

Dat Xanh Real Estate Services Joint Stock Company

Separate financial statements

For the year ended 31 December 2019



Dat Xanh Real Estate Services Joint Stock Company

CONTENTS

| | <i>Pages</i> |
|--|--------------|
| General information | 1 |
| Report of the General Director | 2 |
| Independent auditors' report | 3 - 4 |
| Separate balance sheet | 5 - 6 |
| Separate income statement | 7 |
| Separate cash flow statement | 8 - 9 |
| Notes to the separate financial statements | 10 - 30 |

Dat Xanh Real Estate Services Joint Stock Company

GENERAL INFORMATION

THE COMPANY

Dat Xanh Real Estate Services Joint Stock Company ("the Company") is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to the Enterprise Registration Certificate ("ERC") No. 3602545493 issued by the Department of Planning and Investment ("DPI") of Dong Nai Province on 21 July 2011, as subsequently amended.

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

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

BOARD OF DIRECTORS

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

| | | |
|----------------------|----------|----------------------------|
| Mr Luong Tri Thin | Chairman | assigned on 2 January 2020 |
| Mr Nguyen Truong Son | Chairman | assigned on 1 April 2019 |
| | Member | resigned on 2 January 2020 |
| | | resigned on 1 April 2019 |
| Mr Tran Cong Luan | Chairman | assigned on 2 January 2020 |
| Mr Tran Manh Hao | Member | resigned on 1 April 2019 |
| | | assigned on 25 July 2019 |
| | | resigned on 2 January 2020 |
| Mr Ha Duc Hieu | Member | assigned on 1 April 2019 |
| Mr Nguyen Minh Tuan | Member | assigned on 2 January 2020 |
| Mr Pham Anh Khoi | Member | assigned on 2 January 2020 |
| Mr Bui Ngoc Duc | Member | assigned on 1 April 2019 |
| | | resigned on 2 January 2020 |
| Mr Luong Tri Tu | Member | resigned on 1 April 2019 |
| Mr Ha Huu Khuong | Member | assigned on 1 April 2019 |
| | | resigned on 2 January 2020 |

GENERAL DIRECTOR

The General Director during the year and at the date of this report are:

| | | |
|----------------------|------------------|----------------------------|
| Mr Nguyen Truong Son | General Director | resigned on 6 May 2019 |
| | | assigned on 2 January 2020 |
| Mr Tran Manh Hao | General Director | assigned on 6 May 2019 |
| | | resigned on 2 January 2020 |

LEGAL REPRESENTATIVE

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

AUDITORS

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

Dat Xanh Real Estate Services Joint Stock Company

REPORT OF THE GENERAL DIRECTOR

The General Director of Dat Xanh Real Estate Services Joint Stock Company ("the Company") is pleased to present this report and the separate financial statements of the Company for the year ended 31 December 2019.

THE GENERAL DIRECTOR'S RESPONSIBILITY IN RESPECT OF THE SEPARATE FINANCIAL STATEMENTS

The General Director is responsible for the separate financial statements of each financial year which give a true and fair view of the separate financial position of the Company and of the separate results of its operations and its separate cash flows for the year. In preparing those separate financial statements, the General Director 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 separate financial statements; and
- ▶ prepare the separate financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue its business.

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

The General Director confirmed that he has complied with the above requirements in preparing the accompanying separate financial statements.

STATEMENT BY GENERAL DIRECTOR

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

The Company has subsidiaries as disclosed in *Note 9.1* of the separate financial statements and it has also prepared the consolidated financial statements of the Company and its subsidiaries ("the Group") for the year ended 31 December 2019 dated 14 February 2020.

Users of the separate financial statements should read them together with the said consolidated financial statements in order to obtain full information on the consolidated financial position, consolidated results of operations and consolidated cash flows of the Group.



Nguyen Truong Son
General Director

Ho Chi Minh City, Vietnam

14 February 2020

Reference: 61441573/21241493

INDEPENDENT AUDITORS' REPORT

To: The Shareholders of Dat Xanh Real Estate Services Joint Stock Company

We have audited the accompanying separate financial statements of Dat Xanh Real Estate Services Joint Stock Company ("the Company") as prepared on 14 February 2020 and as set out on pages 5 to 30, which comprise the separate balance sheet as at 31 December 2019, the separate income statement and the separate cash flow statement for the year then ended and the notes thereto.

The General Director's responsibility

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

Auditors' responsibility

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

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

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

Opinion

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

Ernst & Young Vietnam Limited



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



Vu Anh Thi
Auditor
Audit Practicing Registration Certificate
No. 4632-2018-004-1

Ho Chi Minh City, Vietnam

14 February 2020

SEPARATE BALANCE SHEET
as at 31 December 2019

VND

| Code | ASSETS | Notes | Ending balance | Beginning balance |
|------------|--|----------|--------------------------|--------------------------|
| 100 | A. CURRENT ASSETS | | 1,710,999,773,374 | 385,583,511,791 |
| 110 | I. Cash and cash equivalents | 4 | 80,759,335,784 | 24,349,769,617 |
| 111 | 1. Cash | | 2,759,335,784 | 24,349,769,617 |
| 112 | 2. Cash equivalents | | 78,000,000,000 | - |
| 130 | II. Current accounts receivables | | 1,627,847,701,767 | 359,551,185,139 |
| 131 | 1. Short-term trade receivables | 5 | 633,749,799,989 | 78,185,872 |
| 132 | 2. Short-term advances to suppliers | 6 | 1,040,275,846 | 1,020,964,183 |
| 135 | 3. Short-term loan receivables | 7 | 175,460,000,000 | - |
| 136 | 4. Other short-term receivables | 8 | 818,460,444,438 | 359,400,497,567 |
| 137 | 5. Provision for doubtful short-term receivables | 6 | (862,818,506) | (948,462,483) |
| 140 | III. Inventory | | 2,266,240,419 | 1,682,557,035 |
| 141 | 1. Inventories | | 2,266,240,419 | 1,682,557,035 |
| 150 | IV. Other current asset | | 126,495,404 | - |
| 151 | 1. Short-term prepaid expenses | | 126,495,404 | - |
| 200 | B. NON-CURRENT ASSETS | | 1,576,433,924,091 | 1,046,690,758,169 |
| 210 | I. Long-term receivables | | 385,203,859,350 | 192,148,150,246 |
| 215 | 1. Long-term loan receivables | 7 | 7,650,000,000 | - |
| 216 | 2. Other long-term receivables | 8 | 377,553,859,350 | 192,148,150,246 |
| 220 | II. Fixed assets | | 2,883,222,959 | - |
| 221 | 1. Tangible fixed assets | | 493,889,623 | - |
| 222 | Cost | | 557,681,812 | - |
| 223 | Accumulated depreciation | | (63,792,189) | - |
| 227 | 2. Intangible fixed assets | | 2,389,333,336 | - |
| 228 | Cost | | 2,560,000,000 | - |
| 229 | Accumulated amortisation | | (170,666,664) | - |
| 240 | III. Long-term asset in progress | | 8,324,333,022 | - |
| 242 | 1. Construction in progress | | 8,324,333,022 | - |
| 250 | IV. Long-term investments | 9 | 1,178,513,974,550 | 854,047,430,000 |
| 251 | 1. Investments in subsidiaries | | 1,178,513,974,550 | 785,575,230,000 |
| 253 | 2. Investments in other entity | | - | 68,472,200,000 |
| 260 | V. Other long-term assets | | 1,508,534,210 | 495,177,923 |
| 261 | 1. Long-term prepaid expenses | | 1,285,787,772 | 285,102,690 |
| 262 | 2. Deferred tax assets | 20.3 | 222,746,438 | 210,075,233 |
| 270 | TOTAL ASSETS | | 3,287,433,697,465 | 1,432,274,269,960 |

SEPARATE BALANCE SHEET (continued)
as at 31 December 2019

VND

| Code | RESOURCES | Notes | Ending balance | Beginning balance |
|------------|---|-------------|--------------------------|--------------------------|
| 300 | C. LIABILITIES | | 254,112,409,238 | 324,908,998,315 |
| 310 | I. Current liabilities | | 254,112,409,238 | 324,908,998,315 |
| 311 | 1. Short-term trade payables | 10 | 4,593,041,097 | 6,867,989,280 |
| 312 | 2. Short-term advances from customers | 11 | 21,091,665,170 | 5,423,022,510 |
| 313 | 3. Statutory obligations | 12 | 185,442,713,325 | 2,225,640,863 |
| 314 | 4. Payables to employees | | 5,853,981,829 | 98,504,544 |
| 315 | 5. Short-term accrued expenses | 13 | 370,892,325 | 2,899,058,244 |
| 319 | 6. Other short-term payables | 14 | 33,213,760,980 | 307,394,782,874 |
| 322 | 7. Bonus and welfare fund | | 3,546,354,512 | - |
| 400 | D. OWNERS' EQUITY | | 3,033,321,288,227 | 1,107,365,271,645 |
| 410 | I. Capital | 15.1 | 3,033,321,288,227 | 1,107,365,271,645 |
| 411 | 1. Share capital | | 3,000,000,000,000 | 1,100,000,000,000 |
| 411a | - Shares with voting rights | | 3,000,000,000,000 | 1,100,000,000,000 |
| 421 | 2. Undistributed earnings | | 33,321,288,227 | 7,365,271,645 |
| 421a | - Undistributed earnings by the end of prior year | | 2,287,563,232 | 334,172,791 |
| 421b | - Undistributed earnings of current year | | 31,033,724,995 | 7,031,098,854 |
| 440 | TOTAL LIABILITIES AND OWNERS' EQUITY | | 3,287,433,697,465 | 1,432,274,269,960 |

Pham Vo Quang Dai
Preparer

Tran Thi Phuong Loan
Chief Accountant

Nguyen Truong Son
General Director

14 February 2020

VND

| Code | ITEMS | Notes | Current year | Previous year |
|------|--|-------|-------------------|------------------|
| 10 | 1. Net revenue from sale of goods and rendering of services | 16.1 | 599,752,510,869 | 12,827,197,434 |
| 11 | 2. Cost of goods sold and services rendered | 17 | (16,678,367,670) | (2,125,650,897) |
| 20 | 3. Gross profit from sale of goods and rendering of services | | 583,074,143,199 | 10,701,546,537 |
| 21 | 4. Finance income | 16.2 | 359,649,584,825 | 308,326,473,087 |
| 22 | 5. Finance expenses | | - | (460,622,750) |
| 23 | In which: Interest expenses | | - | (460,622,750) |
| 25 | 6. Selling expenses | 18 | (20,565,753,465) | (329,287,054) |
| 26 | 7. General and administrative expenses | 18 | (17,154,957,142) | (996,455,935) |
| 30 | 8. Operating profit | | 905,003,017,417 | 317,241,653,885 |
| 31 | 9. Other income | 19 | 1,944,229,026 | 457,393,387 |
| 32 | 10. Other expenses | 19 | (90,165,561) | (18,792,900,135) |
| 40 | 11. Other profit (loss) | 19 | 1,854,063,465 | (18,335,506,748) |
| 50 | 12. Accounting profit before tax | | 906,857,080,882 | 298,906,147,137 |
| 51 | 13. Current corporate income tax expense | 20.1 | (132,081,027,092) | (1,850,178,841) |
| 52 | 14. Deferred tax income (expense) | 20.3 | 12,671,205 | (19,596,618) |
| 60 | 15. Net profit after tax | | 774,788,724,995 | 297,036,371,678 |

Shape



7,786,245,553

3602545493

CÔNG TY
CỔ PHẦN
DỊCH VỤ BẤT ĐỘNG SẢN
ĐẤT XANH

M.S.D.N. 3602545493

QUỐC BÌNH THANH - T. 1990

Đ. T. C. P. M. H. N. H. 1990

Nguyen Truong Son
General Director

7

SEPARATE CASH FLOW STATEMENT
for the year ended 31 December 2019

VND

| Code | ITEMS | Notes | Current year | Previous year |
|------|---|-------|--------------------------|--------------------------|
| | I. CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| 01 | Accounting profit before tax | | 906,857,080,882 | 298,906,147,137 |
| | <i>Adjustments for:</i> | | | |
| 02 | Depreciation of fixed assets | | 234,458,853 | - |
| 03 | Provisions | | (85,643,977) | - |
| 05 | Profits from investing activities | 16.2 | (359,649,584,825) | (308,326,473,087) |
| 06 | Interest expenses | | - | 460,622,750 |
| 08 | Operating profit (loss) before changes in working capital | | 547,356,310,933 | (8,959,703,200) |
| 09 | Increase in receivables | | (1,270,740,784,248) | (382,575,861,610) |
| 10 | (Increase) decrease in inventories | | (583,683,384) | 2,027,146,353 |
| 11 | Increase in payables | | 98,532,090,088 | 986,909,540 |
| 12 | (Increase) decrease in prepaid expenses | | (1,127,180,486) | 88,964,483 |
| 14 | Interest paid | | - | (198,611,111) |
| 15 | Corporate income tax paid | 12 | (1,096,910,032) | (3,387,173,904) |
| 17 | Other cash outflows for operating activities | | (1,531,353,901) | - |
| 20 | Net cash flows used in operating activities | | (629,191,511,030) | (392,018,329,449) |
| | II. CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| 21 | Payment for purchase of fixed assets | | (11,442,014,834) | - |
| 23 | Loans to other entities and payments for purchase of debt instruments of other entity | | (255,412,400,000) | - |
| 24 | Proceeds from sale of debt instruments of other entity | | 72,302,400,000 | - |
| 25 | Payments for investments in other entities | | (392,938,744,550) | (892,165,230,000) |
| 26 | Proceeds from disposal of investment in other entity | | 174,924,690,000 | - |
| 27 | Interest and dividends received | | 245,519,285,679 | 301,339,473,087 |
| 30 | Net cash flows used in investing activities | | (167,046,783,705) | (590,825,756,913) |
| | III. CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| 31 | Issuance of shares | | 1,596,405,520,000 | 1,303,665,620,000 |
| 33 | Drawdown of borrowings | | - | 125,118,276,154 |
| 34 | Repayment of borrowings | | - | (125,118,276,154) |
| 36 | Dividends paid | 15.3 | (743,757,659,098) | (296,874,181,818) |
| 40 | Net cash flows from financing activities | | 852,647,860,902 | 1,006,791,438,182 |

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

VND

| Code | ITEMS | Notes | Current year | Previous year |
|------|--|-------|----------------|----------------|
| 50 | Net increase in cash and cash equivalents for the year | | 56,409,566,167 | 23,947,351,820 |
| 60 | Cash at beginning of year | | 24,349,769,617 | 402,417,797 |
| 70 | Cash and cash equivalents at end of year | 4 | 80,759,335,784 | 24,349,769,617 |


Pham Vo Quang Dai
Preparer

Tran Thi Phuong Loan
Chief Accountant

 Nguyen Truong Son
General Director

14 February 2020

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

1. CORPORATE INFORMATION

Dat Xanh Real Estate Services Joint Stock Company ("the Company") is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to Enterprise Registration Certificate ("ERC") No. 3602545493 issued by the Department of Planning and Investment ("DPI") of Dong Nai Province on 21 July 2011, as subsequently amended.

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

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

The number of the Company's employees as at 31 December 2019 is 148 (31 December 2018: 10).

2. BASIS OF PREPARATION

2.1 Purpose of preparing the separate financial statements

The Company is the parent company of subsidiaries as presented in *Note 9.1* and it has also prepared the consolidated financial statements of the Company and its subsidiaries for the year ended 31 December 2019 dated 14 February 2020.

Users of the separate financial statements should read them together with the said consolidated financial statements in order to obtain full information on the consolidated financial position, consolidated results of operations and consolidated cash flows of the Group.

2.2 Accounting standards and system

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

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

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

2.3 Applied accounting documentation system

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

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

2. BASIS OF PREPARATION (continued)

2.4 Fiscal year

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

2.5 Accounting currency

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash in banks and short-term, highly liquid investments with an original maturity of not more than three months that are readily convertible into known amounts of cash and that are subject to an insignificant risk of change in value.

3.2 Inventories

Inventory properties

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

Cost includes:

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

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

The cost of inventory property recognised in profit or loss on disposal is determined with reference to the specific costs incurred on the property sold and an allocation of any non-specific costs based on the relative size of the property sold.

3.3 Receivables

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

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

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.4 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation.

The cost of a tangible fixed asset comprises its purchase price and any directly attributable costs of bringing the 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 separate 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 separate income statement.

3.5 Intangible fixed assets

Intangible fixed assets are stated at cost less accumulated amortisation.

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

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

3.6 Depreciation and amortisation

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

| | |
|-------------------|---------|
| Computer software | 5 years |
| Office equipment | 3 years |

3.7 Prepaid expenses

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

The following types of expenses are recorded as long-term prepaid expense and are amortised to the separate income statement over 2 to 3 years or recognised consistently with revenue:

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

3.8 Investments

Investments in subsidiaries

Investments in subsidiaries over which the Company has control are carried at cost.

Distributions from accumulated net profits of the subsidiaries arising subsequent to the date of acquisition are recognised in the separate income statement. Distributions from sources other than from such profits are considered a recovery of investment and are deducted to the cost of the investment.

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.8 Investments (continued)

Investments in other entities

Investments in other entities are stated at their acquisition costs.

Provision for diminution in value of 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 expense in the separate income statement.

3.9 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 Company.

3.10 Appropriation of net profits

Net profit after tax is available for appropriation to shareholders after approval in the annual general meeting, and after making appropriation to reserve funds in accordance with the Company's Charter and Vietnam's regulatory requirements.

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

Bonus and welfare fund

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

3.11 Revenue recognition

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

Sale of residential plots and infrastructure-constructed residential plots

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

Rendering of real estate brokerage and other services

Revenue is recognised when services have been rendered and completed.

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 Company's entitlement as an investor to receive the dividend is established.

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.12 Taxation

Current income tax

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

Current income tax is charged or credited to the separate 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 Company to offset current tax assets against current tax liabilities and when the Company intends to settle its current tax assets and liabilities on a net basis.

Deferred tax

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

Deferred tax liabilities are recognised for all taxable temporary differences.

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

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

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

Deferred tax is charged or credited to the separate 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 Company to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority on the same taxable entity or when the Company intends either to settle current tax liabilities and assets on a net basis or to realise the assets and settle the liabilities simultaneously, in each future year in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.13 Segment information

The Company's principal activities are to render brokerage services. In addition, these activities are mainly taking place within Vietnam. Therefore, the Company's risks and returns are not impacted by the locations where the Company is trading. As a result, the General Director of the Company is of the view that there is only one segment for business and geography and therefore presentation of segmental information is not required

3.14 Related parties

Parties are considered to be related parties of the Company 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 Company and other party are under common control or under common significant influence. Related parties can be enterprise or individual, including close members of the family of any such individual.

4. CASH AND CASH EQUIVALENTS

| | VND | |
|----------------------|-----------------------|--------------------------|
| | <i>Ending balance</i> | <i>Beginning balance</i> |
| Cash on hand | 389,577,918 | 8,234,556 |
| Cash in banks | 2,369,757,866 | 24,341,535,061 |
| Cash equivalents (*) | 78,000,000,000 | - |
| TOTAL | 80,759,335,784 | 24,349,769,617 |

(*) Cash equivalents represented bank deposits with the original maturity of less than three (3) months and earn interest at the applicable rates of 5% per annum.

5. SHORT-TERM TRADE RECEIVABLES

| | VND | |
|--|------------------------|--------------------------|
| | <i>Ending balance</i> | <i>Beginning balance</i> |
| Trade receivables from customers | 586,600,572,919 | 78,185,872 |
| - Linkgroup Real Estate Joint Stock Company | 586,523,163,770 | - |
| - Others | 77,409,149 | 78,185,872 |
| Trade receivables from related parties (Note 21) | 47,149,227,070 | - |
| TOTAL | 633,749,799,989 | 78,185,872 |

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

6. SHORT-TERM ADVANCES TO SUPPLIERS

| | VND | |
|--|----------------------|----------------------|
| | Ending balance | Beginning balance |
| Ken Electric Company Limited | 862,818,506 | 862,818,506 |
| TSG Trading and Services Co., Ltd. | 107,649,540 | - |
| Others | 69,807,800 | 158,145,677 |
| TOTAL | 1,040,275,846 | 1,020,964,183 |
| Provision for short-term advances to suppliers | (862,818,506) | (948,462,483) |
| NET | 177,457,340 | 72,501,700 |

7. LOAN RECEIVABLES

Details of unsecured short-term loan receivables from another party are as follows:

| Borrowers | 31 December 2019 | Maturity date | Interest rate |
|-----------|------------------|---------------|---------------|
| | (VND) | | (% p.a.) |

Grand Property Joint Stock Company

| | | | |
|-----------|------------------------|----------------|---|
| Lending 1 | <u>175,460,000,000</u> | 4 January 2020 | 8 |
|-----------|------------------------|----------------|---|

Details of unsecured long-term loan receivables from related parties are as follows: (Note 21)

| Borrowers | 31 December 2019 | Maturity date | Interest rate |
|-----------|------------------|---------------|---------------|
| | (VND) | | (% p.a.) |

Vietnam Real Estate Technology Joint Stock Company ("Real Estate Tech")

| | | | |
|-----------|----------------------|--------------|----|
| Lending 1 | 3,000,000,000 | 4 April 2021 | 10 |
| Lending 2 | <u>3,000,000,000</u> | 31 May 2021 | 10 |
| | <u>6,000,000,000</u> | | |

Vietnam Real Estate Information Technology Joint Stock Company

| | | | |
|-----------|----------------------|--|----|
| Lending 1 | 1,650,000,000 | From 15 November 2021 to 30 December 2021 | 10 |
| | <u>7,650,000,000</u> | | |

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

8. OTHER RECEIVABLES

| | | VND |
|--|------------------------|------------------------|
| | Ending balance | Beginning balance |
| Short-term | | |
| Capital contributed under Business | | |
| Cooperation Contracts ("BCC") (*) | 782,535,829,600 | 225,607,904,754 |
| - Link Group Real Estate Joint Stock Company | 579,360,000,000 | - |
| - Others | 203,175,829,600 | 225,607,904,754 |
| Land use fees on Social house of Gold Hill project | 15,000,000,000 | 15,000,000,000 |
| Dividend | 10,863,000,000 | 6,987,000,000 |
| Interest income | 3,801,809,146 | - |
| Advances to employees | 2,020,203,652 | 501,899,867 |
| Advances for capital contribution | - | 106,590,000,000 |
| Others | 4,239,602,040 | 4,713,692,946 |
| TOTAL | 818,460,444,438 | 359,400,497,567 |
| <i>In which:</i> | | |
| Due from related parties (Note 21) | 216,860,410,996 | 343,112,746,450 |
| Due from other parties | 601,600,033,442 | 16,287,751,117 |
| Long-term | | |
| Capital contributed under BCC (*) | 376,932,859,350 | 191,911,150,246 |
| Deposit | 621,000,000 | 237,000,000 |
| TOTAL | 377,553,859,350 | 192,148,150,246 |
| <i>In which:</i> | | |
| Due from related parties (Note 21) | 376,932,859,350 | 191,911,150,246 |
| Due from other parties | 621,000,000 | 237,000,000 |

(*) This represented capital contribution under BCC related to the cooperation to implement the exclusive distribution real estate projects.

9. LONG-TERM INVESTMENTS

| | | VND |
|--|--------------------------|------------------------|
| | Ending balance | Beginning balance |
| Investments in subsidiaries (Note 9.1) | 1,178,513,974,550 | 785,575,230,000 |
| Investments in other entity (Note 9.2) | - | 68,472,200,000 |
| TOTAL | 1,178,513,974,550 | 854,047,430,000 |

Dat Xanh Real Estate Services Joint Stock Company

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

9. LONG-TERM INVESTMENTS (continued)

9.1 Investments in subsidiaries

Details of investments in subsidiaries are as follows:

| Name | Business | Status | Ending balance | | Beginning balance | |
|---|-----------------------------------|-----------|----------------|--------------------------|-------------------|------------------------|
| | | | % of interest | Cost of investment | % of interest | Cost of investment |
| | | | | VND | | VND |
| Dat Xanh Mien Trung Joint Stock Company ("Dat Xanh Mien Trung") (i) | Real estate trading and brokerage | Operating | 55 | 495,284,900,000 | 55 | 392,874,900,000 |
| Northern Green Land Real Estate and Services Joint Stock Company ("Dat Xanh Mien Bac") (ii) | Real estate trading and brokerage | Operating | 51 | 326,507,100,000 | 51 | 200,537,100,000 |
| Dat Xanh Mien Nam Investment and Services Joint Stock Company ("Dat Xanh Mien Nam") | Real estate trading and brokerage | Operating | 51 | 139,712,460,000 | 51 | 139,712,460,000 |
| Dat Xanh Dong Nam Bo Investment and Services Joint Stock Company ("Dat Xanh Dong Nam Bo") (iii) | Real estate trading and brokerage | Operating | 51 | 87,286,500,000 | 51 | 33,022,500,000 |
| Dat Xanh Mien Tay Services and Investment Joint Stock Company ("Dat Xanh Mien Tay") (formerly Dat Xanh Tay Nam Bo Construction and Services Joint Stock Company) (iv) | Real estate trading and brokerage | Operating | 51 | 60,180,000,000 | 51 | 2,040,000,000 |
| Dat Xanh Nam Trung Bo Real Estate Service Joint Stock Company ("Dat Xanh Nam Trung Bo") (formerly Dat Xanh Nha Trang Joint Stock Company) (v) | Real estate trading and brokerage | Operating | 51 | 36,956,744,550 | - | - |
| Vietnam Real Estate Technology Joint Stock Company ("Real Estate Tech") | Technology development | Operating | 50.99 | 14,328,270,000 | 50.99 | 14,328,270,000 |
| Dat Xanh Mien Dong Investment and Services Joint Stock Company ("Dat Xanh Mien Dong") (formerly Dat Xanh Central Real Estate Investment and Service Joint Stock Company) (vi) | Real estate trading and brokerage | Operating | 51 | 10,200,000,000 | - | - |
| Dat Xanh Nam Bo Joint Stock Company ("Dat Xanh Nam Bo") (formerly Dat Xanh Long An Joint Stock Company) | Real estate trading and brokerage | Operating | 51 | 3,060,000,000 | 51 | 3,060,000,000 |
| Vietnam Real Estate Information Technology Joint Stock Company (vii) | Technology development | Operating | 99.96 | 4,998,000,000 | - | - |
| TOTAL | | | | 1,178,513,974,550 | | 785,575,230,000 |

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

9. LONG-TERM INVESTMENTS (continued)

9.1 *Investments in subsidiaries* (continued)

- (i) On 30 June 2019, Dat Xanh Mien Trung completed the issuance of 18,620,000 ordinary shares with the price of VND 10,000/share to its existing shareholders amounting to VND 186,200,000,000 in accordance with the Resolution of the Annual General Meeting No. 01/2019/NQ-DXMT/DHDCD dated 5 March 2019, which was approved by the DPI of Da Nang City through the issuance of the 15th amended BRC dated 22 April 2019. Accordingly, the Company's contribution in the charter capital of Dat Xanh Mien Trung was proportionally increased.
- (ii) During the year, Dat Xanh Mien Bac completed the issuance of 24,700,000 ordinary shares with the price of VND 10,000/share to its existing shareholders amounting to VND 247,000,000,000 in accordance with the Resolution of the Annual General Meeting No. 08/2018/NQDXMB/DHDCD dated 12 December 2018 and Resolution of Shareholders No 04/2019/NQ-DXMB/DHDCD dated 10 September 2019, which was approved by the DPI of Ha Noi City through the issuance of the 12th amended ERC dated 29 January 2019 and 13th amended ERC dated 8 October 2019. Accordingly, the Company's contribution in the charter capital of Dat Xanh Mien Bac was proportionally increased.
- (iii) During the year, Dat Xanh Dong Nam Bo completed the issuance of 106,400,000 ordinary shares with the price of VND 10,000/share to its existing shareholders with total amounting to VND 106,400,000,000 in accordance with the Resolution of Shareholders No. 03/2018/NQ-DHDCD/DXDNB dated 29 November 2018 and Resolution of the Annual General Meeting No. 002/2019/NQ-DHDCD/DXDNB dated 5 March 2019, which was approved by the DPI of Dong Nai Province through the issuance of the 10th amended ERC dated 8 January 2019 and 11th amended ERC dated 8 April 2019. Accordingly, the Company's contribution in the charter capital of Dat Xanh Dong Nam Bo was proportionally increased.
- (iv) During the year, Dat Xanh Mien Tay completed the issuance of 11,400,000 ordinary shares with the price of VND 10,000/share to its existing shareholders amounting to VND 114,000,000,000 in accordance with the Minutes of the Annual General Meeting of Shareholders No. 01/2019/BB-DHDCD/DXTNB dated 25 February 2019 and the Resolution of Shareholders No. 04/2019/NQ-DHDCD/DXTNB dated 24 May 2019, which was approved by the DPI of Can Tho Province through the issuance of the 2nd amended ERC dated 1 March 2019 and 3th amended ERC dated 6 June 2019. Accordingly, the Company's contribution in the charter capital of Dat Xanh Mien Tay was proportionally increased.
- (v) On 21 March 2019, the Company completed the acquisition of 3,496,050 shares or 51% ownership of Dat Xanh Nam Trung Bo from Dat Xanh Mien Bac with the amount of VND 36,956,744,550, in accordance with Resolution of Shareholders No. 02/2019/BB-HDQT dated 11 March 2019.
- (vi) On 26 June 2019, the Company contributed capital of VND 10,200,000,000 to establish Dat Xanh Mien Dong, a shareholding company established in accordance with ERC No.3702773486 issued by the DPI of Binh Duong Province dated 22 May 2019. This capital contribution was conducted in accordance with Resolution of Board of Directors No. 04A/2019/NQ-HDQT dated 2 May 2019.
- (vii) On 16 August 2019, the Company contributed capital of VND 4,998,000,000 to establish Vietnam Real Estate Information Technology Joint Stock Company, a shareholding company established in accordance with ERC No. 0315852199 issued by the DPI of Ho Chi Minh City dated 16 August 2019. This capital contribution was conducted in accordance with Resolution of Board of Directors No. 11/2019/NQ-HDQT dated 1 August 2019.

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

9. LONG-TERM INVESTMENTS (continued)

9.2 Investments in other entities

| Business | Ending balance | | Beginning balance | |
|--|----------------------|--------------------|-------------------|--------------------|
| | % of | Cost of investment | % of | Cost of investment |
| | interest (%) | VND | interest (%) | VND |
| LDG Investment Joint Stock Company ("LDG") | Trade real estate | - | 6.00 | 68,472,200,000 |

On 8 October 2019, the Company completed the transfer of investment in LDG at the transferring value of VND 174,924,690,000 according to Resolution of Board of Directors No. 0909/2019/NQ-HDQT dated 9 September 2019.

10. SHORT-TERM TRADE PAYABLES

| | VND | |
|--|----------------------|----------------------|
| | Ending balance | Beginning balance |
| Trade payables to suppliers | 4,133,917,204 | 6,347,694,364 |
| Kim Phat Real Estate Joint Stock Company | 1,881,058,694 | 1,881,058,694 |
| Bac Duong Company Limited | 700,413,920 | 563,719,634 |
| Tran Minh Consulting - Engineering - Construction Company Limited | 506,505,360 | 1,884,932,324 |
| Duong Lan Anh Company Limited | 478,129,997 | - |
| Others | 567,809,233 | 2,017,983,712 |
| Trade payables to related parties (Note 21) | 459,123,893 | 520,294,916 |
| TOTAL | 4,593,041,097 | 6,867,989,280 |

11. SHORT-TERM ADVANCES FROM CUSTOMERS

| | VND | |
|---|-----------------------|----------------------|
| | Ending balance | Beginning balance |
| Advances from individual customers to purchase land lots | 1,832,071,364 | 1,570,868,132 |
| Advances from related parties (Note 21) | 19,259,593,806 | 3,852,154,378 |
| TOTAL | 21,091,665,170 | 5,423,022,510 |

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

12. STATUTORY OBLIGATIONS

| | | | | VND |
|----------------------|--------------------------|-----------------------------|-------------------------------------|------------------------|
| | <i>Beginning balance</i> | <i>Payable for the year</i> | <i>Payment made during the year</i> | <i>Ending balance</i> |
| Corporate income tax | 1,298,811,604 | 132,081,027,092 | (1,096,910,032) | 132,282,928,664 |
| Value-added tax | 888,112,470 | 58,867,577,729 | (8,441,673,408) | 51,314,016,791 |
| Personal income tax | 38,716,789 | 7,488,344,147 | (5,681,604,220) | 1,845,456,716 |
| Other | - | 11,811,154 | (11,500,000) | 311,154 |
| TOTAL | 2,225,640,863 | 198,448,760,122 | (15,231,687,660) | 185,442,713,325 |

13. SHORT-TERM ACCRUED EXPENSES

| | | VND |
|--------------------|-----------------------|--------------------------|
| | <i>Ending balance</i> | <i>Beginning balance</i> |
| Construction costs | 156,092,325 | 2,213,146,285 |
| Others | 214,800,000 | 685,911,959 |
| TOTAL | 370,892,325 | 2,899,058,244 |

14. OTHER SHORT-TERM PAYABLES

| | | VND |
|--|-----------------------|--------------------------|
| | <i>Ending balance</i> | <i>Beginning balance</i> |
| Deposits received | 30,982,089,400 | 1,330,000,000 |
| Dividend payables | 2,128,431,909 | 2,131,091,006 |
| Capital contribution received in advance | - | 303,594,480,000 |
| Interest expenses | - | 262,011,639 |
| Others | 3,239,671 | 77,200,229 |
| TOTAL | 33,213,760,980 | 307,394,782,874 |
| <i>In which:</i> | | |
| Due to related parties (Note 21) | 2,125,818,182 | 305,987,582,645 |
| Due to other parties | 31,087,942,798 | 1,407,200,229 |

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

15. OWNERS' EQUITY

15.1 Movements in owners' equity

| | | | VND |
|-------------------------|--------------------------|------------------------|--------------------------|
| | Share capital | Undistributed earnings | Total |
| Previous year | | | |
| Beginning balance | 99,928,860,000 | 9,334,172,791 | 109,263,032,791 |
| Increase in capital | 1,000,071,140,000 | - | 1,000,071,140,000 |
| Net profit for the year | - | 297,036,371,678 | 297,036,371,678 |
| Dividends declared | - | (299,005,272,824) | (299,005,272,824) |
| Ending balance | <u>1,100,000,000,000</u> | <u>7,365,271,645</u> | <u>1,107,365,271,645</u> |
| Current year | | | |
| Beginning balance | 1,100,000,000,000 | 7,365,271,645 | 1,107,365,271,645 |
| Increase in capital (i) | 1,900,000,000,000 | - | 1,900,000,000,000 |
| Net profit for the year | - | 774,788,724,995 | 774,788,724,995 |
| Dividends declared (ii) | - | (743,755,000,000) | (743,755,000,000) |
| Bonus and welfare fund | - | (5,077,708,413) | (5,077,708,413) |
| Ending balance | <u>3,000,000,000,000</u> | <u>33,321,288,227</u> | <u>3,033,321,288,227</u> |

- (i) On 8 March 2019, the Company completed the issuance of 31,900,000 ordinary shares with the price of VND 10,000/share to its existing shareholders amounting to VND 319,000,000,000 in accordance with the Resolution of Shareholders No. 0712/2018/NQ-DHDCD dated 7 December 2018, which was approved by the DPI of Ho Chi Minh City through the issuance of the 11th amended ERC dated 8 March 2019.

On 19 April 2019, the Company completed the issuance of 158,100,000 ordinary shares with the price of VND 10,000/share to its existing shareholders amounting to VND 1,581,000,000,000 in accordance with the Resolution of Shareholders No. 03/2019/NQ-DHDCD dated 18 April 2019, which was approved by the DPI of Ho Chi Minh City through the issuance of the 12th amended ERC dated 19 April 2019.

- (ii) In accordance with the Resolution of Shareholders No. 02A/2019/BB-DHDCD dated 8 April 2019, the Company's shareholders unanimously approved the Proposal of Board of Directors to pay dividend of 2018 to existing shareholders with the amount of VND 143,755,000,000.

In accordance with the Decision No.109/2019/NQ-HDQT dated 10 September 2019 and the Decision No.309/2019/NQ-HDQT dated 30 September 2019, the Company's shareholders unanimously approved the Proposal of Board of Directors to advance dividend of 2019 to existing shareholders with the aggregated amount of VND 600,000,000,000.

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

15. OWNERS' EQUITY (continued)

15.2 Contributed charter capital

| | 31 December 2019 | | | 31 December 2018 | | |
|--|--------------------|----------------------|------------|--------------------|----------------------|------------|
| | Number of share | VND'000 | % | Number of share | VND'000 | % |
| Dat Xanh Group Joint Stock Company ("DXG") | 271,500,000 | 2,715,000,000 | 90.5 | 109,998,000 | 1,099,980,000 | 99.998 |
| Mr Luong Tri Thin | 24,000,000 | 240,000,000 | 8.0 | - | - | - |
| Mr Ha Duc Hieu | 4,500,000 | 45,000,000 | 1.5 | - | - | - |
| Mr Tran Cong Luan | - | - | - | 1,000 | 10,000 | 0.001 |
| Mr Luong Tri Tu | - | - | - | 1,000 | 10,000 | 0.001 |
| TOTAL | 300,000,000 | 3,000,000,000 | 100 | 110,000,000 | 1,100,000,000 | 100 |

15.3 Dividends

| | VND | |
|---|-----------------|-----------------|
| | Current year | Previous year |
| Dividends declared for year 2018 | 143,755,000,000 | 9,000,000,000 |
| Advanced dividends declared for year 2019 | 600,000,000,000 | 290,005,272,824 |
| Dividends paid | 743,757,659,098 | 296,874,181,818 |

15.4 Ordinary shares

| | Number of shares | |
|---|------------------|-------------------|
| | Ending balance | Beginning balance |
| Shares authorised to be issued | 300,000,000 | 110,000,000 |
| Shares issued and fully paid Ordinary shares | 300,000,000 | 110,000,000 |
| Shares in circulation Ordinary shares | 300,000,000 | 110,000,000 |

Par value: VND 10,000 per share.

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

16. REVENUES

16.1 Revenue from sale of goods and rendering of services

| | VND | |
|------------------------------------|------------------------|-----------------------|
| | Current year | Previous year |
| Revenue from brokerage services | 598,370,973,630 | 8,736,677,834 |
| Revenue from sale of land lots | 1,381,537,239 | 4,090,519,600 |
| Net revenue | 599,752,510,869 | 12,827,197,434 |
| <i>In which:</i> | | |
| Sales to other parties | 540,465,645,663 | 4,510,974,141 |
| Sales to related parties (Note 21) | 59,286,865,206 | 8,316,223,293 |

16.2 Finance income

| | VND | |
|----------------------------------|------------------------|------------------------|
| | Current year | Previous year |
| Dividend income (Note 21) | 246,520,000,000 | 308,320,000,000 |
| Gain from disposal of investment | 106,452,490,000 | - |
| Interest income | 6,677,094,825 | 6,473,087 |
| TOTAL | 359,649,584,825 | 308,326,473,087 |

17. COSTS OF GOODS SOLD AND SERVICES RENDERED

| | VND | |
|----------------------------|-----------------------|----------------------|
| | Current year | Previous year |
| Cost of brokerage services | 16,470,796,064 | 98,504,544 |
| Cost of land lots sold | 207,571,606 | 2,027,146,353 |
| TOTAL | 16,678,367,670 | 2,125,650,897 |

18. SELLING EXPENSES AND GENERAL AND ADMINISTRATIVE EXPENSES

| | VND | |
|--|-----------------------|----------------------|
| | Current year | Previous year |
| Selling expenses | 20,565,753,465 | 329,287,054 |
| Labour cost | 16,799,990,951 | 329,287,054 |
| Expense for external services | 3,365,710,539 | - |
| Others | 400,051,975 | - |
| General and administrative expenses | 17,154,957,142 | 996,455,935 |
| Labour cost | 10,945,779,704 | 597,224,618 |
| Expense for external services | 4,516,230,559 | 115,665,000 |
| Tools and supplies | 278,470,453 | 143,701,250 |
| Others | 1,414,476,426 | 139,865,067 |
| TOTAL | 37,720,710,607 | 1,325,742,989 |

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

19. OTHER INCOME AND EXPENSES

| | VND | |
|----------------------------------|----------------------|-------------------------|
| | Current year | Previous year |
| Other income | 1,944,229,026 | 457,393,387 |
| Gain from contract liquidation | 1,517,511,547 | 57,377,539 |
| Income from penalties | 30,000,000 | 400,000,000 |
| Others | 396,717,479 | 15,848 |
| Other expenses | 90,165,561 | 18,792,900,135 |
| Penalty paid | 88,763,690 | 39,500,000 |
| Land use rights fee late payment | 1,400,000 | 18,750,400,135 |
| Others | 1,871 | 3,000,000 |
| NET OTHER PROFIT (LOSS) | 1,854,063,465 | (18,335,506,748) |

20. CORPORATE INCOME TAX

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

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

20.1 CIT expenses

| | VND | |
|-------------------------------|------------------------|----------------------|
| | Current year | Previous year |
| Current CIT expenses | 132,081,027,092 | 1,850,178,841 |
| Deferred tax (income) expense | (12,671,205) | 19,596,618 |
| TOTAL | 132,068,355,887 | 1,869,775,459 |

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

| | VND | |
|--|------------------------|------------------------|
| | Current year | Previous year |
| Accounting profit before tax | 906,857,080,882 | 298,906,147,137 |
| At CIT rate of 20% applicable to the Company | 181,371,416,176 | 59,781,229,427 |
| <i>Adjustments:</i> | | |
| Non-deductible expenses | 939,711 | 3,752,546,032 |
| Dividend received | (49,304,000,000) | (61,664,000,000) |
| CIT expenses | 132,068,355,887 | 1,869,775,459 |

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended**20. CORPORATE INCOME TAX (continued)****20.2. Current CIT expense**

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

20.3 Deferred tax

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

| | <i>Separate balance sheet</i> | | <i>Separate income statement</i> | |
|--|-------------------------------|--------------------------|----------------------------------|----------------------|
| | <i>Ending balance</i> | <i>Beginning balance</i> | <i>Current year</i> | <i>Previous year</i> |
| Provision for doubtful receivables | 172,563,702 | 189,692,497 | (17,128,795) | - |
| Accruals | 42,600,000 | 12,800,000 | 29,800,000 | 4,800,000 |
| CIT paid on progress payments from customers (*) | 7,582,736 | 7,582,736 | - | (24,396,618) |
| Deferred tax assets | 222,746,438 | 210,075,233 | | |
| Deferred tax credit (charge) to separate income statement | | | 12,671,205 | (19,596,618) |

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

21. TRANSACTIONS WITH RELATED PARTIES

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

| <i>Related party</i> | <i>Relationship</i> | <i>Nature of transaction</i> | <i>Current year</i> | <i>Previous year</i> |
|----------------------|---------------------|--------------------------------|---------------------|----------------------|
| DXG | Parent | Capital contribution under BCC | 1,447,025,800,000 | 282,196,000,246 |
| | | Capital received | 1,296,025,800,000 | 1,000,071,140,000 |
| | | Dividend declared | 686,752,386,273 | 299,005,272,824 |
| | | Bond interest income | 2,305,238,580 | - |
| | | Brokerage service expense | 1,805,120,941 | 55,610,021 |
| | | Receipt on behalf | 95,613,973 | 2,534,497,934 |
| | | Capital transferred received | - | 551,358,960,000 |
| | | Advance capital | - | 303,594,480,000 |
| | | Loan and payment | - | 99,118,276,154 |
| | | Interest expense | - | 262,011,639 |

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

21. TRANSACTIONS WITH RELATED PARTIES (continued)

Significant transactions with related parties during the year were as follows: (continued)

| | | | | VND | |
|--|--------------|----------------------------------|-----------------|-----------------|--|
| Related party | Relationship | Nature of transaction | Current year | Previous year | |
| Dat Xanh Mien Bac | Subsidiary | Capital contribution | 125,970,000,000 | - | |
| | | Capital contribution under BCC | 81,686,201,000 | 102,162,865,000 | |
| | | Dividend | 56,100,000,000 | 51,930,000,000 | |
| | | Capital transferred received | 36,956,744,550 | - | |
| | | Shared revenue from BCC | 35,525,742,727 | - | |
| | | IT service fees | 225,813,171 | - | |
| | | Advance for capital contribution | - | 72,675,000,000 | |
| Dat Xanh Mien Trung | Subsidiary | Dividend | 107,800,000,000 | 164,720,000,000 | |
| | | Capital contribution | 102,410,000,000 | 156,750,000,000 | |
| | | Shared revenue from BCC | 6,919,032,543 | - | |
| | | Capital contribution under BCC | - | 101,445,039,754 | |
| Dat Xanh Mien Tay | Subsidiary | Dividend | 61,200,000,000 | - | |
| | | Capital contribution | 58,140,000,000 | 2,040,000,000 | |
| | | Shared revenue from BCC | 12,993,236,888 | 8,316,223,293 | |
| | | Capital contribution under BCC | - | 28,041,430,000 | |
| Dat Xanh Dong Nam Bo | Subsidiary | Capital contribution | 54,264,000,000 | - | |
| | | Dividend | 21,420,000,000 | 32,590,000,000 | |
| | | Advance for capital contribution | - | 33,915,000,000 | |
| Dat Xanh Mien Dong | Subsidiary | Capital contribution | 10,200,000,000 | - | |
| | | Revenue from brokerage service | 201,463,725 | - | |
| Real Estate Tech | Subsidiary | Lending | 6,000,000,000 | - | |
| | | Rental revenue | 385,000,000 | - | |
| | | Interest income | 369,027,777 | - | |
| Vietnam Real Estate Information Technology Joint Stock Company | Subsidiary | Capital contribution | 5,000,000,000 | - | |
| | | Lending | 1,650,000,000 | - | |
| | | Interest income | 10,109,589 | - | |
| | | Revenue from transferring domain | 727,273 | - | |
| Dat Xanh Mien Nam | Subsidiary | Revenue from brokerage service | 1,536,327,344 | - | |
| | | Capital contribution | - | 60,078,000,000 | |
| | | Dividend | - | 59,080,000,000 | |
| Dat Xanh Premium Joint Stock Company | Affiliate | Revenue from brokerage service | 305,941,038 | - | |

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

21. TRANSACTIONS WITH RELATED PARTIES (continued)

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

| | | | | VND | |
|--|--------------|----------------------------------|-----------------------|-------------------|--|
| Related party | Relationship | Nature of transaction | Ending balance | Beginning balance | |
| Short-term trade receivables | | | | | |
| Dat Xanh Mien Bac | Subsidiary | Shared revenue from BCC | 39,078,317,000 | - | |
| Dat Xanh Mien Trung | Subsidiary | Shared revenue from BCC | 7,610,935,797 | - | |
| Real Estate Tech | Subsidiary | Rental revenue | 423,500,000 | - | |
| Dat Xanh Mien Nam | Subsidiary | Revenue from brokerage service | 24,925,791 | - | |
| Dat Xanh Mien Dong | Subsidiary | Revenue from brokerage service | 10,748,482 | - | |
| Vietnam Real Estate Information Technology Joint Stock Company | Subsidiary | Revenue from transferring domain | 800,000 | - | |
| | | | 47,149,227,070 | - | |
| Long-term loan receivables | | | | | |
| Real Estate Tech | Subsidiary | Lending | 6,000,000,000 | - | |
| Vietnam Real Estate Information Technology Joint Stock Company | Subsidiary | Lending | 1,650,000,000 | - | |
| | | | 7,650,000,000 | - | |
| Other short-term receivables | | | | | |
| Dat Xanh Mien Bac | Subsidiary | Capital contribution under BCC | 128,849,066,000 | 102,162,865,000 | |
| | | Dividend | 6,630,000,000 | 3,825,000,000 | |
| | | Advanced capital | - | 72,675,000,000 | |
| Dat Xanh Mien Trung | Subsidiary | Capital contribution under BCC | 67,326,763,600 | 101,445,039,754 | |
| Dat Xanh Mien Tay | Subsidiary | Capital contribution under BCC | 7,000,000,000 | 22,000,000,000 | |
| Dat Xanh Mien Nam | Subsidiary | Dividend | 3,162,000,000 | 3,162,000,000 | |

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

21. TRANSACTIONS WITH RELATED PARTIES (continued)

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

| | | | | VND | |
|--|--------------|--|------------------------|------------------------|--|
| Related party | Relationship | Nature of transaction | Ending balance | Beginning balance | |
| Other short-term receivables (continued) | | | | | |
| DXG | Parent | Payment on behalf | 2,442,444,030 | 2,608,841,696 | |
| Dat Xanh | Subsidiary | Dividend | 1,071,000,000 | - | |
| Dong Nam Bo | | Advanced for capital contribution | - | 33,915,000,000 | |
| Real Estate Tech | | Interest income | 369,027,777 | - | |
| Vietnam Real Estate Information Technology Joint Stock Company | | Interest income | 10,109,589 | - | |
| Mr Tran Cong Luan | Shareholder | Advance | - | 1,319,000,000 | |
| | | | 216,860,410,996 | 343,112,746,450 | |
| Other long-term receivables | | | | | |
| DXG | Parent | Capital contribution under BCC | 376,932,859,350 | 191,911,150,246 | |
| Short-term trade payables | | | | | |
| Dat Xanh Dong Nam Bo | Subsidiary | Brokerage service | 459,123,893 | 459,123,893 | |
| DXG | Parent | Brokerage service | - | 61,171,023 | |
| | | | 459,123,893 | 520,294,916 | |
| Advance from customers | | | | | |
| Dat Xanh Mien Tay | Subsidiary | Advance revenue from BCC | 19,259,593,806 | 3,852,154,378 | |
| Other short-term payables | | | | | |
| DXG | Parent | Dividend | 2,125,818,182 | 2,125,818,182 | |
| | | Capital contribution received in advance | - | 303,594,480,000 | |
| | | Interest | - | 262,011,639 | |
| Mr Tran Cong Luan | Shareholder | Dividend | - | 2,636,412 | |
| Mr Luong Tri Tu | Shareholder | Dividend | - | 2,636,412 | |
| | | | 2,125,818,182 | 305,987,582,645 | |

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

22. OPERATING LEASE COMMITMENTS

The Company leases office premises under an operating lease arrangement. The minimum lease commitment as at the separate balance sheet dates are as follows:

| | | VND |
|-------------------|-----------------------------|-----------------------------|
| | Ending balance | Beginning balance |
| Less than 1 year | 3,298,372,603 | 1,057,777,778 |
| From 1 to 5 years | 3,478,054,296 | 2,965,481,903 |
| TOTAL | <u>6,776,426,899</u> | <u>4,023,259,681</u> |

23. EVENTS AFTER THE BALANCE SHEET DATE

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



Pham Vo Quang Dai
Preparer



Tran Thi Phuong Loan
Chief Accountant



Nguyen Truong Son
General Director

14 February 2020