

Vincom Retail Joint Stock Company

Interim consolidated financial statements

Quarter I 2019



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 and also changed its name to Vincom Retail Joint Stock Company. Subsequently, the Company obtained amended Enterprise Registration Certificates with the latest is the 20th amended Enterprise Registration Certificate being granted on 02 January 2019.

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

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

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

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

BOARD OF DIRECTORS

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

Ms. Thai Thi Thanh Hai	Chairwoman
Ms. Mai Thu Thuy	Member
Ms. Tran Mai Hoa	Member
Ms. Nguyen Thi Diu	Member
Ms. Le Mai Lan	Member
Mr. Brett Krause	Independent member
Mr. Timothy J. Daly	Independent member
Mr. Jeffrey David Perlman	Member
Mr. Phan Thanh Son	Independent member

MANAGEMENT

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

Ms. Tran Mai Hoa	General Director
Mr. Nguyen Anh Dung	Deputy General Director
	Security, Safety & Fire Prevention
Ms. Tran Thu Hien	Deputy General Director
	Sales & Marketing
Ms. Pham Ngoc Thoa	Chief Finance Officer

BOARD OF SUPERVISION

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

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

LEGAL REPRESENTATIVE

The legal representatives of the Company during the period and up to the date of this report are Ms. Thai Thi Thanh Hai, Ms. Tran Mai Hoa and Mr. Nguyen Anh Dung.

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 20 September 2018.

Vincom Retail Joint Stock Company

REPORT OF MANAGEMENT

Management of Vincom Retail Joint Stock Company ("the Company") presents its report and the interim consolidated financial statements of the Company and its subsidiaries for Quarter I 2019.

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

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

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

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

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

STATEMENT BY MANAGEMENT

Management does hereby state that, in its opinion, the accompanying interim consolidated financial statements give a true and fair view of the interim consolidated financial position of the Company and its subsidiaries as at 31 March 2019, and of the interim consolidated results of its operations and its interim consolidated cash flows for the period then ended in accordance with the Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of interim consolidated financial statements.

For and on behalf of the management:

A red circular stamp of Vincom Retail Joint Stock Company. The outer ring contains the text "CÔNG TY CỔ PHẦN VINCOM RETAIL" at the top and "MSDN: 010585024" at the bottom. In the center, there is a stylized logo and a blue ink signature.

Pham Ngoc Thoa
Chief Finance Officer

Hanoi, Vietnam

22 April 2019

INTERIM CONSOLIDATED BALANCE SHEET
as at 31 March 2019

Currency: VND

Code	ASSETS	Notes	As at 31/3/2019	As at 31/12/2018
100	A. CURRENT ASSETS		5,716,028,161,779	7,122,640,820,313
110	I. Cash and cash equivalents	4	1,112,607,743,953	2,431,380,824,439
111	1. Cash		932,607,743,953	501,380,824,439
112	2. Cash equivalents		180,000,000,000	1,930,000,000,000
120	II. Short-term investments		701,416,674,850	701,416,674,850
123	1. Held-to-maturity investments	5	701,416,674,850	701,416,674,850
130	III. Current accounts receivable		1,049,460,122,669	1,047,919,405,624
131	1. Short-term trade receivables	6.1	402,767,869,945	444,767,619,024
132	2. Short-term advances to suppliers	6.2	246,716,853,484	282,451,398,435
136	3. Other short-term receivables	7	409,054,138,922	333,110,692,769
137	4. Provision for doubtful short-term receivables	6.1	(9,078,739,682)	(12,410,304,604)
140	IV. Inventories	9	819,527,941,327	901,518,194,206
141	1. Inventories		820,820,710,198	903,377,872,498
149	2. Provision for obsolete inventories		(1,292,768,871)	(1,859,678,292)
150	V. Other current assets		2,033,015,678,980	2,040,405,721,194
151	1. Short-term prepaid expenses	10	149,115,657,835	152,319,205,840
152	2. Value-added tax deductible		80,086,478,596	105,086,024,990
153	3. Tax and other receivables from the State		-	490,364
155	4. Other current assets	11	1,803,813,542,549	1,783,000,000,000
200	B. NON-CURRENT ASSETS		32,905,283,357,116	31,561,042,607,246
210	I. Long-term receivables		6,193,802,116	10,106,962,116
216	1. Other long-term receivables		6,193,802,116	10,106,962,116
220	II. Fixed assets		299,941,979,383	307,841,694,121
221	1. Tangible fixed assets	12	274,405,503,007	281,955,461,842
222	Cost		366,749,935,552	365,420,937,565
223	Accumulated depreciation		(92,344,432,545)	(83,465,475,723)
227	2. Intangible assets	13	25,536,476,376	25,886,232,279
228	Cost		46,588,935,714	45,236,328,892
229	Accumulated amortisation		(21,052,459,338)	(19,350,096,613)
230	III. Investment properties	14	26,521,200,343,471	26,429,422,507,995
231	1. Cost		30,176,758,283,199	29,763,599,129,860
232	2. Accumulated depreciation		(3,655,557,939,728)	(3,334,176,621,865)
240	IV. Long-term assets in progress		1,625,222,009,992	1,343,477,739,304
242	1. Construction in progress	15	1,625,222,009,992	1,343,477,739,304
250	V. Long-term investments		1,832,000,000,000	1,832,000,000,000
253	1. Investment in other entities		2,000,000,000	2,000,000,000
255	2. Held-to-maturity investments	5	1,830,000,000,000	1,830,000,000,000
260	VI. Other long-term assets		2,620,725,222,154	1,638,193,703,710
261	1. Long-term prepaid expenses	10	574,169,498,988	593,378,680,356
262	2. Deferred tax assets		9,339,815,433	9,453,197,319
268	3. Other long-term assets	11	1,576,000,000,000	556,000,000,000
269	4. Goodwill	16	461,215,907,733	479,361,826,035
270	TOTAL ASSETS		38,621,311,518,895	38,683,683,427,559

INTERIM CONSOLIDATED BALANCE SHEET (continued)
as at 31 March 2019

Currency: VND

Code	RESOURCES	Notes	As at 31/3/2019	As at 31/12/2018
300	C. LIABILITIES		9,509,038,501,717	10,174,402,001,701
310	I. Current liabilities		5,611,677,526,531	6,259,845,554,046
311	1. Short-term trade payables	17	2,784,574,535,944	3,423,550,940,711
312	2. Short-term advances from customers	18	979,206,242,700	887,933,520,492
313	3. Statutory obligations	19	219,609,569,750	276,208,165,719
314	4. Payables to employees		369,804,415	840,767,194
315	5. Short-term accrued expenses	20	620,041,327,656	777,952,158,666
318	6. Short-term unearned revenues	22	117,142,494,731	102,060,318,189
319	7. Short-term other payables	21	847,521,640,790	749,230,246,551
320	8. Short-term loan and debts	23.1	18,078,835,131	18,078,835,131
321	9. Short-term provisions		22,236,917,910	21,094,443,889
322	10. Bonus and welfare fund		2,896,157,504	2,896,157,504
330	II. Non-current liabilities		3,897,360,975,186	3,914,556,447,655
336	1. Long-term unearned revenues	22	190,262,528,978	215,361,851,210
337	2. Other long-term liabilities	21	863,121,915,475	855,791,373,377
338	3. Long-term loan and debts	23.2	2,763,447,230,560	2,762,382,304,276
341	4. Deferred tax liabilities		80,529,300,173	81,020,918,792
400	D. OWNERS' EQUITY		29,112,273,017,178	28,509,281,425,858
410	I. Capital	24	29,112,273,017,178	28,509,281,425,858
411	1. Issued share capital		23,288,184,100,000	23,288,184,100,000
411a	- Shares with voting rights		23,288,184,100,000	23,288,184,100,000
412	2. Share premium		46,983,098,907	46,983,098,907
420	3. Other funds belonging to owners' equity		(58,419,891,967)	(58,419,891,967)
421	4. Undistributed earnings		5,794,841,420,955	5,190,927,603,788
421a	- Undistributed earnings up to prior year		5,182,737,603,788	2,786,541,240,791
421b	- Undistributed earnings of current period		612,103,817,167	2,404,386,362,997
429	5. Non-controlling interests		40,684,289,283	41,606,515,130
440	TOTAL LIABILITIES AND OWNERS' EQUITY		38,621,311,518,895	38,683,683,427,559


 Phung Thi Thanh
Preparer


 Nguyen Thi Xuan Nghia
Chief Accountant


 Phan Ngoc Thoa
Chief Finance Officer

22 April 2019

INTERIM CONSOLIDATED INCOME STATEMENT
Quarter I 2019

Currency: VND

Code	ITEMS	Notes	Quarter I 2019	Quarter I 2018
01	1. Revenue from sale of goods and rendering of services	25.1	2,284,071,541,827	1,617,892,522,192
02	2. Deductions	25.1	-	-
10	3. Net revenue from sale of goods and rendering of services	25.1	2,284,071,541,827	1,617,892,522,192
11	4. Cost of goods sold and services rendered	26	(1,312,024,783,307)	(816,985,834,237)
20	5. Gross profit from sale of goods and rendering of services		972,046,758,520	800,906,687,955
21	6. Finance income	25.2	79,567,782,207	186,806,258,320
22	7. Finance expenses	27	(72,714,600,022)	(131,520,227,820)
23	In which: Interest expenses		(72,474,264,224)	(131,320,985,678)
25	8. Selling expenses	28	(92,256,790,463)	(60,401,057,823)
26	9. General and administrative expenses	28	(115,690,293,164)	(95,511,209,024)
30	10. Operating profit		770,952,857,078	700,280,451,608
31	11. Other income		9,298,331,867	8,190,095,196
32	12. Other expenses		(2,412,401,244)	(6,418,676,580)
40	13. Other profit		6,885,930,623	1,771,418,616
50	14. Accounting profit before tax		777,838,787,701	702,051,870,224
51	15. Current corporate income tax expenses	29	(167,035,433,116)	(158,237,611,220)
52	16. Deferred tax income/(expenses)	29	378,236,735	(2,314,937,638)
60	17. Net profit after tax		611,181,591,320	541,499,321,366
61	18. Net profit after tax attributable to shareholders of the parent		612,103,817,167	541,366,298,792
62	19. Net (loss)/profit after tax attributable to non-controlling interests		(922,225,847)	133,022,574


 Phung Thi Thanh
Preparer


 Nguyen Thi Xuan Nghia
Chief Accountant


 Phạm Ngọc Thoa
Chief Finance Officer

22 April 2019

INTERIM CONSOLIDATED CASH FLOW STATEMENT
Quarter I 2019

Currency: VND

Code	ITEMS	Quarter I 2019	Quarter I 2018
	I. CASH FLOWS FROM OPERATING ACTIVITIES		
01	Profit before tax	777,838,787,701	702,051,870,224
	<i>Adjustments for:</i>		
02	Depreciation of fixed assets and investment properties and amortisation of intangible fixed assets (including amortisation of goodwill)	350,527,400,148	259,427,905,031
03	Provisions	1,622,977,948	2,949,458,580
05	Profits from investing activities	(79,560,357,776)	(186,563,425,859)
06	Interest expenses and bond issue costs	72,474,264,224	131,320,985,678
08	Operating profit before changes in working capital	1,122,903,072,245	909,186,793,654
09	Changes in receivables	86,125,726,904	345,273,511,547
10	Changes in inventories	82,557,162,300	(152,731,679,130)
11	Changes in payables (other than interest, corporate income tax)	(58,053,492,839)	(611,975,755,875)
12	Changes in prepaid expenses	24,227,190,639	(51,495,791,697)
14	Interest paid	(126,813,844,928)	(122,175,000,000)
15	Corporate income tax paid	(214,690,952,519)	(193,293,460,636)
20	Net cash flows from operating activities	916,254,861,802	122,788,617,863
	II. CASH FLOWS FROM INVESTING ACTIVITIES		
21	Purchase, construction of fixed assets and other long-term assets	(2,254,787,639,529)	(154,909,596,766)
27	Interest and dividends received	19,759,697,240	15,102,164,171
30	Net cash flows (used in) investing activities	(2,235,027,942,289)	(139,807,432,595)
	III. CASH FLOWS FROM FINANCING ACTIVITIES		
40	Net cash flows from financing activities	-	-
50	Net (decrease) in cash and cash equivalents for the period	(1,318,773,080,487)	(17,018,814,732)
60	Cash and cash equivalents at the beginning of the period	2,431,380,824,439	1,421,529,231,881
70	Cash and cash equivalents at the end of the period	1,112,607,743,952	1,404,510,417,149


Phung Thi Thanh
Preparer


Nguyen Thi Xuan Nghia
Chief Accountant


Pham Ngoc Thoa
Chief Finance Officer

22 April 2019

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Quarter I 2019

1. CORPORATE INFORMATION

Vincom Retail Joint Stock Company ("the Company"), previously known as Vincom Retail Company Limited, is established in accordance with the Business Registration Certificate No. 0105850244 issued by the Hanoi Department of Planning and Investment on 11 April 2012. In accordance with the 2nd amended Business Registration Certificate dated 14 May 2013, the Company changed its legal form to a joint stock company and also changed its name to Vincom Retail Joint Stock Company. Subsequently, the Company obtained amended Enterprise Registration Certificates with the latest is the 20th amended Enterprise Registration Certificate being granted on 02 January 2019.

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

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

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

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

The number of the Company's employees as at 31 March 2019 is 904 (31 December 2018: 981).

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

Corporate structure

The Company has 3 following subsidiaries as at 31 March 2019:

<i>No.</i>	<i>Name</i>	<i>Voting right (%)</i>	<i>Equity interest (%)</i>	<i>Registered office's address</i>	<i>Principal activities</i>
1	North Vincom Retail LLC	100.00	100.00	No. 72A, Nguyen Trai street, Thuong Dinh ward, Thanh Xuan district, Hanoi	Leasing and trading real estate property
2	South Vincom Retail LLC	100.00	100.00	No. 72, Le Thanh Ton street and No. 45A Ly Tu Trong street, Ben Nghe ward, District 1, Ho Chi Minh city	Leasing and trading real estate property
3	Suoi Hoa Urban Development and Investment JSC	97.27	97.27	Km1 + 200, Tran Hung Dao street, Suoi Hoa ward, Bac Ninh city, Bac Ninh province	Leasing and trading real estate property

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2019**2. BASIS OF PREPARATION****2.1 Accounting standards and system**

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

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

Accordingly, the accompanying interim consolidated financial statements, including their utilisation are not designed for those who are not informed about Vietnam's accounting principles, procedures and practices and furthermore are not intended to present the interim consolidated financial position and 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's applied accounting documentation system is the General Journal.

2.3 Fiscal year

The Company's fiscal year applicable for the preparation of its consolidated financial statements starts on 01 January and ends on 31 December.

2.4 Accounting currency

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

2.5 Basic of consolidation

The interim consolidated financial statements comprise the financial statements of the Company and its subsidiaries for the reporting period ended 31 March 2019.

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

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

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

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2019**2. BASIS OF PREPARATION (continued)****2.5 Basic of consolidation (continued)**

Non-controlling interests represent the portion of profit or loss and net assets not held by the Company and are presented separately in the consolidated income statement and within equity in the 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 at banks, cash in transit and short-term, highly liquid investments with an original maturity of no longer than three months that are readily convertible into known amounts of cash and that are subject to an insignificant risk of change in value.

3.2 Inventories*Inventory properties*

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

Cost includes:

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

Net realisable value is the estimated selling price in the ordinary course of the business, based on market prices at the reporting date, less estimated costs to completion and the estimated costs to sell.

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

Other inventories

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

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

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

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2019**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****3.2 Inventories (continued)***Provision for obsolete inventories*

An inventory provision is created for the estimated loss arising due to the impairment of value (through diminution, damage, obsolescence, etc.) of raw materials, finished goods, and other inventories owned by the Company and its subsidiaries, based on appropriate evidence of impairment available at the balance sheet date. Increases and decreases to the provision balance are recorded into the cost of goods sold account in the interim consolidated income statement.

3.3 Receivables

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

The provision for doubtful debts represents amounts of outstanding receivables at the balance sheet date which are doubtful of being recovered.

3.4 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation.

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

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

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

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

3.5 Leased assets

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

Where the Company and its subsidiaries are the lessee

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

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2019

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.5 Leased assets (continued)

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

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

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

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

Where the Company and its subsidiaries are the lessor

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

Lease income is recognised in the interim consolidated income statement on a straight-line basis over the lease term.

3.6 Intangible assets

Intangible assets are stated at cost less accumulated amortisation.

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

3.7 Depreciation and amortisation

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

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

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2019**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****3.8 Investment properties**

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

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

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

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

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

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

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

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

The Company and its subsidiaries have contributed capital to cooperate in the investment, construction and development of shopping centers. Under the business co-investment contract, the Company and its subsidiaries have the right to control the shopping centers when the shopping centers are handed over to the Company and its subsidiaries from the counterparties for commercial operations. According to which, the shopping centers are recognized by the Company and its subsidiaries as investment properties in the interim consolidated balance sheet upon the hand over of these properties.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2019**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 incur in connection with the borrowing of funds.

Borrowing costs are recorded as expense during the period in which they are incurred, except for the borrowing costs that are directly attributable to the acquisition, construction or production of an asset that necessarily take a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset.

3.10 Prepaid expenses

Prepaid expenses are reported as short-term or long-term prepaid expenses on the 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 in accordance with Circular No. 45/2013/TT-BTC, 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.

3.11 Business combinations and goodwill

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

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

Assets acquisitions and business combinations

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

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

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2019**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 consolidated income statement reflects the results of the combined entities from the date of the business combination; and
- ▶ Any difference between the consideration paid and the net assets of the acquiree is recorded in equity.

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

3.12 Held-to-maturity investments

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

3.13 Payables and accruals

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

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

3.14 Provisions

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

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

Provision for warranty expenses for apartments and shop-houses

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

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2019**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****3.15 Foreign currency transactions**

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

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

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

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

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

3.16 Appropriation of net profits

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

3.17 Advance from customers

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

3.18 Revenue recognition

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

Revenue from sale of inventory properties

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



NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2019

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.18 Revenue recognition (continued)

Revenue from sale of inventory properties (continued)

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

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

Revenue from leasing of investment properties

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

Rendering of services

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

Gains from capital transfer

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

Interest

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

Dividends

Income is recognised when the Company's and its subsidiaries' entitlement as investors to receive the dividend is established.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2019**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****3.19 Taxation***Current income tax*

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

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

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

Deferred tax

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

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

- ▶ where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the related transaction affects neither the accounting profit nor taxable profit or loss;
- ▶ in respect of taxable temporarily differences associated with investments in subsidiaries and associates, and interests in joint ventures where timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carried forward unused tax credit and unused tax losses, to the extent that it is probable that taxable profit will be available against which deductible temporary differences, carried forward unused tax credit and unused tax losses can be utilised, except:

- ▶ where the deferred tax asset in respect of deductible temporary difference which arises from the initial recognition of an asset or liability which at the time of the related transaction, affects neither the accounting profit nor taxable profit or loss;
- ▶ in respect of deductible temporarily differences associated with investments in subsidiaries, associates, and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Previously unrecognised deferred tax assets are re-assessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2019**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****3.19 Taxation (continued)***Deferred tax (continued)*

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

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

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

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

3.20 Related parties

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

4. CASH AND CASH EQUIVALENTS

Currency: VND

	<i>As at 31/3/2019</i>	<i>As at 31/12/2018</i>
Cash in banks	932,066,904,789	500,660,473,166
Cash in transit	540,839,164	720,351,273
Cash equivalents	180,000,000,000	1,930,000,000,000
TOTAL	1,112,607,743,953	2,431,380,824,439

Cash equivalents as at 31 March 2019 comprised bank deposits in VND with maturity terms ranging from 1 month to 3 months and earning interest at the rates ranging from 5.3% to 5.5% per annum (as at 31 December 2018: bank deposits in VND with maturity terms ranging from 1 month to 3 months and earning interest at the rates ranging from 5.0% to 5.5% per annum).

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2019

5. HELD-TO-MATURITY INVESTMENTS

Currency: VND

	<u>As at 31/3/2019</u>	<u>As at 31/12/2018</u>
Short-term held-to-maturity investments (i)	701,416,674,850	701,416,674,850
Long-term held-to-maturity investments (ii)	1,830,000,000,000	1,830,000,000,000
TOTAL	<u>2,531,416,674,850</u>	<u>2,531,416,674,850</u>

- (i) Ending balance of short-term held-to-maturity investments comprised short-term bank deposits in VND with terms ranging from 6 months to 12 months and earning interest at the rate ranging from 6.0% to 7.1% per annum (31 December 2018: bank deposits in VND with terms ranging from 6 months to 12 months and earning interest at the rate ranging from 6.0% to 7.1% per annum), including maintenance fund of the handed over condotel apartments of Vinpearl Riverfront Da Nang and shop-office of Vinhomes Times City project and Vinhomes Royal City project amounted to VND 51.4 billion. This fund will be transferred to the building management boards.
- (ii) Ending balance of long-term held-to-maturity investments comprised bank deposits at Vietnam Technological and Commercial Joint-stock Bank with terms of 36 months and earning interest at the rate of 7.1% per annum.

6. SHORT-TERM TRADE RECEIVABLES AND ADVANCES TO SUPPLIERS

6.1 Short-term trade receivables

Currency: VND

	<u>As at 31/3/2019</u>	<u>As at 31/12/2018</u>
Receivables from leasing activities and rendering related services	309,704,129,700	343,180,626,731
Receivables from sale of inventory	71,264,132,500	86,841,373,441
Others	21,799,607,745	14,745,618,852
TOTAL	<u>402,767,869,945</u>	<u>444,767,619,024</u>

In which:

<i>Trade receivables from customers</i>	226,371,799,711	312,003,242,916
<i>Trade receivables from related parties (Note 30)</i>	176,396,070,234	132,764,376,108
<i>Provision for doubtful short-term receivables</i>	(9,078,739,682)	(12,410,304,604)

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

<i>Receivable from Vincommerce General Commerce Services JSC</i>	71,643,980,033	64,126,136,271
<i>Receivable from a long-term leasing contract and related services fee to a corporate counterparty</i>	-	76,904,162,177

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2019**6. SHORT-TERM TRADE RECEIVABLES AND ADVANCES TO SUPPLIERS (continued)****6.2 Short-term advances to suppliers**

Currency: VND

	<u>As at 31/3/2019</u>	<u>As at 31/12/2018</u>
Advances to suppliers	159,983,923,369	188,913,855,296
Advances to related parties (Note 30)	86,732,930,115	93,537,543,139
TOTAL	246,716,853,484	282,451,398,435

Details of advances to suppliers which are more than 10% of total balance:

<i>Advance to Vinhomes JSC</i>	86,682,530,115	93,245,883,139
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7. OTHER SHORT-TERM RECEIVABLES

Currency: VND

	<u>As at 31/3/2019</u>	<u>As at 31/12/2018</u>
Interests on bank deposits, deposits and loans	216,965,791,202	157,531,797,333
Guarantee deposits for project development and contract implementation	12,826,742,000	52,205,744,897
Customer deposits for purchasing real estate projects receivable from agents	40,753,221,329	2,372,416,812
Receivable for payment on behalf	31,763,298,686	20,273,658,765
Others	106,745,085,705	100,727,074,962
TOTAL	409,054,138,922	333,110,692,769
<i>In which:</i>		
<i>Other receivables</i>	241,515,899,897	175,782,388,111
<i>Other receivables from related parties (Note 30)</i>	167,538,239,025	157,328,304,658

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2019**8. BAD DEBTS**

Bad debts of the Company and its subsidiaries include:

Currency: VND

Debtor	As at 31/3/2019		As at 31/12/2018	
	Cost	Recoverable amount (i)	Cost	Recoverable amount
Trade receivables	70,340,842,664	61,262,102,982	99,728,927,905	87,318,623,301
Other receivables	26,850,000	26,850,000	73,934,357	73,934,357
TOTAL	70,367,692,664	61,288,952,982	99,802,862,262	87,392,557,658

(i) The recoverable amount comprises overdue trade receivables with total amount of VND 16.8 billion that are secured by deposits from customers under their lease contracts and bank guarantee under bank guarantee agreements.

9. INVENTORIES

Currency: VND

	As at 31/3/2019		As at 31/12/2018	
	Cost	Provision	Cost	Provision
Inventory properties under construction (i)	803,863,208,087	(1,292,768,871)	887,106,007,234	(1,859,678,292)
Completed inventory	5,898,903,060	-	5,898,903,060	-
Others	11,058,599,051	-	10,372,962,204	-
TOTAL	820,820,710,198	(1,292,768,871)	903,377,872,498	(1,859,678,292)

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

10. PREPAID EXPENSES

Currency: VND

	As at 31/3/2019	As at 31/12/2018
Short-term:		
Selling expenses related to sale of inventory properties not yet handed over	59,251,912,951	60,588,694,827
Provisional corporate income tax	10,499,345,299	8,718,916,413
Project investment costs	22,867,650,437	23,358,417,617
Prepaid land rental	22,690,162,222	24,844,967,430
Others	33,806,586,926	34,808,209,553
TOTAL	149,115,657,835	152,319,205,840

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2019

10. PREPAID EXPENSES (continued)

	Currency: VND	
	As at 31/3/2019	As at 31/12/2018
Long-term:		
Prepaid rental to a related party for leasing commercial areas (Note 30) (i)	265,591,159,105	268,104,640,106
Prepayment for committed profit relating to business cooperation contracts and apartment management service program	174,654,105,502	174,654,105,502
Overhaul expenditures	84,868,810,903	91,450,247,763
Tools and supplies	27,116,930,477	31,197,501,880
Prepaid land rental	3,564,753,705	2,668,302,335
Commission fees for leasing commercial areas	5,847,848,303	11,091,976,828
Others	12,525,890,993	14,211,905,942
TOTAL	574,169,498,988	593,378,680,356

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

11. OTHER ASSETS

	Currency: VND	
	As at 31/3/2019	As at 31/12/2018
Short-term:		
Deposits to related parties for investment purposes (Note 30) (i)	1,803,813,542,549	1,783,000,000,000
TOTAL	1,803,813,542,549	1,783,000,000,000
Long-term:		
Deposits for investment purposes (i)	1,576,000,000,000	556,000,000,000
TOTAL	1,576,000,000,000	556,000,000,000
<i>In which:</i>		
<i>Deposits to other parties</i>	<i>1,162,000,000,000</i>	<i>142,000,000,000</i>
<i>Deposits to related parties (Note 30)</i>	<i>414,000,000,000</i>	<i>414,000,000,000</i>

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

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2019

12. TANGIBLE FIXED ASSETS

Currency: VND

	<i>Buildings and structures</i>	<i>Machinery and equipment</i>	<i>Means of transportation</i>	<i>Office equipment</i>	<i>Others</i>	<i>Total</i>
Cost:						
Beginning balance	115,571,868,677	182,406,772,588	3,980,477,859	11,228,751,248	52,233,067,193	365,420,937,565
- Transferred from completed construction in progress	199,609,648	2,113,354,536	-	-	-	2,312,964,184
- Reclassification	-	-	-	-	-	-
- Reclassified to investment properties	(1,217,647,108)	-	-	-	-	(1,217,647,108)
- Reclassified from investment properties	-	686,557,727	-	-	-	686,557,727
- Sold, disposal	-	(414,694,997)	-	-	-	(414,694,997)
- Other adjustments	-	(38,181,819)	-	-	-	(38,181,819)
Ending balance	114,553,831,217	184,753,808,035	3,980,477,859	11,228,751,248	52,233,067,193	366,749,935,552
Accumulated depreciation:						
Beginning balance	15,199,849,965	54,729,452,908	1,671,679,789	6,637,322,776	5,227,170,285	83,465,475,723
- Depreciation for the period	1,797,517,097	6,371,946,313	112,416,438	490,732,418	1,446,680,065	10,219,292,331
- Reclassified to investment properties	(974,404,006)	-	-	-	-	(974,404,006)
- Reclassification from investment properties	-	52,912,933	-	-	-	52,912,933
- Sold, disposal	-	(414,694,997)	-	-	-	(414,694,997)
- Other adjustments	-	(4,149,439)	-	-	-	(4,149,439)
Ending balance	16,022,963,056	60,735,467,718	1,784,096,227	7,128,055,194	6,673,850,350	92,344,432,545
Net carrying amount:						
Beginning balance	100,372,018,712	127,677,319,680	2,308,798,070	4,591,428,472	47,005,896,908	281,955,461,842
Ending balance	98,530,868,161	124,018,340,317	2,196,381,632	4,100,696,054	45,559,216,843	274,405,503,007

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2019

13. INTANGIBLE ASSETS

	<i>Currency: VND</i>
	<u><i>Computer software</i></u>
Cost:	
Beginning balance	45,236,328,892
- Transferred from completed construction in progress	1,352,606,822
Ending balance	46,588,935,714
Accumulated amortisation:	
Beginning balance	19,350,096,613
- Amortisation for the period	1,702,362,725
Ending balance	21,052,459,338
Net carrying amount:	
Beginning balance	<u>25,886,232,279</u>
Ending balance	<u>25,536,476,376</u>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2019

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	6,574,455,171,198	18,052,738,611,606	5,136,405,347,056	29,763,599,129,860
Transferred from completed construction in progress	-	166,891,843,897	13,739,919,360	180,631,763,257
Increase due to finalisation of construction contracts	156,815,812,387	(15,039,071,892)	90,219,560,206	231,996,300,701
Reclassified from tangible fixed assets	1,217,647,108	-	-	1,217,647,108
Reclassified to tangible fixed assets	-	-	(686,557,727)	(686,557,727)
Ending balance	6,732,488,630,693	18,204,591,383,611	5,239,678,268,895	30,176,758,283,199
Accumulated depreciation:				
Beginning balance	408,985,604,583	1,578,682,775,114	1,346,508,242,168	3,334,176,621,865
Depreciation for the period	23,433,697,916	157,946,876,899	139,079,251,975	320,459,826,790
Reclassified from tangible fixed assets	974,404,006	-	-	974,404,006
Reclassified to tangible fixed assets	-	-	(52,912,933)	(52,912,933)
Ending balance	433,393,706,505	1,736,629,652,013	1,485,534,581,210	3,655,557,939,728
Net carrying amount:				
Beginning balance	6,165,469,566,615	16,474,055,836,492	3,789,897,104,888	26,429,422,507,995
Ending balance	6,299,094,924,188	16,467,961,731,598	3,754,143,687,685	26,521,200,343,471

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2019**14. INVESTMENT PROPERTIES (continued)**

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

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

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

15. CONSTRUCTION IN PROGRESS

Currency: VND

	<i>As at 31/3/2019</i>	<i>As at 31/12/2018</i>
Vincom Center Tran Duy Hung	736,285,848,360	665,914,258,137
Vincom Maximark Bien Hoa	134,934,718,957	134,398,780,978
Vincom Plaza Mong Cai	130,963,433,560	88,580,996,854
Vincom Plaza Hoa Binh	123,762,328,613	62,624,304,567
Vincom Plaza Di An, Binh Duong	106,593,210,713	79,358,196,364
Vincom Plaza Soc Trang	113,271,135,180	-
Shopping malls renovation projects	-	148,865,523,718
Other projects	279,411,334,609	163,735,678,686
TOTAL	1,625,222,009,992	1,343,477,739,304

16. GOODWILL

Currency: VND

<i>Goodwill arisen from acquisition of</i>				
	<i>Vincom Center Long Bien One Member LLC (i)</i>	<i>Khanh Gia Investment Trading Services JSC (i)</i>	<i>An Phong Investment JSC (i)</i>	<i>Total</i>
Cost:				
Beginning balance	33,000,000,000	210,288,409,384	482,548,322,718	725,836,732,102
Ending balance	33,000,000,000	210,288,409,384	482,548,322,718	725,836,732,102
Accumulated amortisation:				
Beginning balance	18,669,863,015	75,759,066,671	152,045,976,381	246,474,906,067
Amortisation for the period	825,000,000	5,257,210,235	12,063,708,067	18,145,918,302
Ending balance	19,494,863,015	81,016,276,906	164,109,684,448	264,620,824,369
Net carrying amount:				
Beginning balance	14,330,136,985	134,529,342,713	330,502,346,337	479,361,826,035
Ending balance	13,505,136,985	129,272,132,478	318,438,638,270	461,215,907,733

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

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2019**17. SHORT-TERM TRADE PAYABLES**

Currency: VND

	<u>As at 31/3/2019</u>	<u>As at 31/12/2018</u>
Trade payables to suppliers	247,405,759,434	106,508,361,647
Trade payables to related parties (Note 30)	2,537,168,776,510	3,317,042,579,064
TOTAL	<u>2,784,574,535,944</u>	<u>3,423,550,940,711</u>

Details of trade payables which account for more than 10% of total balance:

<i>Payables to Vingroup JSC (Note 30)</i>	<i>491,875,295,526</i>	<i>1,204,652,201,648</i>
<i>Payables to Vinpearl JSC (Note 30)</i>	<i>227,371,735,405</i>	<i>389,787,054,302</i>
<i>Payables to Vinhomes JSC (Note 30)</i>	<i>1,040,373,298,215</i>	<i>938,229,564,529</i>
<i>Payables to Vietnam Investment and Consulting Investment JSC (Note 30)</i>	<i>762,779,924,584</i>	<i>762,779,924,584</i>

18. ADVANCE FROM CUSTOMERS

Currency: VND

	<u>As at 31/3/2019</u>	<u>As at 31/12/2018</u>
Downpayment from customers under sale and purchase of real estate agreements	966,775,563,828	873,306,752,588
Others	12,430,678,872	14,626,767,904
TOTAL	<u>979,206,242,700</u>	<u>887,933,520,492</u>

19. STATUTORY OBLIGATIONS

Currency: VND

	<u>As at 31/3/2019</u>	<u>As at 31/12/2018</u>
Payables		
Corporate income tax	151,947,590,863	197,822,681,380
Value added tax	64,687,184,621	12,235,351,117
Personal income tax	2,839,692,666	4,152,133,222
Others	135,101,600	61,998,000,000
TOTAL	<u>219,609,569,750</u>	<u>276,208,165,719</u>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2019**20. SHORT-TERM ACCRUED EXPENSES**

Currency: VND

	<i>As at 31/3/2019</i>	<i>As at 31/12/2018</i>
Accrued construction costs	396,965,019,946	454,404,365,209
Accrued loans and bond interests	27,155,965,928	83,917,202,063
Accrued commission and brokerage fee	37,802,784,245	55,565,047,714
Accrued committed profit relating to business cooperation contracts and apartment management service program	33,713,421,534	27,079,018,489
Interest supporting fee payables	15,403,358,463	23,357,986,926
Others	109,000,777,540	133,628,538,265
TOTAL	620,041,327,656	777,952,158,666
<i>In which:</i>		
<i>Accrued expenses due to others</i>	<i>616,544,211,824</i>	<i>776,165,106,222</i>
<i>Accrued expenses due to related parties (Note 30)</i>	<i>3,497,115,832</i>	<i>1,787,052,444</i>

21. OTHER PAYABLES

Currency: VND

	<i>As at 31/3/2019</i>	<i>As at 31/12/2018</i>
Short-term:		
Deposits received under deposit and loan contracts	401,656,310,901	331,198,663,667
Deposits from tenants to be refunded within the next 12 months	236,142,400,637	246,846,837,923
Maintenance fund	84,204,294,333	82,580,787,235
Deposits for site construction	43,977,407,678	42,904,092,521
Dividend payable	8,190,000,000	-
Other payables	59,220,254,878	45,699,865,205
TOTAL	833,390,668,427	749,230,246,551
<i>In which:</i>		
<i>Other short-term payables</i>	<i>811,360,671,694</i>	<i>743,236,652,527</i>
<i>Other short-term payables to related parties (Note 30)</i>	<i>22,029,996,733</i>	<i>5,993,594,024</i>
Long-term:		
Deposits from tenants	1,099,264,316,112	1,102,638,211,300
Less: Deposits from tenants to be refunded within the next 12 months (Presented in Short-term)	(236,142,400,637)	(246,846,837,923)
	-	-
TOTAL	863,121,915,475	855,791,373,377
<i>In which:</i>		
<i>Other long-term payables</i>	<i>810,851,125,294</i>	<i>798,576,193,476</i>
<i>Other long-term payables to related parties (Note 30)</i>	<i>52,270,790,181</i>	<i>57,215,179,901</i>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2019**22. UNEARNED REVENUE**

Currency: VND

	<i>As at 31/3/2019</i>	<i>As at 31/12/2018</i>
Short-term unearned revenue	117,142,494,731	102,060,318,189
Long-term unearned revenue	190,262,528,978	215,361,851,210
TOTAL	307,405,023,709	317,422,169,399

In which:

<i>Unearned revenue received from related parties (Note 30)</i>	35,734,763,947	34,031,629,169
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<i>Unearned revenue received from others</i>	271,670,259,762	283,390,540,230
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Unearned revenue mainly includes advances from lessees to the Company and its subsidiaries for leasing spaces in commercial centers.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2019**23. LOANS AND DEBTS****23.1 Short-term loans and debt**

Currency: VND

	Note	As at 31/3/2019		As at 31/12/2018	
		Carrying value	Payable amount	Carrying value	Payable amount
Current portion of long-term debts from related parties	30	18,078,835,131	18,078,835,131	18,078,835,131	18,078,835,131
TOTAL		18,078,835,131	18,078,835,131	18,078,835,131	18,078,835,131

23.2 Long-term loans and debt

Currency: VND

	Note	As at 31/3/2019		As at 31/12/2018	
		Carrying value	Payable amount	Carrying value	Payable amount
Corporate bonds	(i)	2,592,768,611,150	2,592,768,611,150	2,592,148,777,820	2,592,148,777,820
Other long-term debts from related parties	30	170,678,619,410	170,678,619,410	170,233,526,456	170,233,526,456
TOTAL		2,763,447,230,560	2,763,447,230,560	2,762,382,304,276	2,762,382,304,276

- (i) Ending balance are bonds have par value of VND3,000 billion with 3,000 bonds and were arranged for issuance on 08 March 2017 by Vietnam Bank for Industry and Trade Securities Joint Stock Company with a maturity term of 5 years. Interest rate applied for first year is 8.1% per annum, and for the following years is floating and adjusted once per six months which is determined by 12-month interest paid-in-arrears VND saving rates listed by Vietnam Joint Stock Commercial Bank for Industry and Trade - Hanoi Branch plus (+) 3%. The bond balance is presented net of bond issue costs. In 2018, the Company repurchased 400 bonds prior to maturity date.

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

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2019

24. OWNERS' EQUITY

24.1 Increase and decrease in owner's equity

Currency: VND

	<i>Shares with voting right</i>	<i>Share premium</i>	<i>Undistributed earnings</i>	<i>Other funds belonging to owners' equity</i>	<i>Non-controlling interests</i>	<i>Total</i>
For the 3-month period ended 31 March 2018						
Beginning balance	19,010,787,330,000	4,324,379,868,907	2,786,541,240,791	(58,419,891,967)	30,766,122,491	26,094,054,670,222
- Net profit for the period	-	-	541,366,298,792	-	133,022,574	541,499,321,366
Ending balance	19,010,787,330,000	4,324,379,868,907	3,327,907,539,583	(58,419,891,967)	30,899,145,065	26,635,553,991,588
For the 3-month period ended 31 March 2019						
Beginning balance	23,288,184,100,000	46,983,098,907	5,190,927,603,788	(58,419,891,967)	41,606,515,130	28,509,281,425,858
- Net profit for the period	-	-	612,103,817,167	-	(922,225,847)	611,181,591,320
- Dividend declare	-	-	(8,190,000,000)	-	-	(8,190,000,000)
Ending balance	23,288,184,100,000	46,983,098,907	5,794,841,420,955	(58,419,891,967)	40,684,289,283	29,112,273,017,178

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2019**24. OWNERS' EQUITY (continued)****24.2 Shares**

	<i>As at 31/3/2019</i>		<i>As at 31/12/2018</i>	
	<i>Quantity</i>	<i>Amount VND</i>	<i>Quantity</i>	<i>Amount VND</i>
Registered and issued shares				
Ordinary shares	2,328,818,410	23,288,184,100,000	2,328,818,410	23,288,184,100,000
Preference shares	-	-	-	-
Total	2,328,818,410	23,288,184,100,000	2,328,818,410	23,288,184,100,000
Outstanding shares				
Ordinary shares	2,328,818,410	23,288,184,100,000	2,328,818,410	23,288,184,100,000
Preference shares	-	-	-	-
Total	2,328,818,410	23,288,184,100,000	2,328,818,410	23,288,184,100,000

Par value of each outstanding share: VND 10,000 per share (31 December 2018: VND 10,000 per share).

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

Currency: VND

	<i>Quarter I 2019</i>	<i>Quarter I 2018</i>
Gross revenue	2,284,071,541,827	1,617,892,522,192
In which:		
Leasing activities and rendering of related services	1,599,467,135,473	1,265,653,708,479
Sale of inventory properties	601,401,943,774	335,407,991,682
Others	83,202,462,580	16,830,822,031
Deduction	-	-
Net revenue	2,284,071,541,827	1,617,892,522,192
In which:		
Revenue from sale to related parties	398,059,465,259	346,266,456,460
Revenue from sale to others	1,886,012,076,568	1,271,626,065,732

25.2 Finance income

Currency: VND

	<i>Quarter I 2019</i>	<i>Quarter I 2018</i>
Interest income from bank deposits, loans and deposits	79,560,357,776	186,806,258,320
Others	7,424,431	-
TOTAL	79,567,782,207	186,806,258,320

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2019**25. REVENUE (continued)****25.3 Revenue and expenses relating to investment properties**

Currency: VND

	<u>Quarter I 2019</u>	<u>Quarter I 2018</u>
Revenue from leasing of investment properties and rendering of related services (Note 25.1)	1,599,467,135,473	1,265,653,708,479
Direct operating costs related to investment properties generating income in the year (Note 26)	729,784,831,390	588,818,198,627

26. COST OF GOODS SOLD AND SERVICES RENDERED

Currency: VND

	<u>Quarter I 2019</u>	<u>Quarter I 2018</u>
Cost of leasing activities and rendering of related services	729,784,831,390	588,818,198,627
Cost of inventory properties sold	460,970,434,710	217,924,687,693
Others	121,269,517,207	10,242,947,917
TOTAL	1,312,024,783,307	816,985,834,237

27. FINANCE EXPENSES

Currency: VND

	<u>Quarter I 2019</u>	<u>Quarter I 2018</u>
Interests on loans and bond	71,854,430,894	129,505,319,015
Amortisation of bond issue costs	619,833,330	1,815,666,663
Others	240,335,798	199,242,142
TOTAL	72,714,600,022	131,520,227,820

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2019**28. SELLING EXPENSES AND GENERAL AND ADMINISTRATIVE EXPENSES**

Currency: VND

	<i>Quarter I 2019</i>	<i>Quarter I 2018</i>
Selling expenses	92,256,790,463	60,401,057,823
Labour cost	20,033,420,716	6,597,683,513
Consulting, commission and brokerage	33,844,962,210	30,591,920,026
Depreciation and amortisation	2,016,031,121	2,126,817,548
Out-sourcing services	788,732,497	1,633,036,139
Brand and marketing fee	33,638,201,127	18,625,223,319
Others	1,935,442,792	826,377,278
General and administrative expenses	115,690,293,164	95,511,209,024
Labour cost	41,518,685,541	20,373,638,340
Depreciation and amortisation	19,770,545,606	19,710,630,737
Provision expenses	963,163,703	3,555,894,078
Out-sourcing services	6,069,535,617	2,112,343,876
Others	5,455,744,579	7,026,755,564
Management fee	41,912,618,118	42,731,946,429
TOTAL	207,947,083,627	155,912,266,847

29. CORPORATE INCOME TAX

The statutory corporate income tax ("CIT") applicable to the Company and its subsidiaries for Quarter I 2019 is 20% of taxable profit (for Quarter I 2018: 20%).

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

Currency: VND

	<i>Quarter I 2019</i>	<i>Quarter I 2018</i>
Current corporate income tax expenses	167,035,433,116	158,237,611,220
Deferred tax (income)/expenses	(378,236,735)	2,314,937,638
TOTAL	166,657,196,381	160,552,548,858

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2019

30. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

List of related parties that the Company had significant transactions and balances in period:

<u>Related parties</u>	<u>Relationship</u>
Vingroup JSC	Parent company
Vinhomes JSC	Under common control
Vincom Construction and Consultant LLC (Merged into Vinhomes JSC since 01 October 2018)	Under common control
Vincommerce General Commerce Services JSC	Under common control
Vinpro Business and Trading Services JSC	Under common control
Ecology Development and Investment JSC	Under common control
Vinpearl JSC	Under common control
Central Park Development LLC	Under common control
Vietnam Investment and Consulting Investment JSC	Under common control
Can Gio Tourist City Corporation	Under common control
Vincom General Services Trading LLC (Merged into Vinpearl JSC since 14 January 2019)	Under common control
Vincom Security Service LLC	Under common control
Vinschool One Member LLC	Under common control
Thanh Pho Ho Chi Minh Investment Service Trading JSC (Merged into Millenium Trading Investment And Development Company Limited since 01 June 2018)	Under common control

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2019

30. TRANSACTIONS AND BALANCES WITH RELATED PARTIES (continued)

Significant transactions with related parties during the period:

Sale and purchase of goods and services:

For the 3-month period ended 31 March 2019:

Currency: VND

<i>Related parties</i>	<i>Payables for purchase of goods, services and management fees</i>	<i>Payment to/Advance for purchase of goods and services</i>	<i>Receivables from management, leasing activities and rendering of related services</i>	<i>Collection from management services, leasing and rendering of related services</i>	<i>Payables for shopping malls rental fee</i>	<i>Payment for shopping malls rental fee</i>
Vingroup JSC	(85,680,453,903)	134,964,073,383				
Vincommerce General Commerce Services JSC	(12,393,791,441)	11,875,395,463	193,180,180,766	(152,850,506,445)		
Vinpro Business and Trading Services JSC			53,999,906,987	(30,693,496,786)		
Ecology Development and Investment JSC					(9,271,286,870)	12,421,823,755
Vinschool One Member LLC			18,582,642,932	(2,659,806,732)		
Vinhomes JSC	(153,795,010,319)	66,563,571,260	79,892,956,502	(88,995,840,612)		
Vinpearl JSC	(24,186,221,508)	15,447,842,177	21,675,802,096	(4,487,689,001)		

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2019

30. TRANSACTIONS AND BALANCES WITH RELATED PARTIES (continued)

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

Sale and purchase of goods and services (continued):

For the 3-month period ended 31 March 2018:

Currency: VND

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

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2019

30. TRANSACTIONS AND BALANCES WITH RELATED PARTIES (continued)

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

Disposal of investment, acquisition of assets and other investments:

For the 3-month period ended 31 March 2019:

Currency: VND

<i>Related parties</i>	<i>Deposit for investment purpose</i>	<i>Interests receivable</i>	<i>Acquisition of assets</i>
West Hanoi Urban Development and Trading	81,000,000,000		
Gia Lam Urban Development and Investment Limited	98,000,000,000		
Central Park Development LLC	20,813,542,549		
Vingroup JSC		1,775,342,474	52,961,946,306
Vinhomes JSC			169,558,394,957

For the 3-month period ended 31 March 2018:

Currency: VND

<i>Related parties</i>	<i>Deposit for investment purpose</i>	<i>Interests receivable</i>	<i>Acquisition of assets</i>
Vingroup JSC		103,418,985,108	

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2019**30. TRANSACTIONS AND BALANCES WITH RELATED PARTIES (continued)****Amounts due from and due to related parties**

Currency: VND

<i>Related parties</i>	<i>Transactions</i>	<i>As at 31/3/2019</i>	<i>As at 31/12/2018</i>
Short-term trade receivable (Note 6.1)			
Vincommerce General Commerce Services JSC	Receivables from leasing property and provision of related services	70,575,700,496	64,126,136,271
Vinhomes JSC	Other receivables	1,068,279,537	-
Vinhomes JSC	Receivables from leasing property and provision of related services	21,134,130,117	30,721,509,371
	Other receivables	9,455,153,881	-
Vinpro Business and Trading Services JSC	Receivables from leasing property and provision of related services	38,781,931,955	12,069,422,494
	Other receivables	228,279,892	-
Other companies in the Group	Other receivables	35,152,594,356	25,847,307,972
		176,396,070,234	132,764,376,108
Advances to suppliers (Note 6.2)			
Vinhomes JSC	Advances for purchase of services	86,682,530,115	93,245,883,139
Vincommerce General Commerce Services JSC	Advances for purchase of services	50,400,000	291,660,000
		86,732,930,115	93,537,543,139
Other short-term receivables (Note 7)			
Vingroup JSC	Interests receivable from	91,414,561,390	89,639,218,916
	Other receivables	854,356,946	894,483,229
Vinpearl JSC	Shared profit receivable	14,114,684,147	4,126,477,610
	Other receivables	9,526,124,441	4,743,493,998
Vietnam Investment and Consulting Investment JSC	Interests receivable from deposits	19,381,383,697	19,381,383,697
Can Gio Tourist City Corporation	Other receivables	15,898,082,333	11,878,904,230
Other companies in the Group	Other receivables	16,349,046,071	26,664,342,978
		167,538,239,025	157,328,304,658

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2019

30. TRANSACTIONS AND BALANCES WITH RELATED PARTIES (continued)

Amounts due from and due to related parties (continued)

Currency: VND

<i>Related parties</i>	<i>Transactions</i>	<i>As at 31/3/2019</i>	<i>As at 31/12/2018</i>
Long-term prepaid expenses (Note 10)			
Ecology Development and Investment JSC	Long-term lease prepaid	265,591,159,105	268,104,640,106
		265,591,159,105	268,104,640,106
Other current assets (Note 11)			
Vingroup JSC	Deposits for business cooperation	1,682,000,000,000	1,682,000,000,000
Central Park Development LLC	Deposits for business cooperation	121,813,542,549	101,000,000,000
		1,803,813,542,549	1,783,000,000,000
Other long-term assets (Note 11)			
Vingroup JSC	Deposits for business cooperation	72,000,000,000	251,000,000,000
Can Gio Tourist City Corporation	Deposits for business cooperation	163,000,000,000	163,000,000,000
West Hanoi Construction and Commercial Development Company Limited	Deposits for business cooperation	81,000,000,000	-
Gia Lam Urban Investment and Development Company Limited	Deposits for business cooperation	98,000,000,000	-
		414,000,000,000	414,000,000,000

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2019

30. TRANSACTIONS AND BALANCES WITH RELATED PARTIES (continued)

Amounts due from and due to related parties (continued)

Currency: VND

<i>Related parties</i>	<i>Transactions</i>	<i>As at 31/3/2019</i>	<i>As at 31/12/2018</i>
Short-term trade payables (Note 17)			
Vinpearl JSC	Payables for purchase	219,347,854,922	375,404,032,117
	Other payables	8,023,880,483	14,383,022,185
Vinhomes JSC	Payables for purchase	634,297,037,284	510,045,688,421
	Other payables	406,076,260,931	428,183,876,108
Vingroup JSC	Payables for purchase of goods and services	70,729,409,703	120,966,017,780
	Payables for purchase	421,145,885,823	1,083,686,183,868
Vietnam Investment and Consulting Investment JSC	Payables for purchase of assets	762,779,924,584	762,779,924,584
Vincommerce General Commerce Services JSC	Payables for purchase of goods and services	8,826,877,811	7,292,195,550
Other companies in the Group	Other payables	5,941,644,969	14,301,638,451
		2,537,168,776,510	3,317,042,579,064
Short-term accrued expenses (Note 20)			
Companies in the Group	Other payables	3,497,115,832	1,787,052,444
		3,497,115,832	1,787,052,444
Other short-term payables (Note 21)			
Vincommerce General	Deposit for leasing retail	7,020,210,085	3,882,674,882
	Other payables	55,600,870	-
Vinpearl JSC	Deposit for leasing retail	93,893,516	-
	Other payables	12,176,467,364	-
Vinhomes JSC	Deposit for leasing retail	6,593,000,114	-
	Other payables	699,493,707	-
Other companies in the Group	Other payables	9,522,303,441	2,110,919,142
		36,160,969,097	5,993,594,024

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2019

30. TRANSACTIONS AND BALANCES WITH RELATED PARTIES (continued)

Amounts due from and due to related parties (continued)

Currency: VND

<i>Related parties</i>	<i>Transactions</i>	<i>As at 31/3/2019</i>	<i>As at 31/12/2018</i>
Other long-term liabilities (Note 21)			
Vincommerce General Commerce Services JSC	Deposit for leasing retail	25,769,251,961	27,299,427,547
Vinschool One Member LLC	Deposit for leasing retail	5,651,677,898	7,053,919,917
Other companies in the Group	Other payables	20,849,860,322	22,861,832,437
		52,270,790,181	57,215,179,901
Unearned revenues (Note 22)			
Vincommerce General Commerce Services JSC	Unearned revenue from leasing and rendering of related services	20,241,988,814	23,000,000,037
Other companies in the Group	Unearned revenue from leasing and rendering of related services	15,492,775,133	11,031,629,132
		35,734,763,947	34,031,629,169

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

Financial lease liabilities from a related party as at 31 March 2019 was as follow:

<i>Related parties</i>	<i>As at 31/3/2019</i>	<i>Interest rate</i>	<i>Maturity date</i>
	<i>VND</i>	<i>per annum</i>	
Ecology Development and Investment JSC	188,757,454,541	From 8.58% to 14.02%	March 2045
<i>In which: Current-portion</i>	<i>(18,078,835,131)</i>		
TOTAL (i)	170,678,619,410		

(i) These financial lease liabilities relate to long- term lease contracts with non-cancellable term for renting Vincom Plaza Quang Trung and Vincom Plaza Le Van Viet.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
Quarter I 2019**30. TRANSACTIONS AND BALANCES WITH RELATED PARTIES (continued)*****Loans and debts due to related parties (Note 23.1 and Note 23.2) (continued)***

Debt from a related party as at 31 December 2018 was as follows:

<i>Related parties</i>	<i>As at 31/12/2018</i>	<i>Interest rate</i>	<i>Maturity date</i>
	<i>VND</i>	<i>per annum</i>	
Ecology Development and Investment JSC	188,312,361,587	From 8.58% to 14.02%	March 2045
<i>In which: Current-portion</i>	<i>(18,078,835,131)</i>		
TOTAL	<u>170,233,526,456</u>		

31. EVENTS AFTER THE BALANCE SHEET DATE

According to Resolution No.01/2019/NQ-DHDCD-VINCOM RETAIL dated 11 April 2019, the Company's Annual General Meeting of Shareholders approved the payment of cash dividends for existing shareholders at the ratio of 10.5% (each eligible shareholder who holds 01 share is entitled to receive VND 1,050 as dividends). Dividend payment will be made in Quarter II 2019.


Phung Thi Thanh
Preparer

Nguyen Thi Xuan Nghia
Chief AccountantPham Ngoc Thoa
Chief Finance Officer

22 April 2019

Vincom Retail Joint Stock Company

APPENDIX
Quarter I 2019

APPENDIX 1 - CORPORATE STRUCTURE AS AT 31 MARCH 2019

<i>No.</i>	<i>Name</i>	<i>Voting right (%)</i>	<i>Equity interest (%)</i>	<i>Registered office's address</i>	<i>Principal activities</i>
1	North Vincom Retail LLC	100.00	100.00	No. 72A, Nguyen Trai street, Thuong Dinh ward, Thanh Xuan district, Hanoi	Leasing and trading real estate property
2	South Vincom Retail LLC	100.00	100.00	No. 72, Le Thanh Ton street and No. 45A Ly Tu Trong street, Ben Nghe ward, District 1, Ho Chi Minh city	Leasing and trading real estate property
3	Suoi Hoa Urban Development and Investment JSC	97.27	97.27	Km1 + 200, Tran Hung Dao street, Suoi Hoa ward, Bac Ninh city, Bac Ninh province	Leasing and trading real estate property

Vincom Retail Joint Stock Company

APPENDIX (continued)
Quarter I 2019

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

Currency: VND

Code	Item	Quarter I 2019	Quarter I 2018	Variance	%
10	Net revenue from sale of goods and rendering of services	2,284,071,541,827	1,617,892,522,192	666,179,019,635	41%
11	Cost of goods sold and services rendered	1,312,024,783,307	816,985,834,237	495,038,949,070	61%
21	Gross profit from sale of goods and rendering of services	79,567,782,207	186,806,258,320	(107,238,476,113)	-57%
22	Finance expenses	72,714,600,022	131,520,227,820	(58,805,627,798)	-45%
25	Selling expenses	92,256,790,463	60,401,057,823	31,855,732,640	53%
26	General and administrative expenses	115,690,293,164	95,511,209,024	20,179,084,140	21%
60	Net profit after tax	611,181,591,320	541,499,321,366	69,682,269,954	13%

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

- Net revenue from sale of goods and rendering of services in Quarter I 2019 increased VND 666 billion in comparison with previous period mainly because of: (i) an increase amounted to VND 334 billion in revenue from leasing activities and rendering of related services which came from stable operation in Quarter I 2019 of newly opening shopping malls in 2018; and (ii) an increase amounted to VND 266 billion from sale of inventory properties due to the difference in time of delivery. Cost of goods sold and services rendered increased correspondingly to the increase of revenue from sale of goods and rendering of services
- Finance income decreased VND 107 billion because of the decrease of interest income from bank deposits, loans and deposits.
- Finance expense decreased VND 59 billion due to the decrease of interest expense because of loan principal repayment.
- General and administrative expenses and selling expenses increased correspondingly to the growth of revenue
- Net profit after tax increased VND 70 billion in comparison with previous period because of above mentioned reasons.