordinary shares of the Company on 2 December 2019; and

During the year, a subsidiary completed its demerger, as a result, 16,667,411 treasury shares representing the non-controlling interest in such subsidiary are presented as a deduction to treasury shares of the Group;

- (ii) Transactions resulting in change of equity interest in existing subsidiaries without loss of control mainly include:

- ▶ Transfer of 81.51% và acquisition of 99.21% voting shares in Vinpearl Joint Stock Company ("Vinpearl JSC") between subsidiaries within the Group;
- ▶ Acquisition of 100% equity interest in Vinpro Business and Trading Service LLC between subsidiaries within the Group;
- ▶ Transfer of 10% voting shares in Vinsmart Joint Stock Company ("Vinsmart JSC") to counterparties;
- ▶ Transfer of 29% voting shares in OnelD Joint Stock Company (previously known as VinID Joint Stock Company) ("OnelD JSC") to a counterparty; and
- ▶ Acquisition and transfer of 16.26% voting shares in VCM Services and Trading Development Joint Stock Company ("VCM JSC") to counterparties.

The accumulated impact of these transactions results in a decrease in the undistributed earnings in the consolidated balance sheet.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

29. OWNERS' EQUITY (continued)

29.1 Increase and decrease in owners' equity (continued)

- (iii) Acquisition of 60 million shares issued by Vinhomes Joint Stock Company ("Vinhomes JSC") and 56.5 million shares issued by Vincom Retail Joint Stock Company ("Vincom Retail JSC") for total consideration of VND5,550 billion and VND1,954 billion respectively;
- (iv) The increase mainly includes additional capital contribution by non-controlling interest to OneID JSC and Vinsmart JSC;
- (v) Dividends declared to non-controlling interest in the year mainly include cash dividend paid by Vincom Retail JSC, Vinhomes JSC and Vietnam Investment JSC to non-controlling interest of these companies; and
- (vi) In 2019, Vinpearl JSC repurchased its entire number of preference shares owned by Continental Pacific Investment Co., Ltd at consideration of VND3,094 billion.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

29. OWNERS' EQUITY (continued)

29.2 Contributed share capital

Currency: VND million

	Ending balance			Beginning balance		
	Total	Ordinary shares	Preference shares	Total	Ordinary shares	Preference shares
Issued share capital	34,309,140	33,685,755	623,385	32,756,212	31,916,212	840,000
Share premium	33,996,368	25,729,173	8,267,195	11,442,901	3,165,920	8,276,981
Treasury shares	(2,284,059)	(2,284,059)	-	(2,974,924)	(2,974,924)	-
TOTAL	66,021,449	57,130,869	8,890,580	41,224,189	32,107,208	9,116,981

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

29. OWNERS' EQUITY (continued)

29.3 Capital transactions with owners

	Currency: VND million	
	Current year	Previous year
Issued share capital		
Beginning balance	32,756,212	26,377,079
Increase	1,552,928	840,000
Stock dividends	-	5,539,133
Ending balance	34,309,140	32,756,212

29.4 Dividends

	Currency: VND million	
	Current year	Previous year
Dividend declared and paid during the year	-	5,539,133
Stock dividend per ordinary share in 2018: 1,000:210	-	5,539,133
Dividends declared after the date of reporting year and not yet recognised as liability as at the 31 December	-	-

29.5 Ordinary shares and preference shares

	Shares	
	Ending balance	Beginning balance
Authorised shares	3,430,914,022	3,275,621,230
Issued shares	3,430,914,022	3,275,621,230
Ordinary shares	3,368,575,556	3,191,621,230
Preference shares	62,338,466	84,000,000
Shares in circulation	3,280,143,542	3,056,745,286
Ordinary shares	3,217,805,076	2,972,745,286
Preference shares	62,338,466	84,000,000
Treasury shares	150,770,480	218,875,944
Ordinary shares	150,770,480	218,875,944

The par value of outstanding share: VND10,000 per share (2018: VND10,000 per share).

Preference shares are not entitled to vote, restricted for transfer within one year and convertible into ordinary shares of the Company at the conversion price specified in the contract at any time after the issuance date. The Company has the right to redeem a portion or entire of these preference shares during a period of 5.5 years to 6.5 years from the issuance date.

29.6 Treasury shares

As at 31 December 2019, the number of shares of the Company held by subsidiaries is 150,770,480 shares, of which 6,200,000 shares are used as collateral for a loan of a corporate counterparty of the Group.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

30. REVENUES

30.1 Revenue from sale of goods and rendering of services

Currency: VND million		
	Current year	Previous year
Gross revenue	130,161,398	121,971,751
In which:		
Sale of inventory properties	64,504,850	83,271,632
Sale of goods in supermarkets, convenience stores and retail outlets	29,743,388	19,333,129
Manufacturing activities	9,259,382	567,185
Rendering of hotel services, amusement park services and related services	8,555,321	7,409,514
Leasing activities and rendering related services	6,791,611	5,558,631
Rendering of hospital services and related services	3,025,286	2,630,637
Rendering of education services and related services	2,063,081	1,449,885
Others	6,218,479	1,751,138
Less sales deduction	(125,384)	(77,350)
Net revenue	130,036,014	121,894,401
In which:		
Sale of inventory properties	64,504,850	83,271,632
Sale of goods in supermarkets, convenience stores and retail outlets	29,702,243	19,325,680
Manufacturing activities	9,201,038	556,462
Rendering of hotel services, amusement park services and related services	8,548,983	7,366,496
Leasing activities and rendering related services	6,791,611	5,558,631
Rendering of hospital services and related services	3,025,286	2,630,637
Rendering of education services and related services	2,063,081	1,449,885
Others	6,198,922	1,734,978
In which:		
Sale to others	125,223,288	121,064,868
Sale to related parties (Note 37)	4,812,726	829,533

30.2 Revenue and expense relating to investment properties

Currency: VND million		
	Current year	Previous year
Rental income from investment properties	6,342,763	5,125,711
Direct operating expenses of investment properties that generated rental income during the year	(2,725,857)	(2,323,016)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended**30. REVENUES (continued)****30.3 Finance income**

Currency: VND million

	Current year	Previous year
Gains from disposal of subsidiaries and other investments (i)	11,299,238	5,211,088
Interest income from loans and deposits	2,475,618	1,907,203
Others	226,033	360,259
TOTAL	14,000,889	7,478,550

(i) Mainly includes gains from disposal of subsidiaries with loss of control (Note 4).

31. COST OF GOODS SOLD AND SERVICES RENDERED

Currency: VND million

	Current year	Previous year (Restated)
Inventory properties sold	29,986,659	58,123,335
Goods sold in supermarkets, convenience stores and retail outlets	25,519,168	17,275,724
Manufacturing activities	14,239,688	802,017
Rendering of hotel services, amusement park services and related services	8,904,029	8,596,421
Leasing activities and rendering related services	3,138,052	2,720,446
Rendering of hospital services and related services	2,965,732	2,698,670
Rendering of education services and related services	1,754,895	1,369,404
Others	5,976,574	1,357,709
TOTAL	92,484,797	92,943,726

32. FINANCE EXPENSES

Currency: VND million

	Current year	Previous year
Interest expenses	7,147,357	3,939,282
Issuance costs	377,825	344,083
Foreign exchange losses	151,244	252,532
Loss from revaluation of investment at its fair value	-	250,054
Others	504,945	122,999
TOTAL	8,181,371	4,908,950

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended**33. SELLING EXPENSES AND GENERAL AND ADMINISTRATIVE EXPENSES**

	Currency: VND million	
	Current year	Previous year
Selling expenses		
- External service expenses	7,651,830	6,208,932
- Labour costs	4,596,982	2,656,343
- Depreciation and amortisation of fixed assets	1,041,151	773,205
- Others	958,485	473,809
TOTAL	14,248,448	10,112,289
General and administrative expenses		
- Labour costs	5,002,408	2,325,634
- External service expenses	2,750,953	1,959,497
- Depreciation and amortisation of fixed assets and goodwill	2,006,510	1,399,114
- Subsidy and charity expenses	1,284,513	400,848
- Tax and other fees	430,963	200,236
- Others	1,202,091	1,082,510
TOTAL	12,677,438	7,367,839

34. OTHER INCOME AND EXPENSES

	Currency: VND million	
	Current year	Previous year (Restated)
Other income	832,187	778,971
Disposal of fixed assets	99,598	227,184
Penalty received	176,005	255,177
Others	556,584	296,610
Other expenses	951,169	493,550
Disposal of fixed assets	320,337	196,281
Penalty paid	275,002	181,467
Others	355,830	115,802
NET OTHER (LOSS)/PROFIT	(118,982)	285,421

35. PRODUCTION AND OPERATING COSTS

	Currency: VND million	
	Current year	Previous year
Development costs of inventory properties	52,004,001	50,295,269
Raw materials	21,297,152	4,233,450
External service expenses	19,166,515	9,670,660
Labour costs	16,542,696	10,000,782
Depreciation and amortisation	8,337,680	5,155,271
Others (excluding finance expenses)	7,098,920	5,580,138
TOTAL	124,446,964	84,935,570

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

36. CORPORATE INCOME TAX

The current statutory corporate income tax ("CIT") rate applicable to the Group and its subsidiaries is 20%, except for the following entities:

- ▶ Vinmec JSC and Vinschool LLC (for income from social service activities) apply the incentive tax rate of 10%;
- ▶ Some subsidiaries operating in the agricultural sector apply the incentive tax rate of 15% for agricultural activities;
- ▶ Some projects of Vinpearl JSC - Nha Trang Branch apply the incentive tax rate of 10% in the first 15 years commencing from the first year in which revenue is generated, and CIT exemption for 4 years commencing from the first year in which taxable profit is earned (or commencing from the fourth year from the first year in which revenue is generated if no taxable profit is earned for the first 3 years), and a 50% reduction of CIT for the subsequent 9 years for projects in Hon Tre island; and
- ▶ Vinfast LLC, Vinsmart JSC and certain subsidiaries operating in technology business apply the incentive tax rate of 10% in the first 15 years commencing from the first year in which revenue is generated, CIT exemption for 4 years commencing from the first year making taxable profit is earned (or commencing from the fourth year from the first year in which revenue is generated if no taxable profit is earned for the first 3 years), and a 50% reduction of CIT for the subsequent 9 years for manufacturing activities.

The tax returns filed by the Company and its subsidiaries are subject to examination by the tax authorities. As the application of tax laws and regulations is susceptible to varying interpretations, the amounts reported in the consolidated financial statements could be changed at a later date upon final determination by the tax authorities.

36.1 CIT Expenses

Currency: VND million

	Current year	Previous year
Current tax expenses	8,286,824	7,273,130
Deferred tax (income)/expenses	(366,013)	389,626
TOTAL	7,920,811	7,662,756

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended**36. CORPORATE INCOME TAX (continued)****36.1 CIT expenses (continued)**

Reconciliation between CIT expenses and the accounting profit multiplied by applicable CIT rate is presented below:

	<i>Currency: VND million</i>	
	<i>Current year</i>	<i>Previous year (Restated)</i>
Accounting profit before tax	15,637,424	13,900,649
At CIT rate applied to the Company and its subsidiaries	3,127,485	2,780,130
<i>Increases:</i>		
Gain/loss from equity transactions in the consolidated financial statements	1,416,923	2,529,887
Losses of subsidiaries	2,469,517	989,609
Goodwill allocation in the consolidated financial statements	232,498	179,003
Losses ineligible for offsetting against taxable income	54,673	318,076
Others	2,103,038	558,298
<i>Decreases:</i>		
Income/expenses from equity transactions in the consolidated financial statements resulting from acquisitions of group of assets and business combination	(490,691)	1,850,886
Tax losses carried forward	(603,781)	(1,306,555)
Reversal of provisions for investments in subsidiaries	(385,351)	(188,042)
Dividend income	(3,500)	(48,536)
Estimated CIT expenses	7,920,811	7,662,756

36.2 Current tax

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

36. CORPORATE INCOME TAX (continued)

36.3 Deferred tax

	Currency: VND million		
	Consolidated balance sheet		Consolidated income statement
	Ending balance	Beginning balance	Current year Previous year
Deferred tax assets			
Unrealised profit from inter-company transactions within the Group	57,772	158,011	(12,495) (57,525)
Selling expenses allowable for capitalisation for tax purpose during the year	214,203	71,262	142,940 36,115
Fair value adjustments from merger of subsidiaries	68,205	158,904	(90,699) 160,172
Others	305,313	226,050	(26,831) 148,326
Deferred tax liabilities			
Fair value adjustments from acquisition of subsidiaries	(466,107)	(801,336)	335,228 (680,347)
Others	(3,916)	(23,324)	17,870 3,633
Net deferred tax assets/(liabilities)	175,470	(210,433)	
Net deferred tax credit/(charged) to the consolidated income statement			366,013 (389,626)
<i>Presented on the consolidated balance sheet</i>			
Deferred tax assets	645,493	614,227	
Deferred tax liabilities	(470,023)	(824,660)	
Net deferred tax assets/(liabilities)	175,470	(210,433)	

36.4 Unrecognised deferred tax

Loss carry forward from previous year

The Group is entitled to carry each individual tax loss forward to offset against taxable profits arising within five years subsequent to the year in which the loss was incurred. At the balance sheet date, the Group had aggregated accumulated tax losses of VND19,699 billion available for offset against future taxable profits (31 December 2018: VND10,530 billion). These are estimated accumulated tax losses as per the CIT declarations of Company and its subsidiaries, which have not been finalised by the local tax authorities as of the date of these consolidated financial statements. No deferred tax assets have been recognised in respect of these accumulated tax losses because future taxable profit cannot be ascertained at this stage.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
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37. TRANSACTIONS WITH RELATED PARTIES

Significant transactions with related parties in current year and prior year were as follows:

Related parties	Relationship	Transactions	Currency: VND million	
			Current year	Previous year
Kind Heart Foundation	Under common owners	Charity expenses incurred during the year	1,200,000	180,000
		Cash transferred to Kind Heart Foundation	180,000	1,494,612
		Receivables from rendering hospital services	153,576	505,394
		Collection from rendering hospital services	258,724	538,244
		Cash collection from Kind Heart Foundation	1,134,000	360,612
Phu Quoc Tourism JSC	Associate	Receivables from rendering general contractor management service	4,567,438	-
		Cash collection under business co-operation contract	249,112	700,000
		Receivables from selling goods and rendering services	124,206	120,715
		Gains from rendering general contractor management service	-	86,695
		Payment for deductible value-added tax collected on behalf	-	299,917
		Income from disposal of asset for associates	-	201,032
		Payables for purchase of assets	-	441,432
		Cash paid for purchasing assets	441,432	-
		Payables for office rental and lunch meal to employees	66,778	75,424
		Receivables from selling goods and rendering services	44,791	38,343
Vietnam Investment Group JSC	Under common owners	Capital contribution in cash	74,000	-
Vinfast-An Phat Plastic Auto Part Company Limited	Jointly controlled entity	Capital contribution in cash	-	-
Vinfast Lithium Battery Pack LLC	Jointly controlled entity	Receivables from disposal of assets	188,906	-
		Cash received from disposal of assets	403,988	-
			205,399	-
Hon Mot Tourism JSC	The legal representative of company is a key management personnel of the subsidiary	Gain from disposal of a subsidiary	-	2,041,191
Other individuals	Key management personnel	Receivables from transferring shares of subsidiaries	-	85,671

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended**37. TRANSACTIONS WITH RELATED PARTIES (continued)***Terms and conditions of transactions with related parties:*

During the year, the Group sold/purchased goods and services to/from related parties based on the price stated in contracts.

During the year, the Group has not made provision for doubtful debts relating to amounts due from related parties (31 December 2018: nil). This assessment is undertaken each financial year through the examination of the financial position of the related parties and the market in which the related parties operate.

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

Currency: VND million

<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>Ending balance</i>	<i>Beginning balance</i>
Short-term trade receivables (Note 7.1)				
Kind Heart Foundation	Under common owners	Receivables from rendering hospital service	23,501	128,649
Phu Quoc Tourism JSC	Associate	Receivables from selling goods, rendering advisory services and general contractor management service	4,567,438	117,311
Vinfast Lithium Battery Pack LLC	Jointly controlled entity	Receivables from disposal of assets	198,589	-
Other related parties	Under common owners and key management personnel	Other receivables	-	10,343
			4,789,528	256,303
Other receivables (Note 9)				
Phu Quoc Tourism JSC	Associate	Receivables from shared profit under business co-operation contract	-	249,112
Kind Heart Foundation	Under common owners	Receivables from payment on behalf	-	1,134,000
			-	1,383,112
Short-term trade payables (Note 21.1)				
Phu Quoc Tourism JSC	Associate	Payables for purchase of assets	-	441,432
Other related parties	Under common owners and key management personnel	Payables for goods and service	168	2,115
			168	443,547

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

37. TRANSACTIONS WITH RELATED PARTIES (continued)

Currency: VND million

<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>Ending balance</i>	<i>Beginning balance</i>
Unearned revenue (Note 24)				
Phu Quoc Tourism JSC	Associate	Unearned revenue from disposal of fixed assets and rendering services	769,867	774,490
			<u>769,867</u>	<u>774,490</u>
Other short-term payables (Note 25)				
Kind Heart Foundation	Under common owners	Charity expense payables	1,200,000	180,000
			<u>1,200,000</u>	<u>180,000</u>

Transactions with other related parties

Remuneration to members of the Board of Directors and the management of the Company:

Currency: VND million

	<i>Current year</i>	<i>Previous year</i>
Salaries and bonus	46,723	55,253
TOTAL	<u>46,723</u>	<u>55,253</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

38. EARNINGS PER SHARE

Basic earnings per share amounts are calculated by dividing net profit/(loss) after tax for the year attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the net profit/(loss) after tax attributable to ordinary shareholders of the Group (after adjusting for dividend on the convertible preference shares) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

The following reflects the income and share data used in the basic and diluted earnings per share computations:

	Currency: VND million	
	Current year	Previous year (Restated)
Net profit after tax attributable to ordinary shareholders	7,545,915	3,823,739
Distribution to bonus and welfare fund	-	-
Net profit after tax attributable to ordinary shareholders for basic earnings	7,545,915	3,823,739
Dividend of convertible preference shares	-	-
Net profit attributable to ordinary shareholders adjusted for the effect of dilution	7,545,915	3,823,739

	Unit: shares	
	Current year	Previous year
Weighted average number of ordinary shares (excluding treasury shares) for basic earnings per share	3,101,191,565	2,972,745,653
Effect of dilution due to:		
Convertible preference shares	65,154,820	31,750,516
Weighted average number of ordinary shares (excluding treasury shares) adjusted for the effect of dilution	3,166,346,385	3,004,496,169

	Currency: VND	
	Current year	Previous year (Restated)
Basic earnings per share (*)	2,433	1,286
Diluted earnings per share (*)	2,383	1,273

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

38. EARNINGS PER SHARE (continued)

There are exchangeable bonds issued by Vinpearl JSC, a subsidiary, which could potentially dilute basic earnings per share in future but were not included in the calculation of diluted earnings per share because they are anti-dilutive for the current year.

The convertible preference shares issued by the Company are assumed to be converted which dilute basis earnings per share for current year. Preference shares are not entitled to vote, are restricted for transfer within one year and have the right to convert into ordinary shares of the Company at the conversion price specified in the contract at any time after the issuance date.

39. COMMITMENTS AND CONTINGENCIES

Capital expenditure commitments relating to on-going real estate projects

The Group has entered into number of contracts relating to the development of certain real estate projects and other operating activities of the Group. The remaining commitment on these contracts as at 31 December 2019 is approximately VND27,497 billion (as at 31 December 2018: VND37,007 billion).

The Group has signed Build-Transfer contracts with the State authorities to commit on investment cost of the new administration centre project in Thanh Hoa city, the overhead road project along the Ring Road No.2 from Vinh Tuy bridge to Nga Tu So, the park and eco-lake located at the southern and extended northern areas of Mai Dich Cemetery, Hanoi, and the park and eco-lake located at the land lot CV1, Cau Giay urban area, Hanoi).

Commitment under operating leases where the Group is a lessor

The Group, as lessor, lets out office, retail, factories and mixed-use spaces under operating lease agreements. The future minimum rental receivables under these agreements are as follows:

	<i>Currency: VND million</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Less than 1 year	5,164,395	3,307,861
From 1-5 years	9,472,514	6,671,942
More than 5 years	7,375,359	5,972,336
TOTAL	22,012,268	15,952,139

Under the business co-operation contract signed between certain subsidiaries of the Group and Thien Huong Investment JSC ("Thien Huong JSC") regarding the school operation in Vinhomes Riverside and Vinhomes Royal City projects, the Group is entitled to the share of Thien Huong JSC's revenue, which is equal to 15% of revenue and can be adjusted according to the business co-operation contract. The duration of the business co-operation contract is from February 2012 to the end of August 2043.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

39. COMMITMENTS AND CONTINGENCIES (continued)

Commitment under operating leases where the Group is a lessee

The Group, as lessee, entered into certain operating lease agreements with the minimum lease commitments under these agreements are as follows:

	<i>Currency: VND million</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Less than 1 year	234,035	1,052,542
From 1-5 years	891,656	2,960,626
More than 5 years	9,500,088	6,347,223
TOTAL	10,625,779	10,360,391

Other commitments

Commitment under the contract to purchase shares of VEFAC JSC

According to the Share Transfer Contract for strategic investor signed between the Company and VEFAC One Member LLC dated 13 March 2015, the Company committed to raising 100% financing sources for the development of National Exhibition Center Project following the approved master plan.

Commitment under the contract to purchase shares of Berjaya VFC LLC

According to the capital transfer contract between Vinhomes JSC, a subsidiary, and a corporate counterparty signed on 25 May 2018, Vinhomes JSC and Can Gio JSC commit to purchase 32.5% charter capital of Berjaya VFC LLC. The remaining commitment of this contract as at 31 December 2019 is VND503.7 billion.

Commitment related to acquire of shares in a real estate project

On 25 June 2019, Metropolis LLC, a subsidiary, entered into a co-operation contract with corporate counterparties for developing a real estate project. Accordingly, Metropolis LLC deposited to a counterparty for acquiring shares of this counterparty in the project. The remaining commitment of this contract as at 31 December 2019 is VND172.5 billion.

Commitment related to the business co-operation for a potential real estate project in Hanoi

Under the business co-operation contract dated 23 November 2017 between Royal City JSC and a corporate counterparty, Royal City JSC commits to contributing 100% investment capital in a potential real estate project in Hanoi. The total estimated investment capital is VND790 billion. The remaining commitment of this agreement as at 31 December 2019 is VND782 billion.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
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39. COMMITMENTS AND CONTINGENCIES (continued)

Other commitments (continued)

Guarantee for payment obligation of bonds issued by Phu Quoc Tourism JSC, an associate of the Group

Under guarantee agreements signed among Phu Quoc Tourism JSC, Techcom Securities Joint Stock Company and Vinpearl JSC, a subsidiary, Vinpearl JSC commits to guarantee payment obligations of Phu Quoc Tourism JSC relating to certain secured bonds issued by this company.

Commitments related to future loans relating to credit line contracts

In accordance with a number of credit line contracts signed among the Group, a number of subsidiaries and commercial banks, the Group commits to use inventories and a number of shares of subsidiaries held by the Company to secure for these contracts. As at 31 December 2019, the Group did not incur any outstanding balance arising from these credit line contracts.

Guarantee payment obligations under loan contracts of Vincommerce JSC and VinEco LLC

On 31 December 2019, the Group commits to guarantee payment obligations under certain loan contracts of Vincommerce JSC and VinEco LLC. The guarantee limit as at 31 December 2019 is VND3,500 billion. Simultaneously, the Group uses certain shares of a listed company, hospital facilities and equipment machineries in some hospital projects of a subsidiary as collaterals for these obligations.

Commitments related to business co-operation and leasing contracts of South Vincom Retail LLC

Under the business co-operation contract and lease contracts of a number of shopping malls between South Vincom Retail LLC, a subsidiary, and corporate counterparties in Dong Nai and Ho Chi Minh City, South Vincom Retail LLC commits to transferring buildings and fixed equipment attached to the existing structures to the lessors or these counterparties without any additional conditions at the end of contract terms.

Commitment related to transferring a certain part of Vincom Ba Trieu Tower A&B

On 31 July 2006, the Company had transferred certain parts of the Vincom City Towers to a corporate counterparty. According to the Transfer Agreement, the Group has committed to transferring the ownership of the following investment properties to this corporate counterparty on 20 July 2052:

- ▶ The ownership of half of the commercial area (from 1st floor to 6th floor of Vincom City Towers ("the towers"), except for the reception and elevator waiting area of 160m² on the 1st floor); and
- ▶ The ownership of half of the basement No.1 and basement No.2 of the towers.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

39. COMMITMENTS AND CONTINGENCIES (continued)

Other commitments (continued)

Commitments under interest support agreements to buyers of apartments, villas at the Group's projects

According to three-party interest support agreements among the investors, buyers of the inventory properties of the Group's projects and certain banks, the investors commit to supporting the buyers in settling the interest in committed period in accordance with loan contracts signed between buyers and these banks.

Commitments related to program of management and properties leasing services

The Group provided management and leasing services to customers who bought villas and condotels at real estate projects of Vinpearl JSC and South Vincom Retail LLC. Accordingly, for the first 10 years from the date of villas being handed over and for the first 5 years from the date of the condotels being handed over, customers are guaranteed to receive committed profit under signed agreements between customers and these entities.

Commitments related to a co-operation contract of Grand Prix LLC

A subsidiary of the Group has signed a co-operation contract with a corporate counterparty relating to organisation of F1 racing championship in Hanoi, Vietnam. Accordingly, Grand Prix LLC commits to pay a fixed annual fee for the period from 2020 to 2024, and a fee that is subject to negotiation between two parties to be made before 30 June 2023 for the period from 2025 to 2029.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

40. SEGMENT INFORMATION

For the management purpose, the operating businesses are organised and managed separately according to the nature of the products and services provided, and consist of business segments as follows:

- Sales of inventory properties: including developing and trading properties at real estate projects of the Group as well as other investment activities in real estate sector;
- Leasing investment properties and related services: including leasing of office and retail areas and rendering related services at investment properties owned by the Group;
- Hospitality, entertainment and related services: including provision of hotel and related services at the hotels and resorts owned by the Group;
- Health care and related services: including provision of health care and related services at Vinmec International General Hospitals;
- Education and related services: including provision of education and related services at Vinschool system of the Group;
- Retail services: including provision of retailing and supermarket, convenience stores and retail outlets;
- Manufacturing activities: including manufacturing and trading automotive vehicles, mobile phones and other related products; and
- Others: including provision of construction services, security services, agriculture and other services.

The Group monitors each segment's performance for the purpose of making decisions on resource allocation and performance assessment. The performance of each segment is assessed based on profit and loss and is determined in a consistent manner with the Group's profit and loss on the consolidated financial statements. However, the Group's financing activities (including financial expenses and financial revenue) are monitored on a centralised basis and not allocated to segment.

Transaction price between segments are determined on the basis of the same contractual agreement as transactions with third parties. Revenue, costs and profit/loss of the segment include transactions between segments. These transactions are eliminated in the consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

40. SEGMENT INFORMATION (continued)

The following tables present revenue and profit and certain asset and liability information regarding the Group's business segment as at 31 December 2019 and for the year then ended:

Currency: VND million

	Sale of inventory properties	Leasing investment properties and related services	Hospitality, entertainment and other services	Health care and related services	Education and related services	Retail services	Manufacturing activities and related services	Others	Adjustment and elimination	Total
Net revenue										
Net sales to external customers	64,504,850	6,791,611	8,548,983	3,025,286	2,063,081	29,702,243	9,201,038	6,198,922	-	130,036,014
Net inter-segment sales	-	1,953,489	293,748	56,185	-	2,183,218	155,617	2,757,081	(7,399,338)	-
Net total revenue	64,504,850	8,745,100	8,842,731	3,081,471	2,063,081	31,885,461	9,356,655	8,956,003	(7,399,338)	130,036,014
Results										
Depreciation and amortisation (including amortisation of goodwill)	514,567	1,624,570	1,970,875	662,694	145,688	826,945	2,307,626	284,715	-	8,337,680
Share of profit/(loss) of associates and jointly controlled entity	-	-	(758,983)	-	-	391	(12,023)	82,172	-	(688,443)
Segment net profit/(loss) before tax	28,666,021	3,442,811	(3,347,855)	(1,428,777)	(217,194)	(6,097,969)	(9,913,086)	(1,159,409)	(7,655)	9,936,887
Unallocated income										5,700,537
Assets and liabilities										
Segment assets	140,072,432	42,800,809	38,401,950	9,329,663	8,080,754	2,585,191	96,228,764	7,445,707	-	344,945,270
Unallocated assets										58,795,483
Segment liabilities	108,122,633	3,046,184	6,064,491	791,302	1,572,476	439,521	13,775,757	3,136,157	-	136,948,521
Unallocated liabilities										146,203,643
Other segment information										
Investment in associates and jointly controlled entity	-	-	1,183,665	-	-	6,340	283,424	674,039	-	2,147,468
Capital expenditure	5,730,677	5,735,740	3,654,541	1,960,640	2,466,762	651,693	45,003,618	906,234	-	66,109,905

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

40. SEGMENT INFORMATION (continued)

The following tables present revenue and profit and certain assets and liability information regarding the Group's business segment as at 31 December 2018 and for the year then ended (Restated):

	Sale of inventory properties	Leasing investment properties and related services	Hospitality, entertainment and other services	Health care and related services	Education and related services	Retail services	Manufacturing activities and related service	Others	Currency: VND million Adjustment and elimination	Total
Net revenue										
Net sales to external customers	83,271,632	5,558,631	7,366,496	2,630,637	1,449,885	19,325,680	556,462	1,734,978	-	121,894,401
Net inter-segment sales	-	1,749,774	94,631	73,855	-	1,931,530	22,640	6,089,478	(9,961,908)	-
Net total revenue	83,271,632	7,308,405	7,461,127	2,704,492	1,449,885	21,257,210	579,102	7,824,456	(9,961,908)	121,894,401
Results										
Depreciation and amortisation (including amortisation of goodwill)	982,108	1,058,729	1,561,117	512,071	98,408	749,543	52,334	140,961	-	5,155,271
Share of profit/(loss) of associates and jointly controlled entity	-	-	(467,768)	-	-	1,048	-	41,801	-	(424,919)
Segment net profit/(loss) before tax	19,251,271	2,982,818	(3,793,332)	(1,286,784)	(191,095)	(5,160,912)	(1,028,019)	179,938	(142,347)	10,811,538
Unallocated income										3,089,111
Assets and liabilities										
Segment assets	106,444,269	37,872,672	37,554,969	8,120,491	3,958,522	16,134,596	46,809,889	5,598,594	-	262,494,102
Unallocated assets										25,633,073
Segment liabilities	51,636,458	2,139,790	7,363,697	552,280	1,028,839	4,139,091	8,146,887	4,664,018	-	79,671,060
Unallocated liabilities										109,289,401
Other segment information										
Investment in associates and jointly controlled entity	-	-	1,919,308	-	-	48,836	30,000	548,242	-	2,546,386
Capital expenditure	1,073,535	5,569,839	11,199,233	1,774,893	1,078,937	751,593	30,539,631	561,803	-	52,549,464

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended**41. ADDITIONAL INFORMATION REGARDING TO THE CONSOLIDATED CASH FLOW STATEMENT**

		<i>Currency: VND million</i>	
		<i>Current year</i>	<i>Previous year</i>
Significant non-cash transactions that will have impact on the cash flow statement in the future:			
Acquisition of other company's shares by issuing shares		-	1,648,224
Transfer to payables of operating and financing activities	236,742	-	-
Actual cash received for the year:			
Cash received from normal loan agreements	54,594,979	66,379,477	
Cash received from issuance of bonds	8,651,215	20,324,421	
Cash received from issuance of exchangeable bonds	-	10,060,202	
Actual cash payment for the year:			
Cash payment for normal loan agreements	(16,482,542)	(38,517,116)	
Cash payment for principal of bonds	(9,700,000)	(4,207,584)	

42. RESTATEMENT OF CORRESPONDING FIGURES

In the consolidated financial statements for the year ended 31 December 2018, the Group was in the process of determining the fair value of identifiable assets, liabilities or contingent liabilities of General Motors Vietnam LLC at the date of acquisition and applied provisional accounting to consolidate this company. In 2019, the Group finalised the provisional accounting for this transaction. Thereby, restatement of certain corresponding figures is presented as follows:

		<i>Currency: VND million</i>		
		<i>31 December 2018 (Previously presented)</i>	<i>Restatement</i>	<i>31 December 2018 (Restated)</i>
<i>Code</i>	<i>Items</i>			
	CONSOLIDATED BALANCE SHEET			
131	Short-term trade receivables	7,594,010	(101,494)	7,492,516
137	Provision for doubtful short-term receivables	(267,437)	101,494	(165,943)
141	Inventories	55,616,902	122,632	55,739,534
227	Intangible fixed assets	819,872	87,131	907,003
269	Goodwill	4,208,459	(56,764)	4,151,695
421	Undistributed earnings	5,095,997	47,011	5,143,008
429	Non-controlling interests	45,415,478	105,988	45,521,466

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

42. RESTATEMENT OF CORRESPONDING FIGURES (continued)

Currency: VND million

Code	Items	For the year ended 31 December 2018 (Previously presented)	Restatement	For the year ended 31 December 2018 (Restated)
	CONSOLIDATED INCOME STATEMENT			
11	Cost of goods sold and services rendered	(92,971,051)	27,325	(92,943,726)
20	Gross profit from sale of goods and rendering of services	28,923,350	27,325	28,950,675
30	Operating profit	13,587,903	27,325	13,615,228
31	Other income	759,285	19,686	778,971
40	Other profit	265,735	19,686	285,421
50	Accounting profit before tax	13,853,638	47,011	13,900,649
60	Net profit after tax	6,190,882	47,011	6,237,893
61	Net profit after tax attributable to shareholders of the parent	3,776,728	47,011	3,823,739

Currency: VND

Code	Items	For the year ended 31 December 2018 (Previously presented)	Restatement	For the year ended 31 December 2018 (Restated)
	CONSOLIDATED INCOME STATEMENT			
70	Basic earnings per share	1,270	16	1,286
71	Diluted earnings per share	1,257	16	1,273

Currency: VND million

Code	Items	For the year ended 31 December 2018 (Previously presented)	Restatement	For the year ended 31 December 2018 (Restated)
	CONSOLIDATED CASH FLOW STATEMENT			
01	Accounting profit before tax	13,853,638	47,011	13,900,649
05	Profits from investing activities	(6,683,400)	(19,686)	(6,703,086)
08	Operating profit before changes in working capital	17,042,572	27,325	17,069,897
10	Decrease in inventories	4,875,332	(27,325)	4,848,007

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

43. OFF BALANCE SHEET ITEMS

Details of foreign currencies:

	<i>Ending balance</i>	<i>Beginning balance</i>
Foreign currencies:		
- United States dollar	4,179,721	81,442,888
- Australian dollar	3,388	4,050
- Singapore dollar	5,460	100
- Hong Kong dollar	-	1,000
- Euro	12,080,343	6
- Korean Won	349,342,638	67,000
- Japanese Yen	315,789	414,000
- Thai Baht	-	8,920
- Sterling	911	440
- Russian Ruble	3,305,341	-

Details of overdue receivables which have been written off as management assesses that these receivables are irrecoverable:

	<i>Currency: VND million</i>			
	<i>Ending balance</i>		<i>Beginning balance</i>	
<i>Debtor</i>	<i>Cost</i>	<i>Recoverable amount</i>	<i>Cost</i>	<i>Recoverable amount</i>
Continuum Power Solutions	29,291	29,291	-	-
Ocean Group JSC	22,000	22,000	22,000	22,000
Others	3,468	3,468	3,468	3,468

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended**44. EVENTS AFTER THE BALANCE SHEET DATE**

Except for the events after the balance sheet date as presented in other notes of the consolidated financial statements, the Group also has following events after the balance sheet date:

On 10 January 2020, Green City JSC, a subsidiary, signed a deposit agreement with counterparties for acquiring shares of a real estate company with total deposit amount of VND1,800 billion.

In January 2020, a subsidiary of the Group issued an additional number of bonds arranged by Techcom Securities Joint Stock Company with total amount of VND4,738 billion. These bonds are unsecured and mature in December 2022.

In January 2020, the Company issued additional 13,855,034 shares to exchange for the entire shares of Sai Dong JSC, a subsidiary, owned by non-controlling shareholders resulting an increase in equity interest held by the Company in this company to 100%.

In March 2020, the Group completed the acquisition of 10,000,000 shares representing 100% ownership of Huong Hai Quang Ngai Joint Stock Company ("Huong Hai Quang Ngai JSC") from counterparties with total consideration of VND450 billion. Accordingly, Huong Hai Quang Ngai JSC became a subsidiary of the Group.

In February 2020, the Prime Minister of the Socialist Republic of Vietnam officially announced a pandemic of acute respiratory infections caused by Coronavirus (Covid-19). Since then, the complication of the Covid-19 situation has significantly affected the production and business activities for most of the Group's subsidiaries. Therefore, due to the Covid-19 Pandemic, the Group's subsidiaries have performed certain activities to remedy the situation as follows:

- ▶ On 5 March 2020, Vinpearl JSC announced a temporary closure of some operating hotels for the purpose of maintenance;
- ▶ On 5 March 2020, Vincom Retail JSC announced a support package amounting to VND300 billion to support tenants renting spaces in its entire operating system; and
- ▶ On 13 March 2020, Grand Prix LLC, a subsidiary, announced the suspension of holding F1 Racing Championship of which this company is the organiser until the subsequent notice.

The Group has developed a general solution in order to cut costs and streamline its business operations during the Covid-19 Pandemic event. The Group is in the progress of making assessment over the financial impact of Covid-19 Pandemic on its business operation in 2020.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

44. EVENTS AFTER THE BALANCE SHEET DATE (continued)

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



Van Thi Hai Ha
Preparer



Nguyen Thi Thu Hien
Chief Accountant



Mai Huong Noi
Deputy Chief Executive Officer

Hanoi, Vietnam

30 March 2020

Vingroup Joint Stock Company

APPENDIX 1 – LIST OF SUBSIDIARIES AS AT 31 DECEMBER 2019

No.	Full name	Short name	Voting right (%) (*)	Equity interest (%)	Registered office's address	Principal activities
1	Vincom Retail JSC	Vincom Retail JSC	60.33	56.86	Vinhomes Riverside ⁽¹⁾	Investing, developing and trading real estate properties and leasing real estate properties
2	South Vincom Retail LLC	South Vincom Retail LLC	100.00	56.86	No.72, Le Thanh Ton street and No.45A Ly Tu Trong street, Ben Nghe ward, district 1, Ho Chi Minh city, Vietnam	Investing, developing and trading real estate properties and leasing real estate properties
3	North Vincom Retail LLC	North Vincom Retail LLC	100.00	56.86	No.72A, Nguyen Trai street, Thuong Dinh ward, Thanh Xuan district, Hanoi, Vietnam	Investing, developing and trading real estate properties and leasing real estate properties
4	Suoi Hoa Construction and Investment JSC	Suoi Hoa JSC	97.27	55.31	Km1 + 200, Tran Hung Dao street, Suoi Hoa ward, Bac Ninh city, Bac Ninh province, Vietnam	Investing, developing and trading real estate properties
5	Times Trading Investment and Development One Member LLC	Times Trading LLC	100.00	100.00	No.72, Le Thanh Ton street and No.45A Ly Tu Trong street, Ben Nghe ward, district 1, Ho Chi Minh city, Vietnam	Investing, developing and trading real estate properties
6	Royal City Real Estate Development & Investment JSC	Royal City JSC	97.85	78.41	No.72A, Nguyen Trai street, Thuong Dinh ward, Thanh Xuan district, Hanoi, Vietnam	Investing, developing and trading real estate properties
7	Vinhomes JSC	Vinhomes JSC	73.66	73.66	No.458, Minh Khai street, Vinh Tuy ward, Hai Ba Trung district, Hanoi, Vietnam	Investing, developing and trading real estate properties Leasing office, apartments and rendering real estate management services Residential and civil constructions Architecture activities and technical consultancy
8	Saidong Urban Development and Investment JSC	Sai Dong JSC	89.50	89.50	Vinhomes Riverside ⁽¹⁾	Investing, developing and trading real estate properties
9	Xavinco Land JSC	Xavinco JSC	96.44	96.22	No.191, Ba Trieu street, Le Dai Hanh ward, Hai Ba Trung district, Hanoi, Vietnam	Investing, developing and trading real estate properties

Vingroup Joint Stock Company

APPENDIX 1 – LIST OF SUBSIDIARIES AS AT 31 DECEMBER 2019 (continued)

No.	Full name	Short name	Voting right (%) (*)	Equity interest (%)	Registered office's address	Principal activities
10	Xalivico LLC	Xalivico LLC	74.00	71.20	No.233 Nguyen Trai street, Thuong Dinh ward, Thanh Xuan district, Hanoi, Vietnam	Investing, developing and trading real estate properties
11	Vietnam Exhibition Fair Centre JSC	VEFAC JSC	83.32	83.32	No.148 Giang Vo street, Giang Vo ward, Ba Dinh district, Hanoi, Vietnam	Investing, developing and trading real estate properties
12	Metropolis Hanoi LLC	Metropolis LLC	100.00	73.66	HH land area, Pham Hung street, Me Tri ward, Nam Tu Liem district, Hanoi, Vietnam	Investing, developing and trading real estate properties
13	Viet Nam Books JSC	Savina JSC	65.33	65.33	No.44, Trang Tien street, Trang tien ward, Hoan Kiem district, Hanoi, Vietnam	Trading books
14	Cangio Tourist City Corporation	Can Gio JSC	99.89	73.79	No.72, Le Thanh Ton street, Ben Nghe ward, district 1, Ho Chi Minh city, Vietnam	Investing, developing and trading real estate properties
15	Central Park Development LLC	Central Park LLC	100.00	89.50	Room 900, 9th floor, IPH Tower, No.241 Xuan Thuy street, Dich Vong Hau ward, Cau Giay district, Hanoi, Vietnam	Investing, developing and trading real estate properties
16	Ecology Development and Investment JSC	Ecology JSC	100.00	73.83	No.191, Ba Trieu street, Le Dai Hanh ward, Hai Ba Trung district, Hanoi, Vietnam	Investing, developing and trading real estate properties
17	Gia Lam Urban Development and Investment LLC	Gia Lam LLC	85.00	62.76	Vinhomes Riverside ⁽¹⁾	Investing, developing and trading real estate properties
18	Vietnam Investment and Consulting Investment JSC	Vietnam Investment JSC	70.00	51.76	No.191, Ba Trieu street, Le Dai Hanh ward, Hai Ba Trung district, Hanoi, Vietnam	Investing, developing and trading real estate properties
19	Tay Tang Long Real Estate LLC	Tay Tang Long LLC	90.00	66.29	No.72, Le Thanh Ton street, Ben Nghe ward, district 1, Ho Chi Minh city, Vietnam	Investing, developing and trading real estate properties
20	Thang Long Real Estate Trading Investment JSC	Thang Long Real Estate JSC	73.00	70.37	Vinhomes Riverside ⁽¹⁾	Investing, developing and trading real estate properties

Vingroup Joint Stock Company

APPENDIX 1 – LIST OF SUBSIDIARIES AS AT 31 DECEMBER 2019 (continued)

No.	Full name	Short name	Voting right (%) (*)	Equity interest (%)	Registered office's address	Principal activities
21	Berjaya Vietnam International University Town LLC	Berjaya VIUT LLC	97.90	73.66	20A Floor, Dong Khoi Vincom Center, No.72 Le Thanh Ton Street, Ben Nghe ward, District 1, Ho Chi Minh city, Vietnam	Investing, developing and trading real estate properties
22	Lang Van Development and Investment JSC	Lang Van JSC	100.00	74.28	No.07, Truong Sa street, Hoa Hai ward, Ngu Hanh Son district, Da Nang city, Vietnam	Investing, developing and trading real estate properties
23	Berjaya Vietnam Financial Centre LLC	Berjaya VFC LLC	67.50	50.78	20A Floor, Dong Khoi Vincom Center, No.72 Le Thanh Ton Street, Ben Nghe ward, District 1, Ho Chi Minh city, Vietnam	Investing, developing and trading real estate properties
24	Hanoi Southern City Development and Trading LLC	Hanoi Southern LLC	100.00	100.00	Vinhomes Riverside ⁽¹⁾	Investing, developing and trading real estate properties
25	Millenium Trading Investment and Development LLC	Millenium Trading LLC	100.00	73.66	20A Floor, Dong Khoi Vincom Center, No.72 Le Thanh Ton Street, Ben Nghe ward, District 1, Ho Chi Minh city, Vietnam	Investing, developing and trading real estate properties and leasing real estate properties
26	Thai Son Development and Investment JSC	Thai Son JSC	100.00	75.23	Vinhomes Riverside ⁽¹⁾	Investing, developing and trading real estate properties
27	GS Cu Chi Development JSC	GS Cu Chi JSC	100.00	73.59	20A Floor, Dong Khoi Vincom Center, No.72 Le Thanh Ton Street, Ben Nghe ward, District 1, Ho Chi Minh city, Vietnam	Investing, developing and trading real estate properties
28	Ha Thanh Real Estate Development and Investment JSC	Ha Thanh JSC	100.00	56.86	Vinhomes Riverside ⁽¹⁾	Investing, developing and trading real estate properties
29	Phuc An Tourism Development and Investment JSC	Phuc An JSC	95.00	95.00	Vinhomes Riverside ⁽¹⁾	Rendering short-term accommodation services

Vingroup Joint Stock Company

APPENDIX 1 – LIST OF SUBSIDIARIES AS AT 31 DECEMBER 2019 (continued)

No.	Full name	Short name	Voting right (%) (*)	Equity interest (%)	Registered office's address	Principal activities
30	An Thinh Trading and Commercial Development JSC	An Thinh JSC	100.00	77.58	20A Floor, Dong Khoi Vincom Center, No.72 Le Thanh Ton Street, Ben Nghe ward, District 1, Ho Chi Minh city, Vietnam	Investing, developing and trading real estate properties
31	Green City Development JSC	Green City JSC	100.00	75.24	No.72 Le Thanh Ton, Ben Nghe ward, district 1, Ho Chi Minh city, Vietnam	Investing, developing and trading real estate properties
32	Delta JSC	Delta JSC	100.00	73.73	No. 110 Dang Cong Binh, Hamlet 6, Xuan Thoi Thuong Commune, Hoc Mon District, Ho Chi Minh City, Vietnam	Investing, developing and trading real estate properties
33	P&S Business Investment and Trading LLC	P&S LLC	100.00	100.00	Vinhomes Riverside ⁽¹⁾	Investing, developing and trading real estate properties
34	Vinpearl JSC	Vinpearl JSC	100.00	99.97	Hon Tre island, Vinh Nguyen ward, Nha Trang city, Khanh Hoa province, Vietnam	Investing, developing and trading hospitality services
35	Nha Trang Port JSC	Nha Trang Port JSC	91.94	91.90	No.5 Tran Phu, Vinh Nguyen ward, Nha Trang city, Khanh Hoa province, Vietnam	Loading goods, leasing warehouse
36	Co.Co International Co., Ltd	Co.Co International Ltd	69.99	69.96	No.14 Thuy Khue street, Thuy Khue ward, Tay Ho district, Hanoi, Vietnam	Investing, developing and trading real estate properties
37	VINDFS JSC	VINDFS JSC	80.00	79.97	CC-1 (zone KT-A), Bien An Vien urban area, Vinh Nguyen ward, Nha Trang city, Khanh Hoa province, Vietnam	Retails in specialised stores
38	Vinpearl Travel LLC	Vinpearl Travel LLC	100.00	99.97	Vinhomes Riverside ⁽¹⁾	Travel agency
39	Vinpearl Air Aviation JSC	Vinpearl Air JSC	80.00	79.97	2nd Floor, Almaz Market, Hoa Lan street, Vinhomes Riverside Eco-Urban Area, Phuc Loi Ward, Long Bien District, Hanoi, Vietnam	Operations and aviation services
40	Vinpearl Travel Ru LLC	Vinpearl Travel Ru LLC	100.00	80.00	Ne 24 Building, Timur Frunze St., Moscow, Russian Federation	Travel agency

Vingroup Joint Stock Company

APPENDIX 1 – LIST OF SUBSIDIARIES AS AT 31 DECEMBER 2019 (continued)

No.	Full name	Short name	Voting right (%) (*)	Equity interest (%)	Registered office's address	Principal activities
41	Vinpro Business and Trading Service LLC	Vinpro LLC	100.00	100.00	Vinhomes Riverside ⁽¹⁾	Retailing in audio-visual equipment, computers, software and telecommunication equipment
42	One Mount Group JSC	OMG JSC	51.22	51.22	B1 floor, T26 building, Times City urban area, 458 Minh Khai Street, Vinh Tuy Ward, Hai Ba Trung District, Hanoi City	Agency, broker, goods auction
43	Vinmec International General Hospital JSC	Vinmec JSC	100.00	100.00	No 458, Minh Khai street, Vinh Tuy ward, Hai Ba Trung district, Hanoi, Vietnam	Healthcare, medical and related services
44	Vinschool One Member LLC	Vinschool LLC	100.00	100.00	Vinhomes Riverside ⁽¹⁾	Rendering education services
45	VinAcademy Education and Training LLC	VinAcademy LLC	100.00	99.37	Vinhomes Riverside ⁽¹⁾	Rendering education services
46	Vincom Security Service LLC	Vincom Security LLC	100.00	100.00	Vinhomes Riverside ⁽¹⁾	Rendering security services
47	Vinfast Trading and Production LLC	Vinfast LLC	51.15	51.15	Dinh Vu - Cat Hai economic zone, Cat Hai island, Cat Hai town, Cat Hai district, Hai Phong City, Vietnam	Producing of motor vehicle
48	Vinfast Germany GmbH	Vinfast Germany GmbH	100.00	51.15	106 ResCwork 04, Frankfurt, Alte Oper, Bockenheimer Landstraße 17/19, 60325 Frankfurt am Main, Germany	Trading, import and export of equipment, components and spare parts for motorbikes and related goods
49	Vinfast Leasing JSC	Vinfast Leasing JSC	99.00	50.64	Vinhomes Riverside ⁽¹⁾	Leasing motor vehicle
50	Vinfast Commercial and Service Trading LLC	Vinfast Trading LLC	100.00	51.15	Vinhomes Riverside ⁽¹⁾	Retails in automotive
51	Vinfast Engineering Australia Pty Ltd	Vinfast Australia LLC	100.00	51.15	1 Liney Avenue, Clernton Park NSW 2206, Australia	Designing automotive; collaborating in technological research, importing and distributing goods
52	VINFA JSC	VINFA JSC	59.39	59.39	Vinhomes Riverside ⁽¹⁾	Retails in medicine

Vingroup Joint Stock Company

APPENDIX 1 – LIST OF SUBSIDIARIES AS AT 31 DECEMBER 2019 (continued)

No.	Full name	Short name	Voting right (%) (*)	Equity interest (%)	Registered office's address	Principal activities
53	Vinsmart Research and Manufacture JSC	Vinsmart JSC	62.03	62.03	Lot CN1-06B-1&2, Hi-tech Industrial Park 1, Hoa Lac Hi-tech Park, Ha Bang Commune, Thach That District, Hanoi, Vietnam	Mobile production
54	Mundo Reader S.L.	Mundo Reader LLC	51.00	40.80	Calle Sofia 10, 28232 Las Rozas de Madrid, Spain	Mobile production
55	Luarna Ediciones S.L.	Luarna Ediciones	100.00	40.80	Calle Sofia 10, 28232 Las Rozas de Madrid, Spain	Retails in department stores
56	Marcha Technology S.L.	Marcha Technology	60.00	24.48	Calle Sofia 10, 28232 Las Rozas de Madrid, Spain	Developing 3D Printing products
57	lot & Mobility Y Commerce. S.L.	lot & Mobility Y Commerce	100.00	40.80	Calle Sofia 10, 28232 Las Rozas de Madrid, Spain	Retails in department stores
58	Inteligencia Operacional Para La Ingenieria. S.L.	Inteligencia Operacional Para La Ingenieria	100.00	40.80	Calle Sofia 10, 28232 Las Rozas de Madrid, Spain	Engineering and IT. Digital transformation
59	Deep Technology & Engineering Services. S.L.	Deep Technology & Engineering Services	100.00	40.80	Calle Sofia 10, 28232 Las Rozas de Madrid, Spain	Product design
60	Contact Services For Satisfaction. S.L.	Contact Services For Satisfaction	100.00	40.80	Calle Sofia 10, 28232 Las Rozas de Madrid, Spain	Customer care services
61	Educación Y Robótica S.L.	Educación Y Robótica	100.00	40.80	Calle Sofia 10, 28232 Las Rozas de Madrid, Spain	Developing education products
62	3D Printing & Printers	3D Printing & Printers	100.00	40.80	Calle Sofia 10, 28232 Las Rozas de Madrid, Spain	3D Printing Manufacturing
63	BQ-Mundo Rader, Unipessoal Lda	BQ-Mundo Rader, Unipessoal Lda	100.00	40.80	Avenida D, João II, Número 46, 4 A. Lisboa, freguesia de Parque das Nações, concelho de Lisboa, Portugal	Retails in department stores
64	Mundo Reader France S.A.R.L.	Mundo Reader France	100.00	40.80	5, Rue Lesseps, 75020 Paris, France	Retails in department stores

Vingroup Joint Stock Company

APPENDIX 1 – LIST OF SUBSIDIARIES AS AT 31 DECEMBER 2019 (continued)

No.	Full name	Short name	Voting right (%) (*)	Equity interest (%)	Registered office's address	Principal activities
65	Mundo Reader GmbH	Mundo Reader GmbH	100.00	40.80	Hanauer Landstrabe 126-128 60314 Frankfurt am Main, Germany	Retails in department stores
66	Mundo Reader S.R.L.	Mundo Reader S.R.L.	100.00	40.80	Via Monti n 8 Milano. Italia	Retails in department stores
67	Smart European Devices Limited	Smart European Devices	100.00	40.80	16/F RYDAKAN CAPITAL TOWER, Hoy Bun Road, Kwun Tong, Hong Kong	Retails in department stores
68	Xibantronics Trading Company Ltd	Xibantronics Trading	100.00	40.80	E Maoye ShiDai Building, No.2 HaiDe Road, - WenXin Road - NanShan - Shenzhen - China	Retails in department stores
69	Electronic 2 Trade	Electronic 2 Trade	100.00	40.80	16/F Rykadan Capital Tower, 135 Hoi Bun Road, Kwun Tong, Hong Kong	Retails in department stores
70	Fundación Para La Educación Y El Desarrollo Tecnológico	Fundación Para La Educación Y El Desarrollo Tecnológico	100.00	40.80	Calle Sofia 10, 28232 Las Rozas de Madrid, Spain	Development Fund
71	Vingroup Global Pte. Ltd.	Vingroup Global	100.00	62.03	120 Lower Delta Road #2-00, Cendex Centre, Singapore	Import and distribution of goods
72	Vingroup Ru Co., Ltd	Vingroup Ru	100.00	80.00	2nd floor, Room 4, Building 7, 1-ST Kazachiy Lane, Moscow City, Russian Federation	Wholesale of household electrical goods
73	VinTech Technology Development JSC	VinTech JSC	80.00	80.00	Vinhomes Riverside ⁽¹⁾	Research and experimental development of natural sciences and technology
74	Vingroup USA Co., Ltd	Vingroup USA	100.00	80.00	850 New Burton Road, Suite 201, Dover, Delaware 19904, County of Kent, USA	Technology research
75	Vingroup Japan Research Co., Ltd (previously known as VinTech Japan Godo Kaisha)	Vingroup Japan	100.00	80.00	Arte Otemachi. 8F 1-5-16, Uchikanda, Chiyoda-ku, Tokyo, Japan	Technology research

Vingroup Joint Stock Company

APPENDIX 1 – LIST OF SUBSIDIARIES AS AT 31 DECEMBER 2019 (continued)

No.	Full name	Short name	Voting right (%) (*)	Equity interest (%)	Registered office's address	Principal activities
76	VANTIX Technology Solutions and Services LLC	Vantix LLC	100.00	84.00	Vinhomes Riverside ⁽¹⁾	Activities of information technology services and other services related to computers
77	OneID JSC (previously known as VinID JSC)	OneID JSC	99.95	51.22	Vinhomes Riverside ⁽¹⁾	Other monetary intermediation activities
78	VinID Pay JSC	VinID Pay JSC	100.00	60.97	Vinhomes Riverside ⁽¹⁾	Other monetary intermediation activities
79	Adayroi Trading Service Development JSC	Adayroi JSC	99.95	51.22	Vinhomes Riverside ⁽¹⁾	Retail by phone and internet
80	Vietnam Grand Prix LLC	Grand Prix LLC	100.00	100.00	Vinhomes Riverside ⁽¹⁾	Organise and promote events, exhibitions, conferences and seminars
81	Vinbus Ecology Transport Services LLC	VinBus LLC	100.00	100.00	Vinhomes Riverside ⁽¹⁾	Providing transportation services
82	VINCSS Internet Security Services LLC	VINCSS LLC	100.00	80.00	Vinhomes Riverside ⁽¹⁾	Scientific research and technology development
83	VinWonder JSC (previously known as VinConnect Solutions and Technology Services LLC)	VinWonder JSC	100.00	100.00	Vinhomes Riverside ⁽¹⁾	Activities of information technology services and other services related to computers
84	HMS Software Production and Trading LLC	HMS LLC	100.00	80.00	Vinhomes Riverside ⁽¹⁾	Software production
85	Vinhomes Industrial Zone Investment JSC (previously known as Vingroup Ventures JSC)	VHIZ JSC	90.00	90.00	Vinhomes Riverside ⁽¹⁾	Consultancy and investment activities
86	Vinsoftware software system development LLC	Vinsoftware LLC	100.00	80.00	Vinhomes Riverside ⁽¹⁾	Software production
87	Vintech Ventures Development LLC	Vintech Ventures LLC	100.00	80.00	Vinhomes Riverside ⁽¹⁾	Consultancy and investment activities

Vingroup Joint Stock Company

APPENDIX 1 – LIST OF SUBSIDIARIES AS AT 31 DECEMBER 2019 (continued)

No.	Full name	Short name	Voting right (%) (*)	Equity interest (%)	Registered office's address	Principal activities
88	Vinbrain Automatic Management Solutions Consulting LLC	Vinbrain LLC	100.00	80.00	Vinhomes Riverside ⁽¹⁾	Activities of information technology services and other services related to computers
89	MV Viet Nam Real Estate Trading JSC	MV Viet Nam JSC	99.82	89.84	4 th floor, Vincom Megamall Thao Dien, 161 Hanoi highway, Thao Dien Ward, District 2, Ho Chi Minh city, Vietnam	Investing, developing and trading real estate properties
90	Phu Gia Real Estate Trading LLC	Phu Gia LLC	98.00	72.36	No 63 Hang Ga street, Hang Bo ward, Hoan Kiem district, Hanoi, Vietnam	Investing, developing and trading real estate properties
91	Vingroup Korean Co., Ltd	Vingroup Korean	100.00	80.00	Sindang-dong, E&C Inobiz Tower, 209-ho 559 Dalseo-Daero, Sindang-dong, Dalseo-gu, Daegu, South Korea	Technology research

(1) Full registered office address: No.7, Bang Lang 1 street, Vinhomes Riverside Eco-urban area, Viet Hung ward, Long Bien district, Hanoi.

(*) The voting right is also the ownership of the Group in these subsidiaries.

Vingroup Joint Stock Company

Consolidated financial statements

For the year ended 31 December 2018



Vingroup Joint Stock Company

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Vingroup Joint Stock Company

GENERAL INFORMATION

THE COMPANY

Vingroup Joint Stock Company ("the Company") is a joint stock company established in Vietnam pursuant to the Business Registration Certificate No. 0103001016 issued by the Hanoi Department of Planning and Investment on 3 May 2002 and the Business Registration Certificate No. 0101245486 re-issued on 12 May 2010. The Company subsequently received amended Enterprise Registration Certificates, with the latest amendment being the 66th amended Enterprise Registration Certificate dated 29 August 2018.

The Company's shares are officially listed on the Ho Chi Minh City Stock Exchange ("HOSE") from 19 September 2007 pursuant to Decision No.106/QĐ-TTGDHCM issued by the Director of HOSE on 7 September 2007.

The current principal activities of the Company are to invest in, construct and trade real estate properties; to carry out capital mobilization and investment activities; and to provide general administrative services. Current principal activities of the Company's subsidiaries are presented in Appendix 1.

The Company's head office is registered at No. 7, Bang Lang 1 street, Vinhomes Riverside Eco-urban Area, Viet Hung ward, Long Bien district, Hanoi, Vietnam. Its branch is located at No. 72, Le Thanh Ton and No. 45A, Ly Tu Trong street, Ben Nghe ward, district 1, Ho Chi Minh city, Vietnam.

BOARD OF DIRECTORS

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

Mr. Pham Nhat Vuong	Chairman
Mr. Le Khac Hiep	Vice Chairman
Ms. Pham Thuy Hang	Vice Chairwoman
Ms. Pham Thu Huong	Vice Chairwoman
Ms. Nguyen Dieu Linh	Vice Chairwoman
Mr. Ling Chung Yee Roy	Member
Mr. Nguyen Viet Quang	Member
Mr. Marc Villiers Townsend	Member
Mr. Joseph Raymond Gagnon	Member

SUPERVISORY BOARD

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

Mr. Nguyen The Anh	Head of the Supervisory Board
Mr. Dinh Ngoc Lan	Member
Ms. Do Thi Hong Van	Member

Vingroup Joint Stock Company

GENERAL INFORMATION (continued)

MANAGEMENT

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

Mr. Nguyen Viet Quang	Chief Executive Officer	appointed on 25 February 2018
Ms. Duong Thi Mai Hoa	Chief Executive Officer	resigned on 25 February 2018
Ms. Mai Huong Noi	Deputy Chief Executive Officer	
Mr. Pham Van Khuong	Deputy Chief Executive Officer	
Ms. Nguyen Thi Diu	Deputy Chief Executive Officer	
Ms. Duong Thi Hoan	Deputy Chief Executive Officer	

LEGAL REPRESENTATIVE

The legal representative of the Company from 1 January 2018 to 25 February 2018 is Ms. Duong Thi Mai Hoa and from 25 February 2018 to the date of this report is Mr. Nguyen Viet Quang.

Ms. Mai Huong Noi is authorised by Mr. Nguyen Viet Quang to sign the accompanying consolidated financial statements for the year ended 31 December 2018 in accordance with the Letter of Authorisation No. 024/2018/GUQ-TGD-VINGROUP dated 19 April 2018.

AUDITOR

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

Vingroup Joint Stock Company

REPORT OF MANAGEMENT

Management of Vingroup Joint Stock Company ("the Company") is pleased to present this report and the consolidated financial statements of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 December 2018.

MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the consolidated financial statements of each financial year which give a true and fair view of the consolidated financial position of the Group and of the consolidated results of its operations and its consolidated cash flows for the year. In preparing those consolidated financial statements, management is required to:

- ▶ select suitable accounting policies and then apply them consistently;
- ▶ make judgements and estimates that are reasonable and prudent;
- ▶ state whether applicable accounting standards for the Group have been followed, subject to any material departures disclosed and explained in the consolidated financial statements; and
- ▶ prepare the consolidated financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue its business.

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

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

STATEMENT BY MANAGEMENT

Management does hereby state that, in its opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2018 and of the consolidated results of its operations and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the consolidated financial statements.

For and on behalf of management:



Hanoi, Vietnam

27 March 2019

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INDEPENDENT AUDITORS' REPORT

To: The Shareholders of Vingroup Joint Stock Company

We have audited the accompanying consolidated financial statements of Vingroup Joint Stock Company ("the Company") and its subsidiaries (collectively referred to as "the Group") as prepared on 27 March 2019 and set out on pages 6 to 88, which comprise the consolidated balance sheet as at 31 December 2018, the consolidated income statement and the consolidated cash flow statement for the year then ended and the notes thereto.

Responsibility of the Company's management

The Company's management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the consolidated financial statements, and for such internal control as the Company's management determines is necessary to enable the preparation and presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

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

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

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



Building a better
working world

Opinion

In our opinion, the consolidated financial statements give a true and fair view, in all material respects, of the consolidated financial position of the Group as at 31 December 2018, and of the consolidated results of its operations and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of the consolidated financial statements.

Ernst & Young Vietnam Limited




Trần Phú Sơn
Deputy General Director
Audit Practising Registration
Certificate No. 0637-2018-004-1



Chu Anh Dung
Auditor
Audit Practising Registration
Certificate No. 3814-2016-004-1

Hanoi, Vietnam

27 March 2019

Vingroup Joint Stock Company

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CONSOLIDATED BALANCE SHEET
as at 31 December 2018

Currency: VND

Code	ASSETS	Notes	Ending balance	Beginning balance
100	A. CURRENT ASSETS		135,279,026,451,481	100,246,615,638,617
110	I. Cash and cash equivalents	5	13,557,055,282,581	8,141,750,027,686
111	1. Cash		8,566,276,075,025	6,182,781,185,541
112	2. Cash equivalents		4,990,779,207,556	1,958,968,842,145
120	II. Short-term investments		1,951,597,849,480	672,569,770,071
121	1. Held-for-trading securities		-	32,369,112,000
122	2. Provision for held-for-trading securities		-	(19,505,232,000)
123	3. Held-to-maturity investments	6.1	1,951,597,849,480	659,705,890,071
130	III. Current accounts receivable		50,075,353,646,870	27,335,112,175,074
131	1. Short-term trade receivables	7.1	7,594,009,964,922	5,744,460,450,918
132	2. Short-term advances to suppliers	7.2	16,677,008,433,017	8,675,566,825,227
135	3. Short-term loan receivables	8	5,077,857,439,663	7,684,239,828,536
136	4. Other short-term receivables	9	20,993,914,563,166	5,748,899,913,388
137	5. Provision for doubtful short-term receivables	10	(267,436,753,898)	(518,054,842,995)
140	IV. Inventories	11	55,105,513,546,690	56,058,815,191,085
141	1. Inventories		55,616,901,507,664	56,403,215,413,508
149	2. Provision for obsolete inventories		(511,387,960,974)	(344,400,222,423)
150	V. Other current assets		14,589,506,125,860	8,038,368,474,701
151	1. Short-term prepaid expenses	12	2,484,728,465,244	4,758,744,122,155
152	2. Value-added tax deductible		2,402,675,007,004	1,099,347,699,941
153	3. Tax and other receivables from the State	22	312,854,323,984	213,678,380,799
155	4. Other current assets	13	9,389,248,329,628	1,966,598,271,806

Vingroup Joint Stock Company

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CONSOLIDATED BALANCE SHEET (continued)
as at 31 December 2018

Currency: VND

Code	ASSETS	Notes	Ending balance	Beginning balance
200	B. NON-CURRENT ASSETS		152,695,150,354,328	113,545,441,345,980
210	I. Long-term receivables		360,541,085,729	563,644,449,382
215	1. Long-term loan receivables		55,000,000,000	269,026,341,080
216	2. Other long-term receivables	9	305,541,085,729	294,618,108,302
220	II. Fixed assets		49,369,195,502,351	35,649,944,002,033
221	1. Tangible fixed assets	14	48,549,322,916,458	34,973,533,341,870
222	Cost		57,637,790,719,579	40,845,582,676,116
223	Accumulated depreciation		(9,088,467,803,121)	(5,872,049,334,246)
227	2. Intangible fixed assets	15	819,872,585,893	676,410,660,163
228	Cost		1,479,208,218,837	1,222,264,361,922
229	Accumulated amortisation		(659,335,632,944)	(545,853,701,759)
230	III. Investment properties	16	26,743,666,586,401	18,198,420,908,900
231	1. Cost		30,173,967,262,179	20,842,351,193,783
232	2. Accumulated depreciation		(3,430,300,675,778)	(2,643,930,284,883)
240	IV. Long-term assets in progress		58,529,122,776,141	37,492,138,281,596
242	1. Construction in progress	18	58,529,122,776,141	37,492,138,281,596
250	V. Long-term investments		6,068,157,704,984	6,485,785,915,017
252	1. Investments in associates, jointly controlled entities	19.1.1	2,546,385,754,285	2,439,624,600,795
253	2. Investments in other entities	19.1.2	1,594,869,498,288	2,176,543,861,811
254	3. Provision for long-term investments	19.1.2	(72,777,547,589)	(50,382,547,589)
255	4. Held-to-maturity investments	6.2	1,999,680,000,000	1,920,000,000,000
260	VI. Other long-term assets		11,624,466,698,722	15,155,507,789,052
261	1. Long-term prepaid expenses	12	5,570,348,679,938	3,061,950,076,912
262	2. Deferred tax assets	36.3	614,227,474,476	337,979,519,507
268	3. Other long-term assets	13	1,231,431,327,786	7,115,047,177,440
269	4. Goodwill	20	4,208,459,216,522	4,640,531,015,193
270	TOTAL ASSETS		287,974,176,805,809	213,792,056,984,597

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Vingroup Joint Stock Company

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CONSOLIDATED BALANCE SHEET (continued)
as at 31 December 2018

Currency: VND

Code	RESOURCES	Notes	Ending balance	Beginning balance
300	C. LIABILITIES		188,960,462,126,460	161,235,046,806,942
310	I. Current liabilities		109,245,613,874,652	123,624,630,823,022
311	1. Short-term trade payables	21.1	14,773,384,437,347	8,245,460,364,882
312	2. Short-term advances from customers	21.2	25,203,958,169,231	54,822,434,640,779
313	3. Statutory obligations	22	15,520,706,944,492	4,933,105,236,661
314	4. Payables to employees		1,014,577,548,501	674,309,918,834
315	5. Short-term accrued expenses	23	16,017,109,169,042	10,416,596,543,393
318	6. Short-term unearned revenues	24	2,473,599,482,575	1,755,431,476,536
319	7. Other short-term payables	25.1	14,900,338,096,808	24,460,922,418,130
320	8. Short-term loans and debts	26	19,115,963,139,737	18,140,968,057,370
321	9. Short-term provisions	28	225,976,886,919	175,402,166,437
330	II. Non-current liabilities		79,714,848,251,808	37,610,415,983,920
333	1. Long-term accrued expenses		123,714,076,620	-
336	2. Long-term unearned revenues	24	5,718,561,887,462	5,535,359,362,778
337	3. Other long-term liabilities	25.2	947,426,202,248	712,750,848,054
338	4. Long-term loans and debts	26	61,770,712,362,953	31,219,525,897,044
339	5. Exchangeable bonds	27	10,205,664,522,906	-
341	6. Deferred tax liabilities	36.3	824,659,710,320	142,779,876,044
342	7. Long-term provisions		124,109,489,299	-

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Vingroup Joint Stock Company

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CONSOLIDATED BALANCE SHEET (continued)
as at 31 December 2018

Currency: VND

Code	RESOURCES	Notes	Ending balance	Beginning balance
400	D. OWNERS' EQUITY		99,013,714,679,349	52,557,010,177,655
410	I. Capital	29	99,013,714,679,349	52,557,010,177,655
411	1. Issued share capital		32,756,212,300,000	26,377,079,540,000
411a	- Shares with voting rights		31,916,212,300,000	26,377,079,540,000
411b	- Preference shares		840,000,000,000	-
412	2. Share premium		11,442,900,804,192	2,651,165,167,904
414	3. Other owners' capital		7,235,205,990,828	-
415	4. Treasury shares		(2,974,924,074,484)	(2,974,924,074,484)
420	5. Other funds belonging to owners' equity		42,845,114,930	37,845,114,930
421	6. Undistributed earnings		5,095,996,481,223	5,583,084,564,118
421a	- Undistributed earnings up to the end of prior year		38,951,804,118	1,882,422,518,069
421b	- Undistributed earnings of current year		5,057,044,677,105	3,700,662,046,049
429	7. Non-controlling interests		45,415,478,062,660	20,882,759,865,187
440	TOTAL LIABILITIES AND OWNERS' EQUITY		287,974,176,805,809	213,792,056,984,597

Van Thi Hai Ha
Preparer

Nguyen Thi Thu Hien
Chief Accountant



Mai Hương Nôi
Deputy Chief Executive Officer

27 March 2019

B02-DN/HN

Currency: VND

Currency: VND				
Code	ITEMS	Notes	Current year	Previous year
01	1. Revenue from sale of goods and rendering of services	30.1	121,971,750,626,283	89,392,047,933,230
02	2. Deductions	30.1	(77,350,205,179)	(41,999,335,317)
10	3. Net revenue from sale of goods and rendering of services	30.1	121,894,400,421,104	89,350,048,597,913
11	4. Cost of goods sold and services rendered	31	(92,971,050,559,634)	(62,796,326,957,038)
20	5. Gross profit from sale of goods and rendering of services		28,923,349,861,470	26,553,721,640,875
21	6. Finance income	30.3	7,478,549,889,431	1,636,951,439,612
22	7. Finance expenses	32	(4,908,949,587,074)	(3,786,983,558,714)
23	- In which: Interest expenses		(3,939,282,490,392)	(3,139,629,696,630)
24	8. Shares of (loss)/profit of associates, joint controlled entity	19.1	(424,918,846,510)	44,400,927,597
25	9. Selling expenses	33	(10,112,288,715,044)	(8,150,455,992,627)
26	10. General and administrative expenses	33	(7,367,839,332,550)	(6,852,447,761,955)
30	11. Operating profit		13,587,903,269,723	9,445,186,694,788
31	12. Other income	34	759,284,117,428	434,964,045,806
32	13. Other expenses	34	(493,549,736,743)	(765,869,262,018)
40	14. Other profit/(loss)	34	265,734,380,685	(330,905,216,212)
50	15. Accounting profit before tax		13,853,637,650,408	9,114,281,478,576
51	16. Current corporate income tax expense	36.1	(7,273,129,870,764)	(3,731,381,559,479)
52	17. Deferred tax (expense)/income	36.3	(389,626,309,041)	272,041,872,129
60	18. Net profit after tax		6,190,881,470,603	5,654,941,791,226
61	19. Net profit after tax attributable to shareholders of the parent	29.1	3,776,727,785,918	4,462,411,670,513
62	20. Net profit after tax attributable to non-controlling interests	29.1	2,414,153,684,685	1,192,530,120,713

Vingroup Joint Stock Company

B02-DN/HN

CONSOLIDATED INCOME STATEMENT (continued)
for the year ended 31 December 2018

Currency: VND

Code	ITEMS	Notes	Current year	Previous year (Restated)
70	21. Basic earnings per share	38	1,270	1,501
71	22. Diluted earnings per share	38	1,257	1,501

Van Thi Hai Ha
Preparer

Nguyen Thi Thu Hien
Chief Accountant



Mai Huong Noi
Deputy Chief Executive Officer

27 March 2019

Vingroup Joint Stock Company

B03-DN/HN

CONSOLIDATED CASH FLOW STATEMENT for the year ended 31 December 2018

Currency: VND

Code	ITEMS	Notes	Current year	Previous year
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	Profit before tax		13,853,637,650,408	9,114,281,478,576
	<i>Adjustments for:</i>			
02	Depreciation of fixed assets and investment properties and amortisation of intangible fixed assets (including amortisation of goodwill)		5,155,271,347,089	3,985,433,267,539
03	Provisions		241,329,798,072	689,528,177,247
04	Foreign exchange losses		192,367,992,975	50,260,047,814
05	Profits from investing activities		(6,683,400,004,243)	(1,015,255,359,806)
06	Interest expenses (including amortisation of bond issuance costs)	32	4,283,365,452,469	3,401,633,686,717
08	Operating profit before changes in working capital		17,042,572,236,770	16,225,881,298,087
09	Decrease/(increase) in receivables		1,520,338,159,126	(6,730,252,290,761)
10	Decrease/(increase) in inventories		4,875,331,532,021	(1,227,813,074,755)
11	(Decrease)/increase in payables (other than interest, corporate income tax)		(24,972,740,916,783)	18,034,651,110,034
12	Decrease/(increase) in prepaid expenses		1,038,687,462,509	(2,563,290,205,702)
13	Decrease in held-for-trading securities		12,863,880,000	-
14	Interest paid		(3,740,380,502,932)	(3,062,709,959,110)
15	Corporate income tax paid	22	(5,760,402,076,308)	(3,890,618,182,474)
20	Net cash flows (used in)/from operating activities		(9,983,730,225,597)	16,785,848,695,319
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchase and construction of fixed assets and other long-term assets		(44,772,132,577,218)	(19,509,233,343,507)
22	Proceeds from disposals of fixed assets and other long-term assets		1,305,733,771,914	230,738,747,196
23	Loans to other entities and payments for purchase of debt instruments of other entities		(21,453,789,238,538)	(13,120,643,139,535)
24	Collections from borrowers and proceeds from sale of debt instruments of other entities		20,729,470,446,661	5,871,047,533,029
25	Payments for investments in other entities (net of cash held by entity being acquired)		(46,807,073,292,884)	(15,153,204,450,348)
26	Proceeds from sale of investments in other entities (net of cash held by entity being disposed)		27,524,118,859,822	13,991,102,708,588
27	Interest and dividends received		1,160,049,930,079	1,173,726,980,704
30	Net cash flows used in investing activities		(62,313,622,100,164)	(26,516,464,963,873)

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Vingroup Joint Stock Company

B03-DN/HN

CONSOLIDATED CASH FLOW STATEMENT (continued) for the year ended 31 December 2018


Currency: VND

Code	ITEMS	Notes	Current year	Previous year
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
31	Capital contribution and issuance of shares		24,903,260,063,993	13,000,000,000
32	Capital redemption		-	(30,000,000,000)
33	Drawdown of borrowings		91,020,447,368,655	31,918,446,307,125
34	Repayment of borrowings		(36,981,047,221,085)	(22,256,448,989,518)
36	Dividends paid to equity holders		(1,222,822,175,333)	(1,604,550,206,376)
40	Net cash flows from financing activities		77,719,838,036,230	8,040,447,111,231
50	Net increase/(decrease) in cash and cash equivalents for the year		5,422,485,710,469	(1,690,169,157,323)
60	Cash and cash equivalents at the beginning of the year		8,141,750,027,686	9,833,332,219,401
61	Impact of exchange rate fluctuation		(7,180,455,574)	(1,413,034,392)
70	Cash and cash equivalents at the end of the year	5	13,557,055,282,581	8,141,750,027,686


Van Thi Hai Ha
Preparer


Nguyen Thi Thu Hien
Chief Accountant




Mai Hong Noi
Deputy Chief Executive Officer

27 March 2019

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
as at 31 December 2018 and for the year then ended**1. CORPORATE INFORMATION**

Vingroup Joint Stock Company ("the Company") is a joint stock company established in Vietnam pursuant to the Business Registration Certificate No. 0103001016 issued by the Hanoi Department of Planning and Investment on 3 May 2002 and the Business Registration Certificate No. 0101245486 re-issued on 12 May 2010. The Company subsequently received amended Enterprise Registration Certificates, with the latest amendment being the 66th amended Enterprise Registration Certificate dated 29 August 2018.

The Company's shares were officially listed on the Ho Chi Minh City Stock Exchange ("HOSE") from 19 September 2007 pursuant to Decision No.106/QĐ-TTGDHCM issued by the Director of HOSE on 7 September 2007.

The current principal activities of the Company are to invest in, construct and trade real estate properties; to carry out capital mobilization and investment activities; and to provide general administrative services. Current principal activities of the Company's subsidiaries are presented in Appendix 1.

The Group's normal course of business cycle of real estate business starts at the time of application for investment certificate, commencement of site clearance, construction and ends at the time of completion. Thus, the Group's normal course of business cycle of real estate trading is from 12 to 36 months.

The Group's normal course of business cycle of other business activities is 12 months.

The Company's head office is registered at No. 7, Bang Lang 1 street, Vinhomes Riverside Eco-urban Area, Viet Hung ward, Long Bien district, Hanoi, Vietnam. Its branch is located at No. 72, Le Thanh Ton and No. 45A, Ly Tu Trong street, Ben Nghe ward, district 1, Ho Chi Minh city, Vietnam.

The number of the Company's employees as at 31 December 2018 is: 466 (31 December 2017: 347).

As at 31 December 2018, the Company has 67 subsidiaries. The information on these subsidiaries, along with the Company's voting rights and equity interest in each subsidiary are detailed in the Appendix 1.

As at 31 December 2018, the Group also holds investments in a number of associates and jointly controlled entity as disclosed in Note 19.1.

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2. BASIS OF PREPARATION

The consolidated financial statements of the Company and its subsidiaries expressed in Vietnam dong (“VND”) are prepared in accordance with Vietnamese Enterprise Accounting System and Vietnamese Accounting Standard issued by the Ministry of Finance as per:

- ▶ Decision No. 149/2001/QĐ-BTC dated 31 December 2001 on the Issuance and Promulgation of Four Vietnamese Accounting Standards (Series 1);
- ▶ Decision No. 165/2002/QĐ-BTC dated 31 December 2002 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 2);
- ▶ Decision No. 234/2003/QĐ-BTC dated 30 December 2003 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 3);
- ▶ Decision No. 12/2005/QĐ-BTC dated 15 February 2005 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 4); and
- ▶ Decision No. 100/2005/QĐ-BTC dated 28 December 2005 on the Issuance and Promulgation of Four Vietnamese Accounting Standards (Series 5).

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

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

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

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

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

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

The financial statements of the subsidiaries are prepared for the same reporting year as the parent company, using consistent accounting policies.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended**2. BASIS OF PREPARATION** (continued)**2.5 Basis of consolidation** (continued)

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

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

In case the Group disposes a partial interest in a subsidiary and loses control but retains an interest as an associate, the Group's investment is accounted for using the equity method of accounting. Profit/loss from this transaction is recognised in the consolidated income statement.

In case the Group disposes a partial interest in a subsidiary and loses control but retains an interest as an investment in other entities, the Group's investment is accounted for using the cost method. Profit/loss from this transaction is recognised in the consolidated income statement.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**3.1 Changes in accounting policies and disclosures**

The accounting policies adopted by the Group in preparation of the consolidated financial statements are consistent with those followed in the preparation of the Group's consolidated financial statements for the year ended 31 December 2017.

3.2 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash at banks and short-term, highly liquid investments with an original maturity of no longer than three months that are readily convertible into known amounts of cash and that are subject to an insignificant risk of change in value.

3.3 Inventories*Inventory property*

Property acquired or being constructed for sale in the ordinary course of business or for long-term lease qualified for recognition of outright sales, rather than to be held for rental or capital appreciation, is held as inventory and is measured at the lower of cost incurred in bringing the inventories to their present location and condition, and net realisable value.

Cost includes:

- ▶ Freehold and leasehold rights for land;
- ▶ Amounts paid to contractors for construction; and
- ▶ Borrowing costs, planning and design costs, costs of site preparation, professional fees, construction overheads and other related costs.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****3.3 Inventories (continued)***Inventory property (continued)*

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

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

Other inventories

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

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

The periodic method is used to record the costs of inventories for hotel and related services. The perpetual method is used to record the costs of other inventories.

The costs of inventories for hospital are valued on a specific identification basis. The costs of other inventories are valued on weighted average basis.

Provision for obsolete inventories

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

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

3.4 Receivables

Receivables are presented in the consolidated financial statements at the carrying amounts due from customers and other debtors, after provision for doubtful debts.

The provision for doubtful debts represents amounts of outstanding receivables at the balance sheet date which are doubtful of being recovered. Increases and decreases to the provision balance are recorded as general and administrative expenses in the consolidated income statement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****3.5 Tangible fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation.

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

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

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

3.6 Leased assets

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

A lease is classified as a finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the asset to the lessee. All other leases are classified as operating leases.

Where the Group is the lessee

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

Where the Group is the lessor

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

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

3.7 Intangible fixed assets

Intangible fixed assets are stated at cost less accumulated amortisation.

The cost of an intangible fixed asset comprises of its purchase price and any directly attributable costs of preparing the intangible asset for its intended use.

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

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

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.7 Intangible fixed assets (continued)

Land use rights

Definite and indefinite land use rights are recorded as intangible fixed assets based on land use right certificates issued by governing bodies.

The prepayment for land rental, of which the land lease contracts have effectiveness prior to 2003 and Land use right certificate being issued, are recorded as intangible fixed asset according to Circular No. 45/2013/TT-BTC issued by the Ministry of Finance on 25 April 2013 guiding the management, use and depreciation of fixed assets ("Circular 45").

Research and development costs

Research costs and development costs that do not meet the capitalisation criteria are recognised as expensed in the consolidated income statement as incurred.

Development expenditure on an individual project is recognised as an intangible fixed asset only if the Group can demonstrate all of the following conditions:

- ▶ The technical feasibility study of completing the intangible fixed asset so that it will be available for use or sale;
- ▶ The intention to complete and use or sell the intangible fixed asset;
- ▶ The ability to use or sell the intangible fixed asset;
- ▶ The asset will generate probable future economic benefits;
- ▶ The availability of resources to complete the development and to use or sell the intangible fixed asset; and
- ▶ The ability to measure reliably the expenditure during the development.

Development costs capitalised as asset are stated at cost less accumulated amortisation. Amortisation of the asset begins when development is completed and the asset is available for use.

3.8 Depreciation and amortisation

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

Buildings and structures	5 - 48 years
Machinery and equipment	3 - 25 years
Means of transportation	3 - 25 years
Office equipment	2 - 8 years
E-commerce website	20 years
Computer software	3 - 10 years
Land use rights	36 - 48 years
Others	3 - 15 years

No amortisation is charged on the land use rights with indefinite terms.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****3.9 Investment properties**

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

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

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

Land use rights	25 - 48 years
Buildings and structures	5 - 48 years
Machinery and equipment	3 - 25 years

No amortisation is charged on the land use rights presented as investment properties with indefinite terms.

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

Transfers are made to investment properties when, and only when, there is a change in use, evidenced by ending of owner-occupation or readiness for sale, commencement of an operating lease to another party or ending of construction or development. Transfers are made from investment properties when, and only when, there is change in use, evidenced by commencement of owner-occupation or commencement of development with a view to sale. The transfer from investment property to owner-occupied property or inventories does not change the cost or the carrying value of the property for subsequent accounting at the date of change in use.

3.10 Borrowing costs

Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds.

Borrowing costs are recorded as expense during the year in which they are incurred, except to the extent that they are capitalised as explained in the following paragraph.

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that necessarily take a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset.

3.11 Prepaid expenses

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

Long-term prepaid expenses include long-term prepaid land rental, pre-operation expenditure, tools and supplies, and other prepaid expenses that bring future economic benefits for more than one year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****3.11 *Prepaid expenses* (continued)**

Prepaid land rental represents the unamortised balance of advance payment made in accordance with Land Rental Contract signed with authorities. Such prepaid land rental is recognised as a long-term prepaid expense for allocation to the consolidated income statement over the remaining lease period according to Circular 45.

3.12 *Business combinations and goodwill*

Business combinations are accounted for using the purchase method. The cost of a business combination is measured as the fair value of assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange plus any costs directly attributable to the business combination. Identifiable assets and liabilities and contingent liabilities assumed in a business combination are measured initially at fair values at the date of business combination.

When issued equity instruments are constituted in the consideration of a business combination, such consideration shall include the fair value of those equity instruments as of acquisition date. In case the fair value of those equity instruments cannot be reliably measured, it can be estimated by referring to either the acquirer's fair value or the acquiree's fair value, whichever is more reliably evidenced.

In case prior to the date that control is obtained, the investment is an investment in associate or a long-term investment and the acquisition of that subsidiary is a business combination, when preparing the consolidated financial statements, the Group shall remeasure its previously held equity interests at its acquisition-date fair value and recognise the resulting gain or loss, if any, in the consolidated income statement.

Goodwill acquired in a business combination is initially measured at cost being the excess of the cost the business combination over the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities. 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 income statement. After initial recognition, goodwill is measured at cost less any accumulated amortisation. Goodwill is amortised over 10-year period on a straight-line basis. The Group conducts the periodical review for impairment of goodwill of investment in subsidiaries. If there are indicators of impairment loss incurred is higher than the yearly allocated amount of goodwill on the straight-line basis, the higher amount will be recorded in the consolidated income statement.

Assets acquisitions and business combinations

The Group acquires subsidiaries that own real estate projects. At the time of acquisition, the Group considers whether the acquisition represents the acquisition of a business. The Group accounts for an acquisition as a business combination where an integrated set of activities is acquired in addition to the property.

When the acquisition of subsidiaries does not represent a business combination, it is accounted for as an acquisition of a group of assets and liabilities. The cost of the acquisition is allocated to the assets and liabilities acquired based upon their relative fair values, and no goodwill or deferred tax is recognised. Non-controlling interests in the acquired identifiable assets and liabilities are also recognised. The acquired assets and liabilities are presented in classes of assets and liabilities with the same characteristics of the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.12 Business combinations and goodwill (continued)

In case prior to the date that control is obtained, the investment is an investment in associate or a long-term investment and the acquisition of the subsidiary is not a business combination, when preparing the consolidated financial statements, the Group shall not remeasure the previously held equity interests. Instead previously held equity interests and the consideration were allocated to the assets and liabilities acquired based on their relative fair values on acquisition date.

Change of equity interest in subsidiary without losing control

When the Group acquires additional equity interest in subsidiary, the different between the acquisition cost and carrying amount of the additional equity interest is recorded in undistributed earnings.

When the Group disposes a part of equity interest in subsidiary without losing control, the different between the consideration and carrying amount of the transferred equity interest is recorded in undistributed earnings.

Business combinations involving entities under common control

Business combinations involving entities under common control are accounted for as follows:

- ▶ The assets and liabilities of the two combined entities are reflected at their carrying amounts on the date of business combination;
- ▶ No goodwill is recognised from the business combination;
- ▶ The consolidated income statement reflects the results of the combined entities from the date of the business combination; and
- ▶ Any difference between the consideration paid and the net assets of the acquiree is recorded in equity.

3.13 Investments

Investment in associates

The Group's investment in its associate is accounted for using the equity method of accounting. An associate is an entity in which the Group has significant influence that are neither subsidiaries nor joint ventures. The Group generally deems they have significant influence if they have over 20% of the voting rights in the investee.

Under the equity method, the investment is carried in the consolidated balance sheet at cost plus post-acquisition changes in the Group's share of net assets of the associates. Goodwill arising on acquisition of the associate is included in the carrying amount of the investment. The Goodwill is not amortised and subject to annual review for impairment. The consolidated income statement reflects the Group's share of the post-acquisition results of operation of the associate.

The share of post-acquisition profit/(loss) of the associates is presented on face of the consolidated income statement and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Dividend/profit sharing receivable from associates reduces the carrying amount of the investment.

The financial statements of the associates are prepared for the same reporting year as the Group and using the consistent accounting policies with the Group. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.13 Investments (continued)

Investments in associates (continued)

The Group ceases the use of the equity method of accounting since the date it no longer has significant influence over the associate. If the retained equity interest is a long-term investment, the entity measures the retained equity interest at fair value regarded as the cost on initial recognition. Profit/(loss) from the disposal of associate is recognised in the consolidated income statement.

Investments in jointly controlled entity

The Group's investment in jointly controlled entity is accounted for using the equity method of accounting. Under the equity method, the investment is carried in the consolidated balance sheet at cost plus post joint controlled entity changes in the Group's share of net assets of the jointly controlled entity. The consolidated income statement reflects the share of the post-acquisition results of operation of the jointly controlled entity.

The share of profit/(loss) of the jointly controlled entity is presented on face of the consolidated income statement and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Dividend/profit sharing received or receivable from jointly controlled entity reduces the carrying amount of the investment.

The financial statements of the jointly controlled entity are prepared for the same reporting period and use the same accounting policies as the Group. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

Held-for-trading securities and investments in other entities

Held-for-trading securities and in securities and investments in other entities are stated at their acquisition costs.

Provision for held-for-trading securities and investments in entities

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

Held-to-maturity investments

Held-to-maturity investments are stated at their acquisition costs. After initial recognition, these investments are measured at recoverable amount. Any impairment loss incurred is recognised as expense in the consolidated income statement and deducted against the value of such investments.

3.14 Payables and accruals

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****3.15 Provisions***General provisions*

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Group expects some or all of a provision to be reimbursed by a third party, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the consolidated income statement net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance expense.

Provision for warranty expenses

The Group estimates provision for warranty expenses based on revenue and available information about the repair of real estate properties sold in the past.

3.16 Foreign currency transactions

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

- ▶ Transaction resulting in receivables are recorded at the buying exchange rates of the commercial banks designated for collection;
- ▶ Transactions resulting in liabilities are recorded at the selling exchange rates of the transaction of commercial banks designated for payment; and
- ▶ Payments for assets or expenses (without liabilities initially being recognised) is recorded at the buying exchange rates of the commercial banks that process these payments.

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

- ▶ Monetary assets are translated at buying exchange rate of the commercial bank where the Group conducts transactions regularly; and
- ▶ Monetary liabilities are translated at selling exchange rate of the commercial bank where the Group conducts transactions regularly or at the exchange rates which approximate the average selling and buying transfer rates of the commercial bank where the Group conducts transactions regularly .

All foreign exchange differences incurred during the year and arisen from the translation at the end of the year are taken to the consolidated income statement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****3.17 Treasury shares**

Own equity instruments which are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised upon purchase, sale, issue or cancellation of the Group's own equity instruments.

3.18 Appropriation of net profits

Net profit after tax (excluding negative goodwill from bargain purchases) is available for appropriation to investors/shareholders after approval by the appropriate level of authority/in the Annual General Meeting, and after making appropriation to reserve funds in accordance with the Company's Charter, each subsidiaries' Charter and Vietnam's regulatory requirements.

The Group maintains the reserve funds which are appropriated from the Group's net profit as proposed by the Board of Directors and subject to approval by shareholders at the Annual General Meeting.

3.19 Advances from customers

Payments received from customers as deposits for the purchase of properties in the future that do not meet the conditions for revenue recognition, are recognised and presented as "Advances from customers" in the liability section in the consolidated balance sheet. Supports under promotion programs for sales of properties which are, in substance, revenue deductions are presented as deductions against "Advances from customers" for the purchase of properties that do not meet the conditions for revenue recognition in the year.

3.20 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, excluding trade discount, rebate and sales return. The following specific recognition criteria must also be met before revenue is recognised:

Revenue from sale of inventory property

Revenue from sale of inventory property is recognised when the significant risks and rewards incident to ownership of the properties have been transferred to the buyer.

Revenue from sale of inventory property also includes long-term lease of inventory property qualified for recognition of outright sales. If the lease-term is greater than 90% of the asset's useful life, the Group will recognise the revenue for the entire prepaid lease payment if all of the following conditions are met:

- ▶ Lessee is not allowed to cancel the lease contract during the lease term, and the lessor is not responsible for reimbursing the prepaid lease payments under any circumstances;
- ▶ The prepaid lease payment is not less than 90% of the total estimated lease payment collected under contract over the lease period and lessee must pay all rental within 12 months from the commencement of the lease;
- ▶ Almost all risks and rewards associated with the ownership of leased assets are transferred to the lessee; and
- ▶ Lessor must estimate the full cost of leasing activity.

Revenue from leasing of properties

Rental income arising from operating lease is recognised in the consolidated income statement on a straight-line basis over the lease terms of ongoing leases.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.20 Revenue recognition (continued)

Sale of goods

Revenue is recognised when the significant risks and rewards of ownership of the goods have been passed to the buyer, usually upon the delivery of the goods.

Rendering of services

Revenue from hotel, amusement park, education, hospital, real-estate management and other related services is recorded when the services are rendered and the outcome of the contract is certainly determined.

In the transaction in which the Group provides multiple products and services to the customer in the same arrangement, the Group determines the obligation to sell the product and the obligation to render the services separately and only recognises the revenue when each individual obligation is completed by the Group. The contract value is allocated to each individual product or service by taking the total contract value minus the estimated fair value of the service. Payments from customers under contracts corresponding to the unfulfilled obligations will be recognised in advance from customers/unearned revenues in the consolidated balance sheet.

Gains from capital/shares transfer

Gains from capital/shares transfer are determined as the excess of selling prices against the cost of securities sold. Such gains are recognised on the transaction date when the relevant contracts are executed.

Interest

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

Dividends

Income is recognised when the Group's entitlement as an investor to receive the dividend is established.

3.21 Construction contract

Where the outcome of a construction contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the consolidated balance sheet date based on the construction works as certified by customers. Variations in contract work, claims and incentive payments are included to the extent that they have been agreed with the customer.

Where the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that is probably recoverable. Contract costs are recognised as expenses in the year in which they are incurred.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.22 Taxation

Current income tax

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

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

Current income tax assets and liabilities are offset when there is a legally enforceable right for the Group to offset current tax assets against current tax liabilities and when the Group intends to settle its current tax assets and liabilities on a net basis.

Deferred tax

Deferred tax is provided using liability method on temporary differences at the consolidated balance sheet date between the tax base of assets and liabilities and their carrying amount for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- ▶ where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the transaction affects neither the accounting profit nor taxable profit or loss; and
- ▶ in respect of taxable temporarily differences associated with investments in subsidiaries and associates, and interests in jointly controlled entity where timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carried forward unused tax credit and unused tax losses, to the extent that it is probable that taxable profit will be available against which deductible temporary differences, carried forward unused tax credit and unused tax losses can be utilised, except:

- ▶ where the deferred tax asset in respect of deductible temporary difference which arises from the initial recognition of an asset or liability which at the time of the related transaction, affects neither the accounting profit nor taxable profit or loss at the time transaction incurred; and
- ▶ in respect of deductible temporarily differences associated with investments in subsidiaries and associates, and interests in jointly controlled entity, deferred tax assets are recognised only to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profits will be available against which the temporary differences can be utilised.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.22 Taxation (continued)

Deferred tax (continued)

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

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

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

- ▶ either the same taxable entity; or
- ▶ when the Group intends either to settle current tax liabilities and assets on a net basis or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

3.23 Exchangeable bond

Exchangeable bonds that can be exchanged into a fixed number of ordinary shares are separated into a financial liability component (for the contractual obligation to deliver cash or other financial assets) and an equity component (for the exchange right into ordinary shares for a specified period of time) in accordance with the contract terms.

Management assesses that there is no equity component in these exchangeable bonds (since there is not known fixed number of shares to be exchanged) and as a result, has recognised the entire exchangeable bonds as long-term debts.

3.24 Bond issuance transaction cost

Transaction costs relating to bond issuance are charged to the consolidated income statement on a straight-line basis over the tenor of the bond. At initial recognition, these transaction costs are deducted from liability component of the bond.

3.25 Cross-currency interest rate swap contract

The Group enters into cross-currency interest rate swap contracts ("swap contracts") to mitigate the risk relating to fluctuation of interest rate and exchange rate. The Group recognizes principal and interest expense at the interest rate and exchange rate determined in the swap contracts accordingly.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****3.26 Earnings per share**

Basic earnings per share amounts are calculated by dividing net profit/(loss) after tax for the year attributable to ordinary shareholders of the Group (after adjusting for the bonus and welfare fund) by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the net profit after tax attributable to ordinary equity holders of the Group (after adjusting for dividend of the convertible preference shares) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

3.27 Segment information

A segment is a component determined separately by the Group which is engaged in providing products or related services (business segment) or providing products or services in a particular economic environment (geographical segment), that is subject to risks and returns that are different from those of other segments. Management defines the Group's segment report to be based on type of products and services provided.

3.28 Related parties

The parties are considered as related parties of the Group if one party has the ability, directly or indirectly, to control over the other party or otherwise significantly influence on the other party in making financial and operating decisions, or when the Group and the other party are under common control or significant influence. Stakeholders may be companies or individuals, including intimate family members of individuals considered to be related parties.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended**4. SIGNIFICANT ACQUISITIONS AND DISPOSALS DURING THE YEAR****4.1 Acquisition of group of assets**

During the year, the Group has acquired certain companies and assessed that these acquisitions are acquisitions of group of assets as follows:

Acquisition of Berjaya Vietnam International University Town LLC ("Berjaya VIUT LLC")

On 8 February 2018, the Group acquired 97.9% voting shares of Berjaya VIUT LLC from a corporate counterparty and two individuals with total consideration of VND11,748 billion and thereby, Berjaya VIUT LLC became a subsidiary of the Group. As of the acquisition date, Berjaya VIUT LLC was the owner of a potential real-estate project under development at Hoc Mon district, Ho Chi Minh City, Vietnam.

Acquisition of Berjaya Vietnam Financial Centre LLC ("Berjaya VFC LLC")

On 7 March 2018, the Group has contributed capital amounting to VND2,009 billion to Berjaya VFC LLC. Through this transaction, the Group owns 67.5% voting shares in Berjaya VFC LLC and thereby, Berjaya VFC LLC became a subsidiary of the Group. As of the acquisition date, Berjaya VFC LLC was the owner of a potential real-estate project under development at District 10, Ho Chi Minh City, Vietnam.

Acquisition of Thai Son Investment and Construction JSC ("Thai Son JSC")

On 8 May 2018, the Group acquired 96.47% voting shares of Thai Son JSC from a corporate counterparty with total consideration of VND1,700 billion and thereby, Thai Son JSC became a subsidiary of the Group. As of the acquisition date, Thai Son JSC held 90.32% voting shares in Dat Rong Vang Investment and Construction JSC ("Dat Rong Vang JSC") and 98.32% voting shares in West Hanoi Urban Development and Trading Investment JSC ("West Hanoi JSC"). As of the acquisition date, West Hanoi JSC was the owner of a potential real-estate project under development at Tay Mo commune and Dai Mo commune, Nam Tu Liem district, Hanoi.

Acquisition of GS Cu Chi Development JSC ("GS Cu Chi JSC")

On 2 July 2018, the Group acquired 100% voting shares of GS Cu Chi JSC from individuals with total consideration of VND1,205 billion. Thereby, GS Cu Chi JSC became a subsidiary of the Group. As of the acquisition date, GS Cu Chi JSC was owner of a potential golf course project.

4.2 Business combination

During the year, the Group has acquired and consolidated the below new subsidiaries:

Acquisition of Vinhomes Trading and Real Estate Management JSC ("Vinhomes Management JSC")

On 11 January 2018, the Group acquired 13.5% voting shares of Vinhomes Management JSC at total consideration of VND605 billion (after deducting the cash dividend paid by Vinhomes Management JSC for the period prior to the acquisition date). After that, on 18 January 2018, the General Shareholders of Vinhomes JSC (previously known as Hanoi Southern City Development JSC), a subsidiary of the Group, approved the Resolution No. 01/2018/NQ/DHDCD-HANOI CITY JSC on the merger of Vinhomes Management JSC into Vinhomes JSC. According to the merger contract dated 27 January 2018 between Vinhomes JSC and Vinhomes Management JSC, Vinhomes JSC issued 381,500,000 shares at total par value of VND3,815 billion in exchange for 381,500,000 shares of Vinhomes Management JSC. The merger was completed on 1 February 2018. Thereby, the issuance increased the share capital of Vinhomes JSC by VND3,815 billion.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

4. SIGNIFICANT ACQUISITIONS AND DISPOSALS DURING THE YEAR (continued)

4.2 Business combination (continued)

Acquisition of Vinhomes Trading and Real Estate Management JSC ("Vinhomes Management JSC") (continued)

The principal activities of Vinhomes Management JSC at the merger date are to invest, construct, trade and act as agency, consultant relating to real estate properties. The acquisition of Vinhomes Management JSC is a part of the Group's investment strategy to strengthen its sale strategy and execution of sale activities.

The fair values of identifiable assets and liabilities of Vinhomes Management JSC at the acquisition date were presented below:

	<i>Currency: VND</i>
	<i>Fair value recognised at acquisition date</i>
Assets	
Cash and cash equivalents	436,915,335,232
Held to maturity investment	172,130,755,950
Short-term trade receivables	856,634,989,252
Short-term advances to suppliers	300,287,774,697
Short-term loan receivables	6,655,000,000,000
Inventories	3,193,901,415,455
Investment property	2,343,206,539,282
Other assets	305,318,516,557
	14,263,395,326,425
Liabilities	
Short-term trade payables	732,050,233,244
Short-term advances from customers	1,535,686,360,613
Statutory obligations	148,347,886,487
Accrued expenses	1,447,722,481,729
Unearned revenues	1,895,303,265,447
Other liabilities	4,510,007,256,441
	10,269,123,483,961
Total identifiable net assets	3,994,271,842,464
Non-controlling interests	(686,406,450,561)
Goodwill from business combination	121,632,125,715
Total purchase consideration (i)	3,429,497,517,618
Analysis of cash flows on acquisition	
Cash of the acquired subsidiary	436,915,335,232
Cash paid for acquiring the subsidiary up to 31 December 2018	(605,154,375,000)
Net cash flow used in acquisition	(168,239,039,768)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

4. SIGNIFICANT ACQUISITIONS AND DISPOSALS DURING THE YEAR (continued)

4.2 Business combination (continued)

Acquisition of Vinhomes Trading and Real Estate Management JSC ("Vinhomes Management JSC") (continued)

(i) Total purchase consideration was VND3,429 billion including cash consideration of VND605 billion, fair value of equity interest decreased in subsidiaries of the Group as a result of the merger of VND2,061 billion and fair value of 18.6% equity interest previously held by the Group in Vinhomes Management JSC of VND763 billion. The Group remeasured the fair value of previously held equity interest and recorded a finance expense of VND250 billion in the consolidated income statement (Note 32). At acquisition date, the Group used the fair value of the acquiree's shares which is assessed as a more reliable measurement to determine the fair value of consideration. Profit before tax of Vinhomes Management JSC from 1 January 2018 to the acquisition date is VND283 billion.

Acquisition of Phat Loc Commercial Investment Trading Limited Liability Company ("Phat Loc LLC")

On 28 February 2018, the Group acquired 100% voting right of Phat Loc LLC from two individuals with total consideration of VND406.5 billion and thereby, Phat Loc LLC became a subsidiary of the Group. As of the acquisition date, Phat Loc LLC is the owner of a potential real estate project at Binh Thanh district, Ho Chi Minh City, Vietnam.

The fair values of identifiable assets and liabilities of Phat Loc LLC at the acquisition date are presented below:

	Currency: VND
	<i>Fair value recognised at acquisition date</i>
Assets	
Cash and cash equivalents	9,597,036,150
Trade receivables	56,351,012,773
Advances to suppliers	39,600,000
Other receivables	90,222,222,222
Investment property	266,655,605,867
Construction in progress	12,639,714,774
	435,505,191,786
Liabilities	
Deferred tax liabilities	25,069,090,656
Long-term loans and debts	13,100,000,000
Trade payables	1,524,600,049
	39,693,690,705
Total identifiable net assets	395,811,501,081
Non-controlling interests	2,155,675,391
Goodwill from business combination	8,559,223,528
Total purchase consideration	406,526,400,000
Analysis of cash flows on acquisition	
Cash of the acquired subsidiary	9,597,036,150
Cash paid for acquiring the subsidiary up to 31 December 2018	(406,526,400,000)
Net cash flow used in acquisition	(396,929,363,850)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

4. SIGNIFICANT ACQUISITIONS AND DISPOSALS DURING THE YEAR (continued)

4.2 Business combination (continued)

Acquisition of Phat Loc Commercial Investment Trading Limited Liability Company ("Phat Loc LLC") (continued)

Total purchase consideration was VND406.5 billion paid in cash. Revenue and profit before tax for the period from 1 January 2018 to the acquisition date and profit before tax for the period from the acquisition date to the disposal date of Phat Loc LLC (Note 4.3) is insignificant.

Acquisition of VINFA Joint Stock Company ("VINFA JSC")

On 30 January 2018, Vingroup JSC acquired 9,000 voting shares of VINFA JSC, which are equivalent to 3% voting shares of VINFA JSC. On 1 February 2018, Vingroup JSC has contributed an additional capital amounting to VND443 billion to VINFA JSC. Through this transaction, the voting right of the Group in VINFA JSC is 96.39% and thereby, VINFA JSC became a subsidiary of the Group. The current principal activities of VINFA JSC are to conduct pharmaceutical research, manufacturing and trading.

The fair values of identifiable assets and liabilities of VINFA JSC at the acquisition date are presented below:

	<i>Currency: VND</i>
	<i>Fair value recognised at acquisition date</i>
Assets	
Cash and cash equivalents	4,570,055,777
Short-term loan receivables	455,000,000,000
Other current assets	1,005,774,543
	460,575,830,320
Liabilities	
Other liabilities	583,377,639
Total identifiable net assets	459,992,452,681
Non-controlling interests	(16,612,452,681)
Total purchase consideration	443,380,000,000
Analysis of cash flows on acquisition	
Cash of the acquired subsidiary	4,570,055,777
Cash paid for acquiring the subsidiary up to 31 December 2018	(443,380,000,000)
Net cash flow used in acquisition	(438,809,944,223)

Total purchase consideration was VND443.4 billion paid in cash.

Revenue and profit before tax for the period from 1 January 2018 to the acquisition date and profit before tax for the period from the acquisition date to 31 December 2018 of Vinfa JSC is insignificant.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended**4. SIGNIFICANT ACQUISITIONS AND DISPOSALS DURING THE YEAR (continued)****4.2 Business combination (continued)**

Acquisition of Vien Thong A Import Export Trading Production Corporation Joint Stock Company ("Vien Thong A JSC")

On 21 August 2018, Vingroup JSC acquired 100% voting shares of Vien Thong A JSC from individuals and a corporate counterparty with total consideration of VND39 billion and thereby, Vien Thong A JSC became a subsidiary of the Group. The current principal activities of Vien Thong A JSC are to trade mobile phones, computers and electronic accessories.

The fair values of identifiable assets and liabilities of Vien Thong A JSC at the acquisition date are presented as below:

	<i>Currency: VND</i>
	<i>Fair value recognised at acquisition date</i>
Assets	
Cash and cash equivalents	15,213,438,027
Trade receivables	146,123,836,037
Inventory	221,076,398,242
Other current assets	22,166,601,699
Other non-current receivables	35,372,990,528
Tangible and intangible fixed assets	97,169,140,269
Long-term prepaid expenses	69,394,694,620
	606,517,099,422
Liabilities	
Short-term loans and debts	455,234,000,000
Short-term trade payables	103,060,306,662
Other current liabilities	45,904,457,438
	604,198,764,100
Total identifiable net assets	2,318,335,322
Non-controlling interests	12,974,181,817
Goodwill from business combination	23,687,847,892
Total identifiable net assets	38,980,365,031
Analysis of cash flows on acquisition	
Cash of the acquired subsidiary	15,213,438,027
Cash paid for acquiring the subsidiary up to 31 December 2018	(38,980,365,031)
Net cash flow used in acquisition	(23,766,927,004)

Total purchase consideration was VND39 billion paid in cash. Loss before tax of Vien Thong A JSC for the period from 1 January 2018 to the acquisition date was VND226 billion. On 30 November 2018, Vien Thong A JSC was merged into Vinpro JSC, a subsidiary of the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended**4. SIGNIFICANT ACQUISITIONS AND DISPOSALS DURING THE YEAR (continued)****4.2 Business combination (continued)***Acquisition of Nhat Nam Investment Joint Stock Company ("Nhat Nam Investment JSC")*

On 4 October 2018, Vingroup JSC acquired 100% voting shares of Nhat Nam Investment JSC from individuals and corporate counterparties with total consideration of VND1,412 billion and thereby, Nhat Nam Investment JSC and Nhat Nam JSC, its subsidiary, became new subsidiaries of the Group. The principle activities of Nhat Nam Investment JSC and its subsidiary are supermarket retail business.

The fair values of identifiable assets and liabilities of Nhat Nam Investment JSC and its subsidiary at the acquisition date are presented as below:

	<i>Currency: VND</i>
	<i>Fair value recognised at acquisition date</i>
Assets	
Cash and cash equivalents	4,882,087,575
Trade receivables	9,844,688,538
Other short-term receivables	13,898,171,057
Inventory	66,616,593,985
Other current assets	17,558,148,513
Tangible fixed asset	127,950,832,411
Intangible fixed asset	483,884,876,762
Other non-current assets	40,711,739,822
	765,347,138,663
Liabilities	
Trade payables	253,191,833,165
Other current liabilities	291,785,568,785
Long-term loans and debts	202,188,000,000
	747,165,401,950
Total identifiable net assets	18,181,736,713
Non-controlling interests	492,828,138,528
Goodwill from business combination (Note 20)	901,050,001,237
Total purchase consideration	1,412,059,876,478
Analysis of cash flows on acquisition	
Cash of the acquired subsidiary	4,882,087,575
Cash paid for acquiring the subsidiary up to 31 December 2018	(1,261,932,000,000)
Net cash flow used in acquisition	(1,257,049,912,425)

Total purchase consideration was VND1,412 billion, in which, the Group has paid VND1,262 billion up to 31 December 2018. Loss before tax of Nhat Nam Investment JSC and its subsidiary for the period from 1 January 2018 to the acquisition date was VND558 billion. On 18 October 2018, Nhat Nam Investment JSC and its subsidiary were merged into Vincommerce JSC, a subsidiary of the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended**4. SIGNIFICANT ACQUISITIONS AND DISPOSALS DURING THE YEAR (continued)****4.2 Business combination (continued)**

Acquisition of General Motors Vietnam Liability Limited Company ("General Motors Vietnam LLC")

On 4 December 2018, the Group acquired 100% voting right of General Motors Vietnam LLC from a corporate counterparty with total consideration of VND919.4 billion. Thereby, General Motors Vietnam LLC became a new subsidiary of the Group. The principle activities of General Motors Vietnam LLC are to develop and produce motor vehicles.

As at 31 December 2018, the Group was in the process of determining the fair value of identifiable assets, liabilities or contingent liabilities of General Motors Vietnam LLC at the date of acquisition. The provisional fair values of identifiable assets and liabilities of General Motors Vietnam LLC at the acquisition date are presented as below:

	<i>Currency: VND</i>
	<i>Provisional fair value recognised at acquisition date</i>
Assets	
Cash and cash equivalents	332,621,436,880
Trade receivables	101,493,665,988
Other receivables	25,723,486,490
Inventory	625,864,799,885
Tangible fixed asset	69,382,264,330
	1,155,085,653,573
Liabilities	
Statutory obligations	103,433,635,500
Short-term accrued expenses	112,170,039,118
Provision for non-current liabilities	70,160,727,795
Other liabilities	85,349,644,066
	371,114,046,479
Total identifiable net assets	783,971,607,094
Non-controlling interests	78,696,170,348
Goodwill from business combination	56,764,010,334
Total purchase consideration	919,431,787,776
Analysis of cash flows on acquisition	
Cash of the acquired subsidiary	332,621,436,880
Cash paid for acquiring the subsidiary up to 31 December 2018	(919,431,787,776)
Net cash flow used in acquisition	(586,810,350,896)

Total purchase consideration was VND919.4 billion paid in cash. Profit before tax of General Motors Vietnam LLC for the period from 1 January 2018 to the acquisition date was VND184 billion. Profit before tax of General Motors Vietnam LLC for the period from the acquisition date to 31 December 2018 is VND24.4 billion.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

4. SIGNIFICANT ACQUISITIONS AND DISPOSALS DURING THE YEAR (continued)

4.3 Significant disposals with loss of control

Disposal of Cam Ranh Investment LLC ("Cam Ranh LLC")

On 30 November 2018, the Group disposed 90% voting right of Cam Ranh LLC to a corporate counterparty for total consideration of VND3,506 billion. Gain from this disposal of VND2,041 billion was recognised in the consolidated income statement.

Disposal of Phat Loc Commercial Investment Trading LLC ("Phat Loc LLC")

On 25 December 2018, the Group disposed 49% voting right of Phat Loc LLC to a corporate counterparty with total consideration of VND539 billion. Gain from this disposal of VND202 billion was recognised in the consolidated income statement. According to the capital transfer contract, the Group has transferred its entire voting right in Phat Loc LLC to the buyer since the first payment date. Therefore, the Group has neither control nor significant influence over Phat Loc LLC. The retained interest in Phat Loc LLC is presented as an other long-term investment (Note 19.1.2).

4.4 Significant acquisitions and disposals without change of control in subsidiaries

During the year, the Group has completed certain acquisitions and transfers of equity interest without change of control in subsidiaries, mainly including:

Acquisition of additional shares in Vietnam Investment and Consulting Investment JSC ("Vietnam Investment JSC")

On 27 February 2018, the Group acquired 20% voting shares of Vietnam Investment JSC, an existing subsidiary, from a corporate counterparty at total consideration of VND119 billion. The difference between the consideration and the net assets of the subsidiary acquired from this transaction plus its unamortized goodwill of VND782 billion was recognised in the undistributed earnings in the consolidated balance sheet.

Transfer shares of Vinhomes Joint Stock Company ("Vinhomes JSC")

On 20 April 2018, the Group transferred 5.74% voting shares of Vinhomes JSC to a corporate counterparty for total consideration of VND15,700 billion. The difference between the consideration and the net assets of the subsidiary acquired from this transaction of VND8,518 billion was recognised in the undistributed earnings in the consolidated balance sheet.

Acquisition of additional shares in Vinpearl Joint Stock Company ("Vinpearl JSC")

On 7 September 2018, Vincommerce JSC, an existing subsidiary, acquired 15.04% voting shares of Vinpearl JSC from another subsidiary and an individual at total consideration of VND3,556 billion. The difference between the consideration and the net assets of the subsidiary acquired from this transaction of VND377 billion was recognised in the undistributed earnings in the consolidated balance sheet.

Acquisition of additional shares in Dat Rong Vang Development and Investment JSC ("Dat Rong Vang JSC")

On 24 September 2018, the Group acquired 9.7% voting shares of Dat Rong Vang JSC from individuals at total consideration of VND150 billion. The difference between the consideration and the net assets of the subsidiary acquired from this transaction of VND322 billion from this transaction was recognised in the undistributed earnings in the consolidated balance sheet.

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4. SIGNIFICANT ACQUISITIONS AND DISPOSALS DURING THE YEAR (continued)

4.5 Completion of the provisional accounting for business combination

Acquisition of Co.Co International LLC

In 2018, the Group completed the provisional accounting applied for the acquisition of Co.Co International LLC. Accordingly, the Group assesses that the finalised results of this business combination is unchanged compared to the provisional results determined in 2017.

5. CASH AND CASH EQUIVALENTS

Currency: VND

	<i>Ending balance</i>	<i>Beginning balance</i>
Cash on hand	364,082,657,949	150,606,565,743
Cash in banks	8,157,247,310,845	6,005,448,449,742
Cash in transit	44,946,106,231	26,726,170,056
Cash equivalents	4,990,779,207,556	1,958,968,842,145
TOTAL	13,557,055,282,581	8,141,750,027,686

Cash equivalents as at 31 December 2018 comprise bank deposits in VND with terms ranging from 1 month to 3 months, earning interests ranging from 4.3% to 5.5% per annum (as at 31 December 2017: 4.2% to 5.5% per annum).

Cash in banks and cash equivalents as at 31 December 2018 include VND1,289 billion in escrow accounts (as at 31 December 2017: VND887 billion) and VND99.8 billion in restricted-for-use accounts for business and other activities of the Group (as at 31 December 2017: VND322 billion).

Cash in banks and cash equivalents as at 31 December 2018 include maintenance funds of handed-over apartments at real-estate projects of the Group. Subsequently, these maintenance funds will be transferred to Building Management Boards.

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6. HELD-TO-MATURITY INVESTMENTS

6.1 Short-term held-to-maturity investments

Balance as at 31 December 2018 mainly includes short-term bank deposits in VND with terms ranging from more than 6 months to 1 year and earning interest at rates ranging from 5.2% to 7.1% per annum (as at 31 December 2017: short-term bank deposits have terms ranging from more than 3 months to 1 year and earning interest at rates ranging from 4.5% to 7.1% per annum).

Held-to-maturity investments as at 31 December 2018 include maintenance funds for handed-over apartments at real-estate projects of the Group. Subsequently, these maintenance funds will be transferred to Building Management Boards.

6.2 Long-term held-to-maturity investments

	Currency: VND	
	Ending balance	Beginning balance
Long-term bank deposits (i)	1,830,000,000,000	1,830,000,000,000
Long-term bonds	169,680,000,000	90,000,000,000
TOTAL	1,999,680,000,000	1,920,000,000,000

(i) These are bank deposits in VND which have 3-year term and earning interest at rate of 7.1% per annum.

7. TRADE RECEIVABLES AND ADVANCES TO SUPPLIERS

7.1 Short-term trade receivables

	Currency: VND	
	Ending balance	Beginning balance
Sale of inventory properties	5,701,974,860,514	3,614,086,042,849
Disposal of investments	319,000,000,000	1,118,410,842,439
Rendering hotel services, amusement park services and related services	268,595,141,715	158,360,787,526
Leasing activities and rendering related services	267,756,536,563	344,946,214,307
Rendering hospital services and related services	238,760,786,057	208,024,680,022
Others	797,922,640,073	300,631,883,775
TOTAL	7,594,009,964,922	5,744,460,450,918
<i>In which:</i>		
Short-term trade receivables from related parties (Note 37)	256,302,973,549	135,043,603,890
Provision for doubtful debts	(124,820,527,359)	(67,008,044,384)
Details of receivables which are more than 10% of total balance:		
Disposal of an investment to a corporate counterparty	-	981,716,150,000

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as at 31 December 2018 and for the year then ended

7. TRADE RECEIVABLES AND ADVANCES TO SUPPLIERS (continued)

7.2 Short-term advances to suppliers

Short-term advances to suppliers as at 31 December 2018 mainly include advances to suppliers and construction contractors for developing projects of the Group and purchasing other goods and services.

As at 31 December 2018, the Group has made a provision for uncollectible advances of VND24.7 billion (31 December 2017: VND12 billion).

8. LOAN RECEIVABLES

	Currency: VND	
	Ending balance	Beginning balance
Loans to corporate counterparties (i)	5,054,600,000,000	7,607,239,886,536
Current portion of long-term loans to customers and individuals	23,257,439,663	76,999,942,000
TOTAL	5,077,857,439,663	7,684,239,828,536
Provision for doubtful loan receivables	(70,637,930,687)	(127,240,478,176)

(i) Balance as at 31 December 2018 mainly includes:

- ▶ An unsecured loan receivable of VND550 billion to a corporate counterparty with 1-year term earning interest at rate of 8% per annum; and
- ▶ Loan receivables of VND4,450 billion to three corporate counterparties with one-year term, earning interest at rates ranging from 8% to 9% per annum and secured by shares of these corporate counterparties.

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9. OTHER RECEIVABLES

	Currency: VND	
	Ending balance	Beginning balance
Short-term:		
Interest on bank deposits, deposits and loans to others	1,699,917,788,342	974,465,191,355
Receivables from payment on behalf	1,744,468,973,097	467,945,317,614
Deposit for business co-operation contracts (i)	13,950,000,000,000	-
Deposit for investment co-operation contracts	593,000,000,000	935,000,000,000
Guarantee deposits for project development	360,178,092,133	440,875,574,562
Customers' advance collected by third party on behalf of the Group	406,982,535,971	2,185,345,550,269
Guarantee deposit for bond and interest obligation	120,190,140,000	110,646,740,053
Others	2,119,177,033,623	634,621,539,535
TOTAL	20,993,914,563,166	5,748,899,913,388
<i>In which:</i>		
Short-term other receivables from related parties (Note 37)	1,383,111,825,436	-
Provision for doubtful other short-term receivables	(47,849,468,298)	(312,027,720,377)
Long-term:		
Long-term deposits for outlet rentals	212,873,405,432	82,362,006,303
Guarantee deposit for bond obligation	-	120,190,140,000
Deposit for business co-operation contracts	73,366,827,000	73,366,827,000
Others	19,300,853,297	18,699,134,999
TOTAL	305,541,085,729	294,618,108,302

- (i) Balance as at 31 December 2018 comprises of a deposit to a corporate counterparty for the purpose of developing a real-estate project under a business co-operation and project development contract. This deposit is secured by a number of shares of this corporate counterparty including all rights and benefits attached to these shares.

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10. BAD DEBTS

Bad debts of the Group mainly include overdue trade receivables, loan principal receivables and interest receivables:

Currency: VND

Debtor	Ending balance		Beginning balance	
	Cost	Recoverable amount	Cost	Recoverable amount
Overdue receivables	261,173,236,739	64,374,413,528	706,325,250,704	315,510,885,885
Overdue loans receivables	70,637,930,687	-	161,077,828,534	33,837,350,358
TOTAL	331,811,167,426	64,374,413,528	867,403,079,238	349,348,236,243

Details of overdue receivables which account for more than 10% of total overdue receivables:

Currency: VND

Debtor	Ending balance		Beginning balance	
	Cost	Recoverable amount	Cost	Recoverable amount
Corporate counterparty No. 1	-	-	384,737,291,675	211,710,931,600
Corporate counterparty No. 2	-	-	87,231,780,861	26,169,534,256
Corporate counterparty No. 3	82,705,000,000	-	82,705,000,000	-

11. INVENTORIES

Currency: VND

	Ending balance		Beginning balance	
	Cost	Provision	Cost	Provision
Completed inventory properties	1,681,670,778,936	(9,268,557,269)	3,863,489,205,510	(130,480,925,010)
Inventory properties under construction	48,126,882,284,254	(201,473,670,751)	49,912,878,755,235	(105,024,042,158)
Inventories for supermarkets, retail outlets and other finished goods	4,428,111,208,770	(167,580,965,009)	2,326,880,062,920	(85,505,947,911)
Raw materials	673,261,550,387	(121,045,707,893)	137,527,038,620	-
Purchased goods in transit	528,666,080,329	-	1,257,215,053	-
Others	178,309,604,988	(12,019,060,052)	161,183,136,170	(23,389,307,344)
TOTAL	55,616,901,507,664	(511,387,960,974)	56,403,215,413,508	(344,400,222,423)

Details of inventories and associated rights used as collaterals for borrowings of the Group are disclosed in Note 26.

Detail movements of provision for obsolete inventories:

Currency: VND

	Current year	Previous year
Beginning balance	344,400,222,423	96,995,461,541
Add: Provision made during the year	489,207,914,137	344,400,222,423
Less: Utilisation and reversal of provision during the year	(322,220,175,586)	(96,995,461,541)
Ending balance	511,387,960,974	344,400,222,423

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12. PREPAID EXPENSES

	Currency: VND	
	Ending balance	Beginning balance
Short-term:		
Selling expenses related to apartments not yet handed-over	1,372,076,442,949	2,752,756,498,957
Prepaid committed profit under villas and condotels management program	267,617,684,252	1,103,598,553,390
Provisional corporate income tax	268,431,117,782	558,615,647,813
Tools and supplies	219,921,540,480	182,978,501,038
Others	356,681,679,781	160,794,920,957
TOTAL	2,484,728,465,244	4,758,744,122,155
Long-term:		
Prepaid land rental	1,888,739,553,338	1,252,345,408,910
Tools and supplies	1,729,119,328,388	1,185,836,974,586
Prepaid committed profit under villas and condotels management program	665,518,501,693	-
Pre-operating expenditures	514,618,116,534	391,898,594,170
Lease with favourable terms	446,963,701,601	-
Others	325,389,478,384	231,869,099,246
TOTAL	5,570,348,679,938	3,061,950,076,912

13. OTHER ASSETS

	Currency: VND	
	Ending balance	Beginning balance
Short-term:		
Deposits for investment purpose (i)	9,081,320,884,001	1,658,670,826,179
Others	307,927,445,627	307,927,445,627
TOTAL	9,389,248,329,628	1,966,598,271,806
Long-term:		
Deposits for investment purpose (ii)	1,231,431,327,786	7,115,047,177,440
TOTAL	1,231,431,327,786	7,115,047,177,440

(i) As at 31 December 2018, this comprises:

- ▶ A deposit of VND7,820 billion to individuals for acquiring additional shares of an existing subsidiary of the Group. This deposit is secured by shares of this subsidiary. Up to the date of this report, these individuals have transferred an amount of VND3,945 billion to the Company; and
- ▶ An unsecured deposit of VND694 billion to a corporate counterparty under a principle agreement for the purpose of acquiring a potential real-estate project.

(ii) As at 31 December 2018, this comprises of an unsecured deposit of VND1,032 billion to a corporate counterparty earning interest at rate which is determined by 12-month interest paid in arrears VND saving rate of Joint Stock Commercial Bank for Foreign Trade of Vietnam, adjusted each 3-month. The deposit and its interest will be used as a settlement for 10% of contract value under contracts signed between the Group and this corporate counterparty.

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14. TANGIBLE FIXED ASSETS

	Buildings and structures	Machinery and equipment	Means of transportation	Office equipment	Others	Total
Currency: VND						
Cost:						
Beginning balance	27,104,007,200,402	11,134,247,769,686	1,151,997,884,807	888,508,378,158	566,821,443,063	40,845,582,676,116
Newly purchased	-	1,518,406,654,585	483,894,803,903	352,474,964,155	288,300,644,691	2,643,077,067,334
Newly constructed (Note 18)	13,120,455,384,663	6,244,695,562,239	-	-	214,987,671,460	19,580,138,618,362
Increase due to acquisition of subsidiaries	298,242,061,322	592,007,954,486	33,917,327,780	28,808,927,977	49,461,212,954	1,002,437,484,519
Reclassified from investment properties (Note 16)	683,663,282,158	218,653,139,442	-	-	-	902,316,421,600
Sold, disposed	(92,361,009,694)	(165,821,232,508)	(46,166,420,817)	(35,821,228,406)	(22,097,354,673)	(362,267,246,098)
Reclassified to investment properties (Note 16)	(2,409,411,083,550)	(295,226,620,412)	-	-	-	(2,704,637,703,962)
Decrease due to disposal of subsidiaries	(2,774,305,052,305)	(765,680,592,567)	(131,872,012,033)	(11,294,675,567)	(224,062,372,056)	(3,907,214,704,528)
Others	174,715,623,625	(557,452,841,546)	(99,242,667,720)	(33,332,944,171)	153,670,936,048	(361,641,893,764)
Ending balance	36,105,006,406,621	17,923,829,793,405	1,392,528,915,920	1,189,343,422,146	1,027,082,181,487	57,637,790,719,579
<i>In which:</i>						
<i>Fully depreciated</i>	18,866,763,044	213,543,517,115	27,536,489,895	49,715,253,957	36,639,815,155	346,301,839,166
Accumulated depreciation:						
Beginning balance	2,266,815,210,213	2,740,264,304,400	309,896,381,072	289,233,062,936	265,840,375,625	5,872,049,334,246
Depreciation for the year	1,207,699,364,718	1,552,243,205,824	140,259,160,440	123,698,572,818	126,274,961,095	3,148,175,264,895
Increase due to acquisition of subsidiaries	195,093,920,985	437,160,392,973	11,268,160,893	5,752,025,467	38,569,143,484	687,843,643,802
Reclassified from investment properties (Note 16)	134,719,477,191	104,364,492,573	-	-	-	239,083,969,764
Sold, disposed	(68,840,170,730)	(102,750,366,242)	(22,812,352,414)	(20,927,478,697)	(12,244,719,911)	(227,575,087,994)
Reclassified to investment properties (Note 16)	(93,071,332,092)	(56,240,632,582)	-	-	-	(149,311,964,674)
Decrease due to disposal of subsidiaries	(187,762,792,518)	(182,985,178,035)	(39,423,137,009)	(5,101,686,399)	(44,413,109,959)	(459,685,903,920)
Others	293,976,012,094	(307,097,874,121)	(11,194,252,410)	(9,123,901,957)	11,328,563,396	(22,111,452,998)
Ending balance	3,748,629,689,861	4,182,958,344,790	387,993,960,572	383,530,594,168	385,355,213,730	9,088,467,803,121
Net carrying amount:						
Beginning balance	24,837,191,990,189	8,393,983,465,286	842,101,503,735	599,275,315,222	300,981,067,438	34,973,533,341,870
Ending balance	32,356,376,716,760	13,740,871,448,615	1,004,534,955,348	805,812,827,978	641,726,967,757	48,549,322,916,458

Details of tangible fixed assets used as collaterals for loans and bonds of the Group and third parties are disclosed in Note 26.

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15. INTANGIBLE FIXED ASSETS

Currency: VND

Cost:	Land use rights	E-commerce website	Computer software	Others	Total
Beginning balance	229,843,356,036	277,064,910,815	623,371,931,527	91,984,163,544	1,222,264,361,922
Newly purchased	-	-	275,660,636,536	9,008,830,464	284,669,467,000
Others	2,784,551,121	-	(35,759,858,022)	5,249,696,816	(27,725,610,085)
Ending balance	232,627,907,157	277,064,910,815	863,272,710,041	106,242,690,824	1,479,208,218,837
<i>In which:</i>					
Fully depreciated	-	219,027,034,678	148,222,596,843	54,810,347,708	422,059,979,229
Accumulated amortisation:					
Beginning balance	42,613,030,175	244,246,527,292	196,092,192,801	62,901,951,491	545,853,701,759
Amortisation for the year	4,347,186,370	2,053,736,216	112,802,713,573	12,716,162,168	131,919,798,327
Others	-	-	(9,049,286,259)	(9,388,580,883)	(18,437,867,142)
Ending balance	46,960,216,545	246,300,263,508	299,845,620,115	66,229,532,776	659,335,632,944
Net carrying amount:					
Beginning balance	187,230,325,861	32,818,383,523	427,279,738,726	29,082,212,053	676,410,660,163
Ending balance	185,667,690,612	30,764,647,307	563,427,089,926	40,013,158,048	819,872,585,893

Details of intangible fixed assets used as collaterals for loans and bonds of the Group are disclosed in Note 26.

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16. INVESTMENT PROPERTIES

	Land use rights	Buildings and structures	Machinery and equipment	Total
Cost:				
Beginning balance	6,602,336,927,251	11,228,636,073,190	3,011,379,093,342	20,842,351,193,783
Newly constructed (Note 18)	379,382,998,203	5,343,260,256,097	761,239,498,591	6,483,882,752,891
Acquisition of subsidiaries	1,824,861,845,459	691,172,294,880	93,828,004,810	2,609,862,145,149
Reclassified from tangible fixed assets (Note 14)	517,884,558,040	1,891,526,525,510	295,226,620,412	2,704,637,703,962
Sold, disposal	(870,142,244,857)	(300,695,276,020)	-	(1,170,837,520,877)
Disposal of subsidiaries	(90,805,559,551)	(172,534,935,753)	-	(263,340,495,304)
Reclassified to tangible fixed assets (Note 14)	(94,603,931,882)	(589,059,290,276)	(218,653,139,442)	(902,316,421,600)
Reclassified to inventories	(8,473,482,917)	(84,004,777,755)	(37,793,835,153)	(130,272,095,825)
Reclassification	(2,728,080,133,446)	2,148,858,123,286	579,222,070,160	-
Ending balance	5,532,359,956,300	20,157,158,993,159	4,484,448,312,720	30,173,967,262,179
Accumulated depreciation:				
Beginning balance	404,205,213,325	1,199,512,041,864	1,040,213,029,694	2,643,930,284,883
Depreciation/amortisation for the year	86,221,226,638	556,385,655,168	289,093,338,486	931,700,120,292
Reclassified from tangible fixed assets (Note 14)	6,064,887,323	87,006,444,769	56,240,632,582	149,311,964,674
Sold, disposal	-	(17,778,739,811)	-	(17,778,739,811)
Disposal of subsidiaries	-	(11,264,044,631)	-	(11,264,044,631)
Reclassified to tangible fixed assets (Note 14)	(21,603,841,562)	(113,115,635,629)	(104,364,492,573)	(239,083,969,764)
Reclassified to inventories	-	(9,164,136,834)	(17,350,803,031)	(26,514,939,865)
Reclassification	(153,657,394,986)	242,541,608,329	(88,884,213,343)	-
Ending balance	321,229,990,738	1,934,123,193,225	1,174,947,491,815	3,430,300,675,778
Net carrying amount:				
Beginning balance	6,198,130,813,926	10,029,124,031,326	1,971,166,063,648	18,198,420,908,900
Ending balance	5,211,129,965,562	18,223,035,799,934	3,309,500,820,905	26,743,666,586,401

Investment properties of the Group mainly include shopping malls and offices owned and operated by the Group for providing leasing and related services. As at 31 December 2018, the Group was in the process of determining the fair value of these investment properties.

Details of investment properties used as collaterals for loans and bonds of the Group are presented in Note 26.

Revenue and expenses relating to investment properties are presented in Note 30.2.

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as at 31 December 2018 and for the year then ended**17. CAPITALISED BORROWING COSTS**

During the year, the Group capitalised borrowing costs with an amount of VND1,584 billion (for the year ended 31 December 2017: VND1,036 billion). These costs related to specific and general borrowings obtained to finance the real-estate projects of the Group.

The capitalised borrowing costs in relation to the general borrowings are determined by applying a capitalisation rate of 8.7% per annum (for the year ended 31 December 2017: 9.43% per annum) on the accumulated weighted average expenditures of the real estate projects. The capitalisation rate used is the weighted average of the borrowing rates applicable to the borrowings of the Group that are outstanding during the year.

18. CONSTRUCTION IN PROGRESS

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Beginning balance	37,492,138,281,596	34,229,427,585,378
Acquisition of subsidiaries	8,638,300,351,212	636,968,138,194
Increase during the year	49,469,804,345,494	21,966,134,251,071
Transfer to tangible fixed assets (Note 14)	(19,580,138,618,362)	(10,198,487,899,914)
Transfer to investment properties (Note 16)	(6,483,882,752,891)	(1,963,876,819,595)
Transfer to inventories	(9,729,966,233,330)	(6,996,334,671,688)
Disposal of subsidiaries	(1,277,132,597,578)	(181,692,301,850)
Ending balance	<u>58,529,122,776,141</u>	<u>37,492,138,281,596</u>

Details for each item of which balance is higher than 10% of total balance:

	<i>Currency: VND</i>	
<i>Projects</i>	<i>Ending balance</i>	<i>Beginning balance</i>
Vinfast project	26,684,996,456,465	685,023,176,672
Vinhomes Long Beach Can Gio project	12,406,030,755,862	12,273,714,689,320

Construction in progress includes freehold and leasehold rights for land, construction costs, land development right, borrowing costs, planning and designing fee, costs of site preparation, professional fees, construction overheads, costs relating to researching, developing and manufacturing activities and other related costs.

Construction in progress used as collaterals for loans and bonds of the Group are disclosed in Note 26.

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19. LONG-TERM INVESTMENTS

19.1 Investment in associates, jointly controlled entity and other entities

19.1.1 Investment in associates and jointly controlled entity

Name	Voting right (%) (also equity interest)		Principal activities
	Ending balance	Beginning balance	
Phu Quoc Tourism JSC	30.00	30.00	Providing hospitality and other services
Viet Thang Feed JSC (i)	40.00	-	Feed producing
Hanoi Breeds JSC	37.63	37.63	Cattle breeding
Vinfast-An Phat Plastic Auto Part Company Limited (ii)	50.00	-	Manufacturing car plastic accessories
Vietnam Book Printing JSC	35.00	35.00	Printing

- (i) On 18 January 2018, the Group acquired 24% voting shares of Viet Thang Feed JSC from a corporate counterparty with total consideration of VND301 billion and thereby, Viet Thang Feed JSC became an associate of the Group. On 20 September 2018, the Group acquired additional 16% voting shares of Viet Thang Feed JSC with total consideration of VND200 billion, thereby, the Group's equity interest in Viet Thang Feed JSC increased to 40%. The fair value of identifiable assets and liabilities of Viet Thang Feed JSC as at acquisition date was VND782 billion; and
- (ii) Vinfast-An Phat Plastic Auto Part Company Limited was established under a joint co-operation contract between Vinfast LLC, a subsidiary of the Group, and An Phat Holdings Joint Stock Company. The total charter capital of this jointly controlled entity is VND420 billion, in which, Vinfast LLC commits to contributing VND210 billion. As at 31 December 2018, Vinfast LLC has contributed VND30 billion to this jointly controlled entity.

Details of investment in these associates and jointly controlled entity are listed below:

Currency: VND				
	Beginning balance (*)	Additional investment during the year	Share of (loss)/profit from associates, jointly controlled entity	Ending balance (*)
Phu Quoc Tourism JSC	2,387,075,724,429	-	(467,767,470,024)	1,919,308,254,405
Viet Thang Feed JSC	-	501,680,000,000	41,503,732,613	543,183,732,613
Hanoi Breeds JSC	47,788,263,901	-	1,047,648,111	48,835,912,012
Vinfast-An Phat Plastic Auto Part Company Limited	-	30,000,000,000	-	30,000,000,000
Vietnam Book Printing JSC	4,760,612,465	-	297,242,790	5,057,855,255
TOTAL	2,439,624,600,795	531,680,000,000	(424,918,846,510)	2,546,385,754,285

- (*) The fair values of these investments have not been determined because the Group does not have all necessary information to measure these fair values.

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19. LONG-TERM INVESTMENTS (continued)

19.1 Investment in associates, jointly controlled entity and other entities (continued)

19.1.2 Investment in other entities

	Equity interest (%)	Voting right (%)	Ending balance			Voting right (%) (**)	Beginning balance		
			Cost (VND)	Provision (VND)	Fair value (VND)		Cost (VND)	Provision (VND)	Fair value (VND)
Vinatexmart JSC	10.00	10.00	552,395,000,000	(22,395,000,000)	530,000,000,000	10.00	552,395,000,000	-	(*)
Vien Dong Pearl LLC	9.62	9.62	521,071,699,183	-	(*)	9.62	521,071,699,183	-	(*)
Phat Loc LLC (Note 4)	51.00	0.00	342,076,207,370	-	(*)	-	-	-	(*)
VinEstate Real Estate Service Business LLC	15.00	15.00	90,000,000,000	-	(*)	-	-	-	(*)
Vinhomes Management JSC (Note 4)	-	-	-	-	-	18.60	1,013,750,570,893	-	(*)
Others	-	-	89,326,591,735	(50,382,547,589)	(*)	-	89,326,591,735	(50,382,547,589)	(*)
TỔNG CỘNG			1,594,869,498,288	(72,777,547,589)			2,176,543,861,811	(50,382,547,589)	

(*) As at 31 December 2018, the fair values of these investments have not been determined because the Group does not have all necessary information to measure these fair values.

(**) The voting right is also the Group's equity interest in these other entities.

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20. GOODWILL

	Hanoi Southern JSC (i)	Sai Dong JSC	Royal City JSC	Nhat Nam JSC	Others	Total
Currency: VND						
Cost:						
Beginning balance	2,246,022,053,759	2,251,823,291,311	1,232,051,751,391	-	3,078,559,314,841	8,808,456,411,302
Increase from business combination	-	-	-	901,050,001,237	238,279,993,811	1,139,329,995,048
Decreases	(653,594,864,069)	-	(208,189,995,313)	-	(409,096,397,365)	(1,270,881,256,747)
Ending balance	1,592,427,189,690	2,251,823,291,311	1,023,861,756,078	901,050,001,237	2,907,742,911,287	8,676,905,149,603
Accumulated amortisation:						
Beginning balance	1,351,263,989,064	1,031,550,856,474	773,618,614,204	-	1,011,491,936,367	4,167,925,396,109
Amortisation for the year	223,866,226,298	223,988,771,820	122,319,016,810	21,735,855,293	303,103,745,920	895,013,616,141
Decreases	(369,583,828,377)	-	(136,972,480,624)	-	(87,936,770,168)	(594,493,079,169)
Ending balance	1,205,546,386,985	1,255,539,628,294	758,965,150,390	21,735,855,293	1,226,658,912,119	4,468,445,933,081
Net carrying amount						
Beginning balance	894,758,064,695	1,220,272,434,837	458,433,137,187	-	2,067,067,378,474	4,640,531,015,193
Ending balance	386,880,802,705	996,283,663,017	264,896,605,688	879,314,145,944	1,681,083,999,168	4,208,459,216,522

(i) In 2018, Vinhomes Management JSC and Tan Lien Phat JSC were merged into Vinhomes JSC (previously known as Hanoi Southern JSC).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended**21. TRADE PAYABLES AND ADVANCES FROM CUSTOMERS****21.1 Short-term trade payables**

Currency: VND

	<i>Balance (also amount payables)</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Trade payables to suppliers	14,773,384,437,347	8,245,460,364,882
- A corporate counterparty	1,587,096,583,362	-
- Others	13,186,287,853,985	8,245,460,364,882
TOTAL	14,773,384,437,347	8,245,460,364,882

In which:

Short-term trade payables to related parties (Note 37)

443,546,679,732 4,543,547,368

21.2 Short-term advances from customers

The balance of short-term advances from customers as at 31 December 2018 mainly includes downpayment from customers under sale and purchase agreements for real-estate properties and other business activities of the Group.

22. STATUTORY OBLIGATIONS

Currency: VND

	<i>Beginning balance</i>	<i>Payables for the year</i>	<i>Payment made/offset in the year</i>	<i>Ending balance</i>
Payables				
Value added tax	305,328,753,632	2,486,984,438,573	(2,260,235,616,092)	532,077,576,113
Corporate income tax	1,315,112,162,355	7,273,131,376,307	(5,760,402,076,308)	2,827,841,462,354
Personal income tax	91,049,569,323	1,093,162,223,936	(1,002,608,950,779)	181,602,842,480
Land use fee and land rental fee, and obligations under build-transfer contracts	3,141,781,701,993	15,299,599,071,203	(6,712,369,883,072)	11,729,010,890,124
Others	79,833,049,358	1,728,642,034,497	(1,558,300,910,434)	250,174,173,421
TOTAL	4,933,105,236,661	27,881,519,144,516	(17,293,917,436,685)	15,520,706,944,492
	<i>Beginning balance</i>	<i>Receivables for the year</i>	<i>Payment received/offset in the year</i>	<i>Ending balance</i>
Receivables				
Corporate income tax	201,854,854,143	277,051,814,867	(169,154,553,375)	309,752,115,635
Others	11,823,526,656	2,643,080,645	(11,364,398,952)	3,102,208,349
TOTAL	213,678,380,799	279,694,895,512	(180,518,952,327)	312,854,323,984

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as at 31 December 2018 and for the year then ended

23. SHORT-TERM ACCRUED EXPENSES

	Currency: VND	
	Ending balance	Beginning balance
Accrued construction and development costs of real-estate properties	10,096,935,890,940	6,256,615,957,532
Accrued selling expenses related to apartments not yet handed-over	2,531,931,589,763	2,354,778,538,252
Accrued interest expenses	1,379,480,681,305	698,883,319,344
Accrued committed profit under villas management program	262,108,617,574	622,556,069,584
Others	1,746,652,389,460	483,762,658,681
TOTAL	16,017,109,169,042	10,416,596,543,393

24. UNEARNED REVENUE

	Currency: VND	
	Ending balance	Beginning balance
Short-term:		
Education services	840,824,894,645	682,776,358,364
Villas and condotel leasing management services	651,932,483,802	609,257,787,507
Apartments and villas management services	499,784,595,848	-
Customer loyalty program - Vingroup Card	254,155,517,361	262,847,850,899
Others	226,901,990,919	200,549,479,766
TOTAL	2,473,599,482,575	1,755,431,476,536
Long-term:		
Villas and condotel leasing management services	3,242,268,590,023	5,459,695,246,103
Apartments and villas management services	1,642,103,262,353	-
Royalty fee under a license agreement	618,333,333,333	-
Others	215,856,701,753	75,664,116,675
TOTAL	5,718,561,887,462	5,535,359,362,778
<i>In which:</i>		
Unearned revenue from related parties (Note 37)	774,490,032,182	70,705,898,141

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

25. OTHER PAYABLES**25.1 Other short-term payables**

	Currency: VND	
	Ending balance	Beginning balance
Payables under deposits, loans and other agreements related to real-estate projects	8,653,853,293,063	17,634,848,595,573
Apartment maintenance funds	1,715,962,053,804	1,140,662,807,063
Payables of collection on behalf	1,325,567,827,912	1,512,939,781,432
Deposits for investment purpose	1,316,347,772,811	3,273,198,353,531
Deposits by tenants to be refunded within the next 12 months (Note 25.2)	493,794,469,174	184,697,274,921
Others	1,394,812,680,044	714,575,605,610
TOTAL	14,900,338,096,808	24,460,922,418,130
<i>In which:</i>		
Other short-term payables to related parties (Note 37)	-	299,916,673,750

25.2 Other long-term liabilities

	Currency: VND	
	Ending balance	Beginning balance
Deposits from tenants	1,413,984,513,968	878,583,397,934
Deposits from tenants to be refunded within the next 12 months (Note 25.1)	(493,794,469,174)	(184,697,274,921)
Others	27,236,157,454	18,864,725,041
TOTAL	947,426,202,248	712,750,848,054

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26. LOANS AND DEBTS

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
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26. LOANS AND DEBTS (continued)

26.1 Short-term loans from banks

Lender	Ending balance		Maturity date	Interest rate	Collateral
	Original currency (USD)	VND			
Joint Stock Commercial Bank for Foreign Trade of Vietnam		210,030,932,419	July 2019	6% per annum	(i)
Vietnam Technological and Commercial Joint Stock Bank	306,861	7,171,350,011	April 2019	5% per annum	(i)
Vietnam Prosperity Joint Stock Commercial Bank		22,433,650,523	June 2019	From 7.8% to 8% per annum	(i)
Credit Suisse AG	200,000,000	4,543,474,034,972	December 2019	4.78% per annum	(ii)
Deutsche Bank	100,000,000	2,324,000,000,000	December 2019	3-month LIBOR (+) 3% per annum	(ii)
Asian Star Trading & Investment Ltd.	10,000,000	232,450,000,000	December 2019	3-month LIBOR (+) 9% per annum	(i)
TOTAL		7,339,559,967,925			

(i) These loans are unsecured; and

(ii) These loans are secured by a number of shares of a subsidiary owned by the Company.

26.2 Other short-term loans

The balance as at 31 December 2018 comprises of unsecured loans from corporate counterparties bearing interest rate at 9% per annum. These loans will mature from September 2019 to October 2019.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
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26. LOANS AND DEBTS (continued)

26.3 Long-term loans from banks

Lender/credit arranger	Ending balance		Maturity date	Interest rate	Collateral
	Original currency (USD)	VND			
Joint Stock Commercial Bank for Foreign Trade of Vietnam <i>In which: current portion</i>		865,651,887,726 82,069,311,040	From January 2019 to December 2027	12-month interest paid in arrears saving rate for individuals (+) 2.5% to 3% per annum	(i)
Joint Stock Commercial Bank for Investment and Development of Vietnam <i>In which: current portion</i>		169,072,109,933 28,160,000,000	From January 2019 to October 2024	12-month interest paid in arrears saving rate for individuals (+) 2% per annum	(ii)
Vietnam Technological and Commercial Joint Stock Bank Lenders of the syndicated loan No.1 <i>In which: current portion</i>	255,000,000 45,000,000	1,421,097,869,016 5,690,059,921,897 1,197,262,500,000	January 2021 From January 2019 to July 2021	12-month interest paid in arrears saving rate for individuals (+) 3.3% per annum Fixed interest rate of 9.25% per annum under the swap contract with Vietnam Technological and Commercial Joint Stock Bank	(iii) (iv)
Lenders of the syndicated loan No.2	400,000,000	8,970,183,052,944	From April 2020 to April 2023	Fixed interest rate of 9.15% per annum under the swap contract with Vietnam Technological and Commercial Joint Stock Bank	(v)
Lenders of the syndicated loan No.3	482,434,957	7,782,567,389,553	October 2028	6-month LIBOR (+) 0.95% per annum	(vi)
TOTAL		24,898,632,231,119			
<i>In which:</i>					
Long-term loans		23,591,140,420,079			
Current portion of long-term loans		1,307,491,811,040			

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
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26. LOANS AND DEBTS (continued)

26.3 Long-term loans from banks (continued)

- (i) This loan is secured by a part of assets and rights to receive the insurance benefit arising from this part of assets according to insurance contracts related to the Vinpearl Ha Long luxury resort; the greenhouses, irrigation systems, machinery and equipment of VinEco Hai Phong farm project, VinEco Long Thanh farm project and a number of shares of the Company held by a subsidiary;
- (ii) This loan is secured by the Vinmec Nha Trang International General Hospital;
- (iii) This loan is secured by a number of shares of a subsidiary owned by another subsidiary of the Group and capital contribution of a subsidiary in another subsidiary of the Group;
- (iv) This loan is from Credit Suisse AG – Singapore Branch, Industrial and Commercial Bank of China Limited, Maybank International – Labuan Branch and Taipei Fubon Commercial Bank – Foreign Branch. This loan is secured by a number of shares of a subsidiary held by the Company;
- (v) This loan is from Credit Suisse AG – Singapore Branch, Industrial and Commercial Bank of China Limited – Hanoi Branch, Maybank Kim Eng Securities PTE LTD, Hongkong and Shanghai Banking Corporation LTD and Taipei Fubon Commercial Bank - Foreign Branch. This loan is secured by a number of shares of a subsidiary held by the Company and another subsidiary of the Group; and
- (v) This loan is from Credit Suisse AG – Singapore Branch, Hongkong and Shanghai Banking Corporation LTD. This loan is secured by the Debt Service Reserve Account at the offshore account management bank which is Credit Suisse AG - Singapore Branch and the Revenue Account at Vietnam Technological and Commercial Joint Stock Bank with outstanding balance and accumulated other related benefits arising from such account, and a number of shares of a subsidiary held by the Company.

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26. LOANS AND DEBTS (continued)

26.4 Corporate bonds

Underwriter	Ending balance (VND)	Maturity date	Interest rate	Collateral
Vietnam Bank for Industry and Trade Securities Joint Stock Company	2,597,215,444,474	March 2022	12-month interest paid-in-arrears VND saving rates (+) 3% per annum	(i)
Techcom Securities Joint Stock Company	38,717,135,081,394	From March 2019 to February 2026	12-month interest paid-in-arrears VND saving rates (+) 3.25% to 4.25% per annum; and from 7.75% per annum to 10.1% per annum	(ii)
<i>In which: current portion</i>	8,508,911,360,772			
KB Securities Vietnam Joint Stock Company	2,174,132,777,778	From October 2021 to December 2022	10.2% per annum	(iii)
TOTAL	43,488,483,303,646			
<i>In which:</i>				
Long-term bonds	34,979,571,942,874			
Current portion of long-term bonds	8,508,911,360,772			

(i) These bonds are secured by the land use rights and assets attached to the land of Vincom Mega Mall Thao Dien, Vincom Plaza Ngo Quyen – Da Nang and assets attached to the land of Vincom Center Pham Ngoc Thach, Vincom Plaza Thu Duc and Vincom Plaza Ha Long;

(ii) These bonds are secured by all assets of the project "Vinpearland Amusement Park" except for the Vietnamese pagoda model area in the Vinpearl Amusement Park project, Vinpearl Nha Trang Resort 5-star hotel, Hung Vuong hotel, Landmark 81 hotel, Golfland hotel of Vinpearl Golf and Resort & Villas, Vinpearl Nha Trang Bay Resort & Villas 5-star hotel, Vincy Ocean park projects and a number of shares of a subsidiary held by the Company and another subsidiary of the Group. The payment obligation is guaranteed by a subsidiary of the Group and a trusted fund of the Asian Development Bank; and

(iii) This bond is secured by the asset right arising from the Build-Transfer contract ("BT contract") of overhead road project along the Ring Road 2; assets and asset right of the "Dan Phuong – Green City Functional Urban Area" project and a number of shares of a subsidiary held by the Company.

26.5 Other long-term loans

The balance as at 31 December 2018 comprises of unsecured long-term loans from corporate counterparties bearing interest at rate of 9% per annum. These loans will mature in May 2020.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended**27. EXCHANGEABLE BONDS**

Exchangeable bonds amounting to USD450 million were issued in June 2018 and October 2018 with a term of 5 years. These bonds are unsecured and bear interest at a fixed rate of 3.5% per annum.

Management assesses that there is no equity component in these exchangeable bonds (since there is not known fixed number of shares to be exchanged) and as a result, has recognised the entire exchangeable bonds as long-term debts.

Following the terms of these exchangeable bonds, the bondholders have the right to exchange the bonds into ordinary shares of the Company at the price which is subject to adjustments made after 12, 24, 36 and 48 months from the issuance date starting from 14 June 2019. The principal balance of these bonds as at 31 December 2018 is following:

	<i>Movement during the year</i>				<i>Ending balance</i>
	<i>Beginning balance</i>	<i>New issuance</i>	<i>Exchanged to shares</i>	<i>Due but not yet exchanged</i>	
Value (USD)	- 450,000,000		-	-	450,000,000
<i>Currency: VND</i>					
	<i>Current year</i>		<i>Previous year</i>		
Initial recognition of exchangeable bonds	10,060,202,000,000				-
Equity component					-
Liability component at initial recognition	10,060,202,000,000				-
Add: Accumulated amortisation of bond issuance cost					-
Beginning balance					-
Amortisation during the year	26,112,522,906				-
Ending balance	26,112,522,906				-
Add: Unrealised foreign exchange loss arising from revaluation	119,350,000,000				-
Liability component at the end of the year	10,205,664,522,906				-

28. SHORT-TERM PROVISION

	<i>Currency: VND</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Warranty provision	215,964,825,038	169,598,159,859
Others	10,012,061,881	5,804,006,578
TOTAL	225,976,886,919	175,402,166,437

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29. OWNERS' EQUITY

29.1 Increase and decrease in owners' equity

Currency: VND

Previous year	Issued share capital	Share premium	Treasury shares	Other funds belonging to owner's equity	Undistributed earnings	Non-controlling interest	Total
Beginning balance	26,377,079,540,000	2,504,959,737,448	(2,974,924,074,484)	32,845,114,930	1,887,422,518,069	20,463,788,319,550	48,291,171,155,513
• Net profit for the year	-	-	-	-	4,462,411,670,513	1,192,530,120,713	5,654,941,791,226
• Shares of subsidiaries	-	-	-	-	-	451,256,814,009	451,256,814,009
• Distribution to other funds	-	-	-	5,000,000,000	(5,000,000,000)	-	-
• Capital contribution by non-controlling interest	-	-	-	-	-	-	-
• Acquisition of new subsidiaries	-	-	-	-	-	13,000,000,000	13,000,000,000
• Step-up acquisition of equity interest in existing subsidiaries	-	-	-	-	-	136,022,934,541	136,022,934,541
• Partial disposal of equity interest in existing subsidiaries without loss of control	-	146,205,430,456	-	-	1,540,855,798,135	3,724,413,229,508	5,411,474,458,099
• Disposal of subsidiaries	-	-	-	-	-	(445,548,573,956)	(445,548,573,956)
• Dividend declared to non-controlling interest	-	-	-	-	-	(1,219,531,251,275)	(1,219,531,251,275)
Ending balance	26,377,079,540,000	2,651,165,167,904	(2,974,924,074,484)	37,845,114,930	5,583,084,564,118	20,882,759,865,187	52,557,010,177,655

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29. OWNERS' EQUITY (continued)

29.1 Increase and decrease in owners' equity (continued)

Current year	Issued share capital	Share premium	Other owner's capital	Treasury shares	Other funds belonging to owner's equity	Undistributed earnings	Non-controlling interest	Total
								Currency: VND
Beginning balance	26,377,079,540,000	2,651,165,167,904	-	(2,974,924,074,484)	37,845,114,930	5,583,084,564,118	20,882,759,865,187	52,557,010,177,655
- Issuance of preference shares (i)	840,000,000,000	8,276,981,373,993	-	-	-	-	-	9,116,981,373,993
- Net profit for the year	-	-	-	-	-	3,776,727,785,918	2,414,153,684,685	6,190,881,470,603
- Distribution to other funds	-	-	-	-	5,000,000,000	(5,000,000,000)	-	-
- Stock dividends (ii)	5,539,132,760,000	-	7,235,205,990,828	-	-	(12,774,338,750,828)	-	-
- Acquisition of new subsidiaries	-	-	-	-	-	-	-	-
- Disposal of subsidiaries	-	-	-	-	-	-	3,547,691,806,799	3,547,691,806,799
- Step-up acquisition of equity interest in existing subsidiaries	-	-	-	-	-	-	(240,503,474,574)	(240,503,474,574)
- Partial disposal of equity interest in existing subsidiaries without: loss of control	-	-	-	-	-	97,752,897,878	(1,594,244,048,735)	(1,496,491,150,857)
- Capital contribution by non-controlling interest (iii)	-	514,754,262,295	-	-	-	8,417,769,984,137	5,842,163,714,631	14,774,687,961,063
- Dividend declared to non-controlling interest (iv)	-	-	-	-	-	-	15,786,278,690,000	15,786,278,690,000
	-	-	-	-	-	-	(1,222,822,175,333)	(1,222,822,175,333)
Ending balance	32,756,212,300,000	11,442,900,804,192	7,235,205,990,828	(2,974,924,074,484)	42,845,114,930	5,095,996,481,223	45,415,478,062,660	99,013,714,679,349

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended**29. OWNERS' EQUITY (continued)****29.1 Increase and decrease in owners' equity (continued)**

- (i) On 26 July 2018, the General Shareholders of the Company approved the Resolution No. 29/2018/NQ-HDQT-VINGROUP on the plan of private offering of 84,000,000 convertible dividend preference shares to Hanwa Vietnam Opportunity Private Fund 1. Accordingly, the Company collected VND9,117 billion (after deduct issuance cost) from this issuance. Preference shares are not entitled to vote, are restricted for transfer within one year and have the right to convert into common shares of the Company at the conversion price specified in the contract at any time after the issuance date. The company has the right to buy a part or all of this preference shares during a period of 5.5 years to 6.5 years from the issuance date.

Management assesses that there is no financial liability component in the above preference shares because the Company has no obligation to redeem preference shares and has recognised all preference shares as equity.

According to Resolution No. 31/2018/NQ-HDQT-VINGROUP dated 26 July 2018, the Board of Directors of the Company has approved the plan to use the capital from the issuance of the above preference shares to develop real estate projects, social infrastructure projects, and to grant working capital and other activities permitted by the Company.

- (ii) On 31 May 2018, the General Shareholders of the Company approved the Resolution No. 01/2018/NQ-DHDCD-VINGROUP on the declaration of stock dividend by the undistributed earnings as at 31 December 2017 to existing shareholders at the ratio of 1,000: 210 (each existing shareholder owning 1,000 shares will receive dividends of 210 shares). This distribution also uses the profit distribution from the subsidiaries of the Company to the Company in this year. The number of additionally issued shares for this stock dividend is 553,913,276 shares according to Notification No. S044/2018-VIC/VSD-DK on 3 July 2018 of the Securities Depository Centre.

During the year, Vinhomes JSC and Vincom Retail JSC, subsidiaries of the Group, have declared stock dividends to their ordinary shareholders. The total dividends declared to the Company and other shareholders is VND11,235 billion, of which, the dividend of VND7,235 billion attributable to the Parent Company has been recognised in other owner's capital.

- (iii) The increase for the year mainly includes the additional contribution of non-controlling interest to Vinfast LLC, Vinhomes JSC, Vinsmart JSC, Can Gio JSC, Vintech JSC and other subsidiaries of the Group.
- (iv) The decrease for the year mainly includes cash dividend paid by Vinhomes JSC, Vincommerce JSC, Vinpearl JSC and other subsidiaries of the Group to their non-controlling interest.

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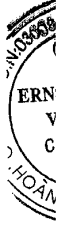
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
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29. OWNERS' EQUITY (continued)

29.2 Contributed share capital

Currency: VND

	31 December 2018			31 December 2017		
	Total	Ordinary shares	Preference shares	Total	Ordinary shares	Preference shares
Contributed by shareholders	32,756,212,300,000	31,916,212,300,000	840,000,000,000	26,377,079,540,000	26,377,079,540,000	-
Share premium	11,442,900,804,192	3,165,919,430,199	8,276,981,373,993	2,651,165,167,904	2,651,165,167,904	-
Treasury shares	(2,974,924,074,484)	(2,974,924,074,484)	-	(2,974,924,074,484)	(2,974,924,074,484)	-
TOTAL	41,224,189,029,708	32,107,207,655,715	9,116,981,373,993	26,053,320,633,420	26,053,320,633,420	-



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29. OWNERS' EQUITY (continued)

29.3 Capital transactions with owners

	Currency: VND	
	Current year	Previous year
Contributed capital		
Beginning balance	26,377,079,540,000	26,377,079,540,000
Increase	840,000,000,000	-
Stock dividends	5,539,132,760,000	-
Ending balance	32,756,212,300,000	26,377,079,540,000

29.4 Dividends

	Currency: VND	
	Current year	Previous year
Dividend declared during the year	5,539,132,760,000	-
Stock dividend per ordinary share in 2018: 1,000:210	5,539,132,760,000	-
Dividends declared after the date of reporting year and not yet recognised as liability as at the year-end	-	-

29.5 Ordinary shares and preference shares

	Ending balance	Beginning balance
Authorised shares	3,275,621,230	2,637,707,954
Issued shares	3,275,621,230	2,637,707,954
Ordinary shares	3,191,621,230	2,637,707,954
Preference shares	84,000,000	-
Shares in circulation	3,056,745,286	2,456,818,742
Ordinary shares	2,972,745,286	2,456,818,742
Preference shares	84,000,000	-
Treasury shares	218,875,944	180,889,212
Ordinary shares	218,875,944	180,889,212
Preference shares	-	-

The par value of outstanding share: VND10,000 per share (2017: VND10,000 per share).

29.6 Treasury shares

As at 31 December 2018, the number of shares of the Company held by subsidiaries are as below:

- ▶ Vinpearl JSC, a subsidiary, holds 108,947,198 shares;
- ▶ Vincommerce JSC, a subsidiary, holds 95,562,125 shares; and
- ▶ Xavinco JSC, a subsidiary, holds 14,366,621 shares.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

30. REVENUES

30.1 Revenue from sale of goods and rendering of services

	Currency: VND	
	Current year	Previous year
Gross revenue	121,971,750,626,283	89,392,047,933,230
<i>In which:</i>		
Sale of inventory properties	83,271,632,293,427	62,481,688,023,505
Sale of goods in supermarkets, convenient stores and retail outlets	19,333,128,791,654	13,084,575,890,097
Rendering of hotel services, amusement park services and related services	7,409,513,690,154	5,465,505,193,438
Leasing activities and rendering related services	5,558,630,886,792	4,409,827,940,217
Rendering of hospital services and related services	2,630,636,981,520	1,852,289,531,525
Rendering of education services and related services	1,449,884,662,668	1,012,609,580,119
Manufacturing activities	567,184,824,250	-
Others	1,751,138,495,818	1,085,551,774,329
Less sales deduction	(77,350,205,179)	(41,999,335,317)
Net revenue	121,894,400,421,104	89,350,048,597,913
<i>In which:</i>		
Sale of inventory properties	83,271,632,293,427	62,481,688,023,505
Sale of goods in supermarkets, convenient stores and retail outlets	19,325,679,951,857	13,052,677,844,258
Rendering of hotel services, amusement park services and related services	7,366,495,606,924	5,455,403,903,960
Leasing activities and rendering related services	5,558,630,886,792	4,409,827,940,217
Rendering of hospital services and related services	2,630,636,981,520	1,852,289,531,525
Rendering of education services and related services	1,449,884,662,668	1,012,609,580,119
Manufacturing activities	556,462,126,179	-
Others	1,734,977,911,737	1,085,551,774,329
<i>In which:</i>		
Sale to others	121,064,867,363,199	88,797,537,496,929
Sale to related parties (Note 37)	829,533,057,905	552,511,100,984

30.2 Revenue and expense relating to investment properties

	Currency: VND	
	Current year	Previous year
Income from leasing investment properties	5,125,711,170,145	4,409,827,940,217
Direct operating expenses of investment properties that generated income during the year	2,323,015,518,950	2,099,875,166,664

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

30. REVENUES (continued)

30.3 Finance income

	Currency: VND	
	Current year	Previous year
Gains from disposal of investments and subsidiaries (i)	5,211,088,128,271	358,282,444,981
Interest income from loans and deposits	1,907,203,479,707	1,098,222,853,695
Others	360,258,281,453	180,446,140,936
TOTAL	7,478,549,889,431	1,636,951,439,612

(i) Gains from disposal of investments and subsidiaries mainly includes gains from disposal of investments and capital contribution right of Vinpearl JSC and Vinhomes JSC.

31. COST OF GOODS SOLD AND SERVICES RENDERED

	Currency: VND	
	Current year	Previous year
Inventory properties sold	58,123,335,414,419	38,570,808,538,584
Cost of goods sold in supermarkets, convenient stores and retail outlets	17,275,723,842,136	12,216,265,730,258
Rendering of hotel services, amusement park services and related services	8,596,421,258,633	6,574,605,072,906
Leasing activities and rendering related services	2,720,446,213,695	2,099,875,166,664
Rendering of hospital services and related services	2,698,669,869,484	1,745,093,764,853
Rendering of education services and related services	1,369,403,829,155	807,590,341,752
Manufacturing activities	829,341,535,821	-
Others	1,357,708,596,291	782,088,342,021
TOTAL	92,971,050,559,634	62,796,326,957,038

32. FINANCE EXPENSES

	Currency: VND	
	Current year	Previous year
Interest expenses	3,939,282,490,392	3,139,629,696,630
Bond issuance costs	344,082,962,077	262,003,990,087
Loss from fair value remeasurement of previously held equity interest in business combination transaction (Note 4.2)	250,054,456,933	-
Foreign exchange losses	252,532,031,610	77,396,775,528
Others	122,997,646,062	307,953,096,469
TOTAL	4,908,949,587,074	3,786,983,558,714

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended**33. SELLING EXPENSES AND GENERAL AND ADMINISTRATIVE EXPENSES**

	Currency: VND	
	Current year	Previous year
Selling expenses		
- External service expenses	6,208,931,712,809	5,344,099,598,901
- Labour costs	2,656,343,063,620	1,760,005,800,800
- Depreciation and amortisation	773,205,057,696	632,102,514,317
- Others	473,808,880,919	414,248,078,609
	10,112,288,715,044	8,150,455,992,627
General and administrative expenses		
- Labour costs	2,325,633,993,934	1,658,786,632,069
- External service expenses	1,959,497,022,200	1,780,362,595,934
- Depreciation and amortisation of fixed assets and goodwill	1,399,114,289,302	1,200,962,194,563
- Support and charity expenses	400,848,315,705	1,151,439,977,424
- Others	1,282,745,711,409	1,060,896,361,965
	7,367,839,332,550	6,852,447,761,955
TOTAL	17,480,128,047,594	15,002,903,754,582

34. OTHER INCOME AND EXPENSES

	Currency: VND	
	Current year	Previous year
Other income	759,284,117,428	434,964,045,806
Disposal of fixed assets	227,183,988,367	82,295,849,636
Compensation income	255,177,298,454	235,903,502,779
Others	276,922,830,607	116,764,693,391
Other expenses	493,549,736,743	765,869,262,018
Disposal of fixed assets	196,280,736,618	385,473,705,459
Penalty paid	181,467,368,718	228,356,257,763
Others	115,801,631,407	152,039,298,796
OTHER PROFIT/(LOSS)	265,734,380,685	(330,905,216,212)

35. PRODUCTION AND OPERATING COSTS

	Currency: VND	
	Current year	Previous year
Development costs of inventory properties	50,295,269,444,755	37,686,355,794,661
Labour costs	10,000,782,046,907	6,055,985,258,177
External service expenses	9,670,660,051,374	9,080,225,491,935
Depreciation and amortisation	5,155,271,347,089	3,985,433,267,539
Raw materials	4,233,450,347,841	2,704,698,523,613
Others (excluding finance expenses)	5,580,137,202,226	5,255,337,052,724
TOTAL	84,935,570,440,192	64,768,035,388,649

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended**36. CORPORATE INCOME TAX**

The current statutory corporate income tax ("CIT") rate applicable to the Group and its subsidiaries is 20%, except for the following entities:

- ▶ Vinmec JSC and Vinschool LLC (for income from social service activities) apply the incentive tax rate of 10%;
- ▶ Some subsidiaries operating in the agricultural sector apply the incentive tax rate of 15% for agricultural activities;
- ▶ Some projects of Vinpearl JSC - Nha Trang Branch apply the incentive tax rate of 10% in the first 15 years commencing from the first year in which revenue is generated, and CIT exemption for 4 years commencing from the first year in which taxable profit is earned (or commencing from the fourth year from the first year in which revenue is generated if no taxable profit is earned for the first 3 years), and a 50% reduction of CIT for the subsequent 9 years for projects in Hon Tre island; and
- ▶ Vinfast LLC and Vinsmart JSC apply the incentive tax rate of 10% in the first 15 years commencing from the first year in which revenue is generated, CIT exemption for 4 years commencing from the first year in which taxable profit is earned (or commencing from the fourth year from the first year in which revenue is generated if no taxable profit is earned for the first 3 years), and a 50% reduction of CIT for the subsequent 9 years for manufacturing activities.

The tax returns filed by the Company and its subsidiaries are subject to examination by the tax authorities. As the application of tax laws and regulations is susceptible to varying interpretations, the amounts reported in the consolidated financial statements could be changed at a later date upon final determination by the tax authorities.

36.1 CIT expenses

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Current tax expense	7,273,129,870,764	3,731,381,559,479
Deferred tax expense/(income)	389,626,309,041	(272,041,872,129)
TOTAL	7,662,756,179,805	3,459,339,687,350

Reconciliation between CIT expenses and the accounting profit multiplied by applicable CIT rate is presented below:

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Accounting profit before tax	13,853,637,650,408	9,114,281,478,576
At CIT rate applied to the Company and its subsidiaries	2,770,727,530,082	1,822,856,295,715
Adjustments for gain/loss arising from transfer of investments recognised in the consolidated financial statements	2,529,887,493,968	(26,094,768,983)
Adjustments for income/expense arising from asset acquisitions and business combinations recognised in the consolidated financial statements	1,850,885,982,608	47,546,879,625
Losses of subsidiaries	989,609,438,301	715,750,676,139
Losses ineligible for offsetting against taxable income	323,541,081,995	531,260,408,808
Amortisation of goodwill	179,002,723,228	180,212,541,902
Charity expenses	40,228,240,551	226,062,067,181
Tax losses carried forward	(1,306,555,266,845)	(91,839,202,827)
Others	285,428,955,917	53,584,789,790
CIT expenses	7,662,756,179,805	3,459,339,687,350

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

36. CORPORATE INCOME TAX (continued)

36.2 Current tax

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

36.3 Deferred tax

	Consolidated balance sheet		Consolidated income statement	
	Ending balance	Opening balance	Current year	Previous year
Deferred tax assets				
Unrealised profit from inter-company transactions within the Group	158,011,007,654	215,536,458,856	(57,525,451,199)	21,513,568,471
Selling expenses allowable for capitalisation for tax purpose during the year	71,262,194,919	38,401,679,447	36,114,680,633	(28,184,765,346)
Temporary difference arising from assets of subsidiaries	277,467,613,887	31,956,609,277	262,451,461,856	1,082,380,041
Others	107,486,658,016	52,084,771,927	46,046,650,473	14,963,537,405
Deferred tax liabilities				
Fair value adjustments from acquisition of subsidiaries	(801,335,531,358)	(120,988,646,357)	(680,346,885,000)	288,647,820,313
Others	(23,324,178,962)	(21,791,229,687)	3,633,234,196	(5,980,668,755)
Net deferred tax (liabilities)/assets	(210,432,235,844)	195,199,643,463	(389,626,309,041)	272,041,872,129
Deferred tax (charged)/credit to the consolidated income statement				
<i>Presented on the consolidated balance sheet</i>				
Deferred tax assets	614,227,474,476	337,979,519,507		
Deferred tax liabilities	(824,659,710,320)	(142,779,876,044)		
Net deferred tax (liabilities)/assets	(210,432,235,844)	195,199,643,463		

36.4 Unrecognised deferred tax

Loss carry forward from previous year

The Group is entitled to carry each individual tax loss forward to offset against taxable profits arising within five years subsequent to the year in which the loss was incurred. At the balance sheet date, the Group had accumulated tax losses of VND10,530 billion available for offset against future taxable profits. These are estimated accumulated tax losses as per the CIT declarations of Company and its subsidiaries, which have not been finalised by the local tax authorities as of the date of these consolidated financial statements. No deferred tax assets have been recognised in respect of these accumulated tax losses because future taxable profit cannot be ascertained at this stage.

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37. TRANSACTIONS WITH RELATED PARTIES

Significant transactions of the Group with related parties during the year were as follows:

Related parties	Relationship	Transactions	Current year	Previous year
Currency: VND				
Vietnam Investment Group JSC	Under common owners	Receivables from selling goods and rendering other services Payables for office rental and lunch meal to employees	38,343,027,684 (75,423,815,830)	- (68,616,761,389)
Kinc Heart Foundation	Under common owners	Charity expense Cash transferred to Kind Heart Foundation Cash collected from Kind Heart Foundation Receivables from rendering hospital services Collection from rendering hospital services	- 1,494,612,000,000 (360,612,000,000) 505,394,413,100 (538,244,494,055)	(1,026,142,915,754) 1,497,025,000,000 - 360,290,551,174 (242,714,280,455)
Phu Quoc Tourism JSC	Associate	Cash payment under business co-operation contract Cash collection under business co-operation contract Payable for deductible value-added tax collected on behalf Payment for deductible value-added tax collected on behalf Dividend payable Dividend payment Receivables from rendering general contractor management service and supplying construction materials Collections from rendering general contractor management service and supplying construction materials Receivables from selling goods and rendering services Gains from rendering general contractor management service Income from disposal of assets to associate Payables for purchase of fixed assets	- 700,000,000,000 - 299,916,673,750 - - - - - - - 120,714,740,692 86,695,020,906 201,032,297,313 (441,431,645,869)	700,000,000,000 - (575,773,062,640) 275,856,388,890 (125,000,000,000) 125,000,000,000 105,138,169,727 - (105,138,169,727) - - - - -
Other individuals	Key management personnel	Receivables from transferring shares of subsidiary	85,671,000,000	-
Hon Wot Tourism JSC	The legal representative of this company is a key management personnel of a Group's subsidiary	Gain from disposal of a subsidiary	2,041,190,609,989	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
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37. TRANSACTIONS WITH RELATED PARTIES (continued)

Terms and conditions of transactions with related parties:

During the year, the Group sold/purchased goods and services and transferred shares of subsidiaries to/from related parties based on the price offered to third parties.

During the year, the Group has not made provision for doubtful debts relating to amounts due from related parties (31 December 2017: nil). This assessment is undertaken each year through the examination of the financial position of the related parties and the market in which the related parties operate.

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

Related parties	Relationship	Transactions	Ending balance VND	Beginning balance VND
Short-term trade receivables (Note 7.1)				
Kind Heart Foundation	Under common owners	Receivables from rendering hospital service	87,686,775,683	120,536,856,638
Phu Quoc Tourism JSC	Associate	Receivables from rendering services and supplying construction materials	117,311,074,369	-
Other individuals	Under common owners and key management personnel	Other receivables	51,305,123,497	14,506,747,252
			256,302,973,549	135,043,603,890
Other receivables (Note 9)				
Phu Quoc Tourism JSC	Associate	Receivables from shared profit under business co-operation contract	249,111,825,436	-
Kind Heart Foundation	Under common owners	Receivables from payment on behalf	1,134,000,000,000	-
			1,383,111,825,436	-
Short-term trade payables (Note 21.1)				
Vietnam Investment Group JSC	Under common owners	Payable for goods and services	2,115,033,863	4,543,547,368
Phu Quoc Tourism JSC	Associate	Payable for purchase of assets	441,431,645,869	-
			443,546,679,732	4,543,547,368
Unearned revenue (Note 24)				
Other individuals	Key management personnel	Unearned revenue	-	70,705,898,141
Phu Quoc Tourism JSC	Associate	Unearned revenue from disposal of assets and rendering services	774,490,032,182	-
			774,490,032,182	70,705,898,141
Other short-term payables (Note 25.1)				
Phu Quoc Tourism JSC	Associate	Payables for business co-operation contract	-	299,916,673,750
			-	299,916,673,750

Remuneration to members of the Board of Directors and the management of the Company:

	Current year VND	Previous year VND
Salaries and bonus	55,252,810,254	45,421,081,461
TOTAL	55,252,810,254	45,421,081,461

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as at 31 December 2018 and for the year then ended

38. EARNINGS PER SHARE

Basic earnings per share amounts are calculated by dividing net profit/(loss) after tax for the year attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the net profit/(loss) after tax attributable to ordinary shareholders of the Group (after adjusting for dividend on the convertible preference shares) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

The following reflects the income and share data used in the basic and diluted earnings per share computations:

	Currency: VND	
	Current year	Previous year
Net profit after tax attributable to ordinary shareholders	3,776,727,785,918	4,462,411,670,513
Dividend of convertible preference shares	-	-
Net profit attributable to ordinary shareholders adjusted for the effect of dilution	3,776,727,785,918	4,462,411,670,513
	Unit: Shares	
	Current year	Previous year (Restated)
Weighted average number of ordinary shares (excluding treasury shares) for basic earnings per share	2,972,745,653	2,972,745,653
Effect of dilution due to:		
Convertible preference shares	31,750,516	-
Weighted average number of ordinary shares (excluding treasury shares) adjusted for the effect of dilution	3,004,496,169	2,972,745,653
	Previous year (Restated)	
	Current year	
Basic earnings per share	1,270	1,501
Diluted earnings per share	1,257	1,501

There are exchangeable bonds issued by Vinpearl JSC, a subsidiary, which could potentially dilute basic earnings per share in future but were not included in the calculation of diluted earnings per share because they are anti-dilutive for the current year.

The convertible preference shares issued by the Company are assumed to be converted which dilute basis earnings per share for current year.

On 31 May 2018, the General Shareholders of the Company approved the Resolution No. 01/2018/NQ-DHDCD-VINGROUP on the declaration of stock dividend to existing shareholders at the ratio of 1,000:210 (each existing shareholder owning 1,000 shares will receive dividends of 210 shares). As a result, the weighted average number of ordinary shares (excluding treasury shares) used for calculation of basic earnings per share in previous year is adjusted retrospectively.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
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39. COMMITMENTS AND CONTINGENCIES

Capital expenditure commitments relating to on-going real estate projects

The Group has entered into a number of contracts relating to the development of projects. The remaining commitment on these contracts as at 31 December 2018 is approximately VND37,007 billion.

The Group has signed Build-Transfer ("BT") Contracts with the State Authorities to commit on investment cost of the new administration centre project in Thanh Hoa city, the overhead road project along the Ring Road 2 from Vinh Tuy bridge to Nga Tu So and the park and eco-lake (in land lot CV1, Cau Giay urban area, Hanoi).

Commitment under operating leases where the Group is a lessor

The Group, as lessor, lets out office, retail and mixed-use spaces under operating lease agreements. The future minimum rental receivables under these agreements are as follows:

	Currency: VND	
	Ending balance	Beginning balance
Within one year	3,307,861,271,737	2,704,061,603,249
After one year but not more than five years	6,671,942,149,778	5,322,504,911,686
More than five years	5,972,335,595,882	5,208,872,721,592
TOTAL	15,952,139,017,397	13,235,439,236,527

Under the business co-operation contract signed between certain subsidiaries of the Group and Thien Huong Investment JSC ("Thien Huong JSC") regarding the school operation in Vinhomes Riverside and Vinhomes Royal City projects, the Group is entitled to the share of Thien Huong JSC's revenue, which is equal to 15% of revenue and can be adjusted according to the business co-operation contract. The duration of the business co-operation contract is from February 2012 to the end of August 2043.

Commitment under operating leases where the Group is a lessee

The Group, as lessee, entered into certain operating lease agreements with the minimum lease commitments under these agreements are as follows:

	Currency: VND	
	Ending balance	Beginning balance
Within one year	1,052,541,751,638	647,834,849,856
After one year but not more than five years	2,960,626,326,406	1,985,016,686,139
More than five years	6,347,223,548,146	5,744,585,973,599
TOTAL	10,360,391,626,190	8,377,437,509,594

Other commitments

Commitment under the contract to purchase shares of VEFAC JSC

According to the Share Transfer Contract for strategic investor signed between the Company and VEFAC One Member LLC dated 13 March 2015, the Company committed to raising 100% financing sources for the development of National Exhibition Center Project following the approved master plan.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended**39. COMMITMENTS AND CONTINGENCIES (continued)****Other commitments (continued)***Commitment under the contract to purchase shares of Berjaya VFC LLC*

According to the capital transfer contract between Vinhomes JSC, a subsidiary, and a corporate counterparty signed on 25 May 2018, Vinhomes JSC and Can Gio JSC commit to purchasing 32.5% charter capital of Berjaya VFC LLC. The remaining commitment of this contract as at 31 December 2018 is VND503.7 billion.

Commitment related to the business co-operation for a potential real-estate project in Hanoi

Under the business co-operation contract dated 23 November 2017 between Royal City JSC and a corporate counterparty, Royal City JSC commits to contributing 100% investment capital in a potential real-estate project in Hanoi. The total estimated investment capital is VND790 billion. The remaining commitment of this agreement as at 31 December 2018 is VND782 billion.

Commitment on capital contribution to establish a jointly controlled entity of Vinfast LLC

On 2 November 2018, Vinfast LLC, a subsidiary, signed a joint co-operation contract with a corporate counterparty to establish the Vinfast-An Phat Plastic Auto Part Company Limited. Accordingly, the total charter capital of this jointly controlled entity is VND420 billion, in which, Vinfast LLC commits to contributing VND210 billion. As at 31 December 2018, the remaining commitment of this contract is VND180 billion.

Commitment on the partial transfer of Vincity Ocean Park project

On 6 September 2018, Vinhomes JSC, a subsidiary, signed a principle agreement with a corporate counterparty about transferring a part of Vincity Ocean Park project. Accordingly, Vinhomes JSC commits to transferring 2 apartment buildings of the project to this corporate counterparty with estimated consideration of VND1,674.5 billion.

Commitments related to business cooperation and leasing contracts of South Vincom Retail LLC

Under the business co-operation contract and lease contracts of a number of shopping malls between South Vincom Retail LLC, a subsidiary, and corporate counterparties in Dong Nai and Ho Chi Minh City, South Vincom Retail LLC commits to transferring buildings and fixed equipment attached to the existing structures to the lessors or these counterparties without any additional condition at the end of contract terms.

Guarantee the performance of contractual obligations for Vinpearl JSC

According to the agreement to issue preference shares, ordinary shares and some other agreements among Vinpearl JSC and Continental Pacific Company, the Company and a subsidiary use a number of shares of Vincom Retail JSC as a collateral to guarantee that Vinpearl JSC fulfills its obligations under transaction documents and that its founders and other partner companies fulfill their obligations related to sell options to founders and partner companies signed with Continental Pacific Company.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

39. COMMITMENTS AND CONTINGENCIES (continued)

Other commitments (continued)

Commitment to transferring a certain part of Vincom Ba Trieu Tower A&B

On 31 July 2006, the Company had transferred certain parts of the Vincom City Towers to a corporate counterparty. According to the Transfer Agreement, the Group has committed to transferring the ownership of the following investment properties to this corporate counterparty on 20 July 2052:

- ▶ The ownership of half of the commercial area (from 1st floor to 6th floor of Vincom City Towers (the "towers"), except for the reception and elevator waiting area of 160m² on the 1st floor); and
- ▶ The ownership of half of the basement 1 and basement 2 of the towers.

Commitments under interest support agreements to buyers of apartments, villas at the Group's projects

According to three-party interest support agreements among the investors, buyers of the inventory properties of the Group's projects and certain banks, the investors commit to supporting the buyers in settling the interest in committed period in accordance with loan contracts signed between buyers and these banks.

Commitments related to program of management services and villas rental

The Group provided management and leasing services to customers who bought villas and condotels at real-estate projects of Vinpearl JSC and South Vincom Retail LLC. Accordingly, for the first 10 years from the date of villas being handed over and for the first 5 years from the date of the condotels being handed over, customers are guaranteed by these entities to receive a higher amount between:

- (i) 8% to 10% per annum on the total price of the sale contract or 13.33% per annum on the total price of sale contract under circumstances where clients do not receive committed profit during the first 3 years; and
- (ii) 85% on the annual leasing income from the sublease of the villas and condotels to third parties.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

40. SEGMENT INFORMATION

For the management purpose, the operating businesses are organised and managed separately according to the nature of the products and services provided, and consist of business segments as follows:

- Sales of inventory properties: including developing and trading apartments and villas at real estate projects of the Group as well as other investment activities in real estate sector;
- Leasing investment properties and related services: including leasing of office and retail areas and rendering related services at investment properties owned by the Group;
- Hospitality, entertainment and related services: including provision of hotel and related services at the hotels and resorts owned by the Group;
- Health care and related services: including provision of health care and related services at Vinmec International General Hospitals;
- Education and related services: including provision of education and related services at Vinschool system of the Group;
- Retail services: including provision of retailing and supermarket, convenience stores; fashion showrooms;
- Manufacturing activities: including manufacturing and trading automotive vehicles, mobile phones and other related products; and
- Others: including provision of construction services, security services, cleaning services, technical services, logistics services, agriculture and other services.

The Group monitors each segment's performance for the purpose of making decisions on resource allocation and performance assessment. The performance of each segment is assessed based on profit and loss and is determined in a consistent manner with the Group's profit and loss on the consolidated financial statements. However, the Group's financing activities (including financial expenses and financial revenue) are monitored on a centralised basis and not allocated to segment.

Transaction price between segments are determined on the basis of the same contractual agreement as transactions with third parties. Revenue, costs and profit/loss of the segment include transactions between segments. These transactions are eliminated in the consolidated financial statements.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

40. SEGMENT INFORMATION (continued)

The following tables present revenue and profit and certain asset and liability information regarding the Group's business segment as at 31 December 2018 and for the year then ended:

Currency: VND

	Sale of inventory properties	Leasing investment properties and related services	Hospitality, entertainment and other services	Health care and related services	Education and related services	Retail services	Manufacturing activities	Others	Adjustment and elimination	Total
Net revenue										
Net sale to external customers	83,271,632,293,427	5,558,630,886,792	7,366,495,606,924	2,630,636,981,520	1,449,884,662,668	19,325,679,951,857	556,462,126,179	1,734,977,911,737	-	121,894,400,421,104
Net inter-segment sales	-	1,749,773,860,659	94,630,745,456	73,855,240,787	-	1,931,529,760,037	22,640,143,322	6,089,478,152,359	(9,961,907,922,620)	-
Net total revenue	83,271,632,293,427	7,308,404,747,451	7,461,126,352,380	2,704,492,222,307	1,449,884,662,668	21,257,209,731,894	579,102,269,501	7,824,456,064,096	(9,961,907,922,620)	121,894,400,421,104
Results										
Depreciation and amortisation	933,645,655,572	1,058,728,740,739	1,561,117,826,823	512,070,952,262	98,407,690,850	749,543,249,992	52,333,828,311	140,960,855,106	-	5,106,808,799,655
Share of profit/(loss) of associates and jointly controlled entity	-	-	(467,767,470,024)	-	-	1,047,648,111	-	41,800,975,403	-	(424,918,846,510)
Segment profit/(loss) before tax	19,765,640,055,523	3,084,115,666,880	(3,780,726,022,654)	(1,283,900,265,948)	(151,376,274,400)	(5,120,526,875,788)	(1,056,606,529,798)	189,508,275,911	(861,913,669,038)	10,784,214,360,688
Unallocated income/(expenses)										3,069,423,289,720
Assets										
Investment in associates	-	-	1,919,306,254,405	-	-	48,835,912,012	30,000,000,000	548,241,587,868	-	2,546,385,754,285
Capital expenditure	1,073,534,883,831	5,569,838,532,817	11,199,233,016,231	1,774,892,920,989	1,078,936,792,363	751,593,420,343	30,539,631,150,221	561,802,842,596	-	52,549,463,559,391
Segment assets	186,444,269,097,304	37,872,671,930,066	37,554,969,301,175	8,120,491,267,696	3,958,521,769,243	16,134,595,959,564	46,656,892,851,722	5,598,693,752,562	-	262,341,105,929,332
Unallocated assets										25,633,070,876,477
Segment liabilities	51,636,458,120,392	2,139,789,834,948	7,363,697,081,927	552,280,054,307	1,028,839,066,294	4,139,090,990,068	8,146,887,268,872	4,664,018,065,122	-	79,671,060,481,930
Unallocated liabilities										109,289,401,644,530



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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

40. SEGMENT INFORMATION (continued)

The following tables present revenue and profit and certain assets and liability information regarding the Group's business segment as at 31 December 2017 and for the year then ended:

	Currency: VND									
	Sale of inventory properties	Leasing investment properties and related services	Hospitality, entertainment and other services	Health care and related services	Education and related services	Retail services	Manufacturing activities	Others	Adjustment and elimination	Total
Net revenue										
Net sale to external customers	62,481,688,023,505	4,409,827,940,217	5,455,403,903,960	1,852,289,531,525	1,012,609,580,119	13,052,677,844,258	-	1,085,551,774,329	-	89,350,048,597,913
Net inter-segment sales	548,764,247,918	1,474,537,360,971	1,054,724,898,494	31,659,327,222	-	1,359,624,437,507	-	8,172,751,670,233	(12,642,061,940,345)	-
Net total revenue	63,030,452,271,423	5,884,365,301,188	6,510,128,800,454	1,883,948,858,747	1,012,609,580,119	14,412,302,281,765	-	9,258,303,444,562	(12,642,061,940,345)	89,350,048,597,913
Results										
Depreciation and amortisation	757,697,321,420	927,956,243,923	943,853,653,447	390,765,326,657	40,922,158,020	816,842,728,653	60,026,528	107,335,808,891	-	3,985,433,267,539
Share of profit/(loss) of associates	-	-	(9,037,187,612)	-	-	134,159,176	-	53,303,956,033	-	44,400,927,597
Segment profit/(loss) before tax	17,360,186,831,131	2,554,188,726,544	(2,377,301,109,883)	(741,969,599,616)	69,207,829,362	(3,797,684,195,783)	(111,558,768,895)	542,687,223,235	(1,633,418,245,887)	11,864,338,720,208
Unallocated income/(expenses)										(2,750,057,241,632)
Assets										
Investment in associates	-	-	2,387,075,724,427	-	-	47,788,263,901	-	4,760,612,467	-	2,439,624,600,795
Capital expenditure	3,476,763,918,001	787,855,737,487	7,345,785,735,189	2,368,688,05,376	1,650,700,502,711	404,446,859,528	685,023,176,672	1,260,294,697,698	-	17,979,558,732,662
Segment assets	108,130,151,659,516	32,629,148,834,227	27,005,847,457,774	7,529,049,834,746	2,114,086,629,622	11,331,605,250,245	2,176,570,887,671	4,819,569,831,027	-	193,736,030,384,828
Unallocated assets										20,056,026,599,769
Segment liabilities	86,286,947,713,141	1,479,287,907,326	9,286,962,365,169	746,880,993,451	705,415,779,608	2,608,907,630,168	154,007,324,851	1,273,913,584,259	-	102,542,322,397,973
Unallocated liabilities										58,692,724,408,969

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

41. ADDITIONAL INFORMATION REGARDING TO THE CONSOLIDATED CASH FLOW STATEMENT

	Currency: VND	
	Current year	Previous year
Significant non-cash transactions that will have impact on the cash flow statement in the future:		
Increase in owner's equity from conversion of convertible loans and bonds (Note 29.1)	-	451,256,814,009
Stock dividend declared (Note 29.1)	5,539,132,760,000	-
Acquisition of other company's shares by issuing shares	1,648,224,082,810	-
Offset obligations between financing activities and investing activities	-	1,124,000,000,000
Actual cash received for the year:		
Cash received from normal loan agreements	66,379,476,864,660	14,631,953,450,347
Cash received from issuance of bonds	20,324,421,444,781	16,072,927,627,127
Cash received from issuance of exchangeable bonds	10,060,202,000,000	-
Actual cash payment for the year:		
Cash payment for normal loan agreements	(38,517,115,721,129)	(8,182,448,989,518)
Cash payment for principal of bonds	(4,207,584,440,749)	(12,950,000,000,000)

42. OFF BALANCE SHEET ITEMS

Details of foreign currencies:

	Ending balance	Beginning balance
Foreign currencies:		
- United State dollar	81,442,888	7,590,475
- Australian dollar	4,050	2,425
- Singapore dollar	100	56
- Hong Kong dollar	1,000	50
- Euro	6	23,175
- Korean Won	67,000	230,000
- Japanese Yen	414,000	57,000
- Thai Baht	8,920	7,820
- Sterling	440	-

Details of overdue receivables which have been written off as management assesses that these receivables are irrecoverable:

	Currency: VND			
	Ending balance		Beginning balance	
Debtor	Cost	Recoverable amount	Cost	Recoverable amount
Ocean Group JSC	22,000,000,000	22,000,000,000	22,000,000,000	-
Ocean Thang Long JSC	41,098,537,541	41,098,537,541	41,098,537,541	41,098,537,541
Trang Tien – Nha Trang Trading and Tourist Company Limited	14,452,509,589	14,452,509,589	14,452,509,589	14,452,509,589
Topcare Investment and Trading Company Limited	10,468,046,036	10,468,046,036	10,468,046,036	10,468,046,036
Others	14,783,309,610	14,783,309,610	3,468,007,172	3,468,007,172

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended**43. EVENTS AFTER THE BALANCE SHEET DATE**

Except for the events after the balance sheet date as presented in other notes of the consolidated financial statements, the Group also has following events after the balance sheet date:

On 2 January 2019, Vinhomes JSC, a subsidiary, signed a deposit agreement with a corporate counterparty to transfer 51% shares of Phat Loc LLC with consideration of VND561 billion.

On 11 January 2019, the Board of Directors of the Company approved the Resolution No. 02/2019/QĐ-HDQT-VINGROUP on establishment of VINDIGIX JSC with charter capital of VND300 billion, in which 80% charter capital is contributed by the Company.

In January 2019, Thang Long Vietnam Auto Service and Trading Joint Stock Company was merged into Vinfast Service LLC, a subsidiary of the Group.

In January and February 2019, Vinhomes JSC, a subsidiary, signed a capital transfer contract to transfer 97.9% equity interest in Berjaya VIUT LLC and a conditional repurchase contract to repurchase this capital. Accordingly, considerations of these transactions are equivalent to par value of the transferred capital.

On 28 February 2019, VinTech JSC, a subsidiary, acquired 51% voting right in Mundo Reader LLC through an acquisition of newly issued capital and transfer from other equity holders with total consideration of EUR35.7 million.

In March 2019, the Company's General Shareholders approved a private offer of shares with a maximum number of shares of 250,000,000 and the specific price will be decided by the Board of Directors. These shares will be restricted to transfer within one year from the date of completion of the offering and existing shareholders may not exercise the priority right to purchase.

In March 2019, Vinmec JSC, a subsidiary, issued a loan with Deutsche Bank AG - Singapore branch and other international banks with a total amount of USD300 million which has term of three years.

In March 2019, the Company issued bonds at par value of VND1,000 billion, due in 2021, which bear interests at rate of 10% for the first year, and at the rate of 4% per annum plus average 12-month interest paid-in-arrears VND saving rate of Joint Stock Commercial Bank for Foreign Trade of Vietnam, Bank for Investment and Development of Vietnam, Vietnam Joint Stock Commercial Bank for Industry and Trade and Vietnam Technology and Commercial Joint Stock Bank.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

43. EVENTS AFTER THE BALANCE SHEET DATE (continued)

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



Van Thi Hai Ha
Preparer



Nguyen Thi Thu Hien
Chief Accountant



Ma, Huong Noi
Deputy Chief Executive Officer



27 March 2019

Vingroup Joint Stock Company

APPENDIX 1 – LIST OF SUBSIDIARIES AS AT 31 DECEMBER 2018

No.	Full name	Short name	Voting right (%) (*)	Equity interest (%)	Registered office's address	Principal activities
1	Vincom Retail JSC	Vincom Retail JSC	58.87	56.93	Vinhomes Riverside ⁽¹⁾	Investing, developing and trading real estate properties and leasing real estate properties
2	South Vincom Retail LLC	South Vincom Retail LLC	100.00	56.93	No.72, Le Thanh Ton street and No.45A Ly Tu Trong street, Ben Nghe ward, district 1, Ho Chi Minh city	Investing, developing and trading real estate properties and leasing real estate properties
3	North Vincom Retail LLC	North Vincom Retail LLC	100.00	56.93	No.72A, Nguyen Trai street, Thuong Dinh ward, Thanh Xuan district, Hanoi	Investing, developing and trading real estate properties and leasing real estate properties
4	Suoi Hoa Urban Development and Investment JSC	Suoi Hoa JSC	97.27	55.38	Km1 + 200, Tran Hung Dao street, Suoi Hoa ward, Bac Ninh city, Bac Ninh province	Investing, developing and trading real estate properties
5	Times Trading Investment and Development One Member LLC	Times Trading LLC	100.00	100.00	No.72, Le Thanh Ton street and No.45A Ly Tu Trong street, Ben Nghe ward, district 1, Ho Chi Minh city	Leasing real estate properties
6	Royal City Real Estate Development & Investment JSC	Royal City JSC	97.85	79.43	No.72A, Nguyen Trai street, Thuong Dinh ward, Thanh Xuan district, Hanoi	Investing, developing and trading real estate properties
7	Vinhomes JSC	Vinhomes JSC	73.78	72.31	No.458, Minh Khai street, Vinh Tuy ward, Hai Ba Trung district, Hanoi	Investing, developing and trading real estate properties
						Leasing office, apartments and rendering real estate management services
						Residential and civil constructions
						Architecture activities and technical consultancy

Vingroup Joint Stock Company

APPENDIX 1 – LIST OF SUBSIDIARIES AS AT 31 DECEMBER 2018 (continued)

No.	Full name	Short name	Voting right (%) (*)	Equity interest (%)	Registered office's address	Principal activities
8	Saidong Urban Development and Investment JSC	Sai Dong JSC	94.00	94.00	Vinhomes Riverside (1)	Investing, developing and trading real estate properties
9	Xavinco Land JSC	Xavinco JSC	96.44	96.23	No.191, Ba Trieu street, Le Dai Hanh ward, Hai Ba Trung district, Hanoi	Investing, developing and trading real estate properties
10	Xalivico LLC	Xalivico LLC	74.00	71.21	No.233 Nguyen Trai street, Thuong Dinh ward, Thanh Xuan district, Hanoi	Investing, developing and trading real estate properties
11	Vietnam Exhibition Fair Center JSC	VEFAC JSC	83.32	83.32	No.148 Giang Vo street, Giang Vo ward, Ba Dinh district, Hanoi	Investing, developing and trading real estate properties
12	Southern Star Urban Development and Trading Investment JSC	Southern Star JSC	100.00	99.65	No.72, Le Thanh Ton street, Ben Nghe ward, district 1, Ho Chi Minh city	Investing, developing and trading real estate properties
13	Metropolis Hanoi LLC	Metropolis Hanoi LLC	100.00	72.31	HH and area, Pham Hung street, Nam Tu Liem district, Hanoi	Investing, developing and trading real estate properties
14	Viet Nam Books JSC	Savina JSC	65.33	65.33	No.44, Trang Tien street, Hoan Kiem district, Hanoi	Trading books
15	Can Gio Tourist City Corporation	Can Gio JSC	99.89	72.23	No.72 Le Thanh Ton, Ben Nghe ward, district 1, Ho Chi Minh city	Investing, developing and trading real estate properties
16	Central Park Development LLC	Central Park LLC	100.00	94.00	Room 900, 9th floor, IPH Tower, No.241 Xuan Thuy street, Dich Vong Hau ward, Cau Giay district, Hanoi	Investing, developing and trading real estate properties
17	Ecology Development and Investment JSC	Ecology JSC	100.00	72.56	No.191, Ba Trieu street, Le Dai Hanh ward, Hai Ba Trung district, Hanoi	Investing, developing and trading real estate properties
18	Gia Lam Urban Development and Investment LLC	Gia Lam LLC	85.00	61.67	Vinhomes Riverside (1)	Investing, developing and trading real estate properties
19	Vietnam Investment and Consulting Investment JSC	Vietnam Investment JSC	70.00	50.90	No.191, Ba Trieu street, Le Dai Hanh ward, Hai Ba Trung district, Hanoi	Investing, developing and trading real estate properties

APPENDIX 1 – LIST OF SUBSIDIARIES AS AT 31 DECEMBER 2018 (continued)

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Vingroup Joint Stock Company

APPENDIX 1 – LIST OF SUBSIDIARIES AS AT 31 DECEMBER 2018 (continued)

No.	Full name	Short name	Voting right (%) (*)	Equity interest (%)	Registered office's address	Principal activities
31	GS Cu Chi Development JSC	GS Cu Chi JSC	100.00	72.23	No.60A Truong Son street, ward 2, Tan Binh district, Ho Chi Minh city	Investing, developing and trading real estate properties
32	Ha Thanh Real Estate Development and Investment JSC	Ha Thanh JSC	100.00	95.69	Vinhomes Riverside (1)	Investing, developing and trading real estate properties
33	Phuc An Tourism Development and Investment JSC	Phuc An JSC	100.00	92.95	Vinhomes Riverside (1)	Rendering short-term accommodation services
34	An Thinh Trading and Commercial Development JSC	An Thinh JSC	100.00	76.44	20A Floor, Dong Khoi Vincom Center, No.72 Le Thanh Ton Street, Ben Nghe ward, District 1, Ho Chi Minh city	Investing, developing and trading real estate properties
35	Vinpearl JSC	Vinpearl JSC	100.00	93.57	Hon Tre island, Vinh Nguyen ward, Nha Trang city, Khanh Hoa province	Investing, developing and trading hospitality services
36	Nha Trang Port Joint Stock Company	Nha Trang Port JSC	91.94	86.03	No.5 Tran Phu, Vinh Nguyen ward, Nha Trang city, Khanh Hoa province	Loading goods, leasing warehouse
37	Co.Co International Co., Ltd	Co.Co International Ltd	69.99	65.49	No.14 Thuy Khue street, Thuy Khue ward, Tay Ho district, Hanoi	Investing, developing and trading real estate properties
38	Vincommerce General Commerce Services JSC	Vincommerce JSC	64.26	64.27	No.72, Le Thanh Ton street, Ben Nghe ward, district 1, Ho Chi Minh city	Retails in department stores
39	Vinpro business and trading service JSC	Vinpro JSC	64.63	64.29	Vinhomes Riverside (1)	Retails in audio-visual equipment, computers, software and telecommunication equipment
40	VINDFS JSC	VINDFS JSC	80.00	74.86	Cell CC-1 (Subdivision of KT-A), An Vien beach urban area, Vinh Nguyen ward, Nha Trang city, Khanh Hoa province	Retailing other new goods in specialized stores
41	Vinnec International General Hospital JSC	Vinnec JSC	100.00	100.00	No.458, Minh Khai street, Vinh Tuy ward, Hai Ba Trung district, Hanoi	Healthcare, medical and related services
42	Vinschool One Member LLC	Vinschool LLC	100.00	100.00	Vinhomes Riverside (1)	Rendering education services



Vingroup Joint Stock Company

APPENDIX 1 – LIST OF SUBSIDIARIES AS AT 31 DECEMBER 2018 (continued)

No.	Full name	Short name	Voting right (%) (*)	Equity interest (%)	Registered office's address	Principal activities
43	VinAcademy Education and Training LLC	VinAcademy LLC	100.00	99.64	Vinhomes Riverside (1)	Rendering education services
44	Vincom Security Service LLC	Vincom Security LLC	100.00	100.00	Vinhomes Riverside (1)	Rendering security services
45	VinEco Agricultural Investment Development and Production LLC	VinEco LLC	100.00	95.80	Vinhomes Riverside (1)	Producing and trading agricultural produces
46	VinEco - Tam Dao Agricultural Investment Development and production LLC	VinEco Tam Dao LLC	89.02	85.29	Co Quan commune, Gia Khanh town, Binh Xuyen district, Vinh Phuc province	Producing and trading agricultural produces
47	Dong Nai - VinEco Agriculture LLC	Dong Nai - VinEco LLC	77.50	74.25	Km13, Highway 51, Long Khanh 3 hamlet, Tam Phuoc commune, Bien Hoa city, Dong Nai province	Producing and trading agricultural produces
48	VINECO SAGRI Agriculture LLC	VINECO SAGRI LLC	64.00	61.31	No.38 Pham Van Coi, Pham Van Coi commune, Cu Chi district, Ho Chi Minh city	Producing and trading agricultural produces
49	Vincom General Service Trading LLC	Vincom Service LLC	100.00	99.64	Vinhomes Riverside (1)	Providing information technology, technology, sanitation, environmental landscape, logistic.
50	Van Phat Tourist and Seafooc JSC	Van Phat JSC	90.00	86.22	Dung K'Si Hamlet, Da Chais commune, Lac Duong district, Lam Dong province	Producing and trading agricultural produces
51	An Phat Trading and Commercial Development LLC	An Phat LLC	100.00	100.00	20A Floor, Dong Khoi Vincom Center, No.72 Le Thanh Ton Street, Ben Nghe ward, District 1, Ho Chi Minh city	Investing, developing and trading real estate properties
52	VINFAST producing and trading LLC	Vinfast LLC	50.80	41.90	Dinh Vu - Cat Hai economic zone, Cat Hai island, Cat Hai town, Cat Hai district, Hai Phong city	Producing of motor vehicle
53	VINFAST Service and Trading LLC	Vinfast Trading LLC	80.00	33.52	Vinhomes Riverside (1)	Maintenance and repair of automotive and other motor vehicles

Vingroup Joint Stock Company

APPENDIX 1 – LIST OF SUBSIDIARIES AS AT 31 DECEMBER 2018 (continued)

No.	Full name	Short name	Voting right (%) (*)	Equity interest (%)	Registered office's address	Principal activities
54	General Motors Vietnam LLC	General Motors Viet Nam LLC	100.00	41.90	Ngoc Hoi street, Tu Hiep commune, Thanh Tri district, Ha Noi city	Producing of motor vehicle
55	Vinfast Germany GmbH	Vinfast Germany GmbH	100.00	41.90	106ResCowork04, Frankfurt, Alte Oper, Bockenheimer Landstraße 17/19, 60325 Frankfurt am Main, Germany	Trading, import and export of equipment, components and spare parts for motorbikes and related goods
56	VINFA JSC	VINFA JSC	96.39	96.39	Vinhomes Riverside (1)	Retails in medicine
57	Vinsmart Researching and Producing JSC	Vinsmart JSC	72.03	68.46	Dinh Vu - Cat Hai economic zone, Cat Hai island, Cat Hai town, Cat Hai district, Hai Phong city	Producing communication equipment
58	VinTech Technology Development JSC	Vintech JSC	80.00	80.00	Vinhomes Riverside (1)	Research and develop experimental natural science and technology
59	VinTech Korea Research	VinTech Korea Research	100.00	80.00	209 559 Dalseo-Daero, Sindang-dong, Dalseo-gu, Daegu, Korea	Research and develop experimental natural science and technology
60	VinID JSC	VinID JSC	80.00	80.00	Vinhomes Riverside (1)	Other monetary intermediation activities
61	People Care JSC	People Care JSC	70.00	64.00	No.9, alley 29 Lang Ha, Thanh Cong ward, Ba Dinh district, Ha Noi city	Other monetary intermediation activities
62	Grand Prix Viet Nam LLC	Grand Prix LLC	100.00	41.90	Vinhomes Riverside (1)	Organize and promote events, exhibitions, conferences and seminars
63	VINCSS Internet Security Services LLC	VINCSS LLC	100.00	100.00	Vinhomes Riverside (1)	Scientific research and technology development
64	VinConnect Solutions and Technology Services LLC	VinConnect LLC	100.00	100.00	Vinhomes Riverside (1)	Activities of information technology services and other services related to computers
65	HMS Software Production and Trading LLC	HMS LLC	100.00	100.00	20A Floor, No.72 Le Thanh Ton Street, Ben Nghe ward, District 1, Ho Chi Minh city	Software production

Vingroup Joint Stock Company

APPENDIX 1 – LIST OF SUBSIDIARIES AS AT 31 DECEMBER 2018 (continued)

No.	Full name	Short name	Voting right (%) (*)	Equity interest (%)	Registered office's address	Principal activities
66	Vingroup Ventures JSC	Vingroup Ventures JSC	70.00	70.00	Vinhomes Riverside (1)	Consultancy and investment activities
67	Phu Gia Real Estate Trading LLC (**)	Phu Gia LLC	98.00	71.10	No.63 Hang Ga street, Hang Bo ward, Hoan Kiem district, Hanoi	Investing, developing and trading real estate properties

(1) Full registered office address: No.7, Bang Lang 1 street, Vinhomes Riverside Eco-urban area, Viet Hung ward, Long Bien district, Hanoi.

(*) The voting right is also the ownership the Group in these subsidiaries.

(**) This subsidiary is under the process of dissolution.





Vinpearl Joint Stock Company

Consolidated Financial Statements for the year
ended 31 December 2020



Vinpearl Joint Stock Company Corporate Information

Enterprise Registration Certificate No.

4200456848

26 July 2006

The Company's Enterprise Registration Certificate has been amended several times, the most recent of which is by the Enterprise Registration Certificate dated 1 December 2020. The Enterprise Registration Certificate and its updates were issued by Khanh Hoa Department of Planning and Investment.

Board of Management

Ms. Mai Huong Noi	Chairman
Ms. Mai Thu Thuy	Member
Mr. Dang Thanh Thuy	Member

Board of General Directors

Ms. Nguyen Mai Hoa	General Director (from 27/11/2020)
Ms. Vu Tuyet Hang	General Director (from 27/2/2020 to 27/11/2020)
Ms. Vo Thi Phuong Thao	General Director (until 27/2/2020)
Ms. Vo Thi Phuong Thao	Deputy General Director (from 27/2/2020)
Mr. Dang Thanh Thuy	Deputy General Director
Mr. Pham Khac Duan	Deputy General Director

Registered Office

Hon Tre Island, Vinh Nguyen Ward, Nha Trang City
Khanh Hoa Province, Vietnam

Auditors

KPMG Limited
Vietnam

Vinpearl Joint Stock Company Statement of the Board of General Directors

The Board of General Directors of Vinpearl Joint Stock Company ("the Company") presents this statement and the accompanying consolidated financial statements of the Company for the year ended 31 December 2020.

The Board of General Directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting. In the opinion of the Board of General Directors:

- (a) the consolidated financial statements set out on pages 5 to 71 give a true and fair view of the consolidated financial position of the Company as at 31 December 2020, and of the consolidated results of operations and consolidated cash flows of the Company for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting; and
- (b) at the date of this statement, there are no reasons to believe that the Company and its subsidiaries will not be able to pay their debts as and when they fall due. The Board of General Directors has disclosed the conditions related to its assessment on the going concern assumption in the consolidated financial statements.

The Board of General Directors has, on the date of this statement, authorised the accompanying consolidated financial statements for issue.

On behalf of the Board of General Directors



Vo Thi Phuong Thao
Deputy General Director

Khanh Hoa Province, 25 March 2021



KPMG Limited
46th Floor, Keangnam Landmark 72
E6 Pham Hung Road, Me Tri Ward
South Tu Liem District, Hanoi, Vietnam
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INDEPENDENT AUDITOR'S REPORT

To the Shareholders Vinpearl Joint Stock Company

We have audited the accompanying consolidated financial statements of Vinpearl Joint Stock Company ("the Company"), which comprise the consolidated balance sheet as at 31 December 2020, the consolidated statements of income and cash flows for the year then ended and the explanatory notes thereto which were authorised for issue by the Company's Board of General Directors on 25 March 2021, as set out on pages 5 to 71.

Management's Responsibility

The Company's Board of General Directors is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting, and for such internal control as the Board of General Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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



Auditor's Opinion

In our opinion, the consolidated financial statements give a true and fair view, in all material respects, of the consolidated financial position of Vinpearl Joint Stock Company as at 31 December 2020, and of its consolidated results of operations and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting.

KPMG Limited

Vietnam

Audit Report No. 20-02-00239-21-2



Tran Anh Quan
Practicing Auditor Registration
Certificate No. 0306-2018-007-1
Deputy General Director

Hanoi, 25 March 2021

Doan Thanh Toan
Practicing Auditor Registration
Certificate No. 3073-2019-007-1

Vinpearl Joint Stock Company
Consolidated balance sheet as at 31 December 2020

Form B 01 – DN/HN
*(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)*

	Code	Note	31/12/2020 VND million	1/1/2020 VND million
ASSETS				
Current assets (100 = 110 + 120 + 130 + 140 + 150)	100		13,623,271	11,184,366
Cash and cash equivalents	110	7	790,292	447,452
Cash	111		736,010	381,806
Cash equivalents	112		54,282	65,646
Short-term financial investments	120		6,764,449	2,573,691
Trading securities	121	8(a)	6,704,088	2,442,469
Held-to-maturity investments	123	8(b)	60,361	131,222
Accounts receivable – short-term	130		2,918,421	6,964,003
Accounts receivable from customers	131	9	1,377,059	5,212,248
Prepayments to suppliers	132	10	767,189	603,399
Other receivables	136	11	778,268	1,348,281
Allowance for doubtful debts	137		(4,097)	(199,925)
Shortage of assets awaiting resolution	139		2	-
Inventories	140	12	1,561,671	654,662
Inventories	141		1,561,671	654,662
Other current assets	150		1,588,438	544,558
Short-term prepaid expenses	151	17(a)	168,349	208,743
Deductible value added tax	152		1,338,090	314,220
Taxes and other receivables from State Treasury	153	22(a)	81,999	21,595

The accompanying notes are an integral part of these consolidated financial statements

Vinpearl Joint Stock Company
Consolidated balance sheet as at 31 December 2020 (continued)

Form B 01 – DN/HN

*(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)*

	Code	Note	31/12/2020 VND million	1/1/2020 VND million
Long-term assets				
(200 = 210 + 220 + 230 + 240 + 250 + 260)	200		42,974,686	29,655,742
Accounts receivable – long-term	210		1,462	3,109
Other long-term receivables	216		1,462	3,109
Fixed assets	220		23,706,374	14,211,656
Tangible fixed assets	221	13	23,238,379	13,861,414
Cost	222		29,611,186	18,357,462
Accumulated depreciation	223		(6,372,807)	(4,496,048)
Intangible fixed assets	227	14	467,995	350,242
Cost	228		691,786	503,638
Accumulated amortisation	229		(223,791)	(153,396)
Investment property	230	15	683,044	1,101,423
Cost	231		789,177	1,355,986
Accumulated depreciation	232		(106,133)	(254,563)
Long-term work in progress	240		9,190,252	3,223,249
Construction in progress	242	16	9,190,252	3,223,249
Long-term financial investments	250		8,233,571	10,009,195
Investments in associates	252	8(c)	-	1,019,547
Equity investments in other entities	253	8(d)	8,203,571	8,959,648
Held-to-maturity investments	255	8(b)	30,000	30,000
Other long-term assets	260		1,159,983	1,107,110
Long-term prepaid expenses	261	17(b)	837,275	885,195
Deferred tax assets	262	18(a)	67,504	36,507
Other long-term assets	268		-	1,000
Goodwill	269	19	255,204	184,408
TOTAL ASSETS (270 = 100 + 200)	270		56,597,957	40,840,108

The accompanying notes are an integral part of these consolidated financial statements

Vinpearl Joint Stock Company
Consolidated balance sheet as at 31 December 2020 (continued)

Form B 01 – DN/HN
*(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)*

	Code	Note	31/12/2020 VND million	1/1/2020 VND million
RESOURCES				
LIABILITIES (300 = 310 + 330)	300		55,988,217	37,313,115
Current liabilities	310		29,794,433	10,012,546
Accounts payable to suppliers	311	20	2,661,496	1,306,665
Advances from customers	312	21	196,857	380,873
Taxes payable to State Treasury	313	22(b)	220,008	371,511
Payables to employees	314		2,898	1,645
Accrued expenses – short-term	315	23	2,649,780	1,449,858
Unearned revenue – short-term	318	24(a)	1,091,951	767,285
Other payables – short-term	319	25(a)	6,790,584	1,099,719
Short-term borrowings and bonds	320	26(a)	16,180,659	4,630,926
Bonus and welfare fund	322		200	4,064
Long-term liabilities	330		26,193,784	27,300,569
Long-term unearned revenue	336	24(b)	3,861,977	2,849,861
Other payables – long-term	337	25(b)	2,612,910	854,175
Long-term borrowings and bonds	338	26(b)	19,495,043	23,533,647
Deferred tax liabilities	341	18(a)	221,892	59,626
Provisions – long-term	342		1,962	3,260

The accompanying notes are an integral part of these consolidated financial statements

Vinpearl Joint Stock Company
Consolidated balance sheet as at 31 December 2020 (continued)

Form B 01 – DN/HN

(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

	Code	Note	31/12/2020 VND million	1/1/2020 VND million
EQUITY (400 = 410)	400		609,740	3,526,993
Owners' equity	410	27	609,740	3,526,993
Share capital	411	28	13,389,228	6,511,596
- Ordinary shares with voting rights	411a		13,389,228	6,511,596
Share premium	412		1,381,597	1,381,597
Investment and development fund	418		10,994	10,994
Other equity funds	420		(214,356)	(214,356)
Accumulated losses	421		(14,001,757)	(4,495,521)
(Accumulated losses)/Retained profits brought forward	421a		(4,495,521)	116,089
- Losses for the current year	421b		(9,506,236)	(4,611,610)
Non-controlling interest	429		44,034	332,683
TOTAL RESOURCES (440 = 300 + 400)	440		56,597,957	40,840,108

25 March 2021

Prepared by:



Nguyen Thanh Tung
General Accountant



Do My Huong
Chief Accountant

Approved by:



Vo Thi Phuong Thao
Deputy General Director

The accompanying notes are an integral part of these consolidated financial statements

Vinpearl Joint Stock Company
Consolidated statement of income for the year ended 31 December 2020
Form B 02 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

	Code	Note	2020 VND million	2019 VND million
Revenue from sales of goods and provision of services	01	30	4,965,319	14,002,929
Revenue deductions	02	30	65,236	16,656
Net revenue (10 = 01 - 02)	10	30	4,900,083	13,986,273
Cost of sales	11	31	10,839,027	13,912,620
Gross (loss)/profit (20 = 10 - 11)	20		(5,938,944)	73,653
Financial income	21	32	1,396,052	282,080
Financial expenses	22	33	3,200,751	1,829,943
<i>In which: Borrowing costs</i>	23		3,183,177	1,784,927
Share of loss in associates	24		(133,261)	(692,550)
Selling expenses	25	34	394,549	583,567
General and administration expenses	26	35	1,442,637	1,957,709
Net operating loss {30 = 20 + (21 - 22) + 24 - (25 + 26)}	30		(9,714,090)	(4,708,036)
Other income	31	36	227,030	56,388
Other expenses	32	37	79,740	52,513
Results of other activities (40 = 31 - 32)	40		147,290	3,875
Accounting loss before tax (50 = 30 + 40)	50		(9,566,800)	(4,704,161)
Income tax expense – current	51	39	2,615	59,827
Income tax expense/(benefit) – deferred	52	39	6,308	(9,801)
Net loss after tax (60 = 50 - 51 - 52) (carried forward to next page)	60		(9,575,723)	(4,754,187)


The accompanying notes are an integral part of these consolidated financial statements

Vinpearl Joint Stock Company

Consolidated statement of income for the year ended 31 December 2020 (continued)

Form B 02 – DN/HN

(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

	Code	Note	2020 VND million	2019 VND million
Net loss after tax (60 = 50 - 51 - 52) (brought forward from previous page)	60		(9,575,723)	(4,754,187)
Attributable to:				
Shareholders of the Company	61		(9,570,017)	(4,710,222)
Non-controlling interest	62		(5,706)	(43,965)
			VND	VND
Losses per share				
Basic losses per share	70	40	(12,786)	(7,511)

25 March 2021

Prepared by:



Nguyen Thanh Tung
General Accountant



Do My Huong
Chief Accountant

Approved by:



Vo Thi Phuong Thao
Deputy General Director

The accompanying notes are an integral part of these consolidated financial statements

Vinpearl Joint Stock Company
Consolidated statement of cash flows for the year ended 31 December 2020
(Indirect method)

Form B 03 – DN/HN
(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

	Code	Note	2020 VND million	2019 VND million
CASH FLOWS FROM OPERATING ACTIVITIES				
Loss before tax	01		(9,566,800)	(4,704,161)
Adjustments for				
Depreciation and amortisation	02		2,043,259	1,604,428
Allowances and provisions	03		2,161	192,447
Exchange gains arising from revaluation of monetary items denominated in foreign currencies	04		(1,524)	(3,771)
(Profit)/loss from investing activities	05		(1,215,624)	472,728
Borrowing costs	06		3,183,177	1,784,927
Operating loss before changes in working capital	08		(5,555,351)	(653,402)
Change in receivables	09		5,528,282	(4,911,746)
Change in inventories	10		76,509	254,424
Change in payables and other liabilities	11		(1,613,338)	(2,125,058)
Change in prepaid expenses	12		158,276	469,149
Change in trading securities	13		(4,261,619)	-
			(5,667,241)	(6,966,633)
Borrowing costs paid	14		(2,237,825)	(1,560,652)
Income tax paid	15		(23,443)	(157,302)
Other payments for operating activities	17		(876)	(2,429)
Net cash flows from operating activities	20		(7,929,385)	(8,687,016)
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for additions to fixed assets and other long-term assets	21		(4,983,776)	(2,785,924)
Proceeds from disposals of fixed assets	22		33,986	6,350
Payments for granting loans, purchase of debt instruments of other entities	23		(126,076)	(3,814,133)
Receipts from collecting loans, sales of debt instruments of other entities	24		196,937	8,976,336
Payments for investments in other entities	25		(2,731,253)	(4,585,560)
Collections on investments in other entities	26		2,282,666	2,204,696
Receipts of interests and dividends	27		26,845	327,080
Net cash flows from investing activities	30		(5,300,671)	328,845

The accompanying notes are an integral part of these consolidated financial statements