

Vingroup Joint Stock Company

CONSOLIDATED FINANCIAL STATEMENTS

QUARTER III 2020

Vingroup Joint Stock Company

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Vingroup Joint Stock Company

GENERAL INFORMATION

THE COMPANY

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

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

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

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

BOARD OF DIRECTORS

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

Mr Pham Nhat Vuong	Chairman
Mr Le Khac Hiep	Vice Chairman
Ms Pham Thuy Hang	Vice Chairwoman
Ms Pham Thu Huong	Vice Chairwoman
Ms Nguyen Dieu Linh	Vice Chairwoman
Mr Nguyen Viet Quang	Vice Chairman
Mr Ling Chung Yee Roy	Member
Mr Marc Villiers Townsend	Member
Mr Park Woncheol	Member

SUPERVISORY BOARD

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

Mr Nguyen The Anh	Head of Supervisory Board
Mr Dinh Ngoc Lan	Member
Ms Do Thi Hong Van	Member

Vingroup Joint Stock Company

GENERAL INFORMATION (continued)

MANAGEMENT

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

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

LEGAL REPRESENTATIVE

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

Ms. Mai Huong Noi is authorised by the legal representative of the Company to sign to Company's financial statements in accordance with the Letter of Authorisation No.029/2018/GUQ-TGD-VINGROUP dated 2 May 2018.

Vingroup Joint Stock Company

REPORT OF MANAGEMENT

Management of Vingroup Joint Stock Company ("the Company") is pleased to present its report and the interim consolidated financial statements of the Company and its subsidiaries (collectively referred to as the "Group") for Quarter III 2020.

MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the interim consolidated financial statements of each financial period which give a true and fair view of the interim consolidated financial position of the Group and of the interim consolidated results of its operation and its interim consolidated cash flows for the period. In preparing those interim 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 interim consolidated financial statements; and
- ▶ prepare the interim 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 interim 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 interim consolidated financial statements for Quarter III 2020.

STATEMENT BY MANAGEMENT

Management does hereby state that, in its opinion, the accompanying interim consolidated financial statements give a true and fair view of the interim consolidated financial position of the Group as at 30 September 2020, and of the interim consolidated results of its operations and its interim consolidated cash flows in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the interim consolidated financial statements.

For and on behalf of management: 



Deputy Chief Executive Officer

Hanoi, Vietnam
29 October 2020

INTERIM CONSOLIDATED BALANCE SHEET

As at 30 September 2020

Currency: VND million

Code	ASSETS	Notes	Ending balance	Beginning balance
100	A. CURRENT ASSETS		182,768,718	197,392,876
110	I. Cash and cash equivalents	4	30,288,635	18,446,968
111	1. Cash		9,922,420	7,639,369
112	2. Cash equivalents		20,366,215	10,807,599
120	II. Short-term investments	5	4,987,739	11,172,867
121	1. Held-for-trading securities		816,435	9,539,371
123	2. Held-to-maturity investments		4,171,304	1,633,496
130	III. Current accounts receivables		58,665,039	63,871,798
131	1. Short-term trade receivables	6	21,318,145	16,640,800
132	2. Short-term advances to suppliers		16,284,325	16,519,157
135	3. Short-term loan receivables	7	10,285,997	21,022,039
136	4. Other short-term receivables	8	10,986,982	10,062,709
137	5. Provision for doubtful debts		(210,410)	(372,907)
140	IV. Inventories	9	72,027,916	83,808,756
141	1. Inventories		73,829,548	85,969,752
149	2. Provision for obsolete inventories		(1,801,632)	(2,160,996)
150	V. Other current assets		16,799,389	20,092,487
151	1. Short-term prepaid expenses	10	3,629,182	3,254,545
152	2. Value-added tax deductible		4,740,007	3,905,190
153	3. Tax and other receivables from the State		79,156	68,800
155	4. Other current assets	11	8,351,044	12,863,952

INTERIM CONSOLIDATED BALANCE SHEET (continued)
As at 30 September 2020

Currency: VND million

Code	ASSETS	Notes	Ending balance	Beginning balance
200	B. NON-CURRENT ASSETS		247,241,896	206,347,877
210	I. Long-term receivables		6,503,227	1,464,432
215	1. Long-term loan receivables	7	5,371,000	1,207,650
216	2. Other long-term receivables	8	1,132,227	256,782
220	II. Fixed assets		120,698,373	108,268,894
221	1. Tangible fixed assets	12	100,555,460	88,298,602
222	Cost		117,513,516	100,039,030
223	Accumulated depreciation		(16,958,056)	(11,740,428)
227	2. Intangible fixed assets	13	20,142,913	19,970,292
228	Cost		22,614,252	21,348,251
229	Accumulated amortisation		(2,471,339)	(1,377,959)
230	III. Investment properties	14	33,422,672	33,872,258
231	1. Cost		39,642,434	39,078,518
232	2. Accumulated depreciation		(6,219,762)	(5,206,260)
240	IV. Long-term assets in progress		62,715,186	48,057,748
242	1. Construction in progress	15	62,715,186	48,057,748
250	V. Long-term investments		13,240,747	3,950,881
252	1. Investments in associates, jointly controlled entities	16.1	3,556,275	2,147,468
253	2. Investment in other entities	16.2	9,552,258	1,707,083
254	3. Provision for long-term investments		(202,981)	(188,865)
255	4. Held-to-maturity investments	16.3	335,195	285,195
260	VI. Other long-term assets		10,661,691	10,733,664
261	1. Long-term prepaid expenses	10	6,734,036	6,681,695
262	2. Deferred tax assets		978,246	645,493
268	3. Other long-term assets	11	1,032,337	1,032,337
269	4. Goodwill	17	1,917,072	2,374,139
270	TOTAL ASSETS		430,010,614	403,740,753

INTERIM CONSOLIDATED BALANCE SHEET (continued)
As at 30 September 2020

Currency: VND million

Code	RESOURCES	Notes	Ending balance	Beginning balance
300	C. LIABILITIES		305,459,007	283,152,164
310	I. Current liabilities		183,306,409	181,293,250
311	1. Short-term trade payables		18,284,255	17,563,738
312	2. Short-term advances from customers	18	44,251,546	51,470,178
313	3. Statutory obligations	19	9,082,982	5,991,675
314	4. Payables to employees		732,064	1,141,362
315	5. Short-term accrued expenses	20	22,865,361	16,493,327
318	6. Short-term unearned revenues	21	3,643,013	2,524,522
319	7. Other short-term payables	22	53,129,419	52,864,324
320	8. Short-term loan and debts	23.1	30,629,236	32,995,790
321	9. Short-term provisions		688,533	248,334
330	II. Non-current liabilities		122,152,598	101,858,914
333	1. Long-term accrued expenses		1,017,893	487,397
336	2. Long-term unearned revenues	21	5,594,996	4,999,981
337	3. Other long-term liabilities	22	1,536,161	1,029,794
338	4. Long-term loans and debts	23.2	107,564,345	84,430,440
339	5. Exchangeable bonds	24	5,518,344	10,259,215
341	6. Deferred tax liabilities		549,710	470,023
342	7. Long-term provisions		371,149	182,064

INTERIM CONSOLIDATED BALANCE SHEET (continued)
As at 30 September 2020

Currency: VND million

Code	RESOURCES	Notes	Ending balance	Beginning balance
400	D. OWNERS' EQUITY		124,551,607	120,588,589
410	I. Capital	25	124,551,607	120,588,589
411	1. Contributed share capital		34,447,691	34,309,140
411a	- Shares with voting rights		33,824,306	33,685,755
411b	- Preference shares		623,385	623,385
412	2. Share premium		35,446,990	33,996,368
414	3. Other owners' capital		7,235,206	7,235,206
415	4. Treasury shares		(2,284,059)	(2,284,059)
417	5. Foreign exchange differences reserve		(29,016)	(11,784)
420	6. Other funds belonging to owners' equity		67,845	52,845
421	7. Undistributed earnings		7,211,234	3,119,758
421a	- Undistributed earnings accumulated to prior year-end		3,107,393	5,135,161
421b	- Undistributed earnings/(Losses) of this period		4,103,841	(2,015,403)
429	8. Non-controlling interests		42,455,716	44,171,115
440	TOTAL LIABILITIES AND OWNERS' EQUITY		430,010,614	403,740,753

Van Thi Hai Ha
Preparer

Nguyen Thi Thu Hien
Chief Accountant



Mai Huong Nois
Deputy Chief Executive Officer

29 October 2020

Vingroup Joint Stock Company

INTERIM CONSOLIDATED INCOME STATEMENT Quarter III 2020

B02a-DN/HN

Currency: VND million

Code	ITEMS	Notes	Quarter III 2020	Quarter III 2019	For the 9-month period ended 30 September 2020	For the 9-month period ended 30 September 2019
01	1. Revenue from sale of goods and rendering of services	26.1	35,989,817	31,581,789	74,812,802	92,738,457
02	2. Deductions	26.1	76,099	10,872	171,825	124,406
10	3. Net revenue from sale of goods and rendering of services	26.1	35,913,718	31,570,917	74,640,977	92,614,051
11	4. Cost of goods sold and services rendered	27	29,612,674	20,290,596	62,939,785	63,777,249
20	5. Gross profit from sale of goods and rendering of services		6,301,044	11,280,321	11,701,192	28,836,802
21	6. Finance income	26.2	4,693,043	1,013,409	20,371,226	5,339,903
22	7. Finance expenses	28	3,100,654	2,495,666	9,302,860	6,041,617
23	- In which: Interest expense and bond issuance cost		3,003,737	2,350,504	8,695,044	5,377,072
24	8. Shares of loss of associates	16.1	(88,276)	(358,086)	(252,093)	(507,942)
25	9. Selling expenses		2,025,864	3,995,586	4,832,488	9,700,041
26	10. General and administrative expenses		2,309,420	2,832,418	7,141,382	8,378,177
30	11. Operating profit		3,469,873	2,611,974	10,543,595	9,548,928
31	12. Other income	29	206,201	149,863	769,392	412,087
32	13. Other expenses	29	67,511	217,697	1,582,465	576,913
40	14. Other profit/(loss)	29	138,690	(67,834)	(813,073)	(164,826)
50	15. Profit before tax		3,608,563	2,544,140	9,730,522	9,384,102
51	16. Current corporate income tax expense	30	2,808,764	1,567,250	7,213,571	5,566,921
52	17. Deferred income tax (income)/expense	30	(635,740)	265,262	(320,128)	(295,179)
60	18. Net profit after tax		1,435,539	711,628	2,837,079	4,112,360
	Attributable to:					
61	- Equity holders of the parent	25	1,540,067	497,614	4,024,240	2,898,169
62	- Non-controlling interests	25	(104,528)	214,014	(1,187,161)	1,214,191

Vingroup Joint Stock Company

B02a-DN/HN

INTERIM CONSOLIDATED INCOME STATEMENT (continued)
Quarter III 2020

Currency: VND

Code	ITEMS	Notes	Quarter III 2020	Quarter III 2019	For the 9-month period ended 30 September 2020	For the 9-month period ended 30 September 2019
70	19. Basic earnings per share				1,245	960

Phas

Van Thi Hai Ha
Preparer

29 October 2020

[Signature]

Nguyen Thi Thu Hien
Chief Accountant



[Signature]

Deputy Chief Executive Officer

INTERIM CONSOLIDATED CASH FLOW STATEMENT

Quarter III 2020

Currency: VND million

Code	ITEMS	Notes	For the 9-month period ended 30 September 2020	For the 9-month period ended 30 September 2019
	I. CASH FLOWS FROM OPERATING			
01	Profit before tax		9,730,522	9,384,102
	<i>Adjustments for:</i>			
02	Depreciation, amortisation and gain from bargain purchase		7,336,285	5,658,172
03	Changes in provisions		675,409	337,083
04	Foreign exchange (gain)/losses		170,617	(27,145)
05	Profits from investing activities		(12,847,398)	(4,268,283)
06	Interest expense		8,695,044	5,377,072
08	Operating profit before changes in working capital		13,760,479	16,461,001
09	(Increase)/decrease in receivables		(2,019,091)	(3,855,806)
10	(Increase)/decrease in inventories		7,863,680	(6,114,357)
11	Increase/(decrease) in payables (other than interest, corporate income tax)		(1,959,004)	10,295,671
12	(Increase)/decrease in prepaid expenses		(441,602)	(958,949)
13	(Increase)/decrease in held-for-trading securities		2,217,886	-
14	Interest paid		(7,357,394)	(4,312,507)
15	Corporate income tax paid		(6,170,259)	(7,022,192)
20	Net cash flows from operating activities		5,894,695	4,492,861
	II. CASH FLOWS FROM INVESTING			
21	Purchase, construction of fixed assets and other long-term assets		(19,645,075)	(43,880,985)
22	Proceeds from disposals of fixed assets and other long-term assets		1,170,825	380,805
23	Loans to other entities and payments for purchase of debt instruments of other entities		(3,855,424)	(3,769,234)
24	Collections from borrowers and proceeds from sale of debt instruments of other entities		8,721,181	29,287,952
25	Payments for investments in other entities (net of cash acquired)		(16,975,911)	(48,120,930)
26	Proceeds from sale of investments in other entities (net of cash held by entity being disposed)		17,491,980	31,466,955
27	Interest and dividends received		535,857	441,036
30	Net cash flows from investing activities		(12,556,567)	(34,194,401)

INTERIM CONSOLIDATED CASH FLOW STATEMENT (continued)
Quarter III 2020

Currency: VND million

Code	ITEMS	Notes	For the 9-month period ended 30 September 2020	For the 9-month period ended 30 September 2019
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
31	Capital contribution and issuance of shares		2,387,695	24,152,343
32	Capital redemption		(42,980)	(3,199,343)
33	Drawdown of borrowings		40,794,939	29,830,133
34	Repayment of borrowings		(24,628,927)	(15,926,589)
36	Dividends paid		(7,188)	(2,185,402)
40	Net cash flows from financing activities		18,503,539	32,671,142
50	Net increase/(decrease) in cash and cash equivalents		11,841,666	2,969,602
60	Cash and cash equivalents at beginning of the period		18,446,968	13,557,055
61	Impact of exchange rate fluctuation		-	-
70	Cash and cash equivalents at end of the period	4	30,288,634	16,526,657



Van Thi Hai Ha
Preparer



Nguyen Thi Thu Hien
Chief Accountant



Mai Huong Noi, ss
Deputy Chief Executive Officer

29 October 2020

1. CORPORATE INFORMATION

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

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

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

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

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

As at 30 September 2020, the Company has 105 subsidiaries. The information on these subsidiaries, along with the Company's voting rights and equity interest in each subsidiary are detailed in the Appendix 1.

As at 30 September 2020, the Company also holds investments in a number of associates and jointly controlled entities as presented in Note 16.1.

2. BASIS OF PREPARATION

2.1 Accounting standards and system

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

- ▶ Decision No. 149/2001/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 financial position and results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

2. BASIS OF PREPARATION (continued)**2.2 Applied accounting documentation system**

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

2.3 Fiscal year

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

2.4 Accounting currency

The Group's accounting currency is Vietnam dong ("VND"). For the purpose of preparing the consolidated financial statements as at 30 September 2020, all amounts are rounded to the nearest million and presented in Vietnam dong million ("VND million").

2.5 Basis of consolidation

The consolidated financial statements comprise the financial statements of the parent company and its subsidiaries for Quarter III 2020.

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

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

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

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

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

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

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

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

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

The accounting policies adopted by the Group in preparation of the consolidated financial statements are consistent with those followed in the preparation of the Group's consolidated financial statements for the year ended 31 December 2019 and for the period ended 30 September 2019.

3.2 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 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**3.3 Inventories***Inventory property*

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

Cost includes:

- ▶ Freehold and leasehold rights for land;
- ▶ Amounts paid to contractors for construction;
- ▶ Borrowing costs, planning and design costs, costs of site preparation, professional fees, 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 less estimated costs to complete and the estimated costs necessary to make the sale.

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

Inventory for manufacturing

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

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

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

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

Other inventories

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

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

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

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

Provision for obsolete inventories

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

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

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**3.4 Receivables**

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

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

3.5 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation.

The cost of a tangible fixed asset comprises its purchase price and any directly attributable costs of bringing the tangible fixed asset to working condition for its intended use. Expenditures for additions, improvements and renewals are added to the carrying amount of the assets and expenditures for maintenance and repairs are charged to the consolidated income statement as incurred.

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

3.6 Leased assets

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

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

Where the Group is the lessee

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

Where the Group is the lessor

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

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

3.7 Intangible fixed assets

Intangible assets are stated at cost less accumulated amortisation.

The cost of an intangible 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.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**3.7 Intangible fixed assets (continued)***Land use rights*

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

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

Research and development costs

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

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

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

3.8 Depreciation and amortisation

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

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

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

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

3.9 Investment properties

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

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

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

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

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**3.9 Investment properties (continued)**

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

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

3.10 Borrowing costs

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

Borrowing costs are recorded as expense during the year in which they are incurred, except to the extent that they are capitalized 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 capitalized as part of the cost of the respective asset.

3.11 Prepaid expenses

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

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

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

3.12 Business combinations and goodwill

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

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

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

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**3.12 Business combinations and goodwill (continued)**

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

Assets acquisitions and business combinations

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

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

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

Change of equity interest in subsidiary without losing control

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

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

Business combinations involving entities under common control

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

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

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

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**3.13 Investments***Investment in associates*

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

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

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

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

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

Investments in jointly controlled entity

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

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

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

Held-for-trading securities and investments in other entities

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

Provision for held-for-trading securities and investments in entities

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

Held-to-maturity investments

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

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**3.14 Payables and accruals**

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

3.15 Provisions*General provisions*

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

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

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

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

Provision for warranty expenses

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

3.16 Foreign currency transactions

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

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

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

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

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

3.17 Treasury shares

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

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**3.18 Appropriation of net profits**

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

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

3.19 Advances from customers

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

3.20 Revenue recognition

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

Revenue from sale of inventory properties

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

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

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

Revenue from leasing of properties

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

Sale of goods

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

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**3.20 Revenue recognition (continued)***Rendering of services*

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

Gains from transfer of shares and capital

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

Interest

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

Dividends

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

Revenue from goods and services in multiple elements package

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

3.21 Construction contract

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

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

3.22 Taxation*Current income tax*

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

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

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

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**3.22 Taxation (continued)***Deferred tax*

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

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

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

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

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

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

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

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

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

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

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**3.23 Exchangeable bond**

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

3.24 Bond issuance transaction cost

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

3.25 Cross-currency interest rate swap contract

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

3.26 Earnings per share

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

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

3.27 Segment information

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

3.28 Related parties

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

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter III 2020

4. CASH AND CASH EQUIVALENTS

	<i>Ending balance</i>	<i>Currency: VND million Beginning balance</i>
Cash on hand	15,162	22,546
Cash in banks	9,899,791	7,602,372
Cash in transit	7,467	14,451
Cash equivalents	20,366,215	10,807,599
TOTAL	<u>30,288,635</u>	<u>18,446,968</u>

Cash equivalents include bank deposits in VND with terms ranging from 1 month to 3 months and earn interest at rates ranging from 3.0% to 4.3% per annum.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter III 2020

5. SHORT-TERM INVESTMENTS

5.1 Securities held for trading

	Ending balance		Beginning balance		Currency: VND million	
	Cost	Fair value	Provision	Cost	Fair value	Provision
- Share option	-	-	-	9,539,371	9,539,371	-
- Bonds	816,435	816,435	-	-	-	-
TOTAL	816,435	816,435	-	9,539,371	9,539,371	-

5.1 Held-to-maturity investments

	Ending balance		Beginning balance		Currency: VND million	
	Cost	Carrying value	Cost	Carrying value	Cost	Carrying value
Short-term bank deposits and certificate of deposit (i)	4,171,304	4,171,304	1,633,496	1,633,496	1,633,496	1,633,496
TOTAL	4,171,304	4,171,304	1,633,496	1,633,496	1,633,496	1,633,496

(i) Short-term deposits and certificate of deposit as at 30 September 2020 have terms ranging from 3 months to 1 year and earn interest at rates ranging from 4.0% to 7.1% per annum.

6. TRADE RECEIVABLES

	<i>Currency: VND million</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Receivables from transfer of inventory properties	13,654,653	8,208,786
Receivables from transfer of investment	4,395,990	1,425
Receivables from leasing properties and rendering of related services	972,326	292,872
Receivables from rendering of hotel, amusement park and related services	210,982	351,263
Receivables from rendering of hospital and related services	208,790	194,368
Receivables from construction contract	42,776	5,139,171
Receivables from manufacturing activities	1,386,064	1,953,993
Other receivables	446,564	498,922
TOTAL	<u>21,318,145</u>	<u>16,640,800</u>

7. LOAN RECEIVABLES

	<i>Currency: VND million</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Short-term		
Current portion of loans	66,650	21,324
Loans to counterparties	10,219,347	21,000,715
TOTAL	<u>10,285,997</u>	<u>21,022,039</u>
Long-term		
Loans to counterparties	5,437,650	1,228,974
<i>In which: current portion of loans</i>	<i>(66,650)</i>	<i>(21,324)</i>
TOTAL	<u>5,371,000</u>	<u>1,207,650</u>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter III 2020**8. OTHER RECEIVABLES**

	<i>Currency: VND million</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Short-term		
Receivables from payment/receipt on behalf	1,921,603	3,907,322
Interest receivables	3,293,266	3,316,254
Deposit for the purpose of project development, selling apartments	879,053	770,327
Receivables from advance for land clearance cost	2,561,858	427,590
Other receivables	2,331,202	1,641,216
TOTAL	10,986,982	10,062,709
Long-term		
Interest receivables	982,089	-
Guarantee deposit for bond obligation	-	120,256
Deposit for business co-operation contracts	73,367	73,367
Other long-term receivables	76,771	63,159
TOTAL	1,132,227	256,782

9. INVENTORIES

	<i>Currency: VND million</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Inventory properties under construction	60,970,313	70,581,103
Completed inventory properties	748,852	958,748
Work in progress for manufacturing activities	1,174,400	1,182,274
Goods in transit	563,537	772,066
Raw materials	4,687,545	5,810,242
Finished goods, goods for manufacturing activities	4,442,618	5,532,541
Others	1,242,283	1,132,778
TOTAL	73,829,548	85,969,752
Provision for obsolete inventories	(1,801,632)	(2,160,996)
Net value of inventories	72,027,916	83,808,756

10. PREPAID EXPENSES

	<i>Currency: VND million</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Short-term		
Selling expenses related to apartments not yet handed over	1,455,143	1,935,989
Tools and equipment	314,542	210,519
Corporate income tax prepayment	352,997	392,347
Products development costs	855,935	321,881
Other short-term prepaid expense	650,565	393,809
TOTAL	<u>3,629,182</u>	<u>3,254,545</u>
Long-term		
Prepaid land rentals	3,317,566	3,954,036
Tools and equipment	1,064,691	1,121,198
Pre-operating expenses	1,037,851	496,972
Prepaid committed profit under villas and condotels management program	335,298	550,845
Other long-term prepaid expenses	978,630	558,644
TOTAL	<u>6,734,036</u>	<u>6,681,695</u>

11. OTHER CURRENT AND NON-CURRENT ASSETS

These mainly include deposits for investment purpose in potential projects or for acquiring shares in other entities. Balances of other current and non-current assets as at 30 September 2020 are as follows:

	<i>Currency: VND million</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Short-term		
Deposits for investment purpose	8,351,044	11,763,952
Other short-term current assets	-	1,100,000
TOTAL	<u>8,351,044</u>	<u>12,863,952</u>
Long-term		
Other long-term current assets	1,032,337	1,032,337
TOTAL	<u>1,032,337</u>	<u>1,032,337</u>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter III 2020

12. TANGIBLE FIXED ASSETS

	Buildings & construction	Machinery & equipment	Means of transportation	Office equipment	Others	Total
Cost:						
Beginning balance	43,157,563	52,838,016	1,923,852	1,034,224	1,085,375	100,039,030
Newly purchase	144,610	250,549	69,443	509,313	6,815	980,730
Newly constructed	6,073,229	4,344,060	116,775	-	170,289	10,704,353
Acquisition of subsidiaries	4,568,035	876,612	30,938	187	307,450	5,783,222
Reclassify from investment properties	554,150	194,738	-	-	-	748,888
Disposal	(18,851)	(27,154)	(200,005)	(28,576)	(10,781)	(285,367)
Reclassify to investment properties	(282,961)	(75,339)	-	-	-	(358,300)
Others	(63,778)	(144,526)	112,308	(1,329)	(1,715)	(99,040)
Ending balance	54,131,997	58,256,956	2,053,311	1,513,819	1,557,433	117,513,516
Accumulated depreciation:						
Beginning balance	3,652,990	6,792,823	514,317	416,717	363,581	11,740,428
Depreciation for the period	1,212,643	2,867,924	155,626	103,755	155,693	4,495,641
Acquisition of subsidiaries	332,910	306,449	17,245	-	85,849	742,453
Reclassify from investment properties	152,830	121,785	-	-	-	274,615
Disposal	(18,852)	(14,229)	(83,087)	(15,744)	(4,738)	(136,650)
Reclassify to investment properties	(32,899)	(26,349)	-	-	-	(59,248)
Others	(57,540)	(33,523)	(2,772)	(4,184)	(1,164)	(99,183)
Ending balance	5,242,082	10,014,880	601,329	500,544	599,221	16,958,056
Net carrying amount:						
Beginning balance	39,504,573	46,045,193	1,409,535	617,507	721,794	88,298,602
Ending balance	48,889,915	48,242,076	1,451,982	1,013,275	958,212	100,555,460

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter III 2020

13. INTANGIBLE FIXED ASSETS

Currency: VND million

	Land use rights	Computer software	Patents	Others	Total
Cost:					
Beginning balance	292,933	2,159,126	18,400,746	495,446	21,348,251
Newly purchase	-	158,521	8,438	19,461	186,420
Newly constructed	-	321,584	926,107	60,075	1,307,766
Others	-	107,436	(23,600)	(312,021)	(228,185)
Ending balance	292,933	2,746,667	19,311,691	262,961	22,614,252
Accumulated amortization:					
Beginning balance	49,171	367,072	633,323	328,393	1,377,959
Amortization for the period	13,792	291,041	961,309	33,068	1,299,210
Others	(3,178)	46,004	1,372	(250,028)	(205,830)
Ending balance	59,785	704,117	1,596,004	111,433	2,471,339
Net carrying amount:					
Beginning balance	243,762	1,792,054	17,767,423	167,053	19,970,292
Ending balance	233,148	2,042,550	17,715,687	151,528	20,142,913

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter III 2020**14. INVESTMENT PROPERTIES**

Currency: VND million

	<i>Land use rights & Buildings and structures</i>	<i>Machinery & equipment</i>	<i>Total</i>
Cost:			
Beginning balance	32,699,848	6,378,670	39,078,518
Newly purchase	-	20,911	20,911
Reclassify from tangible fixed assets	282,961	75,339	358,300
Disposal	(160,869)	(4,999)	(165,868)
Reclassify to tangible fixed assets	(554,150)	(194,738)	(748,888)
Others	(90,068)	87,552	(2,516)
Ending balance	<u>33,201,915</u>	<u>6,440,519</u>	<u>39,642,434</u>
Accumulated depreciation:			
Beginning balance	3,398,970	1,807,290	5,206,260
Amortisation during the period	763,542	474,759	1,238,301
Reclassify from tangible fixed assets	32,902	26,346	59,248
Disposal	(2,504)	(3,795)	(6,299)
Reclassify to tangible fixed assets	(152,830)	(121,785)	(274,615)
Others	(9,167)	6,034	(3,133)
Ending balance	<u>4,030,913</u>	<u>2,188,849</u>	<u>6,219,762</u>
Net carrying amount:			
Beginning balance	<u>29,300,878</u>	<u>4,571,380</u>	<u>33,872,258</u>
Ending balance	<u>29,171,002</u>	<u>4,251,670</u>	<u>33,422,672</u>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)

Quarter III 2020

15. LONG-TERM ASSETS IN PROGRESS

	<i>Currency: VND million</i>	
	<i>For the 9-month period ended 30 September 2020</i>	<i>For the 9-month period ended 30 September 2019</i>
Beginning balance	48,057,748	58,529,123
Acquisition of subsidiaries	9,103,431	21,362,484
Increase during the year	19,004,852	37,496,960
Transfer to tangible fixed assets	(10,704,353)	(29,646,237)
Transfer to intangible fixed assets	(1,307,766)	(3,223,636)
Transfer to investment properties	(1,101,977)	(2,380,228)
Transfer to inventories	(336,749)	(17,209,506)
Disposal of subsidiaries	-	(837,118)
TOTAL	<u>62,715,186</u>	<u>64,091,842</u>

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

	<i>Currency: VND million</i>	
<i>Projects</i>	<i>Ending balance</i>	<i>Beginning balance</i>
Vinfast project	8,889,150	5,965,855
Vinhomes Long Beach Can Gio project	12,502,157	12,456,304

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter III 2020

16. LONG-TERM INVESTMENTS

16.1 Investment in associates

	Beginning balance	Shared profit/(loss) in the period	Additional investment in the period	Others	Disposal	Ending balance
Phu Quoc Tourism Development and Investment JSC	1,183,665	(247,529)	-	5,920	(942,056)	-
Viet Thang Feed JSC	626,915	25,210	-	-	-	652,125
Hanoi Breeds JSC	47,124	-	-	-	-	47,124
Vinfast - An phat Ltd	97,434	(17,506)	-	-	-	79,928
Vinfast Lithium Battery Pack LLC	185,990	(12,324)	-	-	-	173,666
Vietnam Book Printing JSC	6,340	56	-	-	-	6,396
Honmot Tourism JSC	-	-	2,590,711	-	-	2,590,711
VIN-ACE Technologies Company limited	-	-	6,325	-	-	6,325
Total	2,147,468	(252,093)	2,597,036	5,920	(942,056)	3,556,275

Currency: VND million

The information on these associates, along with the Company's voting rights and equity interest in each associate are as follows:

No	Name	Voting rights (%)	Equity interest (%)	Principal activities
1	Hanoi Breeds JSC	37.63	37.63	► Breeding livestock
2	Vietnam Book Printing JSC	27.76	18.13	► Printing
3	Viet Thang Feed JSC	40.00	40.00	► Manufacturing feed
4	Vinfast-An Phat Plastic Auto Part Company Limited	50.00	25.57	► Manufacture of spare parts and accessories for cars and other motor vehicles
5	Vinfast Lithium Battery Pack Limited Liability	65.00	33.25	► Batteries production
6	Honmot Tourism JSC	45.00	33.11	► Providing short - stay services
7	VIN-ACE Technologies Company Limited	40.00	24.81	► Manufacturing electronic components and producing communication equipment

16. LONG-TERM INVESTMENTS (continued)**16.2 Other long-term investments**

	<i>Currency: VND million</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Textile and Garment Group	552,395	552,395
Vien Dong Pearl Urban Development Investment LLC	521,072	521,072
Phat Loc Commercial Investment Trading LLC	342,076	342,076
The CrownX Corporation	5,538,327	-
MV Vietnam Real Estate Trading JSC	2,179,637	-
Others	418,751	291,540
TOTAL	9,552,258	1,707,083

16.3 Held-to-maturity investments

	<i>Currency: VND million</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Long-term deposits	515	515
Long-term bonds	334,680	284,680
TOTAL	335,195	285,195

17. GOODWILL

Currency: VND million

	<i>Hanoi South JSC</i>	<i>Sai Dong JSC</i>	<i>Royal City JSC</i>	<i>Others</i>	<i>Total</i>
Cost					
Beginning balance	1,629,906	2,150,488	1,002,332	2,764,916	7,547,642
Increase	-	-	-	80,326	80,326
Decrease	-	-	-	(10,428)	(10,428)
Ending balance	1,629,906	2,150,488	1,002,332	2,834,814	7,617,540
Accumulated amortisation					
Beginning balance	1,310,763	1,413,647	828,339	1,620,754	5,173,503
Amortisation for the period	123,141	162,404	76,561	164,859	526,965
Ending balance	1,433,904	1,576,051	904,900	1,785,613	5,700,468
Net carrying amount					
Beginning balance	319,143	736,841	173,993	1,144,162	2,374,139
Ending balance	196,002	574,437	97,432	1,049,201	1,917,072

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter III 2020**18. ADVANCE FROM CUSTOMERS**

The balance of short-term advances from customers as at 30 September 2020 mainly includes downpayment from customers under sale and purchase agreements for real-estate properties, advances for the purpose of implementation of a build-transfer contract and other business activities of the Group.

19. STATUTORY OBLIGATIONS

	<i>Currency: VND million</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Corporate income tax	4,020,605	3,060,407
Value added tax payable	1,701,247	559,321
Personal income tax	177,656	238,297
Property tax, land use fees and land rental fees payable	1,239,712	1,662,222
Others	1,943,762	471,428
TOTAL	9,082,982	5,991,675

20. ACCRUED EXPENSES

	<i>Currency: VND million</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Accrual for bond and loan interest	1,919,797	1,779,416
Accrual for construction costs	14,662,823	11,273,933
Accrual for selling expenses	2,697,216	1,830,302
Committed profit under business co-operation contracts and villa management program	1,262,806	318,337
Other accrued expenses	2,322,719	1,291,339
TOTAL	22,865,361	16,493,327

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)

Quarter III 2020

21. UNEARNED REVENUE

	<i>Currency: VND million</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Short-term		
Education services	1,811,758	1,110,313
Beach villa leasing management services	1,179,416	780,044
Apartment management services	521,426	439,862
Other unearned revenues	130,413	194,303
TOTAL	3,643,013	2,524,522
Long-term		
Villa leasing management services	3,946,054	2,768,347
Apartment management services	1,273,197	1,286,692
Other unearned revenues	375,745	944,942
TOTAL	5,594,996	4,999,981

22. OTHER PAYABLES**22.1 Other short-term payables**

	<i>Currency: VND million</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Payment from customers under deposit, loan and other agreements	39,939,195	37,934,307
Payables for investment activities	6,542,054	8,495,107
Apartment maintenance fund	1,989,150	1,691,419
Deposits from tenants to be refunded within the next 12 months (Note 22.2)	551,956	605,510
Other payables	4,107,064	4,137,981
TOTAL	53,129,419	52,864,324

22.2 Other long-term payables

	<i>Currency: VND million</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Long-term		
Deposits from tenants	1,452,594	1,615,016
Deposits from tenants to be refunded within the next 12 months (Note 22.1)	(551,956)	(605,510)
Other long-term payables	635,523	20,288
TOTAL	1,536,161	1,029,794

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter III 2020**23. LOANS AND BORROWINGS****23.1 Short-term loans**

	<i>Ending balance</i>	<i>Beginning balance</i>
		<i>Currency: VND million</i>
Short-term loans	4,803,250	7,698,000
Current portion of long-term loans from banks	6,417,132	4,124,113
Current portion of long-term bonds	19,408,854	21,173,677
TOTAL	30,629,236	32,995,790

23.2 Long-term loans

	<i>Note</i>	<i>Ending balance</i>	<i>Beginning balance</i>
			<i>Currency: VND million</i>
Long-term loans	23.2.1	695,124	2,202,820
Syndicated loan	23.2.2	62,954,312	56,167,929
Corporate bonds	23.2.3	38,514,909	22,669,691
Other long-term loans		5,400,000	3,390,000
TOTAL		107,564,345	84,430,440

23.2.1 Long-term loans from bank

Details of long-term loans are as follows:

<i>Lender</i>	<i>Ending balance</i> <i>(VND million)</i>	<i>Maturity date</i>
Bank for Investment and Development of Vietnam	119,792	December 2024
<i>In which: current portion</i>	<i>(28,160)</i>	
Military Commercial Joint Stock Bank	240,577	April 2023
<i>In which: current portion</i>	<i>(90,259)</i>	
Joint Stock Commercial Bank for Foreign Trade of Vietnam	501,600	October 2025
<i>In which: current portion</i>	<i>(85,000)</i>	
Vietnam Technological and Commercial Joint Stock Bank	1,371,098	January 2021
<i>In which: current portion</i>	<i>(1,371,098)</i>	
Banks	36,574	August 2026 to February 2027
<i>In which: current portion</i>	<i>-</i>	
TOTAL	695,124	
<i>In which:</i>		
<i>Long-term loans</i>	<i>2,269,641</i>	
<i>Current portion</i>	<i>(1,574,517)</i>	

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter III 2020**23. LOANS AND BORROWINGS** (continued)**23.2 Long-term loans and borrowings** (continued)**23.2.2 Syndicated loan**

<i>Syndicated loan</i>	<i>Currency</i>	<i>Ending balance</i> <i>VND million</i>	<i>Maturity date</i>
Syndicated loan No.1	USD	18,067,850	September 2030
<i>In which: current portion</i>		<i>(1,056,953)</i>	
Syndicated loan No.2	USD	8,379,308	April 2023
<i>In which: current portion</i>		<i>(1,382,880)</i>	
Syndicated loan No.3	USD	3,212,148	July 2021
<i>In which: current portion</i>		<i>(1,368,300)</i>	
Syndicated loan No.4	USD	8,311,013	March 2022
Syndicated loan No.5	USD	6,922,798	November 2024
Syndicated loan No.6	USD	6,134,069	November 2024
Syndicated loan No.7	VND	9,967,908	December 2027
<i>In which: current portion</i>		<i>(1,034,483)</i>	
Syndicated loan No.8	USD	6,801,834	February 2024
TOTAL		62,954,312	
<i>In which:</i>			
<i>Long-term loans</i>		<i>67,796,928</i>	
<i>Current portion</i>		<i>(4,842,616)</i>	

Details of interest rates for long-term loans as at 30 September 2020 are as follows:

<i>Loans</i>	<i>Currency</i>	<i>Interest rate</i>
Secured loans	VND	Floating interest rate, interest rate for the period ranging from 8% to 9.5% per annum
Unsecured loans	VND	Fixed interest rate at 9% per annum
Secured loans without swap contract	USD	Floating interest rate, interest rate for the period ranging from 1.17% to 3.6% per annum
Secured loans with floating interest rate swapped for fixed interest rate (also fixed transaction rate) under swap contracts	USD	Fixed interest rate under swap contracts, interest rate for the period ranging from 4.1% to 9.25% per annum
Unsecured loans	EUR	Floating interest rate, interest rate for the period ranging from 0.26% to 3.95% per annum

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter III 2020**23. LOANS AND BORROWINGS** (continued)**23.2 Long-term loans and borrowings** (continued)**23.2.3 Corporate bonds**

<i>Bond arranger</i>	<i>Ending balance</i> <i>VND million</i>	<i>Term</i>	<i>Interest</i>
Vietinbank Securities Joint Stock Company	2,598,754	3 years	12-month interest paid-in- arrears VND saving rates (+) 3% per annum
<i>In which: current portion</i>	-		
Techcom Securities Ltd	51,334,517	From 2 to 10 years	12-month interest paid-in- arrears VND saving rates (+) from 2.9% - 4.5% per annum and interest from 7.75% - 8.5% per annum
<i>In which: current portion</i>	(19,408,854)		
KB Securities Vietnam JSC	3,990,492	3 years	12-month interest paid-in- arrears VND saving rates (+) from 2.3% - 3% per annum
<i>In which: current portion</i>	-		
	38,514,909		
<i>In which:</i>			
<i>Long-term bonds</i>	57,923,763		
<i>Current portion</i>	(19,408,854)		

The Group's collateral assets for debt obligations as at 30 September 2020 remain unchanged from the information presented in the Reviewed Financial Statements at 30 June 2020, except for following changes:

The USD300 million syndicated loan issued in August 2020 is secured by a number of hotels and entertainment projects in the North and the Central, along with a number of shares of certain companies within the Group.

The VND1,838 billion bonds issued in August 2020 are secured by an entertainment project in the South.

The VND2,995 billion bonds issued in August 2020 are secured by a number of shares of a company within the Group.

24. EXCHANGEABLE BONDS

Exchangeable bonds amounting to USD450 million were issued in June 2018 and October 2018 with a term of 5 years. These bonds are unsecured and bear interest at a fixed rate of 3.5% per annum. During the period, a portion of the bond principal was paid with a value of USD209.4 million.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter III 2020

26. REVENUES

26.1 Revenue from sale of goods and rendering of services

	Currency: VND million	
	Quarter III 2020	Quarter III 2019
Gross revenue	35,989,817	31,581,789
<i>In which:</i>		
<i>Revenue from sale of inventory properties</i>	25,958,003	15,285,433
<i>Revenue from leasing activities and rendering related services</i>	1,786,201	2,110,084
<i>Revenue from rendering hotel, amusement, park and related services</i>	1,207,641	2,601,082
<i>Revenue from rendering hospital and related services</i>	676,087	777,476
<i>Revenue from sale of goods in supermarkets and retail outlets</i>	-	7,870,465
<i>Revenue from rendering education and related services</i>	549,389	474,526
<i>Revenue from manufacturing activities</i>	4,842,944	2,119,328
<i>Other revenue</i>	969,552	343,395
Revenue deduction	(76,099)	(10,872)
Net revenue	35,913,718	31,570,917
<i>In which:</i>		
<i>Revenue from sale of inventory properties</i>	25,958,003	15,285,433
<i>Revenue from leasing activities and rendering related services</i>	1,786,201	2,110,084
<i>Revenue from rendering hotel, amusement, park and related services</i>	1,206,388	2,600,379
<i>Revenue from rendering hospital and related services</i>	676,087	777,476
<i>Revenue from sale of goods in supermarkets and retail outlets</i>	-	7,861,790
<i>Revenue from rendering education and related services</i>	549,389	474,526
<i>Net revenue from manufacturing activities</i>	4,768,098	2,120,930
<i>Other revenue</i>	969,552	340,299

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter III 2020

26. REVENUES (continued)

26.2 Finance income

	<i>Currency: VND million</i>	
	<i>Quarter III 2020</i>	<i>Quarter III 2019</i>
Interest income	590,363	659,647
Foreign exchange gain	153,637	256,957
Income from investment activities	3,887,783	-
Others	61,260	96,805
TOTAL	<u>4,693,043</u>	<u>1,013,409</u>

27. COST OF GOODS SOLD AND SERVICES RENDERED

	<i>Currency: VND million</i>	
	<i>Quarter III 2020</i>	<i>Quarter III 2019</i>
Cost of inventory properties sold	16,740,755	5,793,789
Cost relating to the leasing activities and rendering related services	810,540	1,105,847
Cost of rendering hotel, amusement park and related services	2,772,346	2,471,109
Cost of rendering hospital and related services	687,092	689,011
Cost of goods sold in supermarkets and retail outlets	-	6,689,161
Cost of rendering education and related services	512,184	466,182
Cost of manufacturing activities	7,279,595	2,776,153
Others	810,162	299,344
TOTAL	<u>29,612,674</u>	<u>20,290,596</u>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter III 2020**28. FINANCE EXPENSES**

	<i>Currency: VND million</i>	
	<i>Quarter III 2020</i>	<i>Quarter III 2019</i>
Interest expense	2,817,726	2,215,048
Bond issuance cost	186,002	135,455
Foreign exchange losses	-	64,093
Other financial expenses	96,926	81,070
TOTAL	<u>3,100,654</u>	<u>2,495,666</u>

29. OTHER INCOME AND OTHER EXPENSES

	<i>Currency: VND million</i>	
	<i>Quarter III 2020</i>	<i>Quarter III 2019</i>
Other income	206,201	149,863
Income from disposal of fixed assets	14,355	8,376
Income from contract penalty and other income	87,130	18,995
Other income	104,716	122,492
Other expenses	67,511	217,697
Contract penalties and other fines	28,256	133,806
Other expenses	39,255	83,891
NET	<u>138,690</u>	<u>(67,834)</u>

30. CORPORATE INCOME TAX

	<i>Currency: VND million</i>	
	<i>Quarter III 2020</i>	<i>Quarter III 2019</i>
Current corporate income tax expense	2,808,764	1,567,250
Deferred tax (income)/ expense	(635,740)	265,262
TOTAL	<u>2,173,024</u>	<u>1,832,512</u>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter III 2020**31. TRANSACTIONS WITH RELATED PARTIES**

Significant transactions with related parties during the period were as follows:

<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>Amount VND million</i>
Kindheart Foundation	Under common owners	Provide medical services	33,824
		Medical fee received	51,438
		Charity expense	738,046
		Cash transfer for charity	2,309,300
Vinfast Lithium Battery Pack LLC	Joint Venture	Materials purchases	281,851
		Sale goods and provide services	186,312

Terms and conditions of transactions with related parties:

During the period, the Group also sold/purchased goods and rendering/purchased services to/from related parties based on market price.

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

Balances of receivables and payables with related parties as at 30 September 2020 are as follows:

<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>Amount VND million</i>
Trade receivables			
Kindheart Foundation	Under common owners	Rendering hospital and other services	6,213
Vinfast Lithium Battery Pack LLC	Joint Venture	Receivables from disposal assets	53,030
			59,244
Other receivables			
Kindheart Foundation	Under common	Other receivables	371,254
			371,254
Trade payables			
Vinfast Lithium Battery Pack LLC	Joint Venture	Payable for purchasing goods and services	89,883
			89,883

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter III 2020

32. COMMITMENTS AND CONTINGENCIES

Capital expenditure commitments relating to on-going real estate projects

The Group has entered into a number of contracts relating to the development of some real estate projects of the Group. The outstanding commitment on these contracts amounted to approximately VND21,271 billion as at 30 September 2020.

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

Commitment under operating leases where the Group is a lessor

The Group, as lessor, leases office, retail and multifunctional spaces under operating lease agreements. The minimum lease payments under these agreements at 30 September 2020 are as follows:

	<i>Currency: VND million</i>	
	<i>30 September 2020</i>	<i>31 December 2019</i>
Due within one year	4,884,276	5,164,395
Due from one to five years	8,813,162	9,472,514
Due in more than five years	7,305,352	7,375,359
TOTAL	21,002,790	22,012,268

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

Commitment under operating leases where the Group is a lessee

The Group, as lessee, entered into certain rental agreements. The minimum lease payments under these agreements at 30 September 2020 are as follows:

	<i>Currency: VND million</i>	
	<i>30 September 2020</i>	<i>31 December 2019</i>
Due within one year	220,258	234,035
Due from one to five years	887,963	891,656
Due in more than five years	10,329,936	9,500,088
TOTAL	11,438,157	10,625,779

32. COMMITMENTS AND CONTINGENCIES (continued)**Other commitments***Commitments under the contract to purchase shares of VEFAC JSC*

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

Commitment under the contract to purchase shares of Berjaya VFC LLC

According to the capital transfer contract between Vinhomes JSC, a subsidiary, and a corporate counterparty signed on 25 May 2018, Vinhomes JSC and Can Gio JSC commit to purchasing 32.5% charter capital of Berjaya VFC LLC. The remaining commitment of this contract as at 30 September 2020 is VND503.7 billion.

Commitment related to acquire of shares in a real estate project

On 25 June 2019, Metropolis LLC, a subsidiary, entered into a co-operation contract with corporate counterparties for developing a real estate project. Accordingly, Metropolis LLC deposited to a counterparty for acquiring shares of this counterparty in the project. The remaining commitment of this contract as at 30 September 2020 is VND172.5 billion.

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

Under the business co-operation contract dated 23 November 2017 between Royal City JSC and a corporate counterparty. Royal City JSC commits to contributing 100% investment capital in a potential real-estate project in Hanoi. The total estimated investment capital is VND790 billion. The remaining commitment of this agreement as at 30 September 2020 is VND782 billion.

Commitments related to future loans relating to credit line contracts

In accordance with a number of credit line contracts signed among the Group, a number of subsidiaries and commercial banks, the Group commits to use inventories and a number of shares of subsidiaries held by the Company to secure for these contracts.

Commitments related to business cooperation and leasing contracts of South Vincom Retail LLC

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

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter III 2020**32. COMMITMENTS AND CONTINGENCIES** (continued)**Other commitments** (continued)*Commitment to transfer a certain part of Vincom Ba Trieu Tower A&B*

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

- (i) The ownership of half of the commercial center (from 1st floor to 6th floor of Vincom Center Ba Trieu (the "Towers"), except for the reception and elevator waiting area of 160m² on the 1st floor); and
- (ii) The ownership of ½ of the basement of the towers.

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

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

Commitments related to program of management services and villas rental

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

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

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

33. SEGMENT INFORMATION

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

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

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

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

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter III 2020

33. SEGMENT INFORMATION (continued)

The following table present revenue and profit and certain assets and liability information regarding the Group's business segment as at 30 September 2020 and for the nine months then ended are as follows:

	Sales of inventory properties	Leasing investment properties and related services	Hospitality, entertainment and other services	Health care and related services	Education and related services	Manufacturing activities	Others	Adjustment and elimination	Total
Net revenue									
Net sales to external customers	49,419,081	4,942,026	3,817,363	1,728,738	1,329,055	11,103,730	2,300,984	-	74,640,977
Net inter-segment sales (1)	-	499,253	76,737	51,623	-	614,365	3,232,973	(4,474,951)	-
Net total revenue	49,419,081	5,441,279	3,894,100	1,780,361	1,329,055	11,718,095	5,533,957	(4,474,951)	74,640,977
Results									
Depreciation and amortisation	409,211	1,557,513	1,824,371	466,303	174,455	2,998,685	174,368	-	7,604,906
Share in profit/(loss) of associates and jointly controlled entities	-	-	(247,530)	-	-	(29,830)	25,267	-	(252,093)
Segment net profit/(loss) before tax	14,784,539	1,956,103	(6,405,636)	(1,231,558)	(354,591)	(8,269,470)	(732,669)	(271,489)	(524,771)
Unallocated income (2)	-	-	-	-	-	-	-	-	10,255,293
Assets and liabilities									
Segment assets	148,019,078	50,015,766	54,369,898	8,311,288	8,942,063	102,328,666	4,142,493	-	376,129,252
Unallocated assets (3)	-	-	-	-	-	-	-	-	53,881,362
Segment liabilities	110,630,860	3,295,984	11,497,465	789,235	2,315,294	11,077,656	2,812,852	-	142,419,346
Unallocated liabilities (4)	-	-	-	-	-	-	-	-	163,039,661
Other segment information									
Investments into associates	-	-	2,590,711	-	-	259,921	705,643	-	3,556,275
Capital expenditure	1,329,061	2,309,541	4,909,973	563,808	1,341,234	8,468,401	688,716	-	19,610,734

Currency: VND million

33. SEGMENT INFORMATION (continued)

1. Inter-segment sales are eliminated in consolidation.
2. Segment profit does not include finance income, finance expenses, other income, other expenses.
3. Segment assets do not include goodwill, deferred tax assets, short-term investments, short-term loan receivables, other long-term investments, long-term loan receivables, interest receivables, value-added tax deductible, tax and other receivables from the State because these assets are managed on a group basis.
4. Segment liabilities do not include long-term loans, convertible bonds, statutory obligations, short-term loans, accrued interest expenses and deferred tax liabilities because these liabilities are managed on a group basis.

34. EVENTS AFTER THE BALANCE SHEET DATE

There are no other events occurring after the balance sheet date that have significant impact or can impact materially to the Group's operation and interim consolidated income of the Group after the balance sheet date.



Van Thi Hai Ha
Preparer

29 October 2020



Nguyen Thi Thu Hien
Chief accountant



Mai Hương Noi
Deputy Chief Executive Officer

Vingroup Joint Stock Company

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter III 2020

APPENDIX 1 – THE GROUP STRUCTURE AS AT 30 SEPTEMBER 2020

No	Company name	Voting right (%)	Effective interest (%)	Address	Principal activities
1	Vincom Retail JSC	60.33%	60.33%	Vinhomes Riverside (1)	Leasing real estate, investing, developing and trading real estate properties
2	South Vincom Retail LLC	100.00%	60.33%	No. 72, Le Thanh Ton and No. 45A Ly Tu Trong, Ben Nghe ward, District 1, Hochiminh city, Vietnam	Leasing real estate, investing, developing and trading real estate properties
3	Northern Vincom Retail LLC	100.00%	60.33%	No. 72A, Nguyen Trai street, Thuong Dinh ward, Thanh Xuan district, Hanoi, Vietnam	Leasing real estate, investing, developing and trading real estate properties
4	Suoi Hoa Urban Development and Investment JSC	97.27%	58.69%	Km1 + 200, Tran Hung Dao street, Suoi Hoa ward, Bac Ninh city, Bac Ninh province, Vietnam	Leasing real estate, investing, developing and trading real estate properties
5	Ha Thanh Real Estate Development and Investment LLC	100.00%	60.33%	Vinhomes Riverside (1)	Leasing real estate, investing, developing and trading real estate properties
6	Vinhomes JSC	73.66%	73.66%	Symphony office tower, Chu Huy Man Street, Vinhomes Riverside Eco-Urban Area, Phuc Loi Ward, Long Bien District, Hanoi City, Vietnam	Investing, developing and trading real estate properties
7	Royal City Real Estate Development & Investment JSC	97.85%	72.33%	No. 72A, Nguyen Trai street, Thuong Dinh ward, Thanh Xuan district, Hanoi, Vietnam	Investing, developing and trading real estate properties
8	Saidong Urban Development & Investment JSC	100.00%	99.47%	Vinhomes Riverside (1)	Investing, developing and trading real estate properties
9	Xavinco Land JSC	96.44%	96.16%	No. 191, Ba Trieu street, Le Dai Hanh ward, Hai Ba Trung district, Hanoi, Vietnam	Investing, developing and trading real estate properties

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NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter III 2020

APPENDIX 1 – THE GROUP STRUCTURE AS AT 30 SEPTEMBER 2020

No	Company name	Voting right (%)	Effective interest (%)	Address	Principal activities
10	Xalivico LLC	74.00%	71.16%	No. 233 Nguyen Trai Street, Thuong Dinh ward, Thanh Xuan district, Hanoi, Vietnam	Investing, developing and trading real estate properties
11	Thang Long Real Estate Trading Investment JSC	73.00%	70.37%	Vinhomes Riverside (1)	Investing, developing and trading real estate properties
12	Vietnam Exhibition Fair Centre JSC	87.97%	86.75%	No. 148 Giang Vo street, Giang Vo ward, Ba Dinh district, Hanoi, Vietnam	Investing, developing and trading real estate properties
13	Metropolis Hanoi Company Limited	100.00%	73.66%	HH land area, Pham Hung street, Nam Tu Liem district, Hanoi, Vietnam	Investing, developing and trading real estate properties
14	Vietnam Books JSC	65.33%	65.33%	No 44, Trang Tien street, Trang Tien ward, Hoan Kiem district, Hanoi City, Vietnam	Public books
15	Cangio tourist City Corporation	99.89%	73.58%	No. 72, Le Thanh Ton Street, Ben Nghe ward, District 1, Hochiminh city, Vietnam	Investing, developing and trading real estate properties
16	Central Park Development LLC	100.00%	99.47%	P900, 9th floor, IPH tower, No. 241 Xuan Thuy Street, Dich vong hau ward, Cau Giay district, Hanoi, Vietnam	Investing, developing and trading real estate properties
17	Ecology Development and Investment JSC	100.00%	73.85%	No. 191, Ba Trieu street, Le Dai Hanh ward, Hai Ba Trung district, Hanoi city, Vietnam	Investing, developing and trading real estate properties
18	Gia Lam Urban Development and Investment Company limited	99.39%	73.40%	Vinhomes Riverside (1)	Investing, developing and trading real estate properties
19	Vietnam Investment and Consulting Investment JSC	70.00%	51.83%	No. 191, Ba Trieu street, Le Dai Hanh ward, Hai Ba Trung district, Hanoi, Vietnam	Investing, developing and trading real estate properties

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NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
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APPENDIX 1 – THE GROUP STRUCTURE AS AT 30 SEPTEMBER 2020

No	Company name	Voting right (%)	Effective interest (%)	Address	Principal activities
20	Tay Tang Long Real Estate Company limited	90.00%	66.29%	No. 72, Le Thanh Ton Street, Ben Nghe ward, District 1, Hochiminh city, Vietnam	Investing, developing and trading real estate properties
21	Berjaya Vietnam International University Town LLC	97.90%	72.04%	20A Floor, Vincom Center Dong Khoi, No. 72, Le Thanh Ton Street, Ben Nghe ward, District 1, Hochiminh city, Vietnam	Investing, developing and trading real estate properties
22	Lang Van Development and Investment JSC	100.00%	73.82%	No 07 Truong Sa street, Hoa Hai ward, Ngu Hanh Son district, Danang city, Vietnam	Investing, developing and trading real estate properties
23	Berjaya Vietnam Financial Center Company limited	67.50%	49.66%	20A Floor, Vincom Center Dong Khoi, No. 72, Le Thanh Ton Street, Ben Nghe ward, District 1, Hochiminh city, Vietnam	Investing, developing and trading real estate properties
24	Hanoi Southern City Development and Trading LLC	100.00%	100.00%	Vinhomes Riverside (1)	Investing, developing and trading real estate properties
25	Times Trading Investment and Development One Member Company Limited	100.00%	100.00%	No. 72, Le Thanh Ton and No. 45A Ly Tu Trong, Ben Nghe ward, District 1, Hochiminh city, Vietnam	Investing, developing and trading real estate properties
26	Millennium Trading Investment And Development Company Limited	100.00%	73.66%	20A Floor, Vincom Center Dong Khoi, No. 72, Le Thanh Ton Street, Ben Nghe ward, District 1, Hochiminh city, Vietnam	Investing, developing and trading real estate properties and office for lease
27	Thai Son Investment Construction Corporation	100.00%	73.58%	Vinhomes Riverside (1)	Investing, developing and trading real estate properties

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NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
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APPENDIX 1 – THE GROUP STRUCTURE AS AT 30 SEPTEMBER 2020

No	Company name	Voting right (%)	Effective interest (%)	Address	Principal activities
28	GS Cu Chi Development JSC	100.00%	73.58%	20A Floor, Vincom Center Dong Khoi, No. 72, Le Thanh Ton Street, Ben Nghe ward, District 1, Hochiminh city, Vietnam	Investing, developing and trading real estate properties
29	Phuc An Travel Development and investment JSC	100.00%	100.00%	Vinhomes Riverside (1)	Providing short – stay services
30	Green City Development JSC	100.00%	73.66%	No. 72, Le Thanh Ton Street, Ben Nghe ward, District 1, Hochiminh city, Vietnam	Investing, developing and trading real estate properties
31	Delta JSC	100.00%	73.63%	No. 110 Dang Cong Binh street, Xuan Thoi Thuong ward, Hoc Mon, Hochiminh city, Vietnam	Investing, developing and trading real estate properties
32	P&S Business Investment and trading LLC	100.00%	100.00%	Vinhomes Riverside (1)	Investing, developing and trading real estate properties
33	Vinhomes Industrial zone investment JSC	100.00%	73.66%	Vinhomes Riverside (1)	Investing, developing and trading real estate properties
34	Dai An Investment Construction JSC	100.00%	73.92%	Road 5A, Dinh Du Village, Dinh Du Commune, Van Lam District, Hung Yen Province, Vietnam	Investing, developing and trading real estate properties
35	S-Vin Vietnam Real Estate Trading JSC	99.45%	73.25%	Symphony office tower, Chu Huy Man Street, Vinhomes Riverside Eco-Urban Area, Phuc Loi Ward, Long Bien District, Hanoi City, Vietnam	Investing, developing and trading real estate properties
36	SADO Trading Commercial JSC	100.00%	100.00%	Symphony office tower, Chu Huy Man Street, Vinhomes Riverside Eco-Urban Area, Phuc Loi Ward, Long Bien District, Hanoi City, Vietnam	Consulting and investing activities

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NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter III 2020

APPENDIX 1 – THE GROUP STRUCTURE AS AT 30 SEPTEMBER 2020

No	Company name	Voting right (%)	Effective interest (%)	Address	Principal activities
37	Vinpearl JSC	100.00%	100.00%	Hon Tre Island, Vinh Nguyen ward, Nha Trang City, Khanh Hoa province, Vietnam	Investing, developing and trading hospitality services
38	Vinpearl Invest JSC	100.00%	100.00%	Symphony office tower, Chu Huy Man Street, Vinhomes Riverside Eco-Urban Area, Phuc Loi Ward, Long Bien District, Hanoi City, Vietnam	Investing, developing and trading real estate properties
39	Nha Trang Port JSC	91.94%	91.94%	No. 05 Tran Phu street, Vinh Nguyen ward, Nha Trang City, Khanh Hoa province, Vietnam	Cargo handling
40	Co.co International Co., Ltd	69.99%	50.00%	No. 14 Thuy Khue street, Thuy Khue ward, Tay Ho district, Hanoi, Vietnam	Investing, developing and trading real estate properties
41	Vinpearl Air Aviation JSC	100.00%	100.00%	2nd floor, Almaz Market, Hoa Lan streete, Vinhomes Riverside Eco-Urban Area, Phuc Loi Ward, Long Bien District, Hanoi City, Vietnam	Air passenger transportation
42	Vinpearl Travel LLC	100.00%	100.00%	Vinhomes Riverside (1)	Travel agency
43	Vinpearl Travel Ru LLC	100.00%	80.00%	Building Ne 24, Timur Frunze St., Moscow, Russia	Travel agency
44	Vinpearl Travel Australia Pty Ltd.,	100.00%	55.92%	HAYMARKET NSW 2000, Australia	Travel agency
45	Vinwonder JSC	100.00%	100.00%	Vinhomes Riverside (1)	Providing short – stay services
46	Grand Prix Vietnam LLC	100.00%	100.00%	Vinhomes Riverside (1)	Organizing, exhibitions, conferences, seminars
47	One Mount Group JSC	51.22%	51.22%	B1 floor, Tower T26, Times city, 458 Minh Khai street, Vinh Tuy ward, Hai Ba Trung district, Hanoi, Vietnam	Agents, brokers, auction of goods
48	OneID JSC	99.95%	51.22%	Vinhomes Riverside (1)	Other monetary intermediation

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NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
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APPENDIX 1 – THE GROUP STRUCTURE AS AT 30 SEPTEMBER 2020

No	Company name	Voting right (%)	Effective interest (%)	Address	Principal activities
49	VinID Pay JSC	100.00%	60.97%	Vinhomes Riverside (1)	Other monetary intermediation
50	One Distribution JSC	99.90%	51.17%	3rd floor, Tower T26, Times city, 458 Minh Khai street, Vinh Tuy ward, Hai Ba Trung district, Hanoi, Vietnam	Warehousing, storage of goods
51	1MG Housing JSC	99.90%	51.17%	1st floor, Tower T26, Times city, 458 Minh Khai street, Vinh Tuy ward, Hai Ba Trung district, Hanoi, Vietnam	Trading real estate properties
52	Vinmec International General Hospital JSC	100.00%	100.00%	No 458, Minh Khai street, Vinh Tuy ward, Hai Ba Trung district, Hanoi, Vietnam	Health care, medical and related services
53	Vinschool One Member LLC	100.00%	100.00%	Vinhomes Riverside (1)	Providing education services
54	Vinacademy Education and Training LLC	100.00%	100.00%	Vinhomes Riverside (1)	Vocational education & training
55	Vincom Security Service Company limited	100.00%	100.00%	Vinhomes Riverside (1)	Security services
56	Vinbus ecology transport services LLC	100.00%	100.00%	Vinhomes Riverside (1)	Transportation
57	VINFAST Trading and Production LLC	51.15%	51.15%	Dinh Vu - Cat Hai Economic Zone, Cat Hai Island, Cat Hai Town, Cat Hai District, Hai Phong city, Vietnam	Production motor vehicle
58	Vinfast Commercial and Services trading LLC	99.50%	50.89%	Vinhomes Riverside (1)	Retail cars
59	Smart Solution Service Business LLC	100.00%	51.10%	2nd floor, Almaz Market, Hoa Lan streete, Vinhomes Riverside Eco-Urban Area, Phuc Loi Ward, Long Bien District, Hanoi City, Vietnam	Retail cars

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NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
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APPENDIX 1 – THE GROUP STRUCTURE AS AT 30 SEPTEMBER 2020

No	Company name	Voting right (%)	Effective interest (%)	Address	Principal activities
60	Vinfast Germany GmbH	100.00%	51.15%	106ResCowork04, Frankfurt, Alte Oper, Bockenheimer Landstraße 17/19, 60325 Frankfurt am Main, Germany	Import/Export spare parts, components and materials for the automotive industry and related services
61	Vinfast Engineering Australia PTY Ltd	100.00%	51.15%	65 Fennel Street, Port Melbourne, Victoria, Australia	Design automobile & motorbike, Technology research, Import/Export products
62	Huong Hai- Quang Ngai JSC	100.00%	51.57%	31/11, Le Loi street, Chanh Lo ward, Quang Ngai City, Quang Ngai province, Vietnam	Mining and mining minerals and other materials
63	VinFA JSC	59.39%	59.39%	Vinhomes Riverside (1)	Producing and sale of pharmaceuticals
64	Vinsmart research and manufacture JSC	62.03%	62.03%	Lot CN1-06B-1&2 Hi-tech Industrial Park 1, Hoa Lac Hi-Tech Park, Ha Bang town, Thach That District, Hanoi City, Vietnam	Production mobile
65	V-G Lithium battery LLC	75.00%	46.53%	Vinfast automobile production complex, Dinh Vu - Cat Hai Economic Zone, Cat Hai Island, Cat Hai Town, Cat Hai District, Hai Phong city, Vietnam	Batteries production
66	Vingroup Investment Viet Nam LLC	100.00%	100.00%	Vinhomes Riverside (1)	Consulting and investing activities
67	Mundo Reader S.L	51.00%	40.80%	C/ Sofia nº 10 Postal Code: 28.232 Las Rozas de Madrid - Madrid -Spain	Mobile production
68	Luarna Ediciones S.L.	100.00%	40.80%	C/ Sofia nº 10 Postal Code: 28.232 Las Rozas de Madrid - Madrid -Spain	Alfersales Company
69	Marcha Technology S.L.	60.00%	24.48%	C/ Sofia nº 10 Postal Code: 28.232 Las Rozas de Madrid - Madrid -Spain	3D Printing Manufacturing

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NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
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APPENDIX 1 – THE GROUP STRUCTURE AS AT 30 SEPTEMBER 2020

No	Company name	Voting right (%)	Effective interest (%)	Address	Principal activities
70	lot & Mobility Y Commerce, S.L.	100.00%	40.80%	C/ Sofia nº 10 Postal Code: 28.232 Las Rozas de Madrid - Madrid -Spain	Retails in department stores
71	Inteligencia Operacional Para La Ingenieria, S.L.	100.00%	40.80%	C/ Sofia nº 10 Postal Code: 28.232 Las Rozas de Madrid - Madrid -Spain	Engineering and IT. Digital transformation
72	Deep Technology & Engineering Services, S.L.	100.00%	40.80%	C/ Sofia nº 10 Postal Code: 28.232 Las Rozas de Madrid - Madrid -Spain	Product design
73	Contact Services For Satisfaction, S.L.	100.00%	40.80%	C/ Sofia nº 10 Postal Code: 28.232 Las Rozas de Madrid - Madrid -Spain	Call Center
74	Educación Y Robótica S.L.	100.00%	40.80%	C/ Sofia nº 10 Postal Code: 28.232 Las Rozas de Madrid - Madrid -Spain	Educational product development
75	3D Printing & Printers	100.00%	40.80%	C/ Sofia nº 10 Postal Code: 28.232 Las Rozas de Madrid - Madrid -Spain	3D product development
76	Bq-Mundo Rader, Unipessoal Lda	100.00%	40.80%	Avenida D. João II, Número 46, 4 A, Lisboa, freguesia de Parque das Nações, concelho de Lisboa - Portugal	Retails in department stores
77	Mundo Reader France S.A.R.L.	100.00%	40.80%	5, rue Lesseps, 75020 Paris - France	Retails in department stores
78	Mundo Reader Gmbh	100.00%	40.80%	Hanauer Landstrabe 126-128 60314 Frankfurt am Main - Germany	Retails in department stores
79	Mundo Reader S.R.L.	100.00%	40.80%	Via Monti n 8 Milano - Italy	Retails in department stores
80	Smart European Devices Limited	100.00%	40.80%	16/F RYDAKAN CAPITAL TOWER - Hoy Bun Road - Kwun Tong - Hong Kong	Retails in department stores
81	Xibantronics Trading Company Ltd.,	100.00%	40.80%	E Maoye ShiDai Building, No.2 HaiDe Road, - WenXin Road - NanShan - Shenzhen - China	Retails in department stores

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APPENDIX 1 – THE GROUP STRUCTURE AS AT 30 SEPTEMBER 2020

No	Company name	Voting right (%)	Effective interest (%)	Address	Principal activities
82	Electronic 2 Trade	100.00%	40.80%	16/F Rykadan Capital Tower, 135 Hoi Bun Road, Kwun Tong, - Kwun Tong - Hong Kong	Retails in department stores
83	Fundación Para La Educación Y El Desarrollo Tecnológico	100.00%	40.80%	C/ Sofia nº 10 Postal Code: 28.232 Las Rozas de Madrid - Madrid -Spain	Foundation
84	Vingroup Global Pte. Ltd.,	100.00%	62.03%	120 Lower Delta Road, #02-00, Cendex Centre, Singapore	Goods distributions, technology research
85	Vingroup Ru LLC	100.00%	80.00%	2nd floor, Room 4, Building 7, 1-ST Kazachiy Lane, City of Moscow, Russia	Wholesale trade services of electrical household appliances
86	Vingroup Investment Pte. Ltd.,	90.15%	55.92%	120 Lower Delta Road, #02-05, Cendex Centre, Singapore	Market research and development
87	Vinsmart Ukraine LLC	100.00%	55.92%	61105, Kharkiv region, Kharkiv city, Zabaikalskuy lane, building 15, Ukraina	Market research and development
88	Vinsmart Technology LLC	100.00%	55.92%	Avenida Paseo de la Reforma 404, Piso 6, Desp. 602, Col. Juarez, Delegación Cuauhtémoc, México D.F. CP 06600	Market research and development
89	Vinfast Dealer San Francisco #1, LLC	100.00%	80.00%	333 W. San Carlo Street, Suite 600, San Jose, CA	Automobile import and distribution
90	Vinfast USA Distribution, LLC	100.00%	80.00%	333 W. San Carlo Street, Suite 600, San Jose, CA	Automobile import and distribution
91	VinTech Technology Development JSC	80.00%	80.00%	Vinhomes Riverside (1)	Research and experimental development of natural sciences and
92	Vingroup USA, LLC	100.00%	80.00%	333 W. San Carlos St., Suite 600, San Jose, CA 95110, USA	import and distribution of electronic and telecommunications equipment

Vingroup Joint Stock Company

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter III 2020

APPENDIX 1 – THE GROUP STRUCTURE AS AT 30 SEPTEMBER 2020

No	Company name	Voting right (%)	Effective interest (%)	Address	Principal activities
93	Vantix Technology Solutions and Services JSC	100.00%	84.00%	Vinhomes Riverside (1)	Providing information technology services and other services related to computers
94	VinCSS Internet security services LLC	100.00%	80.00%	Vinhomes Riverside (1)	Scientific research and technological development
95	HMS Software Production And Trading LLC	100.00%	80.00%	Vinhomes Riverside (1)	Software production
96	Vinsoftware software system development LLC	100.00%	80.00%	Vinhomes Riverside (1)	Software development
97	Vinbrain automatic management solutions consulting LLC	100.00%	80.00%	Vinhomes Riverside (1)	Providing information technology services and other services related to computers
98	VINITIS Information Technology And Communication Infrastructure Solution JSC	80.00%	63.93%	Vinhomes Riverside (1)	Data processing, leasing and related activities
99	Vinpro Business and Trading services LLC	100.00%	100.00%	Vinhomes Riverside (1)	Retail computers, software, telecommunication devices and audio-visual devices
100	Ecology Development and Trading JSC	100.00%	73.85%	Symphony office tower, Chu Huy Man Street, Vinhomes Riverside Eco-Urban Area, Phuc Loi Ward, Long Bien District, Hanoi City, Vietnam	Investing, developing and trading real estate properties
101	VINDFS JSC	80.00%	80.00%	CC-1 (Zone KT-A), Bien An Vien urban area, Vinh Nguyen ward, Nha Trang City, Khanh Hoa province, Vietnam	Retails in department stores

Vingroup Joint Stock Company

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter III 2020

APPENDIX 1 – THE GROUP STRUCTURE AS AT 30 SEPTEMBER 2020

No	Company name	Voting right (%)	Effective interest (%)	Address	Principal activities
102	An Think Trading and commercial development JSC	100.00%	77.61%	20A Floor, No. 72, Le Thanh Ton Street, Ben Nghe ward, District 1, Hochiminh city, Vietnam	Investing, developing and trading real estate properties
103	Vingroup Korea Co., Ltd.,	100.00%	80.00%	Sindang-dong, E&C Inobiz Tower, 209-ho, 559 Dalseo-daero, Dalseo-gu, Daegu, Korea	Technology research
104	Vingroup Japan Godo Kaisha	100.00%	80.00%	Tower Hulic Kanda Sudacho, 1-14-1, Sudacho, Kanda, Chiyoda-ku, Tokyo, Japan	Technology research
105	Vingroup Myanmar Ltd.,	100.00%	55.92%	Hospital street, No. 4B Yankin Township, Yagon, Myanmar	Market research and development

(1) Full registered office address: No.7, Bang Lang 1 street, Vinhomes Riverside Eco-urban area, Viet Hung ward, Long Bien district, Hanoi, Vietnam.

Vingroup Joint Stock Company

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)

Quarter III 2020

APPENDIX 2 – EXPLANATION FOR THE VARIANCES OF PL BETWEEN TWO PERIOD

(follow Circular No. 155/2015/TT-BTC date 6/10/2015)

PL	ITEMS	Currency: VND million			Difference	%	For the 9-month period ended 30 September 2020
		Quarter III 2020	Quarter III 2019				
01	Gross revenue	35,989,817	31,581,789	4,408,028	14%	74,812,802	
02	Deductions	76,099	10,872	65,227	600%	171,825	
10	Net revenue	35,913,718	31,570,917	4,342,801	14%	74,640,977	
11	Costs of goods sold and services rendered	29,612,674	20,290,596	9,322,078	46%	62,939,785	
20	Gross profit	6,301,044	11,280,321	(4,979,277)	-44%	11,701,192	
21	Financial Income	4,693,043	1,013,409	3,679,634	363%	20,371,226	
22	Financial expenses	3,100,654	2,495,666	604,988	24%	9,302,860	
23	- In which: Interest expenses and bond issuance cost	3,003,737	2,350,504	653,233	28%	8,695,044	
24	Share in profits of associates	(88,276)	(358,086)	269,810	-75%	(252,093)	
25	Selling expenses	2,025,864	3,995,586	(1,969,722)	-49%	4,832,488	
26	General and administrative expenses	2,309,420	2,832,418	(522,998)	-18%	7,141,382	
30	Operating profit	3,469,873	2,611,974	857,899	33%	10,543,595	
31	Other income	206,201	149,863	56,338	38%	769,392	
32	Other expenses	67,511	217,697	(150,186)	-69%	1,582,465	
40	Other profit/(loss)	138,690	(67,834)	206,524	-304%	(813,073)	
50	Net profit before tax	3,608,563	2,544,140	1,064,423	42%	9,730,522	
51	Current corporate income tax expense	2,808,764	1,567,250	1,241,514	79%	7,213,571	
52	Deferred income tax (income)/expense	(635,740)	265,262	(901,002)	-340%	(320,128)	
60	Net profit after tax	1,435,539	711,628	723,911	102%	2,837,079	
61	Equity holders of the parent	1,540,067	497,614	1,042,453	209%	4,024,240	
62	Net profit after tax of minority interests	(104,528)	214,014	(318,542)	-149%	(1,187,161)	
70	Basis earnings per share	-	-	-	-	1,245	

Vingroup Joint Stock Company

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter III 2020

APPENDIX 2 – EXPLANATION FOR THE VARIANCES OF PL BETWEEN TWO PERIOD

(follow Circular No. 155/2015/TT-BTC date 6/10/2015)

Explanation for variances of over 10% of PL between two period:

Net revenue increased by 14% in comparison with the same period last year mainly came from an increase manufacturing revenue and sale of investment property net off with a decrease in retail services revenue due to disposal this segment in 2019. Cost of goods sold and services rendered increased Gross profit decreased in almost activities due to infections caused by Corona Virus (Covid-19).

Finance income increased by 363% in comparison with the same period last year mainly due to gain from disposal of investments. Financial expense increased by 24% mainly due to increase of interest expenses.

Share in loss of associates decreased due to result operation of associates.

Selling expenses and G&A expenses decreased mainly due to decrease selling expenses and G&A expenses of retail services.

Other loss increased in comparison with the same period last year mainly due to contract penalties.

Current income tax expense increased mainly from a increase in profit before tax. Deferred tax expense increased due to temporary differences incurred in the period.

29 October 2020

Department Executive Officer

