

# **Phat Dat Real Estate Development Corporation**

Interim consolidated financial statements

For the three-month period ended 30th June 2021

# Phat Dat Real Estate Development Corporation

## CONTENTS

	Pages
General information	1 - 2
Report of management	3
Interim consolidated balance sheet	4 - 5
Interim consolidated income statement	6
Interim consolidated cash flow statement	7 - 8
Notes to the interim consolidated financial statements	9 - 39

# Phat Dat Real Estate Development Corporation

## GENERAL INFORMATION

### THE COMPANY

Phat Dat Real Estate Development Corporation (“the Company”) formerly known as Phat Dat Housing Construction and Trading Joint Stock Company, is a shareholding company incorporated under the Law on Enterprises of Vietnam pursuant to the Business Registration Certificate (“BRC”) No. 4103002655 issued by the Department of Planning and Investment (“DPI”) of Ho Chi Minh City on 13<sup>th</sup> September 2021 with amendments as follows:

#### BRC amendments:

4103002655

1<sup>st</sup> amendment  
2<sup>nd</sup> amendment  
3<sup>rd</sup> amendment  
4<sup>th</sup> amendment  
5<sup>th</sup> amendment  
6<sup>th</sup> amendment  
7<sup>th</sup> amendment  
8<sup>th</sup> amendment  
9<sup>th</sup> amendment  
10<sup>th</sup> amendment

#### Date:

11<sup>th</sup> December 2004  
16<sup>th</sup> November 2005  
11<sup>th</sup> July 2006  
19<sup>th</sup> December 2006  
23<sup>rd</sup> April 2007  
24<sup>th</sup> May 2007  
29<sup>th</sup> November 2007  
23<sup>rd</sup> January 2008  
29<sup>th</sup> February 2008  
29<sup>th</sup> June 2009

0303493756

11<sup>th</sup> amendment  
12<sup>th</sup> amendment  
13<sup>th</sup> amendment  
14<sup>th</sup> amendment  
15<sup>th</sup> amendment  
16<sup>th</sup> amendment  
17<sup>th</sup> amendment  
18<sup>th</sup> amendment  
19<sup>th</sup> amendment  
20<sup>th</sup> amendment  
21<sup>st</sup> amendment  
22<sup>nd</sup> amendment  
23<sup>rd</sup> amendment  
24<sup>th</sup> amendment  
25<sup>th</sup> amendment  
26<sup>th</sup> amendment  
27<sup>th</sup> amendment  
28<sup>th</sup> amendment  
29<sup>th</sup> amendment  
30<sup>th</sup> amendment  
31<sup>st</sup> amendment

27<sup>th</sup> August 2009  
04<sup>th</sup> December 2009  
04<sup>th</sup> May 2010  
13<sup>th</sup> September 2010  
22<sup>nd</sup> October 2010  
03<sup>rd</sup> November 2010  
28<sup>th</sup> January 2011  
11<sup>th</sup> August 2011  
22<sup>nd</sup> September 2011  
16<sup>th</sup> May 2012  
15<sup>th</sup> August 2012  
04<sup>th</sup> September 2015  
01<sup>st</sup> October 2015  
07<sup>th</sup> June 2017  
05<sup>th</sup> June 2018  
14<sup>th</sup> May 2019  
07<sup>th</sup> May 2020  
03<sup>rd</sup> July 2020  
20<sup>th</sup> November 2020  
20<sup>th</sup> April 2021  
17<sup>th</sup> May 2021

The Company’s shares were listed on the Ho Chi Minh Stock Exchange (“HOSE”) in accordance with the License No. 1207/SGDHCM-NY issued by the HOSE on 9<sup>th</sup> July 2010.

The current principal activities of the Company are to construct and trade real estate properties, to undertake the civil, industrial, and infrastructure construction projects, to provide real estate brokerage and valuation services, real estate trading center and management.

The Company’s registered head office is located at Floors 8 and 9, Tower B, Viettel Complex Building, 285 Cach Mang Thang Tam, Ward 12, District 10, Ho Chi Minh City, Vietnam.

# Phat Dat Real Estate Development Corporation

## GENERAL INFORMATION

### BOARD OF DIRECTORS

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

Mr. Nguyen Van Dat	Chairman
Ms. Tran Thi Huong	Vice Chairwoman
Mr. Nguyen Tan Danh	Vice Chairman
Mr. Bui Quang Anh Vu	Member
Mr. Doan Viet Dai Tu	Member
Mr. Le Quang Phuc	Member
Mr. Khuong Van Muoi	Independent member
Mr. Tran Trong Gia Vinh	Independent member
Mr. Le Minh Dung	Independent member

### AUDIT COMMITTEE

According to the Resolutions No. 01/ĐHĐCĐ-NQ.2021 of the General Meeting of Shareholders dated 27<sup>th</sup> March 2021, the Company changed the name of the Internal Audit Committee under the Board of Directors to Audit Committee, appointed members to the Audit Committee, and dismissed members of the Internal Audit Committee.

Members of the Audit Committee/Internal Audit Committee during the period and at the date of this report are:

Mr. Tran Trong Gia Vinh	Head	Appointed on 31 <sup>st</sup> March 2021
Ms. Tran Thi Huong	Member	Appointed on 31 <sup>st</sup> March 2021
Mr. Le Quang Phuc	Member	Appointed on 31 <sup>st</sup> March 2021
Ms. Nguyen Thi Thu Nguyet	Head	Dismissed on 31 <sup>st</sup> March 2021
Mr. Vo Hoang Tu	Member	Dismissed on 31 <sup>st</sup> March 2021
Mr. To Minh Tai	Member	Dismissed on 31 <sup>st</sup> March 2021

### MANAGEMENT

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

Mr. Bui Quang Anh Vu	Chief Executive Officer	
Mr. Nguyen Thanh Thao	Vice President	
Mr. Duong Hong Cam	Vice President	Appointed on 3 <sup>rd</sup> May 2021
Mr. Nguyen Dinh Tri	Vice President	Appointed on 3 <sup>rd</sup> May 2021

### LEGAL REPRESENTATIVES

The legal representatives of the Company during the period and at the date of this report are:

Mr. Nguyen Van Dat	Chairman of the BOD
Mr. Bui Quang Anh Vu	Chief Executive Officer

### AUDITORS

The auditor of the Company is Ernst & Young Vietnam Limited.

# Phat Dat Real Estate Development Corporation

## REPORT OF MANAGEMENT

Management of Phat Dat Real Estate Development Corporation (“the Company”) is pleased to present the interim consolidated financial statements of the Company and its subsidiaries (“the Group”) for Quarter II 2021.

### **MANAGEMENT’S RESPONSIBILITIES IN RESPECT OF THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

Management is responsible for the interim consolidated financial statements of the Group of each financial period which give a true and fair view of the interim consolidated financial position during the quarter, and of the interim consolidated results of its operation 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 Group 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 Group and to ensure that the accounting records comply with the applied accounting system. It is also responsible for safeguarding the assets of the Group 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 II 2021.

### **STATEMENT BY MANAGEMENT**

Management does hereby state that, in its opinion, the accompanying interim consolidated financial statements 2021 give a true and fair view of the interim consolidated financial position of the Group as at 30<sup>th</sup> June 2021, 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 relevant statutory requirements relevant to the preparation and presentation of the interim consolidated financial statements.

For and on behalf of management

*(Signed and sealed)*

---

Bui Quang Anh Vu  
Chief Executive Officer

19<sup>th</sup> July 2021

CONSOLIDATED BALANCE SHEET  
As at 30<sup>th</sup> June 2021

VND

Code	ASSETS	Notes	As at 30 <sup>th</sup> June 2021	As at 31 <sup>st</sup> December 2020
<b>100</b>	<b>A. CURRENT ASSETS</b>		<b>14,619,763,764,907</b>	<b>10,929,134,432,965</b>
<b>110</b>	<b>I. Cash and cash equivalents</b>	<b>4</b>	<b>296,823,592,596</b>	<b>53,166,353,724</b>
111	1. Cash		290,823,592,596	47,166,353,724
112	2. Cash equivalents		6,000,000,000	6,000,000,000
<b>120</b>	<b>II. Short-term investment</b>	<b>5</b>	<b>24,400,348,619</b>	<b>12,180,299,200</b>
123	1. Held-to-maturity investments		24,400,348,619	12,180,299,200
<b>130</b>	<b>III. Current accounts receivable</b>		<b>2,227,849,379,267</b>	<b>1,516,084,550,001</b>
131	1. Short-term trade receivables	6	365,188,690,410	170,232,056,537
132	2. Short-term advances to suppliers	7	744,494,457,271	1,070,601,322,639
136	3. Other short-term receivables	8	1,119,207,775,961	276,292,715,200
137	4. Provision for doubtful short-term receivables	6	(1,041,544,375)	(1,041,544,375)
<b>140</b>	<b>IV. Inventory</b>	<b>9</b>	<b>12,016,853,848,696</b>	<b>9,331,028,013,395</b>
141	1. Inventories		12,016,853,848,696	9,331,028,013,395
<b>150</b>	<b>V. Other current assets</b>		<b>53,836,595,729</b>	<b>16,675,216,645</b>
151	1. Short-term prepaid expenses	10	5,800,820,036	4,699,725,667
152	2. Value-added tax deductible	18	23,394,751,532	11,804,834,925
153	3. Tax and other receivables from the State	18	24,641,024,161	170,656,053
<b>200</b>	<b>B. NON-CURRENT ASSETS</b>		<b>4,097,697,473,858</b>	<b>4,688,355,121,724</b>
<b>210</b>	<b>I. Long-term receivables</b>		<b>932,982,056,580</b>	<b>988,174,914,270</b>
211	1. Long-term trade receivables	6	50,000,000,000	50,000,000,000
216	2. Other long-term receivables	8	882,982,056,580	938,174,914,270
<b>220</b>	<b>II. Fixed assets</b>		<b>35,764,183,580</b>	<b>34,077,217,131</b>
221	1. Tangible fixed assets	11	34,999,540,760	33,676,251,475
222	Cost		73,902,402,399	69,544,998,761
223	Accumulated depreciation		(38,902,861,639)	(35,868,747,286)
227	2. Intangible fixed assets	12	764,642,820	400,965,656
228	Cost		3,992,047,536	3,357,367,536
229	Accumulated amortisation		(3,227,404,716)	(2,956,401,880)
<b>230</b>	<b>III. Investment properties</b>	<b>13</b>	<b>68,623,724,672</b>	<b>69,391,784,192</b>
231	1. Cost		75,664,270,272	75,664,270,272
232	2. Accumulated depreciation		(7,040,545,600)	(6,272,486,080)
<b>240</b>	<b>IV. Long-term asset in progress</b>		<b>928,649,124,247</b>	<b>898,176,435,935</b>
242	1. Construction in progress	14	928,649,124,247	898,176,435,935
<b>250</b>	<b>V. Long-term investments</b>		<b>1,100,612,000,000</b>	<b>1,733,949,000,000</b>
252	1. Investments in associates	15	1,100,612,000,000	1,733,949,000,000
<b>260</b>	<b>VI. Other long-term assets</b>		<b>1,031,066,384,779</b>	<b>964,585,770,196</b>
261	1. Long-term prepaid expenses	10	1,031,001,299,187	964,520,684,604
262	2. Deferred tax assets		65,085,592	65,085,592
<b>270</b>	<b>TOTAL ASSETS</b>		<b>18,717,461,238,765</b>	<b>15,617,489,554,689</b>

CONSOLIDATED BALANCE SHEET (continued)  
As at 30<sup>th</sup> June 2021

VND

Code	RESOURCES	Notes	As at 30 <sup>th</sup> June 2021	As at 31 <sup>st</sup> December 2020
<b>300</b>	<b>A. LIABILITIES</b>		<b>11,647,336,757,292</b>	<b>10,423,212,058,012</b>
<b>310</b>	<b>I. Current liabilities</b>		<b>5,201,819,767,341</b>	<b>4,386,260,247,758</b>
311	1. Short-term trade payables	16	1,182,567,042,409	288,279,900,889
312	2. Short-term advances from customers	17	2,403,569,297,095	619,995,008,225
313	3. Statutory obligations	18	143,231,589,827	489,894,325,264
314	4. Payables to employees		9,976,912,625	13,130,285,261
315	5. Short-term accrued expenses	19	35,637,331,227	78,205,851,801
319	6. Other short-term payables	20	930,307,450,821	1,480,519,543,789
320	7. Short-term loans	21	482,949,711,113	1,413,560,061,129
322	8. Bonus and welfare fund		13,580,432,224	2,675,271,400
<b>330</b>	<b>II. Non-current liabilities</b>		<b>6,445,516,989,951</b>	<b>6,036,951,810,254</b>
337	1. Other long-term liabilities	20	5,547,433,656,616	5,551,706,991,616
338	2. Long-term loans	21	898,083,333,335	485,244,818,638
<b>400</b>	<b>B. OWNERS' EQUITY</b>		<b>7,070,124,481,473</b>	<b>5,194,277,496,677</b>
<b>410</b>	<b>I. Capital</b>		<b>7,070,124,481,473</b>	<b>5,194,277,496,677</b>
411	1. Share capital	22	4,867,719,160,000	3,961,698,970,000
412	2. Share premium	22	11,680,300,000	11,680,300,000
418	3. Investment and development fund	22	179,413,584,076	155,013,584,076
421	4. Undistributed earnings	22	520,878,106,753	973,918,145,839
421a	- Undistributed earnings by the end of prior period		12,997,955,839	17,609,608,196
421b	- Undistributed earnings of current period		507,880,150,914	956,308,537,643
429	5. Non-controlling interests		1,490,433,330,644	91,966,496,762
<b>440</b>	<b>TOTAL LIABILITIES AND OWNERS' EQUITY</b>		<b>18.717.461.238.765</b>	<b>15,617,489,554,689</b>

(Signed)

Vo Thi Minh Hang  
Preparer  
19<sup>th</sup> July 2021

(Signed)

Nguyen Thi Thuy Trang  
Chief Accountant

(Signed and sealed)

Bui Quang Anh Vu  
Chief Executive Officer

INTERIM CONSOLIDATED INCOME STATEMENT  
As at 30<sup>th</sup> June 2021

VND

Code	Items	Notes	Second quarter – Current year	Second quarter – Previous year	Accumulated from the beginning of the year to the end of the second quarter – Current year	Accumulated from the beginning of the year to the end of the second quarter – Previous year
01	1. Revenue from sale of goods and rendering of services	23	537,718,943,994	552,357,061,937	1,123,830,898,001	1,181,813,305,822
02	2. Deductions	23	-	-	-	-
10	3. Net revenue from sale of goods and rendering of services	23	537,718,943,994	552,357,061,937	1,123,830,898,001	1,181,813,305,822
11	4. Cost of goods sold and services rendered	24	(132,046,254,142)	(339,112,942,603)	(333,189,298,256)	(719,280,837,133)
20	5. Gross profit		405,672,689,852	213,244,119,334	790,641,599,745	462,532,468,689
21	6. Finance income	25	3,258,982,039	843,424,284	3,731,882,681	1,260,200,214
22	7. Finance expenses	25	(29,311,074,903)	(6,692,430,097)	(50,810,105,091)	(6,692,430,097)
23	<i>In which: Interest expenses</i>		(28,235,629,217)	-	(48,227,002,688)	-
25	8. Selling expenses	26	(4,503,456,732)	(26,210,960,292)	(8,713,650,814)	(54,185,135,654)
26	9. General and administrative expenses	26	(44,306,767,417)	(28,811,241,959)	(87,436,662,842)	(52,221,186,597)
30	10. Operating profit		330,810,372,839	152,372,911,270	647,413,063,679	350,693,916,555
31	11. Other income	27	318,418,832	32,218,483	345,919,467	51,203,853
32	12. Other expenses	27	(8,927,083,008)	(679,470,106)	(10,629,122,527)	(1,094,240,979)
40	13. Other profit		(8,608,664,176)	(647,251,623)	(10,283,203,060)	(1,043,037,126)
50	14. Accounting profit before tax		322,201,708,663	151,725,659,647	637,129,860,619	349,650,879,429
51	15. Current corporate income tax expense	28	(71,219,982,939)	(30,976,181,739)	(135,075,959,786)	(70,819,320,841)
52	16. Deferred tax income		-	119,811,783	-	119,811,783
60	17. Net profit after tax		250,981,725,724	120,869,289,691	502,053,900,833	278,951,370,371
	<i>In which:</i>					
61	17.1. Net profit after tax attributable to shareholders of the parent		251,550,326,876	120,910,822,475	503,290,852,782	278,976,442,068
62	17.2. Net loss after tax attributable to non-controlling interests		(568,601,152)	(41,532,784)	(1,236,951,949)	(25,071,697)
70	18. Earnings per share		449	276	966	716

(Signed)

(Signed)

(Signed and sealed)

Vo Thi Minh Hang  
Preparer  
19<sup>th</sup> July 2021

Nguyen Thi Thuy Trang  
Chief Accountant

Bui Quang Anh Vu  
Chief Executive Officer

INTERIM CONSOLIDATED CASH FLOW STATEMENT  
As at 30<sup>th</sup> June 2021

VND

Code	ITEMS	Notes	Second quarter – Current year	Second quarter – Previous year
	<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>01</b>	<b>Accounting profit before tax</b>		<b>322,201,708,663</b>	<b>151,725,659,647</b>
	<i>Adjustments for:</i>			
02	Depreciation and amortization of fixed assets and investment properties	11,12,13	1,926,708,169	6,132,093,459
04	Foreign exchange gain arising from revaluation of monetary accounts denominated in foreign currency	25	(2,317,500,000)	-
05	Interest income		(941,482,039)	(843,424,284)
06	Interest expenses	25	29,257,945,903	910,343
<b>08</b>	<b>Operating profit before changes in working capital</b>		<b>350,127,380,696</b>	<b>157,015,239,165</b>
09	Decrease (increase) in receivables		380,583,671,426	510,617,454,447
10	Decrease (increase) in inventories		230,868,954,281	(154,881,957,736)
11	Increase in payables		1,351,928,900,625	386,683,882,988
12	Increase (decrease) in prepaid expenses		(28,558,859,676)	17,565,299,825
14	Interest paid		(122,125,584,725)	(143,065,368,340)
15	Corporate income tax paid	28	(315,188,392,607)	(42,720,289,576)
17	Other cash outflows for operating activities		(11,280,409,660)	(4,661,261,621)
<b>20</b>	<b>Net cash flows from operating activities</b>		<b>1,836,355,660,360</b>	<b>726,552,999,152</b>
	<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
21	Purchase and construction of fixed assets		(2,242,278,856)	(340,188,626,326)
23	Payment for term deposits at banks		(12,220,049,419)	-
25	Payments for investments in other entities		(790,689,992,905)	(180,530,000,000)
26	Collections of investments in other entities		56,112,000,000	-
27	Interest received		941,482,039	843,424,284
<b>30</b>	<b>Net cash flows used in investing activities</b>		<b>(748,098,839,141)</b>	<b>(519,875,202,042)</b>
	<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
33	Drawdown from borrowings		377,000,000,000	551,200,000,000
34	Repayment of borrowings		(1,176,232,500,000)	(497,205,432,588)
<b>40</b>	<b>Net cash flows (used in) from financing activities</b>		<b>(799,232,500,000)</b>	<b>53,994,567,412</b>

INTERIM CONSOLIDATED CASH FLOW STATEMENT (continued)  
As at 30<sup>th</sup> June 2021

VND

<i>Code</i>	<i>ITEMS</i>	<i>Notes</i>	<i>Second quarter – Current year</i>	<i>Second quarter – Previous year</i>
<b>50</b>	<b>Net (decrease) increase in cash and cash equivalents for the period</b>		<b>289,024,321,219</b>	<b>260,672,364,522</b>
<b>60</b>	<b>Cash and cash equivalents at the beginning of the period</b>		<b>7,799,271,377</b>	<b>39,490,020,698</b>
<b>70</b>	<b>Cash and cash equivalents at the end of the period</b>	<b>4</b>	<b>296,823,592,596</b>	<b>300,162,385,220</b>

*(Signed)**(Signed)**(Signed and sealed)*


---

 Vo Thi Minh Hang  
Preparer

---

 Nguyen Thi Thuy Trang  
Chief Accountant

---

 Bui Quang Anh Vu  
Chief Executive Officer
19<sup>th</sup> July 2021

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS  
As at 30<sup>th</sup> June 2021

**1. COPROPRATE INFORMATION**

Phat Dat Real Estate Development Corporation (“the Company”) formerly known as Phat Dat Housing Construction and Trading Joint Stock Company, is a shareholding company incorporated under the Law on Enterprises of Vietnam pursuant to the Business Registration Certificate (“BRC”) No. 4103002655 issued by the Department of Planning and Investment of Ho Chi Minh City (“DPI”) on 13<sup>th</sup> September 2021 with amendments as follows:

<u>BRC amendments:</u>	<u>Date:</u>
<b>4103002655</b>	
1 <sup>st</sup> amendment	11 <sup>th</sup> December 2004
2 <sup>nd</sup> amendment	16 <sup>th</sup> November 2005
3 <sup>rd</sup> amendment	11 <sup>th</sup> July 2006
4 <sup>th</sup> amendment	19 <sup>th</sup> December 2006
5 <sup>th</sup> amendment	23 <sup>rd</sup> April 2007
6 <sup>th</sup> amendment	24 <sup>th</sup> May 2007
7 <sup>th</sup> amendment	29 <sup>th</sup> November 2007
8 <sup>th</sup> amendment	23 <sup>rd</sup> January 2008
9 <sup>th</sup> amendment	29 <sup>th</sup> February 2008
10 <sup>th</sup> amendment	29 <sup>th</sup> June 2009
<b>0303493756</b>	
11 <sup>th</sup> amendment	27 <sup>th</sup> August 2009
12 <sup>th</sup> amendment	04 <sup>th</sup> December 2009
13 <sup>th</sup> amendment	04 <sup>th</sup> May 2010
14 <sup>th</sup> amendment	13 <sup>th</sup> September 2010
15 <sup>th</sup> amendment	22 <sup>nd</sup> October 2010
16 <sup>th</sup> amendment	03 <sup>rd</sup> November 2010
17 <sup>th</sup> amendment	28 <sup>th</sup> January 2011
18 <sup>th</sup> amendment	11 <sup>th</sup> August 2011
19 <sup>th</sup> amendment	22 <sup>nd</sup> September 2011
20 <sup>th</sup> amendment	16 <sup>th</sup> May 2012
21 <sup>st</sup> amendment	15 <sup>th</sup> August 2012
22 <sup>nd</sup> amendment	04 <sup>th</sup> September 2015
23 <sup>rd</sup> amendment	01 <sup>st</sup> October 2015
24 <sup>th</sup> amendment	07 <sup>th</sup> June 2017
25 <sup>th</sup> amendment	05 <sup>th</sup> June 2018
26 <sup>th</sup> amendment	14 <sup>th</sup> May 2019
27 <sup>th</sup> amendment	07 <sup>th</sup> May 2020
28 <sup>th</sup> amendment	03 <sup>rd</sup> July 2020
29 <sup>th</sup> amendment	20 <sup>th</sup> November 2020
30 <sup>th</sup> amendment	20 <sup>th</sup> April 2021
31 <sup>st</sup> amendment	17 <sup>th</sup> May 2021

The Company’s shares were listed on the Ho Chi Minh Stock Exchange (“HOSE”) in accordance with the License No. 1207/SGDHCM-NY issued by the HOSE on 9<sup>th</sup> July 2010.

The Company’s registered head office is located at Floors 8 and 9, Tower B, Viettel Complex Building, 285 Cach Mang Thang Tam, Ward 12, District 10, Ho Chi Minh City, Vietnam.

The current principal activities of the Company are to construct and trade real estate properties, to undertake the civil, industrial, and infrastructure construction projects, to provide real estate brokerage and valuation services, real estate trading center and management, to undertake the mining of stone, sand, gravel and clay.

The number of employees of the Company as at 30<sup>th</sup> June 2021 was 287 (as at 31<sup>st</sup> December 2020: 267).

# Phat Dat Real Estate Development Corporation

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
As at 30<sup>th</sup> June 2021

## 1. COPROPRATE INFORMATION (continued)

### **Corporate structure**

The Company has nine (09) following subsidiaries which were consolidated into the interim consolidated financial statements of the Group:

- *DK Phu Quoc Corporation ("DK Phu Quoc")*  
DK Phu Quoc is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to the BRC No. 1701522101 issued by the DPI of Kien Giang Province on 22<sup>nd</sup> April 2011, as amended. DK Phu Quoc's registered head office is located at No. 229, 30/4 Street, Quarter 1, Duong Dong Ward, Phu Quoc City, Kien Giang Province, Vietnam. The principal activities of DK Phu Quoc are to trade real estate properties and provide construction services.  
As at the balance sheet date, the Group holds a 99% equity share and voting rights in this subsidiary.
- *Coinin Construction Investment Infrastructure Company Limited ("Coinin")*  
Coinin is incorporated under the Law on Enterprise of Vietnam pursuant to the BRC No. 0313662185 issued by the DPI of Ho Chi Minh City on 25 February 2016, as amended. Coinin's registered head office is located at No. 271/16, An Duong Vuong Street, Ward 3, District 5, Ho Chi Minh City, Vietnam. The principal activities of Coinin are to trade real estate properties and provide construction services.  
As at the balance sheet date, the Group holds a 99.9% equity share and voting rights in this subsidiary.
- *Sai Gon - KL Real Estate Corporation ("Sai Gon - KL")*  
Sai Gon KL is incorporated under the Law on Enterprise of Vietnam pursuant to the BRC No. 13700902915 issued by the DPI of Binh Duong Province on 29<sup>th</sup> April 2008, as amended. Sai Gon - KL's registered head office is located at Land lot No. 1186 - 1187, Map sheet No. 6-2 (D2), Binh Duc Quarter, Binh Hoa Ward, Thuan An City, Binh Duong Province, Vietnam. The principal activity of Sai Gon - KL is to trade real estate properties.  
As at the balance sheet date, the Group holds a 99% equity share and voting rights in this subsidiary.
- *Ngo May Real Estate Investment Joint Stock Company ("Ngo May")*  
Ngo May is incorporated under the Law on Enterprise of Vietnam pursuant to the BRC No. 4101553978 issued by the DPI of Binh Dinh Province on 19<sup>th</sup> November 2019. Ngo May's registered head office is located at No. 1, Ngo May Street, Nguyen Van Cu Ward, Quy Nhon City, Binh Dinh Province, Vietnam. The principal activity of Ngo May is to trade real estate properties.  
As at the balance sheet date, the Group holds a 94% equity share and voting rights in this subsidiary.
- *Ben Thanh - Long Hai Corporation ("Ben Thanh Long Hai")*  
Ben Thanh Long Hai is incorporated under the Law on Enterprises of Vietnam pursuant to the BRC No. 3500783805 issued by the DPI of Ba Ria Vung Tau Province on 1<sup>st</sup> March 2007, as amended. Ben Thanh - Long Hai's registered head office is located at Road 44A, Phuoc Hai Town, Dat Do District, Ba Ria Vung Tau Province, Vietnam. The principal activity of Ben Thanh Long Hai is to trade real estate properties.  
As at the balance sheet date, the Group holds a 99% equity share and voting rights in this subsidiary.

# Phat Dat Real Estate Development Corporation

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
As at 30<sup>th</sup> June 2021

## 1. COPROPRATE INFORMATION (continued)

### *Corporate structure (continued)*

- *Phat Dat Industrial Park Investment Joint Stock Company ("Phat Dat IP")*

Phat Dat IP is incorporated under the Law on Enterprises of Vietnam pursuant to the BRC No. 0316462970 issued by the DPI of Ho Chi Minh City on 31<sup>st</sup> August 2020. Phat Dat IP's registered head office is located at Floor 9<sup>th</sup> Tower B, Viettel Building, 285 Cach Mang Thang Tam Street, Ward 12, District 10, Ho Chi Minh City, Vietnam. The principal activity of Phat Dat IP is to trade real estate properties.

As at the balance sheet date, the Group holds a 68% equity share and voting rights in this subsidiary.

- *Serenity Investment Corporation ("Serenity Investment")*

Serenity Investment is incorporated under the Law on Enterprises of Vietnam pursuant to the BRC No. 3502421310 issued by the DPI of Ba Ria – Vung Tau Province on 27<sup>th</sup> March 2020. Serenity Investment's registered head office is located in Hai Tan Quarter, Phuoc Hai Town, Dat Do Commune, Ba Ria – Vung tau Province, Vietnam. The principal activity of Serenity Investment is to trade real estate properties. As in the 4<sup>th</sup> amendment of the BRC No. 3502421310 issued by the DPI of Ba Ria – Vung Tau Province on 12<sup>th</sup> March 2021, Serenity Investment's charter capital is 91,160,000,000 VND

As at the balance sheet date, the Group holds a 64% equity share and voting rights in this subsidiary.

- *Binh Duong Building Real Estate Investment and Development Corporation ("Binh Duong Building")*

Binh Duong Building is incorporated under the Law on Enterprises of Vietnam pursuant to the BRC No. 3702710768 issued by The DPI of Binh Duong Province on 12<sup>th</sup> October 2018. Binh Duong Building's registered head office is located at No. 352, XM2 Street, Quarter 3, Hoa Phu Ward, Thu Dau Mot City, Binh Duong Province. Binh Duong Building's principal activity is to trade real estate properties. As in the 4<sup>th</sup> amendment of the BRC No. 3702710768 issued by the DPI of Binh Duong Province on 14<sup>th</sup> April 2021, Binh Duong Building's charter capital is 1,010,000,000,000 VND

As at the balance sheet date, the Group holds a 99.5% equity share and voting rights in this subsidiary.

- *Phat Dat Real Estate Trading and Services Corporation ("Phat Dat Trading & Services")*

Phat Dat Trading & Services is incorporated under the Law on Enterprises of Vietnam pursuant to the BRC No. 0316916261 issued by the DPI of Ho Chi Minh City on 23<sup>rd</sup> June 2021. Phat Dat Trading & Services' registered head office is located at Floor 10<sup>th</sup>, Tower B, Viettel Building, 285 Cach Mang Thang Tam Street, Ward 12, District 10, Ho Chi Minh City, Vietnam. The principal activity of Phat Dat Trading & Services is to trade real estate properties. As in the BRC No. 0316916261, Phat Dat Trading & Services' charter capital is 168,000,000,000 VND.

As at the balance sheet date, the Group holds a 51% equity share and voting rights in this subsidiary.

# Phat Dat Real Estate Development Corporation

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
As at 30<sup>th</sup> June 2021

## **2. BASIS OF PREPARATION**

### **2.1 *Accounting standards and system***

The interim consolidated financial statements of the Group, 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<sup>st</sup> December 2001 on the Issuance and Promulgation of Four Vietnamese Accounting Standards (Series 1);
- Decision No. 165/2002/QĐ-BTC dated 31<sup>st</sup> December 2002 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 2);
- Decision No. 234/2003/QĐ-BTC dated 30<sup>th</sup> December 2002 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 3);
- Decision No. 12/2005/QĐ-BTC dated 15<sup>th</sup> February 2005 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 4); and
- Decision No. 100/2005/QĐ-BTC dated 28<sup>th</sup> December 2005 on the Issuance and Promulgation of Four Vietnamese Accounting Standards (Series 5).

Accordingly, the accompanying interim consolidated financial statements, including their utilization 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 financial position and the interim consolidated results of operations and the 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 Group’s applied accounting documentation system is the General Journal system.

### **2.3 *Fiscal year***

The Group’s fiscal year applicable for the preparation of its consolidated financial statements starts on 1<sup>st</sup> January and ends on 31<sup>st</sup> December.

### **2.4 *Accounting currency***

The interim consolidated financial statements as at 30<sup>th</sup> June 2021 are prepared in VND which is also the Group’s accounting currency.

### **2.5 *Basis of consolidation***

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries for Quarter II 2021.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Company obtains control and continues to be consolidated until the date that such control ceases. The financial statements of the Company and its subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies.

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

Non-controlling interests represent the portion of profits, losses, and net assets not held by the Group 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.

# Phat Dat Real Estate Development Corporation

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
As at 30<sup>th</sup> June 2021

## 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 not more 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*

Inventories are stated 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 cost to complete and the estimated costs necessary to make the sale.

The perpetual method is used to record inventories, which are valued as follows:

Merchandise - cost of purchase on a weighted average basis.

#### *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 inventories owned by the Group, based on appropriate evidence of impairment available at the balance sheet date.

Increases or decreases to the provision balance are recorded into the cost of goods sold account in the interim consolidated income statement.

#### *Inventory property*

Property acquired or being constructed for sale in the ordinary course of business, rather than to be held for rental or capital appreciation, is held as inventory property and is measured at the lower cost and net realisable value.

Cost includes:

- Freehold and leasehold rights for land;
- Amounts paid to contractors for construction; 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 ending date of the accounting period and discounted for the time value of money (if material), less costs to completion and the estimated costs of sale.

The cost of inventory property recognized 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 the relative size of the property sold.

### 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. Increases or decreases to the provision balance are recorded as general and administration expense in the interim consolidated income statement.

# Phat Dat Real Estate Development Corporation

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
As at 30<sup>th</sup> June 2021

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

### 3.4 *Fixed assets*

Tangible fixed assets and intangible fixed assets are stated at cost less accumulated depreciation and amortization.

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

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

When 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.

*Where the Group is the lessee*

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

*Where the Group is the lessor*

Assets subject to operating leases are included as the group's investment properties in the consolidated balance sheet. Initial direct costs incurred in negotiating an operating lease are recognised in the interim consolidated income statement as incurred

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

### 3.6 *Depreciation and amortization*

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

Buildings and structures	5 - 25 years
Machinery and equipment	6 - 7 years
Means of transportation	3 - 6 years
Computer software	3 years

### 3.7 *Investment properties*

Investment properties comprise land use rights, buildings or part of a building or both and infrastructure held to earn rentals or for capital appreciation, or both, rather than for use in the production or supply of goods or services; administration purposes or sale in the ordinary course of business.

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

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

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

Buildings and structures	25 - 48 years
--------------------------	---------------

Land use rights with indefinite useful life are not amortised.

# Phat Dat Real Estate Development Corporation

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
As at 30<sup>th</sup> June 2021

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

### 3.7 *Investment properties (continued)*

Investment properties are derecognized 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 a change in use, evidenced by commencement of owner-occupation or commencement of development with a view to sale. The transfer from investment property to owner-occupied property or inventories does not change the cost or the carrying value of the property for subsequent accounting at the date of change in use.

### 3.8 *Construction in progress*

Construction in progress represents fixed assets under construction and is stated at historical cost. This includes costs of construction, installation of equipment and other direct costs. Construction in progress is not depreciated until such time as the relevant assets are completed and put into operation.

### 3.9 *Borrowing costs*

Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds and are recorded as expense during the period in which they are incurred, except to the extent that they are capitalised as explained in the following paragraph.

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that necessarily take a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset.

### 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.

The following types of expenses are recorded as prepaid expense and are amortised or recognised consistently with revenue to the interim consolidated income statement:

- The EverRich 2 project compensation expenses and management fees;
- Commission fees;
- Advertising expenses;
- Office renovation costs; and
- Tools and supplies.

### 3.11 *Assets acquisitions and business combinations*

The Group acquires subsidiaries that own assets and production activities. At the date of the acquisition, the Group considers whether the acquisition represents the acquisition of a business. The Group accounts for an acquisition as a business combination where an integrated set of activities is acquired in addition to the assets.

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 tax is recognised.

# Phat Dat Real Estate Development Corporation

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
As at 30<sup>th</sup> June 2021

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

### 3.12 *Investments*

#### *Investments in associates*

The Group's investments in its associates are accounted for using the equity method of accounting. An associate is an entity in which the Group has significant influence that is neither subsidiaries nor joint ventures. The Group 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 consolidated balance sheet at cost, then plus post-acquisition changes in the Group's share of net assets of the associate. Goodwill arising on acquisition of the associate is included in the carrying amount of the investment. Goodwill is not amortised. The interim consolidated income statement reflects the share of the post-acquisition results of operation of the associate.

The share of post-acquisition profit (loss) of the associate 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 investment. Dividend receivable from associate reduces the carrying amount of the investment.

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

#### *Held-to-maturity investments*

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

#### *Provision for diminution in value of investments*

Provision of the investment is made when there are reliable evidences of the diminution in value of those investments at the balance sheet date. Increases or decreases to the provision balance are recorded as finance expenses in the interim consolidated income statement.

### 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 Group.

### 3.14 *Foreign currency transactions*

Transactions in currencies other than the Group's reporting currency of VND are recorded at the actual transaction exchange rates at transaction dates which are determined as follows:

- Transactions resulting in receivables are recorded at the buying exchange rates of the commercial banks designated for collection; and
- Transactions resulting in liabilities are recorded at the selling exchange rates of the commercial banks designated for payment;

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

- Monetary assets are translated at buying exchange rate of the commercial bank where the Group conducts transactions regularly; and

# Phat Dat Real Estate Development Corporation

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
As at 30<sup>th</sup> June 2021

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

### 3.14 *Foreign currency transactions (continued)*

- Monetary liabilities are translated at selling exchange rate of the commercial bank where the Group conducts transactions regularly.

All foreign exchange differences incurred are taken to the interim consolidated income statement.

### 3.15 *Appropriation of net profits*

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

The Group maintains the following reserve funds which are appropriated from the Group's net profit as proposed by the Board of Directors ("BOD") and subject to approval by shareholders at the annual general meeting.

#### *Investment and development fund*

This fund is set aside for use in the Group's expansion of its operation or in-depth investments.

#### *Bonus and welfare fund*

This fund is set aside for the purpose of pecuniary rewarding and encouraging, common benefits and improvement of the employees' benefits and presented as a liability on the interim consolidated balance sheet.

#### *Dividends*

Final dividends proposed by the Company's BOD are classified as an allocation of undistributed earnings within the equity section on the consolidated balance sheet, until they have been approved by shareholders at the annual general meeting. At that time, they are recognised as a liability in the consolidated balance sheet.

### 3.16 *Revenue recognition*

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group 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 recognised:

#### *Sale of apartments*

For apartments sold after completion of construction, the revenue is recognised when the significant risks and rewards of ownership of apartments have been transferred to the buyers, usually upon the handing over of apartments.

#### *Sale of residential plots and related infrastructure*

Revenue is recognised when the significant risks and rewards of ownership of residential plots and related infrastructures have been transferred to the buyers, usually upon the handing over of residential plots and related infrastructures.

#### *Rental income*

Rental income receivable under operating leases is recognised on a straight-line basis over the term of the lease, except for extraordinary rental income recognized when incurred

#### *Rendering of services*

Revenue is recognised upon the services had been provided and completed.

#### *Interest income*

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

# Phat Dat Real Estate Development Corporation

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
As at 30<sup>th</sup> June 2021

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

### 3.17 Taxation

#### *Current income tax*

Current income tax assets and liabilities for the current and previous years are measured at 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 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 Group to offset current tax assets against current tax liabilities and when the Group intends to settle its current tax assets and liabilities on a net basis.

#### *Deferred tax*

Deferred tax is provided using the balance sheet 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. 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.

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 income 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.

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

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right for the Group to offset current tax assets against current tax liabilities and when they relate to income taxes levied on the same taxable entity by the same taxation authority.

### 3.18 Earnings per share

Basic earnings per share amount is computed by dividing net profit after tax for the period attributable to ordinary shareholders of the Company (after adjusting for the bonus and welfare fund and BOD's remuneration) by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share amounts are calculated by dividing the net profit after tax attributable to ordinary shareholders of the Company (after adjusting for the bonus and welfare fund and BOD's remuneration) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

# Phat Dat Real Estate Development Corporation

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
As at 30<sup>th</sup> June 2021

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

### 3.19 Segment information

A segment is considered as an independent department of the Group which involve in the process of providing products or rendering services (business segment), or providing products or rendering services in a specific economic environment (geographical segment). These departments are responsible for risk and gain benefit separately from other departments.

The Group's principal activities are to construct and trade real estate properties; to undertake the civil and industrial projects, bridges and roads; and to provide real estate brokerage and valuation services, and real estate trading centre and management. In addition, these activities are mainly taking place within Vietnam. Therefore, the Group's risks and returns are not impacted by the Group's products that the Group is constructing or the locations where the Group is operating. As a result, the Group's management is of the view that there is only one segment for business and geography and therefore presentation segmental information is not required.

### 3.20 Related parties

Parties are considered to be related parties of the Group if one party has the ability to, directly or indirectly, control the other party or exercise significant influence over the other party in making financial and operating decisions, or when the Group and the other party are under common control or under common significant influence. Related parties can be enterprise or individual, including close members of their families.

## 4. CASH AND CASH EQUIVALENTS

	VND	
	<i>As at 30<sup>th</sup> June 2021</i>	<i>As at 31<sup>st</sup> December 2020</i>
Cash on hand	105,71,301	194,029,113
Cash in banks	290,717,880,295	46,972,324,611
Cash equivalents (*)	6,000,000,000	6,000,000,000
<b>TOTAL</b>	<b><u>296,823,592,596</u></b>	<b><u>53,166,353,724</u></b>

(\*) Cash equivalents represent term deposit at bank with original maturity of no greater than 3 months and earning interest at the rate of 3.5% per annum.

## 5. HELD-TO-MATURITY INVESTMENTS

Held-to-maturity investments represent deposits at banks with original maturities of twelve months and earning interest at the rates ranging from 4.95% to 6.38% per annum.

# Phat Dat Real Estate Development Corporation

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
As at 30<sup>th</sup> June 2021

## 6. TRADE RECEIVABLES

	VND	
	<i>As at</i>	<i>As at</i>
	<i>30<sup>th</sup> June 2021</i>	<i>31<sup>st</sup> December 2020</i>
<b>Short-term</b>	<b>365,188,690,410</b>	<b>170,232,056,537</b>
Danh Khoi Holdings Investment Joint Stock Company	202,348,732,000	-
Thien Minh Real Estate Investment Corporation	70,615,693,202	70,615,693,202
CDK Real Estate Joint Stock Company	57,000,000,000	-
AKYN Service Trading Investment Joint Stock Company	-	51,148,400,000
Others	35,224,265,208	48,467,963,335
<b>Long-term</b>	<b>50,000,000,000</b>	<b>50,000,000,000</b>
AKYN Service Trading Investment Joint Stock Company	50,000,000,000	50,000,000,000
<b>TOTAL</b>	<b>415,188,69,410</b>	<b>220,232,056,537</b>
Provision for doubtful short-term receivables	(1,041,544,375)	(1,041,544,375)
<b>NET</b>	<b><u>414,147,146,035</u></b>	<b><u>219,190,512,162</u></b>

## 7. SHORT-TERM ADVANCES TO SUPPLIERS

	VND	
	<i>As at</i>	<i>As at</i>
	<i>30<sup>th</sup> June 2021</i>	<i>31<sup>st</sup> December 2020</i>
Land Clearance and Compensation Corporation	178,934,648,207	178,881,848,207
Central Construction Corporation	147,804,853,158	147,804,853,158
Mr. Pham Cong Thanh	100,000,000,000	100,000,000,000
Ms Nguyen Thi Phuong Thao	85,771,947,060	85,371,128,500
Mr. Tran Hung Cuong	75,000,000,000	-
Duc Khai Corporation	70,228,366,367	70,228,366,367
Mr. Nguyen Cao Tien	51,000,000,000	36,000,000,000
620 Infrastructure Development and Investment Corporation	-	373,200,000,000
Ms. Nguyen Thi My Duyen	-	54,000,000,000
Others	35,754,642,479	25,115,126,407
<b>TOTAL</b>	<b><u>744,494,457,271</u></b>	<b><u>1,070,601,322,639</u></b>

# Phat Dat Real Estate Development Corporation

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
As at 30<sup>th</sup> June 2021

## 8. OTHER RECEIVABLES

	As at 30 <sup>th</sup> June 2021	VND As at 31 <sup>st</sup> December 2020
<b>Short-term</b>	<b>1,119,207,775,961</b>	<b>276,292,715,200</b>
Mr. Pham Ngoc Dung	480,000,000,000	-
Mr. Nguyen Huy Le	479,985,988,000	-
Minh Hoang Real Estate Business Joint Stock Company (i)	79,982,000,000	200,000,000,000
Truong Phat Loc Shipping Joint Stock Company (ii)	50,000,000,000	50,000,000,000
AKYN Service Trading Investment Joint Stock Company (iii)	10,000,000,000	10,000,000,000
Deposits	810,560,000	733,360,000
Others	18,429,227,961	15,559,355,200
<b>Long-term</b>	<b>882,982,056,580</b>	<b>938,174,914,270</b>
Phu Quoc Doan Anh Duong Corporation (iv)	299,888,000,000	356,000,000,000
Tan Hoang Real Estate Corporation (v)	223,000,000,000	223,000,000,000
Tam Binh Real Estate Corporation (v)	200,000,000,000	200,000,000,000
Truong Phat Loc Shipping Joint Stock Company (ii)	76,400,000,000	76,400,000,000
AKYN Service Trading Investment Joint Stock Company (iii)	40,000,000,000	40,000,000,000
Phu Quoc Economic Zone Management Board	38,548,000,000	38,548,000,000
Deposits	5,146,056,580	3,960,245,380
Others	-	266,668,890
<b>TOTAL</b>	<b><u>2,002,189,832,541</u></b>	<b><u>1,214,467,629,470</u></b>

(i) On 8<sup>th</sup> December 2017, The Company signed a Business Cooperation Contract (“BCC”) with Minh Hoang Real Estate Business Joint Stock Company regarding the development of commercial floors and office-apartments of Millennium project located at No. 132 Ben Van Don Street, Ward 6, District 4, Ho Chi Minh City (“Millennium project”). According to the BCC, the Company made a capital contribution in the amount of 500,000,000,000 VND and shall receive actual profits arising from the above business.

As at the balance sheet date, the Company has received 65,000,000,000 VND of distributed profit, and the receivable amount is VND 79,982,000,000 of contributed capital.

(ii) On 10<sup>th</sup> November 2015, the Company signed a BCC with Truong Phat Loc Shipping Joint Stock Company regarding the development of the Millennium project. According to the BCC, the Company made a capital contribution in the amount of 126,400,000,000 and shall receive actual profits arising from the project. On 30<sup>th</sup> August 2018, the two parties proceeded to liquidate the contract. Accordingly, the Company will recover the contributed capital and enjoy the profit divided in the amount of 125,000,000,000 VND.

As at the balance sheet date, the Company has received 125,000,000,000 of distributed profit, and the receivable amount is 126,400,000,000 VND of contributed capital.

(iii) On 12<sup>th</sup> April 2016, the Company signed a BCC with AKYN Service Trading Investment Joint Stock Company regarding the development of the project located at No. 293 Cach Mang Thang Tam Street, Ward 4, District 3, HCMC. According to the BCC, the Company made a capital contribution of 100,939,751,900 VND.

On 25<sup>th</sup> December 2017, the two parties proceeded to liquidate the contract. Accordingly, the Company transferred the full rights to develop the project to AKYN Service Trading Investment Joint Stock Company and collected the agreed profit of VND 180,000,000,000.

# Phat Dat Real Estate Development Corporation

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
As at 30<sup>th</sup> June 2021

## 8. OTHER RECEIVABLES (continued)

As at the balance sheet date, the receivable amount is 50,000,000,000 VND of contributed capital.

- (iv) On 18<sup>th</sup> December 2017, the Company signed an Investment Cooperation Contract (“ICC”) with Phu Quoc Doan Anh Duong Corporation regarding the construction and business of the Vung Bau Ecotourism project located in Cua Can Commune, Phu Quoc City, Kien Giang Province with a total value of 1,727,000,000,000 and shall receive profits from business results in proportion of capital contribution.

According to the ICC, the Company made a capital contribution of 476,000,000,000 VND.

As at the balance sheet date, the Company has recovered 176,112,000,000 VND, the remaining contributed capital, according to the ICC, is 299,888,000,000 VND.

- (v) On 12<sup>th</sup> July 2017, the Company signed the ICC No. 01/2017/HĐHTĐT/PĐ-TB-TH with Tam Binh Real Estate Corporation (“Tam Binh”) and Tan Hoang Real Estate Corporation (“Tan Hoang”) regarding the construction and development of the ICD located in Long Binh Ward, District 9, HCMC. The Company made capital contributions to Tam Binh an amount of 200,000,000,000 VND and to Tan Hoang an amount of 223,000,000,000 VND and shall receive landholdings upon project completion in proportion of capital contribution.

As at the balance sheet date, the relevant receivable amount is 423,000,000,000 VND of contributed capital.

## 9. INVENTORIES

	As at 30 <sup>th</sup> June 2021	VND As at 31 <sup>st</sup> December 2020
Real estate properties (*)	12,016,381,369,576	9,330,555,534,275
Merchandise	472,479,120	472,479,120
<b>TOTAL</b>	<b><u>12,016,853,848,696</u></b>	<b><u>9,331,028,013,395</u></b>

- (\*) Real estate properties mainly include compensation costs, land use levy paid to the state, land clearance costs, construction costs, capitalised interest and other development costs incurred for the following on-going real estate projects:

	As at 30 <sup>th</sup> June 2021	VND As at 31 <sup>st</sup> December 2020
The EverRich 2 project (River City) (i)	3,603,774,811,610	3,603,774,811,610
Tropicana Ben Thanh Long Hai project (ii)	1,988,692,950,430	1,987,898,486,111
Binh Duong Tower project (iii)	1,595,848,364,328	-
Nhon Hoi Ecotourism City project (iv)	1,172,898,823,444	1,473,833,872,177
Phuoc Hai project (v)	1,372,117,701,855	-
The EverRich 3 project (vi)	876,616,187,469	876,296,187,469
Binh Duong Commercial Center and Luxury Apartment project (“Astral City project”) (vii)	625,755,765,258	624,315,412,280
Residential handicraft village and commune center of Ham Ninh (viii)	399,005,240,851	398,957,896,396
Ngo May project (ix)	137,574,421,136	133,451,877,454
Bac Ha Thanh residences in combination with urban gentrification (x)	42,502,052,160	41,211,143,070
Phat Dat Bau Ca project (xi)	26,336,175,364	25,530,072,475
Other projects	175,258,875,671	165,285,775,233
<b>TOTAL</b>	<b><u>12,016,381,369,576</u></b>	<b><u>9,330,555,534,275</u></b>

# Phat Dat Real Estate Development Corporation

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
As at 30<sup>th</sup> June 2021

## 9. INVENTORIES (Continued)

Details of on-going real estate projects are as follows:

### (i) *The EverRich 2 project*

This project is located at No. 422 Dao Tri Street, Quarter 1, Phu Thuan Ward, District 7, Ho Chi Minh City. The ending balance of this project is mainly for land compensation and construction costs.

As at the balance sheet date, the Company is in progress to fulfil the Government's requirements for transferring the remaining parts in accordance with the ICC entered with Big Gain Investment Limited Company.

### (ii) *Ben Thanh - Long Hai project*

This project is located at 44A Provincial Road, Phuoc Hai Town, Dat Do District, Ba Ria - Vung Tau Province, Vietnam.

As at the balance sheet date, the project mainly consisted of land compensation, land use levy paid to the state budget, design, site leveling and construction costs.

### (iii) *Binh Duong Tower project*

This project is located in Hoa Lan 1 Quarter, Thuan Giao Ward, Thuan An Town, Binh Duong Province, Vietnam.

As at the balance sheet date, the project mainly consisted of the cost of project transfer, land use right transfer, design, consulting, survey and other construction costs.

### (iv) *Nhon Hoi Ecotourism City project*

This project includes Zone 2, Zone 4, and Zone 9 of Nhon Hoi Ecotourism City in Nhon Hoi Economic Zone, Binh Dinh Province.

As at the balance sheet date, the project mainly consisted of land use levy paid into the state budget, design, consulting and survey costs, infrastructure construction and capitalized interest expense funding for investment and project development.

### (v) *Phuoc Hai project*

This project is located in Hai Tan Quarter, Phuoc Hai Town, Dat Do District, Ba Ria - Vung Tau Province, Vietnam.

As at the balance sheet date, the project mainly consisted of project transfer costs and other construction costs.

### (vi) *The EverRich 3 project*

This project is located in Tan Phu Ward, District 7, Ho Chi Minh City. The ending balance of this project mainly includes land compensation, land use levy paid to the state budget, design costs, site leveling and infrastructure construction costs. As at the balance sheet date, the low-rise residential plots were completed and put on the market.

On 27<sup>th</sup> February 2019, the Company signed contract No. E3-B1-B4/HDCNDA-DIC and the annex dated 19<sup>th</sup> March 2019 on the transfer of a part of the Residential Project in Tan Phu Ward, District 7 including land use rights of 2 residential plots B1 and B4.

As at the balance sheet date, the Company is in progress to fulfil the Government's requirements for transferring the remaining parts of this project in accordance with the ICC entered with Dynamic Innovation Investment Limited Company.

# Phat Dat Real Estate Development Corporation

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
As at 30<sup>th</sup> June 2021

## 9. INVENTORIES (continued)

### (vii) Binh Duong Commercial Center and Luxury Apartment project (“Astral City project”)

This project is located at land lot No. 1186-1187, map sheet No. 6-2(D2), Binh Duc Quarter, Binh Hoa Ward, Thuan An City, Binh Duong Province, Vietnam.

As at the balance sheet date, the project mainly consisted of land compensation, land use levy paid into the state budget, design, consulting, survey and infrastructure construction costs.

### (viii) Residential handicraft village and commune center of Ham Ninh

This project is located in Ham Ninh Commune, Phu Quoc City, Kien Giang Province, Vietnam. As at the balance sheet date, the project mainly consisted of design, consulting, surveying and infrastructure construction costs.

### (ix) Ngo May project

This project is located at No. 01 Ngo May Street, Nguyen Van Cu Ward, Quy Nhon City, Binh Dinh Province, Vietnam.

As at the balance sheet date, the project mainly consisted of land auction paid to the state budget, design, consulting, survey and infrastructure construction costs.

### (x) Bac Ha Thanh Residences in combination with urban gentrification

Bac Ha Thanh Residences in combination with urban gentrification project is located in Phuoc Thuan Commune, Tuy Phuoc District, Binh Dinh Province.

As at the balance sheet date, the project mainly consisted of land use levy paid into the state budget, design, consulting, investment survey and project development costs.

### (xi) Phat Dat Bau Ca project

This project is Phat Dat Bau Ca residential project located in Le Hong Phong and Tran Hung Dao Wards, Quang Ngai City. This project is in the progress of handing over the land and transferring ownership to customers.

## 10. PREPAID EXPENSES

	As at 30 <sup>th</sup> June 2021	VND As at 31 <sup>st</sup> December 2020
<b>Short-term</b>	<b>5,800,820,036</b>	<b>4,699,725,667</b>
Advertising expenses	560,431,635	2,288,110,083
Office renovation	3,616,421,070	-
Others	1,623,967,331	2,411,615,584
<b>Long-term</b>	<b>1,031,001,299,187</b>	<b>964,520,684,604</b>
The EverRich 2 project compensation expenses (*)	923,823,243,655	923,823,243,655
Commission fee	89,453,844,088	20,763,679,587
Office renovation	7,394,678,006	5,703,519,522
Advertising expenses	2,146,801,081	4,979,719,223
Others	8,182,732,357	9,250,522,617
<b>TOTAL</b>	<b>1,036,802,119,223</b>	<b>969,220,410,271</b>

(\*) This is the compensation expenses paid to CRE & AGI consulting Joint Stock Company and Phu Hung Company according to the Liquidation Minute dated 8th February 2018 to partially complete the legal conditions before transferring the project under the ICC entered with Big Gain Investment Limited Company.

# Phat Dat Real Estate Development Corporation

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
As at 30<sup>th</sup> June 2021

## 11. TANGIBLE FIXED ASSETS

				VND
	<i>Buildings and structures</i>	<i>Machinery and equipment</i>	<i>Means of transportation</i>	<i>Total</i>
<b>Cost</b>				
As at 31st December 2020	34,020,488,862	7,072,475,613	28,452,034,286	69,544,998,761
New purchase	-	-	4,357,403,638	4,357,403,638
As at 30th June 2021	<u>34,020,488,862</u>	<u>7,072,475,613</u>	<u>32,809,437,924</u>	<u>73,902,402,399</u>
<i>In which:</i>				
<i>Fully depreciated</i>	5,141,750,887	4,082,619,358	4,486,489,376	13,710,859,621
<b>Accumulated depreciation</b>				
As at 31st December 2020	(18,349,476,269)	(4,642,594,870)	(12,876,676,147)	(35,868,747,286)
Depreciation for the period	<u>(345,673,553)</u>	<u>(445,607,571)</u>	<u>(2,242,833,229)</u>	<u>(3,034,114,353)</u>
As at 30th June 2021	<u>(18,695,149,822)</u>	<u>(5,088,202,441)</u>	<u>(15,119,509,376)</u>	<u>(38,902,861,639)</u>
<b>Net carrying amount</b>				
As at 31st December 2020	<u>15,671,012,592</u>	<u>2,429,880,744</u>	<u>15,575,358,139</u>	<u>33,676,251,475</u>
As at 30th June 2021	<u>15,325,339,040</u>	<u>1,984,273,172</u>	<u>17,689,928,548</u>	<u>34,999,540,760</u>

## 12. INTANGIBLE FIXED ASSETS

	VND
	<i>Computer software</i>
<b>Cost</b>	
As at 31st December 2020	3,357,367,536
New purchase	<u>634,680,000</u>
As at 30th June 2021	<u>3,992,047,536</u>
<i>In which:</i>	
<i>Fully amortised</i>	2,154,470,536
<b>Accumulated amortisation</b>	
As at 31st December 2020	(2,956,401,880)
Amortisation for the period	<u>(271,002,836)</u>
As at 30th June 2021	<u>(3,227,404,716)</u>
<b>Net carrying amount</b>	
As at 31st December 2020	<u>400,965,656</u>
As at 30th June 2021	<u>764,642,820</u>

# Phat Dat Real Estate Development Corporation

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
As at 30<sup>th</sup> June 2021

## 13. INVESTMENT PROPERTIES

	VND		
	<i>Land use rights</i>	<i>Buildings and structures</i>	<i>Total</i>
<b>Cost</b>			
As at 31st December 2020			
As at 30th June 2021	<u>7,306,972,991</u>	<u>68,357,297,281</u>	<u>75,664,270,272</u>
<b>Accumulated depreciation</b>			
As at 31st December 2020	-	(6,272,486,080)	(6,272,486,080)
Depreciation for the period	-	(768,059,520)	(768,059,520)
As at 30th June 2021	<u>-</u>	<u>(7,040,545,600)</u>	<u>(7,040,545,600)</u>
<b>Net carrying amount</b>			
As at 31st December 2020	<u>7,306,972,991</u>	<u>62,084,811,201</u>	<u>69,391,784,192</u>
As at 30th June 2021	<u>7,306,972,991</u>	<u>61,316,751,681</u>	<u>68,623,724,672</u>

The land use right is valued at 7,306,972,991 VND corresponding to the ownership of basement B1 & B2 at The EverRich project, No. 968, 3/2 Street, District 11, Ho Chi Minh City.

The fair values of the investment properties were not formally assessed and determined as at 30<sup>th</sup> June 2021. However, given the current occupancy rate of these properties and market price of surrounding land, it is management's assessment that these properties' market values are higher than their carrying value as at this date.

## 14. CONSTRUCTION IN PROGRESS

	VND	
	<i>As at 30<sup>th</sup> June 2021</i>	<i>As at 31<sup>st</sup> December 2020</i>
Office building project at No. 39 Pham Ngoc Thach Street	440,870,527,127	424,892,553,707
The Internal Technical Infrastructure Construction Ancient project in District 9, Ho Chi Minh City	389,243,459,078	376,814,929,277
Phan Dinh Phung Sports Center project	75,533,201,173	75,252,925,173
Hospital for Traumatology & Orthopaedics project	7,976,940,104	7,976,940,104
Enterprise Resource Planning Software (ERP- SAP)	11,735,986,310	11,040,986,310
Others	<u>3,289,010,455</u>	<u>2,198,101,364</u>
<b>TOTAL</b>	<u><b>928,649,124,247</b></u>	<u><b>898,176,435,935</b></u>

# Phat Dat Real Estate Development Corporation

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
As at 30<sup>th</sup> June 2021

## 15. INVESTMENT IN ASSOCIATES

	As at 30 <sup>th</sup> June 2021		As at 31 <sup>st</sup> December 2020	
	%	Amount	%	Amount
		VND		VND
BIDICI Real Estate Joint Stock Company (i)	49.00	1,092,700,000,000	49.00	1,092,700,000,000
PDP Project Construction Investment Limited Company (ii)	49.00	7,912,000,000	49.00	6,067,000,000
Serenity Investment Joint Stock Company	-	-	36.40	635,182,000,000
<b>TOTAL</b>		<b><u>1,100,612,000,000</u></b>		<b><u>1,733,949,000,000</u></b>

(i) *BIDICI Real Estate Joint Stock Company ("BIDICI Real Estate")*

BIDICI Real Estate is a shareholding company incorporated under the Law on Enterprises of Vietnam pursuant to the BRC No. 4101576855 issued by the DPI of Binh Dinh Province on 16<sup>th</sup> October 2020. BIDICI's registered head office is located at No. 1 Ngo May Street, Nguyen Van Cu Ward, Quy Nhon City, Binh Dinh Province, Vietnam. The principal activity of BIDICI is to trade real estate properties. According to the 1<sup>st</sup> amended BRC No. 4101576855 issued by the DPI of Binh Dinh Province on 16<sup>th</sup> December 2020, BIDICI Real Estate's charter capital is 2,230,000,000,000 VND

As at the balance sheet date, the Company holds a 49% equity share and voting rights in this company.

(ii) *PDP Project Construction Investment Limited Company ("PDP")*

PDP is a limited liability company with two or more members incorporated under the Law on Enterprise of Vietnam pursuant to the BRC No. 0315143682 issued by the DPI of Ho Chi Minh City on 3<sup>rd</sup> July 2018. PDP's registered head office is located at Floor 9 Tower B, Viettel Building, 285 Cach Mang Thang Tam Street, Ward 12, District 10, Ho Chi Minh City, Vietnam. The principal activity of PDP is to trade real estate properties. PDP's current main project is Phan Dinh Phung construction project at 8 Vo Van Tan, Ward 6, District 3, Ho Chi Minh City. As at the balance sheet date, the Group has contributed of VND 7,912,000,000 over its charter capital of VND 147,000,000,000 as per BRC.

## 16. SHORT-TERM TRADE PAYABLES

	VND	
	As at 30 <sup>th</sup> June 2021	As at 31 <sup>st</sup> December 2020
Mr. Pham Ngoc Dung	920,000,000,000	-
Phu My Hung Investment Corporation	165,122,193,621	165,122,193,621
Sai Gon Transport Construction Joint Stock Company	31,336,050,766	31,336,050,766
Thien An Mechanical Limited Company	18,031,618,616	30,298,070,520
IDV Investment & Trading Joint Stock Company	12,540,947,074	13,074,589,917
Coteccons Construction Joint Stock Company	11,289,193,182	5,837,593,182
Dong Khanh Construction Limited Company	9,302,067,669	11,636,067,669
T&T Trading & Services Limited Company	8,624,676,500	20,388,979,200
Others	6,320,294,981	10,586,356,014
<b>TOTAL</b>	<b><u>1,182,567,042,409</u></b>	<b><u>288,279,900,889</u></b>

# Phat Dat Real Estate Development Corporation

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
As at 30<sup>th</sup> June 2021

## 17. SHORT-TERM ADVANCES FROM CUSTOMERS

This balance represents the advances received by the Company from customers under the purchase and sale contracts of the Nhon Hoi Ecotourism City Project, Phat Dat Bau Ca Project, Astral City Project and The EverRich Infinity Project.

	<i>As at 30<sup>th</sup> June 2021</i>	<i>VND As at 31<sup>st</sup> December 2020</i>
Nhon Hoi Ecotourism City Project	2,281,036,810,800	593,402,049,007
Others	<u>122,532,486,295</u>	<u>26,592,959,218</u>
<b>TOTAL</b>	<b><u>2,403,569,297,095</u></b>	<b><u>619,995,008,225</u></b>

## 18. STATUTORY OBLIGATIONS

	<i>As at 30<sup>th</sup> June 2021</i>	<i>VND As at 31<sup>st</sup> December 2020</i>
<b>Payables</b>	<b>143,231,589,827</b>	<b>489,894,325,264</b>
Corporate income tax	126,320,242,009	314,543,642,672
Value-added tax	9,017,505,098	172,345,363,638
Personal income tax	2,608,496,767	2,856,880,597
Others	5,285,345,953	148,438,357
<b>Receivables</b>	<b>48,035,775,693</b>	<b>11,975,490,978</b>
Corporate income tax (*)	24,641,024,161	170,656,053
Value-added tax	<u>23,394,751,532</u>	<u>11,804,834,925</u>
<b>TOTAL</b>	<b><u>95,195,814,134</u></b>	<b><u>477,918,834,286</u></b>

(\*) In accordance with Circular No. 96/2015/TT-BTC issued by the Ministry of Finance on 22<sup>nd</sup> June 2015 providing guidance on implementation of the Law on corporate income tax, the Group is entitled to provisionally pay tax at the rate of 1% on cash collections from its customers.

## 19. SHORT-TERM ACCRUED EXPENSES

	<i>As at 30<sup>th</sup> June 2021</i>	<i>VND As at 31<sup>st</sup> December 2020</i>
Interest expenses	26,884,328,760	70,161,180,594
Construction costs	7,412,206,792	3,870,537,650
Others	<u>1,340,795,675</u>	<u>4,174,133,557</u>
<b>TOTAL</b>	<b><u>35,637,331,227</u></b>	<b><u>78,205,851,801</u></b>

# Phat Dat Real Estate Development Corporation

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
As at 30<sup>th</sup> June 2021

## 20. OTHER PAYABLES

	<i>As at</i>	<i>VND</i>
	<i>30<sup>th</sup> June 2021</i>	<i>As at 31<sup>s</sup> December 2020</i>
<b>Short-term</b>	<b>930,307,450,821</b>	<b>1,480,519,543,789</b>
BIDICI Real Estate Investment Joint Stock Company	761,150,000,000	1,096,250,000,000
Deposits received	98,250,000,000	287,364,650,229
ICC – Nhon Hoi Ecotourism City project (i)	43,584,786,290	75,649,786,290
Others	27,322,664,531	21,255,107,270
<b>Long-term</b>	<b>5,547,433,656,616</b>	<b>5,551,706,991,616</b>
ICC – The EverRich 2 project (ii)	4,557,365,656,616	4,557,365,656,616
ICC – The EverRich 3 project (iii)	990,068,000,000	990,068,000,000
Others	-	4,273,335,000
<b>TOTAL</b>	<b><u>6,477,741,107,437</u></b>	<b><u>7,032,226,535,405</u></b>

- (i) The Company signed a Capital Contribution Agreement with individuals on the investment capital contribution to implement urban development projects in Zone 2, Zone 4 and Zone 9 of Nhon Hoi Ecotourism City.
- (ii) On 10<sup>th</sup> December 2018, the Company signed an ICC with Big Gain Investment Limited Company regarding the development of The EverRich 2 Project located at No. 422 Dao Tri Street, Quarter 1, Phu Thuan Ward, District 7, Ho Chi Minh City.
- (iii) On 10<sup>th</sup> December 2018, the Company signed an ICC with Dynamic Innovation Limited Company regarding the development of The EverRich 3 Project located in Tan Phu Ward, District 7, Ho Chi Minh City.

# Phat Dat Real Estate Development Corporation

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
As at 30<sup>th</sup> June 2021

## 21. LOANS

	<i>As at 31<sup>s</sup> December 2020</i>	<i>Increase</i>	<i>Decrease</i>	<i>Reclassify</i>	<i>Revaluation</i>	<i>As at 30<sup>th</sup> June 2021</i>
<b>Short-term</b>	<b>1,413,560,061,129</b>	<b>152,317,499,984</b>	<b>(1,094,385,350,000)</b>	<b>14,000,000,000</b>	<b>(2,542,500,000)</b>	<b>482,949,711,113</b>
Loans from banks (Note 21.1)	334,152,850,000		(320,152,850,000)	14,000,000,000	-	28,000,000,000
Bonds issued (Note 21.2)	457,632,211,129	2,317,499,984	(105,000,000,000)	-	-	354,949,711,113
Loans from other parties (Note 21.3)	621,775,000,000	150,000,000,000	(669,232,500,000)	-	(2,542,500,000)	100,000,000,000
<b>Long-term</b>	<b>485,244,818,638</b>	<b>676,838,514,697</b>	<b>(250,000,000,000)</b>	<b>(14,000,000,000)</b>	<b>-</b>	<b>898,083,333,335</b>
Loans from banks (Note 21.1)	238,000,000,000	-	-	(14,000,000,000)	-	224,000,000,000
Bonds issued (Note 21.2)	247,244,818,638	676,838,514,697	(250,000,000,000)	-	-	674,083,333,335
<b>TOTAL</b>	<b><u>1,898,804,879,767</u></b>	<b><u>829,156,014,681</u></b>	<b><u>(1,344,385,350,000)</u></b>	<b><u>-</u></b>	<b><u>(2,542,500,000)</u></b>	<b><u>1,381,033,044,448</u></b>

# Phat Dat Real Estate Development Corporation

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)

As at 30<sup>th</sup> June 2021

## 21. LOANS (continued)

### 21.1 Loans from banks

Details of the loans from banks are as follows:

<i>Bank</i>	<i>As at 30<sup>th</sup> June 2021</i>	<i>Principal repayment term</i>	<i>Purpose</i>	<i>Interest rate % p.a.</i>	<i>Description of collateral</i>
	VND				
<b><i>Vietnam Joint Stock Commercial Bank for Industry and Trade – Branch 11 Ho Chi Minh City</i></b>					
Loan 1	252,000,000,000	25 <sup>th</sup> April 2030	To finance office building project at District 3, Ho Chi Minh City	Interest rate of 12-month deposits + additional capital mobilization cost + 4	Land use rights and associated assets at District 3, Ho Chi Minh City
<b>TOTAL</b>	<b><u>252,000,000,000</u></b>				
<i>In which:</i>					
Short-term	28,000,000,000				
Long-term	224,000,000,000				

# Phat Dat Real Estate Development Corporation

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)

As at 30<sup>th</sup> June 2021

## 21. LOANS (continued)

### 21.2 Bonds issued

Details of the bonds issued at par value are as follows:

	<i>As at 30<sup>th</sup> June 2021</i>	<i>Principal repayment term</i>	<i>Purpose</i>	<i>Interest rate % p.a.</i>	<i>Description of collateral</i>
	<i>VND</i>				
2 <sup>nd</sup> bonds issued in 2020	299,949,711,113	2 <sup>nd</sup> July 2021	To finance the Group's projects	13	20,550,000 PDR shares owned by shareholders
3 <sup>rd</sup> bonds issued in 2020	55,000,000,000	9 <sup>th</sup> July 2021	To finance the Group's projects and its subsidiaries	13	2,400,000 PDR shares owned by shareholders
1 <sup>st</sup> bonds issued in 2021	396,833,333,335	2 <sup>nd</sup> February 2023	To finance the Group's projects and its subsidiaries	13	17,000,000 PDR shares owned by shareholders
2 <sup>nd</sup> bonds issued in 2021	148,533,333,334	28 <sup>th</sup> April 2023	To finance the Group's projects and its subsidiaries	13	5,000,000 PDR shares owned by shareholders
3 <sup>rd</sup> bonds issued in 2021	128,716,666,666	7 <sup>th</sup> May 2023	To finance the Group's projects and its subsidiaries	13	4,400,000 PDR shares owned by shareholders
<b>TOTAL</b>	<b><u>1,029,033,044,448</u></b>				
<i>In which:</i>					
<i>Short-term</i>	<i>354,949,711,113</i>				
<i>Long-term</i>	<i>674,083,333,335</i>				

# Phat Dat Real Estate Development Corporation

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)

As at 30<sup>th</sup> June 2021

## 21. LOANS (continued)

### 21.3 Loans from other parties

<i>Lender</i>	<i>As at 30<sup>th</sup> June 2021</i> <i>VND</i>	<i>Principal repayment term</i>	<i>Purpose</i>	<i>Interest rate</i> <i>% p.a.</i>	<i>Description of collateral</i>
Mirae Asset Finance Limited Company (Vietnam)	100,000,000,000 <hr/>	25 <sup>th</sup> May 2022	To finance the Group's projects and its subsidiaries	11	5,000,000 PDR shares owned by shareholders
<b>TOTAL</b>	<b><u>100,000,000,000</u></b>				

# Phat Dat Real Estate Development Corporation

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)

As at 30<sup>th</sup> June 2021

## 22. OWNERS' EQUITY

### 22.1 Movements in owners' equity

	VND				
	<i>Share capital</i>	<i>Share premium</i>	<i>Investment and development fund</i>	<i>Undistributed earnings</i>	<i>Total</i>
<b>As at 31<sup>st</sup> December 2020</b>					
As at 1 <sup>st</sup> January 2020	3,276,579,720,000	11,680,300,000	137,513,584,076	871,304,238,377	4,297,077,842,453
Net profit for the period	-	-	-	1,220,323,637,643	1,220,323,637,643
Allocation to fund	-	-	-	(16,640,913,781)	(16,640,913,781)
Appropriation of net profit			17,500,000,000	(17,500,000,000)	-
Share dividends	685,119,250,000	-	-	(685,119,250,000)	-
Cash dividends	-	-	-	(393,189,566,400)	(393,189,566,400)
BOD's allowance	-	-	-	(5,260,000,000)	(5,260,000,000)
<b>As at 31<sup>st</sup> December 2020</b>	<b><u>3,961,698,970,000</u></b>	<b><u>11,680,300,000</u></b>	<b><u>155,013,584,076</u></b>	<b><u>973,918,145,839</u></b>	<b><u>5,102,310,999,915</u></b>
<b>As at 30<sup>th</sup> June 2021</b>					
As at 1 <sup>st</sup> January 2021	3,961,698,970,000	11,680,300,000	155,013,584,076	973,918,145,839	5,102,310,999,915
Net profit for the period	-	-	-	503,290,852,782	503,290,852,782
Allocation to fund	-	-	24,400,000,000	(48,800,000,000)	(24,400,000,000)
Share dividends	906,020,190,000	-	-	(906,020,190,000)	-
BOD's allowance	-	-	-	(8,626,417,542)	(8,626,417,542)
Acquire shares of subsidiaries	-	-	-	7,115,715,674	7,115,715,674
<b>As at 30<sup>th</sup> June 2021</b>	<b><u>4,867,719,160,000</u></b>	<b><u>11,680,300,000</u></b>	<b><u>179,413,584,076</u></b>	<b><u>520,878,106,753</u></b>	<b><u>5,579,691,150,829</u></b>

# Phat Dat Real Estate Development Corporation

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
As at 30<sup>th</sup> June 2021

## 22. OWNERS' EQUITY (continued)

### 22.2 Ordinary shares

	As at 30 <sup>th</sup> June 2021	As at 31 <sup>s</sup> December 2020
	Shares	Shares
Authorised shares	486,771,916	396,169,897
Issued and paid-up shares	486,771,916	396,169,897

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

## 23. REVENUE FROM SALE OF GOODS AND RENDERING OF SERVICES

	VND	
	Quarter II - 2021	Quarter II - 2020
Sale of residential plots	242,110,118,759	540,473,219,591
Sale of project transfer	290,000,000,000	-
Sale of property transfer	3,480,000,000	9,960,000,000
Revenue from rendering of services	2,128,825,235	1,923,842,346
<b>TOTAL</b>	<b><u>537,718,943,994</u></b>	<b><u>552,357,061,937</u></b>

## 24. COST OF GOODS SOLD AND SERVICES RENDERED

	VND	
	Quarter II - 2021	Quarter II - 2020
Cost of residential plots	81,582,485,252	336,730,742,880
Cost of project transfer	48,735,292,115	-
Cost of property transfer	904,109,470	1,646,002,698
Cost of services rendered	824,367,305	736,197,025
<b>TOTAL</b>	<b><u>132,046,254,142</u></b>	<b><u>339,112,942,603</u></b>

## 25. FINANCE INCOME AND EXPENSES

	VND	
	Quarter II - 2021	Quarter II - 2020
<b>Finance income</b>	<b>3,258,982,039</b>	<b>843,424,284</b>
Interest income	941,482,039	843,424,284
Unrealized exchange rate gains	2,317,500,000	-
<b>Finance Expenses</b>	<b>29,311,074,903</b>	<b>6,692,430,097</b>
Interest expenses	28,235,629,217	-
Bond issuance costs	1,022,316,686	-
Others	53,129,000	6,692,430,097

## 26. SELLING EXPENSES AND GENERAL AND ADMINISTRATIVE EXPENSES

	VND	
	Quarter II - 2021	Quarter II - 2020
<b>Selling expenses</b>	<b>4,503,456,732</b>	<b>26,210,960,292</b>
Salaries	1,351,272,577	1,123,619,753
Commission fees	-	22,946,841,409
Advertising expenses	2,981,541,592	1,938,678,749
Others	170,642,563	201,820,381
<b>General and administrative expenses</b>	<b>44,306,767,417</b>	<b>28,811,241,959</b>
Salaries	27,084,750,069	15,076,275,914
Depreciation and amortisation	1,176,982,745	864,110,098
External services expenses	11,563,206,052	8,350,987,082
Others	4,481,828,551	4,519,868,865
<b>TOTAL</b>	<b><u>48,810,224,149</u></b>	<b><u>55,022,202,251</u></b>

# Phat Dat Real Estate Development Corporation

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
As at 30<sup>th</sup> June 2021

## 27. OTHER INCOME AND EXPENSES

	VND	
	Quarter II - 2021	Quarter II - 2020
<b>Other income</b>	<b>318,418,832</b>	<b>32,218,483</b>
Other income	318,418,832	32,218,483
<b>Other expenses</b>	<b>8,927,083,008</b>	<b>679,470,106</b>
Other expenses	8,927,083,008	679,470,106

## 28. CORPORATE INCOME TAX

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

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 for Quarter II 2021 could change at a later date upon final determination by the tax authorities.

### **Current corporate income tax**

The current CIT payable is based on the taxable profit for the current period. Taxable profit of the Company and its subsidiaries differs from the profits as reported in the interim consolidated income statement because it excludes items of income or expenses that are taxable or deductible in other periods and it further excludes items that are not taxable or deductible. The Company and its subsidiaries' liability for current tax is calculated using tax rates that have been enacted by the balance sheet date.

Reconciliation between taxable income and accounting profit before tax as reported in the Interim Consolidated Income Statement for Quarter II 2021 is presented below:

	VND	
	Quarter II - 2021	Quarter II - 2020
<b>Accounting profit before tax</b>	<b>322,201,708,663</b>	<b>151,725,659,647</b>
Loss carryforward from real estate trading in the previous period	-	-
<b>Estimated taxable income after loss carryforward</b>	<b>322,201,708,663</b>	<b>151,725,659,647</b>
<b>Estimated current CIT cost</b>	<b>71,219,982,939</b>	<b>30,976,181,739</b>
CIT payable at the beginning of the period	345,436,605,929	180,996,642,248
CIT payable in the period	71,431,004,526	31,008,372,813
CIT paid in the period	(315,188,392,607)	(42,720,289,576)
<b>CIT payables at the end of the period</b>	<b>101,679,217,848</b>	<b>169,284,725,485</b>
<i>In which:</i>		
<i>CIT payable at the end of the period</i>	126,320,242,009	169,559,344,711
<i>CIT receivable at the end of the period</i>	(24,641,024,161)	(274,619,226)

# Phat Dat Real Estate Development Corporation

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)

As at 30<sup>th</sup> June 2021

## 29. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Transactions with related companies and individuals include all transactions performed with companies and individuals with which the Company has a relationship through investor-investee relationships or through a common investor and will therefore be a member of the same company.

**Significant transactions with related parties during the period were as follows:**

<i>Related party</i>	<i>Relationship</i>	<i>Transaction</i>	<i>VND</i> <i>Quarter II - 2021</i>
<i>PDP Project Construction Investment Joint Stock Company</i>	Associate	Capital contribution	800,000,000
BIDICI Real Estate Investment Joint Stock Company	Associate	Collection of project transfer	335,000,000,000
		Repayment	335,100,000,000
AKYN Service Trading Investment Joint Stock Company	Related party	Collection of share transfer	50,000,000,000
BDSC Management Consulting Corporation	Related party	Payment of service received	420,000,000
Mr. Nguyen Van Dat	BOD Chairman	Advances	439,430,582,418
		Collection of advances	439,430,582,418
		Borrowing	487,795,557,332
		Repayment	547,861,343,058
Mr. Le Quang Phuc	BOD Member	Receipt of real estate transfer	8,764,080,000

# Phat Dat Real Estate Development Corporation

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
As at 30<sup>th</sup> June 2021

## 28. TRANSACTIONS AND BALANCES WITH RELATED PARTIES (Continued)

As at the balance sheet date, receivables and payables with related parties are as follows:

			VND
<i>Related party</i>	<i>Relationship</i>	<i>Transaction</i>	<i>As at 30<sup>th</sup> June 2021</i>
<b>Long-term trade receivables</b>			
AKYN Service Trading Investment Joint Stock Company	Related party	Share transfer	50,000,000,000
<b>Other short-term receivables</b>			
AKYN Service Trading Investment Joint Stock Company	Related party	Contributed capital from the ICC liquidation	10,000,000,000
<b>Other long-term receivables</b>			
AKYN Service Trading Investment Joint Stock Company	Related party	Contributed capital from the ICC liquidation	40,000,000,000
<b>Other short-term payables</b>			
BIDICI Real Estate Investment Joint Stock Company	Associate	Borrowing	761,150,000,000
Ms. Tran Thi Huong	BOD Vice Chairwoman	Deposit	800,000,000
Mr. Le Quang Phuc	BOD Member	Deposit	800,000,000
Mr. Tran Trong Gia Vinh	BOD Independent Member	Deposit	400,000,000
Mr. Le Minh Dung	BOD Independent Member	Deposit	800,000,000
Mr. Bui Quang Anh Vu	Chief Executive Officer	Deposit	800,000,000
Mr. Nguyen Thanh Thao	Vice President	Deposit	800,000,000

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
As at 30<sup>th</sup> June 2021

**28. TRANSACTIONS AND BALANCES WITH RELATED PARTIES (Continued)**

Remuneration to members of the BOD and the Management was as follows:

Individuals	Position	Remuneration		VND
		Quarter II - 2021	Quarter II - 2020	
Mr. Nguyen Van Dat	Chairman	2,314,522,024	1,375,286,769	
Ms. Tran Thi Huong	Vice Chairwoman	1,279,151,255	889,249,231	
Mr. Nguyen Tan Danh	Vice Chairman	120,000,000	422,436,000	
Mr. Le Quang Phuc	BOD member	120,000,000	287,412,000	
Mr. Doan Viet Dai Tu	BOD member	120,000,000	120,000,000	
Mr. Khuong Van Muoi	BOD Independent member	120,000,000	120,000,000	
Mr. Tran Trong Gia Vinh	BOD Independent member	120,000,000	120,000,000	
Mr. Le Minh Dung	BOD Independent member	120,000,000	120,000,000	
Mr. Bui Quang Anh Vu	Chief Executive Officer	1,702,198,947	1,008,621,077	
Mr. Nguyen Thanh Thao	Vice President	1,016,652,562	-	
Mr. Duong Hong Cam	Vice President	440,000,000	-	
Mr. Nguyen Dinh Tri	Vice President	460,000,000	-	
<b>TOTAL</b>		<b>7,932,524,788</b>	<b>4,463,005,077</b>	

**29. INVESTMENT COMMITMENTS**

As at 30<sup>th</sup> June 2021, detailed investment commitments of the Company were as follows:

	VND	
	As at 30 <sup>th</sup> June 2021	As at 31 <sup>st</sup> December 2020
Project construction commitments	798.138.467.808	698.453.825.967
Capital contribution commitments	339.200.000.000	285.763.000.000
<i>Phu Quoc Doan Anh Duong Corporation</i>	<i>200.112.000.000</i>	<i>144.000.000.000</i>
<i>PDP Project Construction Investment Joint Stock Company</i>	<i>139.088.000.000</i>	<i>141.763.000.000</i>
<b>TOTAL</b>	<b>1.137.338.467.808</b>	<b>984.216.825.967</b>

**30. EVENT AFTER THE BALANCE SHEET DATE**

There has been no matter or circumstance that has arisen since the balance sheet date that requires adjustment or disclosure in the interim consolidated financial statements of the Group.

Vo Thi Minh Hang  
Preparer

Nguyen Thi Thuy Trang  
Chief Accountant

Bui Quang Anh Vu  
Chief Executive Officer

19<sup>th</sup> July 2021