

Investment and Trading of Real Estate Joint Stock Company

Separate financial statements

For the year ended 31 December 2022



Investment and Trading of Real Estate Joint Stock Company

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Investment and Trading of Real Estate Joint Stock Company

GENERAL INFORMATION

THE COMPANY

Investment and Trading of Real Estate Joint Stock Company (“the Company”) is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to the Business Registration Certificate No. 4103000250 issued by the Department of Planning and Investment of Ho Chi Minh City on 28 December 2000, as amended. The Company has emerged from the equitization of Investment and Trading of Real Estate Company, which was a wholly owned subsidiary of Saigon Real Estate Corporation.

The Company was listed on the Ho Chi Minh Stock Exchange with trading code ITC in accordance with the Decision No. 115/QD-SGDHCM issued by the Ho Chi Minh Stock Exchange on 24 September 2009.

The current principal activities of the Company are to invest and trade real estate properties and provide related services; provide real estate brokerage, and real estate trading centre management and casino

The Company's registered office is located at No. 18 Nguyen Binh Khiem Street, Da Kao Ward, District 1, Ho Chi Minh City, Vietnam.

BOARD OF DIRECTORS

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

Mr. Nguyen Manh	Chairman	
Mr. Truong Minh Thuan	Vice Chairman	
Mr. Le Vinh Khiem	Member	appointed on 29 April 2022
Ms. Nguyen Thi Xuan Trang	Member	appointed on 29 April 2022
Mr. Tran Huu Khanh	Outside Director	
Mr. Vo Huu Hai	Member	resigned on 29 April 2022
Ms. Nguyen Kim Hau	Member	resigned on 29 April 2022

BOARD OF SUPERVISION

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

Ms. Phan Thi Hong Lien	Head
Mr. Le Quang Son	Member
Ms. Ho Thi Luu	Member

MANAGEMENT

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

Mr. Truong Minh Thuan	General Director
Mr. Doan Huu Chi	Deputy General Director cum Chief Accountant
Mr. Au Chi Nhan	Deputy General Director

LEGAL REPRESENTATIVE

The legal representative of the Company during the year and at the date of this report is Mr. Truong Minh Thuan.

AUDITORS

The auditor of the Company is Ernst & Young Vietnam Limited

Investment and Trading of Real Estate Joint Stock Company

REPORT OF MANAGEMENT

Management of Investment and Trading of Real Estate Joint Stock Company ("the Company") is pleased to present this report and the separate financial statements of the Company for the year ended 31 December 2022.

MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE SEPARATE FINANCIAL STATEMENTS

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

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

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

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

STATEMENT BY MANAGEMENT

Management does hereby state that, in its opinion, the accompanying separate financial statements give a true and fair view of the separate financial position of the Company as at 31 December 2022 and of the separate results of its operations and its separate cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the separate financial statements.

The Company has subsidiaries as disclosed in the separate financial statements. The Company prepared these separate financial statements to meet the prevailing requirements in relation to disclosure of information, specifically the Circular No. 96/2020/TT-BTC on disclosure of information on the securities market. In addition, as required by these regulations, the Company has also prepared the consolidated financial statements of the Company and its subsidiaries for the year ended 31 December 2022 dated 30 March 2023.

Users of the separate financial statements should read them together with the said consolidated financial statements in order to obtain full information on the consolidated financial position, consolidated results of operations and consolidated cash flows of the Company and its subsidiaries.

For and on behalf of management:


Trương Minh Thuận
General Director

Ho Chi Minh City, Vietnam

30 March 2023

Reference: 11658750/22988488

INDEPENDENT AUDITORS' REPORT

To: The Shareholders of Investment and Trading of Real Estate Joint Stock Company

We have audited the accompanying separate financial statements of Investment and Trading of Real Estate Joint Stock Company ("the Company") as prepared on 30 March 2023 and set out on pages 5 to 50, which comprise the separate balance sheet as at 31 December 2022, and the separate income statement and the separate cash flow statement for the year then ended and the notes thereto.

Management's responsibility

The Company's management is responsible for the preparation and fair presentation of these separate financial statements in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of the separate financial statements, and for such internal control as management determines is necessary to enable the preparation and presentation of the 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 auditor considers 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 management, 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.

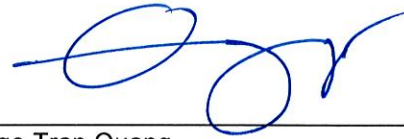
Opinion

In our opinion, the separate financial statements give a true and fair view, in all material respects, of the separate financial position of the Company as at 31 December 2022, and of the separate results of its operations and its separate cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of separate financial statements.

Ernst & Young Vietnam Limited



Nguyễn Thị Nhu Quỳnh
Deputy General Director
Audit Practicing Registration Certificate
No. 3040-2019-004-1



Ngo Tran Quang
Auditor
Audit Practicing Registration Certificate
No. 5629-2020-004-1

Ho Chi Minh City, Vietnam

30 March 2023

SEPARATE BALANCE SHEET
as at 31 December 2022

VND

Code	ASSETS	Notes	Ending balance	Beginning balance
100	A. CURRENT ASSETS		1,494,239,524,968	1,650,156,283,119
110	I. Cash and cash equivalents	4	85,478,193,292	50,780,702,833
111	1. Cash		58,478,193,292	50,780,702,833
112	2. Cash equivalents		27,000,000,000	-
130	II. Current accounts receivables		278,709,575,067	391,177,159,644
131	1. Short-term trade receivables	5	131,728,231,860	126,366,149,877
132	2. Short-term advances to suppliers	6	81,615,196,090	154,147,129,895
136	3. Other short-term receivables	7	71,223,120,917	111,397,263,872
137	4. Provision for doubtful short-term receivables	5	(5,856,973,800)	(733,384,000)
140	III. Inventories	8	1,124,390,701,835	1,206,830,079,046
141	1. Inventories		1,138,048,134,088	1,221,745,874,935
149	2. Provision for obsolete inventories		(13,657,432,253)	(14,915,795,889)
150	IV. Other current asset		5,661,054,774	1,368,341,596
151	1. Short-term prepaid expenses	9	1,577,352,032	1,368,341,596
152	2. Value-added tax deductible	18	4,083,702,742	-
200	B. NON-CURRENT ASSETS		2,286,216,196,484	2,252,335,698,886
210	I. Long-term receivables		13,485,901,607	13,665,901,607
216	1. Other long-term receivables	7	16,146,961,607	16,326,961,607
219	2. Provision for doubtful long-term receivables	7	(2,661,060,000)	(2,661,060,000)
220	II. Fixed assets		375,768,211,867	260,190,070,435
221	1. Tangible fixed assets	10	132,325,819,885	17,181,515,615
222	Cost		177,320,519,008	41,907,518,005
223	Accumulated depreciation		(44,994,699,123)	(24,726,002,390)
227	2. Intangible fixed assets	11	243,442,391,982	243,008,554,820
228	Cost		243,500,234,055	243,008,554,820
229	Accumulated amortisation		(57,842,073)	-
230	III. Investment properties	12	1,506,709,497,516	1,539,932,813,733
231	1. Cost		1,627,728,760,152	1,624,682,819,961
232	2. Accumulated depreciation		(121,019,262,636)	(84,750,006,228)
240	IV. Long-term asset in progress		-	41,345,804,362
242	1. Construction in progress	13	-	41,345,804,362
250	V. Long-term investments	14	383,056,528,599	396,616,790,640
251	1. Investment in subsidiaries		376,960,000,000	376,960,000,000
252	2. Investment in associate		21,000,000,000	21,000,000,000
253	3. Investment in other entities		42,566,500,000	42,566,500,000
254	4. Provision for diminution in value of long-term investments		(58,969,971,401)	(44,909,709,360)
255	5. Held-to-maturity investment		1,500,000,000	1,000,000,000
260	VI. Other long-term assets		7,196,056,895	584,318,109
261	1. Long-term prepaid expenses	9	5,499,823,676	219,674,753
262	2. Deferred tax assets	31.3	1,696,233,219	364,643,356
270	TOTAL ASSETS		3,780,455,721,452	3,902,491,982,005

SEPARATE BALANCE SHEET (continued)
as at 31 December 2022

VND

Code	RESOURCES	Notes	Ending balance	Beginning balance
300	C. LIABILITIES		1,770,998,935,025	2,015,212,089,947
310	I. Current liabilities		1,499,299,653,054	1,847,757,025,976
311	1. Short-term trade payables	16	226,380,403,550	92,729,132,921
312	2. Short-term advances from customers	17	209,775,079,068	382,614,439,708
313	3. Statutory obligations	18	37,698,623,138	48,195,696,312
314	4. Payables to employees		4,656,731,585	1,296,104,818
315	5. Short-term accrued expenses	19	152,521,904,832	372,341,504,834
318	6. Short-term unearned revenues	20	22,467,260,636	246,105,172
319	7. Other short-term payables	21	398,486,373,934	334,670,272,575
320	8. Short-term loans	22	440,811,240,409	611,188,484,897
322	9. Bonus and welfare fund	23	6,502,035,902	4,475,284,739
330	II. Non-current liabilities		271,699,281,971	167,455,063,971
332	1. Long-term advances from customers	17	147,762,257,569	149,015,465,569
336	2. Long-term unearned revenues		5,462,272,538	5,462,272,538
337	3. Other long-term payables	21	21,591,720,500	10,587,199,500
338	4. Long-term loans	22	94,500,000,000	-
342	5. Long-term provisions		2,383,031,364	2,390,126,364
400	D. OWNERS' EQUITY		2,009,456,786,427	1,887,279,892,058
410	I. Capital	24.1	2,009,456,786,427	1,887,279,892,058
411	1. Share capital		963,754,090,000	876,544,270,000
411a	- Shares with voting rights		963,754,090,000	876,544,270,000
412	2. Share premium		748,683,126,824	748,683,126,824
415	3. Treasury shares		(9,825,117,611)	(9,825,117,611)
418	4. Investment and development fund		86,395,056,428	79,591,678,521
421	5. Undistributed earnings		220,449,630,786	192,285,934,324
421a	- Undistributed earnings up to prior year		93,510,371,881	73,984,053,388
421b	- Undistributed earnings of current year		126,939,258,905	118,301,880,936
440	TOTAL LIABILITIES AND OWNERS' EQUITY		3,780,455,721,452	3,902,491,982,005



Ha Thu Huong
Preparer



Doan Huu Chi
Chief Accountant



TRƯƠNG MINH THUẬN
General Director

Ho Chi Minh City, Vietnam

30 March 2023

SEPARATE INCOME STATEMENT
for the year ended 31 December 2022

VND

Code	ITEMS	Notes	Current year	Previous year
10	1. Net revenue from sale of goods and rendering of services	25.1	580,032,693,633	635,998,404,561
11	2. Cost of goods sold and services rendered	26	(324,005,705,080)	(396,723,389,446)
20	3. Gross profit from sale of goods and rendering of services		256,026,988,553	239,275,015,115
21	4. Finance income	25.2	889,604,678	9,118,849,952
22	5. Finance expenses	27	(47,985,242,482)	(72,540,990,602)
23	In which: Interest expenses		(33,918,390,354)	(54,253,688,655)
25	6. Selling expenses	28	(2,152,268,820)	(7,556,044,293)
26	7. General and administrative expenses	28	(35,399,606,349)	(47,384,019,707)
30	8. Operating profit		171,379,475,580	120,912,810,465
31	9. Other income	29	2,134,150,481	45,834,389,411
32	10. Other expenses	29	(5,156,214,462)	(14,489,031,178)
40	11. Other (loss) profit	29	(3,022,063,981)	31,345,358,233
50	12. Accounting profit before tax		168,357,411,599	152,258,168,698
51	13. Current corporate income tax expense	31.1	(41,416,733,694)	(33,947,580,762)
52	14. Deferred tax expense	31.3	(1,419,000)	(8,707,000)
60	15. Net profit after tax		126,939,258,905	118,301,880,936


Ha Thu Huong
Preparer

Doan Huu Chi
Chief Accountant

Trương Minh Thuận
General Director

Ho Chi Minh City, Vietnam

30 March 2023

SEPARATE CASH FLOW STATEMENT
for the year ended 31 December 2022

VND

Code	ITEMS	Notes	Current year	Previous year
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	Accounting profit before tax		168,357,411,599	152,258,168,698
	<i>Adjustments for:</i>			
02	Depreciation and amortization	10, 11, 12	56,595,795,214	37,552,816,484
03	Provisions		17,932,583,205	19,581,991,469
05	Profits from investing activities		(888,387,095)	(9,093,852,129)
06	Interest expenses	27	33,918,390,354	54,253,688,655
08	Operating income before changes in working capital		275,915,793,277	254,552,813,177
09	Decrease in receivables		102,108,702,172	40,596,691,559
10	Decrease in inventories		93,822,169,907	154,491,486,331
11	Decrease in payables		(182,281,846,833)	(134,502,617,372)
12	(Increase) decrease in prepaid expenses		(5,489,159,359)	6,035,139,051
14	Interest paid		(50,802,374,422)	(44,730,314,889)
15	Corporate income tax paid	18	(31,507,415,015)	(37,559,547,611)
17	Other cash outflows from operating activities	23	(694,600,000)	(1,703,419,500)
20	Net cash flows from operating activities		201,071,269,727	237,180,230,746
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchase, construction of fixed assets and other long-term assets		(90,872,112,680)	(64,877,242,987)
23	Payments for purchase of bonds		(500,000,000)	(500,000,000)
27	Interest and dividends received		888,387,095	593,852,129
30	Net cash flows used in investing activities		(90,483,725,585)	(64,783,390,858)
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
33	Drawdown of borrowings	22	395,427,240,409	412,926,651,537
34	Repayment of borrowings	22	(471,304,484,897)	(573,299,116,242)
36	Dividends paid	24.2	(12,809,195)	(42,583,500)
40	Net cash flows used in financing activities		(75,890,053,683)	(160,415,048,205)

SEPARATE CASH FLOW STATEMENT (continued)
for the year ended 31 December 2022

VND

Code	ITEMS	Notes	Current year	Previous year
50	Net increase in cash and cash equivalent for the year		34,697,490,459	11,981,791,683
60	Cash and cash equivalents at the beginning of the year		50,780,702,833	38,798,911,150
70	Cash and cash equivalents at the end of year	4	85,478,193,292	50,780,702,833



Ha Thu Huong
Preparer



Doan Huu Chi
Chief Accountant



Trương Minh Thuận
General Director

Ho Chi Minh City, Vietnam

30 March 2023

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
as at 31 December 2022 and for the year then ended

1. CORPORATE INFORMATION

Investment and Trading of Real Estate Joint Stock Company ("the Company") is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to the Business Registration Certificate No. 4103000250 issued by the Department of Planning and Investment of Ho Chi Minh City on 28 December 2000, as amended. The Company has emerged from the equitization of Investment and Trading of Real Estate Company, which was a wholly owned subsidiary of Saigon Real Estate Corporation.

The Company was listed on the Ho Chi Minh Stock Exchange with trading code ITC in accordance with the Decision No. 115/QD-SGDHCM issued by the Ho Chi Minh Stock Exchange on 24 September 2009.

The current principal activities of the Company are to invest and trade real estate properties and provide related services; provide real estate brokerage, and real estate trading centre management and casino.

The Company's normal course of business cycle is 12 months.

The Company's registered office is located at No. 18, Nguyen Binh Khiem Street, Da Kao Ward, District 1, Ho Chi Minh City, Vietnam.

The number of the Company's employees as at 31 December 2022 was 253 (31 December 2021: 138).

2. BASIS OF PREPARATION

2.1 Purpose of preparing the separate financial statements

The Company has subsidiaries as disclosed in *Note 14.1*. The Company prepared these separate financial statements to meet the prevailing requirements in relation to disclosure of information, specifically the Circular No. 96/2020/TT-BTC on disclosure of information on the securities market. In addition, as required by these regulations, the Company has also prepared the consolidated financial statements of the Company and its subsidiary for the year ended 31 December 2022 dated 25 March 2023.

Users of the separate financial statements should read them together with the said consolidated financial statements in order to obtain full information on the consolidated financial position, consolidated results of operations and consolidated cash flows of the Company and its subsidiary.

2.2 Accounting standards and system

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

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

Accordingly, the accompanying separate financial statements, including their utilisation are not designed for those who are not informed about Vietnam's accounting principles, procedures and practices and furthermore are not intended to present the separate financial position and separate results of operations and separate cash flows in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

2. BASIS OF PREPARATION (continued)

2.3 *Applied accounting documentation system*

The Company's applied accounting documentation system is the Journal Voucher system.

2.4 *Fiscal year*

The Company's fiscal year applicable for the preparation of its separate financial statements starts on 1 January and ends on 31 December.

2.5 *Accounting currency*

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 *Cash and cash equivalents*

Cash comprise cash on hand cash in banks and short-term, highly liquid investments with an original maturity of not more than three months that are readily convertible into known amounts of cash and that are subject to an insignificant risk of change in value.

3.2 *Inventories - inventory properties*

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

Cost includes:

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

Net realisable value is the estimated selling price in the ordinary course of the business, based on market prices at the reporting date and discounted for the time value of money if material, less costs to completion and the estimated costs of sale.

The cost of inventory property recognised in profit or loss on disposal is determined with reference to the specific costs incurred on the property sold and an allocation of any non-specific costs based on the relative size of the property sold.

Provision for obsolete inventories

An inventory provision is created for the estimated loss value of work-in-progress, and other inventories owned by the Company, based on appropriate evidence of impairment available at the separate balance sheet date.

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

3.3 *Receivables*

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

The provision for doubtful debts represents amounts of outstanding receivables at the separate balance sheet date which are doubtful of being recovered. Increases or decreases to the provision balance are recorded as general and administrative expense in the separate income statement.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.4 *Tangible fixed assets*

Tangible fixed assets are stated at cost less accumulated depreciation.

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

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

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

3.5 *Intangible fixed assets*

Intangible fixed assets are stated at cost less accumulated amortisation.

The cost of an intangible fixed asset comprises its purchase price and any directly attributable costs of preparing the intangible fixed asset for its intended use.

Expenditures for additions, improvements are added to the carrying amount of the assets and other expenditures are charged to the separate income statement as incurred.

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

Land use rights

Land use rights are recorded as an intangible fixed asset on the separate balance sheet as the Company obtained the land use right certificate according to Circular No. 45/2013/TT-BTC issued by the Ministry of Finance on 25 April 2013 guiding the management, use and depreciation of fixed assets. The costs of land use rights comprise all directly attributable costs of bringing the land to the condition available for its intended use and is not amortised given indefinite useful life.

3.6 *Depreciation and amortisation*

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

Buildings and structures	13 – 25 years
Machinery and equipment	5 – 10 years
Means of transportation	7 – 10 years
Office equipment	3 – 5 years
Computer software	3 years

The useful life of the fixed assets and depreciation and amortisation rates are reviewed periodically to ensure that the method and the period of the depreciation and amortisation are consistent with the expected pattern of economic benefits that will be derived from the use of fixed assets.

3.7 *Investment properties*

Investment properties are stated at cost including transaction costs less accumulated depreciation. Investment properties held for capital appreciation are not depreciated but subject to impairment review.

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

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.7 *Investment properties* (continued)

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

Land and buildings	25 – 50 years
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Investment properties are derecognised when either they have been disposed of or when the investment properties are permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the assets is recognised in the separate income statement in the period of retirement or disposal in the year of retirement or disposal.

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

3.8 *Borrowing costs*

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Borrowing costs are recorded as expense during the year in which they are incurred, except to the extent that they are capitalized as explained in the following paragraph.

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

3.9 *Prepaid expenses*

Prepaid expenses are reported as short-term or long-term prepaid expenses on the separate balance sheet and amortised over the period for which the amounts are paid or the period in which economic benefits are generated in relation to these expenses.

3.10 *Investment*

Investment in subsidiaries

Investment in subsidiaries over which the Company has control are carried at cost. Distributions from accumulated net profits of the subsidiary arising subsequent to the date of acquisition are recognised in the separate income statement. Distributions from sources other than from such profits are considered a recovery of investment and are deducted to the cost of the investment.

Investments in associates

Investments in associates over which the Company has significant influence are carried at cost.

Distributions from the accumulated net profits of the associates arising subsequent to the date of acquisition are recognized in the separate income statement. Distributions from sources other than from such profits are considered a recovery of investment and are deducted to the cost of the investment.

Investments in other entities

Investments in other entities are stated at their acquisition costs.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.10 *Investment* (continued)

Held-to-maturity investments

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

Provision for diminution in value of investments

Provision of the investment is made when there are reliable evidences of the diminution in value of those investments at the balance sheet date.

Increases or decreases to the provision balance are recorded as finance expense in the separate income statement.

3.11 *Payables and accruals*

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

3.12 *Accrual for severance pay*

The severance pay to employee is accrued at the end of each reporting year for all employees who have been in service for more than 12 months up to the balance sheet date at the rate of one-half of the average monthly salary for each year of service up to 31 December 2008 in accordance with the Labour Code, the Law on Social Insurance and related implementing guidance. The average monthly salary used in this calculation is revised at the end of each reporting year following the average monthly salary of the 6-month period up to the reporting date. Increases and decreases to the accrued amount other than actual payment to employee will be taken to the separate income statement.

This accrued severance pay is used to settle the termination allowance to be paid to employee upon termination of their labour contract following Article 46 of the Labour Code.

3.13 *Treasury shares*

Own equity instruments which are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss upon purchase, sale, issue or cancellation of the Company's own equity instruments.

3.14 *Appropriation of net profit*

Net profit after tax is available for appropriation to shareholders after approval in the shareholders' meeting, and after making appropriation to reserve funds in accordance with the Company's Charter and Vietnam's regulatory requirements.

The Company maintains the following reserve funds which are appropriated from the Company's net profit as proposed by the Board of Directors and subject to approval by shareholders at the Annual General Meeting.

Investment and development fund

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

Bonus and welfare fund

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

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.15 Revenue recognition

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

Sale of completed property

A property is regarded as sold when the significant risks and returns have been transferred to the buyer, which is normally on unconditional exchange of contracts. For conditional exchanges, sales are recognized only when all the significant conditions are satisfied.

Construction contract revenue

Where the outcome of a construction contract can be estimated reliably, revenue and costs are recognised by reference to the amount of work completed and certified by customers at the separate balance sheet date. Variations in contract work, claims and incentive payments are included to the extent that they have been agreed with the customers.

Where the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that it is probable will be recoverable. Contract costs are recognised as expense in the year in which they are incurred.

Rental income

Rental income arising from operating leases is accounted for on a straight-line basis over the term of the lease.

Casino revenue and direct casino sales deduction

Casino revenue is the net of gaming wins and losses from gaming activities, less adjustments.

Jackpots, other than the incremental amount of progressive jackpots, are recognized at the time they are won by patrons. The Company recognizes the incremental amount of progressive jackpots as the progressive machine is played, and the progressive jackpot amount increases, with a corresponding reduction of casino revenue.

Rendering of services

Revenue from rendering of services is recognised upon the completion of services rendered.

Interest

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

Dividends

Income is recognised when the Company's entitlement as an investor to receive the dividend is established.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.16 Taxation

Current income tax

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

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

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

Deferred tax

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

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

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

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

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

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

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

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

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.16 Taxation (continued)

Deferred tax (continued)

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

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

3.17 Segment information

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

3.18 Related parties

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

4. CASH AND CASH EQUIVALENTS

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Cash on hand	540,800,748	297,873,983
Cash in banks	57,937,392,544	50,482,828,850
Cash equivalents (*)	27,000,000,000	-
TOTAL	<u>85,478,193,292</u>	<u>50,780,702,833</u>

(*) Cash equivalents represented short-term deposits at the commercial banks with the original maturity of less than three (3) months and earned interest at the rate of 6% per annum.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

5. SHORT-TERM TRADE RECEIVABLES

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Customers of Long Thoi Project	59,621,612,409	59,541,543,808
Customers of Terra Royal Project	49,139,688,891	46,183,489,437
Nam Hai Construction Co., Ltd	7,319,414,000	7,319,414,000
Customers of 6B Project	6,878,710,215	7,788,788,015
Other customers	8,768,806,345	5,532,914,617
TOTAL	131,728,231,860	126,366,149,877
Provision for doubtful short-term receivables	(5,856,973,800)	(733,384,000)
NET	125,871,258,060	125,632,765,877
<i>In which:</i>		
<i>Other parties</i>	126,311,390,817	119,876,807,584
<i>Related parties (Note 32)</i>	5,416,841,043	6,489,342,293

Details of trade receivables are as below:

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Receivables from sale of land lots and apartments (*)	122,953,346,568	116,912,342,960
Receivables from rendering construction services	7,693,888,900	7,379,414,000
Receivables from rental activities	347,612,392	1,341,008,917
Others	733,384,000	733,384,000
TOTAL	131,728,231,860	126,366,149,877
Provision for doubtful short-term receivables	(5,856,973,800)	(733,384,000)
NET	125,871,258,060	125,632,765,877

(*) Receivables from sales of land lots and apartments mainly include (i) the remaining 5% - 10% pending for the completion of the legal procedure to hand over lands and apartments to the customers or (ii) the remaining amount of the contract price. Details by project are as follows:

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
The Stars Village, Long Thoi - Nha Be Project (i)	59,621,612,409	59,541,543,808
Terra Royal Project (i)	48,792,076,499	44,842,480,520
6B Project (ii)	6,616,410,215	7,526,488,015
6B Project (i)	262,300,000	262,300,000
Nhon Trach Project (i)	2,923,434,028	-
Thinh Vuong Building (i)	1,742,753,000	1,742,753,000
Phong Phu Project (i)	1,685,642,800	1,687,660,000
An Khang Building (i)	1,309,117,617	1,309,117,617
TOTAL	122,953,346,568	116,912,342,960

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

5. SHORT TERM TRADE RECEIVABLES (continued)

Detailed movements of provision for doubtful short-term receivables:

	<i>Ending balance</i>	<i>Beginning balance</i>
		<i>VND</i>
Beginning balance	733,384,000	733,384,000
Provision created during the year	<u>5,123,589,800</u>	<u>-</u>
Ending balance	<u>5,856,973,800</u>	<u>733,384,000</u>

6. SHORT-TERM ADVANCES TO SUPPLIERS

Short-term advances to suppliers represent non-interest bearing advances to sub-contractors related to the following real estate projects:

	<i>Ending balance</i>	<i>Beginning balance</i>
		<i>VND</i>
Advance to third parties	50,353,027,956	112,828,022,502
<i>Saigon Vien Dong Limited Company</i>	<i>12,927,603,431</i>	<i>12,927,603,431</i>
<i>Thai Duong Construction & Trading JSC</i>	<i>12,280,000,000</i>	<i>-</i>
<i>Interblock Asia Pacific Pty. Limited</i>	<i>897,442,057</i>	<i>31,229,303,920</i>
<i>RGB (Macau) Limited</i>	<i>-</i>	<i>35,890,645,363</i>
<i>Others</i>	<i>24,247,982,468</i>	<i>32,780,469,788</i>
Advance to related parties (Note 32)	<u>31,262,168,134</u>	<u>41,319,107,393</u>
TOTAL	<u>81,615,196,090</u>	<u>154,147,129,895</u>

7. OTHER RECEIVABLES

	<i>Ending balance</i>	<i>Beginning balance</i>
		<i>VND</i>
Short-term	71,223,120,917	111,397,263,872
Related parties (Note 32)	62,250,542,916	80,770,268,772
Advance to employees	3,555,172,990	2,821,776,000
Thai Duong Construction & Trading JSC	-	12,205,585,534
Others	5,417,405,011	15,599,633,566
Long-term	16,146,961,607	16,326,961,607
Ngoc Phuc Trading and Construction Co., Ltd	11,893,000,000	12,073,000,000
Hoang Hai Joint Stock Company – Hoc Mon, Ba Diem Project	2,661,060,000	2,661,060,000
A related party (Note 32)	<u>1,592,901,607</u>	<u>1,592,901,607</u>
TOTAL	87,370,082,524	127,724,225,479
Provision for long-term doubtful debts	<u>(2,661,060,000)</u>	<u>(2,661,060,000)</u>
NET	<u>84,709,022,524</u>	<u>125,063,165,479</u>

Investment and Trading of Real Estate Joint Stock Company

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NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

8. INVENTORIES

Inventories represent costs incurred for the following on-going real estate projects:

	VND			
	<i>Ending balance</i>		<i>Beginning balance</i>	
	<i>Cost</i>	<i>Provision</i>	<i>Cost</i>	<i>Provision</i>
The Stars Village, Long Thoi - Nha Be project (i)	516,091,620,395	-	537,559,640,331	-
Terra Flora project	269,693,752,296	-	218,816,535,966	-
6A project	132,338,771,681	-	132,220,634,925	-
Terra Royal project (ii)	119,205,221,821	-	201,027,072,691	-
Long Phuoc, Thu Duc District project (iii)	49,127,016,554	-	77,610,985,569	-
Lot 5, 6 & 8 – 6B project	23,777,993,658	-	25,028,169,812	-
Binh Trung Dong - Thu Duc District project	12,735,621,599	-	12,735,621,599	-
Other projects	15,078,136,084	(13,657,432,253)	16,747,214,042	(14,915,795,889)
TOTAL	<u>1,138,048,134,088</u>	<u>(13,657,432,253)</u>	<u>1,221,745,874,935</u>	<u>(14,915,795,889)</u>

- (i) A part of land use rights at The Stars Village, Long Thoi – Nhon Duc - Nha Be project was pledged to obtain the loans from commercial banks (Note 22.1).
- (ii) Land use right of Terra Royal project, Ly Chinh Thang Street, District 3 was pledged to obtain the loan from commercial banks (Notes 22.1 and 22.4).
- (iii) Land use rights of 10,473 square meters at Long Phuoc, Thu Duc City project was pledged to obtain the loans from commercial banks (Note 22.1).

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

9. PREPAID EXPENSES

	<i>VND</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Short-term	1,577,352,032	1,368,341,596
Tools and supplies	1,037,304,704	399,456,066
Commission expenses	540,047,328	968,885,530
Long-term	5,499,823,676	219,674,753
Tools and supplies	5,499,823,676	219,674,753
TOTAL	<u>7,077,175,708</u>	<u>1,588,016,349</u>

Investment and Trading of Real Estate Joint Stock Company

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NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

10. TANGIBLE FIXED ASSETS

					VND
	<i>Buildings and structures</i>	<i>Machinery and equipment</i>	<i>Means of transportation</i>	<i>Office equipment</i>	<i>Total</i>
Cost:					
Beginning balance	29,677,980,938	378,456,812	9,787,864,600	2,063,215,655	41,907,518,005
Transfer from construction in progress	31,100,999,117	9,979,555,245	-	-	41,080,554,362
Newly purchase	2,127,765,053	92,204,681,588	-	-	94,332,446,641
Ending balance	<u>62,906,745,108</u>	<u>102,562,693,645</u>	<u>9,787,864,600</u>	<u>2,063,215,655</u>	<u>177,320,519,008</u>
<i>In which:</i>					
<i>Fully depreciated</i>	4,280,813,180	378,456,812	4,254,115,509	1,526,445,878	10,439,831,379
Accumulated depreciation:					
Beginning balance	17,636,256,928	378,456,812	5,033,084,938	1,678,203,712	24,726,002,390
Depreciation for the year	6,104,932,243	13,037,476,371	922,291,524	203,996,595	20,268,696,733
Ending balance	<u>23,741,189,171</u>	<u>13,415,933,183</u>	<u>5,955,376,462</u>	<u>1,882,200,307</u>	<u>44,994,699,123</u>
Net carrying amount:					
Beginning balance	<u>12,041,724,010</u>	<u>-</u>	<u>4,754,779,662</u>	<u>385,011,943</u>	<u>17,181,515,615</u>
Ending balance	<u>39,165,555,937</u>	<u>89,146,760,462</u>	<u>3,832,488,138</u>	<u>181,015,348</u>	<u>132,325,819,885</u>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

11. INTANGIBLE FIXED ASSETS

	VND		
	<i>Land use rights (*)</i>	<i>Computer software</i>	<i>Total</i>
Cost:			
Beginning balance	243,008,554,820	-	243,008,554,820
Transfer from construction in progress	-	265,250,000	265,250,000
Newly purchase	<u>86,429,235</u>	<u>140,000,000</u>	<u>226,429,235</u>
Ending balance	<u>243,094,984,055</u>	<u>405,250,000</u>	<u>243,500,234,055</u>
Accumulated amortisation:			
Beginning balance	-	-	-
Amortisation for the year	-	<u>57,842,073</u>	<u>57,842,073</u>
Ending balance	<u>-</u>	<u>57,842,073</u>	<u>57,842,073</u>
Net carrying amount:			
Beginning balance	<u>243,008,554,820</u>	<u>-</u>	<u>243,008,554,820</u>
Ending balance	<u>243,094,984,055</u>	<u>347,407,927</u>	<u>243,442,391,982</u>

(*) This amount represents land use rights at No. 106 Ly Chinh Thang Street, District 3, Ho Chi Minh City and No. 16 Nguyen Dinh Chieu Street, Da Kao Ward, District 1, Ho Chi Minh City were pledged to obtain the loans from commercial banks (Notes 22.1 and 22.4).

12. INVESTMENT PROPERTIES

	VND
	<i>Land and buildings (*)</i>
Cost:	
Beginning balance	1,624,682,819,961
Transfer from inventories	<u>3,045,940,191</u>
Ending balance	<u>1,627,728,760,152</u>
Accumulated depreciation:	
Beginning balance	84,750,006,228
Depreciation for the year	<u>36,269,256,408</u>
Ending balance	<u>121,019,262,636</u>
Net carrying amount:	
Beginning balance	<u>1,539,932,813,733</u>
Ending balance	<u>1,506,709,497,516</u>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

12. INVESTMENT PROPERTIES (continued)

The fair value of the investment properties had not yet been formally assessed and determined as at 31 December 2022. However, given that these properties are currently leased out and income generating, it is management's assessment that these properties' market values are still higher than their carrying value at the separate balance sheet date.

(*) Including in the land and buildings, land use rights and associated assets of An Khang ground, An Phu An Khanh Town, An Phu Ward, Thu Duc City, Ho Chi Minh City were pledged to obtain the loans from commercial banks (*Notes 22.1 and 22.4*).

Land use rights and associated assets of 482.4 square meters at No. 531 Nguyen Duy Trinh Street, Binh Trung Dong Ward, Thu Duc City, Ho Chi Minh City were pledged to obtain the loans from commercial banks (*Note 22.1*).

Land use rights, assets and the operation benefits arising from the commercial areas and La Vela Saigon Hotel of the Terra Royal Project, Ho Chi Minh City, were pledged to obtain the loans from commercial banks (*Note 22.4*).

Revenue and expense relating to investment properties

	VND	
	<i>Current year</i>	<i>Previous year</i>
Rental income generating from leasing of investment properties (<i>Note 25.1</i>)	82,040,467,273	14,903,201,071
Direct operating expenses of investment properties that generated rental income during the year (<i>Note 26</i>)	<u>(35,901,594,355)</u>	<u>(34,670,076,585)</u>
NET	<u>46,138,872,918</u>	<u>(19,766,875,514)</u>

13. CONSTRUCTION IN PROGRESS

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Casino interior	-	20,195,149,892
Casino equipment	-	15,289,026,660
Others	-	5,861,627,810
TOTAL	<u>-</u>	<u>41,345,804,362</u>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

14. LONG-TERM INVESTMENTS

	<i>Ending balance</i>	<i>Beginning balance</i>
		<i>VND</i>
Investment in subsidiaries (Note 14.1)	376,960,000,000	376,960,000,000
Investment in an associate (Note 14.2)	21,000,000,000	21,000,000,000
Investment in other entities (Note 14.3)	42,566,500,000	42,566,500,000
Bonds (*)	1,500,000,000	1,000,000,000
Provision for diminution in long-term investments	<u>(58,969,971,401)</u>	<u>(44,909,709,360)</u>
TOTAL	<u>383,056,528,599</u>	<u>396,616,790,640</u>

(*) This is the investment in 1,500 bonds issued by Vietnam Bank for Agriculture and Rural Development, which is matured on 24 September 2026 and earns interest at the rate of 8.1% per annum.

14.1 Investment in subsidiaries

<i>Name</i>	<i>Ending balance</i>		<i>Beginning balance</i>	
	<i>Original amount</i>	<i>Provision</i>	<i>Original amount</i>	<i>Provision</i>
	<i>VND</i>			
Saigon Binh Duong Joint Stock Company (i)	192,960,000,000	(51,059,832,799)	192,960,000,000	(14,199,896,098)
Royal Service Restaurant Hotel Travel Joint Stock Company (ii)	150,000,000,000	-	150,000,000,000	(9,709,813,262)
Intresco Construction Joint Stock Company (iii)	<u>34,000,000,000</u>	<u>-</u>	<u>34,000,000,000</u>	<u>-</u>
TOTAL	<u>376,960,000,000</u>	<u>(51,059,832,799)</u>	<u>376,960,000,000</u>	<u>(23,909,709,360)</u>

(i) This is an investment in Saigon Binh Duong Joint Stock Company ("SGBD") which is a shareholding company established under Enterprise Law of Vietnam in accordance with the Business Registration Certificate ("BRC") No. 3701647922 issued by Department of Planning and Investment of Binh Duong Province on 24 November 2009. SGBD's registered office is located at No. 175 Nguyen Chi Thanh, Tuong Binh Hiep Ward, Thu Dau Mot City, Binh Duong Province, Vietnam. SGBD's principal activity is to produce and trade construction materials, trade real estate properties, and other related services. As at 31 December 2022, the Company holds 64.32% ownership and voting rights in SGBD (31 December 2021: 64.32%).

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

14. LONG-TERM INVESTMENTS (continued)

14.1 Investment in subsidiaries (continued)

- (ii) This is an investment in Royal Service Restaurant Hotel Travel Joint Stock Company ("Royal"), which is a shareholding company established under Enterprise Law of Vietnam in accordance with the Business Registration Certificate No. 0315419806 issued by Department of Planning and Investment of Ho Chi Minh City on 3 December 2018. Royal's registered office is located at 18 Nguyen Binh Khiem, Da Kao Ward, District 1, Ho Chi Minh City, Vietnam. Royal's principal activity is to provide hotel and restaurant management services and to organize tours. As at 31 December 2022, the Company holds 75% ownership and voting rights in Royal (31 December 2021: 75%).
- (iii) This is an investment in Intresco Construction Joint Stock Company ("IC"), which is a shareholding company established under the Enterprise Law of Vietnam in accordance with the Business Registration Certificate No. 0310626100 issued by the Department of Planning and Investment of Ho Chi Minh City on 14 February 2011. IC's registered office is located at 20 Nguyen Binh Khiem, Da Kao Ward, District 1, Ho Chi Minh City, Vietnam. IC's principal activities are to construct civil and industrial projects; and to invest and construct infrastructure of residential areas and construction-related services. As at 31 December 2022, the Company holds 85% ownership and voting rights in the IC (31 December 2021: 85%).

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14. LONG-TERM INVESTMENTS (continued)

14.2 Investment in an associate

	Ending balance					Beginning balance					VND
	Original amount	Provision	Carrying amount	Number of shares	% ownership	Original amount	Provision	Carrying amount	Number of shares	% ownership	
	VND	VND	VND			VND	VND	VND			
Long Binh Construction - Trading - Producing Joint Stock Company	<u>21,000,000,000</u>	<u>(4,810,138,602)</u>	<u>16,189,861,398</u>	<u>2,000,000</u>	<u>36.36</u>	<u>21,000,000,000</u>	<u>(21,000,000,000)</u>	<u>-</u>	<u>2,000,000</u>	<u>36.36</u>	

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as at 31 December 2022 and for the year then ended

14. LONG-TERM INVESTMENTS (continued)

14.3 Other long-term investments

	Ending balance					Beginning balance					VND
	Original amount	Provision	Carrying amount	Number of shares	% ownership	Original amount	Provision	Carrying amount	Number of shares	% ownership	
	VND	VND	VND			VND	VND	VND			
Gia Dinh Development Investment Corporation	34,000,000,000	-	34,000,000,000	2,125,000	5.61	34,000,000,000	-	34,000,000,000	2,125,000	5.61	
Bac Trung Nam Housing Development Joint Stock Company	5,466,500,000	-	5,466,500,000	54,665	10.93	5,466,500,000	-	5,466,500,000	54,665	10.93	
Saigon Mangden Joint Stock Company	3,100,000,000	(3,100,000,000)	-	310,000	1.61	3,100,000,000	-	3,100,000,000	310,000	1.61	
TOTAL	42,566,500,000	(3,100,000,000)	39,466,500,000			42,566,500,000	-	42,566,500,000			

Fair value of these investments are not officially determined as at 31 December 2022 due to unavailability of market information. However, based on the current financial position of these companies, the management believed that their fair value were higher than their book values as at the balance sheet date.

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15. BORROWING COSTS

	VND	
	<i>Current year</i>	<i>Previous year</i>
Interest expense (Note 27)	33,918,390,354	54,253,688,655
Capitalized in real estate projects	10,124,429,060	13,519,249,579
TOTAL	<u>44,042,819,414</u>	<u>67,772,938,234</u>

16. SHORT-TERM TRADE PAYABLES

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Trade payables to a related party (Note 32)	186,425,911,372	51,094,040,171
Trade payables to other parties	39,954,492,178	41,635,092,750
TOTAL	<u>226,380,403,550</u>	<u>92,729,132,921</u>

17. ADVANCES FROM CUSTOMERS

Advances from customers are the amounts received in advance in respect of the sale of apartment units and land lots of the following Company's projects:

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Short-term	209,775,079,068	382,614,439,708
Terra Royal Project	115,692,571,590	215,387,807,137
Long Phuoc Project	68,379,750,000	88,250,000,000
Lot 6 & 8 - 6B Project	5,236,367,492	6,757,378,600
Terra Flora Project	2,041,271,042	18,247,832,946
The Stars Village, Long Thoi – Nha Be Project	-	35,872,371,924
Other projects	18,425,118,944	18,099,049,101
Long-term	147,762,257,569	149,015,465,569
6A Project	109,530,829,000	109,530,829,000
Lot 6 & 8 - 6B Project	23,234,810,700	24,488,018,700
Binh Trung Dong - Thu Duc District Project	8,601,378,000	8,601,378,000
Other projects	6,395,239,869	6,395,239,869
TOTAL	<u>357,537,336,637</u>	<u>531,629,905,277</u>
<i>In which:</i>		
Other parties	282,767,469,654	451,466,905,277
Related parties (Note 32)	74,769,866,983	80,163,000,000

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

18. STATUTORY OBLIGATIONS AND TAX RECEIVABLE

	VND			
	<i>Beginning balance</i>	<i>Increase in year</i>	<i>Decrease in year</i>	<i>Ending balance</i>
Payables				
Corporate income tax	33,560,607,529	32,487,119,182	(31,507,415,015)	34,540,311,696
Value added tax	11,886,844,762	32,369,459,825	(44,256,304,587)	-
Personal income tax	649,717,340	6,072,699,645	(6,033,746,166)	688,670,819
Other taxes	2,098,526,681	50,105,674,154	(49,734,560,212)	2,469,640,623
TOTAL	<u>48,195,696,312</u>	<u>121,034,952,806</u>	<u>(131,532,025,980)</u>	<u>37,698,623,138</u>
Receivables				
Value added tax	-	51,819,789,080	(47,736,086,338)	4,083,702,742

19. SHORT-TERM ACCRUED EXPENSES

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Construction costs	109,003,767,202	300,337,001,249
Interest expenses	41,742,943,025	32,617,712,263
Penalty for late payment	-	37,393,371,151
Others	1,775,194,605	1,993,420,171
TOTAL	<u>152,521,904,832</u>	<u>372,341,504,834</u>
<i>In which:</i>		
<i>Other parties</i>	110,980,605,647	355,241,244,185
<i>Related parties (Note 32)</i>	41,541,299,185	17,100,260,649

20. SHORT-TERM UNEARNED REVENUES

Short-term unearned revenue presented the rental fees which was received in advance for the whole rental period.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

21. OTHER PAYABLES

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Short-term	398,486,373,934	334,670,272,575
Operating Contribution and Deposits for business cooperation contracts (*)	313,980,607,729	271,564,976,000
Maintenance fees of Terra Royal Project	33,206,158,393	30,416,134,438
Collection on behalf	29,559,450,000	16,315,200,000
Deposit received	5,251,288,000	4,153,788,000
Dividends payable	3,552,536,413	3,565,345,608
Others	12,936,333,399	8,654,828,529
Long-term	21,591,720,500	10,587,199,500
Deposit received from business cooperation contracts (*)	11,152,000,000	-
Deposit received from other parties	10,439,720,500	10,587,199,500
TOTAL	<u>420,078,094,434</u>	<u>345,257,472,075</u>
<i>In which:</i>		
<i>Related parties (Note 32)</i>	365,681,509,165	302,787,258,442
<i>Other parties</i>	54,396,585,269	42,470,213,633

(*) This amount represents deposits received for:

- (i) Deposits received for Business Cooperation Contract No. 189/HDKT/DTKDN dated 5 March 2020 with Saigon Binh Duong Joint Stock Company ("SGBD") of VND 98,188,300,000, accounting for 70% of its committed capital contribution to co-develop the Terra Flora Project. Upon the completion of the construction of this project, SGBD will complete its capital contribution commitment and receive 95 apartments with total area of 7,294.33 m² of Terra Flora Project or receive the refund of its deposit with interest at the rate of 6.5% p.a.
- (ii) Operation contribution and Deposit received for Business Cooperation Contract dated 30 November 2019 with Charlieone Vietnam Company Limited ("Charlieone") of VND 241,260,000,000 to co-develop and operate the electronic gaming area for foreigners in La Vela Saigon Hotel ("CharlieOne Club"). Profit after tax from the operation this area will be distributed to the Company and Charlieone at the ratio of 25% and 75%, respectively with the monthly advance to the Company amounting to USD 40,000 from the commerce date.

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22. LOANS

	<i>Beginning balance</i>	<i>Drawdown</i>	<i>Repayment</i>	<i>Reclassification</i>	<i>VND Ending balance</i>
Short-term	611,188,484,897	264,927,240,409	(471,304,484,897)	36,000,000,000	440,811,240,409
Bank loans (<i>Note 22.1</i>)	339,488,484,897	260,627,240,409	(389,488,484,897)	-	210,627,240,409
Loans from subsidiaries (<i>Notes 22.2 and 32</i>)	220,000,000,000	4,300,000,000	(45,816,000,000)	-	178,484,000,000
Loans from other parties (<i>Notes 22.3 and 32</i>)	51,700,000,000	-	(36,000,000,000)	-	15,700,000,000
Current portion of long-term loan (<i>Note 22.4</i>)	-	-	-	36,000,000,000	36,000,000,000
Long-term	-	130,500,000,000	-	(36,000,000,000)	94,500,000,000
Bank loan (<i>Note 22.4</i>)	-	130,500,000,000	-	(36,000,000,000)	94,500,000,000
TOTAL	611,188,484,897	395,427,240,409	(471,304,484,897)	-	535,311,240,409

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

22. LOANS (continued)

22.1 Short-term bank loans:

<i>Lenders</i>	<i>Ending balance</i> VND	<i>Principal repayment term</i>	<i>Purpose</i>	<i>Interest rate</i> % p.a.	<i>Description of collateral</i>
Bank for Investment and Development of Vietnam					
Loan contract no. 01/2021/93512/HDTD dated 25 November 2021	104,871,240,409	From 17 January 2023 to 24 November 2023	Finance for the development of its real estate projects and working capital requirements	6.8 - 9.8	Land use rights of 10,473 square meters at Long Phuoc, Thu Duc City, Ho Chi Minh City (Note 8) Land and buildings, land use rights and associated assets at An Khang ground, An Phu An Khanh Town, Thu Duc City, Ho Chi Minh City (Note 12) Land use rights at The Stars Village, Long Thoi - Nha Be, Ho Chi Minh City (Note 8)

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NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

22. LOANS (continued)

22.1 Short-term bank loans: (continued)

<i>Lenders</i>	<i>Ending balance</i> VND	<i>Principal</i> <i>repayment term</i>	<i>Purpose</i>	<i>Interest</i> <i>rate</i> % p.a.	<i>Description of collateral</i>
<i>Lien Viet Post Joint Stock Commercial Bank</i>					
Loan Contract No. HDTD5002020184 dated 10 August 2022	55,756,000,000	From 22 August 2023 to 28 September 2023	Finance for the development of its real estate projects and working capital requirements	8.8	Land use rights and associate assets at No. 16 Nguyen Dinh Chieu Street, Da Kao Ward, District 1, Ho Chi Minh City (Notes 10 and 11) Land use rights and associated assets of Block A and B, An Khang department, An Phu An Khanh Town, An Phu Ward, Thu Duc City, Ho chi Minh City (Notes 12)
<i>Vietnam Bank for Agriculture and Rural Development</i>					
Loan No. 6360-LAV-202100556 dated 22 December 2021	50,000,000,000	From 22 September 2023 to 20 December 2023	Finance for the development of its real estate projects and working capital requirements	8.5 - 10	Land use rights No. 86, Lot 64, at Nhon Duc Village, Nha Be District, Ho Chi Minh City (Note 8) Land use rights and associated assets of 482.4 square meters at No. 531 Nguyen Duy Trinh, Binh Trung Dong Ward, District 2, Ho Chi Minh City (Note 12) Land use rights No. 347, 355, 442, 444, lot 64 at Hamlet 4, Nhon Duc Village, Nha Be District, Ho Chi Minh City (Note 8)
TOTAL	<u>210,627,240,409</u>				

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22. LOANS (continued)

22.2 Short-term loans from subsidiaries:

<i>Lenders</i>	<i>Ending balance VND</i>	<i>Principal repayment term</i>	<i>Purpose</i>	<i>Interest rate % p.a.</i>	<i>Description of collateral</i>
<i>Royal Service Restaurant Hotel Travel Joint Stock Company (Note 32)</i>					
Loan Contract No. 01/HDVV dated 2 May 2019	144,500,000,000	30 June 2023	Finance for the working capital requirements	4.0	Unsecured
<i>Saigon Binh Duong Joint Stock Company (Note 32)</i>					
Loan Contract No. 15/2020/HDVV	24,000,000,000	30 July 2023	Finance for the working capital requirements	6.5	Unsecured
Loan Contract No. 16/2020/HDVV	9,984,000,000	18 August 2023		6.9	
TOTAL	<u>178,484,000,000</u>				

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as at 31 December 2022 and for the year then ended

22. LOANS (continued)

22.3 Short-term loans from subsidiaries:

<i>Lenders</i>	<i>Ending balance</i> VND	<i>Principal repayment term</i>	<i>Purpose</i>	<i>Interest rate</i> % p.a.	<i>Description of collateral</i>
Ms. Le Thi Tram Anh (Note 32)					
Loan contract No.1080/ĐTKDN/HĐVV dated 10 October 2019	7,700,000,000	30 September 2023	To finance Terra Royal project	10	Unsecured
Ms. Nguyen Thi Thanh					
Loan contract No. 24/2021/HĐVV dated 05 January 2021	8,000,000,000	30 June 2023	Finance for the working capital requirements	10	Unsecured
TOTAL	<u>15,700,000,000</u>				

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22. LOANS (continued)

22.4 Long-term bank loan:

<i>Lenders</i>	<i>Ending balance</i> VND	<i>Principal</i> <i>repayment term</i>	<i>Purpose</i>	<i>Interest</i> <i>rate</i> % p.a.	<i>Description of collateral</i>
<i>Bank for Investment and Development of Vietnam</i>					
Loan Contract No. 01/2022/93512/HĐTĐTDH dated 1 November 2022	130,500,000,000	1 November 2027	Finance for the development of its real estate projects and working capital requirements	10.7	Land use rights of 10,473 square meters at Long Phuoc, Thu Duc City, Ho Chi Minh City (Note 8) Land and buildings, land use rights and associated assets at An Khang ground, An Phu An Khanh Town, Thu Duc City, Ho Chi Minh City (Note 12) Land use rights of 24,673 square meters at Long Thoi - Nhon Duc - Nha Be, Ho Chi Minh City (Note 8) Land use rights, future assets and the operation benefits arising from the commercial areas and La Vela Saigon Hotel of the Terra Royal Project (Note 12) Land use rights and associate assets at No.106 Ly Chinh Thang Street, Ward 8, District 3, Ho Chi Minh City and No.16 Nguyen Dinh Chieu Street, Da Kao Ward, District 1, Ho Chi Minh City (Notes 11 and 12)
TOTAL	<u>130,500,000,000</u>				
<i>In which:</i>					
<i>Current portion</i>	36,000,000,000				
<i>Non-current portion</i>	94,500,000,000				

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

23. BONUS AND WELFARE FUND

	VND	
	<i>Current year</i>	<i>Previous year</i>
Beginning balance	4,475,284,739	3,349,554,031
Appropriation from undistributed earnings (Note 24.1)	2,721,351,163	2,829,150,208
Utilization of fund	<u>(694,600,000)</u>	<u>(1,703,419,500)</u>
Ending balance	<u>6,502,035,902</u>	<u>4,475,284,739</u>



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as at 31 December 2022 and for the year then ended

24. OWNERS' EQUITY

24.1 Movements in owners' equity

	<i>Share capital</i>	<i>Share premium</i>	<i>Treasury shares</i>	<i>Investment and development fund</i>	<i>Undistributed earnings</i>	<i>Total</i>	<i>VND</i>
Previous year							
Beginning balance	797,262,940,000	748,683,126,824	(9,825,117,611)	72,518,803,000	164,581,984,221	1,773,221,736,434	
Net profit for the year	-	-	-	-	118,301,880,936	118,301,880,936	
Dividend paid by shares	79,281,330,000	-	-	-	(79,281,330,000)	-	
Profit appropriation	-	-	-	7,072,875,521	(7,072,875,521)	-	
Transfer to bonus and welfare fund	-	-	-	-	(2,829,150,208)	(2,829,150,208)	
Remuneration for Board of Management	-	-	-	-	(1,414,575,104)	(1,414,575,104)	
Ending balance	<u>876,544,270,000</u>	<u>748,683,126,824</u>	<u>(9,825,117,611)</u>	<u>79,591,678,521</u>	<u>192,285,934,324</u>	<u>1,887,279,892,058</u>	
Current year							
Beginning balance	876,544,270,000	748,683,126,824	(9,825,117,611)	79,591,678,521	192,285,934,324	1,887,279,892,058	
Net profit for the year	-	-	-	-	126,939,258,905	126,939,258,905	
Dividend paid by shares (**)	87,209,820,000	-	-	-	(87,209,820,000)	-	
Profit appropriation	-	-	-	6,803,377,907	(6,803,377,907)	-	
Transfer to bonus and welfare fund (*)	-	-	-	-	(2,721,351,163)	(2,721,351,163)	
Remuneration for Board of Management (*)	-	-	-	-	(2,041,013,373)	(2,041,013,373)	
Ending balance	<u>963,754,090,000</u>	<u>748,683,126,824</u>	<u>(9,825,117,611)</u>	<u>86,395,056,428</u>	<u>220,449,630,786</u>	<u>2,009,456,786,427</u>	

(*) These fund appropriations and remuneration for Board of Management are in accordance with the Annual General Meeting Resolution No. 01/NQ-DHDCD dated 29 April 2022.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

24. OWNERS' EQUITY (continued)

24.1 Movements in owners' equity (continued)

(**) In accordance with the Annual General Meeting Resolution No. 01/NQ-ĐHĐCĐ dated 29 April 2022 and the Board of Director's Resolution No. 10/QĐ-HĐQT dated 3 August 2022, the Company issued 8,720,982 shares to pay dividend to its existing shareholders.

24.2 Capital transactions with owners and distribution of dividends

	VND	
	Current year	Previous year
Contributed share capital	876,544,270,000	797,262,940,000
Share issuance	87,209,820,000	79,281,330,000
Ending balance	<u>963,754,090,000</u>	<u>876,544,270,000</u>
Dividends declared	87,214,067,000	79,281,330,000
Dividend paid by cash	12,809,195	42,583,500
Dividend paid by shares	87,209,820,000	79,323,913,500

24.3 Shares

	<u>Ending balance</u>		<u>Beginning balance</u>	
	Quantity	Amount VND	Quantity	Amount VND
Authorized shares	96,375,409	963,754,090,000	87,654,427	876,544,270,000
Issued shares				
<i>Issued and paid-up shares</i>				
Ordinary shares	96,375,409	963,754,090,000	87,654,427	876,544,270,000
Treasury shares				
Ordinary shares	440,360	9,825,117,611	440,360	9,825,117,611
Shares in circulation				
Ordinary shares	95,935,049	953,928,972,389	87,214,067	866,719,152,389

The par value of each outstanding share is VND 10,000. The holders of the ordinary shares are entitled to receive dividends as and when declared by the Company. Each ordinary share carries one vote per share without restriction.

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as at 31 December 2022 and for the year then ended

25. NET REVENUE

25.1 Net revenue from sales of goods and rendering of services

	VND	
	Current year	Previous year
Sales of real estate properties	375,658,590,004	562,609,690,687
Revenue from rental services (Note 12)	82,040,467,273	14,903,201,071
Revenue from construction contracts	73,416,266,268	47,342,912,802
Revenue from casino service	15,421,756,298	-
Revenue from other services	33,495,613,790	11,142,600,001
TOTAL	<u>580,032,693,633</u>	<u>635,998,404,561</u>

25.2 Finance income

	VND	
	Current year	Previous year
Dividends received (Note 32)	546,650,000	8,500,000,000
Interest income	341,737,095	593,852,129
Foreign exchange gain	1,217,583	-
Profit on disposal of stock	-	24,997,823
TOTAL	<u>889,604,678</u>	<u>9,118,849,952</u>

26. COST OF GOODS SOLD AND SERVICES RENDERED

	VND	
	Current year	Previous year
Cost of real estate properties	175,004,217,198	312,594,031,118
Cost of construction services	66,446,605,545	45,076,522,725
Cost of rental services (Note 12)	35,901,594,355	34,670,076,585
Cost of casino service	13,166,007,407	-
Cost of other services rendered	33,487,280,575	4,382,759,018
TOTAL	<u>324,005,705,080</u>	<u>396,723,389,446</u>

27. FINANCE EXPENSES

	VND	
	Current year	Previous year
Interest expense	33,918,390,354	54,253,688,655
Provision for diminution in value of investments	14,060,262,041	18,280,092,833
Others	6,590,087	7,209,114
TOTAL	<u>47,985,242,482</u>	<u>72,540,990,602</u>

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as at 31 December 2022 and for the year then ended

28. SELLING EXPENSES AND GENERAL AND ADMINISTRATIVE EXPENSES

	VND	
	<i>Current year</i>	<i>Previous year</i>
Selling expenses	2,152,268,820	7,556,044,293
Sale commission	1,885,262,170	7,372,544,293
Others	267,006,650	183,500,000
General and administrative expenses	35,399,606,349	47,384,019,707
External services	10,440,145,978	13,979,662,970
Labour costs	10,206,407,121	21,019,777,127
Provision for doubtful debt	5,123,589,800	-
Depreciation	2,681,792,480	2,515,077,846
Others	6,947,670,970	9,869,501,764
TOTAL	<u>37,551,875,169</u>	<u>54,940,064,000</u>

29. OTHER INCOME AND EXPENSES

	VND	
	<i>Current year</i>	<i>Previous year</i>
Other income	2,134,150,481	45,834,389,411
Penalty for contract violation	2,134,150,481	5,244,163,843
Binh Trung Dong Compensation	-	25,690,859,782
Others	-	14,899,365,786
Other expenses	(5,156,214,462)	(14,489,031,178)
Tax penalty	(3,623,137,768)	-
Others	(1,533,076,694)	(14,489,031,178)
OTHER (LOSS) PROFIT	<u>(3,022,063,981)</u>	<u>31,345,358,233</u>

30. PRODUCTION AND OPERATING COSTS

	VND	
	<i>Current year</i>	<i>Previous year</i>
Cost of real estate properties	175,004,217,198	312,594,031,118
External services	110,374,032,098	63,438,944,713
Depreciation (Notes 10, 11 and 12)	56,595,795,214	37,552,816,484
Labour costs	10,206,407,121	21,019,777,127
Provision for doubtful debt	5,123,589,800	-
Sales commission	1,885,262,170	7,372,544,293
Others	2,368,276,648	9,685,339,711
TOTAL	<u>361,557,580,249</u>	<u>451,663,453,446</u>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

31 CORPORATE INCOME TAX

The Company has the obligation to pay corporate income tax ("CIT") at the rate of 20% of taxable profits.

The tax returns filed by Company are subject to examination by the tax authorities. Because the application of tax laws and regulations to many types of transactions is susceptible to varying interpretations, the amounts reported in the separate financial statements could change at a later date upon final determination by the tax authorities.

31.1 CIT expense

	<i>Current year</i>	<i>Previous year</i>
	<i>VND</i>	
Current tax expense	40,735,829,211	33,947,580,762
Adjustment for under accrual of tax from prior year	680,904,483	-
	<u>41,416,733,694</u>	<u>33,947,580,762</u>
Deferred tax expense	1,419,000	8,707,000
TOTAL	<u>41,418,152,694</u>	<u>33,956,287,762</u>

Reconciliation between CIT expense and the accounting profit multiplied by CIT rate is presented below:

	<i>Current year</i>	<i>Previous year</i>
	<i>VND</i>	
Accounting profit before tax	<u>168,357,411,599</u>	<u>152,258,168,698</u>
At CIT rate applied for the Company	33,671,482,320	30,451,633,740
<i>Adjustments to increase:</i>		
Non-deductible expenses	7,175,095,891	5,204,654,022
Adjustment for under accrual of tax from prior years	680,904,483	-
<i>Adjustments to decrease:</i>		
Dividends received	<u>(109,330,000)</u>	<u>(1,700,000,000)</u>
CIT expense	<u>41,418,152,694</u>	<u>33,956,287,762</u>

31.2 Current tax

The current tax payable is based on taxable profit for the year. The taxable profit of the Company for the year differs from the profit as reported in the separate income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted at the balance sheet date.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

31. CORPORATE INCOME TAX (continued)

31.3 Deferred CIT

The following are the deferred tax assets recognized by the Company, and the movements thereon, during the current and previous years:

	Separate balance sheet		Separate income statement	
	Ending balance	Beginning balance	Current year	Previous year
Advance CIT	1,333,008,863	-	-	-
Accrual for severance pay	184,949,000	186,368,000	(1,419,000)	(8,707,000)
Internal unrealised profit	178,275,356	178,275,356	-	-
Deferred income tax assets	1,696,233,219	364,643,356		
Deferred tax expense			(1,419,000)	(8,707,000)

32. TRANSACTIONS WITH RELATED PARTIES

List of related parties have balance and transactions in year are as follows:

Related parties	Relationship
Mr. Truong Minh Thuan	General Director cum Vice Chairman
Future Architectural Design Joint Stock Company	Major shareholder
Intresco Construction Joint Stock Company	Subsidiary
Sai Gon Binh Duong Joint Stock Company	Subsidiary
Royal Service Restaurant Hotel Travel Joint Stock Company	Subsidiary
Sai Gon Real Estate Corporation	Major shareholder
Long Binh Construction – Trading – Producing Joint Stock Company	Associate
Khang Nam Investment Real Estate Joint Stock Company	Related party
Bac Trung Nam Housing Development Joint Stock Company	Other investment
Gia Dinh Development Corporation	Other investment
Ms. Le Thi Tram Anh	Wife of General Director
Mr. Truong Minh Dat	Son of General Director
Charlieone Vietnam Company Limited	Business cooperation contract ("BCC") partner

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

32. TRANSACTIONS WITH RELATED PARTIES

Significant transactions between the Company with related parties during the current and previous years were as follows:

Related party	Transaction	Current year	VND
			Previous year
Intresco Construction Joint Stock Company	Construction services rendered	206,553,436,793	77,248,775,496
	Dividend receipt (Note 25.2)	546,650,000	8,500,000,000
	Payment on behalf	222,826,440	170,714,704
	Rental income	109,090,908	95,454,545
Sai Gon Binh Duong Joint Stock Company	Loan repayment	45,816,000,000	28,300,000,000
	Interest expenses	9,758,949,830	5,729,255,616
	Loan	4,300,000,000	-
	Payment on behalf	90,000,000	-
Royal Service Restaurant Hotel Travel Joint Stock Company	Rental revenue	74,636,363,632	8,362,806,136
	Payment on behalf	19,442,356,598	19,756,942,531
	Casino expense	3,418,272,015	-
	Management fee	3,347,933,950	1,532,764,397
	Interest expenses	2,890,000,000	4,323,123,289
	Parking revenue	2,866,465,239	2,287,460,758
	Rental expenses	-	12,000,000,000
Ms. Le Thi Tram Anh	Loan repayment	36,000,000,000	10,000,000,000
	Interest expenses	3,466,043,835	5,006,438,358
	Interest expense payment	3,170,000,000	5,322,621,203
	Loans	-	10,000,000,000
Khang Nam Investment Real Estate Joint Stock Company	Payment on behalf	1,973,906,865	1,032,284,840
Bac Trung Nam Housing Development Joint Stock Company	Revenue from rental services	169,059,090	345,862,178
Charlieone Vietnam Company Limited	BCC contribution	56,927,500,000	45,960,000,000
	Loss share	14,315,692,273	-
	Deposit	11,152,000,000	-
	Management fees	219,682,573	-

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

32. TRANSACTIONS WITH RELATED PARTIES (continued)

Amounts due to and due from related parties at the balance sheet date were as follows:

<i>Related parties</i>	<i>Relationship</i>	<i>Nature of transaction</i>	<i>Ending balance</i>	<i>VND Beginning balance</i>
Short-term trade receivables (Note 5)				
Ms. Le Thi Tram Anh	Related party	Sale of land lots	4,101,231,043	4,101,231,043
Gia Dinh Development Corporation	Related party	Sale of land lots	831,610,000	831,610,000
Bac Trung Nam Housing Development Joint Stock Company	Related party	Sale of land lots	484,000,000	484,000,000
Royal Service Restaurant Hotel Travel Joint Stock Company	Subsidiary	Revenue from rental services	-	1,072,501,250
			5,416,841,043	6,489,342,293
Short-term advances to suppliers (Note 6)				
Future Architectural Design Joint Stock Company Limited	Significant shareholder	Design service fee	20,262,168,134	20,262,168,134
Long Binh Construction - Trading - Producing Joint Stock Company	Associate	Compensation for Long Binh	11,000,000,000	11,000,000,000
Intresco Construction Joint Stock Company	Subsidiary	Advance for construction services	-	10,056,939,259
			31,262,168,134	41,319,107,393

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

32. TRANSACTIONS WITH RELATED PARTIES (continued)

Amounts due to and due from related parties at the balance sheet date were as follows:
(continued)

<i>Related parties</i>	<i>Nature of transaction</i>	<i>Ending balance</i>	<i>VND Beginning balance</i>
Short-term other receivables (Note 7)			
Member of BOD	Advance	61,930,016,411	56,850,000,000
Royal Service Restaurant Hotel Travel Joint Stock Company	Payment on behalf	216,000,000	14,831,461,408
Khang Nam Investment Real Estate Joint Stock Company	Payment on behalf	104,526,505	254,231,099
Sai Gon Binh Duong Joint Stock Company	Payment on behalf	-	181,500,000
Intresco Construction Joint Stock Company	Dividend	-	8,500,000,000
	Payment on behalf	-	153,076,265
		<u>62,250,542,916</u>	<u>80,770,268,772</u>
Long-term other receivables (Note 7)			
Sai Gon Binh Duong Joint Stock Company	Interest income	<u>1,592,901,607</u>	<u>1,592,901,607</u>
Short-term trade payable (Note 16)			
Intresco Construction Joint Stock Company	Rendering of construction service	<u>186,425,911,372</u>	<u>51,094,040,171</u>
Short-term advance from customer (Note 17)			
Ms. Le Thi Tram Anh	Purchase apartments	57,938,443,888	61,978,000,000
Mr. Truong Minh Dat	Purchase apartments	16,831,423,095	18,185,000,000
		<u>74,769,866,983</u>	<u>80,163,000,000</u>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

32. TRANSACTIONS WITH RELATED PARTIES (continued)

Amounts due to and due from related parties at the balance sheet date were as follows:
(continued)

<i>Related parties</i>	<i>Relationship</i>	<i>Nature of transaction</i>	<i>Ending balance</i>	<i>VND Beginning balance</i>
Short-term accrued expenses (Note 19)				
Royal Service Restaurant Hotel Travel Joint Stock Company	Subsidiary	Interest expense	24,060,485,026	13,713,972,605
Sai Gon Binh Duong Joint Stock Company	Subsidiary	Interest expense	16,603,972,605	2,638,648,219
Ms. Le Thi Tram Anh	Related party	Interest expense	876,841,554	747,639,825
			41,541,299,185	17,100,260,649
Short-term unearned revenues (Note 20)				
Royal Service Restaurant Hotel Travel Joint Stock Company	Subsidiary	Revenue from rental services	22,213,636,362	-
Other payables (Note 21)				
Charlieone Vietnam Company Limited	BCC partner	BCC contribution and loss share	215,792,307,729	173,180,500,000
		Deposit	11,152,000,000	-
Sai Gon Binh Duong Joint Stock Company	Subsidiary	Deposit for BCC	98,188,300,000	98,188,300,000
		Collection on behalf	29,559,450,000	19,324,800,000
Royal Service Restaurant Hotel Travel Joint Stock Company	Subsidiary	Deposit	7,000,000,000	7,000,000,000
		Management fee	3,989,451,436	5,093,658,442
			365,681,509,165	302,787,258,442
Loans (Notes 22.2 and 22.3)				
Royal Service Restaurant Hotel Travel Joint Stock Company	Subsidiary	Loan	144,500,000,000	144,500,000,000
Sai Gon Binh Duong Joint Stock Company	Subsidiary	Loan	33,984,000,000	75,500,000,000
Ms. Le Thi Tram Anh	Related party	Loan	7,700,000,000	43,700,000,000
			186,184,000,000	263,700,000,000

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

32. TRANSACTIONS WITH RELATED PARTIES (continued)

Remuneration to members of the Board of Directors ("BOD"), the Board of Supervision ("BOS") and the General Director are as follows:

		VND	
		<i>Current year</i>	<i>Previous year</i>
Mr. Truong Minh Thuan	General Director cum Vice Chairman	973,074,000	1,029,185,000
Mr. Nguyen Manh	Chairman	240,000,000	240,000,000
Saigon Real estate Corporation	Member of BOD	288,000,000	161,716,822
Mr. Tran Huu Khanh	Member of BOD	144,000,000	144,000,000
Ms. Phan Hong Lien	Head of BOS	144,000,000	-
Ms. Nguyen Thi Xuan Trang	Member of BOD	96,000,000	-
Ms. Ho Thi Luu	Member of BOS	60,000,000	-
Mr. Le Quang Son	Member of BOS	60,000,000	-
Ms. Nguyen Kim Hau	Member of BOD	48,000,000	144,000,000
Ms. Dang Thi Ngoc Tuyen	Member of BOD	-	48,000,000
TOTAL		<u>2,053,074,000</u>	<u>1,766,901,822</u>

33. CAPITAL COMMITMENT

At 31 December 2022, the Company had outstanding commitments of VND 198,473,908,377 (31 December 2021: VND 424,558,056,824) relating to the development of ongoing residential projects.

The Group lets out assets under operating lease arrangements. The future minimum rental receivable as at the balance sheet dates under the operating lease agreements is as follows:

		VND	
		<i>Ending balance</i>	<i>Beginning balance</i>
Less than 1 year		164,731,504,541	167,186,265,450
From 1 - 5 years		445,889,744,315	522,340,346,359
More than 5 years		444,202,210,909	534,127,185,455
TOTAL		<u>1,054,823,459,765</u>	<u>1,223,653,797,264</u>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

34. EVENTS AFTER THE BALANCE SHEET DATE

There is no significant matter or circumstance that has arisen since the separate balance sheet date that requires adjustments or disclosures to be made in the separate financial statements of the Company.



Ha Thu Huong
Preparer



Doan Huu Chi
Chief Accountant



The stamp is circular with a red border. The text inside the stamp includes: 'M.S.D.N: 0302199864 - C.T.C.P.' at the top, 'CÔNG TY CỔ PHẦN ĐẦU TƯ - KINH ĐOANH NHÀ' in the center, and 'QUẬN HO CHI MINH' at the bottom. A blue signature is written over the stamp.

Trương Minh Thuận
General Director

Ho Chi Minh City, Vietnam

30 March 2023

