

CENTURY REAL ESTATE JOINT STOCK COMPANY

(Incorporated in the Socialist Republic of Vietnam)

**AUDITED SEPARATE
FINANCIAL STATEMENTS**

For the year ended 31 December 2018



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CENTURY REAL ESTATE JOINT STOCK COMPANY

No. 82 Nguyen Chi Thanh Street, Lang Thuong Ward,
Dong Da District, Hanoi, S.R. Vietnam

STATEMENT OF THE EXECUTIVE BOARD

The Executive Board of Century Real Estate Joint Stock Company (the "Company") presents this report together with the Company's separate financial statements for the year ended 31 December 2018.

BOARD OF DIRECTORS AND EXECUTIVE BOARD

The members of the Boards of Directors and the Executive Board of the Company who held office during the year and to the date of this report are as follows:

Board of Directors:

Mr. Nguyen Trung Vu	Chairman
Mr. Pham Thanh Hung	Vice Chairman (appointed on 06 April 2018)
Ms. Tran Thi Thanh Binh	Vice Chairman (resigned on 06 April 2018)
Mr. Nguyen Duc Vui	Member (appointed on 06 April 2018)
Ms. Nguyen Thi Hoang Oanh	Member (appointed on 06 April 2018)
Mr. Nguyen Tho Tuyen	Member
Mr. Le Xuan Nga	Member
Mr. Nguyen Anh Huong	Member (resigned on 06 April 2018)

Executive Board:

Mr. Nguyen Tho Tuyen	Chief Executive Officer
Ms. Nguyen Thi Thanh	Executive Officer
Mr. Nguyen Anh Huong	Executive Officer
Mr. Can Cong Viet	Executive Officer
Mr. Le Xuan Nga	Executive Officer
Ms. Nguyen Minh Hoi	Executive Officer
Mr. Truong Hung Cuong	Executive Officer
Mr. Chu Huu Chien	Executive Officer (appointed on 25 September 2018)

EXECUTIVE BOARD'S STATEMENT OF RESPONSIBILITY

The Executive Board of the Company is responsible for preparing the separate financial statements, which give a true and fair view of the financial position of the Company as at 31 December 2018, and its financial performance and its cash flows for the year in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting. In preparing these separate financial statements, the Executive Board is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting principles have been followed, subject to any material departures disclosed and explained in the separate financial statements;
- Prepare the separate financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business; and

CENTURY REAL ESTATE JOINT STOCK COMPANY

No. 82 Nguyen Chi Thanh Street, Lang Thuong 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 separate 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 financial position of the Company and that the separate financial statements comply with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to 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 separate financial statements.

For and on behalf of the Executive Board,




Nguyen Tho Tuyen
Chief Executive Officer

28 February 2019

No.: 516 /VN1A-HN-BC

INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying separate financial statements of Century Real Estate Joint Stock Company (the "Company"), prepared on 28 February 2019 as set out from page 05 to page 29, which comprise the balance sheet as at 31 December 2018, and the statement of income and statement of cash flows 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 separate financial statements in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting, and for such internal control as the Executive Board determines is necessary to enable the preparation of separate 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 separate 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 separate financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the separate financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the separate 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 separate 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 separate financial statements.

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

Opinion

In our opinion, the separate financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2018, and its financial performance and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting.

INDEPENDENT AUDITORS' REPORT (Continued)

Other matter

The separate financial statements of the Company for the year ended 31 December 2017 were audited by another independent auditor who expressed an unqualified opinion on those statements on 13 February 2018.



Dang Chi Dung

Deputy General Director

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

28 February 2019

Hanoi, S.R. Vietnam

BALANCE SHEET

As at 31 December 2018

Unit: VND

ASSETS	Codes	Notes	Closing balance	Opening balance
A. CURRENT ASSETS	100		1,469,530,097,504	558,549,467,618
I. Cash	110	4	274,788,860,733	23,516,535,898
1. Cash	111		274,788,860,733	23,516,535,898
II. Short-term receivables	130		742,340,601,536	534,695,455,987
1. Short-term trade receivables	131	6	611,456,393,218	259,696,903,722
2. Short-term advances to suppliers	132	7	11,408,561,139	6,744,781,065
3. Other short-term receivables	136	8	125,847,260,244	273,644,771,524
4. Provision for short-term doubtful debts	137	9	(6,371,613,065)	(5,391,000,324)
III. Inventories	140	10	451,427,489,086	-
1. Inventories	141		451,427,489,086	-
IV. Other short-term assets	150		973,146,149	337,475,733
1. Short-term prepayments	151	11	973,146,149	337,475,733
B. NON-CURRENT ASSETS	200		667,023,112,984	365,697,364,153
I. Long-term receivables	210		481,361,313,009	307,923,510,950
1. Other long-term receivables	216	8	481,361,313,009	307,923,510,950
II. Fixed assets	220		135,251,273,072	13,570,747,579
1. Tangible fixed assets	221	12	134,698,643,379	12,861,147,215
- Cost	222		142,951,675,661	18,578,230,101
- Accumulated depreciation	223		(8,253,032,282)	(5,717,082,886)
2. Intangible assets	227	13	552,629,693	709,600,364
- Cost	228		1,247,902,042	1,127,608,342
- Accumulated amortisation	229		(695,272,349)	(418,007,978)
III. Long-term assets in progress	240		5,614,765,426	-
1. Construction in progress	242	14	5,614,765,426	-
IV. Long-term financial investments	250	5	40,000,000,000	40,000,000,000
1. Investment in subsidiaries	251		40,000,000,000	40,000,000,000
V. Other long-term assets	260		4,795,761,477	4,203,105,624
1. Long-term prepayments	261	11	4,795,761,477	4,203,105,624
TOTAL ASSETS (270=100 + 200)	270		2,136,553,210,488	924,246,831,771


The accompanying notes are an integral part of these separate financial statements

BALANCE SHEET (Continued)

As at 31 December 2018

Unit: VND

RESOURCES	Codes	Notes	Closing balance	Opening balance
C. LIABILITIES	300		724,159,822,638	400,398,527,937
I. Current liabilities	310		722,000,083,513	400,398,527,937
1. Short-term trade payables	311	15	124,381,472,977	115,711,164,867
2. Short-term advances from customers	312	16	13,707,420,279	52,749,069,228
3. Taxes and amounts payable to the State budget	313	17	78,290,607,461	61,477,372,787
4. Payables to employees	314		51,220,585,888	50,655,991,870
5. Short-term unearned revenue	318		3,310,297,747	-
6. Other current payables	319	18	245,983,352,314	584,972,850
7. Short-term loans	320	19	170,000,000,000	100,000,000,000
8. Bonus and welfare funds	322		35,106,346,847	19,219,956,335
II. Long-term liabilities	330		2,159,739,125	-
1. Other long-term payables	337		2,159,739,125	-
D. EQUITY	400		1,412,393,387,850	523,848,303,834
I. Owners' equity	410	20	1,412,393,387,850	523,848,303,834
1. Owners' contributed capital	411		500,000,000,000	250,000,000,000
- Ordinary shares carrying voting rights	411a		500,000,000,000	250,000,000,000
2. Share premium	412		375,000,000,000	
3. Investment and development fund	418		34,610,103,952	12,899,194,890
4. Retained earnings	421		502,783,283,898	260,949,108,944
- Retained earnings accumulated to the prior year end	421a		205,779,009,597	43,840,018,324
- Retained earnings of the current period	421b		297,004,274,301	217,109,090,620
TOTAL RESOURCES (440=300+400)	440		2,136,553,210,488	924,246,831,771


Nguyen Quoc Hung
 Preparer


Le Thi Lan
 Chief Accountant


Nguyen Tho Tuyen
 Chief Executive Officer

28 February 2019


The accompanying notes are an integral part of these separate financial statements

CENTURY REAL ESTATE JOINT STOCK COMPANYNo. 82 Nguyen Chi Thanh Street, Lang Thuong
Ward, Dong Da District, Hanoi, S.R. Vietnam**FORM B 02-DN**Issued under Circular No.200/2014/TT-BTC dated
22 December 2014 of the Ministry of Finance**INCOME STATEMENT**

For the year ended 31 December 2018

Unit: VND

ITEMS	Codes	Notes	Current year	Prior year
1. Gross revenue from goods sold and services rendered	01	22	1,390,541,454,277	883,000,449,737
2. Deductions	02		-	-
3. Net revenue from goods sold and services rendered (10=01-02)	10		1,390,541,454,277	883,000,449,737
4. Cost of sales	11	23	941,459,364,885	528,491,950,745
5. Gross profit from goods sold and services rendered (20=10-11)	20		449,082,089,392	354,508,498,992
6. Financial income	21	26	2,645,763,985	373,806,335
7. Financial expenses	22		-	3,661,810,941
- In which: Interest expense	23		-	3,661,810,941
8. Selling expenses	25	24	7,988,538,833	26,955,415,738
9. General and administration expenses	26	24	71,385,444,835	51,066,163,389
10. Operating profit (30=20+(21-22)-(25+26))	30		372,353,869,709	273,198,915,259
11. Other income	31		326,202,609	138,548,379
12. Other expenses	32		1,139,783,553	1,732,880,290
13. (Loss) from other activities (40=31-32)	40		(813,580,944)	(1,594,331,911)
14. Accounting profit before tax (50=30+40)	50		371,540,288,765	271,604,583,348
15. Current corporate income tax expense	51	27	74,536,014,464	54,495,492,728
16. Net profit after corporate income tax (60=50-51)	60		297,004,274,301	217,109,090,620


 Nguyen Quoc Hung
Preparer


 Le Thi Lan
Chief Accountant


 Nguyen Tho Tuyen
Chief Executive Officer

28 February 2019

The accompanying notes are an integral part of these separate financial statements

CENTURY REAL ESTATE JOINT STOCK COMPANY**FORM B 03-DN**No. 82 Nguyen Chi Thanh Street, Lang Thuong
Ward, Dong Da District, Hanoi, S.R. VietnamIssued under Circular No.200/2014/TT-BTC dated
22 December 2014 of the Ministry of Finance**CASH FLOW STATEMENT**

For the year ended 31 December 2018

Unit: VND

ITEMS	Codes	Current year	Prior year
I. CASH FLOWS FROM OPERATING ACTIVITIES			
1. Profit before tax	01	371,540,288,765	271,604,583,348
2. Adjustments for:			
Depreciation and amortisation of fixed assets	02	3,603,728,767	2,151,485,563
Provisions	03	980,612,741	-
(Gain) from investing activities	05	(2,587,636,680)	(202,556,287)
Interest expense	06	-	3,661,810,941
3. Operating profit before movements in working capital	08	373,536,993,593	277,215,323,565
Changes in receivables	09	(455,160,255,766)	(7,892,480,265)
Changes in inventories	10	(451,427,489,086)	1,088,106,785
Changes in payables (excluding accrued loan interest and corporate income tax payable)	11	215,328,316,571	71,630,814,725
Changes in prepaid expenses	12	(1,228,326,269)	11,248,280,750
Interest paid	14	-	(12,666,005,941)
Corporate income tax paid	15	(56,130,565,085)	(54,868,066,926)
Other cash outflows	17	(17,572,799,773)	(128,836,000)
Net cash (used in)/generated by operating activities	20	(392,654,125,815)	285,627,136,693
II. CASH FLOWS FROM INVESTING ACTIVITIES			
1. Acquisition and construction of fixed assets and other long-term assets	21	(53,661,186,030)	(7,187,518,900)
2. Proceeds from sale, disposal of fixed assets and other long-term assets	22	72,727,273	300,000,000
3. Cash outflow for lending, buying debt instruments of other entities	23	(713,500,000,000)	-
4. Cash recovered from lending, selling debt instruments of other entities	24	713,500,000,000	-
5. Equity investments in other entities	25	-	(16,000,000,000)
6. Interest earned, dividends and profits received	27	2,514,909,407	79,049,816
Net cash (used in) investing activities	30	(51,073,549,350)	(22,808,469,084)
III. CASH FLOWS FROM FINANCING ACTIVITIES			
1. Proceeds from share issue and owners' contributed capital	31	625,000,000,000	81,000,000,000
2. Proceeds from borrowings	33	170,000,000,000	100,000,000,000
3. Repayment of borrowings	34	(100,000,000,000)	(329,875,000,000)
Net cash generated by/(used in) financing activities	40	695,000,000,000	(249,392,702,106)
Net increase in cash (50=20+30+40)	50	251,272,324,835	13,425,965,503
Cash at the beginning of the year	60	23,516,535,898	10,090,570,395
Cash at the end of the year (70=50+60)	70	274,788,860,733	23,516,535,898


 Nguyen Quoc Hung
Preparer


 Le Thi Lan
Chief Accountant


 Nguyen Tho Tuyen
Chief Executive Officer

28 February 2019

The accompanying notes are an integral part of these separate financial statements

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

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

1. GENERAL INFORMATION**Structure of ownership**

Century Real Estate Joint Stock Company operates under Business Registration Certificate No. 0101160306 issued by Hanoi Authority for Planning and Investment on 20 August 2001 and its 14th amendment dated 02 March 2018.

The Company's head office is located at No. 82 Nguyen Chi Thanh Street, Lang Thuong Ward, Dong Da District, Hanoi City, Vietnam.

The total number of employees of the Company as at 31 December 2018 was 1,331 (as at 31 December 2017: 1,482).

Operating industry and principal activities

The Company's operating industry 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

The Company's normal production and business cycle is carried out for a time period of 12 months or less.

The Company's structure

The Company has three 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				
Worldstar Land Services Joint Stock Company	Hanoi	80.00%	80.00%	Real estate business, land use rights as owners, users or renters; 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 business, land use rights as owners, users or renters; consultancy, brokerage, management and advertising relating to real estate

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 separate financial statements

Comparative figures are the figures of the Company's separate financial statements for the year ended 31 December 2017 which were audited by another independent auditor.

2. ACCOUNTING CONVENTION AND FINANCIAL YEAR

Accounting convention

The accompanying separate 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 financial reporting.

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

The separate financial statements have been prepared solely for the Holding Company and do not include the financial statements of its subsidiaries. The separate financial statements should be read in conjunction with the consolidated financial statements of the Company for the year ended 31 December 2018 for complete information about the Company's financial position as well as its results of operations and its cash flows during the year.

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 separate financial statements, are as follows:

Estimates

The preparation of separate financial statements in conformity with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to 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 separate 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.

Cash

Cash comprises cash on hand and demand deposits.

Financial investments

Investments in subsidiaries

A subsidiary is an entity over which the Company has control. 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.

Investments in subsidiaries are carried in the balance sheet at cost less provision for impairment of such investments (if any). Provisions for impairment of investments in subsidiaries are made in accordance with Circular No. 228/2009/TT-BTC dated 07 December 2009 issued by the Ministry of Finance on "Guiding the appropriation and use of provisions for devaluation of inventories, loss of financial investments, bad debts and warranty for products, goods and construction works at enterprises", Circular No. 89/2013/TT-BTC dated 28 June 2013 by the Ministry of Finance amending and supplementing Circular No. 228/2009/TT-BTC and 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 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, structures	30
Motor vehicles	6
Office equipment	3 - 5

Intangible assets and amortization

Intangible assets represent computer software and other intangible assets. Intangible assets are stated at cost less accumulated amortization and amortized using the straight-line method over the period from 3 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. Cost includes costs 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 costs of small tools, supplies and spare parts issued for consumption, office repair and other expenses which are expected to provide future economic benefits to the Company. These expenditures have been capitalised as prepayments, and are allocated to the 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 periods, revenue is recognized in each 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.

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

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

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 significant differences between carrying amounts of assets and liabilities in the 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

	Closing balance	Opening balance
	VND	VND
Cash on hand	3,778,403,869	1,201,196,730
Bank demand deposits	271,010,456,864	22,315,339,168
	274,788,860,733	23,516,535,898

5. FINANCIAL INVESTMENTS

	Closing balance			Opening balance		
	Cost	Provision	Book value	Cost	Provision	Book value
	VND	VND	VND	VND	VND	VND
Investments in subsidiaries	40,000,000,000	-	40,000,000,000	40,000,000,000	-	40,000,000,000
Worldstar Land Services Joint Stock Company	16,000,000,000	-	16,000,000,000	16,000,000,000	-	16,000,000,000
Cen Sai Gon Real Estate Joint Stock Company	16,000,000,000	-	16,000,000,000	16,000,000,000	-	16,000,000,000
Rising Star Media Joint Stock Company	8,000,000,000	-	8,000,000,000	8,000,000,000	-	8,000,000,000

The Company has not assessed fair value of its financial investments as at the balance sheet date since there is no comprehensive guidance of relevant prevailing regulations on determination of fair value of these financial investments.

The operating results of the subsidiaries for the year ended 31 December 2018 are as follows:

	<u>Current year</u>	<u>Prior year</u>
Worldstar Land Services Joint Stock Company	Profitable	Profitable
Cen Sai Gon Real Estate Joint Stock Company	Profitable	Profitable
Rising Star Media Joint Stock Company	Profitable	Profitable

Significant transactions between the Company and its subsidiaries during the year are presented in Note 28

6. SHORT-TERM TRADE RECEIVABLES

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Galaxy Land Real Estate Joint Stock Company	168,531,870,156	-
VMF Joint Stock Company	86,239,992,938	-
Century Real Estate Investment and Development Joint Stock Company	83,126,606,578	-
Gamuda Land Vietnam Company Limited	61,661,483,507	10,758,497,115
Khai Son Joint Stock Company	36,130,085,422	-
Phuc Son Group Joint Stock Company	26,268,475,059	65,116,699,679
Hanoi General Import and Export Joint Stock Company - Geleximco	15,263,676,038	9,743,100,273
Belleville Hanoi Real Estate Joint Stock Company	15,798,263,316	41,467,524,975
Hanoi Sunrise Development Investment Joint Stock Company	7,399,732,261	45,030,953,169
FLC Group Joint Stock Company	6,486,882,187	6,840,071,147
FLC Ha Long Development and Investment Company Limited	2,629,592,433	15,911,519,194
Hoa Binh Company Limited	856,799,020	10,434,518,971
Others	101,062,934,303	54,394,019,199
	611,456,393,218	259,696,903,722
Receivables from related parties (Details presented in Note 28)	95,797,639,575	3,088,356,971

7. SHORT-TERM ADVANCES TO SUPPLIERS

	<u>Closing balance</u> VND	<u>Opening balance</u> VND
CONSGROUP Joint Stock Company	9,355,163,980	-
Century Real Estate Investment and Development Joint Stock Company	901,717,390	1,215,718,314
Century Real Estate Increasing Services Joint Stock Company	-	4,783,722,658
Others	1,151,679,769	745,340,093
	11,408,561,139	6,744,781,065
Advances to related parties (Details presented in Note 28)	901,717,390	5,999,440,972

8. OTHER RECEIVABLES

	<u>Closing balance</u> VND	<u>Opening balance</u> VND
a. Short-term		
Nam Hong Company Limited (i)	23,441,015,836	-
Viet Anh Development and Investment Joint Stock Company (ii)	75,181,130,714	-
Hanoi Sunrise Development Investment Joint Stock Company (iii)	11,800,807,194	97,863,200,000
Gia Phu Real Estate Company Limited	5,391,000,324	5,391,000,324
An Think Technology and Solution Company Limited	384,300,000	384,300,000
Receivable from investment co-operation contract	-	125,000,000,000
Phuc Son Group Joint Stock Company	-	5,000,000,000
Advances to employees (iv)	9,578,039,581	30,000,000,000
Advances to the Executive Board (iv)	-	10,000,000,000
Others	70,966,595	6,271,200
	125,847,260,244	273,644,771,524
b. Long-term		
Deposits (v)	481,361,313,009	307,923,510,950
<i>In which:</i>		
- Guarantee for general project-distribution agents	479,960,025,174	307,503,756,890
+ Century Real Estate Investment and Development Joint Stock Company	315,000,000,000	220,000,000,000
+ Geleximco Group - Joint Stock Company	10,000,000,000	20,000,000,000
+ Soleil Investment and Hotel Services Joint Stock Company	25,600,000,000	25,600,000,000
+ Gamuda Land Vietnam Company Limited	58,974,025,174	16,547,756,890
+ Dolphin 2 Vietnam Joint Stock Company	30,000,000,000	-
+ Khai Son Joint Stock Company	18,000,000,000	-
+ FLC Group Joint Stock Company	400,000,000	5,000,000,000
+ FLC Quy Nhon Golf & Resort Joint Stock Company	-	5,000,000,000
+ Others	21,986,000,000	15,356,000,000
- Other deposits	1,401,287,835	419,754,060
	481,361,313,009	307,923,510,950
Other receivables from related parties (Details presented in Note 28)	345,000,000,000	220,000,000,000

- (i) Represents the value of capital contribution under the Business Co-operation Contract dated 31 May 2018 between the Company and Nam Hong Company Limited in respect of the

Project for Investment in the Construction of the Complex for Sport activities, School, Public Works and Urban Area in Dong Ky Ward. Under the terms of the Business Co-operation Contract, the Company will co-operate with Nam Hong Company Limited to process legal procedures, conduct investment, construction and trade of the real estate products of the Project. Nam Hong Company Limited is responsible for the Project implementation and payment for all expenses of the Project; the Company is responsible for funding to ensure Nam Hong Company Limited's financial resources to carry out the Project; and at the same time the Company has the right to appoint the sales agents for all Project products with selling cost inclusive of value added tax of 5% of the sales of real estate products of the Project.

The revenue from the Project after deducting this 5% selling costs will be distributed to the two parties at the rate of 70-30. Nam Hong Company Limited is responsible for all other expenses of the Project apart from selling costs allocated to both parties. Apart from the capital and selling costs, the Company bears no other costs.

According to the agreement dated 22 November 2018 between the Company and Nam Hong Company Limited, Nam Hong Company Limited permits the Company to purchase the entire Project products. For 277 unsold registered land lots, Nam Hong Company Limited signed a contract to transfer the land use rights to the Company. For 67 land lots that should have houses to be built on land, Nam Hong Company Limited signed a contract to transfer properties to be formed in the future to the Company, and to proceed procedures for issue of the relevant property right certificates to be granted to the Company, or the Company's customers in case the Company sells properties before they are completed. Nam Hong Company Limited agrees to assign the construction items of landscape (including parks) and sidewalks to the Company. Payments for these two items will be deducted from the Company's last payment to Nam Hong Limited Company in the future.

- (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 of the Project to implement infrastructure/crude construction 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 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 products.

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) Represents the deposit under Contract No. 68/2016/HDIS-STDA between the Company and Hanoi Sunrise Investment Development Joint Stock Company to invest in and trade the products of HDI Sunrise Project. Under the terms of the contract, Hanoi Sunrise Investment Development Joint Stock Company is responsible for processing all legal procedures, land use rights and Project implementation in accordance with the approved plan and design; the Company is responsible for funding the Project implementation in accordance with the agreement and the sale of all real estate products under the Project. Hanoi Sunrise Investment Development Joint Stock Company agrees to sell and the Company agrees to buy two thirds of the Project's apartment area and the entire office area on the 3rd, 4th and 5th floors; to guarantee the performance of the contract, the Company agrees to deposit and Hanoi Sunrise Investment Development Joint Stock Company agrees to receive a deposit equivalent to 25% of the total value of the apartments and offices.

As soon as the Project products are qualified for trade according to the law on real estate business, the Company has the right to appoint buyers of the apartments and offices who will sign relevant apartment/office area trading contracts. Hanoi Sunrise Investment Development Joint Stock Company authorizes the Company to receive payments from the Project's customers on behalf of Hanoi Sunrise Investment Development Joint Stock Company; such received payments shall not exceed the deposit amount that the Company has made under each stage of the Project and shall be used to recover the above deposit and the profit belonging to the Company under the agreement.

- (iv) Represents advances to employees and members of the Executive Board to carry out the Company's projects.
- (v) 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 by the relevant projects.

9. BAD DEBTS

	Closing balance		Opening balance	
	Cost	Recoverable amount	Cost	Recoverable amount
	VND	VND	VND	VND
Doubtful debts by debtor	6,371,613,065	-	6,371,613,065	980,612,741
a) Past due over 3 years				
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	384,300,000
West Lake Development and Investment Company Limited	106,244,294	-	106,244,294	106,244,294
Thang Long Real Estate Joint Stock Company	60,615,000	-	60,615,000	60,615,000
TID Joint Stock Company	343,870,941	-	343,870,941	343,870,941
Hanoi General Import-Export Joint Stock Company	39,683,691	-	39,683,691	39,683,691
b) Past due from 1 year to 2 years				
Bao Viet Investment Joint Stock Company	45,898,815	-	45,898,815	45,898,815

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

10. INVENTORIES

	Closing balance		Opening balance	
	Cost	Provision	Cost	Provision
	VND	VND	VND	VND
Real estate (i)	447,532,625,040	-	-	-
Work in progress	3,894,864,046	-	-	-
Total	451,427,489,086	-	-	-

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

11. PREPAYMENTS

	<u>Closing balance</u> VND	<u>Opening balance</u> VND
a. Short-term		
Tools and supplies	380,642,859	305,530,718
Office repair expenses	857,500	26,783,725
Office rentals	591,645,790	5,161,290
	973,146,149	337,475,733
b. Long-term		
Tools and supplies	2,846,930,540	2,225,807,519
Office repair expenses	1,570,783,346	1,843,974,454
Other long-term prepayments	378,047,591	133,323,651
	4,795,761,477	4,203,105,624

12. INCREASES, DECREASES IN TANGIBLE FIXED ASSETS

	<u>Buildings, structures</u> VND	<u>Motor vehicles</u> VND	<u>Office equipment</u> VND	<u>Total</u> VND
COST				
Opening balance	-	16,501,522,818	2,076,707,283	18,578,230,101
Purchases	110,684,934,984	13,824,181,819	654,843,757	125,163,960,560
Disposals	-	(790,515,000)	-	(790,515,000)
Closing balance	110,684,934,984	29,535,189,637	2,731,551,040	142,951,675,661
ACCUMULATED DEPRECIATION				
Opening balance	-	4,352,327,380	1,364,755,506	5,717,082,886
Charge for the period	121,523,592	2,868,459,001	336,481,803	3,326,464,396
Disposals	-	(790,515,000)	-	(790,515,000)
Closing balance	121,523,592	6,430,271,381	1,701,237,309	8,253,032,282
NET BOOK VALUE				
Closing balance	110,563,411,392	23,104,918,256	1,030,313,731	134,698,643,379
Opening balance	-	12,149,195,438	711,951,777	12,861,147,215

The cost of tangible fixed assets which have been fully depreciated but are still in use as at 31 December 2018 was VND 1,870,532,949 (as at 31 December 2017: VND 1,742,409,092).

13. INCREASES, DECREASES IN INTANGIBLE ASSETS

	Computer software VND	Others VND	Total VND
COST			
Opening balance	752,881,069	374,727,273	1,127,608,342
Purchases	120,293,700	-	120,293,700
Closing balance	873,174,769	374,727,273	1,247,902,042
ACCUMULATED AMORTISATION			
Opening balance	366,936,130	51,071,848	418,007,978
Charge for the year	152,355,279	124,909,092	277,264,371
Closing balance	519,291,409	175,980,940	695,272,349
NET BOOK VALUE			
Closing balance	353,883,360	198,746,333	552,629,693
Opening balance	385,944,939	323,655,425	709,600,364

The cost of intangible assets which have been fully amortised but are still in use as at 31 December 2018 was VND 58,860,000 (as at 31 December 2017: VND 58,860,000).

14. CONSTRUCTION IN PROGRESS

	Closing balance VND	Opening balance VND
- Acquisition (i)	1,663,675,708	-
- Construction in progress (ii)	3,951,089,718	-
	5,614,765,426	-

- (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.

15. SHORT-TERM TRADE PAYABLES

	Closing balance		Opening balance	
	VND	VND	VND	VND
	Amount	Amount able to be paid off	Amount	Amount able to be paid off
Worldstar Land Services Joint Stock Company	64,541,873,140	64,541,873,140	73,318,200,742	73,318,200,742
Rising Star Media Joint Stock Company	38,480,514,133	38,480,514,133	17,529,688,180	17,529,688,180
Century Real Estate Increasing Services Joint Stock Company	5,047,738,427	5,047,738,427	-	-
Cen Sai Gon Real Estate Joint Stock Company	3,713,226,474	3,713,226,474	12,308,638,828	12,308,638,828
Nha re 24H Joint Stock Company	3,241,149,985	3,241,149,985	3,287,676,982	3,287,676,982
Century Group Joint Stock Company	4,332,931,966	4,332,931,966	5,592,431,128	5,592,431,128
Others	5,024,038,852	5,024,038,852	3,674,529,007	3,674,529,007
	124,381,472,977	124,381,472,977	115,711,164,867	115,711,164,867
Trade payables to related parties (Details presented in Note 28)	116,152,694,040	116,152,694,040	108,938,681,777	108,938,681,777

16. SHORT-TERM ADVANCES FROM CUSTOMERS

	Closing balance	Opening balance
	VND	VND
My Dinh Real Estate Investment Joint Stock Company	9,572,124,801	-
Customers buying apartments of Dong Son project	1,806,785,024	-
Flamingo Dai Lai Resort Joint Stock Company	1,675,976,693	-
Customers buying apartments of Gia Phu project	401,879,345	987,394,065
Century Real Estate Development and Investment Joint Stock Company	-	51,686,675,162
Others	250,654,416	75,000,001
	13,707,420,279	52,749,069,228

17. 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	16,490,479,457	27,471,893,229	37,198,244,317	6,764,128,369
Corporate income tax	25,591,330,048	74,551,648,048	56,130,565,085	44,012,413,011
- Current corporate income tax expense		74,536,014,464	56,114,931,501	
- Retrospective collection according to the decision of the tax authority		15,633,584	15,633,584	
Personal income tax	19,395,563,282	40,594,091,564	32,475,588,765	27,514,066,081
Other taxes	-	2,402,918,963	2,402,918,963	-
Business license tax	-	2,101,344,900	2,101,344,900	-
Other taxes and payables	-	301,574,063	301,574,063	-
Total	61,477,372,787	145,020,551,804	128,207,317,130	78,290,607,461

18. OTHER PAYABLES

	Closing balance VND	Opening balance VND
a. Short-term		
Trade union fee	62,577,296	178,221,250
Social insurance	-	-
Capital contribution received	168,049,784,150	-
- Galaxy Land Real Estate Joint Stock Company (i)	143,049,784,150	-
- Word Eye Vision Company Limited (ii)	25,000,000,000	-
Deposits received for sales of apartments (iii)	77,785,970,868	290,000,000
Short-term deposits	-	116,751,600
Others	85,020,000	-
	245,983,352,314	584,972,850
b. Long-term		
Long-term deposits	2,159,739,125	-
	2,159,739,125	-

- (i) Represents the value of capital contribution received under Business Co-operation Contract No. 01/2018/HDHTDT/DONGKY dated 21 June 2018 between the Company and Galaxy Land Real Estate Joint Stock Company for the distribution of real estate products under the Project for investment and construction of the complex for sport activities, schools, public works and urban area in Dong Ky Ward. Under the terms of the Business Co-operation Contract, each party contributes 50% of the total capital amount of VND 817 billion.

Galaxy Land Real Estate Joint Stock Company will share the sales of the project products to be received by the Company after the deduction of the Project's selling costs according to the actual amount and proportion of capital contributed by Galaxy Land Real Estate Joint Stock Company.

- (ii) Represents the value of capital contribution received under the Business Co-operation Contract No. 2307/2018/HDHTDT dated 23 July 2018 between the Company and World Eye Vision Company Limited for the distribution of real estate under the Lovera Garden Project. Under the terms of the Business Co-operation Contract, World Eye Vision Company Limited contributes the capital amount of VND 25 billion.

World Eye Vision Company Limited will share the profits to be received by the Company from the sale of the project products with the percentage of 55% after the deduction of the Project's expenses (including selling expenses, provision expenses, VAT and corporate income tax) and according to actual capital contribution ratio of World Eye Vision Company Limited.

- (iii) 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 period		Closing balance	
	VND Amount	VND Amount likely to be paid off	VND Increases	VND Decreases	VND Amount	VND Amount likely to be paid off
Short-term loans	100,000,000,000	100,000,000,000	170,000,000,000	100,000,000,000	170,000,000,000	170,000,000,000
Ms. Nguyen Thanh Binh	100,000,000,000	100,000,000,000	-	100,000,000,000	-	-
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
Vietnam Prosperity Joint Stock Commercial Bank (ii)	-	-	140,000,000,000	-	140,000,000,000	140,000,000,000
Total	100,000,000,000	100,000,000,000	170,000,000,000	100,000,000,000	170,000,000,000	170,000,000,000

- (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 guaranteed by land use rights and trading area on the first floor of J building, H building and K building in CT7 high-rise apartment block 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 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, No. 28 Tran Binh Street, My Dinh 2 Ward, Nam Tu Liem District, Hanoi City.

20. OWNERS' EQUITY

Movement in owners' equity

	Owners' contributed capital	Share premium	Investment and development fund	Retained earnings	Total
	VND	VND	VND	VND	VND
Prior year's opening balance	130,000,000,000	-	12,899,194,890	183,357,720,430	326,256,915,320
Stock issuance	81,000,000,000	-	-	-	81,000,000,000
Profit for the year	-	-	-	217,109,090,620	217,109,090,620
Dividends declared	39,000,000,000	-	-	(139,517,702,106)	(100,517,702,106)
Current year's opening balance	250,000,000,000	-	12,899,194,890	260,949,108,944	523,848,303,834
Stock issuance (i)	250,000,000,000	375,000,000,000	-	-	625,000,000,000
Profit for the year	-	-	-	297,004,274,301	297,004,274,301
Distribution to funds (ii)	-	-	21,710,909,062	(21,710,909,062)	-
Distribution to bonus and welfare funds (ii)	-	-	-	(32,566,363,593)	(32,566,363,593)
Other decreases	-	-	-	(892,826,692)	(892,826,692)
Current year's closing balance	500,000,000,000	375,000,000,000	34,610,103,952	502,783,283,898	1,412,393,387,850

- (i) During the year, the Company increased its charter capital by VND 250 billion pursuant to the Resolution No. 1682/2017/NQ dated 12 December 2017 passed at the Extraordinary General Meeting of Shareholders approving the plan to increase charter capital in form of public offering of 25 million shares (the value of each share is VND 25,000).
- (ii) The Company distributed the retained earnings for the year 2017 to the investment and development fund and the bonus and welfare funds with the amounts of VND 21,710,909,062 and VND 32,566,363,593, respectively, in accordance with Resolution No. 01/2018/NQ-DHDCD dated 6 April 2018 passed at the General Meeting of Shareholders.

Charter capital

Under the 14th amended Business Registration Certificate dated 02 March 2018, the Company's charter capital is VND 500 billion.

Shares

At 31 December 2018, the number of outstanding shares in circulation of the Company is as follows:

	Closing balance	Opening balance
	VND	VND
Shares		
- Number of outstanding shares in circulation		
+ Ordinary shares	50,000,000	25,000,000
+ Preference shares	-	-

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

The Company's operating industry and principal activities in the year only relate to real estate business including real estate brokerage, real estate transfer and consulting services; therefore, the financial information presented on the balance sheet as at 31 December 2018, and all revenue and expenses presented in the statement of income for the year ended 31 December 2018 only relate to real estate business. Revenue and cost of sales' details are presented in Note 22 and Note 23.

22. REVENUE FROM GOODS SOLD AND SERVICES RENDERED

	Current year VND	Prior year VND
Gross revenue from goods sold and services rendered	1,390,541,454,277	883,000,449,737
<i>In which:</i>		
Revenue from real estate brokerage	927,974,385,319	883,000,449,737
Revenue from real estate transfer	462,567,068,958	-
	1,390,541,454,277	883,000,449,737
Revenue from related parties (Details presented in Note 28)	278,658,697,154	281,412,325,036

23. COST OF SALES

	Current year VND	Prior year VND
Cost of real estate brokerage services	556,800,915,255	528,491,950,745
Cost of real estate transfer	384,658,449,630	-
	941,459,364,885	528,491,950,745

24. SELLING EXPENSES AND GENERAL AND ADMINISTRATION EXPENSES

	<u>Current year</u> VND	<u>Prior year</u> VND
Selling expenses incurred during the year		
Expenses for promotion and advertisement	7,911,374,569	26,955,415,738
Others	77,164,264	-
	7,988,538,833	26,955,415,738
General and administration expenses incurred during the year		
Raw materials and consumables	17,230,000	5,425,235,783
Labour	24,754,185,494	16,644,395,300
Depreciation and amortisation	3,126,319,227	2,133,715,041
Out-sourced services	20,445,939,365	8,202,028,190
Others	23,041,770,749	18,660,789,075
	71,385,444,835	51,066,163,389

25. PRODUCTION COST BY NATURE

	<u>Current year</u> VND	<u>Prior year</u> VND
Tools and dies	17,230,000	5,425,235,783
Labour	336,891,190,961	320,171,053,995
Depreciation and amortization	3,603,728,767	2,151,485,563
Out-sourced services	292,102,062,753	230,465,535,615
Other expenses	23,118,935,013	48,300,218,916
	655,733,147,494	606,513,529,872

26. FINANCE INCOME

	<u>Current year</u> VND	<u>Prior year</u> VND
Bank interest	1,991,758,722	373,799,593
Loan interest	523,150,685	-
Foreign exchange gain arising from settlements	130,854,578	-
Others	-	6,742
	2,645,763,985	373,806,335

27. CURRENT CORPORATE INCOME TAX EXPENSE

	Current year VND	Prior year VND
Profit before tax	371,540,288,765	271,604,583,348
Add back: Non-deductible expenses	1,139,783,553	-
Taxable profit	372,680,072,318	271,604,583,348
Corporate income tax expense based on taxable profit in the current year	74,536,014,464	54,495,492,728
Current corporate income tax expense	74,536,014,464	54,495,492,728

28. RELATED PARTY TRANSACTIONS AND BALANCES

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

<u>Related parties</u>	<u>Relationship</u>
Century Group Joint Stock Company	Holding company of Company
Worldstar Land Services Joint Stock Company	Subsidiary
Cen Sai Gon Real Estate Joint Stock Company	Subsidiary
Rising Star Media Joint Stock Company	Subsidiary
Century Real Estate Increasing Services Joint Stock Company	Same Group
Century Real Estate Development and Investment Joint Stock Company	Same Group
Century Golf and Travel Services Joint Stock Company	Same Group
Century Appraisal Joint Stock Company	Same Group
Dolphin 2 Vietnam Joint Stock Company	Same Group

CENTURY REAL ESTATE JOINT STOCK COMPANY
NOTES TO THE SEPARATE FINANCIAL STATEMENTS (Continued)

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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	242,886,917,855	275,667,635,962
Worldstar Land Services Joint Stock Company	32,759,971,452	3,305,311,708
Dolphin 2 Vietnam Joint Stock Company	2,986,437,665	-
Century Group Joint Stock Company	-	2,234,754,102
Cen Sai Gon Real Estate Joint Stock Company	25,370,182	68,668,718
Century Real Estate Increasing Services Joint Stock Company	-	87,272,728
Century Golf and Travel Services Joint Stock Company	-	48,681,818
	278,658,697,154	281,412,325,036
Purchases		
Worldstar Land Services Joint Stock Company	157,944,586,195	132,011,169,829
Dolphin 2 Vietnam Joint Stock Company	144,209,181,818	-
Century Real Estate Development and Investment Joint Stock Company	71,395,379,934	-
Rising Star Media Joint Stock Company	66,409,235,259	49,243,123,914
Cen Sai Gon Real Estate Joint Stock Company	4,686,026,262	14,023,528,516
Century Real Estate Increasing Services Joint Stock Company	21,014,444,968	17,272,727
Century Group Joint Stock Company	9,530,981,716	11,896,752,055
Century Golf and Travel Services Joint Stock Company	824,345,991	2,780,704,013
	476,014,182,143	209,972,551,054
Interest expenses		
Century Real Estate Development and Investment Joint Stock Company	523,150,685	-
	523,150,685	-
Dividend payment		
Century Group Joint Stock Company	-	71,027,347,383
	-	71,027,347,383
Remuneration of the Board of Directors and Executive Board	5,292,434,301	2,802,550,972

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	83,126,606,578	-
Worldstar Land Services Joint Stock Company	12,591,833,641	1,420,370,425
Dolphin 2 Vietnam Joint Stock Company	51,292,156	-
Cen Sai Gon Real Estate Joint Stock Company	27,907,200	30,535,591
Century Group Joint Stock Company	-	1,589,450,955
Century Real Estate Increasing Services Joint Stock Company	-	48,000,000
	95,797,639,575	3,088,356,971
Advances to suppliers		
Century Real Estate Increasing Services Joint Stock Company	-	4,783,722,658
Century Real Estate Development and Investment Joint Stock Company	901,717,390	1,215,718,314
	901,717,390	5,999,440,972
Short-term trade payables		
Worldstar Land Services Joint Stock Company	64,541,873,140	73,318,200,742
Rising Star Media Joint Stock Company	38,480,514,133	17,529,688,180
Century Real Estate Increasing Services Joint Stock Company	5,047,738,427	-
Cen Sai Gon Real Estate Joint Stock Company	3,713,226,474	12,308,638,827
Century Group Joint Stock Company	4,332,931,966	5,592,431,128
Century Golf and Travel Services Joint Stock Company	36,409,900	189,722,900
	116,152,694,040	108,938,681,777
Short-term advances from customers		
Century Real Estate Development and Investment Joint Stock Company	-	51,686,675,162
	-	51,686,675,162
Other receivables		
Century Real Estate Development and Investment Joint Stock Company	315,000,000,000	220,000,000,000
Dolphin 2 Vietnam Joint Stock Company	30,000,000,000	-
	345,000,000,000	220,000,000,000

29. SUPPLEMENTAL INFORMATION FOR ITEMS PRESENTED ON THE STATEMENT OF CASH FLOWS

Supplemental information for non-financial items

Cash outflows for acquisition and construction of fixed assets do not include the amount of about VND 73 billion for acquisition of fixed assets and construction in progress in the year that have been offset against trade receivables. Consequently, changes in receivables and payables have been adjusted by the same amount.

30. SUPPLEMENTAL INFORMATION

- According to Resolution No. 01/2018/NQ-DHDCD dated 06 April 2018, the General Meeting of Shareholders approved the plan of bond issuance in 2018 with the total number of bonds expected to be sold of 5,000,000 valued at VND 500 billion and term of 3 years. The purpose of bond issuance is to finance investment activities of the Company, with the priority of funding given to real estate projects under which the Company acts as a wholesale agent or secondary agent in order to control the supply in the market.
- According to the Resolution of the Board of Directors No. 1549/2018/NQ-HDQT dated 12 November 2018, the Company plans to purchase commercial kiosks and commercial service area in the complex on land plot H-CT2 under Van Phu HiBrand high-rise apartment project in Van Phu New urban area, Phu La ward, Ha Dong district, Hanoi City invested by Century Real Estate Investment and Development Joint Stock Company.
- According to Resolution No. 1620/2018/NQ-HDQT dated 28 November 2018, the Board of Directors approved borrowings under the total loan limit of VND 400 billion from banks in Vietnam with interest rates ranging from 8.5%/year to 10%/year to finance investment projects on construction of the Complex for sport activities, schools and public works in the urban area in Dong Ky ward, Tu Son town, Bac Ninh province and to serve the deposit, guarantee for brokerage contracts, business cooperation contracts, etc. to be implemented in 2018 and 2019.
- On 28 November 2018, the Company's Board of Directors issued Resolution No. 1621/2018/NQ-HDQT approving the Company's acquisition of ownership interest to own at least 50% of Lilaha Investment Joint Stock Company's charter capital

31. EVENTS AFTER REPORTING DATE

According to the Document No. 36/2019/CBTT-CENLAND dated 25 January 2019, the Company declared to pay share dividends for 2018 and shall issue shares to increase its owners' equity. The Company plans to issue 30 million shares with the total value of VND 300 billion, in which, VND 75 billion of the Company's retained earnings shall be used to pay share dividends, and VND 225 billion of share premium shall be used to increase its capital. As of 21 February 2019, the Company has completed the aforementioned share dividend payment and capital increase according to the approved plan.



Nguyen Quoc Hung
Preparer



Le Thi Lan
Chief Accountant



Nguyen Tho Tuyen
Chief Executive Officer

28 February 2019