

Dat Xanh Group Joint Stock Company

Consolidated financial statements

For the year ended 31 December 2019



Dat Xanh Group Joint Stock Company

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Dat Xanh Group Joint Stock Company

GENERAL INFORMATION

THE COMPANY

Dat Xanh Group Joint Stock Company ("the Company") is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to the Business Registration Certificate No. 0303104343 issued by the Department of Planning and Investment of Ho Chi Minh City on 23 November 2007, as subsequently amended.

The Company's shares were listed on the Ho Chi Minh City Stock Exchange ("HOSE") in accordance with Decision No. 161/QD-SGDHCM on 14 December 2009.

The current principal activities of the Company are to provide construction services, trade real estate properties, real estate brokerage and other services.

The Company's registered head office is located at No. 2W Ung Van Khiem Street, Ward 25, Binh Thanh District, 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 Luong Tri Thin	Chairman
Mr Nguyen Khanh Hung	Deputy Chairman
Mr Tran Viet Anh	Member
Mr Luong Tri Thao	Member
Mr Bui Ngoc Duc	Member

BOARD OF SUPERVISION

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

Mr Nguyen Van Bang	Head
Ms Trinh Thi Ngoc Ha	Member
Mr Nguyen Quoc Vy Liem	Member

MANAGEMENT

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

Mr Luong Tri Thin	General Director	
Mr Nguyen Khanh Hung	Deputy General Director	resigned at 23 December 2019
Mr Bui Ngoc Duc	Deputy General Director	
Ms Do Thi Thai	Deputy General Director	
Mr Nguyen Truong Son	Deputy General Director	
Mr Tran Cong Luan	Deputy General Director	resigned at 26 July 2019
Ms Tran Thi Thuy Trang	Chief Accountant	

LEGAL REPRESENTATIVE

The legal representative of the Company during the year and at the date of this report is Mr Luong Tri Thin.

AUDITORS

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

Dat Xanh Group Joint Stock Company

REPORT OF MANAGEMENT

Management of Dat Xanh Group 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 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:



Luong Tri Thin
General Director

Ho Chi Minh City, Vietnam

4 February 2020

Reference: 61281235/21164353/HH

INDEPENDENT AUDITORS' REPORT

To: The Shareholders of Dat Xanh Group Joint Stock Company

We have audited the accompanying consolidated financial statements of Dat Xanh Group Joint Stock Company and its subsidiaries (collectively referred to as "the Group"), as prepared on 4 February 2020, as set out on pages 5 to 63 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.

Management's responsibility

The Company's management is responsible for the preparation and fair presentation of the 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 management determines is necessary to enable the preparation and presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the 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 management, as well as evaluating the overall presentation of the consolidated financial statements.

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


Opinion

In our opinion, the 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 preparation and presentation of consolidated financial statements.

Ernst & Young Vietnam Limited




Tran Nam Dung
Deputy General Director
Audit Practicing Registration Certificate
No. 3021-2019-004-1


Duong Thi Nu
Auditor
Audit Practicing Registration Certificate
No. 3796-2016-004-1

Ho Chi Minh City, Vietnam

4 February 2020

CONSOLIDATED BALANCE SHEET
as at 31 December 2019

VND

Code	ASSETS	Notes	Ending balance	Beginning balance
100	A. CURRENT ASSETS		17,066,173,125,309	11,815,774,324,512
110	I. Cash and cash equivalents	5	793,292,599,726	1,158,571,308,567
111	1. Cash		355,672,599,726	412,350,866,927
112	2. Cash equivalents		437,620,000,000	746,220,441,640
120	II. Short-term investments		305,739,415,870	382,498,994,785
121	1. Held-for-trading securities		-	330,019,350,000
123	2. Held-to-maturity investments	6	305,739,415,870	52,479,644,785
130	III. Current accounts receivable		9,023,334,431,632	5,566,773,833,623
131	1. Short-term trade receivables	7	1,938,830,273,317	1,255,542,716,619
132	2. Short-term advances to suppliers	8	894,177,558,351	778,666,564,341
135	3. Short-term loan receivables	9	659,339,899,535	756,370,320
136	4. Other short-term receivables	10	5,560,112,646,803	3,557,808,940,778
137	5. Provision for doubtful short-term receivables	11	(29,125,946,374)	(26,000,758,435)
140	IV. Inventories	12	6,791,464,181,384	4,605,151,086,817
141	1. Inventories		6,791,464,181,384	4,621,285,822,757
149	2. Provision for obsolete inventories		-	(16,134,735,940)
150	V. Other current assets		152,342,496,697	102,779,100,720
151	1. Short-term prepaid expenses	13	69,692,389,880	50,509,017,436
152	2. Value-added tax deductible		82,381,172,075	52,243,223,265
153	3. Tax and other receivables from the State		268,934,742	26,860,019

CONSOLIDATED BALANCE SHEET (continued)
as at 31 December 2019

VND

Code	ASSETS	Notes	Ending balance	Beginning balance
200	B. NON-CURRENT ASSETS		2,814,344,089,504	1,912,940,416,029
210	I. Long-term receivables		172,279,360,955	145,378,783,345
211	1. Long-term trade receivables		215,840,000	42,866,462
216	2. Other long-term receivables	10	172,063,520,955	145,335,916,883
220	II. Fixed assets		361,641,326,887	75,783,235,810
221	1. Tangible fixed assets	14	330,163,750,695	53,539,168,844
222	Cost		379,436,775,712	82,239,419,005
223	Accumulated depreciation		(49,273,025,017)	(28,700,250,161)
227	2. Intangible fixed assets	15	31,477,576,192	22,244,066,966
228	Cost		38,550,037,600	26,192,368,283
229	Accumulated amortisation		(7,072,461,408)	(3,948,301,317)
230	III. Investment properties	16	92,441,808,628	47,027,879,233
231	1. Cost		96,898,852,370	49,782,198,221
232	2. Accumulated depreciation		(4,457,043,742)	(2,754,318,988)
240	IV. Long-term asset in progress		75,114,948,488	199,512,917,437
242	1. Construction in progress	17	75,114,948,488	199,512,917,437
250	V. Long-term investments	18	1,184,818,253,242	1,176,366,004,321
252	1. Investments in an associate		1,078,818,253,242	1,100,366,004,321
253	2. Investments in another entity		76,000,000,000	76,000,000,000
255	3. Held-to-maturity investments		30,000,000,000	-
260	VI. Other long-term assets		928,048,391,304	268,871,595,883
261	1. Long-term prepaid expenses	13	801,832,154,722	136,347,820,285
262	2. Deferred tax assets	33.3	36,571,033,429	30,656,774,141
268	3. Other long-term assets		1,390,000,000	1,390,000,000
269	4. Goodwill	19	88,255,203,153	100,477,001,457
270	TOTAL ASSETS		19,880,517,214,813	13,728,714,740,541

CONSOLIDATED BALANCE SHEET (continued)
as at 31 December 2019

VND

Code	RESOURCES	Notes	Ending balance	Beginning balance
300	C. LIABILITIES		10,652,695,846,729	7,529,620,654,558
310	I. Current liabilities		7,276,583,447,080	5,117,630,826,276
311	1. Short-term trade payables	20	1,186,513,733,894	580,973,842,865
312	2. Short-term advances from customers	21	907,818,136,727	1,029,005,405,207
313	3. Statutory obligations	22	699,386,258,859	465,584,800,083
314	4. Payables to employees		113,456,584,655	83,334,564,108
315	5. Short-term accrued expenses	23	472,343,371,897	435,598,701,994
318	6. Short-term unearned revenues	24	36,024,397,565	19,338,862,336
319	7. Other short-term payables	25	2,695,649,800,567	1,989,989,640,969
320	8. Short-term loans	26	1,063,200,299,649	471,425,076,235
321	9. Short-term provision		911,553,612	381,395,323
322	10. Bonus and welfare fund		101,279,309,655	41,998,537,156
330	II. Non-current liabilities		3,376,112,399,649	2,411,989,828,282
337	1. Other long-term liabilities		21,168,024,271	8,741,045,131
338	2. Long-term loans	26	3,336,530,707,182	2,394,395,462,491
342	3. Long-term provision		18,413,668,196	8,853,320,660
400	D. OWNERS' EQUITY		9,227,821,368,084	6,199,094,085,983
410	I. Capital	27.1	9,227,821,368,084	6,199,094,085,983
411	1. Share capital		5,200,346,670,000	3,500,714,120,000
411a	- Shares with voting rights		5,200,346,670,000	3,500,714,120,000
412	2. Share premium		10,677,980,806	10,867,980,806
414	3. Other owners' capital		6,530,490,000	-
415	4. Treasury shares		(2,500,560,000)	(2,500,560,000)
418	5. Investment and development fund		58,104,879,339	35,018,748,857
421	6. Undistributed earnings		1,715,781,731,515	1,455,564,086,735
421a	- Undistributed earnings by the end of prior year		499,266,975,593	277,367,297,157
421b	- Undistributed earnings of current year		1,216,514,755,922	1,178,196,789,578
429	7. Non-controlling interests		2,238,880,176,424	1,199,429,709,585
440	TOTAL LIABILITIES AND OWNERS' EQUITY		19,880,517,214,813	13,728,714,740,541


Nguyen Huynh Quang Tuan
Preparer


Tran Thi Thuy Trang
Chief Accountant


Luong Tri Thin
General Director



4 February 2020

CONSOLIDATED INCOME STATEMENT
for the year ended 31 December 2019

VND

Code	ITEMS	Notes	Current year	Previous year
01	1. Gross revenue from sale of goods and rendering of services	28.1	5,814,792,550,202	4,645,499,698,895
02	2. Sales deduction	28.1	(1,214,818,184)	(181,136,363)
10	3. Net revenues from sale of goods and rendering of services	28.1	5,813,577,732,018	4,645,318,562,532
11	4. Cost of goods sold and services rendered	29	(2,729,975,508,597)	(2,030,544,378,590)
20	5. Gross profits from sale of goods and rendering of services		3,083,602,223,421	2,614,774,183,942
21	6. Finance income	28.2	270,472,044,756	206,731,318,326
22	7. Finance expenses	30	(209,031,029,465)	(190,754,523,920)
23	<i>In which: Interest expense</i>		(198,518,758,945)	(162,515,347,183)
24	8. Share of profit of associates		149,336,502,241	256,266,984,265
25	9. Selling expenses	31	(483,126,308,561)	(433,804,796,676)
26	10. General and administrative expenses	31	(501,464,017,669)	(345,927,634,999)
30	11. Operating profit		2,309,789,414,723	2,107,285,530,938
31	12. Other income	32	125,728,345,714	21,208,505,992
32	13. Other expenses	32	(47,004,000,462)	(26,709,544,872)
40	14. Other profit	32	78,724,345,252	(5,501,038,880)
50	15. Accounting profit before tax		2,388,513,759,975	2,101,784,492,058
51	16. Current corporate income tax expense	33.1	(505,980,349,738)	(381,773,261,869)
52	17. Deferred tax income	33.3	3,685,247,085	2,783,512,358
60	18. Net profit after tax		1,886,218,657,322	1,722,794,742,547
61	19. Net profit after tax attributable to shareholder of the parent		1,216,514,755,922	1,178,426,985,263
62	20. Net profit after tax attributable to non-controlling interests		669,703,901,400	544,367,757,284
70	21. Basic earnings per share	27.4	2,672	2,681
71	22. Diluted earnings per share	27.4	2,653	2,681

Nguyen Huynh Quang Tuan
Preparer

Tran Thi Thuy Trang
Chief Accountant

Luong Tri Thin
General Director

4 February 2020

CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 December 2019

VND

Code	ITEMS	Notes	Current year	Previous year
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	Accounting profit before tax		2,388,513,759,975	2,101,784,492,058
	<i>Adjustments for:</i>			
02	Depreciation and amortisation	14, 15, 16, 19	38,992,516,975	24,427,015,127
03	(Reversal) provisions		(2,919,042,176)	14,512,822,148
05	Profits from investing activities		(197,121,042,463)	(462,362,952,283)
06	Borrowing costs	30	209,031,029,465	190,754,523,920
08	Operating profit before changes in working capital		2,436,497,221,776	1,869,115,900,970
09	Increase in receivables		(2,354,916,092,232)	(2,001,325,583,053)
10	Increase in inventories		(2,038,417,677,731)	(1,263,972,207,881)
11	Increase in payables		1,266,217,922,268	1,336,300,188,260
12	Increase in prepaid expenses		(683,834,373,551)	(9,181,690,966)
13	Decrease (increase) in held-for-trading securities		330,019,350,000	(300,767,700,000)
14	Interest paid		(193,411,384,271)	(195,872,458,354)
15	Corporate income tax paid		(337,164,635,388)	(260,950,055,077)
17	Other cash outflows for operating activities		(70,762,470,063)	(105,100,577,193)
20	Net cash flows used in operating activities		(1,645,772,139,192)	(931,754,183,294)
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchases and construction of fixed assets		(228,316,126,199)	(136,585,529,548)
22	Proceeds from disposals of fixed assets		404,545,455	1,801,231,282
23	Loans to other entities, term deposits		(941,843,300,300)	(42,167,106,020)
24	Collections from borrowers		-	239,654,400,000
25	Payments for investments in other entities		(681,408,463,538)	(382,297,910,551)
26	Proceeds from sale of investments in other entities		407,270,425,000	267,012,362,757
27	Interest received		30,962,918,887	52,461,008,107
30	Net cash flows used in investing activities		(1,412,930,000,695)	(121,543,973)

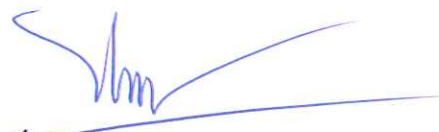
CONSOLIDATED CASH FLOW STATEMENT (continued)
for the year ended 31 December 2019

VND

Code	ITEMS	Notes	Current year	Previous year
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
31.1	Capital contribution from non-controlling interests		761,862,562,000	466,575,587,000
31.2	Capital contribution from owner	27.1	874,363,390,000	75,000,000,000
33	Drawdown of borrowings	26	3,876,280,851,713	2,789,276,887,627
34	Repayment of borrowings	26	(2,339,661,522,607)	(2,451,889,813,557)
36	Dividends paid		(479,421,850,060)	(475,952,933,700)
40	Net cash flows from financing activities		2,693,423,431,046	403,009,727,370
50	Net decrease in cash and cash equivalents		(365,278,708,841)	(528,865,999,897)
60	Cash and cash equivalents at beginning of year		1,158,571,308,567	1,687,437,308,464
70	Cash and cash equivalents at end of year	5	793,292,599,726	1,158,571,308,567



Nguyen Huynh Quang Tuan
Preparer



Tran Thi Thuy Trang
Chief Accountant

Luong Tri Thin
General Director



4 February 2020

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

1. CORPORATE INFORMATION

Dat Xanh Group Joint Stock Company ("the Company") is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to Business Registration Certificate No. 0303104343 issued by the Department of Planning and Investment of Ho Chi Minh City ("DPI") on 23 November 2007, as subsequently amended.

The Company was listed on the Ho Chi Minh City Stock Exchange ("HOSE") in accordance with Decision No. 161/QD-SGDHCM on 14 December 2009.

The current principal activities of the Company and its subsidiaries ("the Group") are to provide construction services, trade real estate properties, real estate brokerage and other services.

The Group's registered head office is located at No. 2W Ung Van Khiem Street, Ward 25, Binh Thanh District, Ho Chi Minh City, Vietnam.

The number of the Group's employees as at 31 December 2019 was 4,219 (31 December 2018: 3,287).

Corporate structure

The Company's corporate structure includes 8 direct subsidiaries and 35 indirect subsidiaries, in which:

<i>Name of subsidiaries</i>	<i>Business activities</i>	<i>Status of operation</i>	<i>% Voting</i>	
			<i>31 December 2019</i>	<i>31 December 2018</i>
			<i>(%)</i>	<i>(%)</i>
(1) Dat Xanh Hoi An One Member Company Limited ("Dat Xanh Hoi An")	Real estate trading	Operating	100	100
(2) Saigon Riverside Investment Company Limited ("Saigon Riverside")	Real estate trading	Operating	75	75
(3) Thang Long Investment Petrol Joint Stock Company ("Thang Long Petrol")	Real estate trading	Operating	99.9	99.9
(4) Ha Thuan Hung Construction Trade Services Company Limited ("Ha Thuan Hung")	Real estate trading	Operating	99.91	99.91
(5) Vien Dong Land Investment Corporation ("Vidoland")	Real estate trading	Operating	99.99	99.99
(6) Saigon Riverview Joint Stock Company ("Saigon Riverview")	Real estate trading	Operating	99.9	99.9

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

1. CORPORATE INFORMATION (continued)

Corporate structure (continued)

<i>Name of subsidiaries</i>	<i>Business activities</i>	<i>Status of operation</i>	<i>% Voting</i>	
			<i>31 December 2019</i>	<i>31 December 2018</i>
			<i>(%)</i>	<i>(%)</i>
(7) Xuan Dinh Investment Construction Trade Company Limited ("Xuan Dinh")	Real estate trading	Operating	99.99	99.99
(8) Vicco Saigon Joint Stock Company ("Vicco Saigon")	Real estate trading	Operating	99.99	99.99
(9) Nong Nghiep Printing Joint Stock Company ("Nong Nghiep Printing")	Real estate trading	Operating	99.99	99.99
(10) Dat Xanh Real Estate Service Joint Stock Company ("DXS")	Real estate trading and brokers	Operating	90.50	99.99
(11) FBV Construction Joint Stock Company ("FBV Construction")	Construction services	Operating	51	89.26
(12) Dat Xanh Mien Trung Joint Stock Company ("Dat Xanh Mien Trung")	Real estate trading and brokers	Operating	55	55
(13) Northern Green Land Real Estate and Services Joint Stock Company ("Dat Xanh Mien Bac")	Real estate trading and brokers	Operating	51	51
(14) Dat Xanh Mien Nam Investment and Services Joint Stock Company ("Dat Xanh Mien Nam")	Real estate trading and brokers	Operating	51	51
(15) Dat Xanh Dong Nam Bo Investment and Services Joint Stock Company ("Dat Xanh Dong Nam Bo")	Real estate trading and brokers	Operating	51	51
(16) Dat Xanh Mien Tay Services and Investment Joint Stock Company ("Dat Xanh Mien Tay") (formerly Dat Xanh Tay Nam Bo Construction and Services Joint Stock Company)	Real estate trading and brokers	Operating	51	51
(17) Viethomes Real Estate Joint Stock Company ("Viethomes")	Real estate trading and brokers	Operating	51	51
(18) Vinahomes Real Estate and Service Joint Stock Company ("Vinahomes")	Real estate trading and brokers	Operating	51	51
(19) Dat Xanh Nam Trung Bo Real Estate Service Joint Stock Company ("Dat Xanh Nam Trung Bo") (formerly Dat Xanh Nha Trang Joint Stock Company)	Real estate trading and brokers	Operating	51	51
(20) Bac Trung Bo Real Estate Joint Stock Company ("Bac Trung Bo Real Estate") (formerly Dat Xanh Nghe An Joint Stock Company)	Real estate trading and brokers	Operating	51	51

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

1. CORPORATE INFORMATION (continued)

Corporate structure (continued)

Name of subsidiaries	Business activities	Status of operation	% Voting	
			31 December 2019 (%)	31 December 2018 (%)
(21) Dat Xanh Bac Mien Trung Joint Stock Company ("Dat Xanh Bac Mien Trung")	Real estate trading and brokers	Operating	51	51
(22) Dat Xanh Da Nang Joint Stock Company ("Dat Xanh Da Nang")	Real estate trading and brokers	Operating	51	51
(23) Dat Xanh Nam Mien Trung Joint Stock Company ("Dat Xanh Nam Mien Trung")	Real estate trading and brokers	Operating	51	51
(24) Smart City One Member Company Limited ("Smart City")	Real estate trading	Operating	100	100
(25) Northern Real Estate Joint Stock Company ("DXI") (formerly Dat Xanh Real Estate Investment Company Limited)	Real estate trading and brokers	Operating	100	100
(26) Duyen Hai Green Land Real Estate and Service Joint Stock Company ("Dat Xanh Duyen Hai") (formerly Quang Ninh Green Land Real Estate and Service Joint Stock Company)	Real estate trading and brokers	Operating	51	53.38
(27) Ha An Real Estate Investment Joint Stock Company ("Ha An")	Real estate trading	Operating	99.99	99.99
(28) Dat Xanh Nam Bo Joint Stock Company ("Dat Xanh Nam Bo") (formerly Dat Xanh Long An Joint Stock Company)	Real estate trading and brokers	Operating	51	51
(29) City Real Investment and Services Joint Stock Company ("City Real") (formerly Dat Xanh City Joint Stock Company)	Real estate trading and brokers	Operating	60	60
(30) Saigon Real Investment and Services Joint Stock Company ("Saigon Real") (formerly Dat Xanh Sai Gon Joint Stock Company)	Real estate trading and brokers	Operating	60	60
(31) Vietnam Real Estate Technology Joint Stock Company ("Real Estate Tech")	Technology development	Operating	50.99	50.99
(32) Dat Xanh Mien Trung Emerald Joint Stock Company ("Dat Xanh Mien Trung Emerald")	Real estate trading and brokers	Operating	51	-
(33) Dat Xanh Quang Ngai One Member Limited Liability Company ("Dat Xanh Quang Ngai")	Real estate trading and brokers	Operating	100	-

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

1. CORPORATE INFORMATION (continued)

Corporate structure (continued)

<i>Name of subsidiaries</i>	<i>Business activities</i>	<i>Status of operation</i>	<i>% Voting</i>	
			<i>31 December 2019</i> (%)	<i>31 December 2018</i> (%)
(34) Dat Xanh Mien Dong Investment and Services Joint Stock Company ("Dat Xanh Mien Dong") (formerly Dat Xanh Central Real Estate Investment and Service Joint Stock Company)	Real estate trading and brokers	Operating	51	-
(35) Can Tho Real Estate Joint Stock Company ("Can Tho Real Estate") (formerly Dat Xanh Can Tho Service Joint Stock Company)	Real estate trading and brokers	Operating	51	-
(36) Nam Mien Tay Real Estate Services Joint Stock Company ("Nam Mien Tay Real Estate") (formerly Dat Xanh An Giang Real Estate Joint Stock Company)	Real estate trading and brokers	Operating	51	-
(37) Asahi Japan Investment and Properties Management Service Joint Stock Company ("Asahi")	Property management and real estate investment	Operating	51	-
(38) Vietnam Real Estate Information Technology Joint Stock Company ("Real Estate IT")	Real estate trading and brokers	Operating	100	-
(39) Ha An Land Real Estate Investment Company Limited ("Ha An Land")	Real estate trading	Operating	100	-
(40) Tay Nam Bo Real Estate Investment Joint Stock Company ("Tay Nam Bo Real Estate")	Real estate trading	Operating	100	-
(41) Charm & CI Viet Nam Company Limited ("Charm & CI")	Real estate trading	Operating	100	-
(42) Bac Mien Tay Real Estate Joint Stock Company ("Bac Mien Tay Real Estate")	Real estate trading	Operating	51	-
(43) Bac Bo Real Estate Joint Stock Company ("Bac Bo Real Estate")	Real estate trading	Operating	51	-

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 the Vietnamese Enterprise Accounting System and Vietnamese Accounting Standard and other Vietnamese Accounting Standards issued by the Ministry of Finance as per:

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

Accordingly, the accompanying 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 consolidated financial position and consolidated results of operations and consolidated cash flows in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

2.2 *Applied accounting documentation system*

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

2.3 *Fiscal year*

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

2.4 *Accounting currency*

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

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 period as the Company, using consistent accounting policies.

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

Non-controlling interests represent the portion of profit or loss and net assets not held by the Group and are presented separately in the 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.

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 *Cash and cash equivalents*

Cash and cash equivalents comprise cash on hand, cash in banks and short-term, highly liquid investments with an original maturity of less than three months that are readily convertible into known amounts of cash and that are subject to an insignificant risk of change in value.

3.2 *Inventories*

Inventory properties

Property acquired or being constructed for sale in the ordinary course of business, rather than to be held for rental or capital appreciation, is held as inventory property and is measured at the lower of cost and net realisable value.

Cost includes:

- Freehold and leasehold rights for land;
- Amounts paid to contractors for construction; and
- Borrowing costs, planning and design costs, costs of site preparation, professional fees for legal services, property transfer taxes, construction overheads and other related costs.

Net realisable value is the estimated selling price in the ordinary course of the business, based on market prices at the reporting date and discounted for the time value of money if material, less costs to complete and the estimated costs of sale.

The cost of inventory property recognised in profit or loss 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 relative size of the property sold.

Other inventories

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

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

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

Merchandise	- cost of purchase on a specific identification basis
Tools and supplies	- cost of purchase on a weighted average basis
Raw materials for construction contract	- cost of purchase on a weighted average basis
Construction work-in-process	- cost of direct materials and labour plus attributable construction overheads on a weighted average basis

Provision for obsolete inventories

An inventory provision is created for the estimated loss arising due to the impairment of value (through diminution, damage, obsolescence, etc) of inventory based on appropriate evidence of impairment available at the balance sheet date.

Increases or decreases to the provision balance are recorded into the cost of goods sold account in the 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)

3.3 *Receivables*

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

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

3.4 *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 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.

3.5 *Intangible fixed assets*

Intangible fixed assets are stated at cost less accumulated amortisation.

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

Land use rights are recorded as intangible fixed assets representing the value of the right to use the lands acquired by the Group.

3.6 *Depreciation and amortisation*

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

Buildings and structures	5 – 30 years
Machinery and equipment	3 – 11 years
Means of transportation	5 – 10 years
Office equipment	3 – 6 years
Computer software, website	3 – 6 years

Land use rights with indefinite useful life are not amortised.

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 *Investment property*

Investment properties are stated at cost including transaction costs less accumulated depreciation. Investment properties held for capital appreciation are not depreciated but subject to impairment review.

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

Buildings and structures	25 – 30 years
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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, commencement of an operating lease to another party or ending of construction or development. Transfers are made from investment properties when, and only when, there is change in use, evidenced by commencement of owner-occupation or commencement of development with a view to sale. The transfer from investment property to owner-occupied property or inventories does not change the cost or the carrying value of the property for subsequent accounting at the date of change in use.

3.8 *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.

3.9 *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.

The following types of expenses are recorded as long-term prepaid expense and are amortised to the consolidated income statement over 2 to 5 years or recognised consistently with revenue:

- ▶ Tools and consumables with large value issued into construction and can be used for more than one year;
- ▶ Show houses; and
- ▶ Brokerage fee.

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 *Business combinations, assets acquisitions and goodwill*

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

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

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.

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 parent company 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.

3.11 *Investments in associates*

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

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

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

The financial statements of the associates are prepared for the same reporting period and 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)

3.12 *Investments in other entities and held-to-maturity investments*

Investments in other entities

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, held-to-maturity investments are measured at recoverable amount. Any impairment loss incurred is recognised as expense in the consolidated financial statements and deducted against the value of such investments

3.13 *Payables and accruals*

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

3.14 *Bonds*

Bonds with the convertible option into a fixed number of ordinary shares of the entity are separated into financial liability (a contractual arrangement to deliver cash or other financial assets) and equity instrument (a call option granting the holder the right, for a specified period of time) based on the terms of the contract.

Bonds that may be converted into an undetermined number of shares at maturity (depending on the market value of the shares at maturity) are accounted for as straight bonds.

3.15 *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.

3.16 *Treasury shares*

Own equity instruments which are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss upon purchase, sale, issue or cancellation of the Group's own equity instruments.

3.17 *Appropriation of net profit*

Net profit after tax (excluding negative goodwill arising from a bargain purchase) is available for appropriation to shareholders after approval in the annual general meeting, and after making appropriation to reserve funds in accordance with the Company's Charter and Vietnam's regulatory requirements.

The Group maintains the following reserve funds which are appropriated from the Group's net profit as proposed by the Board of Directors and subject to approval by shareholders at the annual general meeting:

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)

3.17 *Appropriation of net profit* (continued)

▶ *Investment and development fund*

This fund is set aside for use in the Group's expansion of its operation or of in-depth investments.

▶ *Bonus and welfare fund*

This fund is set aside for the purpose of pecuniary rewarding and encouraging, common benefits and improvement of the employees' benefits, and presented as a liability on the consolidated balance sheet.

3.18 *Earnings per share*

Basic earning per share is calculated by dividing net profit after tax or loss 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 earning per share is calculated by dividing the net profit after tax attributable to ordinary equity holders of the Group (after adjusting for interest or income 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.

3.19 *Revenue recognition*

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

Sale of town houses and apartments

For town houses and apartments sold after completion of construction, the revenue and associated costs are recognised when the significant risks and rewards of ownership of the town houses and apartments have passed to the buyers.

Sale of residential plots and related infrastructure

Revenue from the sale of residential plots and related infrastructure are recorded based on contract when residential plots and related infrastructure are transferred to the customers.

Rendering of real estate brokerage and other services

Revenue is recognised when services have been rendered and completed.

Construction contracts

For the construction contracts specifying that the contractor will receive payments according to the completed work, where the outcome of a construction contract can be determined reliably and accepted by the customers, revenue and costs are recognised by reference to the stage of completion of the contract activity at the balance sheet date which is accepted by the customers and reflected in the sales invoices.

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 it is probable will be 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 2019 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.19 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.

Rental income

Rental income arising from operating leases is accounted for on a straight line basis over the lease term.

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

Deferred tax liabilities are recognised for all taxable temporary differences.

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

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Previously unrecognised deferred tax assets are re-assessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

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 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 year in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

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)

3.21 *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.

3.22 *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. The Group's business segment is derived mainly from real estate brokerage services, real estate investment and development and construction services.

4. BUSINESS COMBINATION, ASSET ACQUISITIONS AND DISPOSAL OF INVESTMENT

4.1 *Transfer shares owned in Nha Trang Petrol Investment Joint Stock Company ("Nha Trang Petrol")*

On 12 June 2019, the Group transferred its entire shares in Nha Trang Petrol to a third party with a total proceed of VND 550,000,000,000 in accordance with the Resolution of the Board of Directors No. 03/2019/NQ-HDQT dated 22 January 2019.

4.2 *Acquisition of Vietnam Real Estate Technology Joint Stock Company ("Real Estate Tech")*

On 20 November 2018, the Group acquired 390,206 shares, equivalent to 50.99% of the voting shares in Real Estate Tech at total consideration of VND 14,328,270,000. Accordingly, Real Estate Tech became a subsidiary of the Group since at date.

As at 31 December 2018, the Group is still in process to determine the fair values of the identifiable assets, liabilities, and contingent liabilities of Real Estate Tech at the acquisition date. Accordingly, the Group applied provisional fair values for consolidation purpose of this subsidiary.

The valuation of the net assets of Real Estate Tech carried out by the Group's management was completed in 2019 and comparable to the provisional value. Accordingly, there were no changes in the fair value of the net assets of Real Estate Tech recognized provisionally at the acquisition date. The goodwill of VND 8,331,798,555 comprising the fair value of expected synergies recognised in the Group's consolidated financial statements for the year ended 31 December 2019 was remained unchanged.

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

4. BUSINESS COMBINATION, ASSET ACQUISITIONS AND DISPOSAL OF INVESTMENT (continued)

4.3 Asset acquisition

Acquisition of Charm & CI Viet Nam Company Limited ("Charm & CI")

On 23 August 2019, the Group acquired 100% of charter capital in Charm & CI at total consideration of VND 140,670,000,000 in accordance with Decision No. 0107/NQ-HDQT-HA dated 1 July 2019. Accordingly, Charm & CI became a subsidiary of the Group since at date.

The Group's management assessed that the cost of acquisition represents the fair value of the project owned by Charm & CI. Management treated this acquisition as asset acquisition rather than as business combination since Charm & CI was not commercially operating and only owned projects for development.

4.4 Transfer shares in FBV Construction Joint Stock Company ("FBV")

The Group transferred of its 38,26% shares in FBV with a total proceed of VND 21,345,735,000 in accordance with the Resolution of the Board of Directors No. 02/2019/NQ-HDQT dated 11 January 2019, thereby decreased its ownership interest in this company to 51%.

4.5 Restructuring the real estate services

The Group implemented the restructuring plan on real estate investment and development by transferring the entire shares of its subsidiaries including Ha Thuan Hung, In Nong Nghiep, Sai Gon Riverside, Thang Long Petrol and Vidoland to Ha An in accordance with the Resolution of the Board of Directors No. 16/2019/NQ-HDQT dated 3 June 2019. Accordingly, these companies became indirect subsidiaries of the Group.

4.6 Transfer shares in LDG Investment Joint Stock Company ("LDG")

DXS, subsidiary, transferred of its 5.96% shares in LDG with a total proceed of VND 174,924,690,000 in accordance with the Resolution of the Board of Directors No. 0909/2019/NQ-HDQT dated 9 September 2019. Thereby the Group's ownership interest in this company remains 36.72% as at 31 December 2019.

5. CASH AND CASH EQUIVALENTS

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Cash on hand	5,819,559,290	10,786,056,182
Cash in banks	349,853,040,436	401,564,810,745
Cash equivalents (*)	<u>437,620,000,000</u>	<u>746,220,441,640</u>
TOTAL	<u>793,292,599,726</u>	<u>1,158,571,308,567</u>

(*) Cash equivalents represent bank deposits with the original maturity of less than three (3) months and earn interest at the applicable rates of 0.5 – 5.5% per annum.

Cash equivalents amounting to VND 11,000,000,000 were pledged as collateral for short-term bank loans (Notes 26.1).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended**6 HELD-TO-MATURITY INVESTMENTS**

Held-to-maturity investments represent bank deposits with the principle maturity from three (3) months to twelve (12) months in commercial banks and earn interest at the applicable rates.

Bank deposits amounting to VND 82,291,403,732 were pledged as collateral for short-term bank loans (Note 26.1).

7. SHORT-TERM TRADE RECEIVABLES

	VND	
	Ending balance	Beginning balance
Due from other parties	1,907,414,656,088	1,243,288,295,468
- Linkgroup Real Estate Joint Stock Company	591,454,880,274	-
- Minh Binh Real Estate Service and Investment Company Limited	169,402,487,531	179,402,487,531
- IDE Vietnam Company Limited	71,886,015,215	71,886,015,215
- Hiep Phu Land Corporation (i)	68,608,082,615	462,969,979,465
- Bac Phuoc Kien Joint Stock Company	35,985,840,417	29,905,949,680
- Gotec Vietnam Company Limited	18,174,642,004	-
- Thang Long Group Investment and Commercial Joint Stock Company	17,397,652,810	9,211,492,960
- New Chance Trade Construction Investment Corporation	10,032,105,661	9,678,728,486
- Phuc Phuc Yen Investment Company Limited	8,941,717,448	8,941,717,448
- Hanoi Infrastructure and Architecture Investment Joint Stock Company	-	42,994,532,893
- Individual customers for purchase of apartments, townhouses	491,226,053,946	146,875,675,707
- Other customers	424,305,178,167	281,421,716,083
Due from related parties (Note 34)	<u>31,415,617,229</u>	<u>12,254,421,151</u>
TOTAL	<u>1,938,830,273,317</u>	<u>1,255,542,716,619</u>
Provision for short-term receivables (Note 11)	<u>(11,239,124,331)</u>	<u>(13,554,211,172)</u>
NET	<u>1,927,591,148,986</u>	<u>1,241,988,505,447</u>

(i) Receivable from Hiep Phu Land Corporation amounting to VND 57,718,925,661 were pledged as collateral for short-term bank loans (Note 26.1).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended**8. SHORT-TERM ADVANCES TO SUPPLIERS**

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Advances to suppliers	894,177,558,351	748,666,564,341
- Saigon Real Estate Joint Stock Company	435,562,260,000	435,562,260,000
- Thang Long Group Investment and Commercial Joint Stock Company	208,152,975,385	18,936,753,516
- Hydraulics Construction Corporation No. 4 Joint Stock Company	91,490,048,921	89,675,944,433
- VT Construction and Trading Joint Stock Company	16,740,672,529	18,878,108,631
- Dong Nai Long Chau Company Limited	15,070,000,000	15,070,000,000
- Nha Tan Construction One Member Company Limited	8,076,821,928	31,094,321,928
- HUD 3.3 Joint Stock Company	5,186,620,833	-
- Tan Thanh Construction and Trading One Member Company Limited	2,822,972,616	28,058,713,000
- Other suppliers	111,075,186,139	111,390,462,833
Advances to related parties (Note 34)	-	30,000,000,000
TOTAL	894,177,558,351	778,666,564,341
Provision for short-term advances to suppliers (Note 11)	(9,131,935,720)	(3,321,660,940)
NET	885,045,622,631	775,344,903,401

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

9. SHORT-TERM LOAN RECEIVABLES

	VND	
	Ending balance	Beginning balance
Loan receivables from other parties (i)	659,339,899,535	-
Loan receivables from a related party (Note 34)	<u>-</u>	<u>756,370,320</u>
TOTAL	<u>659,339,899,535</u>	<u>756,370,320</u>

(i) Details of short-term loan receivables from a related party are as follows:

Borrower	Ending balance	Principal repayment term	Description of collateral
	VND		
Phu Tam Minh Joint Stock Company			
01/2019/HĐCVV/HAL	334,230,000,000	25 April 2020	Unsecured
Grand Property Joint Stock Company			
0410/2019/HĐCVV/DXS-GP	175,460,000,000	4 February 2020	Unsecured
01/2019/HĐCVV/HA-GP	143,000,000,000	23 January 2020	Unsecured
Le Minh Cuong			
2512/2019/BB-LMC	3,271,500,000	25 December 2020	Unsecured
Nha Trang Petrol			
3110/2018/HĐCVV/DXG-DKNT	1,254,934,820	From 31 December 2019 to 24 June 2020	Unsecured
Others	2,123,464,715	From 26 December 2020 to 27 December 2020	Unsecured
TOTAL	<u>659,339,899,535</u>		

Short-term lending earns interest at applicable market rate to each loan.

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

10. OTHER RECEIVABLES

	VND	
	Ending balance	Beginning balance
Short-term		
Deposits for marketing and distribution service contract of real estate projects	2,956,608,303,046	3,050,215,726,566
- <i>Dat Quang Riverside</i>	769,000,000,000	602,000,000,000
- <i>Loc Phat</i>	286,952,350,000	-
- <i>Sai Dong</i>	201,860,462,785	26,000,000,000
- <i>Green Pearl Bac Ninh</i>	171,781,389,262	37,310,000,000
- <i>Tac Riverside</i>	150,443,665,298	87,826,256,000
- <i>Phu My An Town</i>	147,295,626,533	78,137,333,683
- <i>Tran Thu Do</i>	146,680,697,000	57,879,412,500
- <i>Yen Thanh Residences</i>	70,000,000,000	70,000,000,000
- <i>Bau Mac Residences</i>	65,448,731,113	65,424,710,618
- <i>Tam Hiep Residences</i>	60,000,000,000	60,000,000,000
- <i>Nguyen Cuu Van - Phan Huy Ich</i>		
- <i>No Trang Long</i>	59,100,000,000	59,100,000,000
- <i>Saigon Gateway</i>	56,401,119,972	341,014,300,000
- <i>Ngoc Duong Town</i>	54,284,019,414	112,000,000,000
- <i>Lakeside Bau Tram</i>	32,640,006,079	141,473,700,206
- <i>Imperial Plaza Apartment</i>		285,818,246,491
- <i>Hateco 6</i>		166,333,537,615
- <i>Hiep Phuc Apartment Complex</i>		127,615,855,500
- <i>Roman Plaza</i>		118,528,387,190
- <i>Others</i>	684,720,235,590	613,753,986,763
Capital contributed in Business Cooperation Contracts ("BCC") (i)	871,223,204,666	253,622,881,511
- <i>Link Group Real Estate Joint Stock Company</i>	579,360,000,000	23,025,188,000
- <i>Saigon Real Estate Joint Stock Company</i>	129,302,585,685	129,302,585,685
- <i>Vina Holdings Joint Stock Company</i>	71,000,000,000	71,000,000,000
- <i>Others</i>	91,560,618,981	30,295,107,826
Receipt on behalf deposits received from individuals for purchasing apartments	660,160,122,223	-
Advances to employees	314,219,049,982	118,855,596,011
Advances to investment and project acquiring	544,423,618,750	59,635,959,480
- <i>LDG</i>	489,740,000,000	-
- <i>Viet Trust Investment - Trading Corporation</i>	48,600,000,000	48,600,000,000
- <i>Others</i>	6,083,618,750	11,035,959,480
Interest income receivables	21,050,849,782	5,562,810,804
Others	192,427,498,354	69,915,966,406
	<u>5,560,112,646,803</u>	<u>3,557,808,940,778</u>

(i) These amounts represented the capital contribution in BCC regarding to the cooperation to implement the exclusive distribution contracts and develop real estate projects.

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

10. OTHER RECEIVABLES (continued)

	VND	
	Ending balance	Beginning balance
Long-term		
Capital contributed in BCC to related parties (ii)	167,727,506,018	141,540,118,870
Deposits	2,720,063,000	3,374,570,550
Others	1,615,951,937	421,227,463
	<u>172,063,520,955</u>	<u>145,335,916,883</u>
TOTAL	5,732,176,167,758	3,703,144,857,661
Provision for other short-term receivables (Note 11)	<u>(8,754,886,323)</u>	<u>(9,124,886,323)</u>
NET	5,723,421,281,435	3,694,019,971,338
<i>In which:</i>		
Due from other parties	5,048,924,440,875	3,530,629,083,297
Due from related parties (Note 34)	683,251,726,883	172,515,774,364

(ii) This amount represented a capital contribution in BCC with LDG Investment Joint Stock Company ("LDG") at the rate of 40% to develop the Tan Thinh Residential Area Project in Ward 61, Trang Bom District, Dong Nai Province, Vietnam. Accordingly, the Group will be shared the project's pre-tax income at the said proportion.

11. PROVISION FOR DOUBTFUL SHORT-TERM RECEIVABLES

	VND	
	Ending balance	Beginning balance
Provision for trade receivables	11,239,124,331	13,554,211,172
Provision for deposits	8,754,886,323	9,124,886,323
Provision for advance to suppliers	9,131,935,720	3,321,660,940
TOTAL	29,125,946,374	26,000,758,435

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

	VND	
	Current year	Previous year
Beginning balance	26,000,758,435	19,412,859,856
Add: Provision created during the year	7,114,060,597	8,071,541,955
Less: Reversal of provision during the year	<u>(3,988,872,658)</u>	<u>(1,483,643,376)</u>
Ending balance	<u>29,125,946,374</u>	<u>26,000,758,435</u>

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

12. INVENTORIES

		Ending balance	Beginning balance
			VND
Inventory properties in progress	(i)	6,442,659,029,053	3,800,536,462,426
Completed inventory properties		47,557,988,201	634,996,194,531
- Lux Garden		29,292,044,763	67,782,980,530
- Pho Duc Chinh and Ngo Quyen Intersection Residences		11,948,084,902	11,948,084,902
- An Vien		4,235,209,583	4,235,209,583
- Sunview 1, 2		2,082,648,953	2,916,521,279
- Opal Garden		-	508,245,868,666
- Luxcity		-	33,305,610,202
- Opal Riverside		-	4,096,883,822
- One River - Phu My An		-	2,465,035,547
Inventory on-going construction projects		149,540,103,421	102,064,640,440
Properties available for sale	(ii)	138,891,881,864	75,653,410,844
Raw material for construction		8,983,568,183	4,616,960,917
Tools and supplies		2,982,812,672	948,078,449
Merchandises		848,797,990	2,470,075,150
TOTAL		6,791,464,181,384	4,621,285,822,757
Provision for obsolete inventories		-	(16,134,735,940)
NET		6,791,464,181,384	4,605,151,086,817

(i) Details of inventory properties in progress are as follows:

		Ending balance	Beginning balance
			VND
Gem Riverside		1,558,629,876,118	1,427,246,028,060
Long Thanh		1,572,442,205,061	-
Opal Boulevard		500,888,501,677	369,306,184,101
Lamaison		431,217,821,337	-
Pho Mo		381,529,162,020	381,007,976,880
Opal City		370,427,658,950	347,640,121,189
Tuyen Son		312,399,630,631	308,575,184,627
Sunview Sky		196,771,279,691	183,518,338,952
Opal Skyline		178,211,461,329	-
Yen Thanh Residence		159,891,916,127	-
Cityview		140,236,813,494	-
Luxstar		119,541,740,606	118,101,677,405
Opal Skyview		113,183,609,626	98,363,876,512
Hiep Binh Phuoc - Thu Duc		111,608,962,654	110,955,308,074
Lakeside Project		93,021,268,562	42,473,019,249
One River - Phu My An		90,335,247,902	116,952,389,392
C1 Project		48,051,898,701	45,962,759,558
C2 Project		41,232,633,154	41,101,724,063
Gold Hill Residences		1,474,985,429	1,682,557,035
Sunshine Residences		-	194,891,178,345
Others		21,562,355,984	12,758,138,984
TOTAL		6,442,659,029,053	3,800,536,462,426

Land use rights, associated infrastructure and assets incurred from some projects were pledged as collateral for long-term bank loans and issued bonds (Notes 26.2 and 26.3).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended**12. INVENTORIES (continue)**

(ii) This amount represented value of certain land lots bought to resell in the future.

Capitalised borrowing costs

During the year, the Group capitalised borrowing costs amounting to VND 144,135,057,532 (previous year: VND 99,362,495,317). These costs related to borrowings taken to finance development and construction cost of on-going real estate projects of the Group.

13. PREPAID EXPENSES

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Short-term		
Brokerage fees	43,048,458,663	36,823,583,566
Tools and supplies	10,601,238,577	7,817,443,573
Office rental	10,045,711,041	2,092,773,835
Others	5,996,981,599	3,775,216,462
	<u>69,692,389,880</u>	<u>50,509,017,436</u>
Long-term		
Brokerage fees, show houses	731,726,840,296	104,536,599,794
Tools and supplies	21,831,023,522	25,700,854,427
Land rental	15,906,408,053	-
Office renovation	13,629,636,532	3,125,440,472
Others	18,738,246,319	2,984,925,592
	<u>801,832,154,722</u>	<u>136,347,820,285</u>
TOTAL	<u>871,524,544,602</u>	<u>186,856,837,721</u>

Dat Xanh Group Joint Stock Company

B09-DN/HN

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

14. TANGIBLE FIXED ASSETS

	Buildings and structures	Machinery and equipment	Means of transportation	Office equipment	Others	Total	VND
Cost:							
Beginning balance	282,279,818	17,610,660,932	54,898,301,451	7,526,524,075	1,921,652,729	82,239,419,005	
New purchases	489,896,000	2,004,534,549	24,935,186,181	16,798,616,479	1,223,278,809	45,451,512,018	
Transfer from construction in progress	254,332,527,871	-	-	-	-	254,332,527,871	
Disposal	-	-	(2,484,318,182)	(102,365,000)	-	(2,586,683,182)	
Ending balance	255,104,703,689	19,615,195,481	77,349,169,450	24,222,775,554	3,144,931,538	379,436,775,712	
<i>In which:</i>							
Fully depreciated	-	2,527,927,273	7,532,619,389	1,148,950,990	-	11,209,497,652	
Accumulated depreciation:							
Beginning balance	(150,303,439)	(2,858,749,965)	(21,566,770,605)	(3,577,423,206)	(547,002,946)	(28,700,250,161)	
Depreciation for the year	(6,281,684,269)	(2,022,566,979)	(9,613,982,904)	(3,370,033,990)	(547,583,107)	(21,835,851,249)	
Disposal	-	-	1,189,117,704	73,958,689	-	1,263,076,393	
Ending balance	(6,431,987,708)	(4,881,316,944)	(29,991,635,805)	(6,873,498,507)	(1,094,586,053)	(49,273,025,017)	
Net carrying amount:							
Beginning balance	131,976,379	14,751,910,967	33,331,530,846	3,949,100,869	1,374,649,783	53,539,168,844	
Ending balance	248,672,715,981	14,733,878,537	47,357,533,645	17,349,277,047	2,050,345,485	330,163,750,695	
<i>In which:</i>							
Mortgaged as loans' security (Notes 26.1 and 26.2)	-	3,007,665,475	12,833,099,701	-	-	15,840,765,176	

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

15. INTANGIBLE FIXED ASSETS

	Land use rights	Computer software	Website	Others	VND Total
Cost:					
Beginning balance	13,604,427,761	11,448,040,917	657,166,005	482,733,600	26,192,368,283
New purchases	-	12,325,169,317	-	-	12,325,169,317
Transfer from construction in progress	-	32,500,000	-	-	32,500,000
Ending balance	13,604,427,761	23,805,710,234	657,166,005	482,733,600	38,550,037,600
<i>In which:</i>					
Fully amortised	-	735,341,309	442,166,005	310,734,600	1,488,241,914
Accumulated amortisation:					
Beginning balance	-	(3,044,796,760)	(580,916,015)	(322,588,542)	(3,948,301,317)
Amortisation for the year	-	(3,003,097,787)	(61,250,002)	(59,812,302)	(3,124,160,091)
Ending balance	-	(6,047,894,547)	(642,166,017)	(382,400,844)	(7,072,461,408)
Net carrying amount:					
Beginning balance	13,604,427,761	8,403,244,157	76,249,990	160,145,058	22,244,066,966
Ending balance	13,604,427,761	17,757,815,687	14,999,988	100,332,756	31,477,576,192

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended**16. INVESTMENT PROPERTIES**

	VND
	<i>Buildings and structures</i>
Cost:	
Beginning balance	49,782,198,221
New purchase	40,572,385,942
Transfer from inventory	8,440,043,773
Disposal	<u>(1,895,775,566)</u>
Ending balance	<u>96,898,852,370</u>
Accumulated depreciation:	
Beginning balance	(2,754,318,988)
Depreciation for the year	(1,810,707,331)
Disposal	<u>107,982,577</u>
Ending balance	<u>(4,457,043,742)</u>
Net carrying amount:	
Beginning balance	<u>47,027,879,233</u>
Ending balance	<u>92,441,808,628</u>

Additional disclosures:

The rental income and operating expenses relating to investment properties were presented as follows:

	VND	
	<i>Current year</i>	<i>Previous year</i>
Rental income from investment properties	4,168,919,646	3,623,465,106
Direct operating expenses of investment properties that generated rental income during the year	1,733,159,223	1,351,988,647

The future annual rental receivable under the operating leases is disclosed in Note 35.

The fair value of the investment properties was not formally assessed and determined as at 31 December 2019. However, based on the current occupancy rate and the market value of these properties, management believed that these properties' fair values was higher than their carrying values at the balance sheet date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended**17. CONSTRUCTION IN PROGRESS**

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Opal Tower project	28,004,645,868	27,683,053,969
Vicco Office Building	9,502,781,025	132,939,571,829
Vo Van Kiet Office Building	-	28,336,280,030
Other project costs	37,607,521,595	10,554,011,609
TOTAL	<u>75,114,948,488</u>	<u>199,512,917,437</u>

18. LONG-TERM INVESTMENTS

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Investments in an associate (Note 18.1)	1,078,818,253,242	1,100,366,004,321
Investments in another entity (Note 18.2)	76,000,000,000	76,000,000,000
Held-to-maturity investments (Note 18.3)	30,000,000,000	-
TOTAL	<u>1,184,818,253,242</u>	<u>1,176,366,004,321</u>

18.1 Investments in an associate

Details of investments in an associate are as follows :

		<u>Ending balance</u>		<u>Beginning balance</u>	
<i>Business</i>	<i>% voting</i>	<i>Carrying value</i>	<i>% voting</i>	<i>Carrying value</i>	<i>% voting</i>
		VND	%	VND	%
LDG	Real estate trading	36.72	<u>1,078,818,253,242</u>	42.96	<u>1,100,366,004,321</u>

As at 31 December 2019, all of ordinary shares of LDG being owned by the Group were pledged as collateral for the bonds (Note 26.3).

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

18. LONG-TERM INVESTMENTS (continued)

18.1 Investments in an associate (continued)

Details of the movement in investments in an associate are as follows:

	VND
Cost of investment:	
Beginning balance	564,988,410,000
Disposal	<u>(68,472,200,000)</u>
Ending balance	<u>496,516,210,000</u>
Accumulated share in post-acquisition profit of the associates:	
Beginning balance	535,377,594,321
Share profit of the associates for the year	149,336,502,241
Disposal	<u>(102,412,053,320)</u>
Ending balance	<u>582,302,043,242</u>
Net carrying amount:	
Beginning balance	<u>1,100,366,004,321</u>
Ending balance	<u>1,078,818,253,242</u>

18.2 Investments in another entity

Details of investments in another entity are as follows:

	<i>Ending balance</i>		<i>Beginning balance</i>	
	<i>Business</i>	<i>% voting</i>	<i>% voting</i>	<i>Carrying value</i>
		<i>%</i>	<i>%</i>	<i>VND</i>
Phu Lac Phu Quoc Tourism service	19	<u>76,000,000,000</u>	19	<u>76,000,000,000</u>

18.3 Held-to-maturity investments

Held-to-maturity investments represented for 3,000 bonds at Vietnam Joint Stock Commercial Bank for Industry and Trade with face value of VND 10,000/bond, these bonds have original maturities from seven (7) years to ten (10) years and earn interest rate at reference interest rate + 1% p.a.

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

19. GOODWILL

VND

Cost:Beginning balance and ending balance 122,217,983,114**Accumulated amortisation:**

Beginning balance (21,740,981,657)

Amortisation for the year (12,221,798,304)Ending balance (33,962,779,961)**Net carrying amount:**Beginning balance 100,477,001,457Ending balance 88,255,203,153

20. SHORT-TERM TRADE PAYABLES

VND

	<i>Ending balance</i>	<i>Beginning balance</i>
Due to other parties	1,185,795,936,249	580,824,242,993
- Khang Hung Travel Development And Investment Company Limited	657,770,771,665	-
- Kim Hung Phat Company Limited	55,444,440,569	15,480,104,875
- M.E.I Material, Equipment & Investment Construction Joint Stock Company	38,129,044,052	12,346,593,929
- Binh Dinh Construction Company Limited	33,303,115,283	52,257,990,064
- Vinaconex 25 Joint Stock Company	33,259,722,939	27,106,705,859
- Hung Long Phat Investment and Construction Joint Stock Company	20,645,235,223	36,774,364,298
- An Thien Phu Construction Trading Service Company Limited	19,178,328,627	37,407,113,956
- The Gioi Nha Joint Stock Company	11,191,341,000	31,306,072,348
- The Minh Electric Construction and Building Company Limited	1,899,490,724	25,127,016,790
- Others	314,974,446,167	343,018,280,874
Due to related parties (Note 34)	<u>717,797,645</u>	<u>149,599,872</u>
TOTAL	<u>1,186,513,733,894</u>	<u>580,973,842,865</u>

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

21. SHORT-TERM ADVANCES FROM CUSTOMERS

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Advances from individual customers for purchase of apartments and land lots	771,387,233,574	906,385,679,742
Advances from other customers	29,480,753,193	31,314,918,182
Advances from related parties (Note 34)	<u>106,950,149,960</u>	<u>91,304,807,283</u>
TOTAL	<u>907,818,136,727</u>	<u>1,029,005,405,207</u>

22. STATUTORY OBLIGATIONS

	VND			
	<i>Beginning balance</i>	<i>Increase in year</i>	<i>Paid in year</i>	<i>Ending balance</i>
Value-added tax	85,305,345,114	311,981,334,926	(242,276,805,558)	155,009,874,482
Corporate income tax	346,864,312,024	505,980,349,738	(337,164,635,388)	515,680,026,374
Personal income tax	33,398,206,579	111,249,646,562	(116,788,878,936)	27,858,974,205
Others	<u>16,936,366</u>	<u>15,346,862,747</u>	<u>(14,526,415,315)</u>	<u>837,383,798</u>
TOTAL	<u>465,584,800,083</u>	<u>944,558,193,973</u>	<u>(710,756,735,197)</u>	<u>699,386,258,859</u>

23. SHORT-TERM ACCRUED EXPENSES

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Cost of construction projects	367,723,201,538	340,572,757,459
Brokerage fees	18,658,158,584	35,081,791,153
Loan interests	64,329,536,197	32,311,611,625
Others	<u>21,632,475,578</u>	<u>27,632,541,757</u>
TOTAL	<u>472,343,371,897</u>	<u>435,598,701,994</u>

24. SHORT-TERM UNEARNED REVENUE

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Revenue from real estate services	33,693,814,826	11,726,656,113
Revenue from management services	<u>2,330,582,739</u>	<u>7,612,206,223</u>
TOTAL	<u>36,024,397,565</u>	<u>19,338,862,336</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended**25. OTHER SHORT-TERM PAYABLES**

	VND	
	Ending balance	Beginning balance
Received on behalf for project developers	1,252,262,762,886	1,196,045,090,689
Received capital contribution of business co-operation contracts ("BCC")	90,866,645,000	375,916,635,455
- <i>Khang Hung Invest Company Limited</i>	60,000,000,000	368,500,000,000
- <i>LDG</i>	30,866,645,000	-
- <i>Others</i>	-	7,416,635,455
Short-term deposits received	1,178,372,888,814	56,727,972,816
- <i>Khang Hung Invest Company Limited</i>	637,411,823,600	-
- <i>LDG</i>	316,250,000,000	15,000,000,000
- <i>Grand Property Joint Stock Company</i>	160,000,000,000	-
- <i>Others</i>	64,711,065,214	41,727,972,816
Payable for investments	72,825,144,248	52,358,786,778
- <i>Petro Capital and Infrastructure Investment Joint Stock Company</i>	46,726,595,200	46,726,595,200
- <i>Others</i>	26,098,549,048	5,632,191,578
Deposits received from individuals for purchasing apartments	45,201,724,505	86,506,284,108
Maintenance fees received	816,310,574	62,298,278,210
Dividend	84,018,852	94,486,049,253
Others	55,220,305,688	65,650,543,660
TOTAL	<u>2,695,649,800,567</u>	<u>1,989,989,640,969</u>
<i>In which:</i>		
<i>Due to other parties</i>	2,321,971,624,545	1,988,703,750,289
<i>Due to related parties (Note 34)</i>	373,678,176,022	1,285,890,680

26. LOANS AND BORROWINGS

	VND	
	Ending balance	Beginning balance
Short-term	1,063,200,299,649	471,425,076,235
<i>Bank loans (Note 26.1)</i>	846,447,318,178	470,721,457,975
<i>Current portion (Note 26.2 and 26.3)</i>	216,752,981,471	703,618,260
Long-term	3,336,530,707,182	2,394,395,462,491
<i>Bank loans (Note 26.2)</i>	63,787,175,709	116,608,697,257
<i>Bonds (Note 26.3)</i>	3,272,743,531,473	2,277,786,765,234
TOTAL	<u>4,399,731,006,831</u>	<u>2,865,820,538,726</u>

Details of movement of loans are as follows:

	VND	
	Current year	Previous year
Beginning balance	2,865,820,538,726	2,529,404,653,968
Drawdown	3,876,280,851,713	2,789,276,887,627
Repayment	(2,339,661,522,607)	(2,451,889,813,557)
Bond issuance cost	(13,993,557,851)	(14,306,881,720)
Allocation of bond issuance cost	11,284,696,850	13,335,692,408
Ending balance	<u>4,399,731,006,831</u>	<u>2,865,820,538,726</u>

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

26. LOANS AND BORROWINGS (continued)

26.1 Short-term bank loans

Details of the short-term bank loans are as follows:

<i>Bank</i>	<i>Ending balance (VND)</i>	<i>Principal repayment term</i>	<i>Purpose</i>	<i>Description of collateral</i>
<i>Vietnam Joint Stock Commercial Bank for Industry and Trade – Quang Nam Branch</i>				
Loan 1	150,000,000,000	From 14 June 2019 to 12 June 2020	To finance working capital	Land use rights of 20 land lots at Phu My An of VND 203,746,000,000
<i>Vietnam Prosperity Joint Stock Commercial Bank</i>				
Loan 1	115,149,007,150	From 28 February 2020 to 15 August 2020	To finance working capital	Term-deposits of VND 23,050,000,000
Loan 2	50,000,000,000	From 4 September 2020 to 11 September 2020	To finance working capital	Term-deposits of VND 11,000,000,000
<i>Vietnam Joint Stock Commercial Bank for Industry and Trade - Thang Long Branch</i>				
Loan 1	109,839,676,000	From 24 January 2020 to 16 June 2020	To finance working capital	Term-deposits of VND 13,253,086,425
<i>Vietnam Russia Joint Venture Bank</i>				
Loan 1	82,132,447,922	From 2 August 2019 to 2 August 2020	To finance working capital	Land use right of 4,798 m2 at Phu My An Urban Area

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended**26. LOANS AND BORROWINGS (continued)****26.1 Short-term bank loans (continued)**

Details of the short-term bank loans are as follows: (continued)

<i>Bank</i>	<i>Ending balance (VND)</i>	<i>Principal repayment term</i>	<i>Purpose</i>	<i>Description of collateral</i>
<i>Vietnam Joint Stock Commercial Bank for Industry and Trade - Thu Thiem Branch</i>				
Loan 1	78,339,228,800	13 April 2020	To finance working capital	Unsecured
Loan 2	59,433,891,435	From 3 May 2020 to 19 May 2020	To finance working capital	Term-deposits of VND 26,191,317,307; Receivables from Hai Au Project, Marina Project and machinery equipment with net carrying value of VND 3,007,665,475
Loan 3	18,981,310,583	From 6 January 2020 to 15 June 2020	To finance working capital	Receivables from brokerage contract of Eco Green Project and others amounting to VND 12,988,000,000; Term-deposits of VND 1,000,000,000
<i>Joint Stock Commercial Bank for Foreign Trade of Vietnam - Thang Long Branch</i>				
Loan 1	50,000,000,000	From 23 November 2020 to 21 December 2020	To finance working capital	Term-deposits of VND 10,000,000,000
<i>Bank for Investment and Development of Vietnam</i>				
Loan 1	49,292,665,150	From 17 January 2020 to 29 April 2020	To finance working capital	Unsecured
<i>Technology and Commercial Joint Stock Bank - Thang Loi Branch</i>				
Loan 1	26,619,391,138	From 5 March 2020 to 30 June 2020	To finance working capital	The merchandise, rights of claim receivables and receivable
<i>Tien Phong Commercial Joint Stock Bank</i>				
Loan 1	17,659,700,000	From 1 April 2020 to 29 May 2020	To finance working capital	Term-deposits of VND 8,797,000,000

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

26. LOANS AND BORROWINGS (continued)

26.1 Short-term bank loans (continued)

Details of the short-term bank loans are as follows: (continued)

<i>Bank</i>	<i>Ending balance (VND)</i>	<i>Principal repayment term</i>	<i>Purpose</i>	<i>Description of collateral</i>
<i>Vietnam Joint Stock Commercial Bank for Industry and Trade - Bien Hoa Industrial Zone Branch</i>				
Loan 1	18,000,000,000	From 23 September 2019 to 22 October 2020	To finance working capital	Land use right of 4 land lots at Dong Nai with net book value amounting to VND 9,888,000,000
Loan 2	10,000,000,000	From 4 October 2019 to 4 October 2020	To finance working capital	The vehicle with net book value amounting to VND 3,433,000,000
<i>Saigon Commercial Joint Stock Bank – Sai Gon Branch</i>				
Loan 1	11,000,000,000	From 16 August 2020 to 30 August 2020	To finance workingrights capital	The merchandise, of claim receivables and receivable
TOTAL	<u>846,447,318,178</u>			

Short-term bank loans bear interest at market rates applicable to each commercial banks.

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

26. LOANS AND BORROWINGS (continued)

26.2 Long-term bank loans

Details of the long-term bank loans are as follows:

Bank	Ending balance (VND)	Principal repayment term	Purpose	Description of collateral
Vietnam Prosperity Joint Stock Commercial Bank				
Loan 1	115,650,000,000	From 9 April 2020 to 9 July 2021	To finance on-going project	Land use rights, associated infrastructure incurred from Sunview Sky
<i>In which:</i>				
Current portion	60,000,000,000			
Tien Phong Commercial Joint Stock Bank				
Loan 1	42,396,043,835	From 26 March 2020 to 25 March 2021	To finance working capital	Land use rights of 92 land lots at Yen Thanh Residence
<i>In which:</i>				
Current portion	38,863,040,179			
Vietnam Joint Stock Commercial Bank for Industry and Trade - Thu Thiem Branch				
Loan 1	2,801,710,000	From 25 July 2019 to 11 January 2026	To finance on-going projects	The vehicle with net book value of VND 4,237,942,600
<i>In which:</i>				
Current portion	460,680,000			
Tien Phong Commercial Joint Stock Bank – Can Tho Branch				
Loan 1	1,073,250,000	From 24 May 2019 to 23 May 2024	To finance working capital	The vehicle with net book value amounting to VND 1,696,684,617
<i>In which:</i>				
Current portion	243,000,000			
Tien Phong Commercial Joint Stock Bank – Hai Ba Trung Branch				
Loan 1	817,000,000	From 26 April 2020 to 26 April 2026	To finance working capital	The vehicle with net book value amounting to VND 1,154,672,908
<i>In which:</i>				
Current portion	129,000,000			

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

26. LOANS AND BORROWINGS (continued)

26.2 Long-term bank loans (continued)

Details of the long-term bank loans are as follows: (continued)

<i>Bank</i>	<i>Ending balance (VND)</i>	<i>Principal repayment term</i>	<i>Purpose</i>	<i>Description of collateral</i>
Tien Phong Commercial Joint Stock Bank - Nghe An Branch				
Loan 1	509,083,327	From 6 January 2020 to 6 January 2023	To finance for purchase of vehicle	The vehicle with net book value amounting to VND 862,325,000
<i>In which:</i>				
<i>Current portion</i>	149,000,004			
Tien Phong Commercial Joint Stock Bank - Hoan Kiem Branch				
Loan 1	344,970,492	From 26 January 2020 to 12 December 2020	To finance for purchase of vehicle	The vehicle with net book value of VND 783,587,297
<i>In which:</i>				
<i>Current portion</i>	344,970,492			
Loan 2	277,333,322	From 26 January 2020 to 21 February 2022	To finance for purchase of vehicle	The vehicle with net book value of VND 541,970,612
<i>In which:</i>				
<i>Current portion</i>	128,000,004			
Shinhan Bank (Vietnam) Limited - Ha Noi Branch				
Loan 1	336,393,444	From 4 May 2020 to 4 May 2023	To finance for purchase of vehicle	The vehicles with net carrying value of VND 122,916,667
<i>In which:</i>				
<i>Current portion</i>	100,918,032			
TOTAL	164,205,784,420			
<i>In which:</i>				
<i>Current portion</i>	100,418,608,711			
<i>Long- term loan</i>	63,787,175,709			

Long-term bank loans bear interest at market rate applicable to each commercial bank.

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

26. LOANS AND BORROWINGS (continued)

26.3 Bonds

Details of bonds are as follows:

<i>Arrangement organization</i>	<i>Ending balance (VND)</i>	<i>Term</i>	<i>Purpose</i>	<i>Description of collateral</i>
Vietnam Prosperity Joint Stock Commercial Bank				
Date of issuance 23 October 2019	750,000,000,000	2 years	To finance on-going projects	Property rights arising from the successful auction of a residential area according to the 92.2 hectare plan in Long Duc commune, Long Thanh district, Dong Nai province
Date of issuance 23 October 2019	498,000,000,000	3 years	To finance on-going projects	Property rights arising from the successful auction of a residential area according to the 92.2 hectare plan in Long Duc commune, Long Thanh district, Dong Nai province
Date of issuance 24 April 2017	100,000,000,000	3 years	To finance on-going projects	Land use rights, associated infrastructure incurred from the financed project
	<u>1,348,000,000,000</u>			

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

26. LOANS AND BORROWINGS (continued)

26.3 Bonds (continued)

<i>Arrangement organization</i>	<i>Ending balance (VND)</i>	<i>Term</i>	<i>Purpose</i>	<i>Description of collateral</i>
<i>Vietnam International Commercial Joint Stock Bank - Ho Chi Minh City Branch</i>				
Date of issuance 31 July 2018	680,000,000,000	4 years	To finance on-going projects	Land use rights, associated infrastructure incurred from the financed project
Date of issuance 23 October 2018	400,000,000,000	3 years	To finance working capital	Land use rights and assets attached to land are owned by the Company
Date of issuance 23 October 2018	70,000,000,000	3 years	To finance working capital	Land use rights and assets attached to land are owned by the Company
Un-allocated bond issuance cost	(5,360,303,032)			
Date of issuance 24 August 2018	18,000,000,000	2 years	To finance working capital	Two (2) land use rights at An Phu Ward, District 2, Ho Chi Minh City
Un-allocated bond issuance cost	(1,665,627,240)			
	<u>1,160,974,069,728</u>			
<i>Tien Phong Joint Stock Commercial Bank</i>				
Date of issuance 22 December 2017	340,000,000,000	4 years	To finance working capital	Four (4) land use rights at Hiep Binh Chanh Ward, Thu Duc District, Ho Chi Minh City owned by Saigon Riverview;
Un-allocated bond issuance cost	(6,202,272,727)			Land use rights, associated infrastructure belong to project of Vicco Saigon;
	<u>333,797,727,273</u>			All of LDG's ordinary shares owned by the Company and its subsidiaries

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

26. LOANS AND BORROWINGS (continued)

26.3 Bonds (continued)

Arrangement organization	Ending balance (VND)	Term	Purpose	Description of collateral
Viet Capital Securities Joint Stock Company				
Date of issuance 28 May 2019 (*)	234,000,000,000	5 years	To finance working capital	Unsecured
Un-allocated bond issuance cost	(5,250,142,765)			
	<u>228,749,857,235</u>			
VNDIRECT Securities Joint Stock Company				
Date of issuance 12 August 2019	200,000,000,000	2 years	To finance on-going projects	Land use rights, associated infrastructure incurred from the financed project
Un-allocated bond issuance cost	(3,166,666,670)			
	<u>196,833,333,330</u>			

(*) It represents the bonds with total proceed of VND 234 billion at par value of VND 1 billion/per bond issued to Korea Investment & Security Co., Ltd with the following terms as approved by the Resolution of Annual General Meeting No. 02/2018/NQ-DHDCD dated 11 December 2019 and No. 01/2019/NQ-DHDCD dated 16 March 2019 and the Resolution of Board of Director No. 07/2019/NQ-HDQT dated 10 April 2019:

- Maturity date: 5 years from issuance date.
- Conversion: Partially or fully converted into the Company's shares after 1 year from issuance date.
- Interest: 7%/per annum
- Conversion price: 29,228 VND/share and will be adjusted upon Adjusted Events.
- Callable bonds: Upon 38th to 48th month of bond term, the Company has the call option with total proceed not exceeding 20% of total bond value. Callable bonds are subject to interest rate of 10.5%/per annum.

Purpose: Develop land areas, finance the Company's working capital and restructure its capital.

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

26. LOANS AND BORROWINGS (continued)

26.3 Bonds (continued)

<i>Arrangement organization</i>	<i>Ending balance (VND)</i>	<i>Term</i>	<i>Purpose</i>	<i>Description of collateral</i>
SSI Securities Joint Stock Company				
Date of issuance 3 July 2019	74,000,000,000	2 years	To finance working capital	Unsecured
Un-allocated bond issuance cost	(1,860,416,665)			
	<u>72,139,583,335</u>			
SSI HO Bond 50				
Date of issuance 30 August 2019	50,000,000,000	2 years	To finance working capital	Unsecured
Un-allocated bond issuance cost	(1,416,666,668)			
	<u>48,583,333,332</u>			
TOTAL	<u>3,389,077,904,233</u>			
<i>In which:</i>				
<i>Current portion</i>	116,334,372,760			
<i>Non-current portion</i>	3,272,743,531,473			

Bonds are charged at market interest rates according to Bond Order Contract.

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

27. OWNERS' EQUITY

27.1 Movements in owners' equity

	Share capital	Share premium	Treasury shares	Investment and development fund	Undistributed earnings	Non-controlling interests	Total	VND
Previous year								
Beginning balance	3,031,926,860,000	10,867,980,806	(2,500,560,000)	27,527,428,669	745,716,430,895	840,307,037,195	4,653,845,177,565	
Dividend shares	393,787,260,000	-	-	-	(393,787,260,000)	-	-	
Net profit for the year	-	-	-	-	1,178,426,985,263	544,367,757,284	1,722,794,742,547	
Transfer to investment and development fund	-	-	-	7,496,904,740	(7,496,904,740)	-	-	
Transfer to bonus and welfare fund	-	-	-	-	(67,064,968,998)	(42,730,797,949)	(109,795,766,947)	
Capital contribution from non-controlling interests	-	-	-	-	-	434,001,500,000	434,001,500,000	
Dividends shared to non-controlling interests	-	-	-	-	-	(569,250,827,944)	(569,250,827,944)	
Newly acquired subsidiary	-	-	-	-	-	5,783,550,148	5,783,550,148	
Disposal of investments	-	-	-	-	-	(13,284,289,386)	(13,284,289,386)	
Issuance of shares under the Employee Stock Ownership Plan	75,000,000,000	-	-	-	-	-	75,000,000,000	
Change from restructure	-	-	-	(5,584,552)	(230,195,685)	235,780,237	-	
Ending balance	3,500,714,120,000	10,867,980,806	(2,500,560,000)	35,018,748,857	1,455,564,086,735	1,199,429,709,585	6,199,094,085,983	

Dat Xanh Group Joint Stock Company

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

27. OWNERS' EQUITY (continued)

27.1 Movements in owners' equity (continued)

	Share capital	Share premium	Treasury shares	Investment and development fund	Other owners' capital	Undistributed earnings	Non-controlling interest	Total	VND
Current year									
Beginning balance	3,500,714,120,000	10,867,980,806	(2,500,560,000)	35,018,748,857	-	1,455,564,086,735	1,199,429,709,585	6,199,094,085,983	
Issue shares to existing shareholders	874,553,390,000	(190,000,000)	-	-	-	-	-	874,363,390,000	
Dividend shares	769,559,160,000	-	-	-	-	(769,559,160,000)	-	-	
Dividend shares from subsidiaries	-	-	-	-	6,530,490,000	(6,530,490,000)	-	-	
Net profit for the year	-	-	-	-	-	1,216,514,755,922	669,703,901,400	1,886,218,657,322	
Transfer to investment and development fund	-	-	-	23,568,539,705	-	(23,568,539,705)	-	-	
Transfer to bonus and welfare fund	-	-	-	-	-	(83,621,303,180)	(46,421,939,382)	(130,043,242,562)	
Capital contribution from non-controlling interests	-	-	-	-	-	-	761,862,562,000	761,862,562,000	
Dividends shared to non-controlling interests	-	-	-	-	-	-	(385,019,819,659)	(385,019,819,659)	
Issuance of shares under the Employee Stock Ownership Plan	55,520,000,000	-	-	-	-	(55,520,000,000)	-	-	
Transfer of shares	-	-	-	-	-	948,459,799	20,397,275,201	21,345,735,000	
Change from restructuring	-	-	-	(482,409,223)	-	(18,446,078,056)	18,928,487,279	-	
Ending balance	5,200,346,670,000	10,677,980,806	(2,500,560,000)	58,104,879,339	6,530,490,000	1,715,781,731,515	2,238,880,176,424	9,227,821,368,084	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended**27 OWNERS' EQUITY (continued)****27.2 Capital transactions with owners**

	VND	
	Current year	Previous year
Contributed share capital		
Beginning balance	3,500,714,120,000	3,031,926,860,000
Issue shares to existing shareholders	874,553,390,000	-
Dividend shares	769,559,160,000	393,787,260,000
Issuance of shares under the Employee Stock Option Plan	<u>55,520,000,000</u>	<u>75,000,000,000</u>
Ending balance	<u>5,200,346,670,000</u>	<u>3,500,714,120,000</u>
Dividends declared during the year		
<i>Dividends on ordinary shares</i>		
Dividend shares declared	769,559,160,000	393,787,260,000
Dividends paid to owners	26,038,075	48,675,625
Dividends paid to non-controlling interests	479,395,811,985	475,904,258,075

27.3 Ordinary shares

	<i>Ending balance</i>	<i>Beginning balance</i>
	<i>Number of shares</i>	<i>Number of shares</i>
Shares authorised to be issued	520,034,667	350,071,412
Shares issued and fully paid		
<i>Ordinary shares</i>	520,034,667	350,071,412
Treasury shares		
<i>Ordinary shares</i>	(1,238,375)	(250,056)
Shares in circulation		
<i>Ordinary shares</i>	518,796,292	349,821,356

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

27 OWNERS' EQUITY (continued)

27.4 Earnings per share

Basic and diluted earnings per share are calculated as follows:

	<i>Current year</i>	<i>Previous year</i>
Net profit after tax (VND)	1,216,514,755,922	1,178,426,985,263
Less: Bonus and welfare fund (VND) (i)	-	(35,352,809,558)
Net profit after tax attributable to ordinary shareholders (VND)	1,216,514,755,922	1,143,074,175,705
Dilution resulting from interest expenses of convertible bonds	7,970,104,110	-
Net profit attributable to ordinary shareholders adjusted for the effect of dilution	1,224,484,860,032	1,143,074,175,705
Weighted average number of ordinary shares (ii)	455,331,224	426,411,464
Effect of dilution due to:		
Convertible bonds	10,459,114	-
Weighted average number of ordinary shares adjusted for the effect of dilution	461,578,037	426,411,464
Basic earnings per share (VND/share)	<u>2,672</u>	<u>2,681</u>
Diluted earnings per share (VND/share)	<u>2,653</u>	<u>2,681</u>

- (i) Net profit used to compute earnings per share for the year ended 31 December 2019 was not adjusted for the provisional allocation to Bonus and welfare fund from 2019 profit after tax due to pending approval from the Shareholder General Meeting.
- (ii) Weighted average number of ordinary shares for basic earnings for the year 2018 as presented in the consolidated financial statements for the year 2018 was restated to reflect the issuance of shares appropriated from undistribution earnings of the year 2018.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended**28. REVENUES****28.1 Revenues from sale of goods and rendering of services**

	VND	
	Current year	Previous year
Gross revenue	5,814,792,550,202	4,645,499,698,895
<i>Of which:</i>		
<i>Revenue from sale of apartments, town houses and land lots</i>	2,041,598,864,266	1,666,438,629,417
<i>Revenue from real estate services</i>	2,839,755,709,918	2,335,810,226,589
<i>Revenue from construction services</i>	894,226,729,261	627,651,138,414
<i>Revenue from management services, leasing</i>	39,211,246,757	15,599,704,475
Less sale deduction	(1,214,818,184)	(181,136,363)
NET	<u>5,813,577,732,018</u>	<u>4,645,318,562,532</u>
<i>In which:</i>		
<i>Sales to other parties</i>	5,541,792,393,879	4,365,068,264,474
<i>Sales to related parties (Note 34)</i>	271,785,338,139	280,250,298,058

28.2 Finance income

	VND	
	Current year	Previous year
Gain from disposal of investments	224,021,086,891	150,712,713,606
Interest income	46,450,957,865	56,018,604,720
TOTAL	<u>270,472,044,756</u>	<u>206,731,318,326</u>

29. COSTS OF GOODS SOLD AND SERVICES RENDERED

	VND	
	Current year	Previous year
Cost of apartments, town houses and land lots sold	1,358,901,254,290	1,042,582,095,592
Cost of real estate services	488,672,454,289	377,593,532,084
Cost of construction services	832,585,368,241	590,463,082,339
Cost of management services, leasing	49,816,431,777	19,905,668,575
TOTAL	<u>2,729,975,508,597</u>	<u>2,030,544,378,590</u>

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

30. FINANCE EXPENSES

	VND	
	<i>Current year</i>	<i>Previous year</i>
Interest expenses	198,579,665,945	177,418,831,512
Bond issuance costs	10,451,363,520	13,335,692,408
TOTAL	<u>209,031,029,465</u>	<u>190,754,523,920</u>

31. SELLING EXPENSES AND GENERAL AND ADMINISTRATIVE EXPENSES

	VND	
	<i>Current year</i>	<i>Previous year</i>
Selling expenses	483,126,308,561	433,804,796,676
- Labour cost	240,361,338,254	206,508,964,685
- Advertising fees	135,062,575,975	144,108,582,624
- Brokerage fees	27,215,391,988	34,723,108,049
- Depreciation and amortisation	6,000,508,848	1,885,061,595
- Others	74,486,493,496	46,579,079,723
General and administrative expenses	501,464,017,669	345,927,634,999
- Labour cost	286,044,211,697	191,820,189,632
- Expense for external services	88,906,287,681	65,532,558,948
- Depreciation and amortisation	19,049,187,848	7,957,907,863
- Goodwill	12,221,798,304	11,458,050,111
- Provision expenses	3,872,949,990	6,925,458,579
- Others	91,369,582,149	62,233,469,866
TOTAL	<u>984,590,326,230</u>	<u>779,732,431,675</u>

32. OTHER INCOME AND OTHER EXPENSES

	VND	
	<i>Current year</i>	<i>Previous year</i>
Other income	125,728,345,714	21,208,505,992
- Income from penalties	101,064,260,633	14,663,727,746
- Others	24,664,085,081	6,544,778,246
Other expenses	47,004,000,462	26,709,544,872
- Penalties of contract liquidation	24,298,323,358	1,205,665,459
- Penalties	8,241,223,694	234,639,363
- Lately payment	4,000,507,610	19,494,180,301
- Loss from fixed asset disposal	919,061,334	999,873,278
- Others	9,544,884,466	4,775,186,471
NET OTHER PROFIT (LOSS)	<u>78,724,345,252</u>	<u>(5,501,038,880)</u>

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

33. CORPORATE INCOME TAX

The statutory corporate income tax ("CIT") rate applicable to the Group is 20% of taxable profits.

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

33.1 CIT expenses

	VND	
	Current year	Previous year
Current CIT expense	507,011,850,827	381,026,275,446
Adjustment for (over) under accrual of tax from prior years	(1,031,501,089)	746,986,423
Deferred tax income	(3,685,247,085)	(2,783,512,358)
TOTAL	<u>502,295,102,653</u>	<u>378,989,749,511</u>

The reconciliation between CIT expense and the accounting profit multiplied by CIT rate is presented below:

	VND	
	Current year	Previous year
Accounting profit before tax	<u>2,388,513,759,975</u>	<u>2,101,784,492,058</u>
At CIT rate of 20% applicable to the Group	477,702,751,995	420,356,898,412
<i>Adjustments:</i>		
Non-deductible expenses	29,806,107,600	10,168,707,589
Taxable loss not yet recognised deferred tax during the year	3,978,243,510	2,430,954,415
Amortisation of goodwill	2,444,359,661	2,291,610,022
Income has been taxed in previous years	(2,721,324,500)	-
Adjustment for (over) under accrual of tax from prior year	(1,031,501,089)	746,986,423
Tax loss carried forward	(457,187,324)	(860,151,954)
Consolidated adjustment	22,015,645,234	(3,905,990,554)
Share profit from associates	(29,867,300,448)	(51,253,396,853)
Others	425,308,014	(985,867,989)
CIT expenses	<u>502,295,102,653</u>	<u>378,989,749,511</u>

33.2 Current CIT expense

The current CIT payable is based on taxable profit for the current year. The taxable profit 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 at the balance sheet date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended**33. CORPORATE INCOME TAX (continued)****33.3 Deferred tax**

The following are the major deferred tax assets recognised by the Group, and the movements thereon, during the current and previous year:

	<i>Consolidated balance sheet</i>		<i>Consolidated income statement</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>	<i>Current year</i>	<i>Previous year</i>
Unrealised profit	19,186,737,978	8,286,131,667	10,900,606,311	487,954,985
Accruals	6,400,791,892	7,768,086,135	(1,367,294,243)	1,728,458,795
Provision for doubtful receivables	282,072,002	299,200,797	(17,128,795)	-
CIT paid on progress payments from customers (*)	10,701,431,557	14,303,355,542	(5,830,936,188)	567,098,578
Net deferred tax assets	36,571,033,429	30,656,774,141		
Deferred tax credit to consolidated income statement			3,685,247,085	2,783,512,358

(*) This represents CIT payable computed of cash advances received from customers in connection with sales of apartments in accordance with Circular No. 78/2014/TT-BTC dated 18 June 2014 issued by the Ministry of Finance effective since 2 August 2014.

33.4 Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items due to uncertainty of future taxable profits:

	<i>VND</i>
Temporary differences	
Tax losses carried forward of subsidiaries	48,023,189,745
Provision for doubtful short-term receivables	1,421,288,546
TOTAL	49,444,478,291

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

34. TRANSACTIONS WITH RELATED PARTIES

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

Related parties	Relationship	Nature of transaction	VND	
			Current year	Previous year
LDG	Associate	Advance for project transfer	489,740,000,000	-
		Received capital contribution for BCC	316,250,000,000	-
		Capital contribution for long-term BCC	162,712,506,018	141,540,118,870
		Revenue from BCC	90,909,090,909	-
		Revenue from real estate service	79,277,219,479	37,219,010,037
		Deposit received for capital transfer	70,000,000,000	-
		Deposit received for BCC	30,866,645,000	-
		Revenue from construction service	-	35,683,142,803
		Received loan payments	-	34,800,000,000
		Lending interest	-	4,135,666,665
		Dai Think Phat Investment Construction Joint Stock Company ("Dai Think Phat")	Related party	Revenue from construction service
Nam Saigon Real Estate Development and Investment Corporation ("Nam Sai Gon")	Related party	Revenue from construction service	16,339,437,495	24,911,881,364

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

Related party	Relationship	Nature of transaction	VND	
			Ending balance	Beginning balance
Short-term trade receivables				
LDG	Associate	Revenue from real estate services	17,181,207,067	10,940,817,461
		Revenue from construction services	1,240,097,200	1,240,097,200
Nam Sai Gon	Related party	Revenue from construction services	9,578,688,195	-
Mr Luong Tri Tu	Shareholder	Revenue from sales of apartment	1,754,502,126	73,506,490
Mr Luong Tri Thao	Member of BOD	Revenue from sales of apartment	1,661,122,641	-
			31,415,617,229	12,254,421,151

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

34. TRANSACTIONS WITH RELATED PARTIES (continued)

Amounts due from related parties at the balance sheet date were as follows: (continued)

			VND	
<i>Related party</i>	<i>Relationship</i>	<i>Nature of transaction</i>	<i>Ending balance</i>	<i>Beginning balance</i>
Short-term advance to supplier				
Mr Nguyen Truong Son	Deputy GD	Advance to implement project	-	30,000,000,000
			<u>-</u>	<u>30,000,000,000</u>
Short-term loan receivables				
Nha Trang Petrol	Related party	Lending	-	756,370,320
Other receivables				
LDG	Associate	Advance for project transfer	489,740,000,000	-
		Capital contribution for long-term BCC	162,712,506,018	141,540,118,870
		Deposit	7,000,000,000	9,481,796,659
		Payment on behalf	2,606,672,527	5,096,885,041
		Lending interest	-	5,550,666,665
Mr Luong Tri Tu	Shareholder	Advance to purchase land lots	10,417,011,838	-
		Advance	1,813,713,900	2,316,920,390
Mr Nguyen Truong Son	Deputy GD	Advance	7,014,000,000	7,014,000,000
Mr Tran Cong Luan	Deputy GD	Advance	1,549,000,000	1,469,000,000
Mr Nguyen Khanh Hung	Deputy Chairman of BOD	Advance	398,822,600	2,922,600
Dat Xanh Premium	Related party	Other	-	31,320,000
Nha Trang Petrol	Related party	Lending interest	-	12,144,139
			<u>683,251,726,883</u>	<u>172,515,774,364</u>

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

34. TRANSACTIONS WITH RELATED PARTIES (continued)

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

			VND	
<i>Related party</i>	<i>Relationship</i>	<i>Nature of transaction</i>	<i>Ending balance</i>	<i>Beginning balance</i>
Short-term trade payables				
LDG	Associate	Service fee	413,122,469	-
		Asset disposal	60,000,000	60,000,000
Dai Thinh Phat	Related party	Trade payable	201,580,500	-
Dat Xanh Premium	Related party	Trade payable	43,094,676	89,599,872
			717,797,645	149,599,872
Short-term advance from customers				
Dai Thinh Phat	Related party	Advance of construction contract	106,950,149,960	82,910,114,233
Nam Sai Gon	Related party	Advance of construction contract	-	8,394,693,050
			106,950,149,960	91,304,807,283
Other short-term payables				
LDG	Associate	Received capital contribution for BCC	316,250,000,000	-
		Deposit received for BCC	30,866,645,000	-
		Deposit received for capital transfer	22,078,247,014	-
		Received on behalf	2,563,000,008	-
		Advance	210,000,000	264,450,000
Dat Xanh Premium	Related party	Deposit	1,200,000,000	-
		Others	-	400,000,000
Mr Luong Tri Thao	BOD's member	Others	418,284,000	552,459,000
Mr Nguyen Truong Son	Deputy GD	Others	50,000,000	-
Mr Luong Tri Thin	Chairman of BOD	Others	42,000,000	42,000,000
Mr Luong Tri Tu	Shareholder	Others	-	26,981,680
			373,678,176,022	1,285,890,680

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

34. TRANSACTIONS WITH RELATED PARTIES (continued)

Other transactions with related parties

Remuneration to members of the Board of Directors, Board of Supervision and Management:

	VND	
	<i>Current year</i>	<i>Previous year</i>
Salaries and bonus	<u>18,105,013,682</u>	<u>14,193,488,500</u>

35. OPERATING LEASE COMMITMENTS

Operating lease out commitments

The Group leases out assets under operating lease arrangements. The future minimum rental receivable as at balance sheet dates under the operating lease out agreements are as follows:

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Less than 1 year	5,443,624,709	4,722,487,350
From 1 to 5 years	19,653,435,670	19,652,649,235
Over 5 years	<u>125,261,056,056</u>	<u>112,685,415,087</u>
TOTAL	<u>150,358,116,435</u>	<u>137,060,551,672</u>

Operating lease commitments

The Group leases office premises under an operating lease arrangement. Future minimum lease payables as at balance sheet dates are as follows:

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Less than 1 year	18,723,327,227	12,551,980,956
From 1 to 5 years	<u>18,246,843,138</u>	<u>15,129,818,555</u>
TOTAL	<u>36,970,170,365</u>	<u>27,681,799,511</u>

36. SEGMENT INFORMATION

The primary segment reporting format is determined to be business segments as the Group's risks and rates of return are affected predominantly by differences in the products and services produced. Secondary information is reported geographically. The operating businesses are organized and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

The Group is principally engaged in the real estate brokerage services, real estate investment and development and construction services.

Transfer prices between business segments are set on an arm's length basis in a manner similar to transactions with third parties. Segment revenue, segment expense and segment results include transfers between business segments. Those transfers are eliminated in preparation of consolidated financial statements.

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

36. SEGMENT INFORMATION (continued)

Business segment

The following tables present revenue and profit and certain assets and liabilities information regarding the Group's business segment:

	Real estate brokerage services	Real estate investment and development	Construction services	Eliminate	Total
For the year ended 31 December 2019					
Net revenues					
Sales to customers	3,189,647,320,900	2,056,158,119,693	898,630,633,705	(330,858,342,280)	5,813,577,732,018
Results					
Segment gross profit	2,444,588,569,148	689,733,221,021	61,445,483,738	(112,165,050,486)	3,083,602,223,421
Unallocated expense					(984,590,326,230)
Operating profit					2,099,011,897,191
Share of loss of associates					149,336,502,241
Finance income					270,472,044,756
Finance expenses					(209,031,029,465)
Other profit					78,724,345,252
Net profit before tax					2,388,513,759,975
Current CIT expense					(505,980,349,738)
Deferred tax income					3,685,247,085
Net profit after tax					1,886,218,657,322
Net profit after tax attributable to non-controlling interests					669,703,901,400
Net profit after tax attributable to shareholder of the parent					1,216,514,755,922
As at 31 December 2019					
Assets and liabilities					
Segment assets	4,802,041,282,162	15,711,597,217,288	489,775,676,284	(3,586,487,626,784)	17,416,926,548,950
Unallocated assets					2,463,590,665,863
Total assets					19,880,517,214,813
Segment liabilities	3,889,730,078,801	8,283,203,618,892	476,469,241,427	(2,951,322,491,639)	9,698,080,447,481
Unallocated liabilities					954,615,399,248
Total liabilities					10,652,695,846,729

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

36. **SEGMENT INFORMATION** (continued)

Business segment (continued)

The following tables present revenue and profit and certain assets and liabilities information regarding the Group's business segment: (continued)

	Real estate services	Real estate investment and development	Construction services	Elimination	Total
For the year ended 31 December 2018					
Net revenues					VND
Sales to external customers	2,630,856,419,983	1,678,082,829,667	627,651,138,414	(291,271,825,532)	4,645,318,562,532
Results					
Segment gross profit	1,967,984,350,776	633,371,322,940	37,188,056,075	(23,769,545,849)	2,614,774,183,942
Unallocated expenses					(779,732,431,675)
Operating profit					1,835,041,752,267
Share of profit of associates					256,266,984,265
Finance income					206,731,318,326
Finance expenses					(190,754,523,920)
Other profit					(5,501,038,880)
Net profit before tax					2,101,784,492,058
Current CIT expense					(381,773,261,869)
Deferred tax income					2,783,512,358
Net profit after tax					1,722,794,742,547
Net profit after tax attributable to non-controlling interests					544,367,757,284
Net profit after tax attributable to shareholder of the parent					1,178,426,985,263
As at 31 December 2018					
Assets and liabilities					
Segment assets	4,639,316,087,714	9,504,012,104,527	390,715,652,226	(3,665,423,776,106)	10,868,620,068,361
Unallocated assets					2,860,094,672,180
Total assets					13,728,714,740,541
Segment liabilities	1,939,870,082,831	5,253,321,250,047	371,701,546,614	(1,975,471,397,187)	5,589,421,482,305
Unallocated liabilities					1,940,199,172,253
Total liabilities					7,529,620,654,558

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

37. EVENT AFTER THE BALANCE SHEET DATE

There has been no significant event occurring after the balance sheet date which would require adjustments or disclosures to be made in the consolidated financial statements of the Group.



Nguyen Huynh Quang Tuan
Preparer



Tran Thi Thuy Trang
Chief Accountant



Luong Tri Thin
General Director

4 February 2020

