

Vincom Retail Joint Stock Company

Interim consolidated financial statements

Quarter III 2017



Vincom Retail Joint Stock Company

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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 under the name of Vincom Retail Joint Stock Company. Subsequently, the Company received amended Enterprise Registration Certificates with the latest one being the 18th amended Enterprise Registration Certificate dated 15 September 2017.

The current principal activities of the Company are to invest in and develop shopping centers for lease and inventory properties for sale. The principal activities of the Company's subsidiaries during the period are detailed in the Appendix 1.

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

Vingroup Joint Stock Company ("Vingroup JSC") is the Company's ultimate parent. 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. Duong Thi Mai Hoa	Chairwoman	appointed on 30 June 2017
Ms. Vu Tuyet Hang	Chairwoman	resigned on 30 June 2017
Ms. Thai Thi Thanh Hai	Member	appointed on 30 June 2017
		resigned on 29 September 2017
Ms. Tran Mai Hoa	Member	appointed on 30 June 2017
Ms. Nguyen Thi Diu	Member	appointed on 30 June 2017
Ms. Mai Huong Noi	Member	resigned on 30 June 2017
Ms. Nguyen Dieu Linh	Member	resigned on 30 June 2017
Ms. Le Mai Lan	Member	appointed on 9 September 2017
Ms. Mai Thu Thuy	Member	appointed on 9 September 2017
Mr. Brett Krause	Member	appointed on 9 September 2017
Mr. Timothy J. Daly	Member	appointed on 9 September 2017
Mr. Joseph Raymond Gagnon	Member	resigned on 9 September 2017
Mr. Jeffrey David Perlman	Member	resigned on 29 September 2017

MANAGEMENT

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

Ms. Tran Mai Hoa	General Director	appointed on 27 February 2017
	Deputy General Director	resigned on 27 February 2017
Ms. Vu Tuyet Hang	General Director	resigned on 27 February 2017
Ms. Nguyen Thu Ha	Deputy General Director	appointed on 5 July 2017
Ms. Dinh Hong Minh	Deputy General Director	resigned on 20 September 2017
Ms. Pham Ngoc Thoa	Chief Finance Officer	appointed on 16 September 2014
Ms. Pham Thu Thuy	Human Resource Manager	resigned on 21 August 2017
Ms. Thinh Thi Thanh Huyen	Human Resource Manager	appointed on 21 August 2017
		resigned on 21 October 2017

Vincom Retail Joint Stock Company

GENERAL INFORMATION (continued)

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	appointed on 9 September 2017
Ms. Nguyen Thu Phuong	Member	appointed on 9 September 2017
Ms. Tran Thanh Tam	Member	appointed on 9 September 2017
Mr. Fan Li	Member	appointed on 9 September 2017
		resigned on 29 September 2017

LEGAL REPRESENTATIVE

The legal representative of the Company during the period up to 27 February 2017 is Ms. Vu Tuyet Hang, and from 27 February 2017 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") is pleased to present this report and the interim consolidated financial statements of the Company and its subsidiaries for Quarter III 2017.

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 of the Company and its subsidiaries 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.

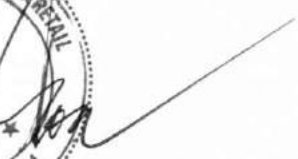
Management confirmed that it has complied with the above requirements in preparing the accompanying interim consolidated financial statements for Quarter III 2017.

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 30 September 2017 and of the interim consolidated results of its operations and its interim consolidated cash flows in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the interim consolidated financial statements.

For and on behalf of the management:




Pham Ngoc Thoa
Chief Finance Officer

Hanoi, Vietnam

30 October 2017

INTERIM CONSOLIDATED BALANCE SHEET
as at 30 September 2017

Currency: VND

Code	ASSETS	Notes	30 September 2017	31 December 2016
100	A. CURRENT ASSETS		6,230,831,020,365	7,386,780,683,535
110	I. Cash and cash equivalents	4	2,262,618,180,880	1,697,770,643,584
111	1. Cash		392,618,180,880	396,770,643,584
112	2. Cash equivalents		1,870,000,000,000	1,301,000,000,000
120	II. Short-term investments	5	59,724,265,686	-
123	1. Held-to-maturity investments		59,724,265,686	-
130	III. Current accounts receivable		1,608,152,059,806	3,339,978,283,431
131	1. Short-term trade receivables	6.1	635,890,627,090	829,118,701,188
132	2. Short-term advances to suppliers	6.2	436,999,707,367	112,430,599,662
136	3. Other short-term receivables	7	603,631,462,035	2,460,532,042,477
137	4. Provision for doubtful short-term receivables	8	(68,369,736,686)	(62,103,059,896)
140	IV. Inventories	9	1,714,443,461,047	682,802,020,831
141	1. Inventories		1,714,443,461,047	682,802,020,831
150	V. Other current assets		585,893,052,946	1,666,229,735,689
151	1. Short-term prepaid expenses	10	147,950,028,474	134,128,817,640
152	2. Value-added tax deductible		78,201,554,945	53,325,440,560
153	3. Tax and other receivables from the State		2,357,933,630	7,316,363,452
155	4. Other current assets	11	357,383,535,897	1,471,459,114,037

INTERIM CONSOLIDATED BALANCE SHEET (continued)
as at 30 September 2017


Currency: VND


Code	ASSETS	Notes	30 September 2017	31 December 2016
200	B. NON-CURRENT ASSETS		30,011,387,024,425	26,912,369,073,413
210	I. Long-term receivables		2,623,180,138,152	2,621,206,138,153
215	1. Long-term loan receivables	31	2,613,600,000,000	2,613,600,000,000
216	2. Other long-term receivables		9,580,138,152	7,606,138,153
220	II. Fixed assets		185,071,013,068	399,239,509,059
221	1. Tangible fixed assets	12	153,548,960,147	363,124,554,561
222	Cost		196,255,123,860	402,892,898,032
223	Accumulated depreciation		(42,706,163,713)	(39,768,343,471)
227	2. Intangible fixed assets	13	31,522,052,921	36,114,954,498
228	Cost		42,704,565,180	42,542,425,931
229	Accumulated amortisation		(11,182,512,259)	(6,427,471,433)
230	III. Investment properties	14	19,098,825,470,859	16,578,695,771,664
231	1. Cost		21,191,765,618,841	18,069,982,739,440
232	2. Accumulated depreciation		(2,092,940,147,982)	(1,491,286,967,776)
240	IV. Long-term assets in progress		810,698,236,183	1,469,550,325,308
242	1. Construction in progress	15	810,698,236,183	1,469,550,325,308
250	V. Long-term investments	16	-	4,029,021,936,688
252	1. Investments in associates, jointly controlled entities		-	4,029,021,936,688
260	VI. Other long-term assets		7,293,612,166,163	1,814,655,392,541
261	1. Long-term prepaid expenses	10	1,221,837,752,954	1,188,074,653,966
262	2. Deferred tax assets		1,682,995,661	2,051,566,120
268	3. Other long-term assets	31	5,500,000,000,000	-
269	4. Goodwill	17	570,091,417,548	624,529,172,455
270	TOTAL ASSETS		36,242,218,044,790	34,299,149,756,948


INTERIM CONSOLIDATED BALANCE SHEET (continued)
as at 30 September 2017

Currency: VND

Code	RESOURCES	Notes	30 September 2017	31 December 2016
300	C. LIABILITIES		11,092,627,585,067	9,615,764,625,070
310	I. Current liabilities		7,306,607,582,525	2,732,786,353,833
311	1. Short-term trade payables	18	819,598,808,927	453,462,128,499
312	2. Short-term advances from customers	19	1,979,332,380,894	1,001,726,658,662
313	3. Statutory obligations	20	141,244,898,930	69,898,475,574
314	4. Payables to employees		5,125,800,699	7,159,513,795
315	5. Short-term accrued expenses	21	587,692,328,519	402,781,158,360
318	6. Short-term unearned revenues	23	28,056,490,714	36,729,973,600
319	7. Other short-term payables	22	938,351,901,336	749,123,204,412
320	8. Short-term loans	24.1	2,800,824,499,997	6,470,632,184
321	9. Short-term provisions		3,484,315,005	2,538,451,243
322	10. Bonus and welfare fund		2,896,157,504	2,896,157,504
330	II. Non-current liabilities		3,786,020,002,542	6,882,978,271,237
336	1. Long-term unearned revenues	23	70,359,786,635	92,194,087,312
337	2. Other long-term liabilities	22	643,374,499,817	551,324,610,424
338	3. Long-term loans and debts	24.2	3,031,675,871,995	5,954,349,028,639
341	4. Deferred tax liabilities		40,609,844,095	283,419,944,863
342	5. Long-term provisions		-	1,690,599,999
400	D. OWNERS' EQUITY		25,149,590,459,723	24,683,385,131,878
410	I. Capital	25	25,149,590,459,723	24,683,385,131,878
411	1. Issued share capital		19,010,787,330,000	21,091,724,950,000
411a	- Shares with voting rights		19,010,787,330,000	15,166,399,400,000
411b	- Preference shares		-	5,925,325,550,000
412	2. Share premium		4,324,379,868,905	1,788,492,262,669
420	3. Other funds belonging to owners' equity		(58,419,891,967)	(58,419,891,967)
421	4. Undistributed earnings		1,842,228,845,413	1,831,051,293,949
421a	- Undistributed earnings by the end of prior year		1,831,051,293,949	198,191,335,424
421b	- Undistributed earnings of the period		11,177,551,464	1,632,859,958,525
429	5. Non controlling interests		30,614,307,372	30,536,517,227
440	TOTAL LIABILITIES AND OWNERS' EQUITY		36,242,218,044,790	34,299,149,756,948


 Nguyen Thanh Huyen
 Preparer


 Bui Tien Luc
 Chief Accountant


 Phan Ngoc Thoa
 Chief Finance Officer



30 October 2017

Vincom Retail Joint Stock Company

B02a-DN/HN

INTERIM CONSOLIDATED INCOME STATEMENT Quarter III 2017

Currency: VND

Code	ITEMS	Notes	Quarter III 2017	Quarter III 2016	For the nine-month period ended 30 September 2017	For the nine-month period ended 30 September 2016
01	1. Revenue from sale of goods and rendering of services	26.1	1,234,730,873,358	1,371,857,947,360	3,995,426,712,970	5,084,109,133,178
02	2. Deductions	26.1	-	-	-	-
10	3. Net revenue from sale of goods and rendering of services	26.1	1,234,730,873,358	1,371,857,947,360	3,995,426,712,970	5,084,109,133,178
11	4. Cost of goods sold and services rendered	27	(642,406,152,726)	(698,348,527,088)	(2,000,456,177,183)	(3,008,880,883,645)
20	5. Gross profit from sale of goods and rendering of services		592,324,720,632	673,509,420,272	1,994,970,535,787	2,075,228,249,533
21	6. Finance income	26.2	143,087,410,258	179,438,619,523	434,066,941,388	1,090,523,358,249
22	7. Finance expenses	28	(138,767,486,441)	(312,423,420,972)	(1,037,115,556,395)	(1,044,307,334,775)
23	- In which: Interest expenses		(138,733,929,485)	(310,980,004,549)	(403,252,274,442)	(1,042,907,415,590)
24	8. Shares of profit of an associate		-	128,811,827,995	539,870,358,463	1,201,691,498,248
25	9. Selling expenses	29	(39,123,322,853)	(55,396,309,065)	(153,756,946,671)	(256,430,377,605)
26	10. General and administrative expenses	29	(119,933,917,673)	(78,243,693,090)	(268,030,887,201)	(264,258,187,207)
30	11. Operating profit		437,587,403,923	535,696,444,663	1,510,004,445,371	2,802,447,206,443
31	12. Other income		7,191,931,871	21,561,224,126	23,020,268,532	44,466,679,045
32	13. Other expenses		(9,734,303,153)	(28,795,497,311)	(46,081,618,771)	(42,258,535,975)
40	14. Other (loss)/profit		(2,542,371,282)	(7,234,273,185)	(23,061,350,239)	2,208,143,070
50	15. Accounting profit before tax		435,045,032,641	528,462,171,478	1,486,943,095,132	2,804,655,349,513
51	16. Current corporate income tax expense	30	(84,092,697,831)	(42,960,450,624)	(241,013,393,880)	(180,036,050,913)

Vincom Retail Joint Stock Company

B02a-DN/HN

INTERIM CONSOLIDATED INCOME STATEMENT (continued) Quarter III 2017

Currency: VND

Code	ITEMS	Notes	Quarter III 2017	Quarter III 2016	For the nine-month period ended 30 September 2017	For the nine-month period ended 30 September 2016
52	17. Deferred tax income	30	22,729,730,047	61,556,748,935	242,441,530,312	66,033,567,760
60	18. Net profit after tax		373,682,064,857	547,058,469,789	1,488,371,231,564	2,690,652,866,360
61	19. Net profit after tax attributable to shareholders of the parent		373,682,064,857	546,637,521,969	1,488,293,441,419	2,689,799,294,801
62	20. Net profit after tax attributable to non-controlling interests		-	420,947,820	77,790,145	853,571,559

Nguyen Thanh Huyen
Preparer

Bui Tien Luc
Chief Accountant



Pham Ngoc Thoa
Chief Finance Officer

30 October 2017

INTERIM CONSOLIDATED CASH FLOW STATEMENT
Quarter III 2017


Currency: VND


Code	ITEMS	Notes	For the nine-month period ended 30 September 2017	For the nine-month period ended 30 September 2016
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	Profit before tax		1,486,943,095,132	2,804,655,349,513
02	Adjustments for:			
	Depreciation of fixed assets and investment properties and amortisation of intangible fixed assets (including amortisation of goodwill)		675,078,490,296	523,914,098,388
03	Provisions		11,249,692,111	30,221,501,950
04	Foreign exchange gains arisen from revaluation of monetary accounts denominated in foreign currency		-	(2,290,425,556)
05	Profits from investing activities		(343,451,182,338)	(2,273,882,729,023)
06	Interest expenses and bond issuance cost		403,252,274,442	1,042,907,415,590
08	Operating profit before changes in working capital		2,233,072,369,643	2,125,525,210,862
09	(Increase)/decrease in receivables		(24,189,086,523)	231,921,436,365
10	(Increase)/decrease in inventories		(1,035,342,055,826)	1,656,332,685,963
11	Increase/(decrease) in payables (other than interest, corporate income tax)		1,908,903,678,059	(2,126,716,541,483)
12	Increase in prepaid expenses		(47,584,309,822)	(1,506,700,823,557)
14	Interest paid		(380,545,202,408)	(1,320,132,003,353)
15	Corporate income tax paid		(181,656,118,470)	(214,223,474,417)
20	Net cash flows from/(used in) operating activities		2,472,659,274,653	(1,153,993,509,620)
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchase, construction of fixed assets and other long-term assets		(7,118,772,734,507)	(1,398,717,488,385)
22	Proceeds from disposals of fixed assets and other long-term assets		9,933,583,949	6,619,797,787
23	Loans to other entities		(59,724,265,686)	-
24	Collections from borrowers		1,574,694,088,166	392,333,333,335
25	Payments for investments in other entities (net of cash held by entity being acquired)		-	(512,000,000,000)
26	Proceeds from sale of investments in other entities, (net of cash held by entity being disposed)		3,526,900,090,414	3,692,472,618,992
27	Interest and dividends received		1,504,273,642,382	542,815,312,890
30	Net cash flows (used in)/from investing activities		(562,695,595,282)	2,723,523,574,619
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
31	Proceeds from issuance of shares		-	4,489,435,514,980
32	Capital redemption		(250,013,763)	-
33	Drawdown of borrowings		2,987,665,333,333	213,170,400,000
34	Repayment of borrowings		(2,665,818,400,000)	(5,319,329,370,855)
36	Dividends paid to equity holders of the parent		(1,666,713,061,645)	-
40	Net cash flows used in financing activities		(1,345,116,142,075)	(616,723,455,875)

INTERIM CONSOLIDATED CASH FLOW STATEMENT (continued)
Quarter III 2017

Currency: VND

Code	ITEMS	Notes	For the nine-month period ended 30 September 2017	For the nine-month period ended 30 September 2016
50	Net increase in cash and cash equivalents for the period		564,847,537,296	952,806,609,124
60	Cash and cash equivalents at the beginning of the period	4	1,697,770,643,584	396,464,888,952
70	Cash and cash equivalents at the end of the period	4	2,262,618,180,880	1,349,271,498,076


Nguyen Thanh Huyen
Preparer


Bui Tien Luc
Chief Accountant


Phan Ngoc Thoa
Chief Finance Officer

30 October 2017

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter III 2017**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 under the name of Vincom Retail Joint Stock Company. Subsequently, the Company received amended Enterprise Registration Certificates with the latest one being the 18th amended Enterprise Registration Certificate dated 15 September 2017.

The current principal activities of the Company are to invest in and develop shopping centers for lease and inventory properties for sale. The principal activities of the Company's subsidiaries during the period are detailed in the Appendix 1.

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 business 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 registered at No. 7, Bang Lang 1 street, Vinhomes Riverside, Viet Hung ward, Long Bien district, Hanoi, Vietnam.

As at 30 September 2017, the Company has 3 subsidiaries. The information on these subsidiaries, along with the Company's voting rights and equity interest in each subsidiary are detailed in the Appendix 1.

The number of the Company's employees as at 30 September 2017 is 103 (31 December 2016: 327).

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

2. BASIS OF PREPARATION**2.1 Accounting standards and system**

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

- ▶ Decision No. 149/2001/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).

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter III 2017**2. BASIS OF PREPARATION** (continued)**2.1 Accounting standards and system** (continued)

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 interim 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 and its subsidiaries' applied accounting documentation system is the General Journal.

2.3 Fiscal year

The Company and its subsidiaries' fiscal year applicable for the preparation of its 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 and its subsidiaries' accounting currency.

2.5 Basis of consolidation

The interim consolidated financial statements comprise the interim financial statements of the Company and its subsidiaries for the nine-month period ended 30 September 2017.

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 year 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.

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 in 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.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter III 2017**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****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 properties 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 other land development costs;
- ▶ Construction costs payable to contractors; and
- ▶ Borrowing costs, planning and design costs, costs of site preparation and clearance, 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 less estimated costs to completion and the estimated costs of sale.

The cost of inventory properties recognised in the interim consolidated income statement 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.

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 consolidated 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 interim consolidated income statement.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter III 2017**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****3.4 Tangible fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation.

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

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

3.5 Leased assets

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

Rentals under operating leases are charged to the 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.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter III 2017**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****3.7 Depreciation and amortisation**

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

Buildings and structures	5 - 45 years
Machinery and equipment	2 - 10 years
Means of transportation	4 - 9 years
Office equipment	3 - 5 years
Computer software	3 - 8 years
Others	3 - 15 years

3.8 Investment properties

Investment properties are stated at cost including transaction costs less accumulated depreciation and/or amortisation.

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 and amortisation 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 terms	30 - 49 years
Buildings and structures	5 - 49 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 properties to owner-occupied property or inventories does not change the cost or the carrying value of the properties for subsequent accounting at the date of change in use.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter III 2017**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 to the borrowing costs that are directly attributable to the acquisition, construction or production of an asset that necessarily takes 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 period.

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 period.

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's 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 combination, 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 III 2017**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.

3.12 Investments*Investment in associates*

The Company's investment in associates is accounted for using the equity method of accounting. Associates are entities in which the Company has significant influence that are neither subsidiaries nor joint ventures. The Company generally deems they have significant influence if they have over 20% of the voting rights.

Under the equity method, the investment is carried in the interim consolidated balance sheet at cost plus post-acquisition changes in the Company's share of net assets of the associates. Goodwill arising on acquisition of the associates is included in the carrying amount of the investments. Goodwill is not amortised and subject to annual review for impairment. The interim consolidated income statement reflects the Company's share of the post-acquisition results of operation of the associate.

The share of post-acquisition profit/(loss) of the associates is presented on face of the interim consolidated income statement and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investments. Dividend/profit sharing receivable from associates reduces the carrying amount of the investments.

The interim financial statements of the associates are prepared for the same reporting year and use the consistent accounting policies with the Company. Where necessary, adjustments are made to bring the accounting policies in line with those of the Company.

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 held-for-trading securities and investments in entities

Provision is made for any diminution in value of the held-for-trading securities and investments in entities at the balance sheet date in accordance with the guidance under Circular No. 228/2009/TT-BTC dated 7 December 2009 and Circular No. 89/2013/TT-BTC dated 28 June 2013 issued by the Ministry of Finance. Increases and decreases to the provision balance are recorded as finance expense in the interim consolidated income statement.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter III 2017**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****3.12 Investments (continued)***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 work certificates between two parties, regardless of whether or not billed to the Company and its subsidiaries.

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.

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 where the Company and its subsidiaries designated for payment; and
- ▶ Capital contributions are recorded at the buying exchange rates of the commercial banks where the Company and its subsidiaries 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 conducts transactions regularly;
- ▶ Monetary liabilities are translated at selling exchange rate of the commercial bank where the Company and its subsidiaries conducts transactions regularly.

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

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter III 2017**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****3.16 Appropriation of net profits**

Net profit after tax (excluding negative goodwill arising from a bargain purchase) is available for appropriation to shareholders after approval of the General Shareholders, 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 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 properties is recognised when the significant risks and rewards incident to ownership of the properties have been passed to the buyer.

Revenue from sale of inventory properties also includes long-term lease of inventory 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 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.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter III 2017**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)**3.18 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 and its subsidiaries' entitlement as investors to receive the dividend is established.

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 consolidated 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 and its subsidiaries to offset current tax assets against current tax liabilities and when the Company and its subsidiaries 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 consolidated 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; 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.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter III 2017**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)**3.19 Taxation** (continued)*Deferred tax* (continued)

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 interim 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 interim 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 is realised or the liability is settled based on tax rates and tax laws that have been enacted at the interim consolidated 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 offset 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.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)

Quarter III 2017

4 CASH AND CASH EQUIVALENTS

Currency: VND

	30 September 2017	31 December 2016
Cash on hand	3,250,000	426,423,362
Cash in banks	392,310,273,615	396,344,220,222
Cash in transit	304,657,265	-
Cash equivalents	1,870,000,000,000	1,301,000,000,000
TOTAL	2,262,618,180,880	1,697,770,643,584

Cash equivalents as at 30 September 2017 comprise bank deposits in VND with maturity terms ranging from 1 month to 3 months and earning interest rates ranging from 5.3% to 5.5% per annum (as at 31 December 2016: bank deposits in VND with maturity terms ranging from 1 month to 3 months and earning interest at rates ranging from 5.0% to 5.2% per annum).

5. SHORT-TERM INVESTMENTS

Short-term investments as at 30 September 2017 are short-term bank deposits in VND with terms of 6 months and earning interest at rate of 6.4% per annum.

6. TRADE RECEIVABLES AND ADVANCES TO SUPPLIERS**6.1 Short-term trade receivables**

Currency: VND

	30 September 2017	31 December 2016
Leasing activities and rendering of related services	361,991,640,840	257,997,206,848
Disposal of investments	186,694,692,439	398,616,093,134
Sale of inventory properties	46,375,769,680	158,798,483,570
Others	40,828,524,131	13,706,917,636
TOTAL	635,890,627,090	829,118,701,188
<i>In which:</i>		
Trade receivables from customers	441,998,475,812	750,866,776,432
Trade receivables from related parties (Note 31)	193,892,151,278	78,251,924,756
Provision for doubtful short-term trade receivables	(46,369,736,686)	(38,610,447,594)
Details of receivables which are more than 10% of total balance:		
Sale of inventory properties to a corporate counterparty	2,588,389,097	121,657,981,787
Disposal of an investment to a corporate counterparty	150,000,000,000	331,000,000,000
Leasing activities and rendering of related services	22,185,202,163	22,185,202,163

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter III 2017**6. TRADE RECEIVABLES AND ADVANCES TO SUPPLIERS (continued)****6.2 Short-term advances to suppliers**

Currency: VND

	30 September 2017	31 December 2016
Advances to suppliers	344,447,669,364	86,593,026,069
Advances to related parties (Note 31)	92,552,038,003	25,837,573,593
TOTAL	436,999,707,367	112,430,599,662
Details of advances to suppliers which are more than 10% of total balance:		
Advances to a constructor	99,186,892,874	-
Advances to a constructor	84,177,985,881	48,585,605,673
Advances to another constructor	45,212,940,506	22,606,470,253

7. OTHER SHORT-TERM RECEIVABLES

Currency: VND

	30 September 2017	31 December 2016
Interest on term deposits, deposits and loans	361,214,575,530	639,420,892,966
Guarantee deposits for project development and contract implementation	42,545,410,227	73,944,329,170
Payment on behalf receivables	76,444,705,221	77,203,545,610
Profit of business cooperation contract	19,197,056,116	
Deposit for a business cooperation contract (i)	-	1,500,000,000,000
Deposits for acquisition of shares	-	79,677,103,485
Others	104,229,714,941	90,286,171,246
TOTAL	603,631,462,035	2,460,532,042,477
In which:		
Other short-term receivables	193,766,893,359	2,070,171,423,563
Other short-term receivables from related parties (Note 31)	409,864,568,676	390,360,618,914
Provision for doubtful other short-term receivables	(22,000,000,000)	(23,492,612,302)

(i) In March 2017, this amount was collected in cash.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter III 2017**8. BAD DEBTS**

Bad debts of the Company and its subsidiaries include:

Currency: VND

Debtor	30 September 2017		31 December 2016	
	Cost	Recoverable amount	Cost	Recoverable amount
Trade receivables (i)	296,844,349,728	250,474,613,042	93,360,709,267	54,750,261,673
Other receivables	101,607,181,797	79,607,181,797	110,176,595,300	86,683,982,998
TOTAL	398,451,531,525	330,081,794,839	203,537,304,567	141,434,244,671

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

<i>Ocean Thang Long JSC</i>	-	-	79,677,103,485	79,677,103,485
<i>BSC Viet Nam JSC</i>	28,052,522,215	6,052,522,215	28,052,522,215	6,052,522,215
<i>Royal Chef JSC</i>	22,185,202,163	22,185,202,163	22,185,202,163	10,048,211,073

(i) The recoverable amount comprises overdue trade receivables with total amount of VND84 billion that are secured by deposits from customers under their lease contracts and bank guarantee under bank guarantee agreements.

9. INVENTORIES

Currency: VND

	30 September 2017	31 December 2016
Inventory properties under construction	1,652,825,004,898	541,519,759,031
Completed inventory properties	61,387,134,832	133,183,518,670
Others	231,321,317	8,098,743,130
TOTAL	1,714,443,461,047	682,802,020,831

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter III 2017

10. PREPAID EXPENSES

	Currency: VND	
	30 September 2017	31 December 2016
Short-term:		
Selling expenses related to sale of inventory properties not yet handed over	86,082,631,588	28,211,584,556
Prepayments for investments in machinery and equipment	13,907,685,928	17,649,087,093
Provisional corporate income tax	13,440,926,339	14,733,341,776
Overhaul expenditures	4,596,277,143	11,072,239,441
Prepaid expenses to related parties (Note 31)	-	22,367,438,971
Others	29,922,507,476	40,095,125,803
TOTAL	147,950,028,474	134,128,817,640
Long-term:		
Prepaid rental for leasing commercial areas (Note 31)	1,092,388,142,818	1,117,445,762,026
Tools and supplies	19,408,521,638	24,331,629,643
Prepaid land rental	23,116,123,309	18,782,204,774
Commission fees for leasing commercial areas	5,799,574,391	14,821,843,285
Prepaid committed profit	58,691,638,349	-
Others	22,433,752,449	12,693,214,238
TOTAL	1,221,837,752,954	1,188,074,653,966

11. OTHER CURRENT ASSETS

	Currency: VND	
	30 September 2017	31 December 2016
Deposits for investments	357,383,535,897	1,471,459,114,037
TOTAL	357,383,535,897	1,471,459,114,037
<i>In which:</i>		
Deposits to other parties (i)	132,200,000,000	520,977,385,226
Deposits to related parties (Note 31)	225,183,535,897	950,481,728,811

- (i) The ending balance is a guarantee deposit to a corporate counterparty for a long-term lease contract.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter III 2017

12. TANGIBLE FIXED ASSETS

	<i>Buildings and structures</i>	<i>Machinery and equipment</i>	<i>Means of transportation</i>	<i>Office equipment</i>	<i>Others</i>	<i>Currency: VND Total</i>
Cost:						
Beginning balance	244,817,164,018	141,996,453,796	3,841,561,057	11,051,627,747	1,186,091,414	402,892,898,032
- Newly purchased	15,373,952,483	10,168,847,264	488,725,001	3,213,284,821	5,029,882,829	34,274,692,398
- Reclassified to investment properties (Note 14)	(211,559,372,720)	(15,470,942,334)	-	-	-	(227,030,315,054)
- Sold, disposal	(44,054,578)	(12,417,888,739)	(349,808,199)	(1,070,400,000)	-	(13,882,151,516)
Ending balance	<u>48,587,689,203</u>	<u>124,276,469,987</u>	<u>3,980,477,859</u>	<u>13,194,512,568</u>	<u>6,215,974,243</u>	<u>196,255,123,860</u>
Accumulated depreciation:						
Beginning balance	14,850,142,098	21,256,972,048	855,290,926	2,041,810,630	764,127,769	39,768,343,471
- Depreciation for the period	8,431,852,019	16,695,724,212	341,982,629	2,460,359,756	896,532,442	28,826,451,058
- Reclassified to investment properties (Note 14)	(8,612,948,767)	(9,681,603,544)	-	-	-	(18,294,552,311)
- Sold, disposal	-	(7,295,905,314)	(92,273,232)	(205,899,959)	-	(7,594,078,505)
Ending balance	<u>14,669,045,350</u>	<u>20,975,187,402</u>	<u>1,105,000,323</u>	<u>4,296,270,427</u>	<u>1,660,660,211</u>	<u>42,706,163,713</u>
Net carrying amount:						
Beginning balance	229,967,021,920	120,739,481,748	2,986,270,131	9,009,817,117	421,963,645	363,124,554,561
Ending balance	<u>33,918,643,853</u>	<u>103,301,282,585</u>	<u>2,875,477,536</u>	<u>8,898,242,141</u>	<u>4,555,314,032</u>	<u>153,548,960,147</u>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter III 2017**13. INTANGIBLE ASSETS***Currency: VND**Computer software***Cost:**

Beginning balance	42,542,425,931
Newly purchased	162,139,249
Ending balance	<u>42,704,565,180</u>

Accumulated amortisation:

Beginning balance	6,427,471,433
Amortisation for the period	4,755,040,826
Ending balance	<u>11,182,512,259</u>

Net carrying amount:

Beginning balance	<u>36,114,954,498</u>
Ending balance	<u>31,522,052,921</u>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter III 2017

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	5,090,680,817,489	10,354,955,443,947	2,624,346,478,004	18,069,982,739,440
- Newly constructed	-	477,363,829,142	155,250,810,491	632,614,639,633
- Newly purchased	211,998,522,800	1,726,119,969,999	496,850,569,330	2,434,969,062,129
- Reclassified from tangible fixed assets (Note 12)	1,932,757,302	209,626,615,418	15,470,942,334	227,030,315,054
- Reclassified to inventory properties	-	(54,098,741,436)	(12,104,130,174)	(66,202,871,610)
- Decrease due to finalisation of construction contracts	-	(63,328,325,776)	(43,299,940,029)	(106,628,265,805)
Ending balance	5,301,111,466,609	12,654,139,422,276	3,236,514,729,956	21,191,765,618,841
Accumulated depreciation:				
Beginning balance	287,244,847,663	579,071,077,495	624,971,042,618	1,491,286,967,776
- Depreciation and amortisation for the period	75,179,832,186	324,806,561,961	187,072,849,358	587,059,243,505
- Reclassified from tangible fixed assets (Note 12)	-	9,977,114,588	8,317,437,723	18,294,552,311
- Reclassified to inventory properties	-	(1,195,072,715)	(2,505,542,895)	(3,700,615,610)
Ending balance	362,424,679,849	912,659,681,329	817,855,786,804	2,092,940,147,982
Net carrying amount:				
Beginning balance	4,803,435,969,826	9,775,884,366,452	1,999,375,435,386	16,578,695,771,664
Ending balance	4,938,686,786,760	11,741,479,740,947	2,418,658,943,152	19,098,825,470,859

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter III 2017

15. CONSTRUCTION IN PROGRESS

Currency: VND

	30 September 2017	31 December 2016
Vincom Center Tran Duy Hung	423,119,239,394	423,119,239,394
Vincom Maximark Bien Hoa	107,726,159,177	107,726,159,177
Vincom Plaza Suoi Hoa, Bac Ninh	72,623,440,285	292,944,453,570
Vincom Plaza Tuy Hoa, Phu Yen	53,954,740,457	58,746,857,709
Vincom Plaza Tra Vinh	-	139,556,964,057
Vincom + Nam Long	-	130,000,000,000
Vincom Plaza Hau Giang	-	115,769,011,486
Vincom Plaza Vinh Long	-	109,598,826,874
Other projects	153,274,656,870	92,088,813,041
TOTAL	810,698,236,183	1,469,550,325,308

17. LONG-TERM INVESTMENTS

Currency: VND

	30 September 2017	31 December 2016
Investment in an associate	-	4,029,021,936,688
TOTAL	-	4,029,021,936,688

Equity interest in an associate:

	% of ownership, also voting right	
Name of associate	30 September 2017	31 December 2016
Tan Lien Phat Construction and Investment Corporation JSC ("Tan Lien Phat JSC")	-	32.5%

Principal activities of Tan Lien Phat JSC are investing, constructing and trading real estate property. The head office of this associate is located at No. 72, Le Thanh Ton street, Ben Nghe ward, District 1, Ho Chi Minh city. Tan Lien Phat JSC is currently developing Vinhomes Central Park project at No. 772, Dien Bien Phu street, ward 22, Binh Thanh district, Ho Chi Minh city.

On 30 June 2017, the Company completed the transfer of all 32.5% shares in Tan Lien Phat JSC to Vinfast Trading and Production LLC ("Vinfast LLC"), a company under common control within the Group for a consideration of VND3,312 billion. The Company collected the entire proceeds in cash in August 2017.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter III 2017

17. GOODWILL

<i>Goodwill arisen from acquisition of</i>				Currency: VND
	<i>Vincom Center Long Bien One Member LLC</i>	<i>Khanh Gia Investment Trading Services JSC</i>	<i>An Phong JSC</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	12,069,863,015	33,701,384,795	55,536,311,837	101,307,559,647
Amortisation for the period	2,475,000,000	15,771,630,704	36,191,124,204	54,437,754,908
Ending balance	14,544,863,014	49,473,015,499	91,727,436,041	155,745,314,554
Carrying value:				
Beginning balance	20,930,136,985	176,587,024,589	427,012,010,881	624,529,172,455
Ending balance	18,455,136,986	160,815,393,885	390,820,886,677	570,091,417,548

18. SHORT-TERM TRADE PAYABLES

<i>Carrying value, also amount payable</i>			Currency: VND
	<i>30 September 2017</i>	<i>31 December 2016</i>	
Trade payables to suppliers	249,714,371,824	188,766,034,649	
Trade payables to related parties (Note 31)	569,884,437,103	264,696,093,850	
TOTAL	819,598,808,927	453,462,128,499	
<i>In which:</i>			
Payables which account for more than 10% of balance:			
<i>Payables to a constructor</i>	<i>54,819,016,026</i>	<i>197,111,938,285</i>	

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter III 2017**19. SHORT-TERM ADVANCE FROM CUSTOMERS**

	Currency: VND	
	30 September 2017	31 December 2016
Down payment from customers under real estate sale and purchase agreements	710,119,381,148	902,191,454,893
Advance from customers under retail leasing contracts	1,259,857,758,599	99,535,203,769
Advance from other customers	9,355,241,147	-
TOTAL	1,979,332,380,894	1,001,726,658,662
<i>In which:</i>		
Advance from related parties (Note 31)	-	49,322,267,498
Advance from other customers	1,979,332,380,894	952,404,391,164

20. STATUTORY OBLIGATIONS

	Currency: VND	
	30 September 2017	31 December 2016
Payables		
Corporate income tax	90,434,129,741	26,316,504,530
Value added tax	47,849,921,427	8,906,106,376
Land use fee	-	32,975,229,767
Personal income tax	2,780,047,093	1,700,634,901
Others	180,800,669	-
TOTAL	141,244,898,930	69,898,475,574

21. SHORT TERM ACCRUED EXPENSES

	Currency: VND	
	30 September 2017	31 December 2016
Accrued construction costs	417,449,031,596	211,709,597,709
Accrued loan and debt interests	94,777,196,581	60,508,494,372
Accrued utilities expenses	21,346,346,265	28,037,507,565
Accrued labor costs	9,984,238,497	30,920,999,372
Accrued selling costs	2,792,154,937	15,154,411,297
Others	41,343,360,643	56,450,148,045
TOTAL	587,692,328,519	402,781,158,360
<i>In which:</i>		
Accrued expenses due to others	587,692,328,519	357,005,535,838
Accrued expenses due to related parties (Note 31)	-	45,775,622,522

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter III 2017**23. OTHER PAYABLES**

Currency: VND

	30 September 2017	31 December 2016
Short-term		
Deposits received under deposit and loan agreements	678,003,895,930	407,427,912,627
Deposits from tenants to be refunded within the next 12 months	125,072,042,428	166,011,036,845
Maintenance fund	63,202,713,876	56,234,288,876
Deposits for maintenance and repair of outlets	27,349,133,319	-
Deposits to be returned to customer due to contract transfer	-	67,508,671,879
Others	44,724,115,783	51,941,294,185
TOTAL	938,351,901,336	749,123,204,412
<i>In which:</i>		
<i>Other payables</i>	937,229,993,461	726,517,018,966
<i>Other payables to related parties (Note 31)</i>	1,121,907,875	22,606,185,446
Long-term		
Deposits from tenants	768,446,542,245	717,335,647,269
Deposits from tenants to be refunded within the next 12 months	(125,072,042,428)	(166,011,036,845)
TOTAL	643,374,499,817	551,324,610,424
<i>In which:</i>		
<i>Other payables</i>	578,809,691,950	506,965,932,446
<i>Other payables to related parties (Note 31)</i>	64,564,807,867	44,358,677,978

23. UNEARNED REVENUE

Currency: VND

	30 September 2017	31 December 2016
Short-term unearned revenue	28,056,490,714	36,729,973,600
Long-term unearned revenue	70,359,786,635	92,194,087,312
TOTAL	98,416,277,349	128,924,060,912
<i>In which:</i>		
<i>Unearned revenue received from related parties (Note 31)</i>	38,419,966,424	47,319,592,970
<i>Unearned revenue received from others</i>	59,996,310,925	81,604,467,942

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter III 2017**24. LOANS AND DEBTS****24.1 Short-term loans**

	<i>Currency: VND</i>	
	<i>30 September 2017</i>	<i>31 December 2016</i>
Current portion of long-term loans from banks (Note 24.2.1)	4,412,000,000	6,470,632,184
Current portion of long-term corporate bonds (i)	2,796,412,499,997	-
TỔNG CỘNG	<u>2,800,824,499,997</u>	<u>6,470,632,184</u>

(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 offset against issuance 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.

24.2 Long-term loans and debts

	<i>Currency: VND</i>	
	<i>30 September 2017</i>	<i>31 December 2016</i>
Corporate bonds (Note 24.2.2)	2,989,049,611,111	2,792,824,999,998
Long-term loans from bank (Note 24.2.1)	42,626,260,825	42,553,628,641
Convertible loans due to preference shareholders (Note 24.2.3)	-	455,800,000,000
Loans due to related parties (Note 31)	-	2,663,170,400,000
TOTAL	<u>3,031,675,871,936</u>	<u>5,954,349,028,639</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter III 2017**24. LOANS AND DEBTS (continued)****24.2 Long-term loans and debts (continued)****24.2.1 Long-term loans from bank**

Details of long-term loans from bank are presented as below :

<i>Currency: VND</i>			
<i>Lender</i>	<i>Ending balance</i>	<i>Maturity date</i>	<i>Interest rate</i>
Joint Stock Commercial Bank for Foreign Trade of Vietnam ("VCB")	47,038,260,825		7% for the first year and 12-month interest paid-in-arrears VND saving rate of VCB Binh Tay branch (+) 3% per annum for the following years
<i>In which: current portion</i>	<u>(4,412,000,000)</u>	July 2025	
TOTAL	<u>42,626,260,825</u>		

This loan is secured by ownership of shopping mall Vincom Maximark District 2, located at floors 1, 2 and 3 of Homyland 2 Building at Lot 29, No. 307 Nguyen Duy Trinh street, Binh Trung Tay ward, district 2, Ho Chi Minh city, and machinery and equipment used for operation of the mall. These assets are owned by South Vincom Retail LLC, a subsidiary.

24.2.2 Corporate bonds

These 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% per annum. The bond balance is presented offset against issuance 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 owned by North Vincom Retail LLC and South Vincom Retail LLC, two subsidiaries.

24.2.3 Convertible loans

These are convertible loans from Warburg Pincus and Credit Suisse with the amount of USD15 million and USD5 million respectively, in which USD17.5 million received in 2013 and USD2.5 million received in 2014. These loans have no collateral and bear interest at rate of 8.75% per annum, and can be fully or partially converted into preference shares of the Company three months after the earlier of: (1) the completion date of issuing preference shares of Vincom Retail JSC to Credit Suisse and Warburg Pincus, and (2) 31 March 2014. During the period, these loans were converted into preference shares of the Company.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter III 2017

25. OWNER'S EQUITY

26.1 Increase and decrease in owner's equity

	Currency: VND					
	Issued share capital	Share premium	Undistributed earnings	Other funds belonging to owners' equity	Non-controlling interests	Total
For the nine-month period ended 30 September 2016						
As at 31 December 2015	14,172,245,470,000	98,197,697,689	511,872,577,344	28,460,061,494	73,245,698,413	14,884,021,504,940
- Increases	2,799,140,950,000	1,690,294,564,980	-	-	-	4,489,435,514,980
- Net profit for the period	-	-	2,689,799,294,801	-	853,571,559	2,690,652,866,360
- Dividends declared	-	-	(396,779,861,391)	-	-	(396,779,861,391)
- Associate's disposal of a subsidiary with loss of control	-	-	-	(86,879,953,461)	-	(86,879,953,461)
- Associate's step-up acquisition of interests in an existing subsidiary	-	-	(7,216,995,071)	-	(27,383,004,929)	(34,600,000,000)
As at 30 September 2016	16,971,386,420,000	1,788,492,262,669	2,797,675,015,683	(58,419,891,967)	46,716,265,043	21,545,850,071,428
For the nine-month period ended 30 September 2017						
As at 31 December 2016	21,091,724,950,000	1,788,492,262,669	1,831,051,293,949	(58,419,891,967)	30,536,517,227	24,683,385,131,878
- Increases/(decrease) (*)	(2,080,937,620,000)	2,535,887,606,236	-	-	-	454,949,986,236
- Net profit for the period	-	-	1,488,293,441,419	-	77,790,145	1,488,371,231,564
- Dividends declared (**)	-	-	(1,666,713,061,645)	-	-	(1,666,713,061,645)
- Associate's acquisition of a subsidiary under common control	-	-	-	113,925,315,740	-	113,925,315,740
- Associate's step-up acquisition of interests in its existing subsidiary	-	-	75,671,855,950	-	-	75,671,855,950
- Disposal of an associate	-	-	113,925,315,740	(113,925,315,740)	-	-
As at 30 September 2017	19,010,787,330,000	4,324,379,868,905	1,842,228,845,413	(58,419,891,967)	30,614,307,372	25,149,590,459,723

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter III 2017

25. OWNER'S EQUITY (continued)

25.1 Increase and decrease in owner's equity (continued)

(*) On 18 August 2017, the General Shareholders of the Company approved the issuance of 41,920,000 preference shares to Warburg Pincus and Credit Suisse at VND10,000 per share which is equal to par value, in relation to the conversion of the convertible loans amounting to USD20 million by these preference shareholders. Accordingly, the Company's charter capital increased by VND419.2 billion as approved in the 17th amended Enterprise Registration Certificate dated 12 September 2017.

On 9 September 2017, the General Shareholders of the Company approved the plan to repurchase 250,013,762 preference shares from Warburg Pincus and Credit Suisse at VND1 per share.

On 14 September 2017, the above 250,013,762 treasury preference shares were approved by the General Shareholders of the Company for cancellation. Accordingly, the Company's charter capital decreased by VND2,500 billion as approved in the 18th amended Enterprise Registration Certificate dated 15 September 2017.

On 18 September 2017, the General Shareholders of the Company approved the plan to convert the remaining 384,438,793 preference shares being held by Warburg Pincus and Credit Suisse into ordinary shares at 1:1. Accordingly, the Company's charter capital remains at VND19,010,787,330,000 which is corresponding to 1,901,078,733 ordinary shares.

(**) On 12 June 2017, the General Shareholders of the Company approved to pay dividend of VND521.5 billion to ordinary shareholders.

On 15 June 2017, 11 July 2017 and 13 September 2017 the General Shareholders of the Company approved to pay dividend of VND551 billion, VND561 billion and VND33 billion to Warburg Pincus and Credit Suisse.

All of the above dividends were paid in cash in August 2017.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter III 2017**26. REVENUE****26.1 Revenue from sale of goods and rendering of services**

Currency: VND

	Quarter III 2017	Quarter III 2016
Gross revenue	1,234,730,873,358	1,371,857,947,360
<i>in which:</i>		
Sale of inventory properties	102,263,753,111	358,305,721,175
Leasing activities and rendering of related services	1,108,930,118,582	1,008,931,093,086
Others	23,537,001,665	4,621,133,099
Deductions	-	-
Net revenue	1,234,730,873,358	1,371,857,947,360
<i>in which:</i>		
Revenue from sale to others	1,026,547,127,861	1,267,776,586,613
Revenue from sale to related parties	208,183,745,497	104,081,360,747

26.2 Finance income

Currency: VND

	Quarter III 2017	Quarter III 2016
Interest income from loans and deposits	143,032,632,306	158,647,416,529
Profit shared from business cooperation contracts	-	20,578,222,830
Others	54,777,952	212,980,164
TOTAL	143,087,410,258	179,438,619,523

26.3 Revenue and expenses relating to investment properties

Currency: VND

	Quarter III 2017	Quarter III 2016
Revenue from leasing activities and rendering of related services (Note 26.1)	1,108,930,118,582	1,008,931,093,086
Direct operating expenses relating to investment properties generating income during the period (Note 27)	569,388,559,736	499,982,035,645

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter III 2017**27. COST OF GOODS SOLD AND SERVICES RENDERED**

	<i>Currency: VND</i>	
	<i>Quarter III 2017</i>	<i>Quarter III 2016</i>
Cost of leasing activities and rendering of related services (Note 26.3)	569,388,559,736	499,982,035,645
Cost of inventory properties sold	73,017,592,990	198,366,491,443
TOTAL	642,406,152,726	698,348,527,088

28. FINANCE EXPENSES

	<i>Currency: VND</i>	
	<i>Quarter III 2017</i>	<i>Quarter III 2016</i>
Interests on loans and bonds	136,918,262,822	309,784,171,216
Amortisation of bond issuance cost	1,815,666,663	1,195,833,333
Others	33,556,956	1,443,416,423
TOTAL	138,767,486,441	312,423,420,972

29. SELLING EXPENSES AND GENERAL AND ADMINISTRATIVE EXPENSES

	<i>Currency: VND</i>	
	<i>Quarter III 2017</i>	<i>Quarter III 2016</i>
Selling expenses		
Labor costs	13,922,502,836	8,535,129,023
Consultancy, commission and brokerage fees	11,499,429,204	36,043,729,884
Marketing expenses	12,097,227,007	9,717,012,402
Depreciation and amortisation	200,381,964	188,039,167
Others	1,403,781,842	912,398,589
	39,123,322,853	55,396,309,065
General and administrative expenses		
Labor costs	24,209,180,819	21,811,353,947
Management fee charged by the ultimate parent company	56,979,057,873	22,373,172,874
Depreciation and amortisation	17,071,333,265	18,966,391,468
Provisions	11,399,599,831	1,219,843,669
External service expenses	8,392,481,709	10,710,025,957
Others	1,882,264,176	3,162,905,175
	119,933,917,673	78,243,693,090
TOTAL	159,057,240,526	133,640,002,155

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter III 2017**31. CORPORATE INCOME TAX**

The statutory corporate income tax ("CIT") applicable to the Company and its subsidiaries for the nine-month period ended 30 September 2017 is 20% of taxable profit (for the nine-month period ended 30 September 2016: 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.

	<i>Currency: VND</i>	
	<i>Quarter III 2017</i>	<i>Quarter III 2016</i>
Current tax expenses	84,092,697,831	42,960,450,624
Deferred tax income	<u>(22,729,730,047)</u>	<u>(61,556,748,935)</u>
TOTAL	<u>61,362,967,784</u>	<u>(18,596,298,311)</u>

Vincom Retail Joint Stock Company

B09a-DN/HN

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued) Quarter III 2017

31. TRANSACTIONS WITH RELATED PARTIES

Significant transactions with related parties during the nine-month period ended 30 September 2017 are as follows:

		Currency: VND						
Related parties	Relationship	Payables for purchase of goods and services	Payment for purchase of goods and services	Receivables from rendering of services	Collection of receivables from rendering services	Payment on behalf receivables	Collection of payment on behalf receivables	Rental fee
Vingroup JSC	Ultimate parent company	(134,330,597,881)	64,689,296,259	31,197,445,126	(26,700,717,872)	11,340,372,047	(13,550,801,149)	(18,782,081,326)
Vincom Construction LLC	Under common control	(42,321,655,461)	276,953,475,929					
VinDS Trading and Services LLC ("VinDS LLC")	Under common control			160,310,541,382	(184,342,244,085)			
Vincommerce JSC	Under common control	(188,529,337,500)	180,280,268,524	372,990,487,641	(368,004,167,710)	5,788,164,078	(2,810,546,401)	
Vincom Security Service LLC ("Vincom Security LLC")	Under common control	(81,402,786,231)	84,044,250,788					
Vincom General Service Trading LLC ("VinService LLC")	Under common control	(46,446,756,085)	37,124,942,107	9,020,914,381	(2,574,307,010)			
Ecology Development and Investment JSC ("Ecology JSC")	Under common control	(30,154,208,068)	27,887,508,693					
Vinpearlland JSC	Shareholder	(47,905,095,629)	23,813,081,467	24,986,351,811	(22,255,144,565)			
Vinschool One Member LLC	Under common control			48,556,142,792	(43,487,885,296)			
Hanoi South JSC	Under common control			35,134,748,572	(13,047,632,272)			

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter III 2017

31. TRANSACTIONS WITH RELATED PARTIES (continued)

Significant transactions with related parties during the nine-month period ended 30 September 2017 are as follows: (continued)

Currency: VND

Related parties	Relationship	Interests receivable	Interests received	Deposits for investment	Receivables from disposal of an investment	Collection of receivables from disposal of an investment	Dividends receivable
Vingroup JSC	Ultimate parent company	257,657,400,000	(201,973,200,000)	5,500,000,000,000			
Vinfast LLC	Under common control				3,312,335,000,000	(3,312,335,000,000)	
Tan Lien Phat JSC	Associate (up to 30 June 2017)						812,500,000,000
Related parties	Relationship		Principal repayment	Interests payable	Interests paid	Dividends payable	Dividends paid
Vingroup JSC	Ultimate parent company		2,663,170,400,000	(19,004,170,901)	30,479,810,103	(130,385,978,462)	130,385,978,462
Warburg Pincus	Shareholder			(1,718,154,310)	1,718,154,310	(286,292,397,336)	286,292,397,336
Credit Suisse	Shareholder			(5,152,800,720)	5,152,800,720	(858,878,192,009)	858,878,192,009
Hanoi South JSC	Shareholder					(80,947,254,143)	80,947,254,143
Royal City JSC	Shareholder					(105,206,935,731)	105,206,935,731
Sai Dong JSC	Shareholder (since April 2017)					(151,875,490,226)	151,875,490,226
Vinpearland JSC	Shareholder					(53,126,813,737)	53,126,813,737

Significant transactions with related parties during the nine-month periods ended 30 September 2016 are as follows:

Currency: VND

Related parties	Relationship	Payables for purchase of goods and services	Payment for purchase of goods and services	Receivables from rendering of services	Collection of receivables from rendering services	Payment on behalf receivables	Collection of payment on behalf receivables
Vingroup JSC	Ultimate parent company	(112,887,784,669)	123,221,594,379	45,373,776,690	(38,973,244,660)	8,413,658,522	(7,997,329,550)
VinDS LLC	Under common control			58,093,434,055	(23,888,619,914)		
BFF Commercial Trading Investment LLC	Under common control			42,188,236,129	(41,835,340,753)		
Vincommerce JSC	Under common control	(27,769,795,744)	26,802,622,837	290,563,899,510	(190,477,567,803)	401,371,400,695	
Vinpearland LLC	Shareholder			149,080,766,582	(150,257,951,715)		
Vincom Construction LLC	Under common control	(430,057,605,469)	494,680,889,846				
Vincom Security LLC	Under common control	(52,059,019,163)	54,763,758,847				

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter III 2017

31. TRANSACTIONS WITH RELATED PARTIES (continued)

Significant transactions with related parties during the nine-month periods ended 30 September 2016 are as follows: (continued)

Currency: VND

Related parties	Relationship	Payables for purchase of goods and services	Payment for purchase of goods and services	Receivables from rendering of services	Collection of receivables from rendering services	Payment on behalf receivables	Collection of payment on behalf receivables
Vinschool One Member LLC	Under common control			50,097,299,983	(34,897,011,547)		
Vinhomes Real Estate Management LLC	Under common control			83,726,241,224	(29,212,913,002)		
Hanoi South JSC	Under common control			26,030,204,105	(24,644,868,644)		

Currency: VND

Related parties	Relationship	Interests receivable	Interests received	Deposits for investment purpose	Dividends receivable	Dividends received	Deposits for investment purpose	Collection of deposit for investment purpose
Vingroup JSC	Ultimate parent company	273,265,041,282	(258,642,711,761)				810,514,542,712	127,216,681,343

Currency: VND

Related parties	Relationship	Drawdown of borrowings	Principal repayment	Interests payable	Interests paid	Capital contribution received	Dividends payables	Dividends paid
Vingroup JSC	Ultimate parent company	(213,170,400,000)	4,574,941,666,667	(641,879,411,049)	979,312,475,782	(1,254,223,150,000)		
Warburg Pincus	Shareholder			(9,758,437,500)	9,758,437,500		(412,662,400,000)	412,662,400,000
Credit Suisse	Shareholder			(29,275,312,500)	29,275,312,500		(137,554,100,000)	137,554,100,000

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter III 2017

31. TRANSACTIONS WITH RELATED PARTIES (continued)

Balances with related parties

Amounts due from and due to related parties as at 30 September 2017 and as at 31 December 2016 were as follows:

			Currency: VND	
Related parties	Relationship	Transactions	30 September 2017	31 December 2016
Short-term trade receivable (Note 6.1)				
Vingroup JSC	Ultimate parent company	Receivables from leasing property and provision of related services	38,308,526,684	-
VinDS LLC	Under common control	Receivables from leasing property and provision of related services	22,080,797,671	25,981,642,060
Vincommerce JSC	Under common control	Receivables from leasing property and provision of related services	54,399,471,999	22,888,437,082
VinService LLC	Under common control	Other receivables	-	839,839,471
		Receivables from disposal of assets	10,599,216,047	-
		Receivables from leasing property and provision of related services	348,600,675	-
Hanoi South JSC	Under common control	Receivables from leasing property and provision of related services	24,392,092,456	-
Others			43,763,445,746	28,542,006,143
			193,892,151,278	78,251,924,756
Advances to suppliers (Note 6.2)				
Vincom Construction LLC	Under common control (after the merger of Vincom Construction 6)	Advances for purchases goods and services	77,863,259,724	25,586,470,362
Vincommerce JSC	Under common control	Advances for purchases goods and services	12,532,689,846	-
Others		Other advances	2,156,088,433	251,103,231
			92,552,038,003	25,837,573,593

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter III 2017**31. TRANSACTIONS WITH RELATED PARTIES (continued)**

Amounts due from and due to related parties as at 30 September 2017 and as at 31 December 2016 were as follows:

Currency: VND

Related parties	Relationship	Transactions	30 September 2017	31 December 2016
Other short-term receivables (Note 7)				
Vingroup JSC	Ultimate parent company	Interests receivable	249,205,033,028	236,829,752,116
		Payment on behalf receivables	880,138,040	8,133,524,984
Vincom Construction LLC	Under common control (after the merger of Vincom construction 6)	Interests receivable		
			106,652,089,261	106,652,089,261
		Payment on behalf receivables	366,310,170	-
Vincommerce JSC	Under common control	Receivable from disposal of an investment	-	30,949,855,695
		Payment on behalf receivables	27,786,256,124	-
Tan Lien Phat JSC	Associate (up to 30 June 2017)	Payment on behalf receivables	2,655,349,557	-
Others		Other receivables	22,319,392,496	7,795,396,858
			409,864,568,676	390,360,618,914
Short-term prepaid expenses (Note 10)				
Credit Suisse	Shareholder	Prepaid interest expenses	-	5,591,859,743
Warburg Pincus	Shareholder	Prepaid interest expenses	-	16,775,579,228
Others		Other prepaid expenses	-	-
			-	22,367,438,971
Long-term prepaid expenses (Note 10)				
Ecology JSC	Under common control	Long-term lease payment	1,092,388,142,818	1,117,445,762,026
			1,092,388,142,818	1,117,445,762,026
Other current assets (Note 11)				
Vingroup JSC	Ultimate parent company	Deposits for business cooperation contracts	225,183,535,897	950,481,728,811
			225,183,535,897	950,481,728,811
Other long-term assets				
Vingroup JSC	Ultimate parent company	Deposits for business cooperation contracts	5,500,000,000,000	-
			5,500,000,000,000	-

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter III 2017**31. TRANSACTIONS WITH RELATED PARTIES (continued)**

Amounts due from and due to related parties as at 30 September 2017 and 31 December 2016 were as follows: (continued)

Currency: VND

Related parties	Relationship	Transactions	30 September 2017	31 December 2016
Short-term trade payables (Note 18)				
Vincom Construction LLC	Under common control (previously named as Vincom 1 Construction LLC)	Payables for construction cost		
Vingroup JSC	Ultimate parent company	Payables for purchase of goods and services	54,819,016,026	197,111,938,285
		Payables for purchase of fixed assets	143,350,040,517	20,868,578,561
		Payment on behalf	189,219,001,801	-
Vincom Construction LLC	Under common control (after the merger of Vincom Construction 6 LLC)	Payables for construction cost	-	2,428,000
VinService LLC	Under common control	Payables for purchase of goods and services	17,477,075,716	25,586,470,362
Vicommerce JSC	Under common control	Payables for purchase of goods and services	42,055,135,140	-
Vinhomes 2 Real Estate Trading LLC	Under common control	Payables for purchase of goods and services	85,764,695,812	-
Vinpearlland JSC	Associate of the ultimate parent company	Payables for purchase of goods and services	-	3,787,148,225
Others		Other payables	30,358,021,000	-
			6,841,451,091	17,339,530,417
			569,884,437,103	264,696,093,850
Short-term advances from customers (Note 19)				
Vinpearlland JSC	Shareholder	Advances for purchasing goods and services	-	49,322,267,498
			-	49,322,267,498
Accrued expenses (Note 21)				
Vingroup JSC	Ultimate parent company	Interest payables	-	38,631,194,757
		Other services	-	5,296,204
Others			-	7,139,131,561
			-	45,775,622,522

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter III 2017

34. TRANSACTIONS WITH RELATED PARTIES (continued)

Amounts due from and due to related parties as at 30 September 2017 and 31 December 2016 were as follows: (continued)

Currency: VND

Related parties	Relationship	Transactions	30 September 2017	31 December 2016
Other short-term payables (Note 22)				
Vincommerce JSC	Under common control	Deposit for leasing retail	644,455,066	1,941,488,175
Others			477,452,809	20,664,697,271
			1,121,907,875	22,606,185,446
Other long-term liabilities (Note 22)				
Vincommerce JSC	Under common control	Deposit for leasing retail	44,210,509,166	19,185,488,583
VinDS LLC	Under common control	Deposit for leasing retail	13,835,741,182	9,065,521,176
Vinpearlland JSC	Under common control	Deposit for leasing retail	-	7,800,269,100
BFF Co	Under common control	Deposit for leasing retail	95,707,078	4,230,819,046
Vinschool One Member LLC	Under common control	Deposit for leasing retail	3,164,706,795	-
Vinpearl JSC	Under common control	Deposit for leasing retail	2,394,981,000	-
Others		Deposit for leasing retail	863,162,646	4,076,580,073
			64,564,807,867	44,358,677,978
Unearned revenues (Note 23)				
Vincommerce JSC	Under common control	Unearned revenue from leasing and rendering of related services	38,000,000,024	47,048,533,346
Others			419,966,400	271,059,624
			38,419,966,424	47,319,592,970

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter III 2017**31. TRANSACTIONS WITH RELATED PARTIES (continued)**

Amounts due from and due to related parties as at 30 September 2017 and 31 December 2016 were as follows: (continued)

Loans due to and from related parties

Details of unsecured loans due from related parties are as follows:

Long-term loan receivables

<i>Related parties</i>	<i>Relationship</i>	<i>30 September 2017</i> VND	<i>31 December 2016</i> VND	<i>Interest rate per annum</i>	<i>Maturity date</i>
Vingroup JSC	Ultimate parent company	2,613,600,000,000	2,613,600,000,000	13%	January 2019
		<u>2,613,600,000,000</u>	<u>2,613,600,000,000</u>		

Details of unsecured loans due to related parties as at 31 December 2016 are as follows:

<i>Related parties</i>	<i>Relationship</i>	<i>31 December 2016</i> VND	<i>Interest rate per annum</i>	<i>Maturity date</i>
Long-term borrowings (Note 24.2)				
Credit Suisse	Shareholder	56,975,000,000	8.75%	June 2019
		56,975,000,000	8.75%	October 2019
Warburg Pincus	Shareholder	341,850,000,000	8.75%	January 2019
Vingroup JSC	Ultimate parent company	1,063,170,400,000	9.75%	December 2018
		1,600,000,000,000	13%	February 2019
		<u>3,118,970,400,000</u>		

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter III 2017

32. EVENTS AFTER THE REPORTING PERIOD

There is no matter or circumstance that has arisen after the reporting period 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




Phan Ngoc Thoa
Chief Finance Officer

30 October 2017

APPENDIX
Quarter III 2017

APPENDIX 1 – CORPORATE STRUCTURE AS AT 30 SEPTEMBER 2017

<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 ⁽¹⁾	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 ("Suoi Hoa 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 III 2017

APPENDIX 2 – EXPLANATION FOR THE VARIANCES OF INCOME STATEMENTS BETWEEN TWO PERIODS
(follow Circular No. 155/2015/TT-BTC date 6/10/2015)

<i>PL</i>	<i>Items</i>	<i>Quarter III 2017</i>	<i>Quarter III 2016</i>	<i>Variance</i>	<i>%</i>	<i>For the nine-month period ended 30 September 2017</i>
01	Gross revenue	1,234,730,873,358	1,371,857,947,360	(137,127,074,002)	-10%	3,995,426,712,970
02	Deduction	-	-	-	-	-
10	Net revenue	1,234,730,873,358	1,371,857,947,360	(137,127,074,002)	-10%	3,995,426,712,970
11	Costs of goods sold and services rendered	(642,406,152,726)	(698,348,527,088)	55,942,374,362	-8%	(2,000,456,177,183)
20	Gross profit	592,324,720,632	673,509,420,272	(81,184,699,640)	-12%	1,994,970,535,787
21	Financial income	143,087,410,258	179,438,619,523	(36,351,209,265)	-20%	434,066,941,388
22	Financial expenses	(138,767,486,441)	(312,423,420,972)	173,655,934,531	-56%	(1,037,115,556,395)
23	- In which: Interest expenses	(138,733,929,485)	(310,980,004,549)	172,246,075,064	-55%	(403,252,274,442)
24	Share in profits of associates	-	128,811,827,995	(128,811,827,995)	-100%	539,870,358,463
25	Selling expenses	(39,123,322,853)	(55,396,309,065)	16,272,986,212	-29%	(153,756,946,671)
26	General and administrative expenses	(119,933,917,673)	(78,243,693,090)	(41,690,224,583)	38%	(268,030,887,201)
30	Operating profit	437,587,403,923	535,696,444,663	(98,109,040,740)	-18%	1,510,004,445,371

APPENDIX (continued)
Quarter III 2017**APPENDIX 2 – EXPLANATION FOR THE VARIANCES OF INCOME STATEMENTS BETWEEN TWO PERIODS** (continued)
(follow Circular No. 155/2015/TT-BTC date 6/10/2015)

<i>PL</i>	<i>Items</i>	<i>Quarter III 2017</i>	<i>Quarter III 2016</i>	<i>Variance</i>	<i>%</i>	<i>For the nine-month period ended 30 September 2017</i>
31	Other income	7,191,931,871	21,561,224,126	(14,369,292,255)	-67%	23,020,268,532
32	Other expenses	(9,734,303,153)	(28,795,497,311)	19,061,194,158	-66%	(46,081,618,771)
40	Other profit	(2,542,371,282)	(7,234,273,185)	4,691,901,903	-65%	(23,061,350,239)
50	Net profit before tax	435,045,032,641	528,462,171,478	(93,417,138,837)	-18%	1,486,943,095,132
51	Current corporate income tax expense	(84,092,697,831)	(42,960,450,624)	(41,132,247,207)	96%	(241,013,393,880)
52	Deferred corporate income tax income	22,729,730,047	61,556,748,935	(38,827,018,888)	-63%	242,441,530,311
60	Net profit after tax	373,682,064,857	547,058,469,789	(173,376,404,932)	-32%	1,488,371,231,563

Explanation for variances between two periods over 10%:

- ▶ Revenue of quarter III 2017 decreased 10% in comparison with the same period last year mainly because of decrease in revenue from sales of inventory properties; cost of goods sold decreased in correspondence with the revenue.
- ▶ Finance income decreased in comparison with the same period last year mainly because of decrease in interest income from loans and term deposits.
- ▶ Finance expenses decreased in comparison with the same period last year mainly because of decrease in interest expenses (dueto repayment of loans principal as disclosed in Note 24).
- ▶ General and administrative expenses increased 38% in comparison with the same period last year mainly because of increase in number of commercial centers in operation and increase in management fees charged from the ultimate parent.

APPENDIX (continued)
Quarter III 2017

APPENDIX 3: BASIC FINANCIAL RATIOS

<i>Items</i>	<i>Unit</i>	<i>Current period</i>	<i>Previous period</i>
Asset structure			
Non-Current asset / Total Asset	%	83,4%	78,5%
Current asset / Total Asset	%	16,6%	21,5%
Equity structure			
Liabilities / Total equity	%	30,6%	28,0%
Debts / Total Equity (*)	%	16,1%	17,4%
Net Debts / Total Equity (*)	%	9,7%	12,4%
Owner equity / Total equity	%	69,4%	72,0%
Minority Interest / Total equity	%	0,1%	0,1%
Liquidity			
Quick ratio	Times	0,52	1,84
Current ratio	Times	0,81	2,70
Profitability			
Profit after tax / Total Asset	%	1,0%	1,6%
Profit after tax / Total revenue	%	30,3%	39,9%
Profit after tax / Owner equity	%	1,5%	2,2%

(*) Debts = Long-term loans + Short-term loans; Net debts = Debts - Cash and cash equivalent - Held to maturity investments - Lendings