

# KinhBac City Development Holding Corporation

Separate financial statements

For the year ended 31 December 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 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 17<sup>th</sup> amendment No. 2300233993 being granted by the Department of Planning and Investment of Bac Ninh Province on 12 October 2021.

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 year and at the date of this report are:

Mr. Dang Thanh Tam	Chairman	
Ms. Nguyen Thi Thu Huong	Member	
Mr. Huynh Phat	Member	
Mr. Le Hoang Lan	Independent member	Appointed on 10 February 2022
Ms. Dang Nguyen Quynh Anh	Member	Appointed on 10 February 2022
Mr. Pham Phuc Hieu	Member	Resigned on 10 February 2022
Mr. Nguyen Vinh Tho	Member	Resigned on 10 February 2022

### BOARD OF SUPERVISION

Members of the Board of Supervision during the year 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 year 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

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# KinhBac City Development Holding Corporation

## GENERAL INFORMATION (continued)

### **LEGAL REPRESENTATIVE**

The legal representative of the Company during the year 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 separate financial statements for the year ended 31 December 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 separate financial statements of the Company for the year ended 31 December 2021.

### MANAGEMENT’S RESPONSIBILITY IN RESPECT OF THE SEPARATE FINANCIAL STATEMENTS

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

Management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the separate financial position of the Company and to ensure that the accounting records comply with the 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 separate financial statements.

### STATEMENT BY MANAGEMENT

Management does hereby state that, in its opinion, the accompanying separate financial statements give a true and fair view of the separate financial position of the Company as at 31 December 2021, and of the separate results of its operations and its separate cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the separate financial statements.

The Company has subsidiaries as disclosed in the separate financial statements. The Company has prepared these 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 consolidated financial statements of the Company and its subsidiaries for the year ended 31 December 2021 (“the consolidated financial statements”) dated 18 March 2022.

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

For and on behalf of management:



Nguyễn Thị Thu Hương  
General Director

Bắc Ninh, Vietnam

18 March 2022

Reference: 60774739/22647288

## INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying separate financial statements of KinhBac City Development Holding Corporation ("the Company") as prepared on 18 March 2022 and set out on pages 6 to 57, which comprise the separate balance sheet as at 31 December 2021, the separate income statement and the separate cash flow statement for the year then ended and the notes thereto.

### *Management's responsibility*

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

### *Auditors' responsibility*

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

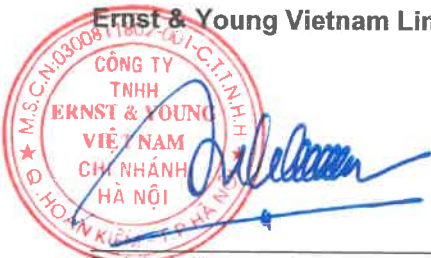
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the separate financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the separate financial statements, whether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

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

### *Opinion*

In our opinion, the separate financial statements give a true and fair view, in all material respects, of the separate financial position of the Company as at 31 December 2021, and of the results of its separate operations and its separate cash flows for the year then ended in accordance with the Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the separate financial statements.

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



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



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Do Duc Hieu  
Auditor  
Audit Practising Registration  
Certificate No. 4663-2018-004-1

Hanoi, Vietnam

18 March 2022

SEPARATE BALANCE SHEET  
as at 31 December 2021

Currency: VND

Code	ASSETS	Notes	Ending balance	Beginning balance
<b>100</b>	<b>A. CURRENT ASSETS</b>		<b>7,237,312,448,094</b>	<b>6,229,048,812,721</b>
<b>110</b>	<b>I. Cash and cash equivalents</b>	<b>5</b>	<b>769,915,183,654</b>	<b>475,857,744,415</b>
111	1. Cash		70,882,331,926	475,340,069,905
112	2. Cash equivalent		699,032,851,728	517,674,510
<b>120</b>	<b>II. Short-term investments</b>	<b>6</b>	<b>1,860,689,295,049</b>	<b>1,857,653,239,000</b>
121	1. Held-for-trading securities		1,862,358,461,369	1,862,358,461,369
122	2. Provision for held-for-trading securities		(2,308,273,169)	(5,305,222,369)
123	3. Held- to-maturity investments		639,106,849	600,000,000
<b>130</b>	<b>III. Current accounts receivable</b>		<b>2,553,220,705,167</b>	<b>1,877,357,124,291</b>
131	1. Short-term trade receivables	7.1	682,298,340,867	146,814,481,476
132	2. Short-term advances to suppliers	7.2	1,269,777,420,793	1,024,859,434,656
135	3. Short-term loan receivables	8	221,470,939,220	71,305,469,057
136	4. Other short-term receivables	9	387,007,984,937	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>1,929,365,038,957</b>	<b>1,865,495,018,355</b>
141	1. Inventories		1,929,365,038,957	1,865,495,018,355
<b>150</b>	<b>V. Other current assets</b>		<b>124,122,225,267</b>	<b>152,685,686,660</b>
151	1. Short-term prepaid expenses	11	59,412,460,125	59,051,335,125
152	2. Value-added tax deductible	17	62,382,183,695	93,634,351,535
153	3. Tax and other receivables from the State	17	2,327,581,447	-



SEPARATE BALANCE SHEET (continued)  
as at 31 December 2021


Currency: VND


Code	ASSETS	Notes	Ending balance	Beginning balance
<b>200</b>	<b>B. NON-CURRENT ASSETS</b>		<b>12,964,189,768,365</b>	<b>8,767,395,392,185</b>
<b>210</b>	<b>I. Long-term receivables</b>		<b>1,302,418,274,335</b>	<b>643,814,109,587</b>
215	1. Long-term loan receivables	8	643,000,000,000	401,000,000,000
216	2. Other long-term receivables	9	659,418,274,335	242,814,109,587
<b>220</b>	<b>II. Fixed assets</b>		<b>129,082,823,436</b>	<b>138,563,568,152</b>
221	1. Tangible fixed assets	12	129,082,823,436	138,563,568,152
222	Cost		308,653,331,750	298,115,235,569
223	Accumulated depreciation		(179,570,508,314)	(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>138,625,500,388</b>	<b>226,559,787,285</b>
231	1. Cost		172,985,045,000	258,574,054,260
232	2. Accumulated depreciation		(34,359,544,612)	(32,014,266,975)
<b>240</b>	<b>IV. Long-term assets in progress</b>	<b>13</b>	<b>88,017,954,518</b>	<b>11,787,494,336</b>
242	1. Construction in progress		88,017,954,518	11,787,494,336
<b>250</b>	<b>V. Long-term investments</b>	<b>15</b>	<b>11,296,323,236,924</b>	<b>7,735,672,999,960</b>
251	1. Investment in subsidiaries		10,337,218,294,000	7,205,618,294,000
252	2. Investments in jointly controlled entities and associates		550,697,261,074	430,697,261,074
253	3. Investment in other entities		438,500,200,000	448,500,200,000
254	4. Provision for diminution in value of long-term investments		(30,092,518,150)	(349,142,755,114)
<b>260</b>	<b>VI. Other long-term assets</b>		<b>9,721,978,764</b>	<b>10,997,432,865</b>
261	1. Long-term prepaid expenses	11	9,721,978,764	10,997,432,865
<b>270</b>	<b>TOTAL ASSETS</b>		<b>20,201,502,216,459</b>	<b>14,996,444,204,906</b>

SEPARATE BALANCE SHEET (continued)  
as at 31 December 2021

Currency: VND

Code	ASSETS	Notes	Ending balance	Beginning balance
<b>300</b>	<b>C. LIABILITIES</b>		<b>9,676,108,990,214</b>	<b>7,937,405,627,454</b>
<b>310</b>	<b>I. Current liabilities</b>		<b>4,101,558,883,185</b>	<b>4,082,696,864,642</b>
311	1. Short-term trade payables	16	91,083,667,423	71,979,100,186
312	2. Short-term advances from customers		4,978,067,468	4,717,034,123
313	3. Statutory obligations	17	34,509,863,608	2,490,444,631
314	4. Payables to employees		87,642,033	117,642,033
315	5. Short-term accrued expenses	18	370,704,398,568	127,741,547,855
318	6. Short-term unearned revenues		2,303,464,820	4,327,075,364
319	7. Other short-term payables	19	2,345,452,037,982	2,381,693,671,421
320	8. Short-term loans	20	1,248,116,361,950	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>5,574,550,107,029</b>	<b>3,854,708,762,812</b>
333	1. Long-term accrued expenses	18	931,929,637,321	914,821,861,545
337	2. Other long-term liabilities	19	6,422,776,559	9,225,250,271
338	3. Long-term loans	20	4,600,444,217,867	2,894,075,934,714
341	4. Deferred tax liabilities	27.3	34,801,507,320	35,633,748,320
342	5. Long-term provisions		951,967,962	951,967,962
<b>400</b>	<b>D. OWNERS' EQUITY</b>		<b>10,525,393,226,245</b>	<b>7,059,038,577,452</b>
<b>410</b>	<b>I. Capital</b>	<b>21</b>	<b>10,525,393,226,245</b>	<b>7,059,038,577,452</b>
411	1. Share capital		5,757,111,670,000	4,757,111,670,000
411a	- Shares with voting rights		5,697,601,890,000	4,697,601,890,000
	- Treasury shares		59,509,780,000	59,509,780,000
412	2. Share premium		3,396,813,430,000	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		1,733,711,082,422	1,675,636,433,629
421a	- Undistributed earnings by the end of prior year		1,675,636,433,629	1,632,078,988,188
421b	- Undistributed earnings of current year		58,074,648,793	43,557,445,441
<b>440</b>	<b>TOTAL LIABILITIES AND OWNERS' EQUITY</b>		<b>20,201,502,216,459</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

18 March 2022


SEPARATE INCOME STATEMENT  
for the year ended 31 December 2021

Currency: VND

Code	ITEMS	Notes	Current year	Previous year
01	1. Revenue from sale of goods and rendering of services	22.1	1,152,484,590,506	181,003,098,694
02	2. Deductions	22.1	-	-
10	3. Net revenue from sale of goods and rendering of services	22.1	1,152,484,590,506	181,003,098,694
11	4. Cost of goods sold and services rendered	23	(489,387,069,441)	(120,198,253,560)
20	5. Gross profit from sale of goods and rendering of services		663,097,521,065	60,804,845,134
21	6. Finance income	22.2	51,242,494,353	387,623,268,341
22 23	7. Finance expenses <i>In which: Interest expenses</i>	25	(270,539,191,527) (536,783,913,007)	(256,143,990,228) (249,344,533,106)
25	8. Selling expenses	24	(34,687,022,926)	(4,096,700,257)
26	9. General and administrative expenses	24	(145,881,313,762)	(140,348,538,361)
30	10. Operating profit		263,232,487,203	47,838,884,629
31	11. Other income		2,594,942,138	2,214,282,390
32	12. Other expenses	26	(116,965,128,190)	(1,466,915,688)
40	13. Other (losses)/profit		(114,370,186,052)	747,366,702
50	14. Accounting profit before tax		148,862,301,151	48,586,251,331
51	15. Current corporate income tax expenses	28.1	(91,619,893,358)	(5,861,046,890)
52	16. Deferred tax income	28.3	832,241,000	832,241,000
60	17. Net profit after tax		58,074,648,793	43,557,445,441



Luu Phuong Mai  
Preparer



Pham Phuc Hieu  
Deputy General Director  
cum Chief Accountant




Nguyen Thi Thu Huong  
General Director

18 March 2022

SEPARATE CASH FLOW STATEMENT  
for the year ended 31 December 2021

Currency: VND

Code	ITEMS	Notes	Current year	Previous year
	<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>01</b>	<b>Profit before tax</b>		<b>148,862,301,151</b>	<b>48,586,251,331</b>
	<i>Adjustments for:</i>			
02	Depreciation of tangible fixed assets and investment properties and amortisation of intangible fixed assets	12, 14	42,996,644,389	46,408,903,837
03	Reversal of provision	25	(322,047,186,164)	(27,456,929,473)
05	Profits from investing activities	22.2	(51,071,627,406)	(387,158,976,329)
06	Interest expenses	25	592,122,484,765	280,872,355,857
<b>08</b>	<b>Operating profit/(loss) before changes in working capital</b>		<b>410,862,616,735</b>	<b>(38,748,394,777)</b>
09	Increase in receivables		(777,614,456,193)	(197,805,974,785)
10	Increase in inventories		(63,870,020,602)	(396,680,637,951)
11	Increase in payables (other than interest, corporate income tax)		127,027,582,255	104,614,602,500
12	Decrease/(increase) in prepaid expenses		914,329,101	(292,441,384)
13	Increase in held-for-trading securities		-	(50,000,000,000)
14	Interest paid		(543,848,734,201)	(209,485,202,392)
15	Corporate income tax paid	17	(59,053,886,098)	(6,736,000,000)
<b>20</b>	<b>Net cash flows used in operating activities</b>		<b>(905,582,569,003)</b>	<b>(795,134,048,789)</b>
	<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
21	Purchase and construction of fixed assets and other long-term assets		(66,741,434,210)	(22,179,152,318)
22	Proceeds from liquidation and sale of fixed assets and other long-term assets		-	409,090,909
23	Loan to other entities and payment for purchase of debt instruments of other entities		(1,030,798,577,012)	(476,405,469,057)
24	Collections from borrowers and proceeds from sale of debt instruments of other entities		638,594,000,000	-
25	Payments for investments in other entities		(3,549,865,650,879)	(1,376,806,593,308)
26	Proceeds from sale of investments in other entities		229,000,000,000	437,680,503,419
27	Interest and dividends received		59,530,528,815	234,283,645,771
<b>30</b>	<b>Net cash flows used in investing activities</b>		<b>(3,720,281,133,286)</b>	<b>(1,203,017,974,584)</b>

SEPARATE CASH FLOW STATEMENT (continued)  
for the year ended 31 December 2021

Currency: VND

Code	ITEMS	Notes	Current year	Previous year
	<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
31	Proceeds from issue of shares	21.1	3,408,280,000,000	-
33	Drawdown of borrowings		5,991,082,255,871	3,069,011,465,810
34	Repayment of borrowings		(4,479,441,114,343)	(688,100,000,000)
36	Dividends paid		-	(23,868,750,000)
<b>40</b>	<b>Net cash flows from financing activities</b>		<b>4,919,921,141,528</b>	<b>2,357,042,715,810</b>
<b>50</b>	<b>Net increase in cash and cash equivalents for the year</b>		<b>294,057,439,239</b>	<b>358,890,692,437</b>
<b>60</b>	<b>Cash and cash equivalents at beginning of year</b>		<b>475,857,744,415</b>	<b>116,967,051,978</b>
<b>70</b>	<b>Cash and cash equivalents at end of year</b>	<b>5</b>	<b>769,915,183,654</b>	<b>475,857,744,415</b>



Luu Phuong Mai  
Preparer



Pham Phuc Hieu  
Deputy General Director  
cum Chief Accountant



Nguyen Thi Thu Huong  
General Director

18 March 2022

NOTES TO THE SEPARATE FINANCIAL STATEMENTS  
as at 31 December 2021 and for the year 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 17<sup>th</sup> amendment No. 2300233993 being granted by the Department of Planning and Investment of Bac Ninh Province on 12 October 2021.

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 31 December 2021 was: 204 (31 December 2020: 205).

### *Corporate structure*

As at 31 December 2021, the Company has the following 15 subsidiaries (31 December 2020: 11 subsidiaries):

<i>No.</i>	<i>Company’s name</i>	<i>Voting right (%) (*)</i>	<i>Effective interest (%)</i>	<i>Head office</i>	<i>Main activities</i>
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 real estates

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2021 and for the year then ended

1. CORPORATE INFORMATION (continued)

*Corporate structure* (continued)

<i>No.</i>	<i>Company's name</i>	<i>Voting right (%) (*)</i>	<i>Effective interest (%)</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 SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2021 and for the year then ended

## 1. CORPORATE INFORMATION (continued)

### *Corporate structure* (continued)

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

(\*\*) The equity interest in these subsidiaries differs from voting right since the Company controls these subsidiaries indirectly through other subsidiaries.

In addition, the Company also has associates as described in Note 15.

## 2. BASIS OF PREPARATION

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

KinhBac City Development Holding Corporation has subsidiaries as disclosed in Note 1 and Note 15. The Company has prepared these 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 consolidated financial statements of the Company and its subsidiaries for the year ended 31 December 2021 dated 18 March 2022.

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

### 2.2 *Accounting standards and system*

The 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 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 SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2021 and for the year 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 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 residential real estate properties which have been developed for sale in the normal course of operations of the Company, not held for lease or capital appreciation, 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 properties for sale comprises expenses on land use fees, land rentals, land compensation and clearance costs, construction of road and drainage system, factories and other infrastructure costs, construction costs, capitalized borrowing cost, consultancy cost, design cost, etc. 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 separate balance sheet date.

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

**3.3 Receivables**

Receivables are presented in the 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 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 separate income statement.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2021 and for the year then ended

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

#### 3.4 *Tangible fixed assets*

Tangible fixed assets are stated at cost less accumulated depreciation.

The cost of a tangible fixed asset comprises 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 separate income statement as incurred.

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

#### 3.5 *Lease property*

The determination of whether an arrangement is a lease is based on the nature of the arrangement at the time of initiation: whether the performance of the arrangement is contingent upon the use of a certain asset and whether the agreement includes a provision on the right to use the property.

*In case the Company is the lessee*

Leases under operating leases are charged to the separate statement of income on a straight-line basis over the term of the lease.

*In case the Company is the lessor*

Assets under operating leases are recognized as investment properties on the separate balance sheet. Initial direct costs of negotiating operating leases are recognized in the statement of income, separate business when it arises.

Income from operating leases is charged to the separate statement of income on a straight-line basis over the lease term.

#### 3.6 *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 separate income statement as incurred.

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

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2021 and for the year then ended

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

#### 3.7 *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 - 45 years
Machinery and equipment	8 - 10 years
Means of transportation	4 - 10 years
Office equipment	3 - 8 years
Others	3 - 8 years

#### 3.8 *Investment properties*

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

Subsequent expenditure relating to an investment property that has already been 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

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 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.

#### 3.9 *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 year in which they are incurred, except to the extent that they are capitalised as explained in the following paragraph.

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

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2021 and for the year then ended

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

#### 3.10 *Prepaid expenses*

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

#### 3.11 *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 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.

##### *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 balance sheet date. Increases and decreases to the provision balance are recorded as finance expense in the 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 separate income statement and deducted against the value of such investments.

#### 3.12 *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.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2021 and for the year then ended

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

#### 3.13 *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 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.

#### 3.14 *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.

At the end of the year, monetary balances denominated in foreign currencies are translated at the actual transaction exchange rates at the 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 are taken to the separate income statement.

#### 3.15 *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.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2021 and for the year then ended

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

#### 3.16 *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 Company'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 separate balance sheet.

#### 3.17 *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.

##### *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 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.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2021 and for the year then ended

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

#### 3.17 *Revenue recognition* (continued)

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

Gain 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. Gain is recorded on the trade 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.

#### 3.18 *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.

#### 3.19 *Taxation*

##### *Current income tax*

Current income tax assets and liabilities for the current and prior years 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 separate balance sheet date.

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

Current income tax assets and liabilities are offset when there is a legally enforceable right for the Company to 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.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2021 and for the year then ended

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

**3.19 Taxation (continued)**

*Deferred tax*

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

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 separate balance sheet date.

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right for the Company to 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.



NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2021 and for the year then ended

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

#### 3.20 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.

#### 3.21 Related parties

Parties are considered to be related parties of the Company if one party has the ability to, directly or indirectly, 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 enterprises or individuals, including close members of their families.

### 4. SIGNIFICANT TRANSACTIONS DURING THE YEAR

#### *Capital contribution to establish 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/leasing of land use rights. As at 31 December 2021, the voting right and effective interest of the Company in this subsidiary are 70% and 68.65% respectively.

#### *Capital contribution to establish 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/leasing of land use rights. As at 31 December 2021, the voting right and effective interest of the Company in this subsidiary are 60% and 56.77% respectively.

#### *Establishment of Vung Tau Investment Group Joint Stock Company*

The Company has established a new subsidiary, 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 to develop real estate projects, trading/leasing of land use rights. As at 31 December 2021, the voting right and effective interest of the Company in this subsidiary are 74.52%.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2021 and for the year then ended

#### 4. SIGNIFICANT TRANSACTIONS DURING THE YEAR (continued)

##### ***Additional capital contribution into Trang Cat Urban Development One Member Company Limited, an existing subsidiary***

On 16 August 2021, the Board of Directors approved the plan to increase charter capital in Trang Cat Urban Development One Member Company Limited by VND 1,500 billion and the Company completed this capital contribution during the year.

##### ***Additional capital contribution into Kinh Bac - Da Nang Investment One Member Limited Liability Company, an existing subsidiary***

On 28 July 2020, the Board of Directors approved the plan to increase the charter capital in Kinh Bac - Da Nang Investment Investment One Member Company Limited from VND 600 billion to VND 720 billion and the Company completed this capital contribution during the year.

##### ***Additional capital contribution into Saigon – Nhon Hoi Industrial Park Corporation***

On 9 December 2021, the Board of Directors approved the plan to contribute additional capital to Saigon - Nhon Hoi Industrial Park Joint Stock Company from VND 10 billion to VND 120 billion and the Company completed the capital contribution during the year. At the same time, the Company's subsidiary, Northwest Saigon City Development Corporation, also contributed capital to this company. After these transactions, the voting right and effective interest of the Company in Saigon - Nhon Hoi Industrial Park Joint Stock Company is 45% and 35.35%, respectively. Accordingly, Saigon - Nhon Hoi Industrial Park Joint Stock Company has become an associate of the Company.

##### ***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 separate financial statements.

#### 5. CASH AND CASH EQUIVALENTS

	<i>Currency: VND</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Cash on hand	10,006,749,212	6,386,925,378
Cash at banks	60,875,582,714	468,953,144,527
Cash equivalent (*)	699,032,851,728	517,674,510
<b>TOTAL</b>	<b><u>769,915,183,654</u></b>	<b><u>475,857,744,415</u></b>

(\*) Cash equivalents as at 31 December 2021 are deposits in VND with term of 1 month at Commercial Banks with interest rate of 2.8 – 3.8%/year (2020: 2.9%/year).

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2021 and for the year then ended

## 6. SHORT-TERM INVESTMENTS

### 6.1 Held-for-trading securities

Currency: VND

	Ending balance		Beginning balance	
	Cost	Provision	Cost	Provision
<i>Held-for-trading securities:</i>				
Shares (i)	7,490,461,369	(2,308,273,169)	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>(2,308,273,169)</b>	<b>1,862,358,461,369</b>	<b>(5,305,222,369)</b>

(i) As at 31 December 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 this investment 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 which earn interest at 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

	Ending balance	Beginning balance
SLP Park Nam Son Hap Linh Co., Ltd (i)	180,083,916,831	-
Hi-P Vietnam High Technology Co., Ltd (i)	172,313,059,320	-
Kim Tin Bac Ninh Industrial Development JSC (i)	79,928,650,000	-
Kinh Bac Services JSC (ii)	47,897,423,588	-
Agnes Electronic Components Manufacturing Trading Service Co., Ltd (ii)	66,000,000,000	-
Saigon Investment JSC (iii)	104,130,000,000	104,130,000,000
Receivables from sale of landed houses at Phuc Ninh Urban Area	5,876,437,900	16,041,964,181
Other customers	26,068,853,228	26,642,517,295
<b>TOTAL</b>	<b>682,298,340,867</b>	<b>146,814,481,476</b>
<i>Provision for doubtful receivables</i>	6,833,980,650	6,833,980,650

(i) These are the receivables from long-term lease of land and infrastructure at Nam Son Hap Linh Industrial Park.

(ii) These are the receivables related to the sale of factories and long-term lease of land and infrastructure in Que Vo Expansion Industrial Park.

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

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2021 and for the year then ended

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

### 7.2 Advances to suppliers

	Currency: VND	
	Ending balance	Beginning balance
Kinh Bac Investment and Consulting JSC (i)	461,107,184,791	481,832,562,229
Kinh Bac Services JSC (i)	797,909,762,123	525,614,766,443
Vu Hoang Chemical and Environmental Technology Co., Ltd	4,823,758,528	-
Other advances to suppliers	5,936,715,351	17,412,105,984
<b>TOTAL</b>	<b>1,269,777,420,793</b>	<b>1,024,859,434,656</b>

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

### 7.3 Bad debts

	Currency: VND			
	Ending balance		Beginning balance	
	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	
	Ending balance	Beginning balance
<b>Short-term</b>		
Hanoi Construction Corporation (*)	81,564,939,220	70,805,469,057
Saigon Tourist Corporation	500,000,000	500,000,000
Receivables from related parties (Note 29)	139,406,000,000	-
<b>TOTAL</b>	<b>221,470,939,220</b>	<b>71,305,469,057</b>
<i>Provision for loan receivables</i>	(500,000,000)	(500,000,000)
<b>Long-term</b>		
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 29)	642,000,000,000	400,000,000,000
<b>TOTAL</b>	<b>643,000,000,000</b>	<b>401,000,000,000</b>

(\*) This is an unsecured loan, which will mature within the next 12 months and earn interest at 10% per annum.

Long-term loans are unsecured loans which will mature from March 2023 to July 2024 and earn interest from 10.5%/year to 12.5%/year.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2021 and for the year then ended

## 9. OTHER RECEIVABLES

Currency: VND

	Ending balance		Beginning balance	
	Cost	Provision	Cost	Provision
<b>Short-term</b>				
Advance to PVcomBank (i)	237,365,756,101	-	232,681,247,878	-
Receivables from Kinh Bac Service JSC from transfer of shares	-	-	248,880,217,500	-
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	27,169,896,672	-	15,995,312,612	-
Deposit receivables (v)	12,851,128,404	-	12,851,128,404	-
Van Duong Commune People's Committee	3,327,780,000	-	3,327,780,000	-
Other short-term receivables	26,905,345,934	-	89,657,477,840	-
Other receivables from related parties (Note 29)	59,948,077,826	-	18,878,555,518	-
<b>TOTAL</b>	<b>387,007,984,937</b>	<b>-</b>	<b>641,711,719,752</b>	<b>-</b>
<b>Long-term</b>				
Receivables from Kinh Bac Service JSC from transfer of shares (ii)	243,880,217,500	-	-	-
Lang Ha Investment JSC (iii)	168,463,936,017	-	-	-
Vien Dong Vietnam Real Estate and Property JSC	500,000,000	-	500,000,000	-
Other long-term receivables	187,271,501	-	111,369,861	-
Other receivables from related parties (Note 29)	246,386,849,317	-	242,202,739,726	-
<b>TOTAL</b>	<b>659,418,274,335</b>	<b>-</b>	<b>242,814,109,587</b>	<b>-</b>

- (i) This is an advance to the Vietnam Public Joint Stock Commercial Bank ("PVcomBank") related to the acquisition of shares in Lang Ha Investment JSC.
- (ii) Including receivables from the transfer of 9.8 million shares of Sai Gon - Hue Investment Joint Stock Company, which has been extended to 31 December 2023 with a deferred payment interest rate of 11.5%/ year and the interest receivables due on 31 December 2023.
- (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 (i)).
- (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.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2021 and for the year then ended

#### 9. OTHER RECEIVABLES (continued)

- (v) This is a deposit for Hanoi Agricultural Development and Investment One Member State Company Limited under Contract No. 128/2010/HD-HTKD signed on June 29, 2010 for business cooperation on investment projects. building commercial centers, offices, high-class houses and investment projects on building eco-tourism areas, villas, garden houses, high-class apartment houses in Minh Khai ward, Bac Tu Liem district, Hanoi.

#### 10. INVENTORIES

	<i>Currency: VND</i>			
	<i>Ending balance</i>		<i>Beginning balance</i>	
	<i>Cost</i>	<i>Provision</i>	<i>Cost</i>	<i>Provision</i>
Phuc Ninh Urban Area	1,102,933,602,162	-	1,065,107,703,958	-
Nam Son - Hap Linh Industrial Park	813,284,229,517	-	776,878,482,119	-
Merchandise	-	-	10,361,625,000	-
Other projects	13,147,207,278	-	13,147,207,278	-
<b>TOTAL</b>	<b>1,929,365,038,957</b>	<b>-</b>	<b>1,865,495,018,355</b>	<b>-</b>

Inventories as at 31 December 2021 comprise land costs, land compensation and clearance costs, infrastructure development costs, capitalized borrowing costs and other costs which incurred for the development of industrial parks and other real estate projects of the Company for sale. The inventories are mainly used as collateral for long-term loans as disclosed in Note 20.

During the year, the Company capitalized loan interests amounting to VND 37.3 billion (in 2020: VND 36.8 billion). These interest expenses are related to loans taken for the development of industrial parks and other real estate projects of the Company.

#### 11. PREPAID EXPENSES

	<i>Currency: VND</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
<b>Short-term</b>		
Brokerage fees of un-completed real-estate transfer contracts	58,820,557,347	58,820,557,347
Other short-term prepaid expenses	591,902,778	230,777,778
<b>TOTAL</b>	<b>59,412,460,125</b>	<b>59,051,335,125</b>
<b>Long-term</b>		
Infrastructure repair costs	9,335,937,320	10,783,859,421
Tools and equipment	386,041,444	213,573,444
<b>TOTAL</b>	<b>9,721,978,764</b>	<b>10,997,432,865</b>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2021 and for the year then ended

## 12. TANGIBLE FIXED ASSETS

Currency: VND

	Buildings and structures (including cost of land development and infrastructure)	Machineries and equipment	Transportations	Office equipment	Others	Total
<b>Cost:</b>						
Beginning balance	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	7,790,474,363	-	-	-	-	7,790,474,363
New purchase	-	-	2,747,621,818	-	-	2,747,621,818
Reclassify	-	(99,090,909)	-	99,090,909	-	-
Ending balance	238,966,761,807	6,747,731,131	40,440,123,984	21,710,333,010	788,381,818	308,653,331,750
<i>In which:</i>						
Fully depreciated	44,698,372,112	4,499,806,852	12,208,674,348	6,103,151,192	788,381,818	68,298,386,322
<b>Accumulated depreciation:</b>						
Beginning balance	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 year	14,494,462,922	254,725,486	3,306,368,393	1,963,284,096	-	20,018,840,897
Reclassify	184,231,573	(242,962,955)	-	58,731,382	-	-
Ending balance	133,169,850,967	5,518,992,827	28,186,442,846	11,906,839,856	788,381,818	179,570,508,314
<b>Net carrying amount:</b>						
Beginning balance	112,685,130,972	1,339,591,744	12,812,427,713	11,726,417,723	-	138,563,568,152
Ending balance	105,796,910,840	1,228,738,304	12,253,681,138	9,803,493,154	-	129,082,823,436

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2021 and for the year then ended

### 13. CONSTRUCTION IN PROGRESS

	<i>Currency: VND</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Water supply and wastewater treatment system at Nam Son Hap Linh Industrial Park	78,851,668,712	-
Que Vo II Industrial Park	-	4,721,134,625
Bac Giang Thermal Power Plant	3,116,503,893	3,116,503,893
Hanoi Diplomat Area	1,355,116,818	1,355,116,818
Existing Que Vo Industrial Park	1,367,714,545	
Other construction in progress	3,326,950,550	2,594,739,000
<b>TOTAL</b>	<b><u>88,017,954,518</u></b>	<b><u>11,787,494,336</u></b>

Construction in progress for the water supply and wastewater treatment system in Nam Son Hap Linh Industrial Park are used as collateral for the Company's loans as disclosed in Note 20.

### 14. INVESTMENT PROPERTIES

	<i>Currency: VND</i>	
	<i>Factories (including land development and infrastructure cost)</i>	
<b>Cost:</b>		
Beginning balance		258,574,054,260
Sold in the year		<u>(85,589,009,260)</u>
Ending balance		<u>172,985,045,000</u>
<b>Accumulated depreciation:</b>		
Beginning balance		32,014,266,975
- Depreciation during the year		(20,632,525,855)
- Sold in the year		<u>22,977,803,492</u>
Ending balance		<u>34,359,544,612</u>
<b>Net carrying amount:</b>		
Beginning balance		<u>226,559,787,285</u>
Ending balance		<u>138,625,500,388</u>

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

As at 31 December 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 SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2021 and for the year then ended

**15. LONG-TERM INVESTMENTS**

		<i>Currency: VND</i>	
	<i>Note</i>	<i>Ending balance</i>	<i>Beginning balance</i>
Investments in subsidiaries	15.1	10,337,218,294,000	7,205,618,294,000
Investments in associates	15.2	550,697,261,074	430,697,261,074
Other long-term investments	15.3	438,500,200,000	448,500,200,000
Provision for long-term investments		<u>(30,092,518,150)</u>	<u>(349,142,755,114)</u>
<b>TOTAL</b>		<b><u>11,296,323,236,924</u></b>	<b><u>7,735,672,999,960</u></b>

**15.1 Investments in subsidiaries**

No.	<i>31 December 2021</i>			<i>31 December 2020</i>		
	<i>Voting right(%)</i>	<i>No. of shares</i>	<i>Net book value (VND)</i>	<i>Voting right(%)</i>	<i>No. of shares</i>	<i>Net book value (VND)</i>
1						
Trang Cat Urban Development One Member Company Limited (i)	100	-	6,630,000,000,000	100	-	5,130,000,000,000
2						
Hung Yen Investment and Development Corporation (ii)	60	108,000,000	1,080,000,000,000	-	-	-
3						
Long An Investment Development Joint Stock Company (ii)	36	54,000,000	540,000,000,000	-	-	-
4						
Saigon – Tay Bac City Development JSC	74.3	30,259,574	662,066,314,000	74.3	30,259,574	662,066,314,000
5						
Saigon - Hai Phong Industrial Park JSC	86.54	3,600,000	468,000,000,000	86.54	3,600,000	468,000,000,000
6						
Saigon - Bacgiang Industrial Park JSC	92.5	1,309,000	119,000,000,000	92.5	1,309,000	119,000,000,000
7						
NGD Investment One Member Company Limited	100	-	105,300,000,000	100	-	105,300,000,000
8						
Kinh Bac Office and Factory Business One Member Company Limited	100	-	5,440,000,000	100	-	5,440,000,000
9						
Kinh Bac - Da Nang Investment One Member Company Limited (iii)	100	-	720,000,000,000	100	-	708,400,000,000
10						
Tien Duong Development Holding Joint Stock Company	51	25,500,000	<u>7,411,980,000</u>	51	25,500,000	<u>7,411,980,000</u>
<b>TOTAL</b>			<b><u>10,337,218,294,000</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>10,337,218,294,000</u></b>			<b><u>7,205,618,294,000</u></b>

The Company is using shares and assets held in some subsidiaries as collateral for the Company's loans as disclosed in Note 20.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2021 and for the year then ended

## 15. LONG-TERM INVESTMENTS (continued)

### 15.1 Investments in subsidiaries (continued)

- (i) As disclosed in Note 4, during the year, the Company has contributed additional capital of VND 1,500 billion in cash to Trang Cat Urban Development One Member Limited Liability Company.
- (ii) As disclosed in Note 4, during the year, 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.
- (iii) During the year, the Company contributed additional capital of VND 11.6 billion to Kinh Bac - Da Nang Investment One Member Company Limited.

Details of the subsidiaries as at 31 December 2021 are disclosed in Note 1.

### 15.2 Investments in associates

	Note	Ownership interest	Ending balance		Beginning balance	
			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
Saigon - Nhon Hoi Industrial Park JSC	(iii)	35.35%	12,000,000	120,000,000,000	-	-
<b>TOTAL</b>				<b>550,697,261,074</b>		<b>430,697,261,074</b>
Provision for impairment of investment in associates				(7,204,600,000)		(326,254,836,964)
<b>NET VALUE</b>				<b>543,492,661,074</b>		<b>104,442,424,110</b>

Details of provision for impairment of investment in associates:

	Currency: VND	
	Ending balance	Beginning balance
<b>Provision for impairment of investment in associates</b>		
Saigon Telecommunication & Technologies JSC	-	319,050,236,964
Scanviwood JSC	7,204,600,000	7,204,600,000
<b>TOTAL</b>	<b>7,204,600,000</b>	<b>326,254,836,964</b>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2021 and for the year 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 VND 740 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 issued by the Department of Planning and Investment of Ho Chi Minh City on 10 June 2015 with a registered charter 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.

*(iii) Saigon - Nhon Hoi Industrial Park Joint Stock Company*

Saigon - Nhon Hoi Industrial Park Joint Stock Company was established and operated under the Business Registration Certificate No. 4100579765 issued by the Department of Planning and Investment of Binh Dinh province on 13 December 2021 with a registered charter capital of VND 1,200 billion. The main activity according to the Business Registration Certificate of this company is to trade in real estate, trading/leasing of land use rights.

Its registered office is at Lot A2-01, N3 street, Nhon Hoi Industrial Park - Zone A, Nhon Hoi Commune, Quy Nhon City, Binh Dinh Province, Vietnam.

As disclosed in Note 4, during the year, the Company and Saigon - Northwest Urban Development Joint Stock Company contributed additional capital to Saigon - Nhon Hoi Industrial Park Joint Stock Company. After these transactions, the direct and indirect voting right of the Company in Saigon - Nhon Hoi Industrial Park Joint Stock Company are 10% and 35%, respectively.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2021 and for the year then ended

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

**15.3 Other long-term investments**

Currency: VND

	Ending balance			Beginning balance		
	% of voting right	Number of shares	Cost (*)	% of voting right	Number of shares	Cost (*)
Saigon - Quy Nhon Mineral JSC	6.43	6,900,000	339,000,000,000	6.43	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
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	300,000,000	0.15	30,000	300,000,000
<b>TOTAL</b>			<b><u>438,500,200,000</u></b>			<b><u>448,500,200,000</u></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>415,612,281,850</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 these shares have not been listed on the stock exchange.

**16. TRADE PAYABLES**

Currency: VND

	Amount (also is payable amount)	
	Ending balance	Beginning balance
Phuc Hung Holdings Construction JSC	22,474,163,008	-
Truong Phat Investment JSC	17,945,219,000	22,490,342,800
HP Land Real Estate Trading JSC	13,019,970,115	13,019,970,115
Other suppliers	37,644,315,300	36,468,787,271
<b>TOTAL</b>	<b><u>91,083,667,423</u></b>	<b><u>71,979,100,186</u></b>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2021 and for the year then ended

**17. STATUTORY OBLIGATIONS**

	<i>Beginning balance</i>	<i>Payable for the year</i>	<i>Net off/received in the year</i>	<i>Currency: VND Ending balance</i>
<b>Payable</b>				
Corporate income tax	1,125,781,524	91,619,893,358	(59,053,886,098)	33,691,788,784
Personal income tax	877,360,585	11,334,911,492	(11,732,684,752)	479,587,325
Other taxes	487,302,522	13,544,522,233	(13,693,337,256)	338,487,499
<b>TOTAL</b>	<b>2,490,444,631</b>	<b>116,499,327,083</b>	<b>(84,479,908,106)</b>	<b>34,509,863,608</b>
	<i>Beginning balance</i>	<i>Receivable for the year</i>	<i>Net off in the year</i>	<i>Ending balance</i>
<b>Receivable</b>				
Value added tax	93,634,351,535	53,789,011,846	(85,041,179,686)	62,382,183,695
Other tax	-	2,327,581,447	-	2,327,581,447
<b>TOTAL</b>	<b>93,634,351,535</b>	<b>56,116,593,293</b>	<b>(85,041,179,686)</b>	<b>64,709,765,142</b>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2021 and for the year then ended

## 18. ACCRUED EXPENSES

	<i>Currency: VND</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
<b>Short-term</b>		
Accrued future development costs for properties already transferred	226,880,785,092	53,600,398,002
Accrued land rental	37,513,311,365	-
Accrued interest expenses	59,864,605,235	53,642,144,169
Accrued costs for external services	33,421,865,503	1,975,855,000
Accrued expenses to related parties ( <i>Note 29</i> )	13,023,831,373	18,523,150,684
<b>TOTAL</b>	<b><u>370,704,398,568</u></b>	<b><u>127,741,547,855</u></b>
<b>Long-term</b>		
Accrued interest expenses (*)	872,632,073,279	815,324,792,328
Land rent in advance	-	34,415,881,986
Accrued expenses to related parties ( <i>Note 29</i> )	59,297,564,042	65,081,187,231
<b>TOTAL</b>	<b><u>931,929,637,321</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 and PVcomBank, these bond interests will fall due from 1 January 2026.

## 19. OTHER PAYABLES

	<i>Currency: VND</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
<b>Short-term</b>		
Payable related to the transfer of capital contribution (i)	1,804,868,000,000	1,804,868,000,000
Deposits under the agreements for the sale of real estate properties (ii)	531,548,137,150	559,012,929,676
Hieu Cuong Trading Investment Co., Ltd	-	11,867,700,000
Dividend payables	1,574,632,950	1,574,632,950
Other payables	5,003,267,882	3,512,408,795
Other payables to related parties ( <i>Note 28</i> )	2,458,000,000	858,000,000
<b>TOTAL</b>	<b><u>2,345,452,037,982</u></b>	<b><u>2,381,693,671,421</u></b>
<b>Long-term</b>		
Other long-term payables	6,422,776,559	9,225,250,271
<b>TOTAL</b>	<b><u>6,422,776,559</u></b>	<b><u>9,225,250,271</u></b>

(i) This is the payable to Tan Hoang Minh Hotel Service Trading Company Limited under the contract for the transfer of equity capital in Hoa Sen Hotel Development Company Limited (see disclosure in Note 6.1).

(ii) These are deposits from customers for the transfer of land use rights and housing units at Phuc Ninh new urban area project at Bac Ninh city, Bac Ninh province.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2021 and for the year then ended

## 20. LOANS

	Beginning balance		Movement during the year		Ending balance	
	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	167,999,601,572	-	307,999,601,572	307,999,601,572
Current portion of long-term bonds (Note 20.2)	895,306,969,696	895,306,969,696	724,073,450,507	(823,152,086,867)	796,228,333,336	796,228,333,336
Other short-term loans	450,000,000,000	450,000,000,000	100,000,000,000	(500,000,000,000)	50,000,000,000	50,000,000,000
Loans from related parties (Note 29)	-	-	367,888,427,042	(274,000,000,000)	93,888,427,042	93,888,427,042
<b>TOTAL</b>	<b>1,485,306,969,696</b>	<b>1,485,306,969,696</b>	<b>1,359,961,479,121</b>	<b>(1,597,152,086,867)</b>	<b>1,248,116,361,950</b>	<b>1,248,116,361,950</b>
<b>Long-term</b>						
Long-term loans from bank (Note 20.1)	316,472,386,262	316,472,386,262	116,418,619,507	(406,170,005,663)	26,721,000,106	26,721,000,106
Bonds (Note 20.2)	1,051,444,411,158	1,051,444,411,158	3,363,520,765,695	(1,181,905,595,456)	3,233,059,581,397	3,233,059,581,397
Loans from related parties (Note 29)	1,526,159,137,294	1,526,159,137,294	2,469,663,636,364	(2,655,159,137,294)	1,340,663,636,364	1,340,663,636,364
<b>TOTAL</b>	<b>2,894,075,934,714</b>	<b>2,894,075,934,714</b>	<b>5,949,603,021,566</b>	<b>(4,243,234,738,413)</b>	<b>4,600,444,217,867</b>	<b>4,600,444,217,867</b>

Currency: VND

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2021 and for the year then ended

**20. LOANS** (continued)

**20.1 Long-term loans from banks**

Details of long term loans from banks are as follows:

<i>Banks</i>	<i>31 December 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	66,870,401,121	9.5% per annum	Loan principal is repayable every 6 months from the date of debt receipt. The last repayment date is December 1, 2022. Interest is payable every 3 months.	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	241,129,200,450	10% per annum	Loan principal is repayable every 6 months from the date of debt receipt. The last repayment date is 29 November 2022. Interest is payable 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.
	26,721,000,107	9.5% per annum	The last repayment date is 30 July 2026; The loan principal is repayable every 6 months. Interest is payable every 3 months on the 25th.	All machineries, tools, movable property, means of transport and other machineries and equipment formed in future to serve the clean water treatment plant project with a capacity of 19,000m <sup>3</sup> in Nam Son Hap area and all profits, receivables from business, associated to land or from business investment, exploitation, management, development of clean water treatment plant project with a capacity of 19,000 m <sup>3</sup> .

**TOTAL**

**334,720,601,678**

*In which:*

- Current portion of long-term loans	307,999,601,572
- Long-term loans	26,721,000,106



NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2021 and for the year then ended

**20. LOANS (continued)**

**20.2 Bonds**

As at 31 December 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
KBC2123001	Secured, non-convertible bonds, without warrants	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
KBC2021.AB	Corporate bond	15,000,000	100,000	1,500,000,000,000	10.80%	24 June 2023	- 600,000 ordinary shares of Saigon-Bac Giang Industrial Park Joint Stock Company Unsecured
KBCH2123002	Corporate bond	10,000,000	100,000	1,000,000,000,000	10.50%	03 June 2023	26,000,000 ordinary shares of KinhBac City Development Holding Corporation
KBCH2124003	Corporate bond	4,050,000	100,000	405,000,000,000	10.50%	11 November 2024	The bond is secured by land plot No 91, map sheet 15, at 84 Hung Vuong, Hai Chau 1 ward, Hai Chau district, Da Nang City and 100% contributed capital in Kinh Bac - Da Nang Investment Co., Ltd. together with the land to be formed in future and the sale contracts of assets between the issuer and the customers buying the product at the project of land plot number 91, map sheet 15, at 84 Hung Vuong, Hai Chau 1 ward, Hai Chau district, Da Nang city.
KBC2020.200	Corporate bond	200,000	1,000,000	200,000,000,000	9.38%	8 May 2022	1,309,000 shares of Saigon - Bac Giang Industrial Park Joint Stock Company
KBC2020.VB	Corporate bond	2,000,000	100,000	200,000,000,000	9.38%	23 June 2022	Construction works on the land (including factory, office), infrastructure works in existing Que Vo Industrial Park, Que Vo Industrial Park expansion and Quang Chau Industrial Park
KBC2020.DC	Corporate bond	4,000,000	100,000	400,000,000,000	11%	28 January 2022	1,680,000 ordinary shares of Saigon - Hai Phong Industrial Park Joint Stock Company
Bond issuance costs:				(75,712,085,267)			
<b>TOTAL</b>		<b>39,250,000</b>		<b>4,029,287,914,733</b>			
In which:							
Current portion of long-term bonds				800,000,000,000			
Long-term bonds				3,305,000,000,000			
Issue costs of current portion of long-term bonds				(3,771,666,664)			
Issue costs of long-term bonds				(71,940,418,603)			

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2021 and for the year 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
Mr. Do Anh Dung	50,000,000,000	No interest	Principal will mature on 15 July 2022	Unsecured
<b>TOTAL</b>	<b><u>50,000,000,000</u></b>			

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2021 and for the year 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>Previous year:</b>						
Beginning balance	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
Profit for the year	-	-	-	-	43,557,445,441	43,557,445,441
Ending balance	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
<b>Current year:</b>						
Beginning balance	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
Capital increase during the year (*)	1,000,000,000,000	2,408,280,000,000	-	-	-	3,408,280,000,000
Profit for the year	-	-	-	-	58,074,648,793	58,074,648,793
Ending balance	5,757,111,670,000	3,396,813,430,000	(364,466,650,000)	2,223,693,823	1,733,711,082,422	10,525,393,226,245

(\*) Pursuant to the Resolution of the Board of Directors No. 1607/2021/KBC/NQ-HDQT dated 16 July 2021 on the private offerings of new shares in 2021, the Company completed its capital increase from a private placement on 7 October 2021.

On 10 February 2022, the Company's General Meeting of Shareholders approved the plan to issue additional shares using equity reserves. The maximum number of shares expected to be issued is 191,903,722. As at the date of these separate financial statements, the Company is in process to implement this resolution.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2021 and for the year then ended

## 21. OWNERS' EQUITY (continued)

### 21.2 Contributed charter capital

Currency: VND

	Ending balance			Beginning balance		
	Total	Ordinary shares	Preference shares	Total	Ordinary shares	Preference shares
Contributed by shareholders	5,757,111,670,000	5,757,111,670,000	-	4,757,111,670,000	4,757,111,670,000	-
Share premium	3,396,813,430,000	3,396,813,430,000	-	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>8,789,458,450,000</b>	<b>8,789,458,450,000</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

	Current year	Previous year
<b>Contributed capital</b>		
Beginning balance	4,757,111,670,000	4,757,111,670,000
Increase in the year	1,000,000,000,000	-
Ending balance	<u>5,757,111,670,000</u>	<u>4,757,111,670,000</u>
<b>Dividends, profit paid</b>	-	-

### 21.4 Dividend

Currency: VND

	Ending balance	Beginning balance
Dividends declared during the year	-	-
Dividends paid during the year	-	23,868,750,000

### 21.5 Shares

	Volume (shares)	
	Ending balance	Beginning balance
<b>Issued shares</b>	<b>575,711,167</b>	<b>475,711,167</b>
<b>Issued and paid-up shares</b>	<b>575,711,167</b>	<b>475,711,167</b>
Ordinary shares	575,711,167	475,711,167
Preference shares	-	-
<b>Treasury shares</b>	<b>5,950,978</b>	<b>5,950,978</b>
Ordinary shares	5,950,978	5,950,978
Preference shares	-	-
<b>Shares in circulation</b>	<b>569,760,189</b>	<b>469,760,189</b>
Ordinary shares	569,760,189	469,760,189
Preference shares	-	-

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

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2021 and for the year then ended

**22. REVENUES****22.1 Revenue from sales of goods and rendering of services**

	Currency: VND	
	Current year	Previous year
<b>Gross revenue</b>	<b>1,152,484,590,506</b>	<b>181,003,098,694</b>
<i>Of which:</i>		
Revenue from long-term lease of land and infrastructures (*)	907,838,653,040	10,708,139,904
Revenue from supply of clean water, electricity, management services, waste water treatment supply	116,827,636,823	117,044,238,686
Revenue from selling factories	91,831,114,520	-
Revenue from operating leases of warehouses, factories and offices	35,255,368,003	39,370,114,040
Revenue from transfer of real estate properties	-	13,320,000,000
Other revenues	731,818,120	560,606,064
<b>Net revenue</b>	<b>1,152,484,590,506</b>	<b>181,003,098,694</b>
<i>In which:</i>		
Sales to others	1,152,484,590,506	181,003,098,694
Sales to related parties	-	-

(\*) During the year, the Company recognized revenue from sub-leasing land with infrastructure in industrial parks in the separate income statement when handing over the 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 impact 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			
	Current year		Previous year	
	<i>Revenues are recognized in full at the hand-over date</i>	<i>Revenues are amortized over the lease term</i>	<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	1,152,484,590,506	267,555,585,059	181,003,098,694	170,584,367,977
<i>Of which:</i>				
Revenue from long-term lease of land and infrastructures	907,838,653,040	22,909,647,593	10,708,139,904	289,409,187
Cost of goods sold and services provided	(489,387,069,441)	(8,864,956,591)	(120,198,253,560)	(100,291,668,871)
<b>Gross profit from sale of goods and rendering of services</b>	<b>663,097,521,065</b>	<b>258,690,628,468</b>	<b>60,804,845,134</b>	<b>70,292,699,105</b>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2021 and for the year then ended

**22. REVENUES (continued)**

**22.2 Finance income**

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Interest income from deposits and lending and business cooperation contract	51,071,626,234	18,471,391,126
Gain from transfer of shares	-	261,404,742,116
Dividend income	-	90,780,000,000
Interest income from outstanding receivables from share transfer contract	-	16,884,359,675
Other finance income	170,868,119	82,775,424
<b>TOTAL</b>	<b><u>51,242,494,353</u></b>	<b><u>387,623,268,341</u></b>

**23. COST OF GOODS SOLD AND SERVICES RENDERED**

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Cost of long-term leases of land and infrastructures	352,445,007,747	20,163,939,070
Cost of factories sold	38,632,545,585	-
Cost of services provided	75,331,712,617	70,653,313,780
Cost of operating leases of warehouses, factories and offices	22,977,803,492	24,431,433,488
Cost of real estate properties transferred	-	4,949,567,222
<b>TOTAL</b>	<b><u>489,387,069,441</u></b>	<b><u>120,198,253,560</u></b>

**24. GENERAL AND ADMINISTRATIVE EXPENSES AND SELLINGS EXPENSES**

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
<b>Selling expenses</b>		
Labour costs	3,251,383,000	3,846,700,257
Legal consultation and brokerage expenses	21,074,014,926	-
Other expenses	10,361,625,000	250,000,000
<b>TOTAL</b>	<b><u>34,687,022,926</u></b>	<b><u>4,096,700,257</u></b>
<b>General and administrative expenses</b>		
Labour costs	53,105,888,628	51,152,801,285
Depreciation of fixed assets	7,836,353,313	7,476,961,712
Expenses of external services	39,226,746,229	34,982,559,953
Sponsor expenses	42,372,809,654	45,092,365,073
Others	3,339,515,938	1,643,850,338
<b>TOTAL</b>	<b><u>145,881,313,762</u></b>	<b><u>140,348,538,361</u></b>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2021 and for the year then ended

**25. FINANCE EXPENSES**

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Interest expenses	536,783,913,007	249,344,533,106
Bond issue costs	55,338,571,758	31,527,822,751
Reversal of provision for investments	(322,047,186,164)	(27,456,929,473)
Other finance expenses	463,892,926	2,728,563,844
<b>TOTAL</b>	<b><u>270,539,191,527</u></b>	<b><u>256,143,990,228</u></b>

**26. OTHER EXPENSES**

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Others	116,965,128,190	1,466,915,688
<b>TOTAL</b>	<b><u>116,965,128,190</u></b>	<b><u>1,466,915,688</u></b>

**27. PRODUCTION AND OPERATING COSTS**

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Land, infrastructure, factories development costs and costs of rendering services	444,717,789,590	430,004,102,214
Labour costs	60,282,858,628	58,962,969,019
Depreciation of fixed assets	42,996,644,389	46,408,903,837
Expenses for external services	62,905,045,309	34,982,559,953
Other expenses	56,073,950,592	46,736,215,411
<b>TOTAL</b>	<b><u>666,976,288,508</u></b>	<b><u>617,094,750,434</u></b>

**28. CORPORATE INCOME TAX**

The corporate income tax ("CIT") rate applicable to the Company for the year ended 31 December 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 separate financial statements could change at a later date upon final determination by the tax authorities.

**28.1 CIT expenses**

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Current CIT expenses	91,619,893,358	5,861,046,890
Deferred CIT income	(832,241,000)	(832,241,000)
<b>TOTAL</b>	<b><u>90,787,652,358</u></b>	<b><u>5,028,805,890</u></b>

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

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2021 and for the year then ended

**28. CORPORATE INCOME TAX** (continued)

**28.1 CIT expenses** (continued)

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Accounting profit before tax	148,862,301,151	48,586,251,331
CIT expenses at rate applicable of 20%	29,772,460,230	9,717,250,266
<i>Adjustments for:</i>		
Non-deductible expenses	9,320,878,917	3,991,993,645
Interest expenses in excess of 30% EBITDA according to Decree 132/2020/NĐ-CP	51,694,313,210	28,786,918,916
Losses from other activities which are not allowed to be offset against profits from real estate business activities	-	833,826,237
Dividends which are not taxable	-	(18,156,000,000)
Adjustment of CIT according to Decree 68/2020/ND-CP	-	(5,096,161,336)
Adjustment for under accrual of tax from prior year	-	(10,709,750,169)
Adjustment of CIT according to Decree 114/2020/ND-CP	-	(4,339,271,669)
<b>CIT expenses</b>	<b><u>90,787,652,357</u></b>	<b><u>5,028,805,890</u></b>

**28.2 Current CIT**

The current CIT payable is based on taxable income for the current year. The taxable income of the Company and its subsidiaries for the year differs from the profit as reported in the separate income statement because it excludes items of income or expense that are taxable or deductible in other 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 separate balance sheet date.

**28.3 Deferred CIT**

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

	<i>Currency: VND</i>			
	<u><i>Separate balance sheet</i></u>		<u><i>Separate income statement</i></u>	
	<i>Ending balance</i>	<i>Beginning balance</i>	<i>Current year</i>	<i>Previous year</i>
<b>Deferred tax liabilities</b>				
Deferred tax liabilities arising from allocation of CIT over the lease term at the Company's industrial parks	34,801,507,320	35,633,748,320	(832,241,000)	(832,241,000)
	<b><u>34,801,507,320</u></b>	<b><u>35,633,748,320</u></b>		
<b>Net deferred income tax credit to the separate income statement</b>			<b><u>(832,241,000)</u></b>	<b><u>(832,241,000)</u></b>



NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2021 and for the year then ended

**28. CORPORATE INCOME TAX (continued)**

**28.4 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

Originating year	Can be utilized up to		Tax loss amount	Utilized up to 31 December 2021	Forfeited	Unutilized at 31 December 2021
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
2021	2026	(ii)	262,126,619	-	-	262,126,619
<b>TOTAL</b>			<b>53,911,553,128</b>	<b>(53,548,750,843)</b>	<b>-</b>	<b>362,802,285</b>

- (i) These are estimated tax losses of the Company's branch which have been audited by the local tax authorities.
- (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 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.

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

In accordance with the guidance under Decree 132/2020/ND-CP, the Company is allowed to carry forward interest expenses that are not deductible when calculating CIT ("non-deductible interest expenses") to the subsequent periods when determining the total deductible interest expenses. Interest expenses are allowed to be carried forward continuously for not more than 5 years from the year after which the deductible interest expense is incurred. As at the balance sheet date, the Company has the following accumulated non-deductible interest expenses which can be used as follows:

Currency: VND

Year	Non-deductible interest expenses can be carried forward to		Non-deductible interest expenses	Non-deductible interest expenses already transferred to 31/12/2021	Non-deductible interest expenses not eligible to be transferred	Non-deductible interest expenses not yet transferred at 31/12/2021
2019	2024	(i)	99,566,069,293	-	-	99,566,069,293
2020	2025	(i)	143,934,594,578	-	-	143,934,594,578
2021	2026	(i)	258,471,566,048	-	-	258,471,566,048
<b>TOTAL</b>			<b>501,972,229,919</b>	<b>-</b>	<b>-</b>	<b>501,972,229,919</b>

- (i) These are estimated non-deductible interest expenses as per the Company's tax returns which have not been audited by the local tax authorities as of the date of these separate financial statements.

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

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2021 and for the year then ended

## 29. TRANSACTIONS WITH RELATED PARTIES

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

<i>No.</i>	<i>Related party</i>	<i>Relationship</i>
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
	Saigon - Northwest Urban Development Joint Stock	Subsidiary
4	Company	
5	Tien Duong Urban Development Joint Stock Company	Subsidiary
6	Kinh Bac - Da Nang Investment One Member Co., Ltd	Subsidiary
7	Mr Dang Thanh Tam	Chairman
8	Ms Nguyen Thi Thu Huong	General Director
9	Mr Phan Anh Dung	Deputy General Director
10	Ms Nguyen My Ngoc	Deputy General Director
11	Vinatex – Tan Tao Investment Corporation	Common key management member
12	Sai Gon Hi-Tech Park Infrastructure Development and Investment JSC	Common key management member
13	Vinatex - Tan Tao Investment Joint Stock Company	Common key management member

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2021 and for the year then ended**29. TRANSACTIONS WITH RELATED PARTIES (continued)**

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

Related party	Description	Currency: VND	
		Current year	Previous year
Saigon - Hai Phong Industrial Park Corporation	Lending	1,292,264,000,000	200,000,000,000
	Interest from lending	65,032,197,425	9,101,369,863
	Repayments of borrowings	260,858,000,000	311,000,000,000
	Interest payables	36,803,731,258	21,273,622,607
	Receivables from business cooperation contracts	225,000,000,000	-
	Interest from business cooperation contracts	2,268,493,151	-
	Car rental revenue	560,606,064	560,606,064
	Loan interest payment	29,547,893,577	-
	Earning loan interest	32,327,522,410	-
	Netting off loan receivable and loan interest	16,197,425,095	-
Saigon - Bacgiang Industrial Park Corporation	Lending	828,000,000,000	200,000,000,000
	Interest from lending	37,368,331,113	9,101,369,863
	Contribute capital under the business cooperation contract	-	224,000,000,000
	Recovery of capital contribution for business cooperation	224,000,000,000	-
	Interest from business cooperation contracts	12,616,276,320	15,143,013,698
	Income from BCC	27,759,290,018	-
	Collection of loan receivable	1,028,000,000,000	1,029,000,000,000
	Interest expense payable	103,694,906,115	55,823,446,562
	Borrowing	849,663,636,364	-
	Deducting debts to collect loan interest	35,693,150,684	-
	Loan interest payment	76,553,357,091	-
	Earning loan interest	25,919,563,990	-
Repayment of loan principal	1,121,270,710,252	-	
Saigon - Northwest Urban Development Joint Stock Company	Capital contribution	-	90,780,000,000
	Payment on behalf	45,800,765,540	-
Trang Cat Urban Development One Member Co., Ltd	Capital contribution	1,500,000,000,000	1,000,000,000,000
Tien Duong Urban Development Joint Stock Company	Capital contribution	-	3,671,980,000

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2021 and for the year then ended

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

Significant transactions between the Company and its related parties during the current and previous year were as follows (continued):

Related party	Description	Current year	Currency: VND	
			Previous year	
Kinh Bac - Da Nang Investment One Member Co., Ltd	Capital contribution	11,600,000,000	108,400,000,000	
Vinatex - Tan Tao Investment Joint Stock Company	Loan repayment	-	100,000,000,000	
	Interest expense	-	6,399,999,667	
	Interest expense paid	-	7,633,333,000	
Mr. Dang Thanh Tam	Dividend paid	-	23,868,750,000	
	Other payables	1,600,000,000	-	
Hung Yen Development Investment Group JSC	Capital contribution	1,080,000,000,000	-	
	Borrowing	1,080,000,000,000	-	
	Interest payables	4,253,424,656	-	
	Repayment of loan principal	900,000,000,000	-	
Long An Investment Development JSC	Capital contribution	540,000,000,000	-	
	Interest payables	1,920,821,918	-	
	Borrowings	540,000,000,000	-	
	Repayment of loan principal	90,000,000,000	-	
	Deducting debts	450,000,000,000	-	
Saigon - Nhon Hoi Industrial Park Joint Stock Company	Capital contribution	110,000,000,000	-	

*Conditions and terms of transactions with related parties*

The Company's transactions with related parties are carried out on the basis of contractual agreements.

The balance of receivables, payables and loans as of 31 December 2021 is unsecured and will be paid in cash or through offsetting arrangements. For the year ended 31 December 2021, the Company has not made any provision for bad debts related to amounts owed to the Company by related parties (as at 31 December 2020: 0). This assessment is made for each year through an examination of the financial position of the related party and the markets in which the related party operates.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2021 and for the year then ended

## 29. TRANSACTIONS WITH RELATED PARTIES (continued)

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

Related party	Description	Currency: VND	
		Ending balance	Beginning balance
<b>Short-term loan receivables (Note 8)</b>			
Saigon - Hai Phong Industrial Park Corporation (i)	Short-term loan receivables	139,406,000,000	-
		<b>139,406,000,000</b>	<b>-</b>
<b>Long-term loan receivables (Note 8)</b>			
Saigon - Hai Phong Industrial Park Corporation (ii)	Long-term loan receivables	642,000,000,000	200,000,000,000
Saigon - Bacgiang Industrial Park Corporation	Long-term loan receivables	-	200,000,000,000
		<b>642,000,000,000</b>	<b>400,000,000,000</b>
<b>Short-term receivables (Note 9)</b>			
Saigon - Bacgiang Industrial Park Corporation	Income from BCC	-	15,143,013,698
	Income from lending	10,411,770,466	-
Saigon - Hai Phong Industrial Park Corporation	Payment on behalf	45,800,765,540	-
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>59,948,077,826</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	-	9,101,369,863
Saigon - Hai Phong Industrial Park Corporation (iii)	Contributing capital for BCC	225,000,000,000	-
	Interest receivables	21,386,849,317	9,101,369,863
		<b>246,386,849,317</b>	<b>242,202,739,726</b>

- (i) This is an unsecured loan, earning interest at 11% per annum and will mature on 3 February 2022.
- (ii) These are unsecured loans, with an interest rate of 10.5 – 12.5% per annum with a term of 24 - 36 months, principal and interest will mature on 6 July 2024.
- (iii) This is a business cooperation capital contribution for the purpose of developing Trang Due Industrial Park project, invested by Saigon - Hai Phong Industrial Park Joint Stock Company with a profit sharing of 16% per annum.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2021 and for the year then ended

**29. 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	
		Ending balance	Beginning balance
<b>Short-term accrued expenses (Note 18)</b>			
Saigon - Bac Giang Industrial Park Corporation	Short-term loan interest payable	9,143,342,465	18,523,150,684
Saigon - Hai Phong Industrial Park Corporation	Short-term loan interest payable	2,898,609,185	-
Saigon Hi-tech Park Infrastructure Development and Investment Joint Stock Company	Short-term loan interest payable	981,879,723	-
		<b>13,023,831,373</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	14,110,027,398	25,950,223,997
Saigon - Bac Giang Industrial Park Corporation	Long-term loan interest payable	39,013,290,070	38,185,083,511
Long An Investment Development JSC	Long-term loan interest payable	1,920,821,918	-
Hung Yen Development Investment Group JSC	Long-term loan interest payable	4,253,424,656	-
Saigon Hi-tech Park Infrastructure Development and Investment Joint Stock Company	Long-term loan interest payable	-	945,879,723
		<b>59,297,564,042</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>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2021 and for the year then ended

## 29. 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	Ending balance	Currency: VND	
			Beginning balance	
<b>Short-term loans (Note 20)</b>				
Saigon Hi-tech Park Infrastructure Development and Investment Joint Stock Company (i)	Current portion of long-term loans	30,000,000,000	-	
Saigon - Hai Phong Industrial Park JSC (ii)	Current portion of long-term loans	63,888,427,042	-	
		<b>93,888,427,042</b>	<b>-</b>	
<b>Long-term loans (Note 20)</b>				
Saigon - Bac Giang Industrial Park Corporation (iii)	Long-term loan	849,663,636,364	1,121,270,710,252	
Saigon - Hai Phong Industrial Park JSC (iv)	Long-term loan	311,000,000,000	374,888,427,042	
Hung Yen Development Investment Group JSC (v)	Long-term loan	180,000,000,000	-	
Sai Gon Hi-Tech Park Infrastructure Development and Investment JSC	Long-term loan	-	30,000,000,000	
		<b>1,340,663,636,364</b>	<b>1,526,159,137,294</b>	

- (i) This is an unsecured loan with interest at 0.01% per month and will mature on 31 December 2022.
- (ii) These are unsecured loans with interest at 9% per annum and will mature on 9 May 2022
- (iii) These are unsecured loans with interest at 9% per annum and will mature from 26 October 2023 to 9 November 2023.
- (iv) These are unsecured loans with interest at 9% per annum and will mature in July 2023.
- (v) These are unsecured loans with interest at 1% per annum and will mature on 6 May 2022.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2021 and for the year then ended

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

*Transactions with other related parties*

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

Name	Position	Current year			Previous year			Currency: VND
		Remuneration of Board of Directors	Total income of the management	Total personal income tax payable	Remuneration of Board of Directors	Total income of the management	Total personal income tax payable	
Ms Nguyen Thi Thu Huong	General Director, Member of Board of Directors	100,000,000	5,835,434,000	2,857,787,700	100,000,000	6,408,151,000	3,166,174,000	9,674,325,000
Mr Nguyen Vinh Tho	Member of Board of Directors	340,000,000	-	37,777,776	580,000,000	-	64,444,444	644,444,444
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	-	1,458,834,000	532,602,950	-	1,611,459,000	614,786,000	2,226,245,000
Mr Pham Phuc Hieu	Deputy General Director, Chief accountant, Member of Board of Directors	100,000,000	2,100,500,000	931,961,300	100,000,000	2,307,150,000	1,043,235,000	3,450,385,000
Ms Nguyen My Ngoc	Deputy General Director	-	1,628,142,000	623,768,500	-	1,784,218,000	707,810,000	2,492,028,000
<b>TOTAL</b>		<b>640,000,000</b>	<b>11,022,910,000</b>	<b>4,995,009,337</b>	<b>880,000,000</b>	<b>12,110,978,000</b>	<b>5,607,560,555</b>	<b>18,598,538,555</b>



NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2021 and for the year then ended

### **30. COMMITMENTS AND CONTINGENCIES**

#### **30.1 *Contingent liabilities relating to real estate projects***

*Contingent liabilities related to obligations 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.

As at the date of these 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 tenants at these industrial parks to finalize the payment obligations of annual land rental. While awaiting the outcome of these discussion, the Company has estimated the 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.

#### **30.2 *Commitments related to real estate 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 (with the lease term ending on 26 May 2060). As at the date of these 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 separate financial statements, the Company is still in process to determine the land rental obligations with the State 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 of the People's Committee of Bac Ninh Province on the allocation of land to the Company for the development of Phuc Ninh new urban area project in Bac Ninh town, Bac Ninh province. The Company has an obligation to pay land use fees and other charges as prescribed by laws for the residential land plots, commercial land and public works assigned to use for the development of Phuc Ninh New Urban Area. Accordingly, the Company was handed over 49.53 hectares of land in 2010, completed marking a land area of 47.2 hectares in 2013 with the People's Committee of Bac Ninh province and paid an amount of VND 175,735,431,000 for the land use fee according to Decision 2229/QD-CT of the People's Committee of Bac Ninh province dated 23 December 2004 approving the land use fees (phase 1) and the notices on assignment of land use fees from the Bac Ninh Province Tax Department. As at the date of these separate financial statements, the Company is still in the process of working with the People's Committee of Bac Ninh province to determine the land use fees for the remaining land area of the project.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2021 and for the year then ended

### **30. COMMITMENTS AND CONTINGENCIES (continued)**

#### **30.2 Commitments related to real estate investment projects (continued)**

##### *Capital expenditure commitments:*

As at 31 December 2021, the Company has entered into a number of contracts related to the construction and development of 1A Lang Ha project, 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 154 billion VND.

#### **30.3 Commitment for capital contribution**

The Company has established a subsidiary, i.e. Vung Tau Investment Group Joint Stock Company, and committed to contribute capital amounting to VND 745.2 billion into this subsidiary.

#### **30.4 Collateral and guarantees**

##### *Collateral and guarantees relating to the Agreement on debt structuring, funding and debt repayment 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 31 December 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.

#### **30.5 Disputes**

##### *Dispute 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 Company'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 SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2021 and for the year then ended

### 31. EVENTS AFTER THE BALANCE SHEET DATE

On 10 February 2022, the Company's General Meeting of Shareholders approved the plan to issue additional shares. The maximum number of shares expected to be issued is 191,903,722. As at the date of these separate financial statements, the Company is in process to implement this Resolution.

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



Luu Phuong Mai  
Preparer

18 March 2022



Pham Phuc Hieu  
Deputy General Director  
cum Chief Accountant



Nguyen Thi Thu Huong  
General Director