

KinhBac City Development Holding Corporation

Separate financial statements

For the year ended 31 December 2020



KinhBac City Development Holding Corporation

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KinhBac City Development Holding Corporation

GENERAL INFORMATION

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 16th amendment No. 2300233993 being granted by the Department of Planning and Investment of Bac Ninh Province on 25 June 2020.

The current principal activities of the Company during the year are to invest, construct and trade infrastructure inside and outside the industrial parks; leasing out and selling the factories constructed by the Company in the industrial parks, residential - urban areas, financial investment; and others 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, Viet Nam.

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

BOARD OF DIRECTORS

Members of Management 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 Pham Phuc Hieu	Member
Mr Nguyen Vinh Tho	Member

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 period and at the date of this report are:

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

KinhBac City Development Holding Corporation

GENERAL INFORMATION (continued)

LEGAL REPRESENTATIVE

The legal representative of the Company during the year and at the date of this report is Mr Dang Thanh Tam. In accordance with the Authorization Letter No. 2311/2012/KBC/UQ dated 23 November 2012, Ms Nguyen Thi Thu Huong has been authorized by Mr Dang Thanh Tam to sign the accompanying separate financial statements for the year ended 31 December 2020.

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 this report and the separate financial statements of the Company for the year ended 31 December 2020.

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 separate results of its operations and its 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 applied 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 2020, 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.

KinhBac City Development Holding Corporation 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. 155/2015/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 2020 dated 30 March 2021.

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:



Nguyen Thi Thu Huong
General Director

Bac Ninh, Vietnam

30 March 2021

Reference: 60774739/21880793

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 30 March 2021 and set out on pages 6 to 54, which comprise the separate balance sheet as at 31 December 2020, 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's 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 2020, 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.

Emphasis of matter

We draw attention to Note 30.3 of the separate financial statements. On 30 December 2020, the Company entered into the Agreement No. 3012/2020/BBTT/PVB-KB-TCC on debt structuring, funding and debt repayment prior to the approval of the General Meeting of Shareholders as required under the Company's Charter.

Our opinion is not modified in respect of this matter.

Ernst & Young Vietnam Limited



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



A blue ink signature of Do Duc Hieu.

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

Hanoi, Vietnam

30 March 2021

SEPARATE BALANCE SHEET
as at 31 December 2020

Currency: VND

Code	ASSETS	Notes	Ending balance	Beginning balance
100	A. CURRENT ASSETS		6,229,048,812,721	3,265,042,785,800
110	I. Cash and cash equivalents	5	475,857,744,415	116,967,051,978
111	1. Cash		475,340,069,905	116,967,051,978
112	2. Cash equivalents		517,674,510	-
120	II. Short-term investments	6	1,857,653,239,000	874,095,600
121	1. Held-for-trading securities		1,862,358,461,369	7,490,461,369
122	2. Provision for held-for-trading securities		(5,305,222,369)	(6,616,365,769)
123	3. Held-to-maturity investment		600,000,000	-
130	III. Current accounts receivable		1,877,357,124,291	1,548,146,375,014
131	1. Short-term trade receivables	7.1	146,814,481,476	177,347,056,851
132	2. Short-term advances to suppliers	7.2	1,024,859,434,656	825,421,258,717
135	3. Short-term loan receivables	8	71,305,469,057	500,000,000
136	4. Other short-term receivables	9	641,711,719,752	552,212,040,096
137	5. Provision for doubtful short-term receivables	7.3	(7,333,980,650)	(7,333,980,650)
140	IV. Inventories	10	1,865,495,018,355	1,468,814,380,404
141	1. Inventories		1,865,495,018,355	1,468,814,380,404
150	V. Other current assets		152,685,686,660	130,240,882,804
151	1. Short-term prepaid expenses	11	59,051,335,125	59,082,558,565
152	2. Value-added tax deductible	17	93,634,351,535	70,726,605,151
153	3. Tax and other receivables from the State	17	-	431,719,088

SEPARATE BALANCE SHEET (continued)
as at 31 December 2020

Currency: VND

Code	ASSETS	Notes	Ending balance	Beginning balance
200	B. NON-CURRENT ASSETS		8,767,395,392,185	7,327,985,419,572
210	i. Long-term receivables		643,814,109,587	131,643,712,249
215	1. Long-term loan receivables	8	401,000,000,000	5,000,000,000
216	2. Other long-term receivables	9	242,814,109,587	126,643,712,249
220	ii. Fixed assets		138,563,568,152	133,788,188,953
221	1. Tangible fixed assets	12	138,563,568,152	133,788,188,953
222	Cost		298,115,235,569	272,048,615,463
223	Accumulated depreciation		(159,551,667,417)	(138,260,426,510)
227	2. Intangible fixed assets		-	-
228	Cost		36,958,000	36,958,000
229	Accumulated amortisation		(36,958,000)	(36,958,000)
230	iii. Investment properties	14	226,559,787,285	250,204,466,655
231	1. Cost		258,574,054,260	257,787,300,142
232	2. Accumulated amortisation		(32,014,266,975)	(7,582,833,487)
240	iv. Long-term assets in progress	13	11,787,494,336	12,570,791,903
242	1. Construction in progress		11,787,494,336	12,570,791,903
250	v. Long-term investments	15	7,735,672,999,960	6,789,104,491,771
251	1. Investment in subsidiaries		7,205,618,294,000	6,093,546,314,000
252	2. Investments in jointly controlled entities and associates		430,697,261,074	641,324,261,074
253	3. Investment in other entities		448,500,200,000	448,500,200,000
254	4. Provision for long-term investments		(349,142,755,114)	(394,266,283,303)
260	vi. Other long-term assets		10,997,432,865	10,673,768,041
261	1. Long-term prepaid expenses	11	10,997,432,865	10,673,768,041
270	TOTAL ASSETS		14,996,444,204,906	10,593,028,205,372

SEPARATE BALANCE SHEET (continued)
as at 31 December 2020

Currency: VND

Code	ASSETS	Notes	Ending balance	Beginning balance
300	C. LIABILITIES		7,937,405,627,454	3,577,547,073,361
310	I. Current liabilities		4,082,696,864,642	2,308,011,234,211
311	1. Short-term trade payables	16	71,979,100,186	87,619,770,237
312	2. Short-term advances from customers		4,717,034,123	8,002,801,873
313	3. Statutory obligations	17	2,490,444,631	2,978,892,699
314	4. Payables to employees		117,642,033	65,257,418
315	5. Short-term accrued expenses	18	127,741,547,855	932,738,180,619
318	6. Short-term unearned revenues		4,327,075,364	4,718,340,908
319	7. Other short-term payables	19	2,381,693,671,421	471,529,305,374
320	8. Short-term loans	20	1,485,306,969,696	796,035,305,750
322	9. Bonus and welfare fund		4,323,379,333	4,323,379,333
330	II. Non-current liabilities		3,854,708,762,812	1,269,535,839,150
333	1. Long-term accrued expenses	18	914,821,861,545	6,471,268,746
337	2. Other long-term liabilities	19	9,225,250,271	9,225,250,271
338	3. Long-term loans	20	2,894,075,934,714	1,216,421,362,851
341	4. Deferred tax liabilities	28.3	35,633,748,320	36,465,989,320
342	5. Long-term provisions		951,967,962	951,967,962
400	D. OWNERS' EQUITY		7,059,038,577,452	7,015,481,132,011
410	I. Capital	21	7,059,038,577,452	7,015,481,132,011
411	1. Share capital		4,757,111,670,000	4,757,111,670,000
411a	- Shares with voting rights		4,697,601,890,000	4,697,601,890,000
	- Treasury shares		59,509,780,000	59,509,780,000
412	2. Share premium		988,533,430,000	988,533,430,000
415	3. Treasury shares		(364,466,650,000)	(364,466,650,000)
418	4. Investment and development fund		2,223,693,823	2,223,693,823
421	5. Undistributed earnings		1,675,636,433,629	1,632,078,988,188
421a	- Undistributed earnings up to end of prior year		1,632,078,988,188	1,591,223,643,349
421b	- Undistributed earnings of current year		43,557,445,441	40,855,344,839
440	TOTAL LIABILITIES AND OWNERS' EQUITY		14,996,444,204,906	10,593,028,205,372

Luu Phuong Mai
Preparer

Pham Phuc Hieu
Deputy General Director and
Chief Accountant



Nguyen Thi Thu Huong
General Director

Bac Ninh, Viet Nam

30 March 2021

SEPARATE INCOME STATEMENT
for the year ended 31 December 2019

Currency: VND

Code	ITEMS	Notes	Current year	Previous year
01	1. Revenue from sale of goods and rendering of services	22.1	181,003,098,694	468,704,533,368
02	2. Deductions	22.1	-	-
10	3. Net revenue from sale of goods and rendering of services	22.1	181,003,098,694	468,704,533,368
11	4. Cost of goods sold and services rendered	23	(120,198,253,560)	(278,391,645,833)
20	5. Gross profit from sale of goods and rendering of services		60,804,845,134	190,312,887,535
21	6. Finance income	22.2	387,623,268,341	247,308,280,435
22	7. Finance expenses	25	(256,143,990,228)	(236,109,095,091)
23	<i>In which: Interest expenses</i>		(249,344,533,106)	(194,625,837,141)
25	8. Selling expenses	24	(4,096,700,257)	(50,584,611,625)
26	9. General and administrative expenses	24	(140,348,538,361)	(84,148,194,421)
30	10. Operating profit		47,838,884,629	66,779,266,833
31	11. Other income		2,214,282,390	1,448,113,437
32	12. Other expenses	26	(1,466,915,688)	(19,716,910,431)
40	13. Other income/(loss)		747,366,702	(18,268,796,994)
50	14. Accounting profit before tax		48,586,251,331	48,510,469,839
51	15. Current corporate income tax expenses	28.1	(5,861,046,890)	(8,487,365,999)
52	16. Deferred tax income	28.3	832,241,000	832,240,999
60	17. Net profit after tax		43,557,445,441	40,855,344,839


Luu Phuong Mai
Preparer

Pham Phuc Hieu
Deputy General Director and
Chief AccountantNguyen Thi Thu Huong
General Director

Bắc Ninh, Việt Nam

Ngày 30 tháng 3 năm 2021

SEPARATE CASH FLOW STATEMENT
for the year ended 31 December 2020

Currency: VND

Code	ITEMS	Notes	Current year	Previous year
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	Profit before tax		48,586,251,331	48,510,469,839
	<i>Adjustments for:</i>			
02	Depreciation of fixed assets and investment properties	12, 14	46,408,903,837	25,812,455,481
03	(Reversal of provisions)/ provisions	25	(27,456,929,473)	20,690,998,436
05	Profits from investing activities		(387,158,976,329)	(247,175,591,835)
06	Interest expenses	25	280,872,355,857	194,625,837,141
08	Operating (loss)/profit before changes in working capital		(38,748,394,777)	42,464,169,062
09	(Increase)/decrease in receivables		(197,805,974,785)	1,274,069,702,323
10	Increase in inventories		(396,680,637,951)	(58,910,441,264)
11	Increase/(decrease) in payables (other than interest, corporate income tax)		104,614,602,500	(183,911,783,469)
12	Increase in prepaid expenses		(292,441,384)	(10,199,151,792)
13	Increase trading securities		(50,000,000,000)	-
14	Interest paid		(209,485,202,392)	(209,018,710,540)
15	Corporate income tax paid	17	(6,736,000,000)	(134,406,897,606)
20	Net cash flows (used in)/from operating activities		(795,134,048,789)	720,086,886,714
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchase and construction of fixed assets and other long-term assets		(22,179,152,318)	(254,307,533,964)
22	Proceeds from disposals of fixed assets and other long-term assets		409,090,909	-
23	Loans to other entities and payments for purchase of debt instruments of other entities		(476,405,469,057)	(135,139,612,162)
24	Collections from borrowers and proceeds from sale of debt instruments of other entities		-	225,239,655,847
25	Payments for investments in other entities		(1,376,806,593,308)	(4,240,000,000)
26	Proceeds from sale of investments in other entities		437,680,503,419	374,174,889,081
27	Interest and dividends received		234,283,645,771	168,007,581,864
30	Net cash flows (used in)/from investing activities		(1,203,017,974,584)	373,734,980,666

SEPARATE CASH FLOW STATEMENT (continued)
for the year ended 31 December 2020

Currency: VND

Code	ITEMS	Notes	Current year	Previous year
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
33	Drawdown of borrowings		3,069,011,465,810	1,438,818,229,337
34	Repayment of borrowings		(688,100,000,000)	(2,087,273,517,618)
36	Dividends paid		(23,868,750,000)	(444,314,856,050)
40	Net cash flows from/(used in) financing activities		2,357,042,715,810	(1,092,770,144,331)
50	Net increase in cash for the year		358,890,692,437	1,051,723,049
60	Cash and cash equivalents at the beginning of the year		116,967,051,978	115,915,328,929
70	Cash and cash equivalents at the end of the year	5	475,857,744,415	116,967,051,978


Luu Phuong Mai
Preparer

Pham Phuc Hieu
Deputy General Director and
Chief Accountant

 Nguyen Thi Thu Huong
General Director

Bac Ninh, Vietnam

30 March 2021

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
as at 31 December 2020 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 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 16th amendment No. 2300233993 being granted by the Department of Planning and Investment of Bac Ninh Province on 25 June 2020.

The current principal activities of the Company during the year are to invest, construct and trade infrastructure inside and outside the industrial parks; leasing out and selling the factories constructed by the Company in the industrial parks, residential - urban areas, financial investment; and others activities in accordance with the Enterprise Registration Certificate.

The business cycle of the Company starts from the acquisition of investment license, land clearance, infrastructure construction 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, Viet Nam.

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

The total number of employees as at 31 December 2020 is: 205 (31 December 2019: 198).

Corporate structure

As at 31 December 2020, the Company has the following 11 subsidiaries:

<i>No.</i>	<i>Company's name</i>	<i>Voting right (%)</i>	<i>Equity interest (%)</i>	<i>Head office</i>	<i>Main activities</i>
1	Saigon - Bacgiang Industrial Park Corporation	92.5	88.06	Quang Chau Industrial Park, Quang Chau commune, Viet Yen district, Bac Giang province	Investment, building and trading real estates
2	Saigon - Hai Phong Industrial Park JSC	86.54	86.54	Trang Due Industrial Park, Le Loi commune, An Duong district, Hai Phong city	Investment, building and trading real estates
3	Northwest Saigon City Development JSC (**)	74.3	72.44	Tram Bom, National Road No. 22, Tan Phu Trung Commune, Cu Chi District, Ho Chi Minh City	Investment, building and trading real estates
4	Trang Cat Urban Development One Member 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 2020 and for the year then ended

1. CORPORATE INFORMATION (continued)

Corporate structure (continued)

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

<u>No.</u>	<u>Company's name</u>	<u>Voting right (%) (*)</u>	<u>Equity interest (%)</u>	<u>Head office</u>	<u>Main activities</u>
5	NGD Investment One Member Company Limited	100	100	No. 100 An Trach Street, Quoc Tu Giam Ward, Dong Da District, Ha Noi city	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	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	Investment, building and trading real estates
8	Tien Duong Development Holding Joint Stock Company	51	51	No. 100 An Trach Street, Quoc Tu Giam Ward, Dong Da District, Ha Noi city	Investment, building and trading real estates
9	Tan Phu Trung – Long An Industrial Park Co., Ltd (**)	100	72.44	88 Tran Phong Sac, No. 4 Ward, Tan An City, Long An Province, Vietnam	Architectural activities and other related technical consultants
10	Bac Giang – Long An Industrial Park Co., Ltd (**)	100	88.06	489E/Road 824, Zone 5, Duc Hoa Ward, Duc Hoa District, Long An Province	Architectural activities and other related technical consultants
11	Tan Tap Industrial Infrastructure Development Company Limited (**)	100	86.54	531E, Zone 5, Duc Hoa ward, Duc Hoa District, Long An Province	Architectural activities and other related technical consultants

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

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

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

2. BASIS OF PREPARATION

2.1 Purpose of preparation the separate financial statements

KinhBac City Development Holding Corporation has subsidiaries as disclosed in Note 1 and Note 14. The Company has prepared these separate financial statements to meet the prevailing requirements in relation to disclosure of information, specifically the Circular No. 155/2015/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 2020 ("consolidated financial statements") dated 30 March 2021.

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.

2.2 Accounting standards and system

The separate financial statements of the Company, which are expressed in Vietnamese 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 separate financial position and separate results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

2.3 Applied accounting documentation system

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

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.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash 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 Inventory

Industrial and urban real estate properties which have been developed for sale in the normal course of operations of the Group, 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 compensation, site restoration, 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.

The realizable value is the estimated selling price of the inventory under normal business conditions, based on the market price at the reporting date and the time discount of the cash flow value, if significant, less the estimated costs to complete the estimated costs necessary to make the sale.

Cost of real estate is recognized in the separate income statement based on the direct costs that constitute the property and the overhead is added on a corresponding basis on the basis of the respective acreage of that property.

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 balance sheet date.

Increases or 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 or decreases to the provision balance are recorded as general and administrative expense in the separate income statement.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2020 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 *Leased assets*

Determining an agreement is whether assets leasing or not relies on the nature of this agreement at the commencement date: whether the implementation of this agreement depends on the use of a given property and include provisions on the right of use.

In the circumstance which Company is a lessee

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

In the circumstance which Company is a lessor

Assets under operating leases are recognized as investment properties on the separate balance sheet. Initial direct costs to negotiate an operating lease are recognized in the separate income statement when incurred..

Lease income 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 2020 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 (including land and infrastructure development cost)	8 - 25 years
Machinery and equipment	8 - 10 years
Means of transportation	4 - 10 years
Office equipment	3 - 8 years
Other assets	3 - 8 years

3.8 Investment properties

Investment properties are stated at cost including transaction costs less accumulated depreciation and/or amortisation. In respect of investment property held for capital appreciation, the Company does not depreciate but determines losses due to depreciation.

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, will flow to the Company.

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 cost	36 - 39 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 year of retirement or disposal.

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

3.9 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 that necessarily take a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2020 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 *Investment*

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 accounted for at cost.

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

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 of the investment is made when there are reliable evidences of the diminution in value of those investments at the separate balance sheet date

Increases or decreases to the provision balance are recorded as finance expenses 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 expense in the separate financial statements and deducted against the value of such investments.

3.12 *Payable and accrual*

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 2020 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 year for all employees who have been in service for more than 12 months up to the 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 exchange rates at the balance sheet dates which are determined as follows:

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

All foreign exchange differences incurred during the year and arising from the revaluation of monetary accounts denominated in foreign currency at year-end 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.

3.16 *Appropriation of net profits*

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

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.16 *Appropriation of net profits* (continued)

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 passed 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 passed 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 to the separate income statement on a straight-line basis over the lease term.

Rendering of services

Revenue is recognised when service has been provided to the customer, and is determined by the net value after deducting discounts, value-added tax, and other deductions.

Income from transfer of investment and trading of securities

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

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 2020 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.17 *Revenue recognition* (continued)

Interest

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

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 leased land and infrastructure includes all direct costs that are attributable to the development of land and infrastructure or 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; and
- ▶ Mandatory and overheads associated to development activities that would be incurred on existing and future land and infrastructure of the project such as general infrastructure, mandatory land reserve for public facilities, etc.

3.19 *Taxation*

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the tax rates and tax laws that are enacted as at the 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 offset current tax assets against current tax liabilities and when the Company intends to settle its current tax assets and liabilities on a net basis.

Deferred tax

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

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.19 *Taxation* (continued)

Deferred tax (continued)

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.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.19 *Taxation* (continued)

Deferred tax (continued)

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

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

3.20 *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 benefits and is different from other parts.

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 segment and in one critical geographic region which is Vietnam.

3.21 *Related parties*

A party is considered a related party of the Company if one party has the ability, directly or indirectly, to control the other party or otherwise, have significantly influence over the other party in making financial and operating decisions, or when the Company and the other party are jointly controlled or have significant influence in common. Related parties may be companies or individuals, including close family members of individuals are considered to be related.

4. SIGNIFICANT EVENT DURING THE YEAR

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 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 this report.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

5. CASH AND CASH EQUIVALENTS

	<i>Currency: VND</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Cash on hand	6,386,925,378	5,602,564,009
Cash at banks	468,953,144,527	111,364,487,969
Cash equivalents (*)	517,674,510	-
TOTAL	<u>475,857,744,415</u>	<u>116,967,051,978</u>

(*) Cash equivalents as at 31 December 2020 are 1-month term deposits in VND at Joint Stock Commercial Bank for Foreign Trade of Vietnam - Bac Ninh Branch with interest rate of 2.9% per annum.

6. SHORT-TERM INVESTMENTS

6.1 *Held-for-trading securities*

	<i>Currency: VND</i>			
	<i>Ending balance</i>		<i>Beginning balance</i>	
	<i>Cost</i>	<i>Provision</i>	<i>Cost</i>	<i>Provision</i>
Shares (i)	7,490,461,369	(5,305,222,369)	7,490,461,369	(6,616,365,769)
Other investment (ii)	1,854,868,000,000	-	-	-
TOTAL	<u>1,862,358,461,369</u>	<u>(5,305,222,369)</u>	<u>7,490,461,369</u>	<u>(6,616,365,769)</u>

(i) As at 31 December 2020, the Company holds 312,177 shares of Tan Tao Investment and Industry Joint Stock Company.

(ii) During the year, the Company purchased 100% equity capital of Hoa Sen Hotel Development Company Limited. The Company classified this investment as a trading security as it plans to transfer this investment in short-term.

6.2 *Held-to-maturity investment*

This is a 12-month term deposit at Joint Stock Commercial Bank for Foreign Trade of Vietnam - Bac Ninh Branch with interest rate of 6.5% per annum, due on 21 January 2021.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

7. SHORT-TERM TRADE RECEIVABLES AND ADVANCES TO SUPPLIERS

7.1 Short-term trade receivables

Currency: VND

	Ending balance	Beginning balance
Saigon Investment JSC (i)	104,130,000,000	104,130,000,000
Receivables from sale of landed houses at Phuc Ninh Urban Area	16,041,964,181	21,504,484,181
Other customers (ii)	26,642,517,295	51,712,572,670
TOTAL	146,814,481,476	177,347,056,851
<i>Provision for doubtful receivables</i>	<i>6,833,980,650</i>	<i>6,833,980,650</i>

(i) This is the receivables related to transfer of land at Phuc Ninh Urban Area Project.

(ii) These are receivables from other customers for long - term leases of land and other utility charges (clean water, waste water treatment supply, etc.) at the industrial parks of the Company.

7.2 Short-term advances to suppliers

Currency: VND

	Ending balance	Beginning balance
Kinh Bac Investment and Consulting JSC (i)	481,832,562,229	465,787,908,894
Kinh Bac Service JSC (i)	525,614,766,443	353,848,234,640
Other advances to suppliers	17,412,105,984	5,785,115,183
TOTAL	1,024,859,434,656	825,421,258,717

(i) These are the advances to Kinh Bac Investment and Consulting JSC and Kinh Bac Service JSC for the 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 amount	Cost	Recoverable amount
Other receivable	6,833,980,650	-	6,833,980,650	-
<i>Viet Nhat JSC</i>	<i>6,833,980,650</i>	<i>-</i>	<i>6,833,980,650</i>	<i>-</i>
Other loan receivable	500,000,000	-	500,000,000	-
<i>Saigon Tourism JSC</i>	<i>500,000,000</i>	<i>-</i>	<i>500,000,000</i>	<i>-</i>
TOTAL	7,333,980,650	-	7,333,980,650	-

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

8. OTHER LOAN RECEIVABLES

	Currency: VND	
	Ending balance	Beginning balance
Short-term		
Hanoi Construction Corporation - Joint Stock Company (*)	70,805,469,057	-
Saigon Tourism JSC	500,000,000	500,000,000
TOTAL	71,305,469,057	500,000,000
<i>Provision for loan receivables</i>	<i>(500,000,000)</i>	<i>(500,000,000)</i>
Long-term		
Construction Project Management Unit of Bac Ninh City (People's Committee of Bac Ninh)	700,000,000	700,000,000
Saigon - Tay Ninh Industrial Park JSC	300,000,000	300,000,000
Receivables from related parties (Note 29)	400,000,000,000	4,000,000,000
TOTAL	401,000,000,000	5,000,000,000

(*) This is an unsecured loan with interest rate of 10% per annum, due on 13 November 2021.

9. OTHER RECEIVABLES

	Currency: VND			
	Ending balance		Beginning balance	
	Cost	Provision	Cost	Provision
Short-term				
Kinh Bac Service JSC (i)	248,880,217,500	-	233,506,720,919	-
Advance to PVcomBank (ii)	232,681,247,878	-	223,040,284,000	-
Lang Ha Investment JSC (iii)	69,296,882,771	-	26,200,890,711	-
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	15,995,312,612	-	12,318,997,612	-
Deposit receivables (v)	12,851,128,404	-	12,851,128,404	-
Receivable from Van Duong Commune People's Committee	3,327,780,000	-	3,327,780,000	-
Other short-term receivables	20,360,595,069	-	17,790,696,630	-
Other receivable from related parties (Note 29)	18,878,555,518	-	3,735,541,820	-
TOTAL	641,711,719,752	-	552,212,040,096	-

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

9. OTHER RECEIVABLES (continued)

Currency: VND

	<u>Ending balance</u>		<u>Beginning balance</u>	
	Cost	Provision	Cost	Provision
Long-term				
Vien Dong Vietnam Real Estate and Property JSC	500,000,000	-	500,000,000	-
Kinh Bac Service JSC	-	-	126,035,136,906	-
Other long-term receivables	111,369,861	-	88,849,315	-
Other receivable from related parties (Note 29)	242,202,739,726	-	19,726,028	-
TOTAL	242,814,109,587	-	126,643,712,249	-

- (i) This is the receivable related to the transfer of 9.8 million shares of Sai Gon – Hue Investment Corporation to Kinh Bac Services JSC in accordance with Contract No. 01/HĐCNCP/KBC-KBS/2020 dated 25 December 2020.
- (ii) This is the advance to Vietnam Public Joint Stock Commercial Bank (“PVcomBank”) related to the acquisition of shares in Lang Ha Investment JSC.
- (iii) These are receivables from the payment on behalf of Lang Ha Investment JSC related to the development costs of the Commercial and office building located at 1A Lang Ha (refer to point (ii)).
- (iv) According to the minutes of interdisciplinary meeting between the Department of Finance, the Department of Planning and Investment, the Department of Natural Resources and Environment, the Management Board of Industrial Zones of Bac Ninh province and KinhBac City Development Corporation dated 14 August 2007 and Decision on investment capital support for enterprises No. 1951 / QD-UBND dated 31 December 2007, Bac Ninh Provincial People’s Committee committed to support land rental for Que Vo Industrial Park. Accordingly, the subsidy available to the Company is VND 19.44 billion which will be used for the construction of waste water treatment plant at Que Vo Industrial Park.
- (v) This is the deposit to Hanoi Agricultural Development and Investment Company Limited under Contract No.128/2010/HD-HTKD dated 29 June 2010 to co-operate to develop a mixed-use real estate project comprising of the commercial center, offices, luxury houses, ecotourism, villas, garden houses, apartment units at Minh Khai Ward, Bac Tu Liem District, Hanoi.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

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 Nam Son - Hap Linh Industrial Park	1,065,107,703,958	-	985,923,800,098	-
Que Vo II Industrial Park	776,878,482,119	-	457,741,605,095	-
Que Vo I Industrial Park	10,361,625,000	-	10,361,625,000	-
Other projects	-	-	1,640,142,933	-
	13,147,207,278	-	13,147,207,278	-
TOTAL	<u>1,865,495,018,355</u>	-	<u>1,468,814,380,404</u>	-

Inventories of the Company as at 31 December 2020 comprise land compensation and infrastructure development costs, capitalized borrowing costs and other overheads which incurred for the development of industrial parks and other real estate projects which are developed for sale. Majority of the Company's inventories are used as collaterals for long-term loans as disclosed in Note 20

During the year, the Company capitalized borrowing cost amounting to VND 36.08 billion (2019: VND 22.89 billion). These costs relate to the borrowings taken to finance 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>
Short-term		
Brokerage fees of uncompleted real-estate transfer contracts	58,820,557,347	58,820,557,347
Other short-term prepaid expenses	230,777,778	262,001,218
TOTAL	<u>59,051,335,125</u>	<u>59,082,558,565</u>
Long-term		
Infrastructure repair costs	10,783,859,421	10,253,332,425
Tools and equipment	213,573,444	420,435,616
TOTAL	<u>10,997,432,865</u>	<u>10,673,768,041</u>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

12. TANGIBLE FIXED ASSETS

Currency: VND

	Buildings and structures (including cost of land development and infrastructure)	Machinery and equipment	Means of transportation	Office equipment	Others	Total
Cost:						
Beginning balance	206,388,898,611	6,846,822,040	36,413,270,893	21,611,242,101	788,381,818	272,048,615,463
Newly constructed	24,787,388,833	-	-	-	-	24,787,388,833
Newly purchased	-	-	2,725,752,728	-	-	2,725,752,728
Other increase	-	-	113,090,908	-	-	113,090,908
Sold, disposed	-	-	(1,559,612,363)	-	-	(1,559,612,363)
Ending balance	231,176,287,444	6,846,822,040	37,692,502,166	21,611,242,101	788,381,818	298,115,235,569
<i>In which:</i>						
Fully depreciated	39,380,910,749	4,464,057,852	12,208,674,348	6,103,151,192	788,381,818	62,945,175,959
Accumulated depreciation:						
Beginning balance	102,019,534,344	5,249,923,040	22,323,249,891	7,879,337,417	788,381,818	138,260,426,510
Depreciation for the year	16,471,622,128	257,307,256	3,243,054,004	2,005,486,961	-	21,977,470,349
Sold, disposed	-	-	(686,229,442)	-	-	(686,229,442)
Ending balance	118,491,156,472	5,507,230,296	24,880,074,453	9,884,824,378	788,381,818	159,551,667,417
Net carrying amount:						
Beginning balance	104,369,364,267	1,596,899,000	14,090,021,002	13,731,904,684	-	133,788,188,953
Ending balance	112,685,130,972	1,339,591,744	12,812,427,713	11,726,417,723	-	138,563,568,152

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

13. CONSTRUCTION IN PROGRESS

	<i>Currency: VND</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Que Vo II Industrial Park	4,721,134,625	-
Bac Giang Thermal Power Plant	3,116,503,893	3,116,503,893
Hanoi Diplomatic Area	1,355,116,818	1,355,116,818
Que Vo I Industrial park	-	5,504,432,192
Others	2,594,739,000	2,594,739,000
TOTAL	<u>11,787,494,336</u>	<u>12,570,791,903</u>

14. INVESTMENT PROPERTIES

	<i>Currency: VND</i>	
	<i>Factories (including land development and infrastructure costs)</i>	
Cost:		
Beginning balance		257,787,300,142
- Increase during the year		<u>786,754,118</u>
Ending balance		<u>258,574,054,260</u>
Accumulated depreciation:		
Beginning balance		7,582,833,487
- Depreciation for the year		<u>24,431,433,488</u>
Ending balance		<u>32,014,266,975</u>
Net carrying amount:		
Beginning balance		<u>250,204,466,655</u>
Ending balance		<u>226,559,787,285</u>

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

As at 31 December 2020, 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 2020 and for the year then ended

15. LONG-TERM INVESTMENTS

	Note	Ending balance	Beginning balance
Investments in subsidiaries	15.1	7,205,618,294,000	6,093,546,314,000
Investments in associates	15.2	430,697,261,074	641,324,261,074
Other long-term investments	15.3	448,500,200,000	448,500,200,000
Provision for long-term investments		(349,142,755,114)	(394,266,283,303)
TOTAL		7,735,672,999,960	6,789,104,491,771

Currency: VND

15.1 Investments in subsidiaries

	Ending balance			Beginning balance		
	Voting right	No. of shares	Net book value (VND)	Voting right	No. of shares	Net book value (VND)
Trang Cat Urban Development One Member Company Limited (i)	100%	-	5,130,000,000,000	100%	-	4,130,000,000,000
Saigon – Tay Bac City Development JSC	74.3%	30,259,574	662,066,314,000	74.3%	30,259,574	662,066,314,000
Saigon - Hai Phong Industrial Park JSC	86.54%	3,600,000	468,000,000,000	86.54%	3,600,000	468,000,000,000
Saigon - Bacgiang Industrial Park JSC	92.5%	1,309,000	119,000,000,000	92.5%	1,309,000	119,000,000,000
NGD Investment One Member Company Limited	100%	-	105,300,000,000	100%	-	105,300,000,000
Kinh Bac Office and Factory Business One Member Company Limited	100%	-	5,440,000,000	100%	-	5,440,000,000
Kinh Bac – Danang Investment One Member Company Limited (ii)	100%	-	708,400,000,000	100%	-	600,000,000,000
Tien Duong Development Holding Joint Stock Company (iii)	51%	25,500,000	7,411,980,000	51%	25,500,000	3,740,000,000
TOTAL			7,205,618,294,000			6,093,546,314,000
Provision for impairment of investment in subsidiaries			-			-
NET CARRYING VALUE			7,205,618,294,000			6,093,546,314,000

Detailed information on subsidiaries as at 31 December 2020 is presented in Note 1.

- (i) During the year, the Company contributed an additional VND 1,000 billion of capital contribution in cash to Trang Cat Urban Development One Member Limited Company.
- (ii) During the year, the Company contributed an additional VND 108.4 billion of capital contribution to Kinh Bac - Da Nang Investment One Member Company Limited, including VND 99.1 billion in cash and VND 9.3 billion contributed by loan receivables and interest receivables of this loan.
- (iii) During the year, the Company contributed an additional VND 3.7 billion of capital contribution in cash to Tien Duong Urban Development Joint Stock Company.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

15. LONG-TERM INVESTMENTS (continued)

15.2 Investments in associates

	Note	Ownership interest	Ending balance		Beginning balance	
			Number of shares	Net book value (VND)	Number 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
Saigon - Hue Investment JSC	(ii)	-	-	-	9,849,000	210,627,000,000
Scanviwood JSC	(iii)	34%	1,077,528	7,204,600,000	1,077,528	7,204,600,000
TOTAL				430,697,261,074		641,324,261,074
Provision for impairment of investment in associates				(326,254,836,964)		(371,921,339,307)
NET CARRYING VALUE				104,442,424,110		269,402,921,767

Details of provision for impairment of investment in associates:

	Ending balance	Beginning balance
Provision for impairment of investment in associates		
Saigon Telecommunication & Technologies JSC	319,050,236,964	345,757,067,604
Saigon - Hue Investment JSC	-	18,959,671,703
Scanviwood JSC	7,204,600,000	7,204,600,000
TOTAL	326,254,836,964	371,921,339,307

(i) Saigon Telecommunication & Technologies JSC

Saigon Telecommunication & Technologies JSC was established 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 14th amended Business Registration Certificate being granted on 17 June 2015, with a registered charter capital of VND 740 billion. Its principal activities include trading computers, 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 at 46 Quang Trung Software Park, Tan Chanh Hiep Ward, District 12, Ho Chi Minh City.

(ii) Saigon - Hue Investment JSC

In 2020, the Company has transferred all shares in this company.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

15. LONG-TERM INVESTMENTS (continued)

15.2 Investments in associates (continued)

(iii) Scanviwood Joint Stock Company

Scanviwood Joint Stock Company was established pursuant to the Business Registration Certificate No.411031000006 by the Department of Planning and Investment of Ho Chi Minh City on 10 June 2015 with a registered capital of VND 31.69 billion. Its principal activities include manufacturing of household products for export.

Its registered office is at 565 An Duong Vuong Street, An Lac Ward, Binh Thanh District, Ho Chi Minh City, Vietnam.

15.3 Other long-term investments

Currency: VND

	Ending balance			Beginning balance		
	Voting right	No. of shares	Net book value (*)	Voting right	No. of shares	Net book value
Saigon - Quy Nhon Mineral JSC	5.75	6,900,000	339,000,000,000	5.75	6,900,000	339,000,000,000
Saigon - Da Nang Investment JSC	19.5	3,900,000	39,000,000,000	19.5	3,900,000	39,000,000,000
VTC-Saigontel	19.19	3,070,020	30,700,200,000	19.19	3,070,020	30,700,200,000
Saigon-Binh Phuoc Industrial Park JSC	10.56	190,000	19,000,000,000	10.56	190,000	19,000,000,000
Saigon - Nhon Hoi Industrial Park JSC	10	100,000	10,000,000,000	10	100,000	10,000,000,000
Saigon - Ham Tan Tourism JSC	1.63	70,000	7,000,000,000	1.63	70,000	7,000,000,000
Saigon - Binh Thuan Power Plant Investment and Development JSC	0.35	350,000	3,500,000,000	0.35	350,000	3,500,000,000
Saigon - Long An Industrial Park JSC	0.15	30,000	300,000,000	0.15	30,000	300,000,000
TOTAL			448,500,200,000			448,500,200,000
Provision for other long-term investments			(22,887,918,150)			(22,344,943,996)
NET CARRYING VALUE			425,612,281,850			426,155,256,004

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

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

16. SHORT-TERM TRADE PAYABLES

	<i>Currency: VND</i>	
	<i>Amount (also is payable amount)</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Truong Phat Investment JSC	22,490,342,800	8,667,795,225
Hai Phat Real Estate JSC	13,019,970,115	13,019,970,115
Van Loc Construction Development and Investment JSC	9,393,728,827	13,569,718,000
Other suppliers	27,075,058,444	52,362,286,897
TOTAL	<u>71,979,100,186</u>	<u>87,619,770,237</u>

17. STATUTORY OBLIGATIONS

	<i>Currency: VND</i>			
	<i>Beginning balance</i>	<i>Increase for the year</i>	<i>Payment made/off-set for the year</i>	<i>Ending balance</i>
Payables				
Corporate income tax	2,000,734,634	5,861,046,890	(6,736,000,000)	1,125,781,524
Value added tax	729,922,746	8,542,521,698	(8,395,083,859)	877,360,585
Personal income tax	248,235,319	11,540,199,444	(11,301,132,241)	487,302,522
TOTAL	<u>2,978,892,699</u>	<u>25,943,768,032</u>	<u>(26,432,216,100)</u>	<u>2,490,444,631</u>
	<i>Beginning balance</i>	<i>Receivable/ payment for the year</i>	<i>Received for the year</i>	<i>Ending balance</i>
Receivables				
Value added tax deductible	70,726,605,151	33,767,282,844	(10,859,536,460)	93,634,351,535
Other taxes	431,719,088	-	(431,719,088)	-
TOTAL	<u>71,158,324,239</u>	<u>33,767,282,844</u>	<u>(11,291,255,548)</u>	<u>93,634,351,535</u>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

18. ACCRUED EXPENSES

	<i>Currency: VND</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Short-term		
Accrued future development costs for recognised sales	53,600,398,002	79,871,805,658
- Que Vo I Industrial Zone	22,285,934,591	56,504,290,047
- Que Vo II Industrial Zone	21,664,498,185	19,250,743,371
- Phuc Ninh Urban Area	9,649,965,226	4,116,772,240
Accrued interest expenses (*)	53,642,144,169	849,420,772,627
Accrued external service expenses	1,975,855,000	2,212,269,001
Accrued expenses to related parties (Note 29)	18,523,150,684	1,233,333,333
TOTAL	<u>127,741,547,855</u>	<u>932,738,180,619</u>
Long-term		
Accrued interest expenses (*)	815,324,792,328	-
Accrued land rental fees of Que Vo I Industrial Park (see Note 30.1)	34,415,881,986	-
Accrued expenses to related parties (Note 29)	65,081,187,231	6,471,268,746
TOTAL	<u>914,821,861,545</u>	<u>6,471,268,746</u>

(*) This is the bond interest expense payable to PVcomBank. According to the Agreement on debt structuring, funding and debt repayment dated 30 December 2020 between the Company, PVcomBank and Trang Cat LLC, these bond interest will be due from 1 January 2026.

19. OTHER PAYABLES

	<i>Currency: VND</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Short-term		
Payable under share transfer contract (i)	1,804,868,000,000	-
Deposit for fulfilling contractual obligations of real estate projects	569,135,071,839	439,934,046,609
Dividend payables	1,574,632,950	25,443,382,950
Other payables	5,257,966,632	5,293,875,815
Other payables to related parties (Note 29)	858,000,000	858,000,000
TOTAL	<u>2,381,693,671,421</u>	<u>471,529,305,374</u>
Long-term		
Other deposits	9,225,250,271	9,225,250,271
TOTAL	<u>9,225,250,271</u>	<u>9,225,250,271</u>

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

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

20. LOANS

	Beginning balance		Movement during the year			Ending balance	
	Balance	Payable amount	Increase	Decrease	Balance	Payable amount	
Short-term							Currency: VND
Current portion of long-term loans (Note 20.1)	138,935,305,750	138,935,305,750	53,000,000,000	(51,935,305,750)	140,000,000,000	140,000,000,000	
Current portion of long-term bonds (Note 20.2)	557,100,000,000	557,100,000,000	910,249,545,453	(572,042,575,757)	895,306,969,696	895,306,969,696	
Other short-term loans (Note 20.3)	-	-	450,000,000,000	-	450,000,000,000	450,000,000,000	
Short-term loans from related parties (Note 29)	100,000,000,000	100,000,000,000	-	(100,000,000,000)	-	-	
TOTAL	796,035,305,750	796,035,305,750	1,413,249,545,453	(723,977,881,507)	1,485,306,969,696	1,485,306,969,696	
Long-term							
Long-term loans from bank (Note 20.1)	220,400,340,180	220,400,340,180	149,072,046,082	(53,000,000,000)	316,472,386,262	316,472,386,262	
Bonds (Note 20.2)	805,861,885,377	805,861,885,377	1,189,696,851,757	(944,114,325,976)	1,051,444,411,158	1,051,444,411,158	
Loans from related parties (Note 29)	190,159,137,294	190,159,137,294	1,340,000,000,000	(4,000,000,000)	1,526,159,137,294	1,526,159,137,294	
TOTAL	1,216,421,362,851	1,216,421,362,851	2,678,768,897,839	(1,001,114,325,976)	2,894,075,934,714	2,894,075,934,714	

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

20. LOANS (continued)

20.1 Loans from bank

Details of loans from bank are as follows:

<i>Banks</i>	<i>Ending balance (VND)</i>	<i>Interest</i>	<i>Principal and interest payment term</i>	<i>Description of collateral</i>	<i>Currency: VND</i>
Bank for Investment and Development of Vietnam – Bac Ninh Branch	155,132,616,221	10.5%/year	The last repayment is on 19 June 2023. Principal is repayable every 6 months, started from 1 December 2018. Interest is payable every 3 months, started from 19 September 2018	All assets formed in the future including land use rights and assets attached with the land of Phuc Ninh Area in 22 ha area.	
Vietnam Joint Stock Commercial Bank for Industry and Trade - Que Vo Branch	253,474,365,951	9.5% - 10%/year	The last repayment is on 29 November 2022. Principal is repayable every 6 months, started from 25 May 2018. Interest is payable every 3 months on 25th day	All the 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 hecta land area of stage 1 in Nam Son – Hap Linh Industrial Park.	
	47,865,404,090	10%/year	The last repayment is on 16 November 2022. Principal is repayable every 6 months, started from 22 June 2017. Interest is payable every 3 months on 25th day	All assets formed from 83.8 ha area infrastructure development of Que Vo II Industrial Park.	
TOTAL	456,472,386,262				
<i>In which:</i>					
<i>Current portion of long-term loans</i>	140,000,000,000				
<i>Long-term loans</i>	316,472,386,262				

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

20. LOANS (continued)

20.2 Bonds

As at 31 December 2020, bonds issued by the Company are as follows:

Bond	Type of bond	Number of bonds	Par value (VND)	Amount (VND)	Interest rate per annum	Maturity date	Description of collateral
KBCbond1-2017	Corporate bond issued to Joint Stock Commercial Bank for Investment and Development of VietNam - Sai Gon North Branch	180	1,000,000,000	180,000,000,000	9.30%	21 November 2022	All equity capital of Kinh Bac - Da Nang Investment Company Limited, land use rights of land lot No. 84 Hung Vuong, Hai Chau 1 Ward, Hai Chau District, Da Nang City
KBCbond2020-03	Corporate bond	2,000,000	100,000	200,000,000,000	10.30%	5 January 2021	700,000 shares of Saigon - Hai Phong Industrial Park Corporation
KBCbond2020-02	Corporate bond	2,000,000	100,000	200,000,000,000	9.95%	15 April 2021	26,000,000 shares of Kinh Bac City Development Holding Corporation
KBCbond2020-06	Corporate bond	2,000,000	100,000	200,000,000,000	10.80%	6 June 2021	420,000 shares of Saigon - Hai Phong Industrial Park Corporation
KBCbond2020-05	Corporate bond	2,000,000	100,000	200,000,000,000	10.5%	28 June 2021	800,000 shares of Saigon - Hai Phong Industrial Park Corporation
KBC2020.200	Corporate bond	200,000	1,000,000	200,000,000,000	10.5%	8 May 2022	1,309,000 shares of Saigon - Bac Giang Industrial Park Corporation
KBC2020.VB	Corporate bond	2,000,000	100,000	200,000,000,000	10.8%	23 June 2022	Assets attached with land (including factories, offices), infrastructure investment cost in Que Vo I, Que Vo II, and Quang Chau Industrial Parks
KBC2020.DC	Corporate bond	4,000,000	100,000	400,000,000,000	11.00%	28 January 2022	1,680,000 shares of Saigon - Hai Phong Industrial Park Corporation
KBCH2022003	Corporate bond	2,000,000	100,000	200,000,000,000	10.50%	28 February 2022	Assets attached with land (including factories, offices), infrastructure investment cost in Que Vo I, and Que Vo II Industrial Parks

Bond issuance costs:

(33,248,619,146)

TOTAL 16,200,180

1,946,751,380,854

In which:

Current portion of long-term bonds

895,306,969,696

Long-term bonds

1,051,444,411,158

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2020 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
Sai Gon - Nhon Hoi Industrial Park Joint Stock Company	400,000,000,000	2%/month	1 month term, principal and interest matured in 23 January 2021	Unsecured
Mr. Do Anh Dung	50,000,000,000	No interest	18 months term, principal will be matured in 15 July 2021	Unsecured
TOTAL	450,000,000,000			

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
Previous year:						
Beginning balance	4,757,111,670,000	988,533,430,000	(364,466,650,000)	2,223,693,823	2,060,983,832,349	7,444,385,976,172
Dividends declared	-	-	-	-	(469,760,189,000)	(469,760,189,000)
Net profit for the year	-	-	-	-	40,855,344,839	40,855,344,839
Ending 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
Current year:						
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
Net 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

Currency: VND

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2020 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	4,757,111,670,000	4,757,111,670,000	-	4,757,111,670,000	4,757,111,670,000	-
Share premium	988,533,430,000	988,533,430,000	-	988,533,430,000	988,533,430,000	-
Treasury shares	(364,466,650,000)	(364,466,650,000)	-	(364,466,650,000)	(364,466,650,000)	-
TOTAL	5,381,178,450,000	5,381,178,450,000	-	5,381,178,450,000	5,381,178,450,000	-

21.3 Capital transactions with owners and distribution of dividends, profits

Currency: VND

	Current year	Previous year
Capital contributed		
Beginning balance	4,757,111,670,000	4,757,111,670,000
Increase during the year	-	-
Ending balance	<u>4,757,111,670,000</u>	<u>4,757,111,670,000</u>
Dividends paid	-	469,760,189,000

21.4 Dividend

Currency: VND

	Current year	Previous year
Dividends declared during the year		
Dividends for 2018: VND 1,000 per share	-	469,760,189,000
Dividends paid during the year		
Dividends for 2018: VND 1,000 per share	23,868,750,000	444,314,856,050

21.5 Shares

Number of shares

	Ending balance	Beginning balance
Issued shares	475,711,167	475,711,167
Issued and paid-up shares	475,711,167	475,711,167
Ordinary shares	475,711,167	475,711,167
Treasury shares	5,950,978	5,950,978
Ordinary shares	5,950,978	5,950,978
Shares in circulation	469,760,189	469,760,189
Ordinary shares	469,760,189	469,760,189

Par value of outstanding share: VND 10,000/share (2019: VND 10,000/share).

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

22. REVENUES

22.1 Revenue from sales of goods and rendering of services

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Gross revenue	181,003,098,694	468,704,533,368
<i>Of which:</i>		
Revenue from supply of clean water, electricity, service charge, waste water treatment supply	117,044,238,686	102,202,756,018
Revenue from operating lease of warehouse, factories and offices	39,370,114,040	10,685,241,768
Revenue from real estate transfer	13,320,000,000	1,684,009,834
Revenue from long-term leases of land and infrastructures	10,708,139,904	231,832,457,420
Sales of factories	-	100,193,929,680
Other revenues	560,606,064	22,106,138,648
Net revenue	181,003,098,694	468,704,533,368

22.2 Finance income

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Interest income from outstanding receivables from share transfer contract (i)	261,404,742,116	-
Dividends earned	90,780,000,000	193,613,100,151
Interest income from share transfer contract (ii)	16,884,359,675	40,824,296,490
Interest income from deposits and lending and business cooperation contract	18,471,391,126	12,701,718,719
Other interest income	82,775,424	169,165,075
TOTAL	387,623,268,341	247,308,280,435

- (i) During the year, the Company transferred all of its shares held in Saigon - Hue Investment Joint Stock Company to Kinh Bac Service Joint Stock Company, at a fee of VND 453,054,000,000.
- (ii) This mainly pertains to the interest income on receivables from Kinh Bac Service Joint Stock Company from the share transfer contract of Saigon Binh Dinh Energy Joint Stock Company.

23. COST OF GOODS SOLD AND SERVICES RENDERED

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Cost of supplying of clean water, electricity, management service, waste water treatment supply	70,653,313,780	65,268,939,661
Cost of warehouses, factories and offices for operating lease	24,431,433,488	6,172,901,187
Cost of long-term leases of land and infrastructures	20,163,939,070	173,042,170,128
Cost of real estate transferred	4,949,567,222	2,296,972,098
Cost of factories sold	-	31,610,662,759
TOTAL	120,198,253,560	278,391,645,833

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

24. SELLINGS EXPENSES AND GENERAL AND ADMINISTRATIVE EXPENSES

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Selling expenses		
Legal consultation and brokerage expenses	3,846,700,257	3,317,314,000
Labour costs	-	45,990,686,956
Others	250,000,000	1,276,610,669
TOTAL	<u>4,096,700,257</u>	<u>50,584,611,625</u>
General and administrative expenses		
Labour costs	51,152,801,285	40,394,524,410
Depreciation of fixed assets	7,476,961,712	5,712,254,189
Expenses of external expenses	34,982,559,953	28,688,877,113
Sponsor expenses	45,092,365,073	8,757,488,800
Others	1,643,850,338	595,049,909
TOTAL	<u>140,348,538,361</u>	<u>84,148,194,421</u>

25. FINANCE EXPENSES

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Interest expenses	249,344,533,106	194,625,837,141
Allocation of bond issue costs	31,527,822,751	20,138,067,197
(Reversal)/provision for investments	(27,456,929,473)	20,690,998,436
Others	2,728,563,844	654,192,317
TOTAL	<u>256,143,990,228</u>	<u>236,109,095,091</u>

26. OTHER EXPENSES

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Penalty	52,659,391	9,785,585,620
Others	1,414,256,297	9,931,324,811
TOTAL	<u>1,466,915,688</u>	<u>19,716,910,431</u>

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	430,004,102,214	314,120,608,801
Labour costs	58,962,969,019	46,469,023,410
Depreciation of fixed assets	46,408,903,837	25,812,455,481
Expenses for external services	34,982,559,953	74,679,564,069
Other expenses	46,736,215,411	10,611,484,202
TOTAL	<u>617,094,750,434</u>	<u>471,693,135,963</u>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

28. CORPORATE INCOME TAX

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

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	5,861,046,890	8,487,365,999
Deferred tax income	<u>(832,241,000)</u>	<u>(832,240,999)</u>
TOTAL	<u>5,028,805,890</u>	<u>7,655,125,000</u>

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

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Accounting profit before tax	<u>48,586,251,331</u>	<u>48,510,469,839</u>
Tax at applicable CIT rate 20%	9,717,250,266	9,702,093,968
<i>Adjustments for:</i>		
Non-deductible expenses	3,991,993,645	3,878,107,419
Loan interests exceeding 20% of EBITDA under Decree 20/2017/ND-CP	-	27,451,244,982
Loan interests exceeding 30% of EBITDA under Decree 132/2020/ND-CP	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	5,346,298,661
Dividends	(18,156,000,000)	(38,722,620,030)
CIT adjustment according to Decree 68/2020/ND-CP (i)	(5,096,161,336)	-
Tax losses carried forward	(10,709,750,169)	-
CIT adjustment according to Decree 114/2020/ND-CP (ii)	<u>(4,339,271,669)</u>	<u>-</u>
CIT expenses	<u>5,028,805,890</u>	<u>7,655,125,000</u>

- (i) In accordance with the Decree No. 68/2020/ND-CP dated 24 June 2020 amending Decree No. 20/2017/ND-CP dated 24 February 2017 by the Government providing guidance on deductible interest expenses with effectiveness from the tax year 2019, the Company has recognized a reduction in current CIT expenses.
- (ii) In accordance with the Decree 114/2020/NĐ-CP dated 25 September 2020 promulgated by the Government on detailing the implementation of Resolution 116/2020/QH14 dated 19 June 2020 on reduction of CIT payable in 2020 for enterprise whose total revenue in 2020 does not exceed VND 200 billion ("Decree 114"), the Company has recognized a reduction in current CIT expenses.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

28. CORPORATE INCOME TAX (continued)

28.2 Current CIT

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

28.3 Deferred tax

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

Currency: VND

	Separate balance sheet		Separate income statement	
	Ending balance	Beginning balance	Current year	Previous year
Deferred tax liabilities				
Deferred tax liabilities arising from allocation of CIT over the land lease term at the Company's industrial parks	35,633,748,320	36,465,989,320	(832,241,000)	(832,240,999)
	35,633,748,320	36,465,989,320		
Net deferred tax credit to the separate income statement			(832,241,000)	(832,240,999)

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 profit arising within 5 years subsequent to the year in which the loss was incurred. As at 31 December 2020, the Company has accumulated losses which are available for offset against future taxable profits. Details are as follows:

Currency: VND

Originating year	Can be utilized up to		Tax loss amount	Utilized up to 31 December 2020	Forfeited	Unutilized at 31 December 2020
2015	2020	(i)	40,779,832	-	(40,779,832)	-
2016	2021	(i)	7,252,824	-	-	7,252,824
2017	2022	(i)	9,364,593	-	-	9,364,593
2018	2023	(i)	69,317,775	-	-	69,317,775
2019	2024	(ii)	53,562,817,951	(53,548,750,843)	-	14,067,108
2020	2025	(ii)	7,926,190	-	-	7,926,190
TOTAL			53,697,459,165	(53,548,750,843)	(40,779,832)	107,928,490

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

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

28. CORPORATE INCOME TAX (continued)

28.4 Unrecognized deferred tax assets (continued)

Interest expenses exceeding the prescribed threshold

The Company is entitled to carry forward the non-deductible interest expenses in the CIT returns ("non-deductible interest expense") when determining the deductible interest expenses in the following periods. The Company can carry forward subsequently the non-deductible interest expenses in five cumulative years since such interest expenses incurred. As at the balance sheet date, the Company had aggregated accumulated non-deductible interest expenses which are available for carry-forward as followings:

Currency: VND					
Originating year	Can be utilized up to		Non-deductible interest expense	Utilized up to 31 December 2020	Unutilized at 31 December 2020
2020	2024	(i)	99,566,069,293	-	99,566,069,293
2020	2025	(i)	143,934,594,578	-	143,934,594,578
TOTAL			243,500,663,871	-	243,500,663,871

- (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 accumulated losses and the non-deductible interest expenses because future taxable profit cannot be ascertained at this stage.

29. TRANSACTIONS WITH RELATED PARTIES

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

No.	Related parties	Relationship
1	Saigon – Bac Giang Industrial Park Corporation	Subsidiary
2	Saigon – Hai Phong Industrial Park Corporation	Subsidiary
3	Saigon - Tay Bac Urban Development Joint Stock Company	Subsidiary
4	Trang Cat Urban Development One Member Limited Company	Subsidiary
5	Tien Duong Urban Development Joint Stock Company	Subsidiary
6	Kinh Bac – Da Nang Investment One Member Company Limited	Subsidiary
7	Mr Dang Thanh Tam	Chairman
8	Ms Nguyen Thi Thu Huong	General Director
9	Ms Nguyen My Ngoc	Deputy General Director
10	Mr Phan Anh Dung	Deputy General Director
11	Vinatex – Tan Tao Investment Corporation	Common key management member
12	Sai Gon Hi-Tech Park Infrastructure Development and Invesment JSC	Common key management member

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

29. TRANSACTIONS WITH RELATED PARTIES (continued)

Terms and conditions of transactions with related parties

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

Outstanding balances of receivables, payables, loans at 31 December 2020 are unsecured, interest free and will be settled in cash. For the year ended 31 December 2020, the Company has not made any provision for doubtful debts relating to amounts owed by related parties (31 December 2019: 0). This assessment is undertaken each financial year through the examination of the financial position of the related party and the market in which the related party operates.

Currency: VND				
<i>Related party</i>	<i>Relationship</i>	<i>Description</i>	<i>Current year</i>	<i>Previous year</i>
Saigon - Hai Phong Industrial Park Corporation		Lending	200,000,000,000	-
		Interest receivables	9,101,369,863	-
		Borrowings	311,000,000,000	-
		Interest payables	21,273,622,607	11,372,265,621
		Convert interest payable to loan principal	-	4,662,811,654
Saigon - Bacgiang Industrial Park Corporation	Subsidiary	Lending	200,000,000,000	131,139,612,162
		Collection of lending	-	131,139,612,162
		Interest receivables	9,101,369,863	5,689,677,586
		Capital contribution under BCC	224,000,000,000	-
		Recovery of capital contribution for BCC	-	531,000,000,000
		Interest receivable from BCC	15,143,013,698	15,209,397,260
		Borrowings	1,029,000,000,000	243,970,710,252
Saigon - Tay Bac Urban Development Joint Stock Company	Subsidiary	Interest payables	55,823,446,562	9,394,179,960
		Dividends shared	-	130,900,000,000
Saigon - Tay Bac Urban Development Joint Stock Company	Subsidiary	Dividends received	90,780,000,000	-
		Dividends shared	-	62,713,100,151
Trang Cat Urban Development One Member Limited Company	Subsidiary	Capital contribution	1,000,000,000,000	2,630,000,000,000
Tien Duong Urban Development Joint Stock Company	Subsidiary	Capital contribution	3,671,980,000	3,740,000,000

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

29. TRANSACTIONS WITH RELATED PARTIES (continued)

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

<i>Related party</i>	<i>Relationship</i>	<i>Description</i>	<i>Currency: VND</i>	
			<i>Current year</i>	<i>Previous year</i>
Kinh Bac – Da Nang Investment One Member Company Limited	Subsidiary	Capital contribution in cash, loan receivables, loan interest	108,400,000,000	600,000,000,000
Vinatex – Tan Tao Investment Corporation	Common key management member	Borrowings	-	100,000,000,000
		Repayment of borrowings	100,000,000,000	-
		Interest payables	6,399,999,667	1,233,333,333
		Interest paid	7,633,333,000	-
Sai Gon Hi-Tech Park Infrastructure Development and Investment JSC	Common management member	Recovery of capital contribution by clearing debt	-	82,330,830,000
Mr Dang Thanh Tam	Chairman	Dividends paid	23,868,750,000	-

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

29. TRANSACTIONS WITH RELATED PARTIES (continued)

Amounts due to and due from related parties at the balance sheet dates were as follows:

Currency: VND

Related party	Relationship	Description	Ending balance	Beginning balance
Long-term loan receivables (Note 8)				
Saigon - Hai Phong Industrial Park Corporation (*)	Subsidiary	Loan receivables	200,000,000,000	-
Saigon - Bac Giang Industrial Park Corporation (*)	Subsidiary	Loan receivables	200,000,000,000	-
Kinh Bac - Da Nang Investment One Member Company Limited	Subsidiary	Loan receivables	-	4,000,000,000
			400,000,000,000	4,000,000,000
Other short-term receivables (Note 9)				
Saigon – Bac Giang Industrial Park Corporation	Subsidiary	Income from BCC	15,143,013,698	-
Ms Nguyen Thi Thu Huong	General Director	Advance	3,489,211,820	3,489,211,820
Ms Nguyen My Ngoc	Deputy General Director	Advance	136,330,000	136,330,000
Mr Phan Anh Dung	Deputy General Director	Advance	110,000,000	110,000,000
			18,878,555,518	3,735,541,820
Other long-term receivables (Note 9)				
Saigon – Bac Giang Industrial Park Corporation	Subsidiary	Contribution into BCC (**)	224,000,000,000	-
		Interest receivables	9,101,369,863	-
Saigon – Hai Phong Industrial Park Corporation	Subsidiary	Interest receivables	9,101,369,863	-
Kinh Bac – Da Nang Investment One Member Company Limited	Subsidiary	Interest receivables	-	19,726,028
			242,202,739,726	19,726,028

(*) These are unsecured loans with an interest rate of 11% per annum, due on 3 February 2022.

(**) This is the contribution of the Company into BCC with Saigon - Bac Giang Industrial Park Corporation for the development of Quang Chau Industrial Park project.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

29. TRANSACTIONS WITH RELATED PARTIES (continued)

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

			<i>Currency: VND</i>	
<i>Related party</i>	<i>Relationship</i>	<i>Description</i>	<i>Ending balance</i>	<i>Beginning balance</i>
Short-term accrued expenses (Note 18)				
Saigon – Bac Giang Industrial Park Corporation	Subsidiary	Short-term interest payable	18,523,150,684	-
Vinatex – Tan Tao Investment Corporation	Common key management member	Short-term interest payable	-	1,233,333,333
			18,523,150,684	1,233,333,333
Long-term accrued expenses (Note 18)				
Saigon – Hai Phong Industrial Park Corporation	Subsidiary	Long-term interest payable	25,950,223,997	4,676,601,390
Saigon – Bac Giang Industrial Park Corporation	Subsidiary	Long-term interest payable	38,185,083,511	884,787,633
Sai Gon Hi-Tech Park Infrastructure Development and Investment JSC	Common key management member	Long-term loan	945,879,723	909,879,723
			65,081,187,231	6,471,268,746
Other payables (Note 19)				
Saigon – Bac Giang Industrial Park Corporation	Subsidiary	Other payables	858,000,000	858,000,000
			858,000,000	858,000,000
Short-term loans (Note 20)				
Vinatex – Tan Tao Investment Corporation	Common key management member	Short-term loans	-	100,000,000,000
			-	100,000,000,000

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

29. TRANSACTIONS WITH RELATED PARTIES (continued)

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

Related party	Relationship	Description	Currency: VND	
			Ending balance	Beginning balance
Long-term loans (Note 20)				
Saigon – Bac Giang Industrial Park Corporation (i)	Subsidiary	Long-term loans	1,121,270,710,252	92,270,710,252
Saigon – Hai Phong Industrial Park Corporation (ii)	Subsidiary	Long-term loans	374,888,427,042	67,888,427,042
Sai Gon Hi-Tech Park Infrastructure Development and Investment JSC (iii)	Common key management member	Long-term loans	30,000,000,000	30,000,000,000
			1,526,159,137,294	190,159,137,294

- (i) These are unsecured loans with interest rates from 9% - 11%/year, maturing from May 2022 to December 2023.
- (ii) These are unsecured loans with interest rates from 10% - 11%/year, maturing from May 2022 to July 2023.
- (iii) This is an unsecured loan with an interest rate of 0.01%/month and will mature on 31 December 2022.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

29. TRANSACTIONS WITH RELATED PARTIES (continued)

Transaction with other related parties

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

Currency: VND

Name	Position	Current year			Previous year			
		Remuneration of Board of Directors	Total income of Management	Total personal income tax payable	Remuneration of Board of Directors	Total income of Management	Total personal income tax payable	
Ms Nguyen Thi Thu Huong	General Director, Member of Board of Directors	100,000,000	6,408,151,000	3,166,174,000	100,000,000	5,219,899,000	2,554,776,000	7,874,675,000
Mr Nguyen Vinh Tho	Member of Board of Directors	580,000,000	-	64,444,444	579,999,995	-	64,444,444	644,444,439
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	-	1,611,459,000	614,786,000	-	1,119,999,000	363,076,000	1,483,075,000
Mr Pham Phuc Hieu	Deputy General Director, Chief accountant, Member of Board of Directors	100,000,000	2,307,150,000	1,043,235,000	100,000,000	1,710,900,000	735,100,000	2,546,000,000
Ms Nguyen My Ngoc	Deputy General Director	-	1,784,218,000	707,810,000	-	1,505,166,000	547,212,000	2,052,378,000
TOTAL		880,000,000	12,110,978,000	5,607,560,555	879,999,995	9,555,964,000	4,275,719,555	14,711,683,550

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

30. COMMITMENTS AND CONTINGENT LIABILITIES

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 m² (up to 2052) and 2,234,012.9 m² (up to 2057), respectively. According to the Official Letter No. 323/BTC-QLCS dated 12 January 2015 by the Ministry of Finance, the investment project on construction and operation of infrastructure of Que Vo Industrial Park is entitled to land rental exemption in 11 years from the date of project completion and put into operations. In 2020, the Company has received the land rental payment notification for 2,098,448 m² in Que Vo I Industrial Park and Que Vo II Industrial Park, and has not received the land rental payment notification for remainings land lots in these industrial parks.

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

30.2 Commitments relating to real estate projects

Commitments relating to the State

- (i) On 10 June 2015, the Company signed a Land Rental Contract with Bac Ninh Provincial People's Committee for 1,050,877.9 m² land area assigned at Nam Son Hap Linh Industrial Park. As at the date of these separate financial statements, the Company is still in the process of finalizing with the authorities the land rental obligations for this project.
- (ii) According to Decision No. 1526/QD-CT dated 17 December 2003 and Decision No. 971/QD-UBND dated 15 July 2009 by Bac Ninh Provincial People's Committee regarding the assignment of land to the Company for the development of Phuc Ninh New Urban Area Project, Bac Ninh Town, Bac Ninh Province, the Company has an obligation to pay land use fees and other charges for the residential land area, commercial and public areas in the Phuc Ninh Residential Area. Accordingly, the Company was handed over 49.53 ha of land in 2010, completed the land marking for 47.2 ha of land in 2013 with Bac Ninh Provincial People's Committee and paid the land use fees of VND 175,735,431,000 in accordance with the Decision No. 2229/QD-CT dated 23 December 2004 by Bac Ninh Provincial People's Committee on the land use fee (phase 1) and the notices of payment of land use fee by the Tax Department of Bac Ninh Province. As at the date of these separate financial statements, the Company is in the process of finalizing the land use fees with Bac Ninh Provincial People's Committee for the above assigned land.

Capital expenditure commitments

As at 31 December 2020, the Company has entered into a number of contracts related to the construction and development of the Que Vo I Industrial Park, Que Vo II Industrial Park, Nam Son Hap Linh Industrial Park and Phuc Ninh Residential area with outstanding contractual commitment amounts to approximately VND 134.5 billion.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2020 and for the year then ended

30. COMMITMENTS AND CONTINGENT LIABILITIES (continued)

30.3 *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 2020 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. The Company has entered into this Debt structuring agreement prior to the approval of the General Meeting of Shareholders as required by the Company's Charter and by Decree 71/2017/NĐ-CP ("Decree 71") of the Government dated 6 June 2017 providing guidance on corporate governance applicable for public interest companies. The management plans to seek approval of the General Meeting of Shareholders in the upcoming meeting of General Shareholders.

30.4 *Disputes*

Disputes with VTC Wireless Telecommunications Corporation

Under the Business Cooperation Agreement dated 12 February 2008 between the VTC Wireless Telecommunications Company ("VTC") and Saigon Telecommunication & Technologies Corporation and the Business Registration Certificate No. 0103025781 dated 11 July 2008, the registered charter capital of VTC - Saigontel Media Company is VND 160 billion, in which the Company's ownership interest is 19.2%. The Company has then transferred VND 30,700,200,000 (19.2% of charter capital) to Huu Nghi Communication JSC (the company authorized by VTC) on 10 March 2008 for VTC Wireless Telecommunications Company to purchase assets for VTC - Saigontel Media Corporation. However, the Company has alleged that VTC has not completed the purchase of assets for VTC - Saigontel Media Company as committed. Therefore, the Company is currently in the process of working with VTC to recover this investment. The 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 2020 and for the year then ended

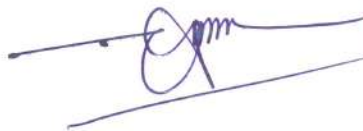
31. EVENTS AFTER THE BALANCE SHEET DATE

On 3 February 2021 and 8 February 2021, the Board of Directors issued the Resolution on cooperation with Saigon – Hai Phong Industrial Park Corporation and Saigon Telecommunication & Technologies Corporation to contribute capital to establish Hung Yen Investment and Development Corporation, Long An Development Invest Joint Stock Company and Vung Tau Investment Group Joint Stock Company with the registered charter capital at VND 1,800 billion, VND 1,500 billion and VND 1,000 billion respectively. According to which, the Company will contribute 60% charter capital of Hung Yen Investment and Development Corporation, 36% charter capital of Long An Development Invest Joint Stock Company and 74.52% charter capital of Vung Tau Investment Group Joint Stock Company. As at the date of these separate financial statements, the Company is in the process of completing necessary legal procedures to contribute capital to these companies as committed.

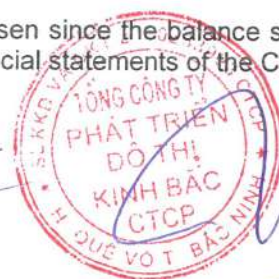
There is no other matter or circumstance that has arisen since the balance sheet date that requires adjustment or disclosure in the separate financial statements of the Company.



Luu Phuong Mai
Preparer



Pham Phuc Hieu
Deputy General Director and
Chief Accountant




Nguyen Thi Thu Huong
General Director

Bac Ninh, Viet Nam

30 March 2021