



Accompany with Business

AUDITED FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2021

**THANG LOI GROUP REAL ESTATE JOINT
STOCK COMPANY**

AISC

Auditing and Informatic Services Company Limited

AUDITED FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2021

**THANG LOI GROUP REAL ESTATE JOINT
STOCK COMPANY**

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REPORT OF THE BOARD OF MANAGEMENT

For the fiscal year ended December 31, 2021

The Board of Management has the honor of submitting this report and the audited financial statements for the fiscal year ended December 31, 2021.

1. Business highlights of the Company

Establishment

Thang Loi Group Real Estate Joint Stock Company (hereinafter referred to as "the Company"), formerly known as Thang Loi Real Estate Joint Stock Company, is operating under Business Registration Certificate No.0310151834 under the first issue on July 14, 2010 by HCMC Department of Planning and Investment. The seventeenth amended certificate dated June 03, 2021 is on capital increase, from VND 400,000,000,000 to VND 574,500,000,000.

Structure of ownership: Joint Stock Company.

The Company's principal activities

- Giving consultancy, acting as brokerage, real estates auction, land use right auction, investor for real estates projects;
- Trading real estates, right to use land owned, used or leased.

English name: THANG LOI GROUP REAL ESTATE JOINT STOCK COMPANY.

Short name: THANG LOI GROUP.

Head office: No. 51 Kinh Duong Vuong, Ward 12, District 6, HCMC, Vietnam.

2. Financial position and results of operation

The Company's financial position and results of operation in the year are presented in the attached financial statements.

3. Board of Directors, Board of Internal Auditor and Board of Management and Chief Accountant

The Board of Directors, Board of Internal Auditor and Board of Management and Chief Accountant holding office in the year and at the reporting date include:

Board of Directors

Mr.	Duong Long Thanh	Chairman
Mr.	Nguyen Thanh Quyen	Vice Chairman
Mr.	Phan Minh Hoang	Member
Mrs.	Le Thi Mai Hanh	Member (Appointed under Resolution No. 2102/2022/NQ-HDQT dated February 21, 2022)
Mr.	Le Duc Nghia	Member (Appointed under Resolution No.0401/2021/NQ-DHDCD dated April 16, 2021)
Mrs.	Dao Thi Thao Uyen	Member (Resigned under Resolution No.0401/2021/NQ-DHDCD dated April 16, 2021)
Mr.	Loan Van Son	Member

REPORT OF THE BOARD OF MANAGEMENT

For the fiscal year ended December 31, 2021

3. Board of Directors, Board of Internal Auditor and Board of Management and Chief Accountant (cont)

Board of Internal Auditor

Mrs. Le Thi Mai Hanh	Head of The Internal Auditor (Appointed under Resolution No. 2102/2022/NQ-HDQT dated February 21, 2022)
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Board of Management and Chief Accountant

Mr. Nguyen Thanh Quyen	General Director
Mr. Phan Minh Hoang	Deputy General Director
Mr. Nguyen Van Tung	Deputy General Director (Appointed on July 01, 2021)
Mrs. Nguyen Thi Anh Thu	Chief Accountant

Legal representatives of the Company in the year and to the reporting date are:

Mr. Duong Long Thanh	Chairman
Mr. Nguyen Thanh Quyen	General Director
Mr. Phan Minh Hoang	Deputy General Director

4. Auditor

Auditing and Informatic Services Limited Company (AISC) has been appointed as an independent auditor for the fiscal year ended December 31, 2021.

5. Statement of the Responsibility of the Board of Management in respect of the Financial Statements

The Board of Management of the Company is responsible for the preparation of the financial statements which give a true and fair view of the financial position of the Company as of December 31, 2021 as well as its results of operation and cash flows for the year then ended. In order to prepare these financial statements, the Board of Management has considered and complied with the following matters:

- Selected appropriate accounting policies and applied them consistently;
- Made judgments and estimates that are reasonable and prudent;
- The financial statements of the Company are prepared on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Board of Management 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 financial statements are prepared in compliance with the accounting policies stated in the Notes to the Financial Statements. The Board of Management is also responsible for safeguarding the assets of the Company and thus taking reasonable steps for the prevention and detection of fraud and other irregularities.

REPORT OF THE BOARD OF MANAGEMENT

For the fiscal year ended December 31, 2021

6. Approval of the Financial Statements

In the Board of Management' opinion, the financial statements consisting of Balance Sheet as at December 31, 2021, Income Statement, Cash Flow Statement and Notes to the Financial Statements enclosed with this report give a true and fair view of the financial position of the Company as well as its operating results and cash flows for the fiscal year ended December 31, 2021.

The financial statements are prepared in compliance with Vietnamese Accounting Standards and the Vietnamese Corporate Accounting System.

HCMC March 15, 2022

For and on behalf of the Board of Management



Nguyễn Thanh Quyên

General Director



CÔNG TY TNHH KIỂM TOÁN VÀ DỊCH VỤ TIN HỌC TP. HCM

Auditing And Informatic Services Company Limited

Head Office: 389A Dien Bien Phu Str., Ward 4, Dist.3, Ho Chi Minh City

Tel: (84.28) 3832 9129 (10 Lines)

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Email: info@aisc.com.vn

Website: www.aisc.com.vn

No.: C0521291-R/AISC-DN5

INDEPENDENT AUDITOR'S REPORT

To:

SHAREHOLDERS, BOARD OF DIRECTORS AND BOARD OF MANAGEMENT

THANG LOI GROUP REAL ESTATE JOINT STOCK COMPANY

We have audited the financial statements of **Thang Loi Group Real Estate Joint Stock Company** (hereinafter referred to as "the Company") consisting of Balance Sheet as at December 31, 2021, Income Statement, Cash Flow Statement for the year then ended and Notes to the Financial Statements as set out on page 05 to 42, which were prepared on March 15, 2022.

Responsibility of the Board of Management

The Board of Management is responsible for the preparation and fair presentation of the financial statements in accordance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and prevailing regulations applicable to the preparation and presentation of the financial statements and also for the internal control that the Board of Management considers necessary for the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Responsibility of the Auditor

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 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 Board of Management as well as evaluating the overall presentation of the financial statements.

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

Auditor's opinion

In our opinion, the financial statements give a true and fair view, in all material respects, of the financial position of **Thang Loi Group Real Estate Joint Stock Company** as at December 31, 2021 as well as the results of its operation and its cash flows for the year then ended. The financial statements are prepared in compliance with the prevailing Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and other statutory requirements relevant to the preparation and presentation of the financial statements.

HCMC, March 15, 2022

PP. GENERAL DIRECTOR

DEPUTY GENERAL DIRECTOR



LE HUNG DUNG

Certificate of Audit Practice Registration

No.: 3174-2020-005-1

Issued by the Ministry of Finance

AUDITOR

DO THI HANG

Certificate of Audit Practice Registration

No.: 4226-2018-005-1

Issued by the Ministry of Finance

BALANCE SHEET*As at December 31, 2021**Unit: VND*

ASSETS	Code	Notes	Dec. 31, 2021	Jan. 01, 2021
A. CURRENT ASSETS	100		2,255,230,977,768	473,882,315,628
I. Cash and cash equivalents	110	V.1	730,876,720,793	27,881,409,415
1. Cash	111		161,803,003,773	16,737,740,669
2. Cash equivalents	112		569,073,717,020	11,143,668,746
II. Short-term financial investments	120		-	-
1. Trading securities	121		-	-
2. Provision for devaluation of trading securities	122		-	-
3. Held-to-maturity investments	123		-	-
III. Short-term accounts receivable	130		452,534,360,872	152,876,765,190
1. Short-term trade receivables	131	V.3	49,855,644,643	39,760,183,726
2. Short-term prepayments to suppliers	132	V.4	50,964,790,370	82,085,604,171
3. Short-term intercompany receivables	133		-	-
4. Construction contract-in-progress receivables	134		-	-
5. Receivables from short-term loans	135		-	-
6. Other short-term receivables	136	V.5	357,181,956,018	32,773,869,780
7. Provision for short-term doubtful debts	137	V.4,5	(5,468,030,159)	(1,742,892,487)
8. Shortage of assets awaiting resolution	139		-	-
IV. Inventories	140	V.7	996,657,737,468	290,690,446,701
1. Inventories	141		996,657,737,468	290,690,446,701
2. Provision for decline in value of inventories	149		-	-
V. Other current assets	150		75,162,158,635	2,433,694,322
1. Short-term prepayments	151	V.10a	177,965,158	548,300,092
2. Deductible VAT	152		63,373,669,289	1,885,394,230
3. Taxes and other receivables from the State Budget	153	V.13b	11,610,524,188	-
4. Repurchase and sale of Government's bonds	154		-	-
5. Other current assets	155		-	-

BALANCE SHEET

As at December 31, 2021

Unit: VND

ASSETS	Code	Notes	Dec. 31, 2021	Jan. 01, 2021
B. LONG-TERM ASSETS	200		847,896,100,454	606,987,268,189
I. Long-term receivables	210		-	-
1. Long-term trade receivables	211		-	-
2. Long-term prepayments to suppliers	212		-	-
3. Working capital from sub-units	213		-	-
4. Long-term intercompany receivables	214		-	-
5. Receivables from long-term loans	215		-	-
6. Other long-term receivables	216		-	-
7. Provision for doubtful long-term receivables	219		-	-
II. Fixed assets	220		158,775,158,563	130,173,570,262
1. Tangible fixed assets	221	V.8	42,938,806,104	19,733,317,974
- Cost	222		61,758,827,347	32,894,606,588
- Accumulated depreciation	223		(18,820,021,243)	(13,161,288,614)
2. Finance lease assets	224		-	-
- Cost	225		-	-
- Accumulated depreciation	226		-	-
3. Intangible fixed assets	227	V.9	115,836,352,459	110,440,252,288
- Cost	228		116,162,653,949	110,644,252,288
- Accumulated amortization	229		(326,301,490)	(204,000,000)
III. Investment Properties	230		-	-
- Cost	231		-	-
- Accumulated depreciation	232		-	-
IV. Non-current assets in progress	240		-	61,132,045
1. Works in progress	241		-	-
2. Capital construction in progress	242		-	61,132,045
V. Long-term investments	250	V.2	688,018,996,271	474,898,648,610
1. Investments in subsidiaries	251		680,061,940,000	472,062,000,000
2. Investments in joint-ventures, associates	252		12,500,000,000	10,357,000,000
3. Investments in equity of other entities	253		-	-
4. Provision for decline in the value of long-term investments	254		(4,542,943,729)	(7,520,351,390)
5. Held-to-maturity investments	255		-	-
VI. Other long-term assets	260		1,101,945,620	1,853,917,272
1. Long-term prepaid expenses	261	V.10b	1,101,945,620	1,853,917,272
2. Deferred income tax assets	262		-	-
3. Equipment, materials, spare parts	263		-	-
4. Other long-term assets	268		-	-
TOTAL ASSETS	270		3,103,127,078,222	1,080,869,583,817

BALANCE SHEET

As at December 31, 2021

Unit: VND

RESOURCES	Code	Notes	Dec. 31, 2021	Jan. 01, 2021
C. LIABILITIES	300		2,283,228,739,902	584,103,414,156
I. Current liabilities	310		2,021,495,394,285	388,177,518,556
1. Short-term trade payables	311	V.11	78,453,811,931	28,132,239,747
2. Short-term prepayments from customers	312	V.12	28,803,040,557	47,320,340,320
3. Taxes and other payables to the State Budget	313	V.13	4,864,813,835	16,971,007,979
4. Payables to employees	314		8,838,181,730	7,233,747,372
5. Short-term accrued expenses	315	V.14	7,024,905,827	7,502,429,260
6. Short-term intercompany payables	316		-	-
7. Construction contract-in-progress payables	317		-	-
8. Short-term unrealized revenue	318		-	1,890,926,493
9. Other short-term payables	319	V.15a	1,860,510,241,305	201,184,335,459
10. Short-term borrowings and financial lease liabilities	320	V.16a,b	27,418,691,792	75,270,445,884
11. Provision for short-term payables	321		-	-
12. Bonus and welfare fund	322		5,581,707,308	2,672,046,042
13. Price stabilization fund	323		-	-
14. Repurchase and sale of Government's bond	324		-	-
II. Long-term liabilities	330		261,733,345,617	195,925,895,600
1. Long-term trade payables	331		-	-
2. Long-term prepayments from customers	332		-	-
3. Long-term accrued expenses	333		-	-
4. Inter-company payables for operating capital received	334		-	-
5. Long-term intercompany payables	335		-	-
6. Long-term unrealized revenue	336		-	-
7. Other long-term payables	337	V.15b	231,754,680,814	178,182,708,392
8. Long-term borrowings and financial lease liabilities	338	V.16c	29,978,664,803	17,743,187,208
9. Convertible bond	339		-	-
10. Preferred shares	340		-	-
11. Deferred income tax liabilities	341		-	-
12. Provision for long-term liabilities	342		-	-
13. Fund for science and technology development	343		-	-

BALANCE SHEET

As at December 31, 2021

Unit: VND

RESOURCES	Code	Notes	Dec. 31, 2021	Jan. 01, 2021
D. OWNERS' EQUITY	400		819,898,338,320	496,766,169,661
I. Owners' equity	410	V.17	819,898,338,320	496,766,169,661
1. Owners' capital	411		574,500,000,000	400,000,000,000
- Ordinary shares with voting rights	411a		574,500,000,000	400,000,000,000
- Preferred shares	411b		-	-
2. Share premium	412		44,700,000,000	-
3. Bond conversion option	413		-	-
4. Owners' other capital	414		-	-
5. Treasury shares	415		-	-
6. Difference upon assets revaluation	416		-	-
7. Foreign exchange differences	417		-	-
8. Investment and development fund	418		8,000,000,000	-
9. Fund for support of arrangement of enterprises	419		-	-
10. Other funds	420		-	-
11. Undistributed earnings	421		192,698,338,320	96,766,169,661
- Undistributed earnings accumulated to the end of prior period	421a		81,106,169,661	14,989,932,404
- Undistributed earnings in this period	421b		111,592,168,659	81,776,237,257
12. Investment reserve for basic construction	422		-	-
II. Budget sources and other funds	430		-	-
1. Budget sources	431		-	-
2. Fund to form fixed assets	432		-	-
TOTAL RESOURCES	440		3,103,127,078,222	1,080,869,583,817

Prepared by

Vo Thi Ngoc Tien

Chief Accountant

Nguyen Thi Anh Thu

General Director

Nguyen Thanh Quyen



INCOME STATEMENT

For the fiscal year ended December 31, 2021

Unit: VND

ITEMS	Code	Notes	Year 2021	Year 2020
1. Sales	01	VI.1	169,278,905,487	580,212,743,998
2. Less sales deductions	02	VI.2	7,059,001,254	7,837,726,900
3. Net sales	10	VI.3	162,219,904,233	572,375,017,098
4. Cost of sales	11	VI.4	102,929,312,518	357,120,704,085
5. Gross profit (20 = 10 - 11)	20		59,290,591,715	215,254,313,013
6. Financial income	21	VI.5	91,703,214,662	10,431,173,000
7. Financial expenses	22	VI.6	11,176,113,233	25,602,546,299
<i>In which: loan interest expenses</i>	23		14,074,398,003	18,082,194,909
8. Selling expenses	25	VI.7a	7,326,356,571	34,965,249,385
9. General & administration expenses	26	VI.7b	11,672,771,344	58,361,577,230
10. Operating profit (30 = 20 + (21 - 22) - (25 + 26))	30		120,818,565,229	106,756,113,099
11. Other income	31	VI.8	801,254,945	1,289,966,133
12. Other expenses	32	VI.9	3,125,588,736	4,668,045,145
13. Other profit (40 = 31 - 32)	40		(2,324,333,791)	(3,378,079,012)
14. Net accounting profit before tax (50 = 30 + 40)	50		118,494,231,438	103,378,034,087
15. Corporate income tax - current	51	VI.11	6,902,062,779	21,601,796,830
16. Corporate income tax - deferred	52		-	-
17. Net profit after corporate income tax (60 = 50 - 51 - 52)	60		111,592,168,659	81,776,237,257

Prepared by

Vo Thi Ngoc Tien

Chief Accountant

Nguyen Thi Anh Thu

HCMC, March 15, 2022

General Director

Nguyen Thanh Quyen



CASH FLOW STATEMENT

(Under indirect method)

For the fiscal year ended December 31, 2021

Unit: VND

ITEMS	Code	Notes	Year 2021	Year 2020
I. CASH FLOWS FROM OPERATING ACTIVITIES				
1. Net profit before tax	01		118,494,231,438	103,378,034,087
2. Adjustments for :				
- Depreciation of fixed assets and investment properties	02	V.8,9	7,704,674,577	6,329,272,695
- Provisions	03	VI.6,7	779,385,346	9,263,243,877
- Gain/losses from foreign exchange differences upon revaluation of monetary assets denominated in foreign currencies	04		-	-
- Gains/losses from investing activities	05		(91,474,958,573)	(10,394,077,916)
- Interest expense	06	VI.6	14,074,398,003	18,082,194,909
- Other adjustments	07		-	-
3. Profit from operating activities before changes in working capital	08		49,577,730,791	126,658,667,652
- Increase (-)/ decrease (+) in receivables	09		(351,146,371,914)	19,787,300,321
- Increase (-)/ decrease (+) in inventories	10		(739,923,562,279)	115,938,927,788
- Increase (+)/ decrease (-) in payables (Other than payables, income tax)	11		1,747,288,706,582	(168,350,030,143)
- Increase (-)/ decrease (+) in prepaid expenses	12		1,122,306,586	3,803,029,179
- Increase (-)/ decrease (+) in trading securities	13		-	-
- Interest paid	14		(17,163,337,415)	(18,082,194,909)
- Corporate income tax paid	15	V.13	(30,711,302,382)	(14,530,366,037)
- Other receipts from operating activities	16		-	-
- Other payments on operating activities	17		(4,750,338,734)	(327,953,958)
Net cash inflows/(outflows) from operating activities	20		654,293,831,235	64,897,379,893
II. CASH FLOWS FROM INVESTING ACTIVITIES				
1. Purchases of fixed assets and other long-term assets	21		(3,245,469,090)	(2,888,702,435)
2. Proceeds from disposals of fixed assets and other long-term assets	22		726,212,125	763,636,364
3. Loans granted, purchases of debt instruments of other entities	23		-	-
4. Collection of loans, proceeds from sales of debt instruments of other entities	24		-	61,000,000,000
5. Investments in other entities	25		(225,142,940,000)	(302,619,000,000)
6. Proceeds from divestment in other entities	26		15,000,000,000	10,725,000
7. Dividends and interest received	27		77,779,953,605	10,431,173,000
Net cash inflows/(outflows) from investing activities	30		(134,882,243,360)	(233,302,168,071)

CASH FLOW STATEMENT

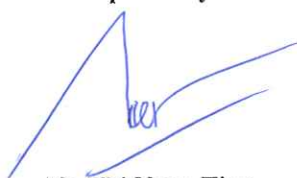
(Under indirect method)

For the fiscal year ended December 31, 2021

Unit: VND

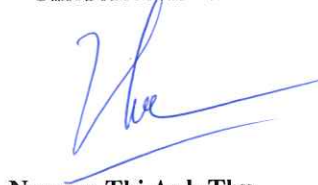
ITEMS	Code	Notes	Year 2021	Year 2020
III. CASH FLOWS FROM FINANCING ACTIVITIES				
1. Proceeds from issue of shares and capital contribution	31		219,200,000,000	150,000,000,000
2. Repayment of contributed capital and repurchase of stock issued	32		-	-
3. Proceeds from borrowings	33	IX.1	120,049,328,829	178,792,660,362
4. Repayments of borrowings	34	IX.2	(155,665,605,326)	(152,280,915,918)
5. Payments for finance lease liabilities	35		-	-
6. Dividends paid	36		-	-
Net cash inflows/(outflows) from financing activities	40		183,583,723,503	176,511,744,444
Net cash inflows/(outflows) (50 = 20+ 30 + 40)	50		702,995,311,378	8,106,956,266
Cash and cash equivalents at the beginning of the year	60		27,881,409,415	19,774,453,149
Effect of foreign exchange differences	61		-	-
Cash and cash equivalents at the end of the year (70 = 50+60+61)	70	V.1	<u>730,876,720,793</u>	<u>27,881,409,415</u>

Prepared by



Vo Thi Ngoc Tien

Chief Accountant



Nguyen Thi Anh Thu

HCMC, March 15, 2022

General Director



Nguyen Thanh Quyen

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2021

Unit: VND

I. BUSINESS HIGHLIGHTS

1. Establishment

Thang Loi Group Real Estate Joint Stock Company (hereinafter referred to as "the Company"), formerly known as Thang Loi Real Estate Joint Stock Company, is operating under Business Registration Certificate No.0310151834 under the first issue on July 14, 2010 by HCMC Department of Planning and Investment. The seventeenth amended certificate dated June 03, 2021 is on capital increase, from VND 400,000,000,000 to VND 574,500,000,000.

Structure of ownership: Joint stock company.

Head office: No. 51 Kinh Duong Vuong, Ward 12, District 6, HCMC, Vietnam.

2. Business sector: Real estates investment and trading.

3. Principal activities

- Giving consultancy, acting as brokerage, real estates auction, land use right auction, investor for real estates projects;
- Trading real estates, right to use land owned, used or leased.

4. Normal operating cycle

Normal operating cycle of the Company lasts 12 months of the normal fiscal year beginning from January 01 and ending on December 31.

5. Operations in the fiscal year affecting the financial statements: Not applicable.

6. Total employees to Dec. 31, 2021: 119 persons (Dec. 31, 2020: 128 persons).

7. Enterprise Structure

7.1. List of subsidiaries

7.1a As at December 31, 2021, the Company had five (5) directly owned subsidiaries as follows:

<i>Names</i>	<i>Principal activities</i>	<i>% of capital contribution</i>	<i>% of ownership</i>	<i>% of voting right</i>
Thanh Long Newtown Co., Ltd	Building civil engineering works	94.8%	94.8%	94.8%
Address: Thang Loi Plaza, Thang Loi Central Hill Residential Area, Provincial Road 835C, Phuoc Loi Commune, Ben Luc Dist., Long An, Vietnam.				
Central Hill Real Estate JSC	Trading real estates	99.0%	99.0%	99.0%
Address: Thang Loi Plaza, Thang Loi Central Hill Residential Area, Provincial Road 835C, Phuoc Loi Commune, Ben Luc Dist., Long An, Vietnam.				
Thang Loi Riverside Investment JSC	Building civil engineering works	99.0%	99.0%	99.0%
Address: Thang Loi Plaza, Thang Loi Central Hill Residential Area, Provincial Road 835C, Phuoc Loi Commune, Ben Luc Dist., Long An, Vietnam.				

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2021

Unit: VND

7. Enterprise Structure (cont)

<i>Names</i>	<i>Principal activities</i>	<i>% of capital contribution</i>	<i>% of ownership</i>	<i>% of voting right</i>
Thang Loi Land Corporation	Giving consultancy, acting as brokerage, real estates auction, land use right auction	98.00%	98.00%	100%
Address: No. 51 Kinh Duong Vuong, Ward 12, Dist. 6, HCMC, Vietnam.				
Galaxy Real Estate Business Investment JSC	Trading real estates, right to use land	97.00%	97.00%	97.00%
Address: No. 51 Kinh Duong Vuong, Ward 12, Dist. 6, HCMC, Vietnam.				

7.1b As at December 31, 2021, the Company had three (3) undirectly owned subsidiaries as follows:

<i>Names</i>	<i>Principal activities</i>	<i>% of capital contribution</i>	<i>% of ownership</i>	<i>% of voting right</i>
Thang Loi Mien Nam Real Estate Business Investment JSC	Trading real estates, right to use land	65.00%	65.00%	65.00%
Address: No. 337 Ten Lua, Binh Tri Dong B Ward, Binh Tan Dist., HCMC, Vietnam.				
Thang Loi Tay Nguyen Real Estate Business Investment JSC	Trading real estates, right to use land	65.00%	65.00%	65.00%
Address: No. 297 Road No. 7, Binh Tri Dong B Ward, Binh Tan Dist., HCMC, Vietnam.				
Thang Loi Long An Real Estate JSC	Giving consultancy, acting as brokerage, real estates auction, land use right auction	65.00%	65.00%	65.00%
Address: Thang Loi Plaza, Thang Loi Central Hill Residential Area, Provincial Road 835C, Phuoc Loi Commune, Ben Luc Dist., Long An Province, Vietnam.				

7.2. List of associates

As at December 31, 2021, the Company had two (2) associates as follows:

<i>Names</i>	<i>Principal activities</i>	<i>% of capital contribution</i>	<i>% of ownership</i>	<i>% of voting right</i>
Winservice Services Business JSC	General support	40%	40%	40%
Address: No. 51 Kinh Duong Vuong, Ward 12, Dist. 6, HCMC, Vietnam.				
New Land Real Construction JSC	Giving consultancy, acting as brokerage, real estates auction, land use right auction	45%	45%	45%
Address: No. 51 Kinh Duong Vuong, Ward 12, Dist. 6, HCMC, Vietnam.				

NOTES TO THE FINANCIAL STATEMENTS*For the fiscal year ended December 31, 2021**Unit: VND***8. Disclosure on comparability of information in the Financial Statements**

The selection of figures and information need to be presented in the financial statements has been implemented on the principle of comparability among corresponding accounting periods.

II. ACCOUNTING PERIOD AND REPORTING CURRENCY**1. Fiscal year**

The fiscal year is begun on January 01 and ended December 31 annually.

2. Reporting currency

Vietnam Dong (VND) is used as a currency unit for accounting records.

III. ADOPTION OF ACCOUNTING STANDARDS AND POLICIES**1. Applicable Accounting System**

The Company applies Vietnamese Corporate Accounting System in accordance with the guidance of Circular No. 200/2014/TT-BTC dated December 22, 2014 and amended, supplemented circulars.

2. Disclosure of compliance with Vietnamese Accounting Standards and the Vietnamese Accounting System

We conducted our accounting, preparation and presentation of the financial statements in accordance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and other relevant statutory regulations. The financial statements give a true and fair view of the state of affairs of the Company and the results of its operations as well as its cash flows.

The selection of figures and information presented in the notes to the financial statements is complied with the material principle in Vietnamese Accounting Standard No.21 - Presentation of the financial statements.

IV. APPLICABLE ACCOUNTING POLICIES**1. Principles for recording cash and cash equivalents**

Cash includes cash on hand, demand deposit.

Cash equivalents comprise term deposits and other short-term investments with an original maturity of three months or less, highly liquid, readily convertible to known amount of cash and subject to an insignificant risk of changes in value.

2. Principles for accounting financial investments**Principles for recording financial investments in Subsidiaries, Associates**

Principles for recording financial investments in subsidiaries: Subsidiary is a company over which the Company has the power to govern the financial and operating policies in order to obtain economic benefits from the subsidiary's operation. When the Company ceases to control the subsidiary, the investment in the subsidiary will be written down.

The investment in associate is recorded when the Company has 20% - 50% of voting right in those companies and has considerable influence over their decisions on financial policies.

Investments in Subsidiary, associates are initially stated at original cost and will not be adjusted thereafter for change in the investor's share of the investee's net assets. The original cost includes purchase price and costs attributable to the investment. In case the investment is by non-monetary assets, the investment fee should be recorded at the fair value of the non-monetary assets at the date of occurrence.

Provision for loss of investments in subsidiaries, joint-ventures, associates is made when the investee suffers from loss and thus the Company possibly loses its capital or the investments' value is devalued. Basis for making provision for loss of investments is consolidated financial statements of the investee (if it is parent company), the investee's financial statements (if it is an independent enterprise without subsidiary).

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2021

Unit: VND

3. Principles for recording trade receivables and other receivables

Principle for recording receivables: At original cost less provision for doubtful debts.

The classifying of the receivables as trade receivables, inter-company receivables and other receivables depends on the nature of the transaction or relationship between the company and debtor.

Method of making provision for doubtful debts: Provision for doubtful debts is estimated for the loss value of the receivables, other held-to-maturity investments similar to doubtful debts that are overdue and undue, but are likely to become possibly irrecoverable due to insolvency of debtors who go bankruptcy, making procedures for dissolution, go missing or run away....

4. Principles for recording inventories

Real estate acquired or built for the purpose of sale in the normal course of business of the Company, and not for rental or appreciation, is recognized as inventory. Inventories are stated at the lower of cost and net realizable value. Cost of inventories includes land use and construction costs, direct costs and other related overheads incurred to bring the inventories to their present location and condition. Net realizable value is the estimated selling price of inventories in the ordinary course of business less the estimated costs to complete and the estimated costs necessary to make the sale. When necessary, provisions are made for obsolete, slow-moving, damaged inventories and in cases where cost of inventories is higher than net realizable value.

5. Principles for recording fixed assets**5.1 Principles for recording tangible fixed assets**

Tangible fixed assets are stated at original cost less (-) accumulated depreciation. The initial cost of a tangible fixed asset comprises all expenditures of bringing the asset to its working condition and location for its intended use. The expenditures incurred after initial recognition are only capitalized as an additional cost of tangible fixed assets when they have resulted in an increase in the future economic benefits expected to be obtained from the use of those tangible fixed assets. The expenditures which do not meet the above conditions are charged to the expenses in the year.

When the assets are sold or disposed, their original costs and the accumulated depreciation which have been written off and any gain or loss from disposal of assets are recorded in the income statement.

Determination of original costs of tangible fixed assets:

Tangible fixed assets purchased

The original cost of purchased tangible fixed assets shall consist of the actual purchase price less (-) trade discounts or reduction plus (+) taxes (excluding taxes to be refunded) and relevant expenses calculated to the time when such fixed assets are put into operation such as fees for installation and trial operation of fixed assets; specialists and other direct costs.

5.2 Principles for recording intangible fixed assets

Intangible fixed assets are stated at cost less (-) accumulated amortization. The original cost of a intangible fixed asset comprises all costs of owning the asset to the date it is put into operation as expected.

Principles for recording intangible fixed assets:

Land use right

The original cost of an intangible fixed asset which is the land use right shall be the payment made to obtain the lawful land use right plus (+) compensatory payments for clearance of site, expenses for levelling the ground, registration fee..... (or right to use land as capital contribution in joint-venture).

Computer software

The original cost of a in tangible fixed asset which is the computer software shall be the total of actual expenses incurred by the Company to obtain the computer software.

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2021

Unit: VND

5.3 Method of depreciating and amortizing fixed assets

Depreciation is charged to write off the cost of fixed assets on a straight line basis over their estimated useful lives. Useful life means the duration in which the fixed assets produce their effect on production and business.

The estimated useful life for assets is as follows:

<i>Buildings and structures</i>	<i>25 - 30 years</i>
<i>Machinery and equipment</i>	<i>3 - 5 years</i>
<i>Transportation and facilities</i>	<i>6 years</i>
<i>Office equipment</i>	<i>3 - 5 years</i>
<i>Computer software</i>	<i>4 years</i>

Land use rights which are granted for a definite term are amortized in conformity with the term stated in the certificate of land use right.

Land use rights which are granted for an indefinite term are carried at cost and not amortised.

6. Principles for recording prepaid expenses

Prepaid expenses are all expenses that actually incurred but relate to the operating result of several accounting periods. The Company's prepaid expenses include: Tools and supplies, provision of data.

Method of allocating prepaid expenses: The determining and allocating of prepaid expenses into costs of production and doing business of each period is on a straight-line basis. Based on the nature and level of each expense, the term of allocation is defined as follows: short-term prepaid expenses should be allocated within one year; Long-term expenses should be allocated in the term from 12 months to 36 months.

The method of allocating costs to ongoing projects is based on recognized revenue corresponding to costs incurred directly for servicing the recognized revenue.

7. Principles for recording liabilities

Liabilities are recorded at original cost and not lower than the payment obligation.

Liabilities shall be classified into trade payables, inter-company payables and other payables depending on the nature of transactions and relationship between the Company and debtors.

Liabilities must be kept records in detail according to payment schedule, creditor and other factors according to requirements of the enterprise.

At the reporting date, if it is evident that there is an unavoidable loss, an amount payable shall be recorded according to cautious rules.

8. Principles for recording borrowings

Borrowings are total amounts the Company owes to banks, institutions, financial companies and other objects (excluding borrowings under the form of bond or preferred stock issuance which require the issuer to repurchase at a certain time in the future).

Borrowings are monitored in detail according to creditor, agreement and borrowed asset.

9. Principles for recording and capitalizing borrowing costs

Principles for recording borrowing costs: Borrowing costs are loan interest and other costs incurred in direct relation to borrowings of an enterprise; Borrowing costs are recognised as an expense in the year in which they are incurred, except where the borrowing costs related to borrowings in respect of the construction or production of uncompleted assets, in which case the borrowing costs incurred during the period of construction are computed in those assets' value (capitalised) as part of the cost of the assets concerned when they satisfy conditions stipulated in the VAS No. 16 "Borrowing costs".

NOTES TO THE FINANCIAL STATEMENTS

*For the fiscal year ended December 31, 2021**Unit: VND***9. Principles for recording and capitalizing borrowing costs (cont)**

Capitalized rate: In case of joint capital borrowings, which are used for the purpose of investment in construction or production of an uncompleted asset, the borrowing costs eligible for capitalization in each accounting period shall be determined according to the capitalization rate for weighted average accumulated costs incurred to the investment in construction or production of such asset. The capitalization rate shall be calculated according to the weighted average interest rate applicable to the enterprises borrowings unrepaid in the period, except for particular borrowings for purpose of obtaining an uncompleted asset. The amount of borrowing costs capitalized during a period must not exceed the amount of borrowing costs arising during that period.

10. Principles for recording accruals

Accruals include construction, services rendered by outsiders which have been arisen in the reporting period, but have not been settled. These costs are recognised on the basis of reasonable estimates on the amounts to be paid in accordance with contracts, agreements.....

11. Compulsory insurance and salary policies

Salary is calculated and recorded in the expenses in accordance with labor contract and the Company's regulation on salary. Accordingly, the rates of social insurance, health insurance and unemployment insurance shall be respectively 25.5%, 4.5% and 2% corresponding to the employee's salary. The rate of 21.5% will be included in the cost of social insurance, health insurance, unemployment insurance in the period and 10.5% will be deducted from the employee's salary. Salary paid is regulated in the labor contract.

12. Principles for recording owner's Equity**Principles for recording owner's capital**

The owner's capital is the amount that is contributed by members and supplemented from the profit after tax. The owners' capital will be recorded at the actual contributed capital by cash or assets in the early establishment period or additional mobilization to expand operation.

Principles for recognising undistributed profit

The undistributed profit is recorded at the profit (loss) from the Company's result of operation after deducting the current year corporate income tax and the adjusted items due to the retroactive application of changes in accounting policy and adjustments for material misstatement of the previous year.

The distributing of profit is based on the charter of the Company and approved by the annual shareholder meeting.

13. Principles for recording revenues**Revenue from goods sold**

Revenue from the sale of good should be recognised when all the five (5) following conditions have been satisfied: 1) The enterprise has transferred to buyer the significant risks and rewards of ownership of the goods; 2) The enterprise retains neither continuing managerial involvement as an owner nor effective control over the goods sold; 3) The amount of revenue can be measured reliably; When the contract specifies that buyers are entitled to return products, goods they have bought under specific conditions, the enterprise will record the revenue only when those conditions no longer exist and the buyers do not have right to return products, goods (except for changing to other goods, services) 4) The economic benefits associated with the transaction has flown or will flow to the enterprise; 5) The costs incurred or to be incurred in respect of the transaction can be measured reliably.

NOTES TO THE FINANCIAL STATEMENTS*For the fiscal year ended December 31, 2021**Unit: VND***13. Principles for recording revenues (cont)****Revenue from service rendered**

Revenue from services rendered is recorded when the result of the supply of services is determined reliably. In case where the services are rendered in several periods, the revenue will be recorded by the part of completed works at the balance sheet. Revenue from services rendered is determined when the following four conditions have been satisfied: 1. The revenue is determined firmly; When the contract specifies that buyers are entitled to return the service they have bought under specific conditions, the enterprise will record the revenue only when those conditions no longer exist and the buyers do not have right to return service; 2. The economic benefits associated with the transaction has flown or will flow from the supply of the provided service; 3. Part of completed works can be determined at the balance sheet date; 4. The costs incurred or to be incurred in respect of the transaction can be measured reliably.

If the contract's results can not be determined firmly, the revenue will be recorded at the recoverable level of expenses recorded.

Principles and method of recording revenue from sale of real estate

For works, work items of which enterprises being investors: Recording turnovers from sales of real estate must satisfy five following conditions: 1. The real estate has completed and transferred to the buyers, enterprises have transferred risks and benefits associated with ownership of the real estate to the buyers; 2. Enterprises no longer hold the right to manage the real estate as real estate's owners or the right to control the real estate; 3. The turnover is determined reliably; 4. Enterprises have received or will receive economic benefits from the sales of the real estate; 5. Costs related to sales of the real estate may be determined.

For real estate divided into plots for sale: The investors record the turnovers for the plot sold if satisfy the following conditions: 1. Risks and benefits associated with the land use rights are transferred to the buyer; 2. The turnover is determined reliably; 3. Costs related to sale of plots may be determined; 4. Enterprises have received or will receive economic benefits from sales of the plots.

Principles for recording financial income

Financial incomes include interests, interests on deferred sale, interests on advanced capital and dividends, profit received.

Income arising from interests, distributed dividends and profits of the enterprises shall be recognized if they simultaneously satisfy the two (2) conditions below 1. It is possible to obtain economic benefits from the concerned transactions; 2. Income is determined with relative certainty.

- Interests recognized on the basis of the actual time and interest rates in each period;
- Distributed dividends and profits shall be recognized when shareholders are entitled to receive dividends or the capital-contributing parties are entitled to receive profits from the capital contribution.

When an amount which has been recorded as an income becomes irrecoverable, such irrecoverable or uncertainly recoverable amount must be accounted as expense incurred in the period, but not recorded as income decrease.

14. Principles and method of recording cost of goods sold

Cost of goods sold is the cost of products, goods, services, investment properties; sold in the period; expenses related to trading the investment properties and other expenses recorded in the cost of goods sold or recorded a decrease in the cost of goods sold in reporting period. The cost of goods sold is recorded at the date the transaction incurs or likely to incur in the future regardless payment has been made or not. The cost of goods sold and revenue shall be recorded simultaneously on conformity principles. Expenses exceeding normal consumption level are recorded immediately to the cost of goods sold on prudent principle.

NOTES TO THE FINANCIAL STATEMENTS*For the fiscal year ended December 31, 2021**Unit: VND***15. Principles and method of recording financial expenses****Financial expenses:** Loan interest expenses.

Financial expenses are recorded in details by their content and determined reliably when there are sufficient evidences on these expenses.

16. Principles and methods of recording taxes

Corporate income tax includes current corporate income tax and deferred corporate income tax incurred in the year and set basis for determining operating result after tax in current fiscal year.

Current tax: is the tax payable on the taxable income and tax rate enacted in current year in accordance with the law on corporate income tax.

The tax amounts payable to the State budget will be finalized with the tax office. Differences between the tax amounts payable specified in the book and the tax amounts under finalization will be adjusted when the tax finalization has been issued by the tax office.

The Company pays tax at the rate of 20%.

17. Financial instruments**Initial recognition****Financial assets**

According to Circular No. 210/2009/TT-BTC dated November 06, 2009 (Circular No. 210), financial assets are classified properly, for the purpose of presentation in the financial statements, into the financial assets which are stated at fair value through the Income Statement, loans and receivables, held-to-maturity investments and available-for-sale financial assets. The Company decides to classify these assets at the date of initial recognition.

At the date of initial recognition, the financial assets are recognized at cost plus transaction cost that are directly attributable to the acquisition of the financial assets.

Financial assets of the Company comprise cash, short-term deposits, trade accounts receivables and other receivables.

Financial liabilities

According to Circular No. 210, financial liabilities are classified properly, for the purpose of presentation in the financial statements, into the financial liabilities which are stated at fair value through the Income Statement, financial liabilities determined on amortised cost basis. The Company decides to classify these liabilities at the date of initial recognition.

At the date of initial recognition, the financial liabilities are recognized at cost plus transaction cost that are directly attributable to the acquisition of the financial liabilities.

Financial liabilities of the Company comprise trade payables, accruals, other payables, borrowings and liabilities.

Re-measurements after initial recognition

Currently, there are no requirements for the re-measurement of the financial instruments after initial recognition.

Offsetting

Financial assets and financial liabilities are offset and the net amount reported in the report on financial position if, and only if, there is a currently enforceable legal right to offset the financial assets against financial liabilities or vice-versa and there is an intention to settle on a net basis or to realize the assets and settle the liability simultaneously.

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2021

Unit: VND

18. Related parties

Related parties include: Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Company and close members of the family of these individuals and companies associated with these individuals also constitute related parties. In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

V. ADDITIONAL INFORMATION FOR ITEMS SHOWN IN THE BALANCE SHEET

1. Cash and cash equivalents	Dec. 31, 2021		Jan. 01, 2021	
Cash	161,803,003,773		16,737,740,669	
Cash on hand	5,032,047,704		906,724,087	
Demand deposits	156,770,956,069		15,831,016,582	
Cash Equivalents	569,073,717,020		11,143,668,746	
Deposit with term of less than 3 months (interest rate: 2.6% - 3.5%)	569,073,717,020		11,143,668,746	
Total	730,876,720,793		27,881,409,415	
2. Financial investments	Dec. 31, 2021		Jan. 01, 2021	
	Original value	Provision	Original value	Provision
a. Investments in subsidiaries	680,061,940,000	(4,542,943,729)	472,062,000,000	(5,689,963,863)
Thanh Long Newtown Co., Ltd (1)	94,800,000,000	-	94,800,000,000	-
Thang Loi Riverside Investment JSC (2)	148,572,000,000	(4,542,943,729)	148,572,000,000	(5,605,571,132)
Central Hill Real Estate JSC (3)	228,690,000,000	-	228,690,000,000	(84,392,731)
Thang Loi Land Corporation (4)	98,000,000,000	-	-	-
Galaxy Real Estate Business Investment JSC (5)	109,999,940,000	-	-	-
b. Investment in associates	12,500,000,000	-	10,357,000,000	(1,830,387,527)
Winservice Services Business JSC (6)	8,000,000,000	-	25,000,000	-
New Land Real Construction JSC (7)	4,500,000,000	-	4,500,000,000	-
Thang Loi Tay Nguyen Real Estate Business Investment JSC	-	-	1,762,000,000	-
Thang Loi Mien Nam Real Estate Business Investment JSC	-	-	1,070,000,000	-
Thang Loi Long An Real Estate JSC	-	-	3,000,000,000	(1,830,387,527)
Total	692,561,940,000	(4,542,943,729)	482,419,000,000	(7,520,351,390)

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2021

Unit: VND

2. Financial investments (cont)

(1) Thanh Long Newtown Co., Ltd operates under the Business Registration Certificate No. 1101894757 dated October 2, 2020 issued for the 5th time by the Department of Planning and Investment of Long An Province with the charter capital of VND 100,000,000,000. The company has received the transfer from shareholders under the capital contribution transfer contract signed on September 25, 2019, taking control and ownership rate of 94.8%. In 2021, the Company operates normally and earns profit.

(2) Thang Loi Riverside Investment Joint Stock Company operates under the Business Registration Certificate No. 0314107561 dated September 7, 2020 issued for the 5th time by the Department of Planning and Investment of Long An Province with the charter capital of VND 100,000,000,000,000. The company has received a transfer from shareholders under the share transfer contract signed on September 30, 2020 with a value of VND 148,572,000,000 (equivalent to 9,900,000 shares) taking control and ownership percentage of 99%. In 2021, provision for this investment has been made according to regulations.

(3) Central Hill Real Estate JSC operates under the Business Registration Certificate No. 1101894549 dated March 25, 2020 issued for the 6th time by the Department of Planning and Investment of Long An Province with the charter capital of VND 70,000,000,000. The company has received transfers from shareholders under the share transfer contract No. 08/2020/HDCN-CTH signed on March 25, 2020 with a value of VND 228,690,000,000 (equivalent to 6,930,000 shares) accounting for control and ownership rate of 99%. In 2021, the Company operates normally and earns profit.

(4) Thang Loi Land Corporation operates under the Business Registration Certificate No. 0317007854, first registered on November 1, 2021 by the Department of Planning and Investment of Ho Chi Minh City with the charter capital of VND 100,000,000,000. The company has contributed capital to the Company VND 98,000,000,000, corresponding to the controlling rate and the ownership rate of 98%. In 2021, the Company operates normally and earns profit.

(5) Galaxy Real Estate Business Investment JSC operates under the Business Registration Certificate No. 0315283249, first registered on September 20, 2018 by the Department of Planning and Investment of Ho Chi Minh City with the charter capital of VND 20,000,000,000. The company has received transfers from shareholders under the share transfer contract signed on December 22, 2021 with a value of VND 109,999,940,000 (equivalent to 1,940,000 shares) accounting for the controlling rate and the ownership rate of 97%. In 2021, the Company operates normally and earns profit.

(6) Winservice Services Business JSC operates under the Business Registration Certificate No. 0316539140 dated October 14, 2020 issued for the first time by the Department of Planning and Investment of Ho Chi Minh City with the charter capital of VND 20,000,000,000. The company registered to invest as capital contribution of VND 8,000,000,000 (equivalent to 800,000 shares) equivalent to 40% of charter capital. In 2021, Winservice Trading Services Joint Stock Company operates normally and earns profit.

(7) New Land Real Construction JSC operates under the Business Registration Certificate No. 0312374730 dated July 23, 2020 issued for the 6th time by the Department of Planning and Investment of Ho Chi Minh City with the charter capital of VND 10,000,000,000. The company has received a transfer from shareholders under the transfer contract signed on September 1, 2020 with the value of VND 4,500,000,000 (equivalent to 450,000 shares) equivalent to 45% of charter capital. In 2021, New Land Real Construction Joint Stock Company operates normally and earns profit.

The fair value as of December 31, 2021 of the investment in unlisted entity has not been determined because up to now, there have been no specific and unified guidelines on the method of determining the fair value for this investment. Therefore, the Company does not present fair values of financial investments.

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2021

Unit: VND

3. Trade receivables	Dec. 31, 2021		Jan. 01, 2021	
	Amount	Provision	Amount	Provision
Short-term	49,855,644,643	-	39,760,183,726	-
Receivables from customers who buy real estates (*)	49,177,141,137	-	39,313,515,226	-
Receivables from customers who are related parties (See Notes X.3)	508,527,001	-	446,668,500	-
Receivables from other customers	169,976,505	-	-	-
Total	49,855,644,643	-	39,760,183,726	-

(*) The receivables are from customers for real estates transfer.

4. Prepayments to suppliers	Dec. 31, 2021		Jan. 01, 2021	
	Amount	Provision	Amount	Provision
Short-term	50,964,790,370	(5,468,030,159)	82,085,604,171	(1,711,237,152)
Huu Phuc One Member Co., Ltd (1)	28,000,000,000	-	28,000,000,000	-
Prepayments to suppliers who are related parties (See Notes X.3) (2)	13,407,439,177	-	26,373,204,435	-
Thanh Nam Partnership Action Company	-	-	17,490,000,000	-
Other suppliers	9,557,351,193	(5,468,030,159)	10,222,399,736	(1,711,237,152)
Total	50,964,790,370	(5,468,030,159)	82,085,604,171	(1,711,237,152)

(1) This is the advanced amount under the deposit contract for land use right transfer No. 14/HDDC-2019 dated May 16, 2019 and the appendix to the contract of deposit for land use right transfer No. 14/HDDC-2019 dated June 26, 2019. Huu Phuc One Member Limited Liability Company agrees to transfer all 59,000m² of residential land under the Huu Phuc KDC project at the address: Cau Rat Hamlet, Tan Phuoc Commune, Dong Phu District, Binh Phuoc Province. According to the latest working minutes, the parties have determined the influence of objective factors and there have been changes in some current legal documents, so the implementation of the transfer of land use rights was delayed compared to the previous year's plan. Huu Phuc One Member Limited Liability Company commits to complete the fulfillment of the responsibilities of the contract according to the schedule of the contract no later than November 30, 2022.

(2) This is the advance amount to New Land Real Construction Joint Stock Company under the construction contract No. 0001/HD/2020/HS-NL dated October 11, 2020 for the overall implementation of the following items: Construction of Clubhouse building, Park 1653, Clubhouse Park, Swimming Pool, 1653h multi-purpose sports ground, Thang Loi Boulevard, Riverside Park, High-speed rotation park of The Sol City project/ The advance amount as of December 31, 2021 is VND 13,407,439,177.

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2021

Unit: VND

5. Other receivables	Dec. 31, 2021		Jan. 01, 2021	
	Amount	Provision	Amount	Provision
Short-term	357,181,956,018	-	32,773,869,780	(31,655,335)
Social insurance	76,496,865	-	82,231,410	-
Advances	4,972,969,374	-	1,400,567,061	-
Deposits	40,000,000	-	40,000,000	-
Others	352,092,489,779	-	31,251,071,309	(31,655,335)
<i>Related parties (See Notes X.3) (1)</i>	<i>350,381,047,695</i>	-	<i>20,971,004,110</i>	-
<i>Other receivables</i>	<i>1,711,442,084</i>	-	<i>10,280,067,199</i>	<i>(31,655,335)</i>
Total	357,181,956,018	-	32,773,869,780	(31,655,335)

(1) Receivables from related parties include:

- This is the receivable amount from Thang Loi Holding Investment Joint Stock Company regarding the transfer of shares of Vinatown Real Estate Investment Joint Stock Company according to the Minutes of the Board of Directors meeting No. 03/2020/BB-HĐQT dated March 27, 2020 on divestment from Vinatown Real Estate Investment Joint Stock Company dated March 27, 2020 and share transfer contract signed on March 28, 2020. The receivable amount as at December 31, 2021 is VND 32,237,808,220.

- The remaining receivables are mainly capital supports for member companies with a maximum term of 12 months, interest rate of 8%/year and no collateral.

6. Doubtful debts (See page 39).

7. Inventories	Dec. 31, 2021		Jan. 01, 2021	
	Original cost	Provision	Original cost	Provision
Tools & supplies	-	-	35,736,364	-
Works in progress	952,268,974,372	-	243,314,119,076	-
<i>Central Hill Project</i>	<i>66,956,728</i>	-	<i>104,626,642,537</i>	-
<i>The Sol City Project</i>	<i>836,048,990,726</i>	-	<i>98,398,258,240</i>	-
<i>Young Town Project</i>	<i>-</i>	-	<i>3,490,636,109</i>	-
<i>Thai Binh Duong Project</i>	<i>95,469,084,104</i>	-	-	-
<i>J-Dragon Project</i>	<i>17,122,533,649</i>	-	-	-
<i>Other projects</i>	<i>3,561,409,165</i>	-	<i>36,798,582,190</i>	-
Finished goods	13,105,613,980	-	-	-
Real estates as merchandise	31,283,149,116	-	47,340,591,261	-
Total	996,657,737,468	-	290,690,446,701	-

- Value of inactive, deteriorated inventories which are not possibly consumed at the period end: Not applicable.

- The carrying amount of inventories pledged as security for liabilities: Not applicable.

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2021

Unit: VND

8. Tangible fixed assets: See page 40

9. Intangible fixed assets

Items	Land use rights	Software program	Total
Original cost			
Opening balance	110,440,252,288	204,000,000	110,644,252,288
Internally formed	5,518,401,661	-	5,518,401,661
Closing balance	115,958,653,949	204,000,000	116,162,653,949
Accumulated amortization			
Opening balance	-	204,000,000	204,000,000
Charge for the year	122,301,490	-	122,301,490
Closing balance	122,301,490	204,000,000	326,301,490
Net book value			
As at the beginning of the year	110,440,252,288	-	110,440,252,288
As at the end of the year	115,836,352,459	-	115,836,352,459

* Ending carrying value of intangible fixed assets pledged/mortgaged as loan security: VND 110,440,252,288.

*Ending original costs of intangible fixed assets-fully depreciated but still in use: VND 204,000,000.

10. Prepaid expenses	Dec. 31, 2021	Jan. 01, 2021
a. Short-term prepaid expenses	177,965,158	548,300,092
Tools and supplies used	177,965,158	548,300,092
b. Long-term prepaid expenses	1,101,945,620	1,853,917,272
Tools and supplies used	781,836,496	895,417,082
Others	320,109,124	958,500,190
Total	1,279,910,778	2,402,217,364

11. Trade payables	Dec. 31, 2021		Jan. 01, 2021	
	Amount	Amount to be able to pay	Amount	Amount to be able to pay
Short-term	78,453,811,931	78,453,811,931	28,132,239,747	28,132,239,747
Thu Duc Housing Development JSC (*)	9,289,670,131	9,289,670,131	9,289,670,131	9,289,670,131
Payables to suppliers who are related parties (See Notes X.3)	57,406,685,569	57,406,685,569	1,156,682,615	1,156,682,615
Chau Viet Production Trading and Construction Co., Ltd	-	-	5,328,858,101	5,328,858,101
Nam Phong Co., Ltd	-	-	4,243,470,000	4,243,470,000
Others	11,757,456,231	11,757,456,231	8,113,558,900	8,113,558,900
Total	78,453,811,931	78,453,811,931	28,132,239,747	28,132,239,747

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2021

Unit: VND

11. Trade payables (cont)

(*) According to the content of the Meeting Minutes on December 26, 2019 between the Company and Thu Duc Housing Development Joint Stock Company (TDH), since TDH has not completed the procedures to hand over 28 certificates of land use rights to the Company, on January 25, 2021, the People's Court of Ben Luc District issued a decision to consider on-site appraisal of the current status, measure the actual area of 28 certificates of land use rights mentioned above to issue a certificate of land use right. Therefore, at the time of preparing the financial statements, the Company has not yet paid this payable.

	Dec. 31, 2021	Jan. 01, 2021
12. Prepayments from customers		
Short-term	28,803,040,557	47,320,340,320
Prepayments from customers who are related parties (See Notex X.3) (*)	23,496,062,688	32,386,195,691
Others	5,306,977,869	14,934,144,629
Total	28,803,040,557	47,320,340,320

(*) This amount is prepayment from customers under the contract of general agent for exclusive distribution of J-Dragon project. Thang Loi Riverside Investment Joint Stock Company approved for Thang Loi Group Real Estate Joint Stock Company to be the exclusive distribution agent for real estates under the Can Duoc Town Commercial Residential Area Project (Project J-Dragon), at Can Duoc Town, Can Duoc District, Long An Province in accordance with number 01/2020/HDTDL-TL-RIVERSIDE dated January 1, 2020. The balance as of December 31, 2021 is VND 23,496,062,688.

13. Taxes and payables to the State Budget

	Jan. 01, 2021	Payable amount	Paid amount	Dec. 31, 2021
a. Payables				
Value Addex Tax	-	5,612,677,549	5,612,677,549	-
Corporate income tax	16,516,938,264	6,902,062,779	19,111,302,382	4,307,698,661
Personal income tax	454,069,715	3,134,601,132	3,031,555,673	557,115,174
Other taxes	-	56,884,409	56,884,409	-
Total	16,971,007,979	15,706,225,869	27,812,420,013	4,864,813,835
b. Receivables				
Value Addex Tax	-	-	10,524,188	10,524,188
Temporary payment of corporate income tax of 1%	-	-	11,600,000,000	11,600,000,000
Total	-	-	11,610,524,188	11,610,524,188

	Dec. 31, 2021	Jan. 01, 2021
14. Accrued expenses		
Short-term	7,024,905,827	7,502,429,260
Galaxy Hai Son Project	6,259,740,814	7,502,429,260
Others	765,165,013	-
Total	7,024,905,827	7,502,429,260

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2021

Unit: VND

15. Other payables	Dec. 31, 2021	Jan. 01, 2021
a. Short-term		
Trade union fee	218,184,015	112,750,045
Social insurance	2,817,125	2,508,740
Short-term deposits	2,435,000,000	3,465,000,000
Payables for contributed capital portion bought	-	3,000,000,000
Other payables to related parties (See Notes X.3)	-	9,290,168,415
Other payables	350,557,841	-
Other payables which are deposits for buying real estates	1,857,503,682,324	185,313,908,259
Total	1,860,510,241,305	201,184,335,459
b. Long-term		
Receipt of long-term deposits	125,000,000	125,000,000
Other payables which are deposits for buying real estates	70,969,701,825	-
Other payables to related parties (See Notes X.3) (1)	160,659,978,989	178,057,708,392
Total	231,754,680,814	178,182,708,392

(1) These are the funds to support internal capital between member companies in the Group, the interest rate for capital support is from 8%, the capital support period is from 24 months to 36 months.

16. Borrowings and financial lease liabilities	Dec. 31, 2021		Jan. 01, 2021	
	Amount	Amount to be able to pay	Amount	Amount to be able to pay
a. Short-term	-	-	63,585,000,000	63,585,000,000
Saigonbank - Cho Lon Branch	-	-	19,100,000,000	19,100,000,000
HD Bank	-	-	44,485,000,000	44,485,000,000
b. Current portion of long-term borrowings	27,418,691,792	27,418,691,792	11,685,445,884	11,685,445,884
(1) Saigonbank - Cho Lon Branch	79,200,000	79,200,000	79,200,000	79,200,000
(2) HD Bank	10,800,000,000	10,800,000,000	10,800,000,000	10,800,000,000
(3) Shinhan Vietnam Bank	871,491,792	871,491,792	806,245,884	806,245,884
(4) BIDV - Long An Branch	15,668,000,000	15,668,000,000	-	-
c. Long-term borrowings	29,978,664,803	29,978,664,803	17,743,187,208	17,743,187,208
(1) Saigonbank - Cho Lon Branch	122,800,000	122,800,000	202,000,000	202,000,000
(2) HD Bank	5,000,000,000	5,000,000,000	15,800,000,000	15,800,000,000
(3) Shinhan Vietnam Bank	1,357,864,803	1,357,864,803	1,741,187,208	1,741,187,208
(4) BIDV - Long An Branch	23,498,000,000	23,498,000,000	-	-
Total	57,397,356,595	57,397,356,595	93,013,633,092	93,013,633,092

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2021

Unit: VND

16. Borrowings and financial lease liabilities (cont)

Notes on the borrowings from banks:

1. The borrowings from Saigonbank - Cho Lon Branch are in accordance with the following contracts:

Credit contract No. 38/2019/HDTDTL-PN dated June 5, 2019; Loan amount: VND 400,000,000; Loan term: 60 months; Purpose of using the loan: buying a car; Interest rate: 9.5%/year; Collateral: the car according to the sales contract No. 050-1904/PMF-HDMB dated April 24, 2019; Balance as of December 31, 2021: VND 202,000,000.

2. The borrowings from HDB are in accordance with the following contracts:

Credit contract No. 15154/20MN/HDTD dated June 17, 2020; Loan amount: VND 32,000,000,000; Loan term: 36 months; Purpose of using the loan: offsetting the cost of real estate transfer at 51 Kinh Duong Vuong, Ward 12, District 6, HCMC; Interest rate: According to each debt contract; Collateral: Real Estates located at 51 Kinh Duong Vuong, Ward 12, District 6, Ho Chi Minh City; Balance as of December 31, 2021: VND 15,800,000,000.

3. The borrowings from Shinhan Vietnam Bank are in accordance with the following contracts:

Contract No. SHBVN/Q11/08102018/HDTD/CTTL dated October 8, 2018; SHBVN/Q11/14112018/HDTD/CTTL dated November 14, 2018; SHBVN/Q11/03122018/HDTD/CTTL dated December 3, 2018; SHBVN/Q11/08052019/HDTD/CTTL on May 8, 2019 and SHBVN/Q11/23052019/HDTD/CTTL on May 23, 2019; Loan term: 60 months; Interest rates: according to specific loan contracts; Loan purpose: buying a car; Collateral: the car formed from the loan contract.

4. The borrowings from BIDV - Long An Branch are in accordance with the following contracts:

Credit contract No. 01/2021/6991733/HDTD dated June 23, 2021; Loan amount: VND 47,000,000,000; Loan term: 36 months; Purpose of using the loan: paying for the transfer of land use rights in the land plot number 10038, map sheet 1, Ben Luc Town, Ben Luc District, Long An Province; Interest rate: 9.1%/year; Collateral: the entire profit from exploiting the value of land use rights arising from the sale and purchase contract of the auctioned property No. 12/HDMB/MNAS dated May 6, 2021 between Thang Loi Group Real Estate Joint Stock Company and BIDV - Long An Branch and the Southern Private Auction Enterprise; Balance as of December 31, 2021: VND 39,166,000,000.

17. Owners' equity

a. Comparison schedule for changes in Owner's Equity: See page 41.

b. Details of owners' shareholding

	% of shareholding	Dec. 31, 2021	Jan. 01, 2021
Mr. Duong Long Thanh	69.52%	399,392,950,000	334,951,150,000
An Cuong Wood - Working JSC	12.97%	74,500,000,000	-
Mr. Nguyen Thanh Quyen	6.55%	37,610,090,000	37,610,090,000
Mr. Duong Van Moc	4.53%	26,037,500,000	30,000,000
Winhouse Real Estate Investment and Trading JSC	3.26%	18,750,000,000	18,750,000,000
Mrs. Dao Thi Thao Uyen	0.44%	2,520,000,000	2,520,000,000
Other shareholders	2.73%	15,689,460,000	6,138,760,000
Total	100.00%	574,500,000,000	400,000,000,000

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2021

Unit: VND

17. Owners' equity (cont)

c. Capital transactions with owners and distribution of dividends, profits	Year 2021	Year 2020
Owners' equity		
At the beginning of the year	400,000,000,000	200,000,000,000
Capital increase during the year	174,500,000,000	200,000,000,000
At the end of the year	574,500,000,000	400,000,000,000
Dividends distributed	-	-
d. Shares	Dec. 31, 2021	Jan. 01, 2021
Number of shares registered to be issued		
Number of existing shares in issue	57,450,000	40,000,000
Ordinary share	57,450,000	40,000,000
Par value: VND/share.	10,000	10,000

18. Off-balance sheet items

	Dec. 31, 2021	Jan. 01, 2021
	Amount	Amount
Doubtful debts handled	2,408,644,448	-
		2,376,989,113

VI. ADDITIONAL INFORMATION FOR ITEMS IN THE INCOME STATEMENT

1. Sales	Year 2021	Year 2020
Revenue		
Revenue from real estates as merchandise	137,931,584,519	492,339,308,620
Revenue from real estates brokerage	29,523,708,198	87,873,435,378
Revenue from services	1,823,612,770	-
Total	169,278,905,487	580,212,743,998
2. Sales deductions	Year 2021	Year 2020
Sales returns	7,059,001,254	7,837,726,900
Total	7,059,001,254	7,837,726,900
3. Net sales	Year 2021	Year 2020
Revenue from real estates as merchandise	130,872,583,265	484,501,581,720
Revenue from real estates brokerage	29,523,708,198	87,873,435,378
Revenue from exchange of services	1,823,612,770	-
Total	162,219,904,233	572,375,017,098

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2021

Unit: VND

	Year 2021	Year 2020
4. Cost of sales		
Cost of real estates as merchandise	83,489,793,569	309,615,034,387
Cost of real estates brokerage	18,571,939,921	47,505,669,698
Cost of services rendered	867,579,028	-
Total	102,929,312,518	357,120,704,085
5. Financial income		
Interest income from deposits, loans	8,812,068,993	10,395,925,040
Advanced capital	13,267,083,200	-
Dividends, profit distributed	69,624,062,469	-
Interest income on deferred sale	-	35,247,960
Total	91,703,214,662	10,431,173,000
6. Financial expenses		
Interest expense	14,074,398,003	18,082,194,909
Provision (reversal) of investment loss	(2,977,407,661)	7,520,351,390
Other financial expenses	79,122,891	-
Total	11,176,113,233	25,602,546,299
7. Selling expenses and General and administration expenses		
a. Selling expenses		
Salaries	344,754,592	1,346,465,855
Tools and supplies	49,048,008	12,325,783
Depreciation	495,088,211	765,500,001
Outside services	6,142,468,531	32,447,239,308
Brokerage, agent commission, collaborators	1,274,909,685	29,187,621,655
Others	4,867,558,846	3,259,617,653
Other expenses paid by cash	294,997,229	393,718,438
Total	7,326,356,571	34,965,249,385
b. General and administration expenses		
Salaries	4,282,645,932	33,017,047,686
Tools and supplies	187,598,590	2,115,344,569
Depreciation	716,625,303	5,539,871,857
Taxes, fees and duties	7,582,640	35,357,196
Provision for doubtful debts	3,756,793,007	1,742,892,487
Outside services	1,143,857,192	2,925,698,733
Other administrative expenses	1,577,668,680	12,985,364,702
Total	11,672,771,344	58,361,577,230

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2021

Unit: VND

			Year 2021	Year 2020
8. Other income				
	Discount		200,000,000	-
	Fine amount		517,910,502	1,041,036,879
	Other income		83,344,443	248,929,254
	Total		801,254,945	1,289,966,133
9. Other expenses				
	Net book value of fixed assets and disposal, sale of fixed assets		71,811,054	37,095,084
	Fine amount		2,628,960,531	726,223,730
	Other expenses		424,817,151	3,904,726,331
	Total		3,125,588,736	4,668,045,145
10. Costs of production and doing business by factors				
	Construction cost and land value		83,489,793,569	309,615,034,387
	Labor cost		4,627,400,524	34,363,513,541
	Depreciation and amortization		7,704,674,577	6,329,272,695
	Outside services		7,286,325,723	35,372,938,041
	Other expenses paid by cash		2,116,895,147	15,542,110,688
	Total		105,225,089,540	401,222,869,352
11. Current corporate income tax liabilities				
	1. Total accounting profit before tax		118,494,231,438	103,378,034,087
	2. Adjustments to increase, decrease accounting profit for determining taxable income:			
	- Adjustment to increase		671,394,972	4,630,950,061
	Expenses not deducted		671,394,972	4,630,950,061
	- Adjustment to decrease		(69,624,062,469)	-
	Profit, dividends received		(69,624,062,469)	-
	3. Total taxable income of current year (1+2)		49,541,563,941	108,008,984,148
	4. Tax rate		20%	20%
	5. Current corporate income tax liabilities		9,908,312,788	23,828,484,158
	6. Corporate income tax under reduction, exemption (*)		(2,972,493,836)	-
	7. Adjustments of corporate income tax liabilities of prior year to those of current year		(33,756,173)	-
	8. Total current corporate income tax liabilities		6,902,062,779	21,601,796,830

(*) Thang Loi Group Real Estate Joint Stock Company is entitled to a 30% reduction of payable corporate income tax due to the satisfaction of the conditions specified in Article 1 of Decree No. 92/2021/ND-CP dated October 27, 2021 on detailing the implementation of Resolution No. 406/NQ-UBTVQH15 dated October 19, 2021 on promulgating a number of solutions to support businesses and people affected by the Covid-19 epidemic.

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2021

Unit: VND

VII. Objectives and financial risks management policies

Major risks of financial instruments include market risk, credit risk and liquidity risk.

The Board of Management considers the application of management policies for the above risks as follows:

1. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to the changes in market prices. There are three market risks: interest rate risk, foreign exchange risk and other price risks, for example risk of stock price. Financial instruments affected by the market risks include: borrowings and liabilities, deposits, available-for-sale investments.

The following sensibility analysis relates to the financial position of the Company as at December 31, 2021 and December 31, 2020.

The sensitivity analysis has been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and the proportion of financial instruments in foreign currencies are all constant.

When calculating the sensibility analysis, the Board of Management assumes that the sensibility of available-for-sale liability in the balance sheet and related items in the income statement is affected by changes in the assumption of corresponding market risks. This analysis is based on the financial assets and liabilities that the Company held as at December 31, 2021 and December 31, 2020.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to the changes in market prices. Market risks due to change in interest rate of the Company mainly relate to: borrowings and liabilities, cash and short-term deposits.

The Company manages the interest rate risk by analyzing the competition status in the market in order to apply the interest rate that brings benefits to the Company and still in the limit of its risk management.

Sensibility to interest rate

The sensibility of borrowings and liabilities, cash and short-term deposits of the Company to changes that may occur at reasonable level in the interest rate is illustrated as follows:

Assuming that other variables remain constant, the fluctuation in the interest rate of borrowings, liabilities, cash and... with floating interest rate makes impact on the Company's profit before tax as follows:

	Increase/Decrease of basic points	Influences on profit before tax
Current year		
VND	+100	6,734,793,642
	-100	(6,734,793,642)
Prior year		
VND	+200	(1,302,644,474)
	-200	1,302,644,474

Increase/decrease of basic points being used to analyze the sensibility to the interest rate is assumed on the basis of observable conditions of current market. These conditions show that the fluctuation is insignificantly greater than prior periods.

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2021

Unit: VND

1. Market risk*Foreign exchange risk*

Foreign exchange risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to the changes in exchange rate. The Company bears risks due to changes in the exchange rate of the currencies other than VND related directly to the Company's business.

The Company manages foreign exchange risk by considering current and expected market status when it outlines plans for future transactions in foreign currencies. The Company does not use any derivative instruments to prevent foreign exchange risks.

Sensibility to foreign currencies

The Company does not analyze the sensibility to the foreign currencies since change in the foreign currencies at the reporting date is insignificant.

Real estates investment

The Company has determined the following risks related to the list of real estates investment: (i) Expenses of development project may increase in case of the delay in making plan. The Company has hired consultants who are specialized in requirement of specific planning in the project scale in order to decrease risks that may arise in the duration of planning; (ii) Risk of the fair value of investment in real estates due to basis factors arisen from market and customers.

2. Credit risk

Credit risk is the risk due to the customers' failure to perform its obligations causing the financial loss for the company. The Company bears credit risks from production and doing business activities (mainly trade receivables) and from its financial activities including deposits, foreign exchange transactions and other financial instruments.

Trade receivables

The Company minimizes the credit risk by only doing business with entities who have good financial capacity and closely keeping track of the receivables to speed up the recovery of debts. On the basis of this method and receivables related to different customers, the credit risk does not concentrate on a certain customer.

Capital support

The Company minimizes credit risk by only providing capital support to member companies with the limit, time and purpose of capital support and purposes specified in the Financial Regulations and in each specific contract. The Company recognizes that the credit risk for receivables on capital support is low.

Deposit

The Company mainly maintains deposits in big and prestigious banks in Vietnam. The Company realized that the concentration level of credit risk to deposits is low.

The Board of Management of the Company assesses that most of the financial assets are mature and not impaired as these financial assets are related to customers with good reputation and ability to pay.

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2021

Unit: VND

3. Liquidity risk

Liquidity risk is the risk that arises from the Company's difficulty in fulfilling financial obligations due to lack of capital. The liquidity risk of the Company mainly arises from difference of maturity of the financial assets and liabilities.

The Company supervises liquidity risk by maintaining an amount of cash, cash equivalents and borrowings from banks at the level that the Board of Management considers as sufficient to satisfy the Company's activities and minimize influences of changes in cash flows.

The following table summarizes liquidity deadline of the Company's financial liabilities on the basis of estimated payments in accordance with contract which are not discounted:

Dec. 31, 2021	Under 1 year	From 1-5 years	Over 5 years	Total
Borrowings and liabilities	27,418,691,792	29,978,664,803	-	57,397,356,595
Trade payables	78,453,811,931	-	-	78,453,811,931
Other payables and accrued expenses	1,866,963,588,151	231,754,680,814	-	2,098,718,268,965
Total	1,972,836,091,874	261,733,345,617	-	2,234,569,437,491
Dec. 31, 2020	Under 1 year	From 1-5 years	Over 5 years	Total
Borrowings and liabilities	75,270,445,884	17,743,187,208	-	93,013,633,092
Trade payables	28,132,239,747	-	-	28,132,239,747
Other payables and accrued expenses	208,571,505,934	178,182,708,392	-	386,754,214,326
Total	311,974,191,565	195,925,895,600	-	507,900,087,165

The Company is able to access capital sources and with regards to due borrowings within 12 months, the Company may continue to be lent by its current creditors.

Secured assets

The Company pledged land use right, tangible assets collaterals as security for borrowings from banks (Notes V.16 - Borrowings and financial lease liabilities).

The Company uses land use right of the third party as at December 31, 2020 and December 31, 2021 as security for borrowings from banks (Notes V.16 - Borrowings and financial lease liabilities).

VIII. FINANCIAL ASSETS AND FINANCIAL LIABILITIES (See page 42)

The fair value of financial assets and financial liabilities is stated at the value that the financial instruments are convertible in present transaction among partners, except for compulsory sale or disposal.

The Company uses the following methods and assumptions to estimate the fair value:

The fair value of cash on hand and short-term deposits, trade receivables, trade payables and other short-term liabilities is equivalent to the book value of these items because these instruments are in short-term.

Except for the above-mentioned items, the fair value of long-term financial assets and financial liabilities has not been valued and determined officially as at December 31, 2021 and December 31, 2020. However, the Board of Management has assessed that the fair value of financial assets and liabilities is not significantly different from the book value at the fiscal year end.

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2021

Unit: VND

IX. ADDITIONAL INFORMATION FOR ITEMS IN THE CASH FLOW STATEMENT

1. Borrowing amount in the year

	Year 2021	Year 2020
- Proceeds from the borrowing under normal agreement	120,049,328,829	178,792,660,362

2. Payment for principal debts in the year

	Year 2021	Year 2020
- Payment for principal debts under normal agreement	(155,665,605,326)	(152,280,915,918)

X. OTHER INFORMATION

1. Contingent liabilities, commitments and other information

There are no contingent liabilities, commitments and other information occurred from the fiscal year end that need to be disclosed in the financial statements.

2. Subsequent events

There are no significant events since the year end that need to be adjusted or noted in the financial statements.

3. Related party transactions

List of related parties	Relationship
Subsidiaries	
Thang Loi Riverside Investment JSC	Subsidiary
Thanh Long Newtown Co., Ltd	Subsidiary
Central Hill Real Estate JSC	Subsidiary
Thang Loi Land Corporation	Subsidiary
Galaxy Real Estate Business Investment JSC	Subsidiary
Thang Loi Mien Nam Real Estate Business Investment JSC	Subsidiary
Thang Loi Tay Nguyen Real Estate Business Investment JSC	Subsidiary
Thang Loi Long An Real Estate JSC	Subsidiary
Associates	
New Land Real Construction JSC	Associate
Winservice Services Business JSC	Associate

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2021

Unit: VND

3. Related party transactions (cont)

List of related parties

Relationship

Other related parties

Thang Loi Holding Investment JSC

Co-member

Vinatown Real Estate Investment JSC

Co-member

Winhouse Real Estate Investment and Trading JSC

Co-member

Mr. Duong Long Thanh

Chairman

Mr. Nguyen Thanh Quyen

Vice Chairman and General Director

Mr. Phan Minh Hoang

Deputy General Director

Principal transactions with related parties are as follows:

+ Sale of goods and provision of services

Year 2021

Year 2020

Thanh Long Newtown Co., Ltd

8,151,939,094

87,873,435,378

New Land Real Construction JSC

360,000,000

270,000,000

Galaxy Real Estate Business Investment JSC

18,010,949,620

-

Thang Loi Tay Nguyen Real Estate Business Investment JSC

5,127,142

-

Thang Loi Long An Real Estate JSC

18,144,036

-

Winservice Services Business JSC

122,372,727

Total

26,668,532,619

88,143,435,378

+ Interest on advanced capital

Year 2021

Year 2020

Galaxy Real Estate Business Investment JSC

1,783,105,427

-

Vinatown Real Estate Investment JSC

5,042,546,466

-

Winhouse Real Estate Investment and Trading JSC

3,323,307,296

118,904,110

Central Hill Real Estate JSC

536,511,124

-

Winservice Services Business JSC

38,257,535

-

Thang Loi Holding Investment JSC

2,237,808,220

-

New Land Real Construction JSC

169,393,271

-

Thang Loi Riverside Investment JSC

-

10,239,643,834

Thang Loi Long An Real Estate JSC

50,444,272

-

Thang Loi Mien Nam Real Estate Business Investment JSC

85,709,589

-

Total

13,267,083,200

10,358,547,944

+ Other income

Year 2021

Year 2020

Thang Loi Mien Nam Real Estate Business Investment JSC

-

17,504,546

+ Dividends, profit received

Year 2021

Year 2020

Thanh Long Newtown Co., Ltd

69,624,062,469

-

Total

69,624,062,469

-

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2021

Unit: VND

3. Related party transactions (cont)

+ Goods purchased and services rendered	Year 2021	Year 2020
Winhouse Real Estate Investment and Trading JSC	(19,057,766,281)	(46,426,871,543)
New Land Real Construction JSC	(4,522,785,455)	(2,348,000,000)
Thang Loi Mien Nam Real Estate Business Investment JSC	(55,088,151,986)	(779,854,410)
Thang Loi Tay Nguyen Real Estate Business Investment JSC	(23,977,238,058)	(233,636,364)
Thang Loi Long An Real Estate JSC	(17,403,627,255)	(967,031,605)
Winservice Services Business JSC	(8,901,287,282)	-
Total	(128,950,856,317)	(50,755,393,922)

+ Fee on advanced capital	Year 2021	Year 2020
Thang Loi Riverside Investment JSC	(1,742,400,168)	-
Thanh Long Newtown Co.,Ltd	(2,348,457,663)	(5,446,179,583)
Galaxy Real Estate Business Investment JSC	(195,403,396)	(46,796,000)
Thang Loi Mien Nam Real Estate Business Investment JSC	(147,638,356)	-
Thang Loi Tay Nguyen Real Estate Business Investment JSC	(74,520,548)	-
Thang Loi Long An Real Estate JSC	(432,305,095)	(316,438,000)
New Land Real Construction JSC	(1,917,460,164)	(1,954,990,000)
Total	(6,858,185,390)	(7,764,403,583)

Balances with related parties as at the fiscal year end

+ Short-term trade receivables	Dec. 31, 2021	Jan. 01, 2021
Thang Loi Tay Nguyen Real Estate Business Investment JSC	5,613,001	333,913,500
Winservice Services Business JSC	134,610,000	-
Thang Loi Long An Real Estate JSC	8,304,000	-
New Land Real Construction JSC	360,000,000	66,000,000
Thang Loi Mien Nam Real Estate Business Investment JSC	-	46,755,000
Total	508,527,001	446,668,500

+ Short-term prepayments to suppliers	Dec. 31, 2021	Jan. 01, 2021
New Land Real Construction JSC	13,407,439,177	11,939,954,586
Winservice Services Business JSC	-	14,433,249,849
Total	13,407,439,177	26,373,204,435

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2021

Unit: VND

3. Related party transactions (cont.)

Balances with related parties as at the fiscal year end

	Dec. 31, 2021	Jan. 01, 2021
+ Other short-term payables		
Galaxy Real Estate Business Investment JSC	8,587,702,031	-
Vinatown Real Estate Investment JSC	143,982,012,466	-
Winhouse Real Estate Investment and Trading JSC	60,722,713,212	118,904,110
Central Hill Real Estate JSC	48,214,611,124	442,100,000
Winservice Services Business JSC	38,257,535	-
Thang Loi Holding Investment JSC	32,237,808,220	20,000,000,000
New Land Real Construction JSC	56,597,943,107	-
Thang Loi Tay Nguyen Real Estate Business Investment JSC	-	210,000,000
Thang Loi Long An Real Estate JSC	-	200,000,000
Total	350,381,047,695	20,971,004,110
+Short-term trade payables		
Winhouse Real Estate Investment and Trading JSC	(5,469,846,464)	-
Thang Loi Tay Nguyen Real Estate Business Investment JSC	(9,227,859,252)	(257,000,000)
Thang Loi Mien Nam Real Estate Business Investment JSC	(30,560,704,757)	(857,839,851)
Winservice Services Business JSC	(9,958,992,451)	-
Thang Loi Long An Real Estate JSC	(2,189,282,645)	(41,842,764)
Total	(57,406,685,569)	(1,156,682,615)
+ Short-term prepayments from customers		
Thanh Long Newtown Co., Ltd	-	(8,890,133,003)
Thang Loi Riverside Investment JSC	(23,496,062,688)	(23,496,062,688)
Total	(23,496,062,688)	(32,386,195,691)
+ Other payables to related parties		
Thang Loi Tay Nguyen Real Estate Business Investment JSC	(2,074,520,548)	-
Thang Loi Mien Nam Real Estate Business Investment JSC	(2,961,928,767)	-
Thanh Long Newtown Co., Ltd	(24,291,477,426)	(80,203,947,794)
Thang Loi Riverside Investment JSC	(128,161,753,425)	(45,371,974,598)
Thang Loi Long An Real Estate JSC	(3,170,298,823)	(6,388,438,000)
New Land Real Construction JSC	-	(33,366,990,000)
Galaxy Real Estate Business Investment JSC	-	(19,114,796,000)
Mr. Duong Long Thanh	-	(2,901,730,415)
Total	(160,659,978,989)	(187,347,876,807)

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2021

Unit: VND

3. Transactions with related parties (cont)

+ Income of the Board of Directors and Board of Management		Year 2021	Year 2020
Key members	Salary and bonus	5,569,093,513	1,768,445,180
Total		<u>5,569,093,513</u>	<u>1,768,445,180</u>

4. Presentation of segment revenue and operating result

Major segment reporting: by business sector

a. Segment report by business sector in the fiscal year 2021

As at December 31, 2021, the Company makes segment report by business sector: real estates trading, real estates brokerage and services provision. The Company analyses the revenue and cost of goods sold as follows:

Sectors	Net revenue	Cost of goods sold	Gross profit
Real estates as merchandise	130,872,583,265	83,489,793,569	47,382,789,696
Real estates brokerage	29,523,708,198	18,571,939,921	10,951,768,277
Services	1,823,612,770	867,579,028	956,033,742
Total	<u>162,219,904,233</u>	<u>102,929,312,518</u>	<u>59,290,591,715</u>

Major segment reporting: by business sector

b. Segment report by business sector in the fiscal year 2020

As at December 31, 2020, the Company makes segment report by business sector: real estates trading, real estates brokerage. The Company analyses the revenue and cost of goods sold as follows:

Sectors	Net revenue	Cost of goods sold	Gross profit
Real estates as merchandise	484,501,581,720	309,615,034,387	174,886,547,333
Real estates brokerage	87,873,435,378	47,505,669,698	40,367,765,680
Total	<u>572,375,017,098</u>	<u>357,120,704,085</u>	<u>215,254,313,013</u>

5. Information on going-concern operation: The Company will continue its operation in the future.

Prepared by

Vo Thi Ngoc Tien

Chief Accountant

Nguyen Thi Anh Thu

HCMC, March 15, 2022

General Director

Nguyen Thanh Quyen



NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2021

Unit: VND

V.6. Doubtful debts

	Dec. 31, 2021		Jan. 01, 2021	
	Original cost	Recoverable amount	Debtors	Recoverable amount
- Total overdue or undue receivables and loans that are unlikely to recover	5,468,030,159	-		3,756,793,007
Pacific Infrastructure Project Development & Investment Corporation	296,750,000	-	Overdue receivables of more than 3 years	Overdue receivables of more than 3 years
Others	-	-	31,655,335	Overdue receivables of more than 3 years
Phuc Dien Construction Design Co., Ltd	5,171,280,159	-	Overdue receivables of more than 3 years	Overdue receivables of 1 to less than 2 years
			5,171,280,159	3,756,793,007

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2021

Unit: VND

V.8. Tangible fixed assets

Items	Buildings & structures	Machinery & equipment	Transportation & facilities	Office equipment	Total
Original cost					
Opening balance	15,013,003,159	4,354,854,012	11,812,224,055	1,714,525,362	32,894,606,588
New purchases	-	471,209,091	2,348,540,908	425,719,091	3,245,469,090
Internally formed	28,437,869,851	-	-	-	28,437,869,851
Disposal, sale	-	-	(2,721,663,637)	-	(2,721,663,637)
Other decreases	(97,454,545)	-	-	-	(97,454,545)
Closing balance	43,353,418,465	4,826,063,103	11,439,101,326	2,140,244,453	61,758,827,347
Accumulated depreciation					
Opening balance	5,966,219,448	1,855,809,787	4,936,587,263	402,672,116	13,161,288,614
Charge for the year	3,928,490,524	1,226,329,831	2,034,992,380	392,560,352	7,582,373,087
Disposal, sale	-	-	(1,923,640,458)	-	(1,923,640,458)
Closing balance	9,894,709,972	3,082,139,618	5,047,939,185	795,232,468	18,820,021,243
Net book value					
As at beginning of the year	9,046,783,711	2,499,044,225	6,875,636,792	1,311,853,246	19,733,317,974
As at the end of the year	33,458,708,493	1,743,923,485	6,391,162,141	1,345,011,985	42,938,806,104

* Ending net book value of tangible fixed assets pledged/mortgaged as loan security: VND 10,120,638,059.

* Ending original costs of tangible fixed assets-fully depreciated but still in use: VND 507,486,181.

These notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2021

Unit: VND

V.17.Owners' Equity

a. Comparison schedule for changes in Owner's Equity

Items	Owners' capital	Share premium	Investment and development fund	Undistributed earnings	Total
Prior year opening balance	200,000,000,000	-	-	67,989,932,404	267,989,932,404
Dividends by shares	50,000,000,000	-	-	(50,000,000,000)	-
Capital increase	150,000,000,000	-	-	-	150,000,000,000
Profit	-	-	-	81,776,237,257	81,776,237,257
Welfare fund of 2019 charged	-	-	-	(3,000,000,000)	(3,000,000,000)
Prior year closing balance	400,000,000,000	-	-	96,766,169,661	496,766,169,661
Current year opening balance	400,000,000,000	-	-	96,766,169,661	496,766,169,661
Capital increase	174,500,000,000	44,700,000,000	-	-	219,200,000,000
Profit	-	-	-	111,592,168,659	111,592,168,659
Fund for Investment and Development of 2020 charged	-	-	8,000,000,000	(8,000,000,000)	-
Welfare fund of 2020 charged	-	-	-	(7,660,000,000)	(7,660,000,000)
Current year closing balance	574,500,000,000	44,700,000,000	8,000,000,000	192,698,338,320	819,898,338,320

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2021

Unit: VND

VIII. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

The following table specifies book value and fair value of the financial instruments presented in the financial statements.

	Book value		Fair value	
	Dec. 31, 2021	Dec. 31, 2020	Dec. 31, 2021	Dec. 31, 2020
	Value	Provision	Value	Provision
Financial assets				
- Trade receivables	49,855,644,643	-	39,760,183,726	-
- Other receivables	352,132,489,779	-	31,291,071,309	(31,655,335)
- Cash and cash equivalents	730,876,720,793	-	27,881,409,415	-
TOTAL	1,132,864,855,215	-	98,932,664,450	(31,655,335)
Financial liabilities				
- Borrowings and liabilities	57,397,356,595	-	93,013,633,092	-
- Trade payables	78,453,811,931	-	28,132,239,747	-
- Other payables and accrued expenses	2,098,718,268,965	-	386,754,214,326	-
TOTAL	2,234,569,437,491	-	507,900,087,165	-
			2,206,244,521,102	507,900,087,165