

# **KinhBac City Development Holding Corporation**

Interim separate financial statements

For the six-month period ended 30 June 2021



# KinhBac City Development Holding Corporation

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# KinhBac City Development Holding Corporation

## GENERAL INFORMATION

### THE COMPANY

KinhBac City Development Holding Corporation (“the Company”) is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to the Enterprise Registration Certificate No. 2103000012 issued by the Department of Planning and Investment of Bac Ninh Province on 27 March 2002, and the subsequent amendments, with the latest is the 16<sup>th</sup> amendment No. 2300233993 being granted by the Department of Planning and Investment of Bac Ninh Province on 25 June 2019.

The current principal activities of the Company are to invest, construct and trade infrastructure inside and outside the industrial parks; to lease and sell factory plants constructed by the Company in the industrial parks, and residential – urban areas, to carry out financial investment; and other activities in accordance with the Enterprise Registration Certificate.

The Company’s head office is located at Lot B7, Que Vo Industrial Park, Phuong Lieu Commune, Que Vo District, Bac Ninh Province, Vietnam and its Ho Chi Minh branch is located at No. 20 Phung Khac Khoan, Da Kao Ward, No. 1 District, Ho Chi Minh City, Vietnam.

The Company’s shares are listed in Ho Chi Minh City Stock Exchange in accordance with the Decision No. 153/QD-SGDHCM issued by Ho Chi Minh City Stock Exchange on 7 December 2009.

### BOARD OF DIRECTORS

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

Mr. Dang Thanh Tam	Chairman
Ms. Nguyen Thi Thu Huong	Member
Mr. Huynh Phat	Independent member
Mr. Pham Phuc Hieu	Member
Mr. Nguyen Vinh Tho	Member

### BOARD OF SUPERVISION

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

Ms. Nguyen Bich Ngoc	Head of the Board
Ms. The Thi Minh Hong	Member
Mr. Tran Tien Thanh	Member

### MANAGEMENT

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

Ms. Nguyen Thi Thu Huong	General Director
Mr. Phan Anh Dung	Deputy General Director
Mr. Pham Phuc Hieu	Deputy General Director cum Chief Accountant
Ms. Nguyen My Ngoc	Deputy General Director

# KinhBac City Development Holding Corporation

GENERAL INFORMATION (continued)

## **LEGAL REPRESENTATIVE**

The legal representative of the Company during the period and at the date of this report is Mr. Dang Thanh Tam - Chairman. Ms. Nguyen Thi Thu Huong – General Director has been authorized by Mr. Dang Thanh Tam to sign the accompanying interim separate financial statements for the six-month period ended 30 June 2021 in accordance with the Authorisation Letter No. 2311/2012/KBC/UQ dated 23 November 2012.

## **AUDITORS**

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

# KinhBac City Development Holding Corporation

## REPORT OF MANAGEMENT

Management of KinhBac City Development Holding Corporation ("the Company") is pleased to present its report and the interim separate financial statements of the Company for the six-month period ended 30 June 2021.

### MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE INTERIM SEPARATE FINANCIAL STATEMENTS

Management is responsible for the interim separate financial statements of each financial period which give a true and fair view of the interim separate financial position of the Company, and of the Company's interim separate results of operations and its interim separate cash flows for the period. In preparing those interim separate 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 separate financial statements; and
- ▶ prepare the interim separate financial statements on the going concern basis unless it is inappropriate to presume that the Company 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 separate financial position of the Company and to ensure that the accounting records comply with the registered accounting system. It 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.

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

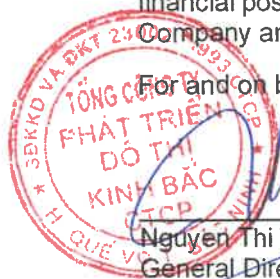
### STATEMENT BY MANAGEMENT

Management does hereby state that, in its opinion, the accompanying interim separate financial statements give a true and fair view of the interim separate financial position of the Company as at 30 June 2021, and of the interim separate results of its operations and its interim separate cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the interim separate financial statements.

The Company has subsidiaries as disclosed in the interim separate financial statements. The Company has prepared these interim separate financial statements to meet the prevailing requirements in relation to disclosure of information, specifically the Circular No. 96/2020/TT-BTC on disclosure of information on the securities market. In addition, as required by these regulations, the Company has also prepared the interim consolidated financial statements of the Company and its subsidiaries for the six-month period ended 30 June 2021 ("the interim consolidated financial statements") dated 15 September 2021.

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

For and on behalf of management:



Nguyễn Thị Thu Hương  
General Director

Bac Ninh, Vietnam

15 September 2021

Reference: 60774739/22647288-LR

## REPORT ON REVIEW OF INTERIM SEPARATE FINANCIAL STATEMENTS

**To: The Shareholders of KinhBac City Development Holding Corporation**

We have reviewed the accompanying interim separate financial statements of KinhBac City Development Holding Corporation ("the Company") as prepared on 15 September 2021 and set out on pages 6 to 56, which comprise the interim separate balance sheet as at 30 June 2021, and the interim separate income statement and the interim separate cash flow statement for the six-month period then ended and the notes thereto.

### *Management's responsibility*

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

### *Auditors' responsibility*

Our responsibility is to express a conclusion on the interim separate financial statements based on our review. We conducted our review in accordance with Vietnam Standards on Review Engagements No. 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity.

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

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### **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim separate financial statements do not give a true and fair view, in all material respects, of the interim separate financial position of the Company as at 30 June 2021, and of the interim separate results of its operations and its interim separate cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of interim separate financial statements.

### **Ernst & Young Vietnam Limited**



Bùi Anh Tuấn  
Deputy General Director  
Audit Practising Registration  
Certificate No. 1067-2018-004-1

Hanoi, Vietnam

15 September 2021

INTERIM SEPARATE BALANCE SHEET  
as at 30 June 2021

Currency: VND

Code	ASSETS	Notes	30 June 2021	31 December 2020
<b>100</b>	<b>A. CURRENT ASSETS</b>		<b>8,423,773,022,628</b>	<b>6,229,048,812,721</b>
<b>110</b>	<b>I. Cash and cash equivalents</b>	<b>5</b>	<b>1,613,225,300,917</b>	<b>475,857,744,415</b>
111	1. Cash		1,612,700,264,869	475,340,069,905
112	2. Cash equivalent		525,036,048	517,674,510
<b>120</b>	<b>II. Short-term investments</b>	<b>6</b>	<b>1,857,832,825,499</b>	<b>1,857,653,239,000</b>
121	1. Held-for-trading securities	6.1	1,862,358,461,369	1,862,358,461,369
122	2. Provision for held-for-trading securities	6.1	(5,164,742,719)	(5,305,222,369)
123	3. Held- to-maturity investments	6.2	639,106,849	600,000,000
<b>130</b>	<b>III. Current accounts receivable</b>		<b>2,885,093,604,643</b>	<b>1,877,357,124,291</b>
131	1. Short-term trade receivables	7.1	508,739,537,842	146,814,481,476
132	2. Short-term advances to suppliers	7.2	1,318,093,168,434	1,024,859,434,656
135	3. Short-term loan receivables	8	258,041,469,057	71,305,469,057
136	4. Other short-term receivables	9	807,553,409,960	641,711,719,752
137	5. Provision for doubtful short-term receivables	7.3	(7,333,980,650)	(7,333,980,650)
<b>140</b>	<b>IV. Inventories</b>	<b>10</b>	<b>1,928,708,029,969</b>	<b>1,865,495,018,355</b>
141	1. Inventories		1,928,708,029,969	1,865,495,018,355
<b>150</b>	<b>V. Other current assets</b>		<b>138,913,261,600</b>	<b>152,685,686,660</b>
151	1. Short-term prepaid expenses	11	61,055,080,211	59,051,335,125
152	2. Value-added tax deductible	17	77,858,181,389	93,634,351,535



INTERIM SEPARATE BALANCE SHEET (continued)  
as at 30 June 2021


Currency: VND


Code	ASSETS	Notes	30 June 2021	31 December 2020
<b>200</b>	<b>B. NON-CURRENT ASSETS</b>		<b>10,363,696,444,296</b>	<b>8,767,395,392,185</b>
<b>210</b>	<b>I. Long-term receivables</b>		<b>432,634,302,735</b>	<b>643,814,109,587</b>
215	1. Long-term loan receivables	8	421,000,000,000	401,000,000,000
216	2. Other long-term receivables	9	11,634,302,735	242,814,109,587
<b>220</b>	<b>II. Fixed assets</b>		<b>133,427,750,962</b>	<b>138,563,568,152</b>
221	1. Tangible fixed assets	12	133,427,750,962	138,563,568,152
222	Cost		302,938,227,387	298,115,235,569
223	Accumulated depreciation		(169,510,476,425)	(159,551,667,417)
227	2. Intangible fixed assets		-	-
228	Cost		36,958,000	36,958,000
229	Accumulated amortisation		(36,958,000)	(36,958,000)
<b>230</b>	<b>III. Investment properties</b>	<b>14</b>	<b>192,489,407,022</b>	<b>226,559,787,285</b>
231	1. Cost		229,526,135,000	258,574,054,260
232	2. Accumulated depreciation		(37,036,727,978)	(32,014,266,975)
<b>240</b>	<b>IV. Long-term assets in progress</b>		<b>11,787,494,336</b>	<b>11,787,494,336</b>
242	1. Construction in progress	13	11,787,494,336	11,787,494,336
<b>250</b>	<b>V. Long-term investments</b>	<b>15</b>	<b>9,580,732,598,900</b>	<b>7,735,672,999,960</b>
251	1. Investment in subsidiaries	15.1	8,831,618,294,000	7,205,618,294,000
252	2. Investments in jointly controlled entities and associates	15.2	430,697,261,074	430,697,261,074
253	3. Investment in other entities	15.3	448,500,200,000	448,500,200,000
254	4. Provision for diminution in value of long-term investments	15.2, 15.3	(130,083,156,174)	(349,142,755,114)
<b>260</b>	<b>VI. Other long-term assets</b>		<b>12,624,890,341</b>	<b>10,997,432,865</b>
261	1. Long-term prepaid expenses	11	12,624,890,341	10,997,432,865
<b>270</b>	<b>TOTAL ASSETS</b>		<b>18,787,469,466,924</b>	<b>14,996,444,204,906</b>

INTERIM SEPARATE BALANCE SHEET (continued)  
as at 30 June 2021

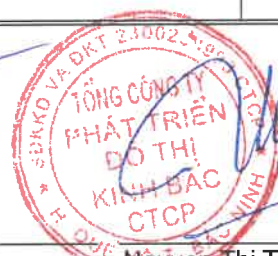
Currency: VND

Code	ASSETS	Notes	30 June 2021	31 December 2020
<b>300</b>	<b>C. LIABILITIES</b>		<b>11,700,875,298,038</b>	<b>7,937,405,627,454</b>
<b>310</b>	<b>I. Current liabilities</b>		<b>5,101,878,125,292</b>	<b>4,082,696,864,642</b>
311	1. Short-term trade payables	16.1	128,305,893,759	71,979,100,186
312	2. Short-term advances from customers	16.2	62,122,749,680	4,717,034,123
313	3. Statutory obligations	17	46,792,924,754	2,490,444,631
314	4. Payables to employees		87,642,033	117,642,033
315	5. Short-term accrued expenses	18	261,423,370,521	127,741,547,855
318	6. Short-term unearned revenues		2,577,417,026	4,327,075,364
319	7. Other short-term payables	19	2,538,388,601,950	2,381,693,671,421
320	8. Short-term loans	20	2,057,856,146,236	1,485,306,969,696
322	9. Bonus and welfare fund		4,323,379,333	4,323,379,333
<b>330</b>	<b>II. Non-current liabilities</b>		<b>6,598,997,172,746</b>	<b>3,854,708,762,812</b>
333	1. Long-term accrued expenses	18	981,187,460,106	914,821,861,545
337	2. Other long-term liabilities	19	9,225,250,271	9,225,250,271
338	3. Long-term loans	20	5,572,414,866,587	2,894,075,934,714
341	4. Deferred tax liabilities	27.3	35,217,627,820	35,633,748,320
342	5. Long-term provisions		951,967,962	951,967,962
<b>400</b>	<b>D. OWNERS' EQUITY</b>		<b>7,086,594,168,886</b>	<b>7,059,038,577,452</b>
<b>410</b>	<b>I. Capital</b>	<b>21</b>	<b>7,086,594,168,886</b>	<b>7,059,038,577,452</b>
411	1. Share capital		4,757,111,670,000	4,757,111,670,000
411a	- Shares with voting rights		4,697,601,890,000	4,697,601,890,000
	- Treasury shares		59,509,780,000	59,509,780,000
412	2. Share premium		988,533,430,000	988,533,430,000
415	3. Treasury shares		(364,466,650,000)	(364,466,650,000)
418	4. Investment and development fund		2,223,693,823	2,223,693,823
421	5. Undistributed earnings		1,703,192,025,063	1,675,636,433,629
421a	- Undistributed earnings by the end of prior period		1,675,636,433,629	1,632,078,988,188
421b	- Undistributed earnings of current period		27,555,591,434	43,557,445,441
<b>440</b>	<b>TOTAL LIABILITIES AND OWNERS' EQUITY</b>		<b>18,787,469,466,924</b>	<b>14,996,444,204,906</b>

  
Luu Phuong Mai  
Preparer

  
Pham Phuc Hieu  
Deputy General Director cum  
Chief Accountant

  
Nguyen Thi Thu Huong  
General Director





15 September 2021

INTERIM SEPARATE INCOME STATEMENT  
for the six-month period ended 30 June 2021

Currency: VND

Code	ITEMS	Notes	For the six-month period ended 30 June 2021	For the six-month period ended 30 June 2020
01	1. Revenue from sale of goods and rendering of services	22.1	464,042,223,380	79,733,075,357
02	2. Deductions	22.1	-	-
10	3. Net revenue from sale of goods and rendering of services	22.1	464,042,223,380	79,733,075,357
11	4. Cost of goods sold and services rendered	23	(224,502,882,888)	(46,627,401,611)
20	5. Gross profit from sale of goods and rendering of services		239,539,340,492	33,105,673,746
21	6. Finance income	22.2	14,965,666,843	13,641,133,060
22	7. Finance expenses	25	(37,693,961,449)	(103,398,600,065)
23	<i>In which: Interest expenses</i>		(239,366,373,435)	(99,966,192,864)
25	8. Selling expenses	24	(12,205,044,000)	(2,420,671,257)
26	9. General and administrative expenses	24	(126,169,631,360)	(54,571,014,255)
30	10. Operating profit/(loss)		78,436,370,526	(113,643,478,771)
31	11. Other income		846,959,636	605,072,503
32	12. Other expenses		(173,852,630)	(10,001)
40	13. Other profit		673,107,006	605,062,502
50	14. Accounting profit/(loss) before tax		79,109,477,532	(113,038,416,269)
51	15. Current corporate income tax expenses	27.1	(51,970,006,598)	(416,120,500)
52	16. Deferred tax income	27.3	416,120,500	416,120,500
60	17. Net profit/(loss) after tax		27,555,591,434	(113,038,416,269)

  
Luu Phuong Mai  
Preparer

  
Pham Phuc Hieu  
Deputy General Director cum  
Chief Accountant

  
Nguyen Thi Thu Huong  
General Director

15 September 2021

INTERIM SEPARATE CASH FLOW STATEMENT  
for the six-month period ended 30 June 2021

Currency: VND

Code	ITEMS	Notes	For the six-month period ended 30 June 2021	For the six-month period ended 30 June 2020
	<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>01</b>	<b>Profit/(loss) before tax</b>		<b>79,109,477,532</b>	<b>(113,038,416,269)</b>
	<i>Adjustments for:</i>			
02	Depreciation of tangible fixed assets and investment properties and amortisation of intangible fixed assets	12, 14	22,041,020,650	22,905,669,748
03	Reversal of provision	25	(219,200,078,590)	(13,144,711,596)
05	Profits from investing activities		(14,965,666,843)	(13,641,133,060)
06	Interest expenses	25	256,484,843,397	102,540,918,342
<b>08</b>	<b>Operating profit/(loss) before changes in working capital</b>		<b>123,469,596,146</b>	<b>(14,377,672,835)</b>
09	Increase in receivables		(644,119,573,273)	(364,237,578,837)
10	Increase in inventories		(63,213,011,614)	(100,616,714,560)
11	Increase/ (decrease) in payables (other than interest, corporate income tax)		372,602,723,416	(6,913,422,732)
12	Increase in prepaid expenses		(3,631,202,562)	(985,535,725)
13	Increase in held-for-trading securities		-	(50,000,000,000)
14	Interest paid		(130,968,837,405)	(104,287,393,005)
15	Corporate income tax paid	17	(7,500,000,000)	(6,736,000,000)
<b>20</b>	<b>Net cash flows used in operating activities</b>		<b>(353,360,305,292)</b>	<b>(648,154,317,694)</b>
	<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
21	Purchase and construction of fixed assets and other long- term assets		(27,591,670,140)	(12,340,779,800)
23	Loan to other entities and payment for purchase of debt instruments of other entities		(220,039,106,849)	(5,600,000,000)
24	Collections from borrowers and proceeds from sale of debt instruments of other entities		13,264,000,000	-
25	Payments for investments in other entities		(1,669,322,882,035)	-
26	Proceeds from sale of investments in other entities		150,000,000,000	68,500,000,000
27	Interest and dividends received		351,787,418	268,485,606
<b>30</b>	<b>Net cash flows (used in)/from investing activities</b>		<b>(1,753,337,871,606)</b>	<b>50,827,705,806</b>

INTERIM SEPARATE CASH FLOW STATEMENT (continued)  
for the six-month period ended 30 June 2021

Currency: VND

Code	ITEMS	Notes	For the six-month period ended 30 June 2021	For the six-month period ended 30 June 2020
	<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
33	Drawdown of borrowings		4,209,065,733,400	1,125,125,594,465
34	Repayment of borrowings		(965,000,000,000)	(468,100,000,000)
36	Dividends paid		-	(23,868,750,000)
<b>40</b>	<b>Net cash flows from financing activities</b>		<b>3,244,065,733,400</b>	<b>633,156,844,465</b>
<b>50</b>	<b>Net increase in cash and cash equivalents for the period</b>		<b>1,137,367,556,502</b>	<b>35,830,232,577</b>
<b>60</b>	<b>Cash and cash equivalents at beginning of period</b>		<b>475,857,744,415</b>	<b>116,967,051,978</b>
<b>70</b>	<b>Cash and cash equivalents at end of period</b>	<b>5</b>	<b>1,613,225,300,917</b>	<b>152,797,284,555</b>



Luu Phuong Mai  
Preparer



Pham Phuc Hieu  
Deputy General Director cum  
Chief Accountant




Nguyen Thi Thu Huong  
General Director

15 September 2021

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS  
as at 30 June 2021 and for the six-month period then ended

## 1. CORPORATE INFORMATION

KinhBac City Development Holding Corporation (“the Company”) is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to the Enterprise Registration Certificate No. 2103000012 issued by the Department of Planning and Investment of Bac Ninh Province on 27 March 2002, and the subsequent amendments, with the latest is the 16<sup>th</sup> amendment No. 2300233993 being granted by the Department of Planning and Investment of Bac Ninh Province on 25 June 2019.

The current principal activities of the Company are to invest, construct and trade infrastructure inside and outside the industrial parks; to lease and sell factory plants constructed by the Company in the industrial parks, and residential – urban areas, to carry out financial investment; and other activities in accordance with the Enterprise Registration Certificate.

The business cycle of the Company starts from the acquisition of investment license, land clearance, infrastructure development of industrial parks and urban areas until the time of completion and land is handed over to customers. As a result, the business cycle of the Company may extend over 12 months. Ordinary business cycle for other business activities is 12 months.

The Company’s head office is located at Lot B7, Que Vo Industrial Park, Phuong Lieu Commune, Que Vo District, Bac Ninh Province, Vietnam and its Ho Chi Minh branch is located at No. 20 Phung Khac Khoan, Da Kao Ward, No. 1 District, Ho Chi Minh City, Vietnam.

The Company’s shares were listed on Ho Chi Minh City Stock Exchange in accordance with Decision No. 153/QD-SGDHCM issued by Ho Chi Minh City Stock Exchange on 7 December 2009.

The total number of employees as at 30 June 2021 was: 209 (31 December 2020: 205).

### Corporate structure

At 30 June 2021, the Company has the following 15 subsidiaries:

No.	Company’s name	Voting right (%)	Effective interest rate (%)	Head office	Main activities
1	Saigon – Bac Giang Industrial Park Corporation (**)	92.5	88.06	Quang Chau Industrial Park, Quang Chau commune, Viet Yen district, Bac Giang province, Viet Nam	Investment, building and trading industrial parks and real estates
2	Saigon – Hai Phong Industrial Park Corporation	86.54	86.54	Trang Due Industrial Park, Le Loi commune, An Duong district, Hai Phong city, Viet Nam	Investment, building and trading industrial parks and real estates
3	Northwest Saigon City Development Corporation (**)	74.3	72.44	Tram Bom, National Road No, 22, Tan Phu Trung, Cu Chi, Ho Chi Minh city, Viet Nam	Investment, building and trading industrial parks and real estates
4	Trang Cat One Member Urban Development Company Limited	100	100	Bai Trieu Area, Trang Cat Commune, Hai An District, in Dinh Vu - Cat Hai Economical Zone, Hai Phong city	Investment, building and trading industrial parks and real estates

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

1. CORPORATE INFORMATION (continued)

*Corporate structure* (continued)

At 30 June 2021, the Company has the following subsidiaries (continued):

<i>No.</i>	<i>Company's name</i>	<i>Voting right (%) (*)</i>	<i>Interest right (%)</i>	<i>Head office</i>	<i>Main activities</i>
5	NGD Investment One Member Company Limited	100	100	No. 100 An Trach Street, Quoc Tu Giam Ward, Dong Da District, Hanoi, Viet Nam	Investment, building and trading real estates
6	Kinh Bac Office and Factory Business One Member Company Limited	100	100	Lot B7, Que Vo Industrial Park, Phuong Lieu Commune, Que Vo District, Bac Ninh province, Viet Nam	Investment, building and trading real estates
7	Kinh Bac – Da Nang Investment One Member Company Limited	100	100	61A Nguyen Van Cu, Hoa Hiep Bac Ward, Lien Chieu District, Da Nang city, Viet Nam	Investment, building and trading real estates
8	Tien Duong Development Holding Joint Stock Company	51	51	100 An Trach, Cat Linh Ward, Dong Da District, Hanoi, Viet Nam	Investment, building and trading real estates
9	Tan Phu Trung – Long An Industrial Park One Member Company Limited (**)	100	72.44	88 Tran Phong Sac, No. 4 Ward, Tan An City, Long An Province, Viet Nam	Architectural activities and related technical consultancy
10	Bac Giang – Long An Industrial Park One Member Company Limited (**)	100	88.06	489E/Road 824, Zone 5, Duc Hoa Ward, Duc Hoa District, Long An Province, Viet Nam	Architectural activities and related technical consultancy
11	Tan Tap Industrial Infrastructure Development Limited Company (**)	100	86.54	531E, Zone 5, Duc Hoa ward, Duc Hoa District, Long An Province, Viet Nam	Architectural activities and related technical consultancy
12	Hung Yen Investment and Development Corporation	70	68.65	537, Nguyen Van Linh Street, Le Loi Ward, Hung Yen City, Hung Yen Province, Vietnam	Building and trading real estates
13	Long An Investment Development Joint Stock Company (**)	60	56.77	Lot 6A, Road No. 3, Tan Duc Industrial Park, Duc Hoa Ha Commune, Duc Hoa District, Long An Province, Vietnam	Building and trading real estates
14	Bao Lac Spiritual Park Joint Stock Company (**)	65	56.25	Ngo Xa village, Long Chau commune, Yen Phong district, Bac Ninh province, Vietnam	Funeral service activities
15	Vung Tau Investment Group Joint Stock Company (**)	74.52	74.52	Link 28 Hang Dieu 1 Street, Ward 10, Vung Tau City, Ba Ria - Vung Tau Province, Vietnam	Building and trading real estates

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

## 1. CORPORATE INFORMATION (continued)

### *Corporate structure* (continued)

- (\*) The voting right is also the ownership of the Company and its subsidiaries in these subsidiaries.
- (\*\*) The equity interest in these subsidiaries differs from voting right since the Company controls over these subsidiaries indirectly through other subsidiaries.

During the period, the Company and its subsidiaries established and contributed capital to Hung Yen Investment and Development Corporation, Long An Investment and Development Joint Stock Company and are in the process of contributing capital to Vung Tau Investment Group Joint Stock Company, as presented in Note 4. The Company also indirectly control over Bao Lac Spiritual Park Joint Stock Company through Saigon – Hai Phong Industrial Park Corporation, a subsidiary of the company. In addition, the Company also has associates as described in Note 15.

## 2. BASIS OF PREPARATION

### 2.1 *Purpose of preparation of the interim separate financial statements*

KinhBac City Development Holding Corporation has subsidiaries as disclosed in Note 1 and Note 15.1. The Company has prepared these interim separate financial statements to meet the prevailing requirements in relation to disclosure of information, specifically the Circular No. 96/2020/TT-BTC on disclosure of information on the securities market. In addition, as required by these regulations, the Company has also prepared the interim consolidated financial statements of the Company and its subsidiaries for the six-month period ended 30 June 2021 dated 15 September 2021.

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

### 2.2 *Accounting standards and system*

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

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

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



NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

## **2. BASIS OF PREPARATION (continued)**

### **2.3 *Applied accounting documentation system***

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

### **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 interim 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 at banks and short-term, highly liquid investments with an original maturity of less than three months that are readily convertible into known amounts of cash and that are subject to an insignificant risk of change in value.

### **3.2 *Inventories***

Industrial and urban real estate which have been built for sale in the normal course of operations of the Company, not for rent or for waiting the price to increase, are recorded as inventory at the lower of cost incurred in bringing each product to its present location and condition, and net realisable value.

The cost of real estate for sale including expenses on compensation and site restoration, construction of road and drainage system, greenery planting and other infrastructure costs, construction costs, capitalized borrowing cost, consultancy cost, design cost,... 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.

#### *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 Company, based on appropriate evidence of impairment available at the interim separate balance sheet date.

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

### **3.3 *Receivables***

Receivables are presented in the interim separate 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 interim separate balance sheet date which are doubtful of being recovered. Increases and decreases to the provision balance are recorded as general and administrative expense in the interim separate income statement.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period 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 of 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 interim 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 interim 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 of 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 interim 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 interim 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:

Buildings and structures (land and infrastructure development costs)	8 - 25 years
Machinery and equipment	8 - 10 years
Means of transportation	4 - 10 years
Office equipment	3 - 8 years
Others	3 - 8 years

#### 3.7 *Investment properties*

Investment properties are stated at cost including transaction costs less accumulated depreciation and/or amortisation. For investment property held for price appreciation, the Company does not depreciate but determines the loss due to a decrease in value.

Subsequent expenditure relating to an investment property that has already been recognized 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.

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

Factories	8 years
Land and infrastructure development costs	40 years

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.7 *Investment properties* (continued)

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 interim separate 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.

#### 3.8 *Borrowing costs*

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

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

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset are capitalized as part of the cost of the respective asset.

#### 3.9 *Prepaid expenses*

Prepaid expenses are reported as short-term or long-term prepaid expenses on the interim 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 (from 1 to 3 years).

#### 3.10 *Investments*

##### *Investment in subsidiaries*

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

Distributions from accumulated profits of the subsidiaries arising subsequent to the date of acquisition are recognised in the interim separate income statement. Other distributions are considered a recovery of investment and are deducted to the cost of the investment.

##### *Investment in associates*

Investments in associates over which the Company has significant influence are carried at cost.

Distributions from accumulated net profits of the associates arising subsequent to the date of acquisition are recognized in the 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 INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

### **3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

#### **3.10 Investments (continued)**

##### *Held-for-trading securities and investments in other entities*

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

##### *Provision for diminution in value of held-for-trading securities and other investments*

Provision is made for any diminution in value of the held-for-trading securities and investments in capital of other entities at the interim balance sheet date. Increases and decreases to the provision balance are recorded as finance expense in the interim separate income statement.

##### *Held-to-maturity investments*

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

#### **3.11 Payables and accruals**

Payable and accrual are recognised for amount to be paid in the future for goods and services received, whether or not billed to the Company.

#### **3.12 Accrual for severance pay**

The severance pay to employee is accrued at the end of each reporting period for all employees who have been in service for more than 12 months up to balance sheet date at the rate of one-half of the average monthly salary for each year of service up to 31 December 2008 in accordance with the Labour Code, the Law on Social Insurance and related implementing guidance. The average monthly salary used in this calculation will be revised at the end of each reporting period following the average monthly salary of the 6-month period up to the reporting date. Increase or decrease to the accrued amount other than actual payment to employee will be taken to the interim separate income statement.

This accrued severance pay is used to settle the termination allowance to be paid to employee upon termination of their labour contract following Article 48 of the Labour Code.

#### **3.13 Foreign currency transactions**

Transactions in currencies other than the Company's reporting currency (VND) are recorded at the actual transaction exchange rates at transaction dates which are determined as follows:

- ▶ Transaction resulting in receivables are recorded at the buying exchange rates of the commercial banks designated for collection;
- ▶ Transactions resulting in liabilities are recorded at the selling exchange rates of the commercial banks designated for payment; and
- ▶ Payments for assets or expenses without liabilities initially being recognised is recorded at the buying exchange rates of the commercial banks that process these payments.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.13 *Foreign currency transactions* (continued)

At the end of the period, monetary balances denominated in foreign currencies are translated at the actual transaction exchange rates at the interim separate balance sheet dates which are determined as follows:

- ▶ Monetary assets are translated at buying exchange rate of the commercial bank where the Company conducts transactions regularly; and
- ▶ Monetary liabilities are translated at selling exchange rate of the commercial bank where the Company conducts transactions regularly.

All foreign exchange differences incurred during the period and arisen from the transaction of monetary accounts denominated in foreign currency at interim separate balance sheet date are taken to the interim separate income statement.

#### 3.14 *Treasury shares*

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

#### 3.15 *Appropriation of net profits*

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

The 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:

##### *Investment and development fund*

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

##### *Bonus and welfare fund*

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

#### 3.16 *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:

##### *Long-term lease of land and infrastructure*

Revenue is recognised when the Company has transferred significant risks and rewards associated with the land to the buyer and revenue can be reliably measured.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.16 *Revenue recognition* (continued)

##### *Sale of factories*

Revenue is recognised when the Company has transferred significant risks and rewards associated with the factories to the buyer and revenue can be reliably measured.

##### *Lease of factories*

Revenue under operating lease of factories is recognised in the interim separate income statement on a straight-line basis over the lease term.

##### *Rendering of services*

Revenue is recognised when services have been provided to the customers, and are determined by the net value after deducting discounts, value-added tax, and other deductions.

##### *Revenue from sale of real estate properties*

Revenue is recognised when significant risks and rewards associated with ownership of the real estate properties have been transferred to the buyer.

##### *Income from transfer of investment and trading of securities*

Income from transfer of investment and trading of securities is determined by the difference between the sale proceeds and cost of the securities and/or investment held by the Company. Income is recorded on the contract date, which is when the contract becomes effective.

##### *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.

#### 3.17 *Cost of long-term lease of land and infrastructure*

Cost of long-term lease of land and infrastructure includes all direct costs that are attributable to the development of land and infrastructure and other overhead costs allocated on a reasonable basis to such activities including:

- ▶ All costs incurred for land and land development activities;
- ▶ All costs incurred for construction and construction related activities;
- ▶ Mandatory and non-saleable costs associated to development activities that would be incurred on existing and future land and infrastructure of the project such as common infrastructure, mandatory land reserve for public facilities.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.18 Taxation

##### *Current income tax*

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the tax rates and tax laws that are enacted as at the interim separate balance sheet date.

Current income tax is charged or credited to the interim 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 set off 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 interim separate balance sheet date between the tax base of assets and liabilities and their carrying amount for the interim separate 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 related 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 joint ventures 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 joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each interim separate 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 separate balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**3.18 Taxation (continued)**

*Deferred tax (continued)*

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

Deferred tax is charged or credited to the interim 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 off-set 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 Company intends either 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.

**3.19 Segment information**

A segment is a component which can be separately identified in which the Company takes part in providing the sale of relevant goods or services (segment divided by business operation activities), or providing the sale of goods or services within a particular economic environment (segment divided by geographic regions), each of which is subject to risks and and returns that are different from those of other segments.

Real estate trading activities in Vietnam territory is the major activity to generate the revenue and profit for the Company. Thus, the Company's management assesses that the Company operates in only one business segment which is a real estate business and in one geographic region which is Vietnam.

**3.20 Related parties**

Parties are considered related parties of the Company if one party has the ability, by direct or indirect ways, 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.



NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

#### 4. SIGNIFICANT EVENTS

##### ***Contributing capital to Hung Yen Investment and Development Corporation***

The Company has established and contributed capital into Hung Yen Investment and Development Corporation. This is a joint stock company established under the Enterprise Law of Vietnam pursuant to Enterprise Registration Certificate No. 0901095293 issued by the Department of Planning and Investment of Hung Yen province on 5 February 2021. The current principal activities are to develop real estate projects, trading land use rights of owners, users or tenants. As at 30 June 2021, the voting right and interest rate of the Company in this subsidiary are 70% and 68.65%, respectively.

##### ***Contributing capital to Long An Investment Development Joint Stock Company***

The Company has established and contributed capital into Long An Investment Development Joint Stock Company. This is a joint stock company incorporated under the Enterprise Law of Vietnam pursuant to Enterprise Registration Certificate No. 1101977259 issued by the Department of Planning and Investment of Long An province on 18 February 2021. The current principal activities are to develop real estate projects, trading land use rights of owners, users or tenants. As at 30 June 2021, the voting right and interest rate of the Company in this subsidiary are 60% and 56.77% respectively.

##### ***Registering of establishment of Vung Tau Investment Group Joint Stock Company***

The Company has established a subsidiary as Vung Tau Investment Group Joint Stock Company. This is a joint stock company incorporated under the Enterprise Law of Vietnam pursuant to Enterprise Registration Certificate No. 3502454725 issued by the Department of Planning and Investment of Ba Ria – Vung Tau province on 14 May 2021. The current principal activities of the company are developing real estate projects, trading land use rights of owners, users or tenants. As at 30 June 2021, the voting right and ownership rate of the Company in this subsidiary are at 74.52%.

##### ***COVID-19 pandemic***

The Covid-19 pandemic is resulting in an economic slowdown and adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the Company operates. The Company's management has continuously monitored ongoing developments and assessed the financial impact in respects of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues as the situation has evolved, using the best information obtained up to the date of these interim separate financial statements.

#### 5. CASH AND CASH EQUIVALENTS

	<i>Currency: VND</i>	
	<i>30 June 2021</i>	<i>31 December 2020</i>
Cash on hand	21,813,578,296	6,386,925,378
Cash at banks	1,590,886,686,573	468,953,144,527
Cash equivalent (*)	525,036,048	517,674,510
<b>TOTAL</b>	<b><u>1,613,225,300,917</u></b>	<b><u>475,857,744,415</u></b>

(\*) Cash equivalents as at 30 June 2021 are deposits in VND with term of 1 month at Joint Stock Commercial Bank for Foreign Trade of Vietnam - Bac Ninh Branch with interest rate of 2.8%/year (2020: 2.9%/year).

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

## 6. SHORT-TERM INVESTMENTS

### 6.1 Held-for-trading securities

Currency: VND

	30 June 2021		31 December 2020	
	Cost	Provision	Cost	Provision
<i>Held-for-trading securities:</i>				
Shares (i)	7,490,461,369	(5,164,742,719)	7,490,461,369	(5,305,222,369)
Other investment (ii)	1,854,868,000,000	-	1,854,868,000,000	-
<b>TOTAL</b>	<b>1,862,358,461,369</b>	<b>(5,164,742,719)</b>	<b>1,862,358,461,369</b>	<b>(5,305,222,369)</b>

(i) As at 30 June 2021, the Company holds 312,177 shares of Tan Tao Investment and Industrial Joint Stock Company.

(ii) This is an investment in Hoa Sen Hotel Development Company Limited. The Company presents this investment as a trading security as it plans to transfer its investment in this company in short-term

### 6.2 Held-to-maturity investments

This is a 12-month term deposit at Joint Stock Commercial Bank for Foreign Trade of Vietnam with an interest rate of 4.7%/year (2020: 6.5%/year), due on 21 January 2022. The term deposits will automatically renew until settlement.

## 7. TRADE RECEIVABLES AND ADVANCES TO SUPPLIERS

### 7.1 Trade receivables

Currency: VND

	30 June 2021	31 December 2020
<b>Short-term</b>		
Hieu Cuong Trading Investment Co., Ltd (i)	261,601,737,937	-
Kinh Bac Service JSC (ii)	106,971,926,820	-
Saigon Investment JSC (iii)	104,130,000,000	104,130,000,000
Receivables from sale of landed houses at Phuc Ninh Urban Area	6,876,437,900	16,041,964,181
Other customers	29,159,435,185	26,642,517,295
<b>TOTAL</b>	<b>508,739,537,842</b>	<b>146,814,481,476</b>
<i>Provision for doubtful receivables</i>	6,833,980,650	6,833,980,650

(i) This is the receivable from the long-term lease of land and infrastructure at Nam Son Hap Linh Industrial Park.

(ii) This is a receivable related to sales of factories and long-term lease of land and infrastructure in Que Vo Mo Rong Industrial Park.

(iii) This is the receivable from land transfer under Phuc Ninh Urban Area Project.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

## 7. TRADE RECEIVABLES AND ADVANCES TO SUPPLIERS (continued)

### 7.2 Advances to suppliers

Currency: VND

30 June 2021 31 December 2020

#### Short-term

Kinh Bac Investment and Consulting JSC (i)	461,929,336,762	481,832,562,229
Kinh Bac Services JSC (i)	846,247,666,443	525,614,766,443
Other advances to suppliers	9,916,165,229	17,412,105,984

#### TOTAL

**1,318,093,168,434** **1,024,859,434,656**

(i) This balance represents advances for land clearance and compensation, and for construction works of certain on-going projects of the Company.

### 7.4 Bad debts

Currency: VND

	As at 30 June 2021		As at 31 December 2020	
	Cost	Recoverable	Cost	Recoverable
Short-term trade receivables	6,833,980,650	-	6,833,980,650	-
<i>Viet Nhat JSC</i>	6,833,980,650	-	6,833,980,650	-
Loan receivables	500,000,000	-	500,000,000	-
<i>Saigon Tour Corporation</i>	500,000,000	-	500,000,000	-
<b>TOTAL</b>	<b>7,333,980,650</b>	<b>-</b>	<b>7,333,980,650</b>	<b>-</b>

## 8. LOAN RECEIVABLES

Currency: VND

30 June 2021 31 December 2020

#### Short-term

Hanoi Construction Corporation	70,805,469,057	70,805,469,057
Saigon Tour Corporation	500,000,000	500,000,000
Receivables from related parties (Note 28)	186,736,000,000	-

#### TOTAL

**258,041,469,057** **71,305,469,057**

*Provision for loan receivables* (500,000,000) (500,000,000)

#### Long-term

Construction Project Management Unit of Bac Ninh City (People's Committee of Bac Ninh)	700,000,000	700,000,000
Saigon – Tay Ninh Industrial Park JSC	300,000,000	300,000,000
Receivables from related parties (Note 28)	420,000,000,000	400,000,000,000

#### TOTAL

**421,000,000,000** **401,000,000,000**

Short-term loans are unsecured loans, which will mature within the next 12 months and earn an interest rate of 10.5%/year.

Long-term loans are unsecured loans that will mature from December 2022 to March 2023 and earn interest rates from 8%/year to 10.5%/year.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

## 9. OTHER RECEIVABLES

Currency: VND

	30 June 2021		31 December 2020	
	Cost	Provision	Cost	Provision
<b>Short-term</b>				
Kinh Bac Services JSC (i)	248,880,217,500	-	248,880,217,500	-
Advance to PVcomBank (ii)	237,365,756,101	-	232,681,247,878	-
Lang Ha Investment JSC (iii)	150,660,385,816	-	69,296,882,771	-
Receivables from People's Committee of Bac Ninh relating to land rental subsidy (iv)	19,440,000,000	-	19,440,000,000	-
Advances to employees	19,069,657,572	-	15,995,312,612	-
Deposit receivables	12,851,128,404	-	12,851,128,404	-
Receivables from Van Duong Commune People's Committee	3,327,780,000	-	3,327,780,000	-
Other short-term receivables	26,721,383,284	-	20,360,595,069	-
Receivables from related parties (Note 28)	89,237,101,283	-	18,878,555,518	-
<b>TOTAL</b>	<b>807,553,409,960</b>	<b>-</b>	<b>641,711,719,752</b>	<b>-</b>
<b>Long-term</b>				
Vien Dong Vietnam Real Estate and Property JSC	500,000,000	-	500,000,000	-
Other long-term receivables	139,508,215	-	111,369,861	-
Receivables from related parties (Note 28)	10,994,794,520	-	242,202,739,726	-
<b>TOTAL</b>	<b>11,634,302,735</b>	<b>-</b>	<b>242,814,109,587</b>	<b>-</b>

- (i) This is the receivable related to the transfer of 9.8 million shares of Saigon - Hue Investment Joint Stock Company to Kinh Bac Service JSC under Contract No. 01/HDCNCP/KBC-KBS/2020 dated 25 December 2020.
- (ii) This is an advance to the Vietnam Public Joint Stock Commercial Bank ("PVcomBank") related to the acquisition of shares in Lang Ha Investment JSC.
- (iii) These are receivables from the payment on behalf of Lang Ha Investment JSC related to the development costs of the Commercial and office building located at 1A Lang Ha (refer to point (ii)).
- (iv) According to the minutes of interdisciplinary meeting between the Department of Finance, the Department of Planning and Investment, the Department of Natural Resources and Environment, the Management Board of Industrial Zones of Bac Ninh province and KinhBac City Development Corporation dated 14 August 2007 and Decision on investment capital support for enterprises No. 1951/QD-UBND dated 31 December 2007, Bac Ninh Provincial People's Committee committed to support land rental for Que Vo Industrial Park. Accordingly, the subsidy available to the Company is VND 19.44 billion which will be used for the construction of waste water treatment plant at Que Vo Industrial Park.

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as at 30 June 2021 and for the six-month period then ended

**10. INVENTORIES**

	<i>Currency: VND</i>			
	<i>30 June 2021</i>		<i>31 December 2020</i>	
	<i>Cost</i>	<i>Provision</i>	<i>Cost</i>	<i>Provision</i>
Phuc Ninh Urban Area	1,088,253,287,199	-	1,065,107,703,958	-
Nam Son - Hap Linh Industrial Park	827,307,535,492	-	776,878,482,119	-
Merchandise for marketing activities	-	-	10,361,625,000	-
Northwest Urban Area Project	5,856,375,000	-	5,856,375,000	-
Other projects	7,290,832,278	-	7,290,832,278	-
<b>TOTAL</b>	<b>1,928,708,029,969</b>	<b>-</b>	<b>1,865,495,018,355</b>	<b>-</b>

Inventories as at 30 June 2021 comprise land compensation, infrastructure development cost, capitalized borrowing costs and other overheads which incurred in the development of industrial parks and other real estate projects of the Company which are developed for sale. The inventories are mainly used as collateral for long-term loans as disclosed in Note 20.

During the period, the Company capitalized loan interests amounting to VND 21 billion (for the six-month period ended 30 June 2020: VND17.81 billion). These interest expenses are related to loans used for the development of industrial parks and other real estate projects of the Company.

**11. PREPAID EXPENSES**

	<i>Currency: VND</i>	
	<i>30 June 2021</i>	<i>31 December 2021</i>
<b>Short-term</b>		
Brokerage fees of uncompleted real-estate transfer contracts	60,462,844,101	58,820,557,347
Other short-term prepaid expenses	592,236,110	230,777,778
<b>TOTAL</b>	<b>61,055,080,211</b>	<b>59,051,335,125</b>
<b>Long-term</b>		
Infrastructure repair costs	12,411,316,932	10,783,859,421
Tools and equipment	213,573,409	213,573,444
<b>TOTAL</b>	<b>12,624,890,341</b>	<b>10,997,432,865</b>

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NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
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## 12. TANGIBLE FIXED ASSETS

Currency: VND

	<i>Buildings and structures (including cost of land development and infrastructure)</i>	<i>Machinery and equipment</i>	<i>Transportations</i>	<i>Office equipment</i>	<i>Others</i>	<i>Total</i>
<b>Cost:</b>						
As at 31 December 2020	231,176,287,444	6,846,822,040	37,692,502,166	21,611,242,101	788,381,818	298,115,235,569
Transfer from construction in progress	2,075,370,000	-	-	-	-	2,075,370,000
New purchase	-	-	2,747,621,818	-	-	2,747,621,818
Reclassify	(1,005,004,844)	1,005,004,844	-	-	-	-
As at 30 June 2021	232,246,652,600	7,851,826,884	40,440,123,984	21,611,242,101	788,381,818	302,938,227,387
<i>In which:</i>						
Fully depreciated	41,424,439,385	4,499,806,852	12,208,674,348	6,103,151,192	788,381,818	65,024,453,595
<b>Accumulated depreciation:</b>						
As at 31 December 2020	118,491,156,472	5,507,230,296	24,880,074,453	9,884,824,378	788,381,818	159,551,667,417
Depreciation for the period	7,314,779,769	65,046,504	1,597,340,687	981,642,048	-	9,958,809,008
Reclassify	(62,812,804)	62,812,804	-	-	-	-
As at 30 June 2021	125,743,123,437	5,635,089,604	26,477,415,140	10,866,466,426	788,381,818	169,510,476,425
<b>Net carrying amount:</b>						
As at 31 December 2020	112,685,130,972	1,339,591,744	12,812,427,713	11,726,417,723	-	138,563,568,152
As at 30 June 2021	106,503,529,163	2,216,737,280	13,962,708,844	10,744,775,675	-	133,427,750,962

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

### 13. CONSTRUCTION IN PROGRESS

	<i>Currency: VND</i>	
	<i>30 June 2021</i>	<i>31 December 2020</i>
Que Vo II Industrial Park	4,721,134,625	4,721,134,625
Bac Giang Thermal Power Plant	3,116,503,893	3,116,503,893
Hanoi Diplomatic Area	1,355,116,818	1,355,116,818
Other construction in progress	2,594,739,000	2,594,739,000
<b>TOTAL</b>	<b><u>11,787,494,336</u></b>	<b><u>11,787,494,336</u></b>

### 14. INVESTMENT PROPERTIES

	<i>Currency: VND</i>	
	<i>Factories (including land development and infrastructure cost)</i>	
<b>Cost:</b>		
As at 31 December 2020		258,574,054,260
Transfer in the period		<u>(29,047,919,260)</u>
As at 30 June 2021		<u>229,526,135,000</u>
<b>Accumulated depreciation and amortisation:</b>		
As at 31 December 2020		32,014,266,975
- Depreciation during the period		12,082,211,642
- Transfer in the period		<u>(7,059,750,639)</u>
As at 30 June 2021		<u>37,036,727,978</u>
<b>Net carrying amount:</b>		
As at 31 December 2020		<u>226,559,787,285</u>
As at 30 June 2021		<u>192,489,407,022</u>

Investment properties comprise factories at industrial parks which are held for operating leases.

As at 30 June 2021, the Company has not been able to determine the fair value of these investment properties because there is no active market for these properties.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

## 15. LONG-TERM INVESTMENTS

		<i>Currency: VND</i>	
	Note	30 June 2021	31 December 2020
Investments in subsidiaries	15.1	8,831,618,294,000	7,205,618,294,000
Investments in associates	15.2	430,697,261,074	430,697,261,074
Other long-term investments	15.3	448,500,200,000	448,500,200,000
Provision for long-term investments		<u>(130,083,156,174)</u>	<u>(349,142,755,114)</u>
<b>TOTAL</b>		<b><u>9,580,732,598,900</u></b>	<b><u>7,735,672,999,960</u></b>

### 15.1 Investments in subsidiaries

No.	30 June 2021			31 December 2020		
	Voting right(iii)	No. of shares	Net book value (VND)	Voting right	No. of shares	Net book value (VND)
1	100%	-	5,130,000,000,000	100%	-	5,130,000,000,000
2	60%	108,000,000	1,080,000,000,000	-	-	-
3	100%	-	714,400,000,000	100%	-	708,400,000,000
4	74.3%	30,259,574	662,066,314,000	74.3%	30,259,574	662,066,314,000
5	36%	54,000,000	540,000,000,000	-	-	-
6	86.54%	3,600,000	468,000,000,000	86.54%	3,600,000	468,000,000,000
7	92.5%	1,309,000	119,000,000,000	92.5%	1,309,000	119,000,000,000
8	100%	-	105,300,000,000	100%	-	105,300,000,000
9	100%	-	5,440,000,000	100%	-	5,440,000,000
10	51%	25,500,000	7,411,980,000	51%	25,500,000	7,411,980,000
<b>TOTAL</b>			<b><u>8,831,618,294,000</u></b>			<b><u>7,205,618,294,000</u></b>
Provision for devaluation of investments in subsidiaries			<u>-</u>			<u>-</u>
<b>NET VALUE</b>			<b><u>8,831,618,294,000</u></b>			<b><u>7,205,618,294,000</u></b>

During the period, the Company established Vung Tau Investment Group Joint Stock Company and currently in process to contribute capital in this subsidiary. Details of subsidiaries as at 30 June 2021 are presented in Note 1.



NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

## 15. LONG-TERM INVESTMENTS (continued)

- (i) As presented in Note 4, during the period, the Company contributed VND 1,080 billion and VND 540 billion to establish Hung Yen Investment and Development Corporation and Long An Investment Development Joint Stock Company.
- (ii) During the period, the Company contributed an additional VND 6 billion to Kinh Bac - Da Nang Investment One Member Company Limited.
- (iii) This is the direct voting right of the Company in these subsidiaries.

### 15.2 Investments in associates

Currency: VND

	Note	Ownership interest	30 June 2021		31 December 2020	
			No. of shares	Net book value (VND)	No. of shares	Net book value (VND)
Saigon Telecommunication & Technologies JSC	(i)	21.48%	15,896,923	423,492,661,074	15,896,923	423,492,661,074
Scanviwood JSC	(ii)	34%	1,077,528	7,204,600,000	1,077,528	7,204,600,000
<b>TOTAL</b>				<b>430,697,261,074</b>		<b>430,697,261,074</b>
Provision for impairment of investment in associates				(107,195,238,024)		(326,254,836,964)
<b>NET VALUE</b>				<b>323,502,023,050</b>		<b>104,442,424,110</b>

Details of provision for impairment of investment in associates:

	30 June 2021	31 December 2020
<b>Provision for impairment of investment in associates</b>		
Saigon Telecommunication & Technologies JSC	99,990,638,024	319,050,236,964
Scanviwood JSC	7,204,600,000	7,204,600,000
<b>TOTAL</b>	<b>107,195,238,024</b>	<b>326,254,836,964</b>

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

**15. LONG-TERM INVESTMENTS (continued)**

**15.2 Investments in associates (continued)**

*(i) Saigon Telecommunication & Technologies JSC*

Saigon Telecommunication & Technologies JSC was established in pursuant to the Business Registration Certificate No. 4103000992 issued by the Department of Planning and Investment of Ho Chi Minh city on 14 May 2002 and the amended subsequent licenses, with the latest is the 13<sup>th</sup> amended Business Registration Certificate dated 11 August 2014, with a registered charter capital of VND740 billion. Its principal activities include trading computer, electronic equipment, materials, telecommunication and post equipment; trading and installation of transmission equipment, connection, security equipment for communication; information technology consulting; designing and installation of computer system; constructing industrial park, residential area, traffic, bridge and road, irrigation.

Its registered office is located at Lot 46, Quang Trung Software Park, Tan Chanh Hiep ward, 12 district, Ho Chi Minh city, Vietnam.

*(ii) Scanviwood Joint Stock Company*

Scanviwood Joint Stock Company was established in pursuant to the Business Registration Certificate No. 0301213033 by the Department of Planning and Investment of Ho Chi Minh City on 10 June 2015 with a registered capital of VND 31.69 billion. Its principal activities include manufacturing of household products for export.

Its registered office is located at 565 An Duong Vuong, An Lac ward, Binh Thanh district, Ho Chi Minh city, Vietnam.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
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**15. LONG-TERM INVESTMENTS (continued)**

**15.3 Other long-term investments**

Currency: VND

	30 June 2021			31 December 2020		
	% of voting right	Number of shares	Cost (*)	% of voting right	Number of shares	Cost (*)
Saigon - Quy Nhon Mineral JSC	5.75	6,900,000	339,000,000,000	5.75	6,900,000	339,000,000,000
Saigon - Da Nang Investment JSC	19.5	3,900,000	39,000,000,000	19.5	3,900,000	39,000,000,000
VTC-Saigontel Media JSC	19.19	3,070,020	30,700,200,000	19.19	3,070,020	30,700,200,000
Saigon - Binh Phuoc Industrial Park JSC	10.56	190,000	19,000,000,000	10.56	190,000	19,000,000,000
Saigon - Nhon Hoi Industrial Park JSC	10	100,000	10,000,000,000	10	100,000	10,000,000,000
Saigon - Ham Tan Tourism JSC	1.63	70,000	7,000,000,000	1.63	70,000	7,000,000,000
Saigon - Binh Thuan Power Plant Investment and Development JSC	0.35	350,000	3,500,000,000	0.35	350,000	3,500,000,000
Saigon - Long An Industrial Park JSC	0.15	30,000	<u>300,000,000</u>	0.15	30,000	<u>300,000,000</u>
<b>TOTAL</b>			<b>448,500,200,000</b>			<b>448,500,200,000</b>
Provision for other long- term investments			<u>(22,887,918,150)</u>			<u>(22,887,918,150)</u>
<b>NET CARRYING VALUE</b>			<b><u>425,612,281,850</u></b>			<b><u>425,612,281,850</u></b>

(\*) The Company has not been able to collect necessary information to evaluate the fair value of the shares held in these companies because the shares of these companies have not been listed on the stock exchange.

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## 16. TRADE PAYABLES AND ADVANCES FROM CUSTOMERS

### 16.1 Short-term trade payables

Currency: VND

	30 June 2021		31 December 2020	
	Amount	Amount payable	Amount	Amount payable
Phuc Hung Holdings Construction JSC	44,151,676,561	44,151,676,561	-	-
Truong Phat Investment JSC	13,721,508,400	13,721,508,400	22,490,342,800	22,490,342,800
HP Land Real Estate Trading JSC	13,019,970,115	13,019,970,115	13,019,970,115	13,019,970,115
Van Loi Phat Investment JSC	6,855,433,000	6,855,433,000	791,469,550	791,469,550
Van Loc Construction Development and Investment JSC	7,345,046,464	7,345,046,464	9,393,728,827	9,393,728,827
Other suppliers	43,212,259,219	43,212,259,219	26,283,588,894	26,283,588,894
<b>TOTAL</b>	<b>128,305,893,759</b>	<b>128,305,893,759</b>	<b>71,979,100,186</b>	<b>71,979,100,186</b>

### 16.2 Short-term advances from customers

Currency: VND

	30 June 2021		31 December 2020	
	Amount	Amount payable	Amount	Amount payable
Advance for land and infrastructure leasing at Nam Son Hap Linh Industrial Park	57,462,540,480	-	-	-
Other advances from customers	4,660,209,200	4,717,034,123	4,717,034,123	4,717,034,123
<b>TOTAL</b>	<b>62,122,749,680</b>	<b>4,717,034,123</b>	<b>4,717,034,123</b>	<b>4,717,034,123</b>

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

#### 17. STATUTORY OBLIGATIONS

	31 December 2020	Payable for the period	Payment in the period	30 June 2021
<b>Payable</b>				
Corporate income tax	1,125,781,524	51,970,006,598	(7,500,000,000)	45,595,788,122
Personal income tax	877,360,585	7,887,768,743	(7,895,379,487)	869,749,841
Other taxes	487,302,522	1,075,339,185	(1,235,254,916)	327,386,791
<b>TOTAL</b>	<b>2,490,444,631</b>	<b>60,933,114,526</b>	<b>(16,630,634,403)</b>	<b>46,792,924,754</b>
			Net off/received in the period	
<b>Receivable</b>				
Value added tax	93,634,351,535	27,810,480,376	(43,586,650,522)	77,858,181,389
<b>TOTAL</b>	<b>93,634,351,535</b>	<b>27,810,480,376</b>	<b>(43,586,650,522)</b>	<b>77,858,181,389</b>

Currency: VND

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

**18. ACCRUED EXPENSES**

	<i>Currency: VND</i>	
	<i>30 June 2021</i>	<i>31 December 2020</i>
<b>Short-term</b>		
Accrued future development costs for recognised sales	144,138,194,290	53,600,398,002
- Que Vo II Industrial Zone	22,373,302,811	22,285,934,591
- Que Vo I Industrial Zone	21,367,726,185	21,664,498,185
- Nam Son Hap Linh Industrial Zone	90,747,200,068	-
- Phuc Ninh Urban Area	9,649,965,226	9,649,965,226
Accrued interest expenses	108,208,111,710	53,642,144,169
Accrued external service expenses	1,904,270,000	1,975,855,000
Accrued expenses to related parties (Note 28)	7,172,794,521	18,523,150,684
<b>TOTAL</b>	<b><u>261,423,370,521</u></b>	<b><u>127,741,547,855</u></b>
<b>Long-term</b>		
Accrued interest expenses (*)	843,861,160,059	815,324,792,328
Accrued land rental expenses for Que Vo II Industrial Zone	34,415,881,986	34,415,881,986
Accrued expenses to related parties (Note 28)	102,910,418,061	65,081,187,231
<b>TOTAL</b>	<b><u>981,187,460,106</u></b>	<b><u>914,821,861,545</u></b>

(\*) This is the bond interest payable to PVcomBank. According to the Agreement on debt structure, capital advance and debt repayment dated 30 December 2020 between the Company, PVcomBank and Trang Cat Urban Development One Member Company Limited, these bond interests will be due from 01 January 2026.

**19. OTHER PAYABLES**

	<i>Currency: VND</i>	
	<i>30 June 2021</i>	<i>31 December 2020</i>
<b>Short-term</b>		
Tan Hoang Minh Hotel Service Trading Company Limited (i)	1,804,868,000,000	1,804,868,000,000
Deposit to fulfill contractual obligations of real estate projects (ii)	724,001,663,457	569,135,071,839
Dividend payables	1,574,632,950	1,574,632,950
Other payables	5,486,305,543	5,257,966,632
Other payables to related parties (Note 28)	2,458,000,000	858,000,000
<b>TOTAL</b>	<b><u>2,538,388,601,950</u></b>	<b><u>2,381,693,671,421</u></b>
<b>Long-term</b>		
Other long-term payables	9,225,250,271	9,225,250,271
<b>TOTAL</b>	<b><u>9,225,250,271</u></b>	<b><u>9,225,250,271</u></b>

(i) This is the payables under the contract for the transfer of Hoa Sen Hotel Development Company Limited as described in Note 6.1.

(ii) These are deposits from customers for land transfer agreement at real estate projects of the Company.

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## 20. LOANS

Currency: VND

	31 December 2020		Movement during the period		30 June 2021	
	Balance	Payable amount	Increase	Decrease	Balance	Payable amount
<b>Short-term</b>						
Current portion of long-term loans from bank (Note 20.1)	140,000,000,000	140,000,000,000	45,000,000,000	-	185,000,000,000	185,000,000,000
Short-term loans from related parties (Note 28)	-	-	337,888,427,042	-	337,888,427,042	337,888,427,042
Current portion of long-term bonds (Note 20.2)	895,306,969,696	895,306,969,696	989,660,749,498	(800,000,000,000)	1,084,967,719,194	1,084,967,719,194
Other short-term loans (Note 20.3)	450,000,000,000	450,000,000,000	100,000,000,000	(100,000,000,000)	450,000,000,000	450,000,000,000
<b>TOTAL</b>	<b>1,485,306,969,696</b>	<b>1,485,306,969,696</b>	<b>1,472,549,176,540</b>	<b>(900,000,000,000)</b>	<b>2,057,856,146,236</b>	<b>2,057,856,146,236</b>
<b>Long-term</b>						
Long-term loans from bank (Note 20.1)	316,472,386,262	316,472,386,262	77,215,733,400	(110,000,000,000)	283,688,119,662	283,688,119,662
Bonds (Note 20.2)	1,051,444,411,158	1,051,444,411,158	2,417,186,811,376	(988,175,185,861)	2,480,456,036,673	2,480,456,036,673
Loans from related parties (Note 28)	1,526,159,137,294	1,526,159,137,294	1,620,000,000,000	(337,888,427,042)	2,808,270,710,252	2,808,270,710,252
<b>TOTAL</b>	<b>2,894,075,934,714</b>	<b>2,894,075,934,714</b>	<b>4,114,402,544,776</b>	<b>(1,436,063,612,903)</b>	<b>5,572,414,866,587</b>	<b>5,572,414,866,587</b>

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**20. LOANS** (continued)

**20.1 Long-term loans from bank**

Details of long term loans from banks are as follows:

<i>Banks</i>	<i>30 June 2021 (VND)</i>	<i>Interest rate</i>	<i>Principal and interest payment term</i>	<i>Collateral</i>
Joint Stock Commercial Bank for Investment and Development of Vietnam - Bac Ninh branch	144,388,515,120	9.5% per annum	The last repayment date is 19 June 2023; Loan principal is paid every 6 months from 01 December 2018, interest is paid every three months from 19 September 2018.	All assets formed in the future including land use rights and assets attached with the land of Phuc Ninh Area in 22 ha area.
Vietnam Joint Stock Commercial Bank for Industry and Trade - Que Vo branch	281,434,200,451	9.5% - 10% per annum	The last repayment date is 29 November 2022; The loan principal is paid every 6 months from 25 May 2018. Interest is paid every 3 months on the 25th.	All assets formed in the future of the 100 hecta project in Phase 1 of Nam Son - Hap Linh Industrial park; along with the property rights arising from the economic contracts for trading of infrastructure, land and other attached properties of 100 ha land area of stage 1 in Nam Son – Hap Linh Industrial Park.
	42,865,404,091	10% per annum	The last repayment date is 16 November 2022; The loan principal is paid every 6 months from 22 June 2017. Interest is paid every 3 months on the 25th.	All assets formed from 83.8 ha area infrastructure development of Que Vo II Industrial Park.

**TOTAL** **468,688,119,662**

*In which:*

- <i>Current portion of long-term loans</i>	185,000,000,000
- <i>Long-term loans</i>	283,688,119,662



NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

**20. LOANS (continued)**  
**20.2 Bonds**

As at 30 June 2021, bonds issued by the Company are as follows:

Bond	Type of bond	Number of bonds	Par value VND	Amount (VND)	Interest rate per annum	Duration	Description of collateral
KBCbond1-2017	Corporate bond issued to BIDV-Saigon Northern branch	180	1,000,000,000	180,000,000,000	9.3%	21 November 2022	All equity capital of Kinh Bac – Da Nang Investment Company Limited, land use rights of land lot No. 84 Hung Vuong, Hai Chau 1 Ward, Hai Chau District, Da Nang City
KBC2020.200	Corporate bond issued to counterparties	200,000	1,000,000	200,000,000,000	10.50%	08 May 2022	1,309,000 shares of Saigon - Bac Giang Industrial Park Joint Stock Company
KBC2020.VB	Corporate bond issued to counterparties	2,000,000	100,000	200,000,000,000	10.80%	23 June 2022	Works on land (including factory, office), infrastructure investment value in existing Que Vo Industrial Park, Que Vo Industrial Park expansion and Quang Chau Industrial Park
KBC2020.DC	Corporate bond issued to counterparties	4,000,000	100,000	400,000,000,000	11.00%	28 January 2022	1,680,000 ordinary shares of Saigon - Hai Phong Industrial Park Joint Stock Company
KBCH2022003	Corporate bond issued to counterparties	2,000,000	100,000	200,000,000,000	10.50%	28 February 2022	Assets attached with land (including factories, offices), infrastructure investment cost in Que Vo I, and Que Vo II Industrial Parks
KBC2123001	Corporate bond issued to counterparties	4,000,000	100,000	400,000,000,000	10.50%	22 February 2023	- 700,000 ordinary shares of Saigon-Hai Phong Industrial Park Joint Stock Company - 600,000 ordinary shares of Saigon-Bac Giang Industrial Park Joint Stock Company
KBC2021.AB	Corporate bond issued to counterparties	15,000,000	100,000	1,500,000,000,000	10.80%	24 June 2023	Unsecured
KBCH2123002	Corporate bond issued to counterparties	5,118,500	100,000	511,850,000,000	10.50%	03 June 2023	26,000,000 ordinary shares of KinhBac City Development Holding Corporation
Bond issuance costs:				(26,426,244,133)			
<b>TOTAL</b>				<b>3,565,423,755,967</b>			
In which:							
Current portion of long-term bonds				1,100,000,000,000			
Long-term bonds				2,491,850,000,000			
Issue costs of current portion of long-term bonds				(15,032,280,806)			
Issue costs of long-term bonds				(11,393,963,327)			

# KinhBac City Development Holding Corporation

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NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

**20. LOANS** (continued)

**20.3 Other short-term loans**

Details of loans from others are presented as follows:

Others	Ending balance (VND)	Interest rate	Principal and interest repayment term	Collateral
Sai Gon - Nhon Hoi Industrial Park Joint Stock Company	400,000,000,000	2%/month	6 month term, principal and interest will be matured on 22 July 2021	Unsecured
Mr. Do Anh Dung	50,000,000,000	No interest	18 months term, principal will be matured on 15 July 2021	Unsecured
<b>TOTAL</b>	<b>450,000,000,000</b>			

# KinhBac City Development Holding Corporation

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NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

## 21. OWNERS' EQUITY

### 21.1 Increase and decrease in owners' equity

	Contributed charter capital	Share premium	Treasury shares	Investment and development fund	Undistributed earnings	Total
<b>For the six-month period ended 30 June 2020</b>						
As at 31 December 2019	4,757,111,670,000	988,533,430,000	(364,466,650,000)	2,223,693,823	1,632,078,988,188	7,015,481,132,011
Loss for the period	-	-	-	-	(113,038,416,269)	(113,038,416,269)
As at 30 June 2020	4,757,111,670,000	988,533,430,000	(364,466,650,000)	2,223,693,823	1,519,040,571,919	6,902,442,715,742
<b>For the six-month period ended 30 June 2021</b>						
As at 31 December 2020	4,757,111,670,000	988,533,430,000	(364,466,650,000)	2,223,693,823	1,675,636,433,629	7,059,038,577,452
Profit for the period	-	-	-	-	27,555,591,434	27,555,591,434
As at 30 June 2021	4,757,111,670,000	988,533,430,000	(364,466,650,000)	2,223,693,823	1,703,192,025,063	7,086,594,168,886

Currency: VND

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

**21. OWNERS' EQUITY (continued)**

**21.2 Contributed charter capital**

Currency: VND

	30 June 2021			31 December 20		
	Total	Ordinary shares	Preference shares	Total	Ordinary shares	Preference shares
Contributed by shareholders	4,757,111,670,000	4,757,111,670,000	-	4,757,111,670,000	4,757,111,670,000	-
Share premium	988,533,430,000	988,533,430,000	-	988,533,430,000	988,533,430,000	-
Treasury shares	(364,466,650,000)	(364,466,650,000)	-	(364,466,650,000)	(364,466,650,000)	-
<b>TOTAL</b>	<b>5,381,178,450,000</b>	<b>5,381,178,450,000</b>	<b>-</b>	<b>5,381,178,450,000</b>	<b>5,381,178,450,000</b>	<b>-</b>

**21.3 Capital transactions with owners and distribution of dividends, profits**

Currency: VND

	For the six-month period ended 30 June 2021	For the six-month period ended 30 June 2020
<b>Contributed capital</b>		
Beginning balance	4,757,111,670,000	4,757,111,670,000
Increase in the period	-	-
Ending balance	<u>4,757,111,670,000</u>	<u>4,757,111,670,000</u>
<b>Dividends, profit paid</b>	-	-

**21.4 Dividend**

Currency: VND

	30 June 2021	30 June 2020
<b>Dividends declared during the period</b>		
Dividends during 2018: 1,000 VND/Share	-	-
<b>Dividends paid during the period</b>		
Dividends during 2018: 1,000 VND/Share	-	23,868,750,000

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

## 21. OWNERS' EQUITY (continued)

### 21.5 Shares

	30 June 2021		31 December 2020	
	Shares	Par value (VND)	Shares	Par value (VND)
<b>Issued shares</b>	<b>475,711,167</b>	<b>4,757,111,670,000</b>	<b>475,711,167</b>	<b>4,757,111,670,000</b>
<b>Issued and paid-up shares</b>	<b>475,711,167</b>	<b>4,757,111,670,000</b>	<b>475,711,167</b>	<b>4,757,111,670,000</b>
Ordinary shares	475,711,167	4,757,111,670,000	475,711,167	4,757,111,670,000
Preference shares	-	-	-	-
<b>Treasury shares</b>	<b>5,950,978</b>	<b>59,509,780,000</b>	<b>5,950,978</b>	<b>59,509,780,000</b>
Ordinary shares	5,950,978	59,509,780,000	5,950,978	59,509,780,000
Preference shares	-	-	-	-
<b>Shares in circulation</b>	<b>469,760,189</b>	<b>4,697,601,890,000</b>	<b>469,760,189</b>	<b>4,697,601,890,000</b>
Ordinary shares	469,760,189	4,697,601,890,000	469,760,189	4,697,601,890,000
Preference shares	-	-	-	-

Par value of outstanding share: VND10,000/share (31 December 2020: VND10,000/share).

## 22. REVENUES

### 22.1 Revenue from sales of goods and rendering of services

	Currency: VND	
	For the six-month period ended 30 June 2021	For the six-month period ended 30 June 2020
<b>Gross revenue</b>	<b>464,042,223,380</b>	<b>79,733,075,357</b>
<i>Of which:</i>		
Revenue from long-term lease of land and infrastructures (*)	343,571,562,899	-
Revenue from supply of clean water, electricity, management services, waste water treatment supply	55,166,957,223	53,128,375,136
Revenue from selling factories	44,366,315,520	-
Revenue from operating leases of warehouses, factories and offices	20,569,716,486	19,786,714,394
Revenue from real estate transfers	-	6,360,000,000
Other revenues	367,671,252	457,985,827
<b>Net revenue</b>	<b>464,042,223,380</b>	<b>79,733,075,357</b>
<i>In which:</i>		
Sales to others	464,042,223,380	79,733,075,357
Sales to related parties	-	-

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

## 22. REVENUES (continued)

### 22.1 Revenue from sales of goods and rendering of services (continued)

(\*) During the period, the Company recognized revenue from sub-leasing land with infrastructure in industrial parks in the separate interim income statement when handing over land to customers, which is based on the assessment that significant risks and rewards associated with ownership of the land have been transferred to the buyers. If revenue from the leases of land with infrastructure is allocated over the lease term, the impacts to revenue, cost of goods sold and services rendered; and gross profit from sale of goods and rendering of services of the Company are as follows:

	Currency: VND	
	<i>Revenues are recognized in full at the hand-over date</i>	<i>Revenues are amortized over the lease term</i>
Revenues from goods and rendering services	464,042,223,380	120,383,292,261
Of which:		
<i>Revenue from long-term lease of land and     infrastructures</i>	343,571,562,899	8,591,473,278
Cost of goods sold and services provided	(224,502,882,888)	(46,627,401,611)
<b>Gross profit from sale of goods and rendering of services</b>	<b><u>239,539,340,492</u></b>	<b><u>73,755,890,650</u></b>

### 22.2 Finance income

	Currency: VND	
	<i>For the six-month period ended 30 June 2021</i>	<i>For the six-month period ended 30 June 2020</i>
Interest income from deposits and lending and business cooperation contract	14,829,392,484	4,698,826,300
Interest income from outstanding receivables from share transfer contract	-	8,919,239,236
Other finance income	136,274,359	23,067,524
<b>TOTAL</b>	<b><u>14,965,666,843</u></b>	<b><u>13,641,133,060</u></b>

## 23. COST OF GOODS SOLD AND SERVICES RENDERED

	Currency: VND	
	<i>For the six-month period ended 30 June 2021</i>	<i>For the six-month period ended 30 June 2020</i>
Cost of long-term leases of land and infrastructures	162,277,799,004	-
Cost of supplying of clean water, electricity, management service, waste water treatment supply	36,442,844,721	32,152,707,899
Cost of factories sold	13,700,027,521	-
Cost of operating leases of warehouses, factories and offices	12,082,211,642	12,148,964,192
Cost of real estate transferred	-	2,325,729,520
<b>TOTAL</b>	<b><u>224,502,882,888</u></b>	<b><u>46,627,401,611</u></b>

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

#### 24. GENERAL AND ADMINISTRATIVE EXPENSES AND SELLINGS EXPENSES

	<i>Currency: VND</i>	
	<i>For the six-month period ended 30 June 2021</i>	<i>For the six-month period ended 30 June 2020</i>
<b>Selling expenses</b>		
Labour costs	1,843,419,000	2,420,671,257
Legal consultation and brokerage expenses	10,361,625,000	-
<b>TOTAL</b>	<b>12,205,044,000</b>	<b>2,420,671,257</b>
<b>General and administrative expenses</b>		
Labour costs	32,847,613,993	32,479,141,317
Depreciation of fixed assets	3,892,990,127	3,646,167,213
Expenses of external services	15,780,554,093	12,673,660,127
Sponsor expenses	72,091,777,706	-
Others	1,556,695,441	5,772,045,598
<b>TOTAL</b>	<b>126,169,631,360</b>	<b>54,571,014,255</b>

#### 25. FINANCE EXPENSES

	<i>Currency: VND</i>	
	<i>For the six-month period ended 30 June 2021</i>	<i>For the six-month period ended 30 June 2020</i>
Interest expenses	239,366,373,435	99,966,192,864
Bond issuance costs	17,118,469,962	2,574,725,478
Reversal of provision for investments	(219,200,078,590)	(13,144,711,596)
Other finance expenses	409,196,642	14,002,393,319
<b>TOTAL</b>	<b>37,693,961,449</b>	<b>103,398,600,065</b>

#### 26. PRODUCTION AND OPERATING COSTS

	<i>Currency: VND</i>	
	<i>For the six-month period ended 30 June 2021</i>	<i>For the six-month period ended 30 June 2020</i>
Land, infrastructure, factories development costs and costs of rendering services	172,331,354,148	121,660,934,839
Labour costs	36,927,207,993	36,986,641,051
Depreciation of fixed assets	22,041,020,650	22,905,669,748
Expenses for external services	16,405,415,445	12,673,660,127
Other expenses	84,010,098,148	5,772,045,598
<b>TOTAL</b>	<b>331,715,096,384</b>	<b>199,998,951,363</b>

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

## 27. CORPORATE INCOME TAX

The corporate income tax ("CIT") rate applicable to the Company for the six-month period ended 30 June 2021 is 20% of profit before tax.

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

### 27.1 CIT expenses

	<i>Currency: VND</i>	
	<i>For the six-month period ended 30 June 2021</i>	<i>For the six-month period ended 30 June 2020</i>
Current CIT expenses	51,970,006,598	416,120,500
Deferred CIT income	<u>(416,120,500)</u>	<u>(416,120,500)</u>
<b>TOTAL</b>	<b><u>51,553,886,098</u></b>	<b><u>-</u></b>

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

	<i>Currency: VND</i>	
	<i>For the six-month period ended 30 June 2021</i>	<i>For the six-month period ended 30 June 2020</i>
<b>Accounting profit/(loss) before tax</b>	<b>79,109,477,532</b>	<b>(113,038,416,269)</b>
CIT expenses at rate applicable of 20%	15,821,895,506	(22,607,683,254)
<i>Adjustments for:</i>		
Non-deductible expenses	8,447,308,037	1,028,852,083
Interest expenses in excess of 30% EBITDA according to Decree 68/2020/ND-CP	26,831,199,064	19,141,953,608
Taxable income for land leasing from previous years	416,120,500	416,120,500
Losses from other activities which are not allowed to be offset against profits from real estate business activities	37,362,991	2,222,590,176
Adjustment for under accrual of tax from prior year	-	(201,833,113)
<b>CIT expenses</b>	<b><u>51,553,886,098</u></b>	<b><u>-</u></b>

### 27.2 Current CIT

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



NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

## 27. CORPORATE INCOME TAX (continued)

### 27.3 Deferred CIT

The following are the deferred tax assets and liabilities recognised by the Company, and the movements thereon, during the current and previous period:

Currency: VND

	<i>Interim separate balance sheet</i>		<i>Interim separate income statement</i>	
	<i>30 June 2021</i>	<i>31 December 2020</i>	<i>For the six-month period ended 30 June 2021</i>	<i>For the six-month period ended 30 June 2020</i>
<b>Deferred tax liabilities</b>				
Deferred tax liabilities arising from allocation of CIT over the lease term of the Company's industrial parks	35,217,627,820	35,633,748,320	(416,120,500)	(416,120,500)
	<b>35,217,627,820</b>	<b>35,633,748,320</b>		
<b>Net deferred income tax credit to the interim separate income statement</b>			<b>(416,120,500)</b>	<b>(416,120,500)</b>

### 27.4 Unrecognized deferred tax assets

#### Tax losses carried forward

The Company is entitled to carry the tax loss forward to offset with the taxable income arising within 5 years subsequent to the year in which the loss was incurred. At the balance sheet date, the Company has accumulated losses that can be used to offset future profits as follows:

Currency: VND

<i>Originating year</i>	<i>Can be utilized up to</i>		<i>Tax loss amount</i>	<i>Utilized up to 30 June 2021</i>	<i>Forfeited</i>	<i>Unutilized at 30 June 2021</i>
2016	2021	(i)	7,252,824	-	-	7.252.824
2017	2022	(i)	9,364,593	-	-	9.364.593
2018	2023	(i)	69,317,775	-	-	69.317.775
2019	2024	(ii)	53,562,817,951	(53,548,750,843)	-	14.067.108
2020	2025	(ii)	7,926,190	-	-	7.926.190
Current period	2026	(ii)	186,814,954	-	-	186.814.954
<b>TOTAL</b>			<b>53.843.494.287</b>	<b>(53,548,750,843)</b>	<b>-</b>	<b>294,743,444</b>

(i) These are estimated tax losses according to tax finalization records.

(ii) These are estimated tax losses as per Company's corporate income tax declarations which have not been audited by the local tax authorities as of the date of these interim separate financial statements.

No deferred tax assets were recognised in respect of the remaining accumulated losses because future taxable profit cannot be ascertained at this stage.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

## 27. CORPORATE INCOME TAX (continued)

### 27.4 Unrecognized deferred tax assets

#### *Interest expenses exceeding the prescribed threshold*

The Company is entitled to carry forward the non-deductible interest expenses in the CIT returns ("non-deductible interest expense") when determining the deductible interest expenses in the following periods. The Company can carry forward subsequently the non-deductible interest expenses in five cumulative years since such interest expenses incurred. At the end of the interim period, the Company has non-deductible interest expenses that can be carried forward to the following years of VND 376.5 billion. These are the estimated non-deductible interest expenses according to the Company's tax returns that have not been finalized by local tax authorities as at the date of these interim separate financial statements.

No deferred tax assets were recognised in respect of the above accumulated losses and the non-deductible interest expenses because future taxable profit cannot be ascertained at this stage.

## 28. TRANSACTIONS WITH RELATED PARTIES

List of related parties which had transactions and/or receivable/payable balances during the period with the Company:

No.	Related party	Relationship
1	Saigon – Bacgiang Industrial Park Corporation	Subsidiary
2	Saigon – Hai Phong Industrial Park Corporation	Subsidiary
3	Trang Cat Urban Development One Member Co., Ltd	Subsidiary
4	Tien Duong Urban Development Joint Stock Company	Subsidiary
5	Kinh Bac - Da Nang Investment One Member Co., Ltd	Subsidiary
6	Saigon Telecommunications Technology Joint Stock Company	Associate
7	Scanviwood Joint Stock Company	Associate
8	Saigon - Da Nang Investment Joint Stock Company	Under common investors
9	Mr Dang Thanh Tam	Chairman
10	Ms Nguyen Thi Thu Huong	General Director
11	Mr Phan Anh Dung	Deputy General Director
12	Ms Nguyen My Ngoc	Deputy General Director
13	Vinatex – Tan Tao Investment Corporation	Common key management member
14	Sai Gon Hi-Tech Park Infrastructure Development and Investment JSC	Common key management member
15	Hung Yen Development Investment Group Joint Stock Company	Subsidiary
16	Long An Investment Development Joint Stock Company	Subsidiary
17	Vung Tau Investment Group Joint Stock Company	Subsidiary
18	Bao Lac Spiritual Joint Stock Company	Subsidiary
19	Saigontel Long An Co., Ltd	Associate of SHP

#### *Terms and conditions of transactions with related parties*

The sales, and purchases, of goods to/from related parties are made on contractual basis.

Outstanding balances of receivables, payables, loans at 30 June 2021 are unsecured, interest free and will be settled in cash. For the six-month period ended 30 June 2021, the Company has not made any provision for doubtful debts relating to amounts owed by related parties (31 December 2020: 0). This assessment is undertaken each financial year through the examination of the financial position of the related party and the market in which the related party operates.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

## 28. TRANSACTIONS WITH RELATED PARTIES (continued)

Significant transactions between the Company and its related parties during the current and previous period were as follows:

Related party	Description	Currency: VND	
		For the six-month period ended 30 June 2021	For the six-month period ended 30 June 2020
Saigon - Hai Phong Industrial Park Corporation	Lending	420,264,000,000	-
	Repayments of borrowings	213,528,000,000	-
	Interest payables	1,818,690,512	3,554,377,646
Saigon - Bacgiang Industrial Park Corporation	Interest receivables from business cooperation contract	-	3,286,356,164
	Contribute capital under the business cooperation contract	-	224,000,000,000
	Business Cashback	150,000,000,000	-
	Interest payables	44,653,342,074	16,430,402,538
	Lending	200,000,000,000	-
	Repayment of borrowings	200,000,000,000	-
	Borrowings	-	479,000,000,000
Kinh Bac – Da Nang Investment One Member Company Limited	Income from BCC	10,884,931,506	-
	Capital contribution	6,000,000,000	-
Vinatex – Tan Tao Investment Corporation	Lending	-	5,000,000,000
	Interest payables	-	5,933,333,334
Sai Gon Hi-Tech Park Infrastructure Development and Investment JSC	Interest payables	18,000,000	18,000,000
Hung Yen Development Investment Group JSC	Capital contribution	1,080,000,000,000	-
	Interest payables	1,656,986,301	-
	Borrowings	1,080,000,000,000	-
Mr Dang Thanh Tam	Other receivables	1,600,000,000	-
Long An Investment Development JSC	Capital contribution	540,000,000,000	-
	Interest payables	1,361,095,890	-
	Borrowings	540,000,000,000	-

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

## 28. TRANSACTIONS WITH RELATED PARTIES (continued)

As at the balance sheet dates, amount due from and to related parties of the Company are follows:

*Currency: VND*

<i>Related party</i>	<i>Description</i>	<i>30 June 2021</i>	<i>31 December 2020</i>
<b>Short-term loan receivables (Note 8)</b>			
Saigon - Hai Phong Industrial Park Corporation (i)	Short-term loan receivables	186,736,000,000	-
		<b>186,736,000,000</b>	-
<b>Long-term loan receivables (Note 8)</b>			
Saigon - Hai Phong Industrial Park Corporation (ii)	Long-term loan receivables	220,000,000,000	200,000,000,000
Saigon - Bacgiang Industrial Park Corporation (ii)	Long-term loan receivables	200,000,000,000	200,000,000,000
		<b>420,000,000,000</b>	<b>400,000,000,000</b>
<b>Short-term receivables (Note 9)</b>			
Saigon - Bacgiang Industrial Park Corporation	Income from BCC Contribution to BCC (iii)	5,381,386,088 74,000,000,000	15,143,013,698 -
Saigon - Hai Phong Industrial Park Corporation	Interest receivables	6,120,173,375	-
Ms Nguyen Thi Thu Huong	Advance	3,489,211,820	3,489,211,820
Ms Nguyen My Ngoc	Advance	136,330,000	136,330,000
Mr Phan Anh Dung	Advance	110,000,000	110,000,000
		<b>89,237,101,283</b>	<b>18,878,555,518</b>
<b>Other long-term receivables (Note 9)</b>			
Saigon - Bacgiang Industrial Park Corporation	Contribution to BCC (iii)	-	224,000,000,000
	Interest receivables	5,235,616,438	9,101,369,863
Saigon - Hai Phong Industrial Park Corporation	Interest receivables	5,759,178,082	9,101,369,863
		<b>10,994,794,520</b>	<b>242,202,739,726</b>

- (i) This is un-secured loan, earning interest at 11% per annum and will be matured in 3 February 2022.
- (ii) These are unsecured loans, with an interest rate of 10.5% pa and maturing on 22 February 2023 and 26 March 2024.
- (iii) These are capital contribution to business cooperations for the purpose of developing the Quang Chau Industrial Park project, invested by Saigon - Bac Giang Industrial Park Joint Stock Company.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

## 28. TRANSACTIONS WITH RELATED PARTIES (continued)

As at the balance sheet dates, amount due from and to related parties of the Company are follows: (continued)

Related party	Description	Currency: VND	
		30 June 2021	31 December 2020
<b>Short-term accrued expenses (Note 18)</b>			
Saigon - Bac Giang Industrial Park Corporation	Short-term loan interest payable	7,172,794,521	18,523,150,684
		<b>7,172,794,521</b>	<b>18,523,150,684</b>
<b>Long-term accrued expenses (Note 18)</b>			
Saigon - Hai Phong Industrial Park JSC	Long-term loan interest payable	29,547,893,577	25,950,223,997
Saigon - Bac Giang Industrial Park Corporation	Long-term loan interest payable	69,380,562,570	38,185,083,511
Sai Gon Hi-Tech Park Infrastructure Development and Investment JSC	Long-term loan interest payable	963,879,723	945,879,723
Long An Investment Development JSC	Long-term loan interest payable	1,361,095,890	-
Hung Yen Development Investment Group JSC	Long-term loan interest payable	1,656,986,301	-
		<b>102,910,418,061</b>	<b>65,081,187,231</b>
<b>Other payables (Note 19)</b>			
Saigon - Bac Giang Industrial Park Corporation	Other payables	858,000,000	858,000,000
Mr Dang Thanh Tam	Other payables	1,600,000,000	-
		<b>2,458,000,000</b>	<b>858,000,000</b>
<b>Short-term loans (Note 20)</b>			
Saigon - Hai Phong Industrial Park JSC (i)	Current portion of long-term loans	63,888,427,042	-
Saigon - Bac Giang Industrial Park Corporation (ii)	Current portion of long-term loans	274,000,000,000	-
		<b>337,888,427,042</b>	-
<b>Long-term loans (Note 20)</b>			
Saigon - Bac Giang Industrial Park Corporation (iii)	Long-term loan	847,270,710,252	1,121,270,710,252
Saigon - Hai Phong Industrial Park JSC (iv)	Long-term loan	311,000,000,000	374,888,427,042
Sai Gon Hi-Tech Park Infrastructure Development and Investment JSC (v)	Long-term loan	30,000,000,000	30,000,000,000
Long An Investment Development JSC (vi)	Long-term loan	540,000,000,000	-
		1,080,000,000,000	-
		<b>2,808,270,710,252</b>	<b>1,526,159,137,294</b>

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

**28. TRANSACTIONS WITH RELATED PARTIES** (continued)

- (i) This is an unsecured loan with interest at 10.5% per month and will be matured in May 2022.
- (ii) These are the unsecured loans with interest from 10% - 10.5% per annum, respectively, and will be matured on November 2021 and May 2022, correspondingly.
- (iii) These are an unsecured loans with interest from 9% - 11% per annum, respectively, and will be matured on August 2022 and December 2023, correspondingly.
- (iv) These are an unsecured loans with interest from 10% - 11% per annum, respectively, and will be matured on May 2023 and July 2023, correspondingly.
- (v) These are an unsecured loans with interest 0.01% per month, and will be matured on 31 December 2022.
- (vi) These are an unsecured loans with interest 1% per annum, and will be matured on 31 March 2023.
- (vii) These are an unsecured loans with interest 1% per annum, and will be matured on 06 May 2023.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

**28. TRANSACTIONS WITH RELATED PARTIES (continued):**

**Transactions with other related parties**

Remuneration to General Director, Deputy General Directors and Chief Accountant:

Name	Position	Current year			Previous year			Total
		Remuneration of Board of Directors	Total income of Management	Total personal income tax payable	Remuneration of Board of Directors	Total income of Management	Total personal income tax payable	
Ms Nguyen Thi Thu Huong	General Director, Member of Board of Directors	100,000,000	3,855,767,000	1,960,920,800	100,000,000	4,480,567,000	2,389,013,000	6,969,580,000
Mr Nguyen Vinh Tho	Member of Board of Directors	220,000,000	-	24,444,444	220,000,000	-	24,444,444	244,444,444
Mr Huynh Phat	Member of Board of Directors	100,000,000	-	11,111,111	100,000,000	-	11,111,111	111,111,111
Mr Phan Anh Dung	Deputy General Director	-	904,667,000	360,666,900	-	1,071,875,000	517,163,300	1,589,038,300
Mr Pham Phuc Hieu	Deputy General Director, Chief accountant,	-	-	-	-	-	-	-
Ms Nguyen My Ngoc	Member of Board of Directors	100,000,000	1,388,000,000	674,769,100	100,000,000	1,612,500,000	862,115,250	2,574,615,250
	Deputy General Director	-	1,080,767,000	455,489,950	-	1,248,275,000	612,148,050	1,860,423,050
<b>TOTAL</b>		<b>520,000,000</b>	<b>7,229,201,000</b>	<b>3,487,402,305</b>	<b>520,000,000</b>	<b>8,413,217,000</b>	<b>4,415,995,155</b>	<b>13,349,212,155</b>

Currency: VND

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

## 29. COMMITMENTS AND CONTINGENCIES

### 29.1 *Commitments relating to real estate investment projects*

#### *Commitments relating to the State:*

From 2003 to 2014, the Company signed a number of land rental contracts with Bac Ninh Provincial People's Committee for the land area at Que Vo I Industrial Park and Que Vo II Industrial Park, which is 2,268,388.8 m<sup>2</sup> (up to 2052) and 2,234,012.9 m<sup>2</sup> (up to 2057), respectively. According to the Official Letter No. 323/BTC-QLCS dated 12 January 2015 by the Ministry of Finance, the investment project on construction and operation of infrastructure of Que Vo Industrial Park is entitled to land rental exemption in 11 years from the date of project completion and put into operations. In 2020, the Company has received the land rental payment notification for 2,098,448 m<sup>2</sup> in Que Vo I Industrial Park and Que Vo II Industrial Park, and has not received the land rental payment notification for remainings land lots in these industrial parks.

As at the date of these interim separate financial statements, the Company is still in the process of finalizing with the State authorities to determine the amount of land compensation and site clearance expenses which could be eligible for offsetting with the land rental fees of the leased areas as mentioned above, as well as to clarify with the with tenants at these industrial parks to finalize the payment obligations of annual land rental. While awaiting the outcome of these discussions, the Company has estimated the Company's land rental obligations and accrued to the costs of leased land areas. However, the final land rental obligations could be changed at a later date upon final decision of the State authorities.

### 29.2 *Commitments related to real estate investment projects*

#### *Commitments related to obligations to the State:*

- (i) From 10 June 2015 to 17 May 2021, the Company signed a land lease contract with the People's Committee of Bac Ninh province for 195 ha of land at Nam Son - Hap Linh Industrial Park (to 26 May 2060). As at the date of these interim separate financial statements, the Company has received a decision on land rental exemption for the first phase of the project with a land area of 1,076,455 m<sup>2</sup>, in which 378,153 m<sup>2</sup> is exempted for the whole period and 698,302 m<sup>2</sup> is exempted until the end of December 2028. As at the date of these interim separate financial statements, the Company is still in process to determine the land rental obligation with authorities for the remaining land areas of the Nam Son Hap Linh Industrial Park.
- (ii) According to Decision No. 1526/QD-CT dated 17 December 2003 and Decision No. 971/QD-UBND dated 15 July 2009 by Bac Ninh Provincial People's Committee regarding the assignment of land to the Company for the development of Phuc Ninh New Urban Area Project, Bac Ninh Town, Bac Ninh Province, the Company has an obligation to pay land use fees and other charges for the residential land area, commercial and public areas in the Phuc Ninh Residential Area. Accordingly, the Company was handed over 49.53 ha of land in 2010, completed the land marking for 47.2 ha of land in 2013 with Bac Ninh Provincial People's Committee and paid the land use fees of VND 175,735,431,000 in accordance with the Decision No. 2229/QD-CT dated 23 December 2004 by Bac Ninh Provincial People's Committee on the land use fee (phase 1) and the notices of payment of land use fee by the Tax Department of Bac Ninh Province. As at the date of these interim separate financial statements, the Company is in the process of finalizing the land use fees with Bac Ninh Provincial People's Committee for the above assigned land.



NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

**29. COMMITMENTS AND CONTINGENCIES (continued)**

**29.2 Commitments related to real estate investment projects (continued)**

*Capital expenditure commitments:*

As at 30 June 2021, the Company has entered into a number of contracts related to the construction and development of the Que Vo I Industrial Park, Que Vo II Industrial Park, Nam Son Hap Linh Industrial Park and Phuc Ninh Residential area with outstanding contractual commitment amounts to approximately 83.1 billion VND.

**29.3 Commitments to contribution capital**

The Company has established a subsidiary named Vung Tau Investment Group Joint Stock Company and committed to contribute VND 745.2 billion into this subsidiary. This is a joint stock company incorporated under the Enterprise Law of Vietnam pursuant to Enterprise Registration Certificate No. 3502454725 issued by the Department of Planning and Investment of Ba Ria – Vung Tau province on 14 May 2021. The current principal activities are to develop real estate projects, trading land use rights of owners, users or tenants. As at 30 June 2021, the voting right and interest rate of the Company in this subsidiary are 60% and 56.77% respectively.

**29.4 Collateral and guarantees**

The Group has the following contingent liabilities related to guarantees as at 30 June 2021:

*Guarantee under the mortgage contract with PVcomBank*

On 30 December 2020, the Company, Trang Cat Urban Development Company Limited ("Trang Cat LLC", its subsidiary) and Vietnam Public Joint Stock Commercial Bank ("PVcomBank") signed an Agreement No. 3012/2020/BBTT/PVB-KB-TCC on debt structuring, funding and debt repayment ("the Debt structuring agreement"). Accordingly, Trang Cat LLC and the Company agreed to use the Trang Cat Industrial and Residential Park ("the Project") as security for the loans and debts of a group of companies and individuals (including KinhBac City Development Holding Corporation, a subsidiary of the Company and other companies/individuals) with PvcomBank. Also under this Debt Structuring Agreement, the Company and Trang Cat LLC also commit to PvcomBank to repay the debts for and on behalf of the other companies and individuals if these parties violate the payment obligations agreed with PVcomBank. The total loan and debt obligations of these companies and individuals to PVcomBank as at 30 June 2021 under the above-mentioned Debt Structuring Agreement are VND 7,631 billion, in which the loan and debt obligations of the Company and a subsidiary (Saigon - Bac Giang Industrial Park Corporation) is VND 2,820 billion and the remaining is loans and debts of other companies/individuals.

**29.5 Disputes**





*Disputes with VTC Wireless Telecommunications Corporation*

Under the Business Cooperation Agreement dated 12 February 2008 between the VTC Wireless Telecommunications Company ("VTC") and Saigon Telecommunication & Technologies Corporation and the Business Registration Certificate No. 0103025781 dated 11 July 2008, the registered charter capital of VTC - Saigontel Media Company is VND 160 billion, in which the Company's ownership interest is 19.2%. The Company has then transferred VND 30,700,200,000 (19.2% of charter capital) to Huu Nghi Communication JSC (the company authorized by VTC) on 10 March 2008 for VTC Wireless Telecommunications Company to purchase assets for VTC - Saigontel Media Corporation. However, the Company has alleged that VTC has not completed the purchase of assets for VTC - Saigontel Media Company as committed. Therefore, the Company is currently in the process of working with VTC to recover this investment. The Group's management has assessed that this investment will be recovered from VTC; and therefore, no provision has been made for the investment in VTC - Saigontel Media Company.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

### 30. EVENTS AFTER THE BALANCE SHEET DATE

There are no other events occurring after the balance sheet date that require adjustment to or disclosure in the Company's interim separate financial statements.

		 
_____ Luu Phuong Mai Preparer	_____ Pham Phuc Hieu Deputy General Director cum Chief Accountant	_____ Nguyen Thi Thu Huong General Director

15 September 2021

