

Vincom Retail Joint Stock Company

Interim consolidated financial statements

Quarter I 2018



Vincom Retail Joint Stock Company

CONTENT

	<i>Pages</i>
General information	1
Report of management	2
Interim consolidated balance sheet	3 - 4
Interim consolidated income statement	5
Interim consolidated cash flow statement	6 - 7
Notes to the interim consolidated financial statements	8 - 41
Appendix	
Appendix 1 - Corporate structure as at 31 March 2018	42
Appendix 2 - Explanation for the variances in income statements between the two periods	43

Vincom Retail Joint Stock Company

GENERAL INFORMATION

THE COMPANY

Vincom Retail Joint Stock Company ("the Company"), previously known as Vincom Retail Company Limited, is established in accordance with the Business Registration Certificate No. 0105850244 issued by the Hanoi Department of Planning and Investment on 11 April 2012. In accordance with the 2nd amended Business Registration Certificate dated 14 May 2013, the Company changed its legal form to a joint stock company and also changed its name to Vincom Retail Joint Stock Company. Subsequently, the Company obtained amended Enterprise Registration Certificates with the latest is the 18th amended Enterprise Registration Certificate being granted on 15 September 2017.

The Company's shares were officially listed on the Ho Chi Minh Stock Exchange (HOSE) on 6 November 2017.

The current principal activities of the Company are to invest in and develop shopping centers for lease and inventory properties for sale.

The Company's head office is located at No. 7, Bang Lang 1 street, Vinhomes Riverside, Viet Hung ward, Long Bien district, Hanoi, Vietnam.

Vingroup JSC is the Company's ultimate parent company. Vingroup JSC and its subsidiaries are hereby referred as the Group.

BOARD OF DIRECTORS

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

Ms. Mai Thu Thuy	Chairwoman	appointed on 9 March 2018
	Member	resigned on 9 March 2018
Ms. Duong Thi Mai Hoa	Chairwoman	resigned on 9 March 2018
Ms. Tran Mai Hoa	Member	
Ms. Nguyen Thi Diu	Member	
Ms. Le Mai Lan	Member	
Mr. Brett Krause	Independent member	
Mr. Timothy J. Daly	Independent member	
Mr. Jeffrey David Perlman	Member	appointed on 9 February 2018
Mr. Phan Thanh Son	Independent member	appointed on 9 February 2018

MANAGEMENT

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

Ms. Tran Mai Hoa	General Director	
Ms. Nguyen Thu Ha	Deputy General Director	resigned on 30 March 2018
Ms. Tran Thu Hien	Deputy General Director	appointed on 30 March 2018
Ms. Pham Ngoc Thoa	Chief Finance Officer	
Ms. Bui Thanh Huong	Human Resource & Training Manager	appointed on 26 February 2018

BOARD OF SUPERVISION

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

Ms. Do Thi Quynh Trang	Head
Ms. Nguyen Thu Phuong	Member
Ms. Tran Thanh Tam	Member

LEGAL REPRESENTATIVE

The legal representative of the Company during the period and up to the date of this report is Ms. Tran Mai Hoa.

Ms. Pham Ngoc Thoa is authorised by the legal representative of the Company to sign the Company's financial statements in accordance with the Authorisation Letter dated 27 February 2017.

Vincom Retail Joint Stock Company

REPORT OF MANAGEMENT

Management of Vincom Retail Joint Stock Company ("the Company") presents its report and the interim consolidated financial statements of the Company and its subsidiaries for Quarter I 2018.

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

Management is responsible for the interim consolidated financial statements of each financial period which give a true and fair view of the interim consolidated financial position of the Company and its subsidiaries and of the interim consolidated results of its operations and its interim consolidated cash flows for the period. In preparing those interim consolidated financial statements, management is required to:


- ▶ select suitable accounting policies and then apply them consistently;
- ▶ make judgements and estimates that are reasonable and prudent;
- ▶ state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the interim consolidated financial statements; and
- ▶ prepare the interim consolidated financial statements on the going concern basis unless it is inappropriate to presume that the Company and its subsidiaries will continue its business.

Management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the interim consolidated financial position of the Company and its subsidiaries 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 its subsidiaries and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

STATEMENT BY MANAGEMENT

Management does hereby state that, in its opinion, the accompanying interim consolidated financial statements give a true and fair view of the interim consolidated financial position of the Company and its subsidiaries as at 31 March 2018, and of the interim consolidated results of its operations and its interim consolidated cash flows for the three-month period then ended in accordance with the Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of interim consolidated financial statements.


and on behalf of management:

Phạm Ngọc Thoa
Chief Finance Officer

Hanoi, Vietnam

27 April 2018

INTERIM CONSOLIDATED BALANCE SHEET
as at 31 March 2018


Currency: VND


Code	ASSETS	Notes	Ending balance	Ending balance
100	A. CURRENT ASSETS		13,339,606,720,807	13,356,535,681,339
110	I. Cash and cash equivalents	4	1,404,510,417,149	1,421,529,231,881
111	1. Cash		283,790,581,724	851,529,231,881
112	2. Cash equivalents		1,120,719,835,425	570,000,000,000
120	II. Short-term investments		60,181,546,761	60,181,546,761
123	1. Held-to-maturity investments	5	60,181,546,761	60,181,546,761
130	III. Current accounts receivable		3,886,015,542,554	4,052,502,966,557
131	1. Short-term trade receivables	6.1	596,332,263,364	567,834,036,030
132	2. Short-term advances to suppliers	6.2	216,186,342,947	277,332,511,822
135	3. Short-term loan receivables	30	2,613,600,000,000	2,613,600,000,000
136	4. Other short-term receivables	7	532,659,772,140	663,549,796,021
137	5. Provision for doubtful short-term receivables	6.1, 7	(72,762,835,897)	(69,813,377,316)
140	IV. Inventories	9	1,969,430,771,109	1,816,699,091,977
141	1. Inventories		1,995,721,114,816	1,842,989,435,687
149	2. Provision for obsolete inventories		(26,290,343,707)	(26,290,343,710)
150	V. Other current assets		6,019,468,443,234	6,005,622,844,163
151	1. Short-term prepaid expenses	10	373,550,560,923	347,781,813,747
152	2. Value-added tax deductible		113,374,321,680	125,297,469,785
153	3. Tax and other receivables from the State		2,160,024,734	2,160,024,734
155	4. Other current assets	11	5,530,383,535,897	5,530,383,535,897
200	B. NON-CURRENT ASSETS		24,780,311,068,150	24,776,701,353,840
210	I. Long-term receivables		9,501,088,152	7,594,538,151
216	1. Other long-term receivables		9,501,088,152	7,594,538,151
220	II. Fixed assets		168,008,083,922	170,582,653,735
221	1. Tangible fixed assets	12	134,696,056,740	136,943,332,298
222	Cost		190,514,873,683	185,494,246,758
223	Accumulated depreciation		(55,818,816,943)	(48,550,914,460)
227	2. Intangible fixed assets	13	33,312,027,182	33,639,321,437
228	Cost		47,878,083,853	46,477,046,089
229	Accumulated amortisation		(14,566,056,671)	(12,837,724,652)
230	III. Investment properties	14	20,182,535,107,678	20,401,205,403,605
231	1. Cost		22,735,065,468,857	22,721,608,675,377
232	2. Accumulated depreciation		(2,552,530,361,179)	(2,320,403,271,772)
240	IV. Long-term assets in progress		1,294,573,606,268	1,080,110,809,673
242	1. Construction in progress	15	1,294,573,606,268	1,080,110,809,673
250	V. Long-term investments		1,830,000,000,000	1,830,000,000,000
255	1. Held-to-maturity investments	5	1,830,000,000,000	1,830,000,000,000
260	VI. Other long-term assets		1,295,693,182,130	1,287,207,948,676
261	1. Long-term prepaid expenses	10	418,129,533,238	394,382,213,713
262	2. Deferred tax assets		16,764,067,949	13,880,235,718
268	3. Other long-term assets	11	327,000,000,000	327,000,000,000
269	4. Goodwill	16	533,799,580,943	551,945,499,245
270	TOTAL ASSETS		38,119,917,788,957	38,133,237,035,179

INTERIM CONSOLIDATED BALANCE SHEET (continued)
as at 31 March 2018

Currency: VND

Code	RESOURCES	Notes	Ending balance	Ending balance
300	C. LIABILITIES		11,484,363,797,369	12,039,182,364,957
310	I. Current liabilities		7,564,061,359,875	8,138,185,249,855
311	1. Short-term trade payables	17	820,738,255,511	1,065,331,095,768
312	2. Short-term advances from customers	18	2,068,718,218,890	2,182,538,040,726
313	3. Statutory obligations	19	138,493,580,751	210,977,942,122
314	4. Payables to employees		1,265,601,274	6,656,956,329
315	5. Short-term accrued expenses	20	656,454,171,723	513,997,590,415
318	6. Short-term unearned revenues	22	35,072,044,090	31,229,205,083
319	7. Short-term other payables	21	1,014,287,835,887	1,299,618,600,994
320	8. Short-term loan and debts	23.1	2,816,883,001,794	2,815,687,168,461
321	9. Short-term provisions		9,252,492,453	9,252,492,453
322	10. Bonus and welfare fund		2,896,157,502	2,896,157,504
330	II. Non-current liabilities		3,920,302,437,494	3,900,997,115,102
336	1. Long-term unearned revenues	22	50,483,226,622	56,368,606,277
337	2. Other long-term liabilities	21	637,875,643,511	623,930,109,316
338	3. Long-term loan and debts	23.2	3,164,168,997,122	3,158,122,599,141
341	4. Deferred tax liabilities		67,774,570,239	62,575,800,368
400	D. OWNERS' EQUITY		26,635,553,991,588	26,094,054,670,222
410	I. Capital	24	26,635,553,991,588	26,094,054,670,222
411	1. Issued share capital		19,010,787,330,000	19,010,787,330,000
411a	- Shares with voting rights		19,010,787,330,000	19,010,787,330,000
412	2. Share premium		4,324,379,868,907	4,324,379,868,907
420	3. Other funds belonging to owners' equity		(58,419,891,967)	(58,419,891,967)
421	4. Undistributed earnings		3,327,907,539,583	2,786,541,240,791
421a	- Undistributed earnings up to prior year		2,786,541,240,791	1,831,051,293,949
421b	- Undistributed earnings of current period		541,366,298,792	955,489,946,842
429	5. Non-controlling interests		30,899,145,065	30,766,122,491
440	TOTAL LIABILITIES AND OWNERS' EQUITY		38,119,917,388,957	38,133,237,035,179


 Nguyen Thanh Huyen
 Preparer


 Bui Tien Luc
 Chief Accountant


 Phan Ngoc Thoa
 Chief Finance Officer



27 April 2018

INTERIM CONSOLIDATED INCOME STATEMENT
Quarter I 2018

Currency: VND

Code	ITEMS	Notes	Current period	Previous period
01	1. Revenue from sale of goods and rendering of services	25.1	1,617,892,522,192	1,393,655,822,971
02	2. Deductions	25.1	-	-
10	3. Net revenue from sale of goods and rendering of services	25.1	1,617,892,522,192	1,393,655,822,971
11	4. Cost of goods sold and services rendered	26	(816,985,834,237)	(647,732,923,212)
20	5. Gross profit from sale of goods and rendering of services		800,906,687,955	745,922,899,759
21	6. Finance income	25.2	186,806,258,320	132,311,801,715
22	7. Finance expenses	27	(131,520,227,820)	(132,340,870,426)
23	- In which: Interest expenses		(131,320,985,678)	(132,284,226,140)
24	8. Shares of profit of associates		-	145,124,463,874
25	9. Selling expenses	28	(60,401,057,823)	(62,869,517,163)
26	10. General and administrative expenses	28	(95,511,209,024)	(66,415,909,735)
30	11. Operating profit		700,280,451,608	761,732,868,024
31	12. Other income		8,190,095,196	6,929,596,856
32	13. Other expenses		(6,418,676,580)	(3,903,423,879)
40	14. Other profit		1,771,418,616	3,026,172,977
50	15. Accounting profit before tax		702,051,870,224	764,759,041,001
51	16. Current corporate income tax expenses	29	(158,237,611,220)	(68,844,384,500)
52	17. Deferred tax (expenses)/income	29	(2,314,937,638)	2,818,677,888
60	18. Net profit after tax		541,499,321,366	698,733,334,389
61	19. Net profit after tax attributable to shareholders of the parent		541,366,298,792	698,680,842,861
62	20. Net profit after tax attributable to non-controlling interests		133,022,874	52,491,528

Nguyen Thanh Huyen
Preparer

Bui Tien Luc
Chief Accountant

Pham Ngoc Thoa
Chief Finance Officer

27 April 2018

INTERIM CONSOLIDATED CASH FLOW STATEMENT
Quarter I 2018


Currency: VND


Code	ITEMS	Current year	Previous year
	I. CASH FLOWS FROM OPERATING ACTIVITIES		
01	Profit before tax	702,051,870,224	764,759,041,001
	<i>Adjustments for:</i>		
02	Depreciation of fixed assets and investment properties and amortisation of intangible fixed assets (including amortisation of goodwill)	259,427,905,031	184,354,238,846
03	Provisions	2,949,458,580	4,930,049,200
05	Profits from investing activities	(186,563,425,859)	(277,413,881,932)
06	Interest expenses and bond issue costs	131,320,985,678	132,284,226,140
08	Operating profit before changes in working capital	909,186,793,654	808,913,673,255
09	Changes in receivables	345,273,511,547	(29,816,037,930)
10	Changes in inventories	(152,731,679,130)	161,982,647,508
11	Changes in payables (other than interest, corporate income tax)	(611,975,755,875)	148,914,662,530
12	Changes in prepaid expenses	(51,495,791,697)	(100,237,457,019)
14	Interest paid	(122,175,000,000)	(54,309,726,332)
15	Corporate income tax paid	(193,293,460,636)	(56,813,725,443)
20	Net cash flows from operating activities	122,788,617,863	878,634,036,569
	II. CASH FLOWS FROM INVESTING ACTIVITIES		
21	Purchase, construction of fixed assets and other long-term assets	(154,909,596,766)	(723,079,316,835)
24	Collections from borrowers and proceeds from sale of debt instruments of other entities	-	1,500,000,000,000
27	Interest and dividends received	15,102,164,171	378,936,795,121
30	Net cash flows (used in)/from investing activities	(139,807,432,595)	1,155,857,478,286
	III. CASH FLOWS FROM FINANCING ACTIVITIES		
33	Drawdown of borrowings	-	2,985,743,277,863
34	Repayment of borrowings	-	(2,663,832,400,000)
40	Net cash flows from financing activities	-	321,910,877,863

INTERIM CONSOLIDATED CASH FLOW STATEMENT (continued)
Quarter I 2018

Currency: VND

Code	ITEMS	Current period	Previous period
50	Net (decrease)/increase in cash and cash equivalents for the period	(17,018,814,732)	2,356,402,392,718
60	Cash and cash equivalents at the beginning of the period	1,421,529,231,881	1,697,770,643,584
70	Cash and cash equivalents at the end of the period	1,404,510,417,149	4,054,173,036,302


 Nguyen Thanh Huyen
 Preparer


 Bui Tien Luc
 Chief Accountant


 Phan Ngoc Thoa
 Chief Finance Officer



27 April 2018

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2018**1. CORPORATE INFORMATION**

Vincom Retail Joint Stock Company ("the Company"), previously known as Vincom Retail Company Limited, is established in accordance with the Business Registration Certificate No. 0105850244 issued by the Hanoi Department of Planning and Investment on 11 April 2012. In accordance with the 2nd amended Business Registration Certificate dated 14 May 2013, the Company changed its legal form to a joint stock company and also changed its name to Vincom Retail Joint Stock Company. Subsequently, the Company obtained amended Enterprise Registration Certificates with the latest is the 18th amended Enterprise Registration Certificate being granted on 15 September 2017.

The Company's shares were officially listed on the Ho Chi Minh Stock Exchange (HOSE) since 6 November 2017.

The current principal activities of the Company are to invest in and develop shopping centers for lease and inventory properties for sale.

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

The Company's head office is located at No. 7, Bang Lang 1 street, Vinhomes Riverside, Viet Hung ward, Long Bien district, Hanoi, Vietnam.

The number of the Company's employees as at 31 March 2018 is 1.435 (31 December 2017: 115).

Vingroup JSC is the Company's ultimate parent company. Vingroup JSC and its subsidiaries are hereby referred as the Group.

Corporate structure

The Company has 3 following subsidiaries as at 31 March 2018:

<i>No.</i>	<i>Name</i>	<i>Voting right (%)</i>	<i>Equity interest (%)</i>	<i>Registered office's address</i>	<i>Principal activities</i>
1	North Vincom Retail LLC	100.00	100.00	No. 72A, Nguyen Trai street, Thuong Dinh ward, Thanh Xuan district, Hanoi	Leasing and trading real estate property
2	South Vincom Retail LLC	100.00	100.00	No. 72, Le Thanh Ton street and No. 45A Ly Tu Trong street, Ben Nghe ward, District 1, Ho Chi Minh city	Leasing and trading real estate property
3	Suoi Hoa Urban Development and Investment JSC	97.83	97.83	Km1 + 200, Tran Hung Dao street, Suoi Hoa ward, Bac Ninh city, Bac Ninh province	Investing, developing and trading real estate property

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2018**2. BASIS OF PREPARATION****2.1 Accounting standards and system**

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

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

Accordingly, the accompanying interim consolidated financial statements, including their utilisation are not designed for those who are not informed about Vietnam's accounting principles, procedures and practices and furthermore are not intended to present the interim consolidated financial position and consolidated results of operations and interim consolidated cash flows in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

2.2 Applied accounting documentation system

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

2.3 Fiscal year

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

2.4 Accounting currency

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

2.5 Basic of consolidation

The interim consolidated financial statements comprise the financial statements of the Company and its subsidiaries for the financial period ended 31 March 2018.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Company obtains control, and continued to be consolidated until the date that such control ceases, unless the parent's control is temporary when the subsidiary is acquired and held for sales in less than 12 months.

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

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

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2018**2. BASIS OF PREPARATION (continued)****2.5 Basic of consolidation (continued)**

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

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**3.1 Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand, cash at banks, cash in transit and short-term, highly liquid investments with an original maturity of no longer than three months that are readily convertible into known amounts of cash and that are subject to an insignificant risk of change in value.

3.2 Inventories*Inventory properties*

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

Cost includes:

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

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

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

Other inventories

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

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

The perpetual method is used to record the costs of other inventories, cost of other inventories is valued at the cost of purchase, on weighted average basis.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2018**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****3.2 Inventories (continued)***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 and its subsidiaries, based on appropriate evidence of impairment available at the interim balance sheet date. Increases and decreases to the provision balance are recorded into the cost of goods sold account in the interim consolidated income statement.

3.3 Receivables

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

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

3.4 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation.

The cost of a tangible fixed asset comprises its purchase price and any directly attributable costs of bringing the tangible fixed asset to working condition for its intended use.

Expenditures for additions, improvements and renewals are added to the carrying amount of the assets and expenditures for maintenance and repairs are charged to the interim consolidated income statement as incurred.

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

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

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

Where the Company and its subsidiaries are the lessee

Assets held under finance leases are capitalised in the interim consolidated balance sheet at the inception of the lease at the fair value of the leased assets or, if lower, at the net present value of the minimum lease payments. The principal amount included in future lease payments under finance leases are recorded as a liability. The interest amounts included in lease payments are charged to the interim consolidated income statement over the lease term to achieve a constant rate on interest on the remaining balance of the finance lease liability.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2018

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.5 Leased assets (continued)

Where the Company and its subsidiaries are the lessee (continued)

Capitalised financial leased assets are depreciated using straight-line basis over the shorter of the estimated useful life of the asset and the lease term, if there is no reasonable certainty that the Company and its subsidiaries will obtain ownership by the end of the lease term.

Assets subject to finance leases are included as the Company and its subsidiaries' investment properties in the interim consolidated balance sheet.

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

Where the Company and its subsidiaries are the lessor

Assets subject to operating leases are included as the Company and its subsidiaries' investment properties in the interim consolidated balance sheet.

Lease income is recognised in the interim consolidated income statement 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 assets comprises of its purchase price and any directly attributable costs of preparing the intangible fixed asset for its intended use. Expenditures for additions, improvements are added to the carrying amount of the assets and other expenditures are charged to the interim consolidated income statement as incurred.

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

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	5 - 15 years
Machinery and equipment	2 - 15 years
Means of transportation	4 - 15 years
Office equipment	3 - 10 years
Computer software	3 - 8 years
Others	3 - 15 years

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2018**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****3.8 Investment properties**

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

Costs include the amount of cash paid or the fair value of other consideration given by the Company and its subsidiaries to acquire an asset at the time of acquisition or construction. The Company and its subsidiaries recognise an investment property in the interim consolidated financial statements when the significant risks and rewards incident to ownership of the property have been passed to the Company and its subsidiaries from the transferor, not depending on the form of the sales and purchase contract or the time at which legal documents relating to ownership of the properties are transferred.

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

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

Land use rights with definite term	23 - 50 years
Buildings and structures	5 - 50 years
Machinery and equipment	3 - 25 years

The land use rights with indefinite terms is presented as investment properties based on the certificate of land use right granted by relevant authorities and no amortisation should be charged.

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

Transfers are made to investment properties when, and only when, there is a change in use, evidenced by ending of owner-occupation, commencement of an operating lease to another party or ending of construction or development. Transfers are made from investment properties when, and only when, there is change in use, evidenced by commencement of owner-occupation or commencement of development with a view to sale. The transfer from investment property to owner-occupied property or inventories does not change the cost or the carrying value of the property for subsequent accounting at the date of change in use. The Company and its subsidiaries have contributed capital to cooperate in the investment, construction and development of shopping centers. Under the business co-investment contract, the Company and its subsidiaries have the right to control the shopping centers when the shopping centers are handed over to the Company and its subsidiaries from the counterparties for commercial operations. According to which, the shopping centers are recognized by the Company and its subsidiaries as investment properties in the interim consolidated balance sheet upon the hand over of these properties.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2018**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****3.9 Borrowing costs**

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

Borrowing costs are recorded as expense during the period in which they are incurred, except for the 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.

3.10 Prepaid expenses

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

Long-term prepaid expenses include long-term prepaid land rental, prepaid premise expense under operating lease terms, pre-operating expenses, tools and supplies, and other prepaid expenses that bring future economic benefits for more than one year.

Long-term prepaid expenses include long-term prepaid land rental in accordance with Circular No. 45/2013/TT-BTC and other long-term prepaid expenses that bring future economic benefits for more than one year.

3.11 Business combinations and goodwill

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

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

Assets acquisitions and business combinations

The Company and its subsidiaries acquire subsidiaries that own real estate projects. At the date of acquisition, the Company considers whether the acquisition represents the acquisition of a business. The Company accounts for an acquisition as a business combination where an integrated set of activities is acquired.

When the acquisition of subsidiaries does not represent a business, it is accounted for as an acquisition of a group of assets and liabilities. The cost of the acquisition is allocated to the assets and liabilities acquired based upon their relative fair values, and no goodwill or deferred income tax is recognised.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2018**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****3.11 Business combinations and goodwill (continued)***Business combinations involving entities under common control*

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

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

Where the Company loses control of its subsidiary, which was previously consolidated under common control, the difference recognised in equity between the consideration and the net assets of the subsidiary at the acquisition date will be reclassified to the undistributed earnings at the date of disposal.

3.12 Investments*Held-to-maturity investments*

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

3.13 Payables and accruals

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

Payables to contractors are recorded based on interim work certificates between two parties, regardless of whether or not billed to the Company.

3.14 Provisions

Provisions are recognised when the Company and its subsidiaries have a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using a current pretax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance expense.

Expenses relating to provisions are recognised in the interim consolidated income statement.

Provision for warranty expenses for apartments and shop-houses

The Company and its subsidiaries estimate this warranty provision based on revenue and currently available information about repairing expenses of apartments and shop-houses sold in the past.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2018**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****3.15 Foreign currency transactions**

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

- ▶ Transactions resulting in liabilities are recorded at the selling exchange rates of the commercial banks designated for payment; and
- ▶ Capital contributions or capital received are recorded at the buying exchange rates of the commercial banks designated for capital contribution.

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

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

All foreign exchange differences incurred during the period and arising from the revaluation of monetary accounts denominated in foreign currency at period-end are taken to the interim consolidated income statement.

3.16 Appropriation of net profits

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

3.17 Advance from customers

Payments received from customers as deposits for the purchase of apartments and shop-houses in the future that do not meet the conditions for revenue recognition, are recognised and presented as "Advances from customers" in the interim consolidated balance sheet.

3.18 Revenue recognition

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

Revenue from sale of inventory properties

Revenue from sale of inventory property is recognised when the significant risks and rewards incident to ownership of the properties have been passed to the buyer. For multiple-element arrangements that trigger the performance obligation of the seller in the future, revenue recognised will be the fair value of the consideration received or receivable less the fair value of the undelivered component.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2018**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****3.18 Revenue recognition (continued)***Revenue from sale of inventory properties (continued)*

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

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

Revenue from leasing of investment properties

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

Rendering of services

Revenue from entertainment services, investment properties management and brokerage and other related services is recorded based on percentage of completion when the services are rendered and the outcome of the contract is certainly determined.

Gains from capital transfer

Gains from capital transfer are determined as the excess of selling prices against the cost of investments sold. Such gains are recognised on the date of completion.

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 and its subsidiaries' entitlement as investors to receive the dividend is established.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2018**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****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. The tax rates and tax laws used to compute the amount are those that are enacted as at the interim balance sheet date.

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

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

Deferred tax

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

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

- ▶ where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the related transaction affects neither the accounting profit nor taxable profit or loss;
- ▶ 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;
- ▶ 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 balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Previously unrecognised deferred tax assets are re-assessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2018**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****3.19 Taxation (continued)***Deferred tax (continued)*

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

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right for the Company and its subsidiaries 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 and its subsidiaries intend 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 Related parties

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

4. CASH AND CASH EQUIVALENTS

Currency: VND

	<i>Ending balance</i>	<i>Beginning balance</i>
Cash in banks	283,542,801,116	479,043,505
Cash in transit	247,780,608	851,050,188,376
Cash equivalents	1,120,719,835,425	570,000,000,000
TOTAL	1,404,510,417,149	1,421,529,231,881

Cash equivalents as at 31 March 2018 comprised bank deposits in VND with original maturity terms ranging from 1 month to 3 months and earning interest at the rates ranging from 4.2% to 5.5% per annum (as at 31 December 2017: bank deposits in VND with original maturity terms ranging from 1 month to 3 months and earning interest at the rates ranging from 4.2% to 5.5% per annum).

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2018

5. HELD-TO-MATURITY INVESTMENTS

Currency: VND

	<u>Ending balance</u>	<u>Beginning balance</u>
Short-term held-to-maturity investments (i)	60,181,546,761	60,181,546,761
Long-term held-to-maturity investments (ii)	1,830,000,000,000	1,830,000,000,000
TOTAL	1,890,181,546,761	1,890,181,546,761

- (i) Ending balance of short-term held-to-maturity investments comprised short-term bank deposits in VND with original terms of 6 months and earning interest at the rate ranging from 5.3% to 6.4% per annum (31 December 2017: bank deposits in VND with original terms of 6 months and earning interest at the rate of 6.4% per annum).

This is maintenance fund of the handed over apartments of Vinhomes Nguyen Chi Thanh project and handed over shop-office of Vinhomes Times City project and Vinhomes Royal City project. This fund will be transferred to the building management boards.

- (ii) Ending balance of long-term held-to-maturity investments comprised bank deposits at Vietnam Technological and Commercial Joint-stock Bank with original terms of 36 months and earning interest at the rate of 7.1% per annum.

6. SHORT-TERM TRADE RECEIVABLES AND ADVANCES TO SUPPLIERS

6.1 Short-term trade receivables

Currency: VND

	<u>Ending balance</u>	<u>Beginning balance</u>
Receivables from leasing activities and rendering related services	366,351,565,382	354,605,936,148
Receivables from disposal of investments (i)	100,000,000,000	136,694,692,439
Receivables from sale of inventory properties	49,098,100,223	63,460,780,074
Others	80,882,597,759	13,072,627,369
TOTAL	596,332,263,364	567,834,036,030
<i>In which:</i>		
Trade receivables from customers	371,821,732,467	413,242,224,835
Trade receivables from related parties (Note 30)	224,510,530,897	154,591,811,195
Provision for doubtful short-term receivables	(50,762,835,897)	(47,813,377,316)
Details of receivables which account for more than 10% of total balance:		
Receivable from disposal of an investment to a corporate counterparty (i)	100,000,000,000	100,000,000,000

- (i) This balance has been subsequently collected in April 2018.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2018**6. SHORT-TERM TRADE RECEIVABLES AND ADVANCES TO SUPPLIERS (continued)****6.2 Short-term advances to suppliers**

Currency: VND

	<u>Ending balance</u>	<u>Beginning balance</u>
Advances to suppliers	174,515,040,377	213,196,405,978
Advances to related parties (Note 30)	41,671,302,570	64,136,105,844
TOTAL	216,186,342,947	277,332,511,822
Details of advances to suppliers which are more than 10% of total balance:		
Advances to Hung Thinh Real Estate Business Investment Corporation	-	45,212,940,506
Advance to Vincom Construction and Consultant LLC	32,171,081,939	27,948,909,900
Advances to a constructor	-	10,831,348,918
Advances to another constructor	64,721,069,008	80,085,368,011

7. OTHER SHORT-TERM RECEIVABLES

Currency: VND

	<u>Ending balance</u>	<u>Beginning balance</u>
Interests on bank deposits, deposits and loans	353,055,124,179	178,089,460,071
Guarantee deposits for project development and contract implementation	42,350,429,099	42,350,429,099
Receivable for payment on behalf (i)	27,709,249,853	324,247,798,709
Others	109,544,969,009	118,862,108,142
TOTAL	532,659,772,140	663,549,796,021
<i>In which:</i>		
Other receivables	225,119,439,587	418,345,034,222
Other receivables from related parties (Note 30)	307,540,332,553	245,204,761,799
Provision for doubtful short-term receivables	(22,000,000,000)	(22,000,000,000)

- (i) Beginning balance mainly comprises of payments on behalf amounting to VND285.7 billion relating to the Company's initial public offering. These amounts were collected in Quarter I 2018.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2018**8. BAD DEBTS**

Bad debts of the Company and its subsidiaries include:

Currency: VND

Debtor	Ending balance		Beginning balance	
	Cost	Recoverable amount	Cost	Recoverable amount
Trade receivables	136,326,636,186	85,563,800,289	119,615,053,813	71,801,676,497
Other receivables	33,035,719,668	11,035,719,668	36,548,285,877	14,548,285,877
TOTAL	169,362,355,854	96,599,519,957	156,163,339,690	86,349,962,374

Details of overdue receivables which account for more than 10% of total overdue receivables:

BSC Vietnam JSC	28,052,522,215	6,052,522,215	28,052,522,215	6,052,522,215
Royal Chef JSC	22,185,202,163	1,408,348,559	22,185,202,163	2,636,046,307

- (i) The recoverable amount comprises overdue trade receivables with total amount of VND 71 billion that are secured by deposits from customers under their lease contracts and bank guarantee under bank guarantee agreements.

9. INVENTORIES

Currency: VND

	Ending balance		Beginning balance	
	Cost	Provision	Cost	Provision
Inventory properties under construction (i)	1,957,481,608,439	(26,290,343,707)	1,786,872,630,859	(26,290,343,710)
Completed inventory properties	27,178,192,594	-	55,561,600,549	-
Others	11,061,313,783	-	555,204,279	-
TOTAL	1,995,721,114,816	(26,290,343,707)	1,842,989,435,687	(26,290,343,710)

- (i) The balance mainly comprises of construction and development costs of apartments, condotel apartments and shop-houses for sale.

10. PREPAID EXPENSES

Currency: VND

	Ending balance	Beginning balance
Short-term:		
Selling expenses related to sale of inventory properties not yet handed over	178,231,470,445	176,486,676,920
Prepayment for committed profit relating to business cooperation contracts and apartment management service program	131,090,091,853	96,893,216,963
Provisional corporate income tax	20,487,974,303	22,467,699,299
Project investment costs	14,920,047,016	13,907,685,928
Others	28,820,977,306	38,026,534,637
TOTAL	373,550,560,923	347,781,813,747

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2018

10. PREPAID EXPENSES (continued)

Currency: VND

	<u>Ending balance</u>	<u>Beginning balance</u>
Long-term:		
Prepaid rental to a related party for leasing commercial areas (Note 30) (i)	275,645,083,109	278,158,564,110
Overhaul expenditures	63,418,472,095	47,819,223,135
Tools and supplies	22,528,744,784	20,473,525,339
Prepaid land rental	15,700,542,052	15,804,675,410
Commission fees for leasing commercial areas	8,662,870,260	14,961,314,538
Others	32,173,820,938	17,164,911,181
TOTAL	418,129,533,238	394,382,213,713

- (i) Ecology Development and Investment JSC ("Ecology JSC"), a company under common control, leased the shopping mall component of Vincom Plaza Bien Hoa project, Vincom Plaza Quang Trung project and Vincom Plaza Le Van Viet project to South Vincom Retail LLC in accordance with the shopping mall leasing contracts.

11. OTHER ASSETS

Currency: VND

	<u>Ending balance</u>	<u>Beginning balance</u>
Short-term:		
Deposits to related parties for investment purposes	5,530,383,535,897	5,530,383,535,897
TOTAL	5,530,383,535,897	5,530,383,535,897
<i>In which:</i>		
Deposits to other parties (i)	132,200,000,000	132,200,000,000
Deposits to related parties (Note 30) (ii)	5,398,183,535,897	5,398,183,535,897
Long-term:		
Deposits to related parties for investment purposes (Note 30) (ii)	327,000,000,000	327,000,000,000
TOTAL	327,000,000,000	327,000,000,000

- (i) The ending balance is a deposit to a corporate counterparty to guarantee for a long-term lease contract. The Company is negotiating to recover this deposit;
- (ii) Ending balance are deposits to Vingroup JSC and some companies within the Group (hereby referred to as "the counterparties") for the co-investment and co-operations of shopping mall component of a number of real estate projects under business co-investment and co-operation contracts. These deposits require no collaterals. In accordance with these contracts, the counterparties have committed to transferring shopping mall component to the Company and its subsidiaries, or to granting the Company and its subsidiaries with right to purchase the shopping malls, at the price sufficient to cover all relevant capital expenditures incurred. In case the counterparties have not completed all procedures to hand over the shopping malls to the Company and its subsidiaries when the assets are completed and ready for commercial operations, two parties will sign business cooperation contracts, giving the Company and its subsidiaries the right to control, manage and operate the shopping malls, and a portion of profit before tax from the operations of the shopping malls will be shared to the counterparties.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2018

12. TANGIBLE FIXED ASSETS

Currency: VND

	<i>Buildings and structures</i>	<i>Machinery and equipment</i>	<i>Means of transportation</i>	<i>Office equipment</i>	<i>Others</i>	<i>Total</i>
Cost:						
Beginning balance	33,257,791,298	133,763,008,137	3,980,477,859	12,896,660,992	1,596,308,472	185,494,246,758
- Newly purchased	-	5,181,326,077	-	-	-	5,181,326,077
- Sold, disposal	-	(160,699,152)	-	-	-	(160,699,152)
Ending balance	33,257,791,298	138,783,635,062	3,980,477,859	12,896,660,992	1,596,308,472	190,514,873,683
Accumulated depreciation:						
Beginning balance	7,078,596,599	34,773,231,179	1,156,743,337	4,149,166,541	1,393,176,804	48,550,914,460
- Depreciation for the period	1,505,848,168	4,852,494,283	112,416,438	653,416,993	203,131,668	7,327,307,550
- Sold, disposal	-	(59,405,067)	-	-	-	(59,405,067)
Ending balance	8,584,444,767	39,566,320,395	1,269,159,775	4,802,583,534	1,596,308,472	55,818,816,943
Net carrying amount:						
Beginning balance	26,179,194,699	98,989,776,958	2,823,734,522	8,747,494,451	203,131,668	136,943,332,298
Ending balance	24,673,346,531	99,217,314,667	2,711,318,084	8,094,077,458	-	134,696,056,740

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2018**13. INTANGIBLE FIXED ASSETS***Currency: VND**Computer software***Cost:**

Beginning balance	46,477,046,089
- Transferred from completed construction in progress	1,401,037,764
Ending balance	47,878,083,853

Accumulated amortisation:

Beginning balance	12,837,724,652
- Amortisation for the period	1,728,332,019
Ending balance	14,566,056,671

Net carrying amount:

Beginning balance	<u>33,639,321,437</u>
Ending balance	<u>33,312,027,182</u>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2018

14. INVESTMENT PROPERTIES

Currency: VND

	<i>Land use rights</i>	<i>Building and structures</i>	<i>Machinery and equipment</i>	<i>Total</i>
Cost:				
Beginning balance	5,470,209,869,355	13,658,389,778,512	3,593,009,027,510	22,721,608,675,377
Transferred from completed construction in progress	-	-	5,471,304,327	5,471,304,327
Sold, disposal	-	-	(255,650,000)	(255,650,000)
Increase/(decrease) due to finalisation of construction contracts	-	8,717,167,208	(476,028,055)	8,241,139,153
Ending balance	5,470,209,869,355	13,667,106,945,720	3,597,748,653,782	22,735,065,468,857
Accumulated depreciation:				
Beginning balance	407,597,510,593	1,003,594,944,217	909,210,816,962	2,320,403,271,772
Depreciation for the period	11,646,080,294	133,249,593,432	87,330,673,432	232,226,347,158
Sold, disposal	-	-	(99,257,751)	(99,257,751)
Ending balance	419,243,590,887	1,136,844,537,649	996,442,232,643	2,552,530,361,179
Net carrying amount:				
Beginning balance	5,062,612,358,762	12,654,794,834,295	2,683,798,210,548	20,401,205,403,605
Ending balance	5,050,966,278,468	12,530,262,408,071	2,601,306,421,139	20,182,535,107,678

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2018**14. INVESTMENT PROPERTIES (continued)**

Investment properties mainly include assets of the shopping malls of the Company and its subsidiaries which are used for provision of leasing and other related services.

Details of investment properties used as collaterals for borrowings and corporate bonds of the Company and its subsidiaries are disclosed in Note 23.

Revenue and operating expenses related to investment properties are disclosed in Note 25.3.

15. CONSTRUCTION IN PROGRESS

Currency: VND

	<u>Ending balance</u>	<u>Beginning balance</u>
Vincom Center Tran Duy Hung	426,501,750,131	426,501,750,131
Vincom Plaza Suoi Hoa, Bac Ninh	239,593,222,849	234,926,380,940
Vincom Maximark Bien Hoa	129,722,624,160	128,746,631,423
Vincom Plaza Long An	122,627,261,937	79,336,902,897
Vinpearl Riverfront Condotel Danang	118,982,055,143	77,312,696,898
Vincom Plaza Bao Loc	110,196,009,776	73,345,846,571
Other projects	146,950,682,272	59,940,600,813
TOTAL	1,294,573,606,268	1,080,110,809,673

16. GOODWILL

Currency: VND

	<u>Goodwill arisen from acquisition of</u>			
	<i>Vincom Center Long Bien One Member LLC (i)</i>	<i>Khanh Gia Investment Trading Services JSC (i)</i>	<i>An Phong JSC (i)</i>	<i>Total</i>
Cost:				
Beginning balance	33,000,000,000	210,288,409,384	482,548,322,718	725,836,732,102
Ending balance	33,000,000,000	210,288,409,384	482,548,322,718	725,836,732,102
Accumulated amortisation:				
Beginning balance	15,369,863,015	54,730,225,733	103,791,144,109	173,891,232,857
Amortisation for the period	825,000,000	5,257,210,235	12,063,708,067	18,145,918,302
Ending balance	16,194,863,015	59,987,435,968	115,854,852,176	192,037,151,159
Net carrying amount:				
Beginning balance	17,630,136,985	155,558,183,651	378,757,178,609	551,945,499,245
Ending balance	16,805,136,985	150,300,973,416	366,693,470,542	533,799,580,943

(i) These companies were merged into North Vincom Retail LLC and South Vincom Retail LLC.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2018

17. SHORT-TERM TRADE PAYABLES

Currency: VND

	<u>Ending balance</u>	<u>Beginning balance</u>
Trade payables to suppliers	273,967,975,604	350,917,400,887
Trade payables to related parties (Note 30)	546,770,279,907	714,413,694,881
TOTAL	820,738,255,511	1,065,331,095,768
Details of trade payables which account for more than 10% of total balance:		
<i>Payables to Vincom Construction and Consultant LLC (Note 30)</i>	89,706,860,621	262,458,623,991
<i>Payables to Vinpearl JSC (Note 30)</i>	239,181,691,915	239,181,691,915
<i>Payables to a constructor</i>	39,033,424,782	116,431,686,556

18. ADVANCE FROM CUSTOMERS

Currency: VND

	<u>Ending balance</u>	<u>Beginning balance</u>
Downpayment from customers under sale and purchase of real estate agreements	2,052,972,796,838	2,182,538,040,726
Others	15,745,422,052	-
TOTAL	2,068,718,218,890	2,182,538,040,726

19. STATUTORY OBLIGATIONS

Currency: VND

	<u>Ending balance</u>	<u>Beginning balance</u>
Payables		
Corporate income tax	118,701,888,119	154,914,332,610
Value added tax	17,744,103,192	26,609,893,138
Personal income tax	1,709,700,115	3,891,782,775
Others	337,889,325	25,561,933,599
TOTAL	138,493,580,751	210,977,942,122

20. SHORT-TERM ACCRUED EXPENSES

Currency: VND

	<u>Ending balance</u>	<u>Beginning balance</u>
Accrued construction costs	418,514,246,771	331,038,967,196
Accrued loans and bond interests	99,979,521,447	89,444,237,641
Others	137,960,403,505	93,514,385,578
TOTAL	656,454,171,723	513,997,590,415
<i>In which:</i>		
<i>Accrued expenses due to others</i>	656,454,171,723	512,583,314,415
<i>Accrued expenses due to related parties (Note 30)</i>	-	1,414,276,000

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2018

21. OTHER PAYABLES

	Currency: VND	
	<u>Ending balance</u>	<u>Beginning balance</u>
Short-term:		
Deposits received under deposit and loan contracts	704,739,045,909	738,863,578,820
Consulting, brokerage and underwriting fee for initial public offering	-	261,545,549,247
Deposits from tenants to be refunded within the next 12 months	174,022,956,836	166,190,863,426
Maintenance fund	65,865,986,862	65,596,496,228
Other payables	69,659,846,280	67,422,113,273
TOTAL	1,014,287,835,887	1,299,618,600,994
<i>In which:</i>		
Other short-term payables	1,009,066,998,282	1,287,645,886,802
Other short-term payables to related parties (Note 30)	5,220,837,605	11,972,714,192
Long-term:		
Deposits from tenants	811,898,600,347	790,120,972,742
Less: Deposits from tenants to be refunded within the next 12 months (Presented in Short-term)	(174,022,956,836)	(166,190,863,426)
TOTAL	637,875,643,511	623,930,109,316
<i>In which:</i>		
Other long-term payables	591,861,025,710	577,349,072,741
Other long-term payables to related parties (Note 30)	46,014,617,801	46,581,036,575

22. UNEARNED REVENUE

	Currency: VND	
	<u>Ending balance</u>	<u>Beginning balance</u>
Short-term unearned revenue	35,072,044,090	31,229,205,083
Long-term unearned revenue	50,483,226,622	56,368,606,277
TOTAL	85,555,270,712	87,597,811,360
<i>In which:</i>		
Unearned revenue received from related parties (Note 30)	32,591,290,648	45,785,783,370
Unearned revenue received from others	52,963,980,064	41,812,027,990

Unearned revenue mainly includes advances from lessees to the Company and its subsidiaries for leasing spaces in commercial centers.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2018**23. LOANS AND DEBTS****23.1 Short-term loans and debts**

Currency: VND

	Note	Ending balance		Beginning balance	
		Carrying value	Payable amount	Carrying value	Payable amount
Current portion of long-term corporate bonds	(i)	2,798,804,166,663	2,798,804,166,663	2,797,608,333,330	2,797,608,333,330
Current portion of long-term debts from related parties	30	18,078,835,131	18,078,835,131	18,078,835,131	18,078,835,131
TOTAL		2,816,883,001,794	2,816,883,001,794	2,815,687,168,461	2,815,687,168,461

(i) These include 2,800 bonds with total par value of VND2,800 billion that was arranged for issuance on 18 June 2015 by Vietnam Bank for Industry and Trade Securities Joint Stock Company with term of 3 years. Interest rate applied for the first year is 9% per annum, and for the following years are determined by 12-month interest paid-in-arrears VND saving rates which are listed by 4 reference banks comprising Agribank, Vietinbank, BIDV and Vietcombank plus (+) 3% per annum. The balance is presented net of issue costs.

These bonds are secured by assets attached to land which are the shopping mall of Vincom Plaza Long Bien project (including parking areas) located in Vinhomes Reviderside, Viet Hung ward, Long Bien district, Hanoi and a part of the shopping mall (including a part of parking areas) in Tower A&B located at 191 Ba Trieu street, and Tower C of Vincom Ba Trieu project located at No. 114, Mai Hac De street, Le Dai Hanh ward, Hai Ba Trung district, Hanoi. These assets are owned by North Vincom Retail LLC, a subsidiary.

23.2 Long-term loans and debts

Currency: VND

		Ending balance		Beginning balance	
		Carrying value	Payable amount	Carrying value	Payable amount
Corporate bonds	(ii)	2,990,289,277,830	2,990,289,277,830	2,989,669,444,500	2,989,669,444,500
Other long-term debts from related parties	30	173,879,719,292	173,879,719,292	168,453,154,641	168,453,154,641
TOTAL		3,164,168,997,122	3,164,168,997,122	3,158,122,599,141	3,158,122,599,141

(ii) Ending balance are bonds have par value of VND3,000 billion with 3,000 bonds and were arranged for issuance on 8 March 2017 by Vietnam Bank for Industry and Trade Securities Joint Stock Company with a maturity term of 5 years. Interest rate applied for first year is 8.1% per annum, and for the following years is floating and adjusted once per six months which is determined by 12-month interest paid-in-arrears VND saving rates listed by Vietnam Joint Stock Commercial Bank for Industry and Trade - Hanoi Branch plus (+) 3%. The bond balance is presented net of bond issue costs.

These bonds are secured by land use rights and assets attached to land of Vincom Mega Mall Thao Dien and Vincom Plaza Ngo Quyen - Da Nang and assets attached to land of Vincom Center Pham Ngoc Thach, Vincom Plaza Thu Duc, and Vincom Plaza Ha Long. These shopping malls are owned by North Vincom Retail LLC and South Vincom Retail LLC, two subsidiaries.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2018

24. OWNERS' EQUITY

24.1 Increase and decrease in owner's equity

Currency: VND

	<i>Shares with voting right</i>	<i>Preference shares</i>	<i>Share premium</i>	<i>Undistributed earnings</i>	<i>Other funds belonging to owners' equity</i>	<i>Non-controlling interests</i>	<i>Total</i>
For the 3-month period ended 31 March 2017							
Beginning balance	15,166,399,400,000	5,925,325,550,000	1,788,492,262,669	1,831,051,293,949	(58,419,891,967)	30,536,517,227	24,683,385,131,878
- Net profit for the period	-	-	-	698,680,842,861	-	52,491,528	698,733,334,389
Ending balance	15,166,399,400,000	5,925,325,550,000	1,788,492,262,669	2,529,732,136,810	(58,419,891,967)	30,589,008,755	25,382,118,466,267
For the 3-month period ended 31 March 2018							
Beginning balance	19,010,787,330,000	-	4,324,379,868,907	2,786,541,240,791	(58,419,891,967)	30,766,122,491	26,094,054,670,222
- Net profit for the period	-	-	-	541,366,298,792	-	133,022,574	541,499,321,366
Ending balance	19,010,787,330,000	-	4,324,379,868,907	3,327,907,539,583	(58,419,891,967)	30,899,145,065	26,635,553,991,588

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2018**24. OWNERS' EQUITY (continued)****24.2 Shares**

	<i>Ending balance</i>		<i>Beginning balance</i>	
	<i>Quantity</i>	<i>Amount VND</i>	<i>Quantity</i>	<i>Amount VND</i>
Registered and issued shares				
Ordinary shares	1,901,078,733	19,010,787,330,000	1,901,078,733	19,010,787,330,000
Preference shares	-	-	-	-
Total	1,901,078,733	19,010,787,330,000	1,901,078,733	19,010,787,330,000
Outstanding shares				
Ordinary shares	1,901,078,733	19,010,787,330,000	1,901,078,733	19,010,787,330,000
Preference shares	-	-	-	-
Total	1,901,078,733	19,010,787,330,000	1,901,078,733	19,010,787,330,000

Par value of each outstanding share: VND 10,000 per share (31 December 2017: VND 10,000 per share).

25. REVENUE**25.1 Revenue from sale of goods and rendering of services**

Currency: VND

	<i>Current period</i>	<i>Previous period</i>
Gross revenue	1,617,892,522,192	1,393,655,822,971
In which:		
Leasing activities and rendering of related services	1,265,653,708,479	1,053,032,350,158
Sale of inventory properties	335,407,991,682	314,819,370,997
Others	16,830,822,031	25,804,101,816
Deduction	-	-
Net revenue	1,617,892,522,192	1,393,655,822,971
In which:		
Revenue from sale to related parties	346,266,456,460	219,395,147,668
Revenue from sale to others	1,271,626,065,732	1,174,260,675,303

25.2 Finance income

Currency: VND

	<i>Current period</i>	<i>Previous period</i>
Interest income from bank deposits, loans and deposits	186,806,258,320	132,289,418,059
Others	-	22,383,656
TOTAL	186,806,258,320	132,311,801,715

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2018**25. REVENUE (continued)****25.3 Revenue and expenses relating to investment properties**

Currency: VND

	<u>Current period</u>	<u>Previous period</u>
Revenue from leasing of investment properties and rendering of related services (Note 25.1)	1,265,653,708,479	1,053,032,350,158
Direct operating costs related to investment properties generating income in the year (Note 26)	588,818,198,627	474,332,020,978

26. COST OF GOODS SOLD AND SERVICES RENDERED

Currency: VND

	<u>Current period</u>	<u>Previous period</u>
Cost of leasing activities and rendering of related services	588,818,198,627	474,332,020,978
Cost of inventory properties sold	217,924,687,693	155,444,482,107
Others	10,242,947,917	17,956,420,127
TOTAL	816,985,834,237	647,732,923,212

27. FINANCE EXPENSES

Currency: VND

	<u>Current period</u>	<u>Previous period</u>
Interests on loans and bond	129,505,319,015	130,981,781,630
Amortisation of bond issue costs	1,815,666,663	1,302,444,510
Others	199,242,142	56,644,286
TOTAL	131,520,227,820	132,340,870,426

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2018**28. SELLING EXPENSES AND GENERAL AND ADMINISTRATIVE EXPENSES**

Currency: VND

	<i>Current period</i>	<i>Previous period</i>
Selling expenses	60,401,057,823	62,869,517,163
Consulting, commission and brokerage fees	30,591,920,026	25,759,655,916
Brand and marketing fee	18,625,223,319	26,553,152,906
Labour cost	6,597,683,513	9,011,142,310
Depreciation and amortisation	2,126,817,548	261,865,990
External service expenses	1,633,036,139	365,904,045
Others	826,377,278	917,795,996
General and administrative expenses	95,511,209,024	66,415,909,735
Management fee	42,731,946,429	14,118,590,768
Labour cost	20,373,638,340	15,694,997,073
Depreciation and amortisation	19,710,630,737	19,586,496,948
Provision expenses	3,555,894,078	4,930,049,200
External service expenses	2,112,343,876	4,464,683,273
Others	7,026,755,564	7,621,092,473
TOTAL	155,912,266,847	129,285,426,898

29. CORPORATE INCOME TAX

The statutory corporate income tax ("CIT") applicable to the Company and its subsidiaries for the three-month period ended 31 March 2018 is 20% of taxable profit (for the three-month period ended 31 March 2017: 20%).

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

Currency: VND

	<i>Current period</i>	<i>Previous period</i>
Current corporate income tax expenses	158,237,611,220	68,844,384,500
Deferred tax (expense)/income	2,314,937,638	(2,818,677,888)
TOTAL	160,552,548,858	66,025,706,612

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2018

30. TRANSACTIONS WITH RELATED PARTIES

Significant transactions with related parties during the period:

Sale and purchase of assets and services:

For the three-month period ended 31 March 2018:

Currency: VND

<i>Related parties</i>	<i>Relationship</i>	<i>Payables for purchase of goods, services and management fees</i>	<i>Payment to/Advance for purchase of goods and services</i>	<i>Receivables from management, leasing activities and rendering of related services</i>	<i>Receipt of management services, leasing and rendering of related services</i>	<i>Payables for shopping malls rental fee</i>	<i>Payment for shopping malls rental fee</i>
Vingroup JSC	Parent company	(65,628,134,940)	99,828,535,807				
Vincom Construction and Consultant LLC	Under common control	(54,185,226,844)	210,310,002,113				
Vincommerce General Commerce Services JSC	Under common control	(23,778,807,029)	16,787,823,767	192,375,236,675	(249,693,136,407)		
Vincom General Services Trading LLC	Under common control	(46,235,954,785)	26,805,208,634				
Vincom Security Service LLC	Under common control	(34,103,230,030)	36,945,460,522				
Ecology Development and Investment JSC	Under common control					(9,271,286,870)	4,738,267,629
Vinschool One Member LLC	Under common control			18,462,202,188	(18,177,500,080)		
Vinhomes JSC	Under common control			85,739,159,459	(2,620,069,876)		
Thanh Pho Ho Chi Minh Investment Service Trading JSC	Under common control			13,061,074,102	(19,636,856,260)		

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2018

30. TRANSACTIONS WITH RELATED PARTIES (continued)

Significant transactions with related parties during the period (continued):

Sale and purchase of assets and services (continued):

For the three-month period ended 31 March 2017:

Currency: VND

Related parties	Relationship	Payables for purchase of goods, services and management fees	Payment to/Advance for purchase of goods and services	Receivables from management, leasing activities and rendering of related services	Receipt of management services, leasing and rendering of related services	Payables for shopping malls rental fee	Payment for shopping malls rental fee
Vingroup JSC	Parent company	(28,925,750,681)	21,632,760,863				
Vincom Construction and Consultant LLC	Under common control	(15,162,554,846)	158,595,319,790				
Vincommerce General Commerce Services JSC	Under common control	(31,324,918,707)	15,995,548,403	154,324,804,378	(89,083,105,262)		
Vincom Security Service LLC	Under common control	(25,926,760,619)	24,653,741,179				
Ecology Development and Investment JSC	Under common control					(11,611,634,326)	9,271,286,871
Vinschool One Member LLC	Under common control			14,106,964,063	(7,460,687,592)		
Hanoi Southern City Development and Trading LLC	Under common control			8,691,259,997	(9,809,306,078)		

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2018

30. TRANSACTIONS WITH RELATED PARTIES (continued)

Significant transactions with related parties during the period (continued):

Interests receivable from loans and deposits:

For the three-month period ended 31 March 2018:

Currency: VND

<i>Related parties</i>	<i>Relationship</i>	<i>Interests receivable</i>	<i>Interests received</i>
Vingroup JSC	Parent company	103,418,985,108	

For the three-month period ended 31 March 2017:

Currency: VND

<i>Related parties</i>	<i>Relationship</i>	<i>Interests receivable</i>	<i>Interests received</i>
Vingroup JSC	Parent company	101,972,961,486	(77,850,959,344)

Amounts due from and due to related parties

Currency: VND

<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>Ending balance</i>	<i>Beginning balance</i>
Short-term trade receivable (Note 6.1)				
Vincommerce General Commerce Services JSC	Under common control	Receivables from leasing property and provision of related services	71,768,764,619	117,840,481,712
		Other receivables	-	670,394,740
Vinhomes JSC	Under common control	Receivables from leasing property and provision of related services	114,268,234,129	-
Other companies in the Group		Other receivables	38,473,532,149	36,080,934,743
			224,510,530,897	154,591,811,195
Advances to suppliers (Note 6.2)				
Vincom Construction and Consultant LLC	Under common control	Advances for purchase of services	32,171,081,939	27,948,909,900
Vincommerce General Commerce Services JSC	Under common control	Advances for purchase of services	9,304,060,888	9,716,905,872
Vincom General Services Trading LLC	Under common control	Advances for purchase of services	-	26,296,412,790
Other companies in the Group			196,159,743	173,877,282
			41,671,302,570	64,136,105,844

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2018

30. TRANSACTIONS WITH RELATED PARTIES (continued)

Amounts due from and due to related parties (continued)

Currency: VND

<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>Ending balance</i>	<i>Beginning balance</i>
Other short-term receivables (Note 7)				
Vingroup JSC	Parent company	Interests receivable from loans and deposits	219,703,677,085	112,963,234,823
		Other receivables	7,768,392,342	15,725,335,950
Vincom Construction and Consultant LLC	Under common control	Other receivables	4,791,654,641	38,806,584,897
Vinhomes JSC	Under common control	Interests receivable from deposits	52,483,162,981	-
		Other receivables	123,515,861	-
Vincommerce General Commerce Services JSC	Under common control	Other receivables	6,473,538,180	14,171,995,011
Other companies in the Group		Other receivables	16,196,391,463	63,537,611,118
			307,540,332,553	245,204,761,799
Long-term prepaid expenses (Note 10)				
Ecology Development and Investment JSC	Under common control	Long-term lease prepaid	275,645,083,109	278,158,564,110
			275,645,083,109	278,158,564,110
Other current assets (Note 11)				
Vingroup JSC	Parent company	Deposits for business cooperation	3,553,183,535,897	3,553,183,535,897
Vinhomes JSC	Under common control	Deposits for business cooperation	1,571,000,000,000	1,571,000,000,000
Vietnam Investment and Consulting Investment JSC	Under common control	Deposits for business cooperation	188,000,000,000	188,000,000,000
Vinpearl JSC	Under common control	Deposits for business cooperation	86,000,000,000	86,000,000,000
			5,398,183,535,897	5,398,183,535,897
Other long-term assets (Note 11)				
Vingroup JSC	Parent company	Deposits for business cooperation	226,000,000,000	226,000,000,000
Central Park Development LLC	Under common control	Deposits for business cooperation	101,000,000,000	101,000,000,000
			327,000,000,000	327,000,000,000

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2018

30. TRANSACTIONS WITH RELATED PARTIES (continued)

Amounts due from and due to related parties (continued)

Currency: VND

<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>Ending balance</i>	<i>Beginning balance</i>
Short-term trade payables (Note 17)				
Vincom Construction and Consultant LLC	Under common control	Payables for purchase of goods and services	89,706,860,621	262,458,623,991
Vinpearl JSC	Under common control	Payables for purchase of assets	239,181,691,915	239,181,691,915
Vingroup JSC	Parent company	Other payables	15,377,520,614	7,478,580,966
		Payables for purchase of goods and services	42,452,009,017	55,156,641,830
		Payables for purchase of assets	60,771,245,697	96,891,221,375
Vincom General Services Trading LLC	Under common control	Payables for purchase of goods and services	30,108,546,589	13,688,635,308
Vincommerce General Commerce Services JSC	Under common control	Payables for purchase of goods and services	29,536,070,090	21,227,507,496
Other companies in the Group		Other payables	39,636,335,364	18,330,792,000
			546,770,279,907	714,413,694,881
Short-term accrued expenses (Note 20)				
Companies in the Group		Other payables	-	1,414,276,000
			-	1,414,276,000
Other short-term payables (Note 21)				
Vincommerce General Commerce Services JSC	Under common control	Deposit for leasing retail	4,867,182,793	6,157,998,129
Other companies in the Group		Other payables	353,654,812	5,814,716,063
			5,220,837,605	11,972,714,192
Other long-term liabilities (Note 21)				
Vincommerce General Commerce Services JSC	Under common control	Deposit for leasing retail	31,083,206,001	33,049,999,497
Vinschool One Member LLC	Under common control	Deposit for leasing retail	7,053,919,917	3,115,781,795
Other companies in the Group		Other payables	7,877,491,883	10,415,255,283
			46,014,617,801	46,581,036,575

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2018**30. TRANSACTIONS WITH RELATED PARTIES (continued)****Amounts due from and due to related parties (continued)**

Currency: VND

<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>Ending balance</i>	<i>Beginning balance</i>
Unearned revenues (Note 22)				
Vincommerce General Commerce Services JSC	Under common control	Unearned revenue from leasing and rendering of related services	32,233,498,112	35,000,000,000
Other companies in the Group		Unearned revenue from leasing and rendering of related services	357,792,536	10,785,783,370
			32,591,290,648	45,785,783,370

Loan receivables from related parties

Details of unsecured loan receivables from related parties are as follows:

Short-term loan receivables as at 31 March 2018

<i>Related parties</i>	<i>Relationship</i>	<i>Ending balance</i> VND	<i>Interest rate</i> per annum	<i>Maturity date</i>
Vingroup JSC	Parent company	2,613,600,000,000	13%	April 2018 (i)
		2,613,600,000,000		

(i) The Company has collected this loan receivable in April 2018.

Long-term loans receivables as at 31 December 2017

<i>Related parties</i>	<i>Relationship</i>	<i>Ending balance</i> VND	<i>Interest rate</i> per annum	<i>Maturity date</i>
Vingroup JSC	Parent company	2,613,600,000,000	13%	April 2018
		2,613,600,000,000		

Loans and debts due to related parties (Note 23.1 and Note 23.2)

Debt from a related party as at 31 March 2018 was as follow:

<i>Related parties</i>	<i>Relationship</i>	<i>Ending balance</i> VND	<i>Interest rate</i> per annum	<i>Maturity date</i>
Ecology Development and Investment JSC	Under common control	191,958,554,423	From 8.58% to 14.02%	March 2045
In which: Current-portion		(18,078,835,131)		
TOTAL (i)		173,879,719,292		

(i) This debt relates to long-term lease contracts with non-cancellable term for renting Vincom Plaza Quang Trung and Vincom Plaza Le Van Viet.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2018**30. TRANSACTIONS WITH RELATED PARTIES (continued)*****Loans and debts due to related parties*** (Note 23.1 and Note 23.2)

Debt from a related party as at 31 December 2017 was as follows:

<i>Related parties</i>	<i>Relationship</i>	<i>Ending balance</i>	<i>Interest rate</i>	<i>Maturity date</i>
		VND	per annum	
Ecology Development and Investment JSC	Under common control	186,531,989,772	From 8.58% to 14.02%	March 2045
<i>In which: Current-portion</i>		<i>(18,078,835,131)</i>		
TOTAL		168,453,154,641		

31. EVENTS AFTER THE INTERIM BALANCE SHEET DATE

There is no matter or circumstance that has arisen since the interim balance sheet date that requires an adjustment or a disclosure in the interim consolidated financial statements of the Company and its subsidiaries.



Nguyen Thanh Huyen
Preparer



Bui Tien Luc
Chief Accountant



Pham Ngoc Thoa
Chief Finance Officer

27 April 2018

APPENDIX
Quarter I 2018**APPENDIX 1 - CORPORATE STRUCTURE AS AT 31 MARCH 2018**

<i>No.</i>	<i>Name</i>	<i>Voting right (%)</i>	<i>Equity interest (%)</i>	<i>Registered office's address</i>	<i>Principal activities</i>
1	North Vincom Retail LLC	100.00	100.00	No. 72A, Nguyen Trai street, Thuong Dinh ward, Thanh Xuan district, Hanoi	Leasing and trading real estate property
2	South Vincom Retail LLC	100.00	100.00	No. 72, Le Thanh Ton street and No. 45A Ly Tu Trong street, Ben Nghe ward, District 1, Ho Chi Minh city	Leasing and trading real estate property
3	Suoi Hoa Urban Development and Investment JSC	97.83	97.83	Km1 + 200, Tran Hung Dao street, Suoi Hoa ward, Bac Ninh city, Bac Ninh province	Investing, developing and trading real estate property

APPENDIX (continued)
Quarter I 2018

APPENDIX 2 - EXPLANATION FOR THE VARIANCES IN INCOME STATEMENTS BETWEEN THE TWO PERIODS
(Under guidance of Circular No. 155/2015/TT-BTC dated 06 October 2015)

Currency: VND

Code	Item	Quarter I 2018	Quarter I 2017	Variance	%
10	Net revenue from sale of goods and rendering of services	1,617,892,522,192	1,393,655,822,971	224,236,699,221	16%
11	Cost of goods sold and services rendered	816,985,834,237	647,732,923,212	169,252,911,025	26%
20	Gross profit from sale of goods and rendering of services	800,906,687,955	745,922,899,759	54,983,788,196	7%
50	Accounting profit before tax	702,051,870,224	764,759,041,001	(62,707,170,777)	-8%
60	Net profit after tax	541,499,321,366	698,733,334,389	(157,234,013,023)	-23%

Explanation for variances in income statements between the two period which were over 10%:

- Net revenue from sale of goods and rendering of services in Quarter I 2018 increased by 16% in comparison with previous period mainly because of increase in revenue from leasing activities and rendering of related services from new shopping malls opened in 2017. Sale of inventory properties increased slightly. Cost of goods sold and services rendered increased accordingly.
- Accounting profit before tax decreased by VND 63 billion in comparison with previous period mainly because: (i) no share of profit of associates recognized in current period (previous period: VND 145 billion) because the Company disposed all of the investment in associate in 2017; (ii) gross profit from sales of goods and rendering services increased by VND 55 billion, financial income increased by VND 55 billion, general and administrative expenses increased by VND 30 billion.
- Net profit after tax decreased by VND 157 billion in comparison with previous period because of above mentioned reasons. Besides, current corporate income tax expenses increased by VND 90 billion because there were tax losses carried forward in the previous tax period.