



CENTURY LAND JOINT STOCK COMPANY
(Incorporated in the Socialist Republic of Vietnam)

**AUDITED CONSOLIDATED
FINANCIAL STATEMENTS**

For the year ended 31 December 2019

CENTURY LAND JOINT STOCK COMPANY

1st Floor, Sky City B Tower, No. 88 Lang Ha, Lang Ha Ward,
Dong Da District, Hanoi, S.R. Vietnam

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CENTURY LAND JOINT STOCK COMPANY

1st Floor, Sky City B Tower, No. 88 Lang Ha, Lang Ha Ward,
Dong Da District, Hanoi, S.R. Vietnam

STATEMENT OF THE EXECUTIVE BOARD (Continued)

EXECUTIVE BOARD' S STATEMENT OF RESPONSIBILITY (Continued)

- Design and implement an effective internal control system for the purpose of properly preparing and presenting the consolidated financial statements so as to minimize errors and frauds.

The Executive Board is responsible for ensuring that proper accounting records are kept, which disclose, with reasonable accuracy at any time, the consolidated financial position of the Company and that the consolidated financial statements comply with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to consolidated financial reporting. The Executive Board is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of frauds and other irregularities.

The Executive Board confirms that the Company has complied with the above requirements in preparing these consolidated financial statements.

For and on behalf of the Executive Board,



Chu Huu Chien
Chief Executive Officer

30 March 2020

No.: 0934/VN1A-HN-BC

INDEPENDENT AUDITORS' REPORT

**To: The Shareholders
The Board of Directors and Executive Board
Century Land Joint Stock Company**

We have audited the accompanying consolidated financial statements of Century Land Joint Stock Company (the "Company"), prepared on 30 March 2020 as set out from page 05 to page 32, which comprise the consolidated balance sheet as at 31 December 2019, the consolidated income statement, the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

The Executive Board's Responsibility

The Executive Board is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to consolidated financial reporting, and for such internal control as the Executive Board determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Executive Board, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

INDEPENDENT AUDITORS' REPORT (Continued)

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at 31 December 2019, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to consolidated financial reporting.



Dang Chi Dung
Audit Partner

Audit Practising Registration Certificate
No. 0030-2018-001-1

Vu Manh Hung
Auditor

Audit Practising Registration Certificate
No. 2737-2018-001-1

DELOITTE VIETNAM COMPANY LIMITED

30 March 2019
Hanoi, S.R. Vietnam

CONSOLIDATED BALANCE SHEET

As at 31 December 2019

Unit: VND

ASSETS	Codes	Notes	Closing balance	Opening balance
A. CURRENT ASSETS	100		1,773,513,275,278	1,678,371,811,888
I. Cash	110	4	167,519,548,490	322,785,384,428
1. Cash and cash equivalent	111		114,579,301,900	322,785,384,428
2. Cash equivalents	112		52,940,246,590	-
II. Short-term receivables	130		1,439,223,211,461	894,504,065,731
1. Short-term trade receivables	131	5	813,472,253,359	682,721,841,425
2. Short-term advances to suppliers	132	6	22,028,994,890	11,920,898,155
3. Short-term loan receivables	135	7	154,500,000,000	-
4. Other short-term receivables	136	8	457,118,954,873	207,130,628,514
5. Provision for short-term doubtful debts	137	9	(7,896,991,661)	(7,269,302,363)
III. Inventories	140	10	141,709,747,174	459,866,859,977
1. Inventories	141		141,709,747,174	459,866,859,977
IV. Other short-term assets	150		25,060,768,153	1,215,501,752
1. Short-term prepayments	151	11	25,060,485,517	1,215,501,752
2. Value added tax deductibles	152		282,636	-
B. NON-CURRENT ASSETS	200		908,056,576,088	649,937,833,974
I. Long-term receivables	210		654,409,030,229	482,052,153,009
1. Other long-term receivables	216	8	654,409,030,229	482,052,153,009
II. Fixed assets	220		187,997,988,389	141,156,529,934
1. Tangible fixed assets	221	12	144,445,134,128	138,707,457,445
- Cost	222		164,596,115,004	148,172,635,005
- Accumulated depreciation	223		(20,150,980,876)	(9,465,177,560)
2. Finance lease assets	224		78,951,584	223,761,872
- Cost	225		460,800,000	460,800,000
- Accumulated depreciation	226		(381,848,416)	(237,038,128)
3. Intangible assets	227	13	43,473,902,677	2,225,310,617
- Cost	228		56,304,333,121	5,175,247,505
- Accumulated amortisation	229		(12,830,430,444)	(2,949,936,888)
III. Long-term assets in progress	240		42,446,678,380	19,720,849,068
1. Construction in progress	242	14	42,446,678,380	19,720,849,068
IV. Other long-term assets	260		23,202,879,090	7,008,301,963
1. Long-term prepayments	261	11	22,655,435,056	7,008,301,963
2. Deferred tax assets	262		547,444,034	-
TOTAL ASSET (270=100 + 200)	270		2,681,569,851,366	2,328,309,645,862

The accompanying notes are an integral part of these consolidated financial statements.

CENTURY LAND JOINT STOCK COMPANY

1st Floor, Sky City B Tower, No. 88 Lang Ha,
Lang Ha Ward, Dong Da District,
Hanoi, S.R. Vietnam

FORM B 01-DN/HN

Issued under Circular No.202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance

CONSOLIDATED BALANCE SHEET (Continued)

As at 31 December 2019


Unit: VND

RESOURCES	Codes	Notes	Closing balance	Opening balance
C. LIABILITIES	300		783,550,094,177	839,065,836,690
I. Current liabilities	310		779,500,548,629	836,906,097,565
1. Short-term trade payables	311	15	92,779,145,913	116,002,550,628
2. Short-term advances from customers	312		20,407,874,473	17,482,414,455
3. Taxes and amounts payable to the State budget	313	16	125,278,692,623	91,112,112,818
4. Payables to employees	314		99,495,449,211	59,927,164,887
5. Short-term accrued expenses	315	17	116,509,337,839	42,146,502,195
6. Short-term unearned revenue	318		2,178,160,777	8,231,035,939
7. Other current payables	319	18	206,684,888,112	296,055,997,090
8. Short-term loans	320	19	82,727,415,533	170,000,000,000
9. Bonus and welfare funds	322		33,439,584,148	35,948,319,553
II. Long-term liabilities	330		4,049,545,548	2,159,739,125
1. Other long-term payables	337	18	3,276,866,095	2,159,739,125
2. Deferred tax liabilities	341		772,679,453	-
D. EQUITY	400		1,898,019,757,189	1,489,243,809,172
I. Owners' equity	410	20	1,898,019,757,189	1,489,243,809,172
1. Owners' contributed capital	411		800,000,000,000	500,000,000,000
- Ordinary shares carrying voting rights	411a		800,000,000,000	500,000,000,000
2. Share premium	412		150,000,000,000	375,000,000,000
3. Other owner's capital	414		9,243,750,000	-
4. Treasury shares	415		(1,080,000)	-
5. Investment and development fund	418		66,560,395,434	35,160,215,370
6. Retained earnings	421		807,951,648,079	555,710,804,993
- Retained earnings accumulated to the prior year end	421a		421,243,472,719	240,409,450,154
- Retained earnings of the current year	421b		386,708,175,360	315,301,354,839
7. Non-controlling interests	429		64,265,043,676	23,372,788,809
TOTAL RESOURCES (440=300+400)	440		2,681,569,851,366	2,328,309,645,862


Nguyen Cong Son
Preparer


Le Thi Lan
Chief Accountant


Chu Huu Chien
Chief Executive Officer

30 March 2020 

The accompanying notes are an integral part of these consolidated financial statements.

CENTURY LAND JOINT STOCK COMPANY

1st Floor, Sky City B Tower, No. 88 Lang
Ha, Lang Ha Ward, Dong Da District,
Hanoi, S.R. Vietnam

FORM B 02-DN/HN

Issued under Circular No.202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance

CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2019

Unit: VND

ITEMS	Codes	Notes	Current year	Prior year
1. Gross revenue from goods sold and services rendered	01	22	2,325,233,584,054	1,687,183,565,455
2. Deductions	02		12,802,872,727	-
3. Net revenue from goods sold and services rendered (10=01-02)	10		2,312,430,711,327	1,687,183,565,455
4. Cost of sales	11	23	1,560,339,720,950	1,131,568,838,755
5. Gross profit from goods sold and services rendered (20=10-11)	20		752,090,990,377	555,614,726,700
6. Financial income	21	26	5,012,227,952	2,983,031,981
7. Financial expenses	22		22,231,183,764	-
- In which: Interest expense	23		22,231,183,764	-
8. Selling expenses	25	24	51,044,307,179	14,173,084,767
9. General and administration expenses	26	24	190,687,903,461	141,380,137,573
10. Operating profit (30=20+(21-22)-(25+26))	30		493,139,823,925	403,044,536,341
11. Other income	31		1,315,870,969	541,940,663
12. Other expenses	32		3,245,030,891	2,903,550,224
13. (Loss) from other activities (40=31-32)	40		(1,929,159,922)	(2,361,609,561)
14. Accounting profit before tax (50=30+40)	50		491,210,664,003	400,682,926,780
15. Current corporate income tax expense	51		98,239,955,912	80,643,658,724
16. Deferred corporate tax expense	52		225,235,419	-
16. Net profit after corporate income tax (60=50-51-52)	60		392,745,472,672	320,039,268,056
16.1. Attributable to equity holders of the Holding Company	61		388,774,476,599	315,301,354,839
16.2. Attributable to non-controlling interests	62		3,970,996,073	4,737,913,217
17. Basic earnings per share	70	27	4,860	3,659


Nguyen Cong Son
Preparer


Le Thi Lan
Chief Accountant


Chu Huu Chien
Chief Executive Officer

30 March 2020

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 December 2019

Unit: VND

ITEMS	Codes	Current year	Prior year
I. CASH FLOWS FROM OPERATING ACTIVITIES			
1. Profit before tax	01	491,210,664,003	400,682,926,780
2. Adjustments for:			
Depreciation and amortisation of fixed assets	02	20,711,107,160	6,445,352,574
Provisions	03	627,689,298	1,878,302,039
(Gain) from investing activities	05	(5,012,227,952)	(2,924,904,676)
Interest expense	06	22,231,183,764	-
3. Operating profit before movements in working capital	08	529,768,416,273	406,081,676,717
Increase, decrease in receivables	09	(542,299,930,363)	(414,748,428,109)
Increase, decrease in inventories	10	318,157,112,803	(455,842,310,750)
Increase, decrease in payables (excluding accrued loan interest and corporate income tax payable)	11	21,916,401,441	184,384,388,873
Increase, decrease in prepaid expenses	12	(39,492,116,858)	(1,339,997,558)
Interest paid	14	(22,231,183,764)	-
Corporate income tax paid	15	(85,163,908,667)	(66,717,646,272)
Other cash outflows	17	(25,568,454,786)	(17,406,819,839)
Net cash generated by/(used in) operating activities	20	155,086,336,079	(365,589,136,938)
II. CASH FLOWS FROM INVESTING ACTIVITIES			
1. Acquisition and construction of fixed assets and other long-term assets	21	(111,041,940,981)	(70,818,303,208)
2. Proceeds from sale, disposal of fixed assets and other long-term assets	22	-	72,727,273
3. Cash outflow for lending, buying debt instruments of other entities	23	(197,500,000,000)	(746,500,000,000)
4. Cash recovered from lending, selling debt instruments of other entities	24	42,000,000,000	746,500,000,000
5. Interest earned, dividends and profits received	27	3,858,433,431	2,852,177,403
Net cash (used in) investing activities	30	(262,683,507,550)	(67,893,398,532)
III. CASH FLOWS FROM FINANCING ACTIVITIES			
1. Proceeds from share issue and owners' contributed capital	31	39,605,000,000	625,000,000,000
2. Capital withdrawals, buy-back of issued shares	32	(1,080,000)	-
3. Proceeds from borrowings	33	272,927,415,533	170,000,000,000
4. Repayment of borrowings	34	(360,200,000,000)	(100,000,000,000)
Net cash (used in)/generated by financing activities	40	(47,668,664,467)	695,000,000,000
Net increase in cash (50=20+30+40)	50	(155,265,835,938)	261,517,464,530
Cash at the beginning of the year	60	322,785,384,428	61,267,919,898
Cash at the end of the year (70=50+60)	70	167,519,548,490	322,785,384,428


Nguyen Cong Son
Preparer


Le Thi Lan
Chief Accountant


Chu Huu Chien
Chief Executive Officer

30 March 2020

The accompanying notes are an integral part of these consolidated financial statements.

CENTURY LAND JOINT STOCK COMPANY

1st Floor, Sky City B Tower, No. 88 Lang Ha,
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Hanoi, S.R. Vietnam

FORM B 09-DN/HN

Issued under Circular No.202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT

These notes are an integral part of and should be read in conjunction with the accompanying consolidated financial statements

1. GENERAL INFORMATION**Structure of ownership**

Century Land Joint Stock Company operates under the Business Registration Certificate No. 0101160306 issued by Hanoi Authority for Planning and Investment on 20 August 2001 and its 18th amendment on 17 March 2020.

The Company's head office is located at 1st Floor, Sky City B Tower, No. 88 Lang Ha, Lang Ha Ward, Dong Da District, Hanoi City, Vietnam.

Operating industry and principal activities

The Company's operating industry and principal activities includes:

- Real estate brokerage and consulting services;
- Real estate business, trade of construction materials;
- Investing, consulting, brokerage financial services;
- Commercial brokerage; and
- Real estate management services.

Normal production and business cycle

For investment and real estate business, normal production and business cycle is carried out for a time period equal to the construction/implementation period of the relevant work/project.

For other business activities, normal production and business cycle is carried out for a time period of 12 months or less.

The Company's structure

The Company has four subsidiaries. General information about the Company's subsidiaries is as follows:

Name	Place of incorporation and operation	Proportion of ownership and interest %	Proportion of voting power held %	Principal activity
Subsidiaries				
World Star Real Estate Services Joint Stock Company	Hanoi	51,00%	51,00%	Real estate activities with owned or leased properties; consultancy, brokerage, management and advertising relating to real estate
Rising Star Media Joint Stock Company	Hanoi	80,00%	80,00%	Providing value-added services on the Internet, advertising, organizing trade promotion, market research
Cen Sai Gon Real Estate Joint Stock Company	Ho Chi Minh City	80,00%	80,00%	Real estate activities with owned or leased properties; consultancy, brokerage, management and advertising relating to real estate
Century M&I Joint Stock Company	Hanoi	51,00%	51,00%	Consultancy, brokerage, auction relating to real estate and land use rights

Besides, the Company has branches operating in various provinces, including: Vinh Phuc, Bac Ninh, Thai Nguyen, Quang Ninh, Hai Phong, Hung Yen, Thanh Hoa, Nghe An, Da Nang, Nha Trang, Can Tho, Dong Nai and a representative office in Korea.

Disclosure of information comparability in the consolidated financial statements

The comparative figures are the audited figures of the Company's consolidated financial statements for the year ended 31 December 2018.

The Basic earnings per share item in the consolidated income statement for the prior year was restated to enhance comparability with current year's presentation as stated in Note 27.

2. ACCOUNTING CONVENTION AND FINANCIAL ACCOUNTING PERIOD

Accounting convention

The accompanying consolidated financial statements, expressed in Vietnam Dong (VND), are prepared under the historical cost convention and in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to consolidated financial reporting.

The accompanying consolidated financial statements are not intended to present the consolidated financial position, results of consolidated operations and consolidated cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Vietnam

Financial year

The Company's financial year begins on 01 January and ends on 31 December.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies, which have been adopted by the Company in the preparation of these consolidated financial statements, are as follows:

Estimates

The preparation of consolidated financial statements in conformity with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to consolidated financial reporting requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the financial year. Although these accounting estimates are based on the management's best knowledge, actual results may differ from those estimates.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and enterprises controlled by the Company (its subsidiaries) up to 31 December 2018. Control is achieved where the Company has the power to govern the financial and operating policies of an investee enterprise so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used in line with those used by the Company.

Intragroup transactions and balances are eliminated in full on consolidation.

Non-controlling interests consist of the amount of those non-controlling interests at the date of the original business combination (see below) and the non-controlling interests' share of changes in equity since the date of the combination. Losses in subsidiaries are respectively attributed to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Business combinations

On acquisition, the assets and liabilities and contingent liabilities of a subsidiary are measured at their fair values at the date of acquisition. Any excess of the cost of acquisition over the fair values of the identifiable net assets acquired is recognised as goodwill. Any deficiency of the cost of acquisition below the fair values of the identifiable net assets acquired is credited to profit and loss in the year of acquisition.

The non-controlling interests are initially measured at the non-controlling shareholders' proportion of the net fair value of the assets, liabilities and contingent liabilities recognised.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Financial investments

Loan receivables

Loan receivables are measured at cost less provision for doubtful debts. Provision for doubtful debts relating to loan receivables is made in accordance with prevailing accounting regulations.

Receivables

Receivables represent the amounts recoverable from customers or other debtors and are stated at book value less provision for doubtful debts.

Provision for doubtful debts is made for receivables that are overdue for six months or more, or when the debtor is in dissolution, in bankruptcy, or is experiencing similar difficulties and so may be unable to repay the debt.

Inventories

Inventories of the Company reflect the value of real estate products formed from the real estate business projects acquired by the Company from the investors, which will be sold in the form of real estate transfers of ownership rights to the buyer. Inventories are stated at the lower of cost and net realisable value.

Cost comprises cost of purchases and other directly attributable expenses in bringing real estate products to their present location and condition. Net realisable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in marketing, selling and distribution.

The evaluation of necessary provision for inventory obsolescence follows current prevailing accounting regulations. Accordingly, provisions are allowed for inventories which have costs higher than net realisable values as at the balance sheet date.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation.

The costs of purchased tangible fixed assets comprise their purchase prices and any directly attributable costs of bringing the assets to their working condition and location for their intended use.

Tangible fixed assets are depreciated using the straight-line method over the estimated useful lives as follows:

	Years
Buildings and structures	30
Machinery and equipment	3
Motor vehicles	6
Office equipment	3 - 5

Loss or gain resulting from sales and disposals of tangible fixed assets is the difference between profit from sales or disposals of assets and their residual values and is recognised in the income statement

Intangible assets and amortization

Intangible assets represent land use right, computer software and other intangible assets. Intangible assets are stated at cost less accumulated amortization.

Land use rights are amortised using the straight-line method over the duration of the right to use the land. Infinity-term land use rights are not amortized.

Computer software and other intangible assets amortized using the straight-line method over the period from 2 to 5 years.

Construction in progress

Properties in the course of construction for production, rental or administrative purposes, or for other purposes, are carried at cost. Costs include those that are necessary to form the assets in accordance with the Company's accounting policy. Depreciation of these assets, on the same basis as other assets, commences when the assets are ready for their intended use.

Prepayments

Prepayments are expenses which have already been paid but relate to results of operations of multiple accounting periods.

Prepayments comprise advertisement costs of small tools, supplies and spare parts issued for consumption, office repair cost, office rental cost which are expected to provide future economic benefits to the Company. These expenditures have been capitalised as prepayments, and are allocated to the consolidated income statement using the straight-line method in accordance with the current prevailing accounting regulations.

Revenue recognition

Revenue from goods sold

Revenue from the sale of goods is recognized when all five (5) following conditions are satisfied:

- (a) the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- (b) the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- (c) the amount of revenue can be measured reliably;
- (d) it is probable that the economic benefits associated with the transaction will flow to the Company; and
- (e) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from service rendered

Revenue of a transaction involving the rendering of services is recognized when the outcome of such transactions can be measured reliably. Where a transaction involving the rendering of services is attributable to several years, revenue is recognized in the year by reference to the percentage of completion of the transaction at the balance sheet date of that year. The outcome of a transaction can be measured reliably when all four (4) following conditions are satisfied:

- (a) the amount of revenue can be measured reliably;
- (b) it is probable that the economic benefits associated with the transaction will flow to the Company;
- (c) the percentage of completion of the transaction at the balance sheet date can be measured reliably; and
- (d) the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

Revenue from office leasing is recognised in the income statement using the straight-line method over the lease term.

Interest income is accrued on a time basis, by reference to the balance of deposits accounts and at the applicable interest rate.

Dividend income from investments is recognised when the Company's right to receive payment has been established.

Borrowing costs

Borrowing costs are recognised in the income statement in the year when incurred unless they are capitalised in accordance with Vietnamese Accounting Standard No. 16 "Borrowing costs". Accordingly, borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the cost of those assets. For specific borrowings for the purpose of construction of fixed assets and investment properties, borrowing costs are capitalised even when the construction period is under 12 months.

Taxation

Corporate income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years (including loss carried forward, if any) and it further excludes items that are never taxable or deductible.

Deferred tax is recognized on differences between carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using balance sheet liability method. Deferred tax liabilities are generally recognized for all temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which deductible temporary differences can be utilized.

Deferred tax is calculated at the tax rates that are expected to apply in the year when the liability is settled or the asset realized. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same tax authority and the Company intends to settle its current tax assets and liabilities on a net basis.

The determination of the tax currently payable is based on the current interpretation of tax regulations. However, these regulations are subject to periodic variation and their ultimate determination depends on the results of the tax authorities' examinations.

Other taxes are paid in accordance with the prevailing tax laws in Vietnam.

4. CASH AND CASH EQUIVALENTS

	Closing balance	Opening balance
	VND	VND
Cash on hand	16,478,214,753	5,583,123,307
Bank demand deposits	98,101,087,147	317,202,261,121
Cash equivalents (i)	52,940,246,590	-
	167,519,548,490	322,785,384,428

(i) Cash equivalents represent short-term deposits with original terms from 01 to 04 months at commercial banks with interest rates of 4.1% - 5.3% per annum.

5. SHORT-TERM TRADE RECEIVABLES

	Closing balance	Opening balance
	VND	VND
Galaxy Land Real Estate Joint Stock Company	164,243,897,572	168,531,870,156
Century Real Estate Investment and Development Joint Stock Company	164,122,878,951	83,126,606,578
Chanh Nghia Quoc Cuong Joint Stock Company	82,583,156,042	-
Gamuda Land Vietnam Company Limited	72,410,595,683	61,661,483,507
Hong Lam Xuan Thanh Joint Stock Company	50,493,352,293	-
Bitexco Joint Stock Company	44,155,189,652	-
VMF Joint Stock Company	39,284,199,789	86,239,992,938
Phuc Son Group Joint Stock Company	22,373,972,812	26,268,475,059
Belleville Hanoi Real Estate Joint Stock Company	15,423,949,805	15,798,263,316
Hanoi Sunrise Development Investment Joint Stock Company	8,506,800,073	7,399,732,261
Thien Phuc Dien Joint Stock Company	8,225,014,182	21,395,671,082
FLC Quang Binh Beach & Golf Resort Company Limited	8,124,420,772	11,169,886,586
Khai Son Joint Stock Company	1,341,973,394	36,130,085,422
Others	132,182,852,339	164,999,774,520
	813,472,253,359	682,721,841,425
Trade receivables from related parties (Details presented in Note 28)	166,101,202,906	84,213,628,711

6. SHORT-TERM ADVANCES TO SUPPLIERS

	<u>Closing balance</u> VND	<u>Opening balance</u> VND
G-Tech International Technology Joint Stock Company	18,750,270,000	-
CONSGROUP Joint Stock Company	-	9,355,163,980
Century Real Estate Investment and Development Joint Stock Company	-	901,717,390
Others	3,278,724,890	1,664,016,785
	<u>22,028,994,890</u>	<u>11,920,898,155</u>
Advances to related parties (Details presented in Note 28)	<u>-</u>	<u>901,717,390</u>

7. SHORT-TERM LOAN RECEIVABLES

	<u>Closing balance</u> VND	<u>Opening balance</u> VND
VMF Joint Stock Company (i)	113,000,000,000	-
Century Real Estate Investment and Development Joint Stock Company (ii)	30,000,000,000	-
Dai Nam Son Construction Investment and Design Consulting Joint Stock Company (iii)	11,500,000,000	-
	<u>154,500,000,000</u>	<u>-</u>
Loan receivables from related parties (Details presented in Note 28)	<u>30,000,000,000</u>	<u>-</u>

- (i) Represents loan to VMF Joint Stock Company under credit contracts with terms of 3 - 6 months and interest rate of 9.5% per annum to supplement the borrower's working capital. The loan is unsecured.
- (ii) Represents loan to Century Real Estate Investment and Development Joint Stock Company under credit contracts with terms of 6 - 12 months and interest rate of 9.5% per annum to supplement the borrower's working capital. The loan is unsecured.
- (iii) Represents loan to Dai Nam Son Construction Investment and Design Consulting Joint Stock Company under the interest-free credit contract No. 01/HDVV/CENLAND-DAINAMSON with a term of 3 months to pay for expenses related to the construction project of An Binh Can Tho commercial housing area. The loan's collateral is 24 plots of land and ownership of 24 rough-constructed houses on Nguyen Van Cu street.

8. OTHER RECEIVABLES

	Closing balance VND	Opening balance VND
a. Short-term		
Binh Minh Housing Development Joint Stock Company (i)	200,000,000,000	-
Viet Anh Development and Investment Joint Stock Company (ii)	62,225,124,126	75,181,130,714
Gia Phu Real Estate Company Limited	5,391,000,324	5,391,000,324
Nam Hong Company Limited	24,866,804,508	23,441,015,836
An Thinh Technology and Solution Company Limited	384,300,000	384,300,000
Hanoi Sunrise Development Investment Joint Stock Company	50,527,654	11,800,807,194
Advances to employees	55,974,102,229	15,661,274,581
Deposits	108,167,489,840	67,791,585,428
Other receivables	59,606,192	7,479,514,437
	457,118,954,873	207,130,628,514
b. Non-current		
Deposits (iii)	654,409,030,229	482,052,153,009
<i>In which:</i>		
- Guarantee for general project-distribution agents	648,858,889,194	479,960,025,174
+ Century Real Estate Investment and Development Joint Stock Company	499,800,000,000	315,000,000,000
+ Bitexco Joint Stock Company	50,000,000,000	-
+ Gamuda Land Vietnam Company Limited	30,787,922,212	58,974,025,174
+ Soleil Investment and Hotel Services Joint Stock Company	22,550,000,000	25,600,000,000
+ Khai Son Joint Stock Company	9,600,000,000	18,000,000,000
+ FLC Group Joint Stock Company	400,000,000	400,000,000
+ Geleximco Group - Joint Stock Company	-	10,000,000,000
+ Dolphin 2 Vietnam Joint Stock Company	-	30,000,000,000
+ Others	35,720,966,982	21,986,000,000
- Other deposits	5,550,141,035	2,092,127,835
	654,409,030,229	482,052,153,009
Other receivables from related parties (Details presented in Note 28)	531,300,000,000	345,000,000,000

- (i) Represents the value of capital contribution under the Business Co-operation Contract between the Company and Binh Minh Housing Development Joint Stock Company for the Project on Plaschem Complex Building of Apartments, Commercial Service and Office at No. 93 Duc Giang Street, Duc Giang Ward, Long Bien District, Hanoi City. Under the terms of the Business Co-operation Contract, the Company will co-operate with Binh Minh Housing Development Joint Stock Company to contribute capital, invest in construction and trade products of the above project the above project. Binh Minh Housing Development Joint Stock Company is responsible for the implementation and construction activities of the project, the Company will be responsible for co-funding the project and has right to participate in the development of business, marketing and accounting plans, sales plan of the project.
- (ii) Represents the value of capital contributions under the Business Co-operation Contract dated 23 May 2018 between the Company and Viet Anh Investment and Development Joint Stock Company for the Project on construction of the Village of overseas Vietnamese in Vinh Niem Ward, Le Chan District, Hai Phong City. Under the terms of the Business Co-operation Contract, the Company will cooperate with Viet Anh Investment and Development Joint Stock Company to process the legal procedures to implement infrastructure/rough construction of

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the Project according to the approved plan and design, and to trade the Project products on the 45 land plots of the Project. Viet Anh Investment and Development Joint Stock Company is responsible for the whole project development and implementation; the Company is responsible for co-funding the Project implementation and the sale of all real estate products under the Project. The capital contribution will be recovered by the Company either by receiving payments from Viet Anh Investment and Development Joint Stock Company or by withholding payment from the customers purchasing the products of this Project.

The part of sales corresponding to the value of land use rights of land lots calculated using the unit price of VND 25 million per square meter belongs to Viet Anh Investment and Development Joint Stock Company; the part of sales calculated using the unit price equaling the actual selling unit price minus (-) unit cost of construction minus (-) VND 25 million per square meter belongs to the Company; the Company also bears the costs related to sales and construction of the Project.

- (iii) Mainly including deposits secured for the performance of contracts that the Company has paid to the investors to act as general sales agents for real estate products formed under the relevant projects.

9. BAD DEBTS

Items	Closing balance		Opening balance	
	Cost	Recoverable amount	Cost	Recoverable amount
	VND	VND	VND	VND
Doubtful debts	8,166,991,660	269,999,999	8,166,991,660	897,689,297
<i>a) Past due over 3 years</i>				
Gia Phu Real Estate Company Limited	5,391,000,324	-	5,391,000,324	-
An Thinh Technology and Solution Company Limited	384,300,000	-	384,300,000	-
West Lake Development and Investment Company Limited	106,244,294	-	106,244,294	-
Thang Long Real Estate Joint Stock Company	60,615,000	-	60,615,000	-
TID Joint Stock Company	343,870,941	-	343,870,941	-
Hanoi General Import-Export Joint Stock Company	39,683,691	-	39,683,691	-
<i>b) Past due over from 2 years to 3 years</i>				
Bao Viet Investment Joint Stock Company	45,898,815	-	45,898,815	-
Phu Long Real Estate Joint Stock Company	1,740,000,000	269,999,999	1,740,000,000	870,000,000
Sao Viet Real Estate Services Corporation	55,378,595	-	55,378,595	27,689,297

Recoverable amount is determined at cost less provision for doubtful debts that has been made as at the balance sheet date.

10. INVENTORIES

	Closing balance		Opening balance	
	Cost	Provision	Cost	Provision
	VND	VND	VND	VND
Real estate (i)	134,291,594,347	-	447,532,625,040	-
Work in progress	7,418,152,827	-	12,334,234,937	-
Total	141,709,747,174	-	459,866,859,977	-

- (i) Represents the value of real estate including apartments and land purchased by the Company from the investor to re-sell.

11. PREPAYMENTS

	Closing balance VND	Opening balance VND
a) Current		
Advertising expenses for Cenhomes.vn website	23,071,688,106	-
Tools and supplies	523,300,183	483,197,705
Office repair	131,789,342	857,500
Office rentals	898,742,403	591,645,790
Other expenses	434,965,483	139,800,757
	25,060,485,517	1,215,501,752
b) Non-current		
Tools and supplies	3,776,239,918	4,008,879,020
Office repair	18,707,052,041	2,621,375,351
Other long-term prepayments	172,143,097	378,047,592
	22,655,435,056	7,008,301,963

12. INCREASES, DECREASES IN TANGIBLE FIXED ASSETS

	Buildings, structures VND	Machinery, equipment VND	Motor vehicles VND	Office equipment VND	Total VND
COST					
Opening balance	110,684,934,984	35,900,000	34,188,353,273	3,263,446,748	148,172,635,005
Purchases	8,756,504,608	993,827,273	4,275,734,547	10,493,899,187	24,519,965,615
Reclassification	(8,096,485,616)	-	-	-	(8,096,485,616)
Closing balance	111,344,953,976	1,029,727,273	38,464,087,820	13,757,345,935	164,596,115,004
ACCUMULATED DEPRECIATION					
Opening balance	121,523,592	23,675,981	7,362,111,519	1,957,866,468	9,465,177,560
Charge for the year	3,661,399,244	167,544,001	4,366,848,876	2,490,011,195	10,685,803,316
Closing balance	3,782,922,836	191,219,982	11,728,960,395	4,447,877,663	20,150,980,876
NET BOOK VALUE					
Closing balance	107,562,031,140	838,507,291	26,735,127,425	9,309,468,272	144,445,134,128
Opening balance	110,563,411,392	12,224,019	26,826,241,754	1,305,580,280	138,707,457,445

The cost of tangible fixed assets as at 31 December 2019 includes VND 3,126,342,851 (as at 31 December 2018: VND 2,031,669,312) of assets which have been fully depreciated but are still in use.

13. INCREASES, DECREASES IN INTANGIBLE ASSETS

	Land use rights VND	Computer software VND	Others VND	Total VND
COST				
Opening balance	-	4,832,974,769	342,272,736	5,175,247,505
Purchases	-	43,032,600,000	-	43,032,600,000
Reclassification	8,096,485,616	-	-	8,096,485,616
Closing balance	8,096,485,616	47,865,574,769	342,272,736	56,304,333,121
ACCUMULATED AMORTISATION				
Opening balance	-	2,792,887,761	157,049,127	2,949,936,888
Charge for the year	-	9,767,698,819	112,794,737	9,880,493,556
Closing balance	-	12,560,586,580	269,843,864	12,830,430,444
NET BOOK VALUE				
Closing balance	8,096,485,616	35,304,988,189	72,428,872	43,473,902,677
Opening balance	-	2,040,087,008	185,223,609	2,225,310,617

The cost of intangible assets as at 31 December 2019 includes VND 2,950,120,000 (as at 31 December 2018: VND 545,120,000) of assets which have been fully depreciated but are still in use.

14. CONSTRUCTION IN PROGRESS

	Closing balance VND	Opening balance VND
- Acquisition (i)	35,502,628,341	15,769,759,350
- Construction in progress (ii)	6,944,050,039	3,951,089,718
	42,446,678,380	19,720,849,068

- (i) Represents the value of the management software which is being invested by the Company to be used in the future.
- (ii) Represents the value of real estate acquired to form the Company's future fixed assets being office and trading service areas.

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15. SHORT-TERM TRADE PAYABLES

	Closing balance		Opening balance	
	VND Amount	VND Amount likely to be paid off	VND Amount	VND Amount likely to be paid off
Century Group Joint Stock Company	9,736,474,791	9,736,474,791	8,009,289,955	8,009,289,955
Galaxy Land Real Estate Joint Stock Company	3,089,023,296	3,089,023,296	-	-
Ngoc Land Commercial and Investment Company Limited	2,454,191,149	2,454,191,149	5,879,077,674	5,879,077,674
Dolphin 2 Vietnam Joint Stock Company	2,005,260,500	2,005,260,500	-	-
CORE REALTY Real Estate Joint Stock Company	1,997,747,288	1,997,747,288	4,065,361,301	4,065,361,301
Nha re 24H Joint Stock Company	-	-	3,241,149,985	3,241,149,985
Others	73,496,448,889	73,496,448,889	94,807,671,713	94,807,671,713
	92,779,145,913	92,779,145,913	116,002,550,628	116,002,550,628
Trade payables to related parties (Details presented in Note 28)	13,205,082,918	13,205,082,918	13,574,730,720	13,574,730,720

16. TAXES AND OTHER PAYABLES TO THE STATE BUDGET

Items	Opening balance VND	Movement in the year		Closing balance VND
		Amount payable VND	Amount paid VND	
Value added tax	10,363,509,657	142,947,398,940	137,407,932,659	15,902,975,938
Corporate income tax	47,699,167,391	98,239,955,912	85,163,908,667	60,775,214,636
Personal income tax	33,049,435,770	78,597,631,257	63,056,330,362	48,590,736,665
Other taxes	-	6,073,081,382	6,063,315,998	9,765,384
Total	91,112,112,818	325,858,067,491	291,691,487,686	125,278,692,623

17. SHORT-TERM ACCRUED EXPENSES

	Closing balance VND	Opening balance VND
Brokerage fees payable to real estate trading centers	104,331,360,315	40,000,037,841
Allowances	-	2,104,824,354
Other accrued expenses	12,177,977,524	41,640,000
	116,509,337,839	42,146,502,195

18. OTHER PAYABLES

	Closing balance VND	Opening balance VND
a. Short-term		
Trade union fee	292,593,969	228,541,107
Social insurance	246,673,720	528,506,858
Capital contribution received	-	168,049,784,150
- Galaxy Land Real Estate Joint Stock Company	-	143,049,784,150
- Word Eye Vision Company Limited	-	25,000,000,000
Deposits received for sales of apartments (i)	193,148,624,440	117,561,428,990
Payable to Ms. Tran Thi Thanh Binh	-	3,479,665,046
Short-term deposits received	6,529,013,750	4,630,000,000
Others	6,467,982,233	1,578,070,939
	206,684,888,112	296,055,997,090
b. Long-term		
Long-term deposits received	3,276,866,095	2,159,739,125
	3,276,866,095	2,159,739,125

- (i) Represents the deposits received from customers buying apartments, semi-attached houses, villas, etc. distributed by the Company. These deposits will be offset against the value of the customers' first payments under the terms of the relevant contracts.

19. SHORT-TERM LOAN

	Opening balance		In the year		Closing balance	
	VND	VND	VND	VND	VND	VND
	Amount	Amount likely to be paid off	Increases	Decreases	Amount	Amount likely to be paid off
Joint Stock Commercial Bank for Investment and Development of Vietnam - East Hanoi Branch (i)	30,000,000,000	30,000,000,000	30,000,000,000	30,000,000,000	30,000,000,000	30,000,000,000
Vietnam Prosperity Joint Stock Commercial Bank (ii)	140,000,000,000	140,000,000,000	60,000,000,000	185,200,000,000	14,800,000,000	14,800,000,000
Joint Stock Commercial Bank for Investment and Development of Vietnam - Thai Ha Branch (iii)	-	-	137,927,415,533	100,000,000,000	37,927,415,533	37,927,415,533
Vietnam Joint Stock Commercial Bank for Industry and Trade - Dong Da Branch (iv)	-	-	45,000,000,000	45,000,000,000	-	-
	170,000,000,000	170,000,000,000	272,927,415,533	360,200,000,000	82,727,415,533	82,727,415,533

- (i) Short-term loan from Joint Stock Commercial Bank for Investment and Development of Vietnam - East Hanoi Branch under credit contract No. 01/2018/352851/HDTD dated 21 December 2018 with a credit limit of VND 30 billion to finance working capital, guarantee, open L/C with the term of 225 days. Loan interest rate is 8,7%/year; the applied floating rate is adjustable every 3 months with the first adjustment period starting from 01 March 2019. The loan is secured by land use rights and trading area on the first floor of Building J, H and K in Block CT7 of the high-rise apartment complex NCG Residential project, Duong Noi Urban Area, Ha Dong District, Hanoi City owned by Century Real Estate Investment and Development Joint Stock Company.

- (ii) Short-term borrowings from Vietnam Prosperity Joint Stock Commercial Bank under the credit limit contract No. 0618/HDHM/VPB-CENLAND dated 03 October 2018 with the credit limit of VND 200,000,000,000 to cover deposits paid within 01 month under the brokerage contracts before the date of this contract; to pay for commissions for real estate brokerage business activities of the Company from the effective date of this contract; to pay Nam Hong Company Limited and other expenditures under the Business Co-operation Contract No. 05/2018/HD/CEN-NAM HONG relating to the Project on the Complex of sport activities, school, public works, urban area in Dong Ky ward, Tu Son commune, Bac Ninh province. The first withdrawal date is 29 December 2018 with the amount of VND 140 billion to partially cover payments made under the business cooperation contract No. 05/2018/HD/CEN-NAM HONG. The term of this loan is 12 months and the maturity date is 29 December 2019. Loan interest rate of 9.5%/year is adjustable once a month with the first adjustment period starting from 29 January 2019. Principal is payable every 3 months in 4 periods, the first payment period is from 29 March 2019.

Collateral assets of the loan are the 2nd and 3rd floors' office area of the high-class Dolphin Plaza Complex of apartments and offices at No. 28 Tran Binh Street, My Dinh 2 Ward, Nam Tu Liem District, Hanoi City.

- (iii) Short-term loan from Joint Stock Commercial Bank for Investment and Development of Vietnam - Thai Ha Branch under credit contract No. 02/2019/352851/HDTD dated 23 October 2019 with a credit limit of VND 50 billion to finance working capital for production and business activities. The loan period is 12 months from the first disbursement date. The loan bears fixed rate of 7.8%/year during the loan period. The loan's collateral is properties owned by Century Real Estate Investment and Development Joint Stock Company and Galaxy Land Real Estate Joint Stock Company, specifically:

- Land use right and commercial service areas on the first and second floors, commercial service areas SH - 41, SH - 43 at plot H - CT2, Hi Brand Residential Area, Van Phu New Urban Area, Ward Phu La, Ha Dong District, Hanoi City.
- Apartment No. B0607 at Building B, Sky City Tower Complex at 88 Lang Ha, Lang Ha Ward, Dong Da District, Hanoi City.

20. OWNERS' EQUITY

Movement in owners' equity

	Owners' contributed capital	Share premium	Other owners' capital	Treasury shares	Investment and development fund	Retained earnings	Non-controlling interests	Total
	VND	VND	VND	VND	VND	VND	VND	VND
Prior year's opening balance	250,000,000,000	-	-	-	12,899,194,890	296,505,582,950	18,934,946,333	578,339,724,173
Share issuance	250,000,000,000	375,000,000,000	-	-	-	-	-	625,000,000,000
Profit for the year	-	-	-	-	-	315,301,354,839	4,737,913,217	320,039,268,056
Distribution to other funds	-	-	-	-	22,261,020,480	(22,261,020,480)	-	-
Distribution to bonus and welfare funds	-	-	-	-	-	(32,566,363,593)	(206,291,782)	(32,772,655,375)
Others	-	-	-	-	-	(1,268,748,723)	(93,778,959)	(1,362,527,682)
Current year's opening balance	500,000,000,000	375,000,000,000	-	-	35,160,215,370	555,710,804,993	23,372,788,809	1,489,243,809,172
Share issuance (i)	300,000,000,000	(225,000,000,000)	-	-	-	(75,000,000,000)	-	-
Increase in subsidiaries' capital during the year	-	9,243,750,000	-	-	-	-	30,361,250,000	39,605,000,000
Profit for the year	-	-	-	-	-	388,774,476,599	3,970,996,073	392,745,472,672
Distribution to other funds (ii)	-	-	-	-	31,921,539,680	(31,921,539,680)	-	-
Distribution to bonus and welfare funds (ii)	-	-	-	-	-	(22,605,835,345)	(453,884,036)	(23,059,719,381)
Treasury shares acquisition	-	-	-	(1,080,000)	-	-	-	(1,080,000)
Change of ownership ratio in subsidiaries	-	(9,243,750,000)	9,243,750,000	-	(521,359,616)	(6,744,258,597)	7,265,618,213	-
Others	-	-	-	-	-	(261,999,891)	(251,725,383)	(513,725,274)
Current year's closing balance	800,000,000,000	150,000,000,000	9,243,750,000	(1,080,000)	66,560,395,434	807,951,648,079	64,265,043,676	1,898,019,757,189

- (i) According to Resolution No. 06/2019/NQ-HDQT dated 16 January 2019 of the Board of Directors approving the implementation of the share issuance plan passed at the General Meeting of Shareholder at Resolution No. 02/2019/NQ-DHDCD dated 9 January 2019, the Company increased its charter capital by VND 300 billion in the form of share dividend payment of VND 75 billion from 2018 retained earnings and share issuance to increase its owners' equity of VND 225 billion using funds of share premium. At the same time, the Company also bought back 108 treasury shares, equivalent to VND 1,080,000 due to the fractional shares.
- (ii) The Company and its subsidiaries distributed their 2018 retained earnings to their investment and development fund and the bonus and welfare funds with the amounts of VND 31.9 billion and VND 23 billion, respectively, in accordance with relevant Resolutions.

Charter capital

Under the 18th amended Business Registration Certificate dated 17 March 2020, the Company's charter capital is VND 800 billion.

Shares

As at 31 December 2019, the Company's number of shares in circulation is as follows:

	<u>Closing balance</u>	<u>Opening balance</u>
Shares		
Number of shares issued to public		
+ <i>Common shares</i>	80,000,000	50,000,000
Number of treasury shares		
+ <i>Common shares</i>	108	-
Number of outstanding shares in circulation		
+ <i>Ordinary shares</i>	79,999,892	50,000,000

An ordinary share has a par value of VND 10,000.

21. BUSINESS AND GEOGRAPHICAL SEGMENTS

Geographical segments

The Company does not have any business activities outside Vietnam; therefore, the Company does not have geographical segment outside Vietnam.

Business segments

For management purposes, the Company is currently organized into different business divisions as the subsidiaries separately operate.

Business segments of the Company comprise divisions as follows:

- Real estate related services;
- Other services;

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Business segment reports of the Company are as follows:

Consolidated balance sheet as at 31 December 2019

	Real estate brokerage services VND	Other services VND	Elimination VND	Total VND
Assets				
Cash	153,419,308,728	13,100,239,762	-	166,519,548,490
Short-term financial investment	1,000,000,000	-	-	1,000,000,000
Short-term receivables	1,600,214,603,964	44,886,455,898	(205,877,848,401)	1,439,223,211,461
Inventories	135,693,410,557	6,016,336,617	-	141,709,747,174
Other short-term assets	27,797,988,325	-	(2,737,220,172)	25,060,768,153
Long-term receivables	654,409,030,229	-	-	654,409,030,229
Fixed assets	187,054,907,270	945,785,664	(2,704,545)	187,997,988,389
Construction in progress	41,332,374,818	1,114,303,562	-	42,446,678,380
Long-term investment	50,520,000,000	-	(50,520,000,000)	-
Other long-term assets	21,335,579,529	1,319,855,527	547,444,034	23,202,879,090
Total consolidated assets	2,872,777,203,420	67,382,977,030	(258,590,329,084)	2,681,569,851,366
Liabilities				
Short-term liabilities	957,979,982,690	31,261,811,603	(209,741,245,664)	779,500,548,629
Long-term liabilities	3,276,866,095	-	772,679,453	4,049,545,548
Total consolidated liabilities	961,256,848,785	31,261,811,603	(208,968,566,211)	783,550,094,177

Consolidated balance sheet as at 31 December 2018

	Real estate brokerage services VND	Other services VND	Elimination VND	Total VND
Assets				
Cash	317,170,114,465	5,615,269,963	-	322,785,384,428
Short-term receivables	970,442,086,745	48,049,583,390	(123,987,604,404)	894,504,065,731
Inventories	451,455,855,917	8,411,004,060	-	459,866,859,977
Other short-term assets	1,215,501,752	-	-	1,215,501,752
Long-term receivables	482,052,153,009	-	-	482,052,153,009
Fixed assets	141,060,446,533	109,606,125	(13,522,724)	141,156,529,934
Construction in progress	18,684,287,615	1,036,561,453	-	19,720,849,068
Long-term investment	40,000,000,000	-	(40,000,000,000)	-
Other long-term assets	6,552,335,253	455,966,710	-	7,008,301,963
Total consolidated assets	2,428,632,781,289	63,677,991,701	(164,001,127,128)	2,328,309,645,862
Liabilities				
Short-term liabilities	925,142,809,684	35,750,892,285	(123,987,604,404)	836,906,097,565
Long-term liabilities	2,159,739,125	-	-	2,159,739,125
Total consolidated liabilities	927,302,548,809	35,750,892,285	(123,987,604,404)	839,065,836,690

Consolidated income statement for the year ended 31 December 2019

	Real estate brokerage services	Other services	Elimination	Total
	VND	VND	VND	VND
Net sales	2,589,481,840,699	172,793,304,705	(449,844,434,077)	2,312,430,711,327
Business expenses	2,091,380,811,116	161,672,549,821	(450,981,429,347)	1,802,071,931,590
- Cost of sales	1,864,977,855,449	130,263,727,265	(442,955,301,140)	1,552,286,281,574
- Selling expenses	52,725,731,965	-	(1,681,424,786)	51,044,307,179
- Administrative expenses	173,677,223,702	31,408,822,556	(6,344,703,421)	198,741,342,837
Income	498,101,029,583	11,120,754,884	1,136,995,270	510,358,779,737
Financial income				5,012,227,952
Financial expenses				22,231,183,764
Other (losses)				(1,929,159,922)
Net profit before corporate income tax				491,210,664,003
Current corporate income tax expense				98,239,955,912
Deferred corporate income tax expense				225,235,419
Net profit after corporate income tax				392,745,472,672

Consolidated income statement for the year ended 31 December 2018

	Real estate brokerage services	Other services	Elimination	Total
	VND	VND	VND	VND
Net sales	1,822,327,500,768	135,340,069,232	(270,484,004,545)	1,687,183,565,455
Business expenses	1,432,272,415,278	125,504,245,160	(270,654,599,343)	1,287,122,061,095
- Cost of sales	1,299,372,836,028	98,916,751,410	(266,720,748,683)	1,131,568,838,755
- Selling expenses	17,566,349,661	-	(3,393,264,894)	14,173,084,767
- Administrative expenses	115,333,229,589	26,587,493,750	(540,585,766)	141,380,137,573
Income	390,055,085,490	9,835,824,072	170,594,798	400,061,504,360
Financial income				2,983,031,981
Other (losses)				(2,361,609,561)
Net profit before corporate income tax				400,682,926,780
Current corporate income tax expense				80,643,658,724
Net profit after corporate income tax				320,039,268,056

22. REVENUE FROM GOODS SOLD AND SERVICES RENDERED

	Current year VND	Prior year VND
Gross revenue from goods sold and services rendered	2,325,233,584,054	1,687,183,565,455
<i>In which:</i>		
Revenue from real estate brokerage	1,277,210,854,951	1,163,464,253,280
Revenue from real estate transfer	1,000,363,882,781	462,567,068,958
Revenue from advertising services and events	27,430,671,056	60,727,323,462
Revenue from office leasing	20,228,175,266	424,919,755
	2,325,233,584,054	1,687,183,565,455
Deductions		
Sales return	12,802,872,727	-
	12,802,872,727	-
Revenue from related parties (Details presented in Note 28)	188,237,651,751	249,455,387,761

23. COST OF SALES

	Current year VND	Prior year VND
Cost of real estate brokerage services	805,164,689,655	722,181,463,730
Cost of real estate transfer	724,721,309,802	384,658,449,630
Cost of advertising services and events	20,679,166,124	24,304,005,640
Cost of office leasing	9,774,555,369	424,919,755
	1,560,339,720,950	1,131,568,838,755

24. SELLING EXPENSES AND GENERAL AND ADMINISTRATION EXPENSES

	<u>Current year</u> <u>VND</u>	<u>Prior year</u> <u>VND</u>
Selling expenses incurred during the year		
Labour	11,598,321,746	9,546,803,527
Expenses for promotion and advertisement	11,148,556,490	4,518,109,675
Others	28,297,428,943	108,171,565
	51,044,307,179	14,173,084,767
General and administration expenses incurred during the year		
Raw materials and consumables	2,070,269,906	1,307,110,974
Labour	99,610,762,171	73,870,305,789
Depreciation and amortisation	10,663,719,064	4,861,081,066
Out-sourced services	40,396,876,549	32,786,834,187
Others	37,946,275,771	28,554,805,557
	190,687,903,461	141,380,137,573

25. PRODUCTION COST BY NATURE

	<u>Current year</u> <u>VND</u>	<u>Prior year</u> <u>VND</u>
Tools and supplies	2,070,269,906	1,438,414,200
Labour	533,711,569,148	395,554,114,783
Depreciation and amortization	20,711,107,160	6,445,352,574
Out-sourced services	463,363,080,625	471,911,687,153
Others	66,152,148,359	28,432,577,122
	1,086,008,175,198	903,782,145,832

26. FINANCIAL INCOME

	<u>Current year</u> <u>VND</u>	<u>Prior year</u> <u>VND</u>
Loan interest	1,779,756,295	523,150,685
Bank interest	3,232,471,657	2,329,026,718
Foreign exchange gain arising from settlements	-	130,854,578
	5,012,227,952	2,983,031,981

27. BASIC EARNINGS PER SHARE

	Current year	Perior period
Accounting profit after corporate income tax of equity holders of the holding company (VND)	388,774,476,599	315,301,354,839
Distribution to bonus and welfare funds per Resolution of General Meeting of Shareholders (i)	-	22,605,835,345
Profit for the purpose of calculating basic earnings per share (VND)	388,774,476,599	292,695,519,494
Weighted average number of ordinary shares in circulation for the year	79,999,909	80,000,000
Basic earnings per share (VND) (ii)	4,860	3,659

- (i) Distribution to bonus and welfare funds were not deducted in basic earning per share calculation as the relevant approval by the General Meeting of Shareholders of the Company was made in 2019. This figure shall be revised upon the 2020 General Meeting of Shareholders of the Company.

At the same time, the Company re-determined the profit distribution to the bonus and welfare funds for the year ended 31 December 2018 as approved by the Resolution of the General Meeting of Shareholders to restate Basic earnings per share for the year ended 31 December 2018.

- (ii) As presented in Note 19 in 2019, the Company has completed share dividend payment and share issuance to increase its owners' equity with the total number of 30,000,000 shares.

Due to the above-mentioned bonus and welfare funds' restatement and share issuance, basic earnings per share for the year ended 31 December 2018 has been recalculated and restated as follows:

	Prior year VND	Restated VND	Post-restated VND
Basic earnings per share	3,880	(221)	3,659

28. RELATED PARTY TRANSACTIONS AND BALANCES

List of related parties with significant transactions and balances for the year:

Related parties	Relationship
Century Group Joint Stock Company	Parent company
Century Value Added Service Joint Stock Company	Affiliate
Century Real Estate Development and Investment Joint Stock Company	Affiliate
Century Golf Services and Trading Joint Stock Company	Affiliate
Century Valuation Joint Stock Company	Affiliate
Dolphin 2 Vietnam Joint Stock Company	Affiliate
and members of the Executive Board, Board of Directors, Supervisory Board and related people	

CENTURY LAND JOINT STOCK COMPANY
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During the year, the Company entered into the following significant transactions with its related parties:

	<u>Current year</u> VND	<u>Prior year</u> VND
Sales		
Century Real Estate Development and Investment Joint Stock Company	178,376,770,967	245,573,568,396
Dolphin 2 Vietnam Joint Stock Company	6,246,959,102	2,986,437,665
Century Group Joint Stock Company	520,107,732	25,938,156
Century Value Added Service Joint Stock Company	373,508,196	86,548,294
Century Valuation Joint Stock Company	2,026,874,764	759,857,168
Century Golf Services and Trading Joint Stock Company	693,430,990	23,038,082
	188,237,651,751	249,455,387,761
Purchases		
Dolphin 2 Vietnam Joint Stock Company	137,580,500,102	144,209,181,818
Century Real Estate Development and Investment Joint Stock Company	-	71,399,570,843
Century Value Added Service Joint Stock Company	4,091,974,578	21,038,944,968
Century Golf Services and Trading Joint Stock Co	979,933,280	2,973,896,024
Century Valuation Joint Stock Company	10,000,000	-
Century Group Joint Stock Company	19,403,657,897	12,814,117,699
	162,066,065,857	252,435,711,352
Lending		
Century Real Estate Development and Investment Joint Stock Company	72,000,000,000	-
	72,000,000,000	-
Lending principal recovered		
Century Real Estate Development and Investment Joint Stock Company	(42,000,000,000)	-
	(42,000,000,000)	-
Interest income		
Century Real Estate Development and Investment Joint Stock Company	1,556,178,082	523,150,685
	1,556,178,082	523,150,685
Remuneration of Board of Directors and Executive Board	7,961,740,985	5,292,434,301

CENTURY LAND JOINT STOCK COMPANY
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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Significant related party balances as at the balance sheet date were as follows:

	<u>Closing balance</u> VND	<u>Opening balance</u> VND
Short-term trade receivables		
Century Real Estate Development and Investment Joint Stock Company	164,392,058,433	83,881,907,266
Century Group Joint Stock Company	581,721,067	28,531,972
Century Valuation Joint Stock Company	648,217,842	170,274,160
Century Value Added Service Joint Stock Company	6,534,000	71,725,684
Century Golf Services and Trading Joint Stock Co	472,671,564	9,897,473
Dolphin 2 Vietnam Joint Stock Company	-	51,292,156
	<u>166,101,202,906</u>	<u>84,213,628,711</u>
Advances to suppliers		
Century Real Estate Development and Investment Joint Stock Company	-	901,717,390
	<u>-</u>	<u>901,717,390</u>
Short-term trade payables		
Dolphin 2 Vietnam Joint Stock Company	2,005,260,500	-
Century Group Joint Stock Company	9,736,474,791	8,009,289,955
Century Golf Services and Trading Joint Stock Company	1,142,392,638	517,702,338
Century Real Estate Development and Investment Joint Stock Company	314,000,924	-
Century Value Added Service Joint Stock Company	6,954,065	5,047,738,427
	<u>13,205,082,918</u>	<u>13,574,730,720</u>
Other receivables		
Century Real Estate Development and Investment Joint Stock Company	499,800,000,000	315,000,000,000
Dolphin 2 Vietnam Joint Stock Company	-	30,000,000,000
Mr. Chu Huu Chien	16,000,000,000	-
Mr. Nguyen Anh Huong	15,500,000,000	-
	<u>531,300,000,000</u>	<u>345,000,000,000</u>
Loan receivables		
Century Real Estate Development and Investment Joint Stock Company	30,000,000,000	-
	<u>30,000,000,000</u>	<u>-</u>

29. SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION

Supplemental non-cash disclosures

As stated in Note 20, during the year, the Company completed the share dividend payment and share issuance to increase share capital of 30,000,000 shares in total; consequently, proceeds from share issue and owners' contributed capital presented in the consolidated cashflow statement for the year ended include the amount capital contributed by non-controlling interest of the subsidiaries and exclude the capital increase amounts as mentioned above.

30. OTHER INFORMATION

According to Resolutions No. 03, 04 and 05/2019/NQ-DHDCD dated 19 April 2019, the General Meeting of Shareholders approved the plan to increase charter capital to VND 1,599,998,920,000 by share issuance. The purpose of share issuance is to finance investment and construction activities of the project in Dong Ky ward urban area, Bac Ninh province; pay for loans coming due; grant the remaining fund and complete construction items under the Project on construction of the Village of overseas Vietnamese and finance working capital. As of the issue date of these consolidated financial statements, the above mentioned plan to increase charter capital has not been executed.

31. EVENTS AFTER REPORTING DATE

Due to impacts of COVID-19 disease outbreak, the Company's operating industries have been subject to risks of changes in the real estate market. Such significant changes may dramatically affect economic benefits and obligations of the Company. However, the Company's Executive Board assessed that market changes due to COVID-19 disease outbreak are unpredictable. Currently, the Company's Executive Board is prudently monitoring and evaluating the possible effects of this matter on the Company's operations in 2020.



Nguyen Cong Son
Preparer



Le Thi Lan
Chief Accountant



Chu Huu Chien
Chief Executive Officer

30 March 2020

