

Hung Thinh Incons Joint Stock Company

Interim consolidated financial statements

For the six-month period ended 30 June 2022



Hung Thinh Incons Joint Stock Company

CONTENTS

	<i>Pages</i>
General information	1
Report of management	2
Report on review of interim consolidated financial statements	3 - 4
Interim consolidated balance sheet	5 - 6
Interim consolidated income statement	7 - 8
Interim consolidated cash flow statement	9 - 10
Notes to the interim consolidated financial statements	11 - 51

Hung Thinh Incons Joint Stock Company

GENERAL INFORMATION

THE COMPANY

Hung Thinh Incons Joint Stock Company ("the Company") is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to the Business Registration Certificate No. 4102056613 issued by the Department of Planning and Investment of Ho Chi Minh City on 7 December 2007, then replaced by the Enterprise Registration Certificate ("ERC") No. 0305371707 on 28 August 2010 and the nineteenth (19) amendment on 22 December 2021 was as the latest one.

The current principal activities of the Company are to render the services of civil and industrial constructions.

The Company's shares, HTN, were listed on the Ho Chi Minh City Stock Exchange ("HOSE") in accordance with Decision No. 427/QĐ-SGDHCM issued by HOSE on 24 October 2018.

The Company's head office is located at 53 Tran Quoc Thao Street, Vo Thi Sau Ward, District 3, Ho Chi Minh City, Vietnam and its representative office is located at 290/22 Nam Ky Khoi Nghia Street, Vo Thi Sau Ward, District 3, Ho Chi Minh City, Vietnam.

BOARD OF DIRECTORS

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

Mr Nguyen Dinh Trung	Chairman
Mr Truong Van Viet	Vice Chairman
Mr. Cao Minh Hieu	Vice Chairman
Mr Ho Minh Hoang	Vice Chairman
Mr. Thieu Le Binh	Member
Mr. Le Nguyen Hoang Minh	Independent member
Mr. Dang Van Vu Duy	Independent member

BOARD OF SUPERVISORS

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

Mr Vo Van Thu	Head
Ms Nguyen Thi Loan Anh	Member
Mr Nguyen Hai Phong	Member

MANAGEMENT

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

Mr Tran Tien Thanh	General Director	
Mr Ngo Huy Hieu	Deputy General Director	
Mr Tran Kim Hai	Deputy General Director	
Mr Huynh Thanh Tu	Deputy General Director	
Mr Le Quynh Mai	Deputy General Director	resigned on 7 June 2022

LEGAL REPRESENTATIVE

The legal representative of the Company during the period and at the date of this report is Mr Tran Tien Thanh.

AUDITORS

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

Hung Thinh Incons Joint Stock Company

REPORT OF MANAGEMENT

Management of Hung Thinh Incons Joint Stock Company ("the Company") is pleased to present its report and the interim consolidated financial statements of the Company and its subsidiary ("the Group") for the six-month period ended 30 June 2022.

MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

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

STATEMENT BY MANAGEMENT

Management does hereby state that, in its opinion, the accompanying interim consolidated financial statements give a true and fair view of the interim consolidated financial position of the Group as at 30 June 2022 and of the interim consolidated results of its operations and its interim consolidated cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the interim consolidated financial statements.

For and on behalf of management



Tran Tien Thanh
General Director

Ho Chi Minh City, Vietnam

25 August 2022

Reference: 61370334/66710212/LR-HN

REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL STATEMENTS

To: The Shareholders of Hung Thinh Incons Joint Stock Company

We have reviewed the accompanying interim consolidated financial statements of Hung Thinh Incons Joint Stock Company ("the Company") and its subsidiary ("the Group"), as prepared on 25 August 2022 and set out on pages 5 to 51 which comprise the interim consolidated balance sheet as at 30 June 2022, and the interim consolidated income statement and interim consolidated cash flow statement for the six-month period then ended and the notes thereto.

Management's responsibility

The Company's management is responsible for the preparation and fair presentation of these interim consolidated financial statements in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the interim consolidated financial statements, and for such internal control as management determines is necessary to enable the preparation and presentation of the interim consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express a conclusion on the interim consolidated financial statements based on our review. We conducted our review in accordance with Vietnamese Standard on Review Engagements No. 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity.

A review of interim consolidated financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Vietnamese Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim consolidated financial statements do not give a true and fair view, in all material respects, of the interim consolidated financial position of the Group as at 30 June 2022, and of the interim consolidated results of its operations and its interim consolidated cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the interim consolidated financial statements.

Ernst & Young Vietnam Limited



Hang Nhut Quang
Deputy General Director
Audit Practicing Registration Certificate
No: 1772-2018-004-1

Ho Chi Minh City, Vietnam

25 August 2022

INTERIM CONSOLIDATED BALANCE SHEET
as at 30 June 2022

VND

Code	ASSETS	Notes	30 June 2022	31 December 2021
100	A. CURRENT ASSETS		8,257,641,450,124	7,107,259,123,494
110	I. Cash and cash equivalents	4	229,093,537,527	428,125,245,277
111	1. Cash		154,027,955,943	353,540,740,554
112	2. Cash equivalents		75,065,581,584	74,584,504,723
120	II. Short-term investment		75,033,668,658	45,935,906,005
123	1. Held- to-maturity investments	5	75,033,668,658	45,935,906,005
130	III. Current accounts receivable		7,024,318,919,831	5,489,213,145,883
131	1. Short-term trade receivables	6	3,681,071,228,792	2,732,101,296,742
132	2. Short-term advances to suppliers	7	2,423,817,428,829	1,772,631,160,096
135	3. Short-term loan receivables	31	9,000,000,000	109,000,000,000
136	4. Other short-term receivables	9	936,250,298,277	901,300,725,112
137	5. Provision for doubtful short-term receivables	6, 7 8, 9	(25,820,036,067)	(25,820,036,067)
140	IV. Inventory	10	862,153,804,192	1,083,677,832,196
141	1. Inventories		862,153,804,192	1,083,677,832,196
150	V. Other current assets		67,041,519,916	60,306,994,133
151	1. Short-term prepaid expenses	11	6,373,039,951	6,392,820,134
152	2. Value-added tax deductible	18	60,668,479,965	53,914,173,999
200	B. NON-CURRENT ASSETS		594,384,494,857	580,796,261,631
210	I. Long-term receivables		31,760,000,000	29,640,000,000
215	1. Lending receivables	31	2,000,000,000	-
216	2. Other long-term receivables	9	29,760,000,000	29,640,000,000
220	II. Fixed assets		275,611,722,316	274,881,684,333
221	1. Tangible fixed assets	12	275,331,963,414	274,508,672,465
222	Cost		339,017,762,746	330,006,272,937
223	Accumulated depreciation		(63,685,799,332)	(55,497,600,472)
227	2. Intangible assets	13	279,758,902	373,011,868
228	Cost		705,767,800	705,767,800
229	Accumulated amortisation		(426,008,898)	(332,755,932)
230	III. Investment properties	14	206,094,989,201	193,743,821,672
231	1. Cost		212,719,175,251	198,129,624,076
232	2. Accumulated depreciation		(6,624,186,050)	(4,385,802,404)
260	IV. Other long-term assets		80,917,783,340	82,530,755,626
261	1. Long-term prepaid expenses	11	1,818,098,600	1,758,589,176
262	2. Deferred tax assets	30.3	62,157,443,544	62,216,378,475
269	3. Goodwill	15	16,942,241,196	18,555,787,975
270	TOTAL ASSETS		8,852,025,944,981	7,688,055,385,125

INTERIM CONSOLIDATED BALANCE SHEET (continued)
as at 30 June 2022

VND

Code	RESOURCES	Notes	30 June 2022	31 December 2021
300	C. LIABILITIES		7,213,455,300,678	6,167,116,294,037
310	I. Current liabilities		7,207,575,002,153	6,161,235,995,512
311	1. Short-term trade payables	16	1,344,190,288,957	1,061,210,210,579
312	2. Short-term advances from customers	17	1,757,275,729,424	2,060,380,537,768
313	3. Statutory obligations	18	262,911,749,934	248,257,199,699
314	4. Payables to employees		15,135,345,300	18,846,293,397
315	5. Short-term accrued expenses	19	833,198,100,839	724,316,132,242
319	6. Other short-term payables	20	61,218,824,594	53,417,463,653
320	7. Short-term loans	21	2,899,253,114,791	1,962,075,289,983
321	8. Short-term provisions	23	2,506,622,121	2,506,622,121
322	9. Bonus and welfare fund	24	31,885,226,193	30,226,246,070
330	II. Non-current liability		5,880,298,525	5,880,298,525
342	1. Long-term provision	23	5,880,298,525	5,880,298,525
400	D. OWNERS' EQUITY		1,638,570,644,303	1,520,939,091,088
410	I. Capital	22.1	1,638,570,644,303	1,520,939,091,088
411	1. Share capital		891,164,110,000	891,164,110,000
411a	- Shares with voting rights		891,164,110,000	891,164,110,000
412	2. Share premium		159,880,860,000	159,880,860,000
418	3. Investment and development fund		27,181,431,924	20,125,740,520
421	4. Undistributed earnings		535,296,517,050	425,141,884,010
421a	- Undistributed earnings by the end of prior period		406,326,706,933	191,214,189,384
421b	- Undistributed earnings of current period		128,969,810,117	233,927,694,626
429	5. Non-controlling interests		25,047,725,329	24,626,496,558
440	TOTAL LIABILITIES AND OWNERS' EQUITY		8,852,025,944,981	7,688,055,385,125


Vu Thi Gai
Preparer

Nguyen Le Xuan
Chief AccountantTran Tien Thanh
General Director

Ho Chi Minh City, Vietnam

25 August 2022

INTERIM CONSOLIDATED INCOME STATEMENT
for the six-month period ended 30 June 2022

VND

Code	ITEMS	Notes	For the six-month period ended 30 June 2022	For the six-month period ended 30 June 2021
01	1. Revenue from sale of goods and rendering of services	25.1	3,245,141,682,390	2,855,498,623,795
10	2. Net revenue from sale of goods and rendering of services	25.1	3,245,141,682,390	2,855,498,623,795
11	3. Cost of goods sold and services rendered	26	(2,931,873,705,979)	(2,607,352,325,057)
20	4. Gross profit from sale of goods and rendering of services		313,267,976,411	248,146,298,738
21	5. Finance income	25.2	36,612,667,269	52,486,771,403
22 23	6. Finance expenses In which: Interest expense	27	(117,016,910,510) (106,498,527,475)	(97,963,728,971) (89,906,805,908)
26	7. General and administrative expenses	28	(70,538,471,036)	(51,739,014,895)
30	8. Operating profit		162,325,262,134	150,930,326,275
31	9. Other income		566,615,634	-
32	10. Other expenses		(537,439,762)	-
40	11. Other profit		29,175,872	-
50	12. Accounting profit before tax		162,354,438,006	150,930,326,275
51	13. Current corporate income tax expense	30.1	(32,904,464,187)	(31,133,721,023)
52	14. Deferred tax (expense) income	30.3	(58,934,931)	549,717,617
60	15. Net profit after tax		129,391,038,888	120,346,322,869

INTERIM CONSOLIDATED INCOME STATEMENT (continued)
for the six-month period ended 30 June 2022

VND

Code	ITEMS	Notes	For the six-month period ended 30 June 2022	For the six-month period ended 30 June 2021
61	16. Net profit after tax attributable to shareholders of the parent		128,969,810,117	120,329,489,603
62	17. Net profit after tax attributable to non-controlling interests		421,228,771	16,833,266
70	18. Basic earnings per share (VND/share)	32	1,447	1,451
71	19. Diluted earnings per share (VND/share)	32	1,447	1,451



Vu Thi Gai
Preparer



Nguyen Le Xuan
Chief Accountant




Tran Tien Thanh
General Director

Ho Chi Minh City, Vietnam

25 August 2022

INTERIM CONSOLIDATED CASH FLOW STATEMENT
for the six-month period ended 30 June 2022

VND

Code	ITEMS	Notes	For the six-month period ended 30 June 2022	For the six-month period ended 30 June 2021
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	Accounting profit before tax		162,354,438,006	150,930,326,275
	<i>Adjustments for:</i>			
02	Depreciation and amortisation (including amortisation of goodwill)	12, 13 14, 15	13,150,555,584	12,828,953,414
03	Provision		-	19,403,208,904
05	Profits from investing activities		(37,015,522,418)	(34,381,593,321)
06	Interest expense and allocation of bond issuance expenses		116,896,254,745	97,949,533,178
08	Operating profit before changes in working capital		255,385,725,917	246,730,428,450
09	Increase in receivables		(1,607,450,888,268)	(383,922,326,173)
10	Decrease (increase) in inventories		206,934,476,829	(86,363,158,131)
11	Increase in payables		101,510,168,863	79,519,845,917
12	Increase in prepaid expenses		(39,729,241)	(382,164,668)
14	Interest paid		(114,980,638,086)	(97,786,762,974)
15	Corporate income tax paid	18	(18,430,320,730)	(17,225,440,583)
17	Other cash outflows for operating activities	24	(10,100,505,550)	(6,739,773,270)
20	Net cash flows used in operating activities		(1,187,171,710,266)	(266,169,351,432)
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchases of fixed assets		(10,062,171,628)	(1,699,372,727)
22	Proceeds from disposals of fixed assets		436,363,636	-
23	Deposits, lending and contribution to investment cooperation contract		(65,000,000,000)	(451,000,000,000)
24	Collections lending and deposits		134,000,000,000	-
27	Deposits interest and investment cooperation contract interest received		1,985,712,970	2,094,342,725
30	Net cash flows from (used in) investing activities		61,359,904,978	(450,605,030,002)
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
31	Proceed from issuing shares	22.1	-	279,350,660,000
33	Drawdown of borrowings	21	2,239,396,139,282	1,712,044,517,658
34	Repayment of borrowings	21	(1,312,616,041,744)	(1,225,365,230,482)
40	Net cash flows from financing activities		926,780,097,538	766,029,947,176

INTERIM CONSOLIDATED CASH FLOW STATEMENT (continued)
for the six-month period ended 30 June 2022

VND

Code	ITEMS	Notes	For the six-month period ended 30 June 2022	For the six-month period ended 30 June 2021
50	Net (decrease) increase in cash and cash equivalents		(199,031,707,750)	49,255,565,742
60	Cash and cash equivalents at beginning of period		428,125,245,277	123,044,611,788
70	Cash and cash equivalents at end of period	4	229,093,537,527	172,300,177,530



Vu Thi Gai
Preparer



Nguyen Le Xuan
Chief Accountant




Tran Tien Thanh
General Director

Ho Chi Minh City, Vietnam

25 August 2022

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
as at 30 June 2022 and for the six-month period then ended

1. CORPORATE INFORMATION

Hung Thinh Incons Joint Stock Company ("the Company") is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to the Business Registration Certificate No. 4102056613 issued by the Department of Planning and Investment of Ho Chi Minh City on 7 December 2007, then replaced by the Enterprise Registration Certificate ("ERC") No. 0305371707 on 28 August 2010 and the 19th amendment on 22 December 2021 was as the latest one.

The current principal activities of the Company are to render the services of civil and industrial constructions.

The Company's shares, HTN, were listed on the Ho Chi Minh City Stock Exchange ("HOSE") in accordance with Decision No. 427/QĐ-SGDHCM issued by HOSE on 24 October 2018.

The Company's registered head office is located at 53 Quoc Thao Street, Vo Thi Sau Ward, District 3, Ho Chi Minh City, Vietnam and its representative office is located at 290/22 Nam Ky Khoi Nghia, Vo Thi Sau Ward, District 3, Ho Chi Minh City, Vietnam.

The Company's normal course of business cycle is 12 months with respect to construction activities and from 36 to 60 months with respect to real estate activities.

The number of the Group's employees as at 30 June 2022 was 686 (31 December 2021: 612).

Corporate structure

As at 30 June 2022, the Group included the Company and its subsidiary, Binh Trieu Engineering and Construction Joint Stock Company ("Binh Trieu").

Binh Trieu is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to the ERC No. 0301888974 issued by the Department of Planning and Investment of Ho Chi Minh City on 29 December 1999, as amended. Binh Trieu's registered head office is located at 207C Nguyen Xi Street, Ward 26, Binh Thanh District, Ho Chi Minh City, Vietnam. Binh Trieu's principal activities are to invest and trade real estate. As at 30 June 2022, the Company holds 95.24% equity interest and voting rights in Binh Trieu.

2. BASIS OF PREPARATION

2.1 Accounting standards and system

The consolidated financial statements of the Group, expressed in Vietnam dong ("VND"), are prepared in accordance with Vietnamese Enterprise Accounting System, Vietnamese Accounting Standard No. 27 - Interim Financial Reporting and other Vietnamese Accounting Standards issued by the Ministry of Finance as per:

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

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

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2022 and for the six-month period then ended

2. BASIS OF PREPARATION (continued)

2.2 Applied accounting documentation system

The Group applied accounting documentation system is the General Journal.

2.3 Fiscal year

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

2.4 Accounting currency

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

2.5 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries for the six-month period ended 30 June 2022.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continued to be consolidated until the date that such control ceases.

The financial statements of subsidiaries are prepared for the same reporting year as the parent company, using consistent accounting policies

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

Non-controlling interests represent the portion of profit or loss and net assets not held by the Group and are presented separately in the consolidated income statement and within equity in the consolidated balance sheet

Impact of change in the ownership interest of a subsidiary, without a loss of control, is recorded in undistributed earnings.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash in banks and short-term, highly liquid investments with an original maturity of less than three months that are readily convertible into known amounts of cash and that are subject to an insignificant risk of change in value.

3.2 Receivables

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

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

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2022 and for the six-month period then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.3 Inventories

Inventory property

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

Cost includes:

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

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

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

Other inventories

Inventories are stated at the lower of cost incurred in bringing each product to its present location and condition, and net realisable value.

Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs to complete and the estimated costs necessary to make the sale.

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

- | | | |
|----------------------------------|---|--|
| Raw materials, merchandise goods | - | cost of purchase on a weighted average basis |
| Construction work-in-process | - | cost of direct materials and labour plus attributable construction overheads |

Provision for obsolete inventories

An inventory provision is created for the estimated loss arising due to the impairment of value (through diminution, damage, obsolescence, etc.) of raw materials and construction work-in-process owned by the Group, based on appropriate evidence of impairment available at the balance sheet date.

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

3.4 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation.

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

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

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

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2022 and for the six-month period then ended**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****3.5 Leased assets**

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at inception date and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset and the arrangement conveys a right to use the asset.

Where the Group is the lessee

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

Where the Group is the lessor

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

3.6 Intangible assets

Intangible assets are stated at cost less accumulated amortisation.

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

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

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

3.7 Depreciation and amortisation

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

Buildings and structures	47 years
Machinery & equipment	4 - 8 years
Means of transportation	8 years
Office equipment	3 years
Software	3 years

3.8 Investment properties

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

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

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

Shopping mall	47 years
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NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2022 and for the six-month period then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.8 Investment properties (continued)

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

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

3.9 Prepaid expenses

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

Tools and supplies used for construction are amortised to the interim consolidated income statement over the period of one (1) to three (3) years on the straight-line basis.

- ▶ Tools and consumables with large value issued into construction and can be used for more than one year;
- ▶ Show houses expenses;
- ▶ Payment discount; and
- ▶ Commission fee

3.10 Investments

Held-to-maturity investments

Held-to-maturity investments are stated at their acquisition costs.

3.11 Goodwill

Goodwill acquired in a business combination is initially measured at cost being the excess of the cost the business combination over the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities. If the cost of a business combination is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the interim consolidated income statement. After initial recognition, goodwill is measured at cost less any accumulated amortisation. Goodwill is amortised over 10-year year on a straight-line basis. The parent company conducts the periodical review for impairment of goodwill of investment in subsidiaries. If there are indicators of impairment loss incurred is higher than the yearly allocated amount of goodwill on the straight-line basis, the higher amount will be recorded in the interim consolidated income statement.

3.12 Payables and accruals

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

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2022 and for the six-month period then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.13 Borrowing costs

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

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

3.14 Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provision for warranty obligation of construction projects is estimated ranging from 0.25% to 0.5% on value of projects based on the specification of each project and actual experience.

3.15 Appropriation of net profits

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

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

Investment and development fund

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

Bonus and welfare fund

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

3.16 Earnings per share

Basic earnings per share amounts are calculated by dividing net profit/(loss) after tax for the period attributable to ordinary shareholders of the Group (after adjusting for the bonus and welfare fund) by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share amounts are calculated by dividing the net profit after tax attributable to ordinary equity holders of the Group (after adjusting for interest on the convertible preference shares) by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2022 and for the six-month period then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.17 Revenue recognition

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

Construction contracts

For the construction contracts specifying that the contractor will receive payments according to the completed work, where the outcome of a construction contract can be determined reliably and accepted by the customers, revenue and costs are recognised by reference to the stage of completion of the contract activity at the balance sheet date which is accepted by the customers and reflected in the sales invoices.

Variations in contract work, claims and incentive payments are included to the extent that they have been agreed with the customer.

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

Sale of inventory property

An inventory property is regarded as sold when the significant risks and returns associated with the ownership of the property have been transferred to the buyer, often coincides with the unconditional transfer of contracts. For conditional transfers, revenue is recognized only when all material conditions are satisfied.

Rental income

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

Interest

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

3.18 Taxation

Current income tax

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

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

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

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2022 and for the six-month period then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.18 *Taxation* (continued)

Deferred income tax

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

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

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

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

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

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

3.19 *Related parties*

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

3.20 *Segment information*

A segment is a component determined separately by the Group which is engaged in providing products or related services (business segment) or providing products or services in a particular economic environment (geographical segment), that is subject to risks and returns that are different from those of other segments.

The Group's business segment is derived mainly from construction services and real estate businesses.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2022 and for the six-month period then ended

4. CASH AND CASH EQUIVALENTS

	VND	
	30 June 2022	31 December 2021
Cash on hand	3,918,162,802	5,435,475,180
Cash in banks	150,109,793,141	348,105,265,374
Cash equivalents (*)	75,065,581,584	74,584,504,723
TOTAL	229,093,537,527	428,125,245,277

(*) Deposits at commercial banks with original terms not exceeding three months and earn interest at rates 2.8% per annum. The Group pledged all cash equivalents as securities for loans from commercial banks (Note 21.1).

5. HELD-TO-MATURITY INVESTMENT

Ending balance includes deposits at commercial banks with original terms from six (6) to twelve (12) months and earn interest at rates ranging from 3.3% to 5.5% per annum. The Group pledged all held-to-maturity investments as securities for its loans from commercial banks (Note 21.1).

6. SHORT-TERM TRADE RECEIVABLES

	VND	
	30 June 2022	31 December 2021
Due from related parties (Note 32)	3,542,132,059,601	2,593,584,708,014
Due from other parties	138,939,169,191	138,516,588,728
- Customers purchased apartments	127,176,555,840	127,350,506,372
- Kim Tam Hai Corporation	8,620,506,122	8,620,506,122
- Other customers	3,142,107,229	2,545,576,234
TOTAL	3,681,071,228,792	2,732,101,296,742
Provision for doubtful short-term receivables	(9,748,324,067)	(9,748,324,067)
NET	3,671,322,904,725	2,722,352,972,675

The Group has pledged a portion of short-term receivables from customers to secure for its loans from commercial banks (Note 21.1).

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2022 and for the six-month period then ended

7. SHORT-TERM ADVANCES TO SUPPLIERS

	VND	
	30 June 2022	31 December 2021
Advances to related parties (Note 32)	2,281,213,647,113	1,638,631,157,635
Advances to other parties	142,603,781,716	134,000,002,461
- Eurowindows Joint Stock Company	14,573,253,344	14,573,253,344
- Vietnam Quang Huy Steel Joint Stock Company	13,000,000,000	13,000,000,000
- Bach Khoa Sai Gon Construction Corporation	9,053,576,936	10,284,320,578
- Thinh Phat Electric Co., Ltd.	-	15,100,946,431
- Other parties	105,976,951,436	81,041,482,108
TOTAL	2,423,817,428,829	1,772,631,160,096
Provision for doubtful short-term advances to suppliers	(15,594,772,000)	(15,594,772,000)
NET	2,408,222,656,829	1,757,036,388,096

8. BAD DEBTS

	VND		
	30 June 2022 and 31 December 2021		
	Amount	Provision	Recoverability
Overdue over 3 years	17,104,945,974	(17,104,945,974)	-
Irrecoverable	8,715,090,093	(8,715,090,093)	-
TOTAL	25,820,036,067	(25,820,036,067)	-

Detail of movements of provision for doubtful short-term receivables, advances to suppliers and other short-term receivables:

	VND	
	For the six-month period ended 30 June 2022	For the six-month period ended 30 June 2021
Beginning balance	25,820,036,067	27,013,921,107
Provision made during the period	-	1,043,082,000
Reversal of provisions	-	(2,236,967,040)
Ending balance	25,820,036,067	25,820,036,067

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2022 and for the six-month period then ended

9. OTHER RECEIVABLES

	VND	
	30 June 2022	31 December 2021
Short-term	936,250,298,277	901,300,725,112
Receivables from sale of Richmond City receive on behalf	459,401,342,749	483,130,305,025
Investment Cooperation Contract ("ICC") (ii)	300,000,000,000	300,000,000,000
ICC profit receivable (ii)	90,648,630,137	59,148,630,137
Advances to construction teams	27,000,000,000	-
Penalty for liquidation of the share transfer contract (i)	21,149,610,958	21,149,610,958
Staff advances	19,049,942,753	23,326,942,753
Others	19,000,771,680	14,545,236,239
<i>In which:</i>		
Receivables from related parties (Note 32)	873,399,611,241	863,451,839,271
Receivables from other parties	62,850,687,036	37,848,885,841
Long-term	29,760,000,000	29,640,000,000
Deposits (iii)	28,700,000,000	28,700,000,000
Deposits for office rental	1,060,000,000	940,000,000
TOTAL	966,010,298,277	930,940,725,112
Provision for doubtful other short-term receivables	(476,940,000)	(476,940,000)
NET	965,533,358,277	930,463,785,112

(i) This represented receivable due from Hung Thinh Group Corporation ("HTC"), the Company's major shareholder, relating to the penalty for liquidation of the Contract No. 0112/2020/HTI/HTC-HTN.

(ii) This represents the investment cooperation between the Group and Hung Thinh Quy Nhon Service Entertainment Joint Stock Company ("HTQN"), a subsidiary in Hung Thinh Group, in accordance with the Investment Cooperation Contract No. 16/2020/HTDT/HTN-HTQN dated 16 January 2020 and appendix to invest, construct and operate the project Merry Land Quy Nhon Tourism, Commerce and Entertainment Complex located at Hai Giang Village, Nhon Hai Ward, Nhon Hoi Economic Zone, Quy Nhon City, Binh Dinh Province. The Group will be shared a profit as stated in the contract. As at 30 June 2022, the project is in construction period.

(iii) In accordance with the Official Letter No. 6549/SKHDT-DKDT issued by Ho Chi Minh People's Committee - Department of Planning and Investment on 1 August 2016, the Group has been deposited for Richmond City project into bank account of Department of Planning and Investment in accordance with Investment Law's requirement.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2022 and for the six-month period then ended

10. INVENTORIES

	VND	
	30 June 2022	31 December 2021
Construction work in process (i)	781,425,381,768	987,732,376,213
Work in process property (iii)	79,715,630,127	94,154,328,903
Inventory properties (ii)	1,011,552,697	1,789,887,480
Tools and supplies	1,239,600	1,239,600
TOTAL	862,153,804,192	1,083,677,832,196

(i) Details of construction work in process of on-going projects are as follows:

	VND	
	30 June 2022	31 December 2021
Cam Ranh Mystery	128,561,502,082	119,960,387,937
Hai Giang Club House	51,742,470,875	30,807,617,014
Angel Island - Nhon Phuoc	51,153,108,258	5,297,846,459
Phat Dat Hotel project	50,312,961,055	77,214,812,681
Citilight project	44,941,754,796	30,405,200,875
Melody of the sea	42,408,893,644	42,388,639,344
Luy Ban Bich project	39,767,731,752	39,471,524,948
Phat Dat - Villa	29,704,654,177	79,170,453,380
Hai Giang Merry Land Shop House	28,268,842,957	39,109,288,382
Tam Quan hotel	27,940,744,793	27,071,746,403
No.1 Nguyen Tat Thanh project	23,224,286,549	1,647,112,626
Thi Sach project	17,834,509,645	43,988,871,729
Hai Giang Merry Land - Monaco	78,581,962	43,677,632,495
Tan Van Hoa Model House project	-	41,408,931,970
Other projects	245,485,339,223	366,112,309,970
TOTAL	781,425,381,768	987,732,376,213

(ii) Details of inventory property are as follows:

	VND	
	30 June 2022	31 December 2021
Apartments of Richmond City	1,011,552,697	1,789,887,480

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2022 and for the six-month period then ended**10. INVENTORIES (continued)**

(iii) Details of work in process property are as follows:

	VND	
	30 June 2022	31 December 2021
Song Da - Thang Long High-rise Apartment project (*)	66,984,682,370	66,984,682,370
<i>In which:</i>		
- Land use rights	66,000,000,000	66,000,000,000
- Construction cost	984,682,370	984,682,370
Richmond City project	12,730,947,757	27,169,646,533
TOTAL	79,715,630,127	94,154,328,903

(*) Song Da - Thang Long High-rise Apartment project was pledged to secure for the Group's loans at commercial joint stock banks (Note 21.2).

11. PREPAID EXPENSES

	VND	
	30 June 2022	31 December 2021
Short-term	6,373,039,951	6,392,820,134
Tools and supplies for construction works	2,165,534,323	1,641,585,915
Bond agency fee	2,268,493,151	2,219,178,082
Others	1,939,012,477	2,532,056,137
Long-term	1,818,098,600	1,758,589,176
Tools and supplies for construction works	1,643,755,925	1,633,129,176
Others	174,342,675	125,460,000
TOTAL	8,191,138,551	8,151,409,310

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2022 and for the six-month period then ended

12. TANGIBLE FIXED ASSETS

	Buildings and structures	Machinery and equipment	Means of transportation	Office equipment	Total	VND
Cost:						
As at 31 December 2021	225,950,500,317	89,262,336,643	13,128,819,940	1,664,616,037	330,006,272,937	
New purchase	-	9,787,171,628	-	275,000,000	10,062,171,628	
Disposal	-	(1,050,681,819)	-	-	(1,050,681,819)	
As at 30 June 2022	225,950,500,317	97,998,826,452	13,128,819,940	1,939,616,037	339,017,762,746	
<i>In which:</i>						
Fully depreciated	-	3,162,060,364	2,727,120,667	348,319,089	2,608,418,419	
Accumulated depreciation:						
As at 31 December 2021	(7,442,618,753)	(39,790,456,302)	(7,669,872,868)	(594,652,549)	(55,497,600,472)	
Depreciation for the period	(2,459,236,895)	(5,852,064,878)	(650,657,121)	(243,413,298)	(9,205,372,192)	
Disposal	-	1,017,173,332	-	-	1,017,173,332	
As at 30 June 2022	(9,901,855,648)	(44,625,347,848)	(8,320,529,989)	(838,065,847)	(63,685,799,332)	
Net carrying amount:						
As at 31 December 2021	218,507,881,564	49,471,880,341	5,458,947,072	1,069,963,488	274,508,672,465	
As at 30 June 2022	216,048,644,669	53,373,478,604	4,808,289,951	1,101,550,190	275,331,963,414	
<i>In which:</i>						
Pledged as loan security (Note 21.2)	-	9,469,925,015	-	-	9,469,925,015	

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2022 and for the six-month period then ended

13. INTANGIBLE ASSETS

VND
Software**Cost:**As at 31 December 2021 and as at 30 June 2022 705,767,800*In which:**Fully depreciated* 146,250,000**Accumulated amortisation:**As at 31 December 2021 (332,755,932)Amortisation for the period (93,252,966)As at 30 June 2022 (426,008,898)**Net carrying amount:**As at 31 December 2021 373,011,868As at 30 June 2022 279,758,902

14. INVESTMENT PROPERTIES

VND
Buildings and structures**Cost:**As at 31 December 2021 198,129,624,076Transfer from construction in progress 14,589,551,175As at 30 June 2022 212,719,175,251**Accumulated amortisation:**As at 31 December 2021 (4,385,802,404)Depreciation for the period (2,238,383,646)As at 30 June 2022 (6,624,186,050)**Net carrying amount:**As at 31 December 2021 193,743,821,672As at 30 June 2022 206,094,989,201

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2022 and for the six-month period then ended

14. INVESTMENT PROPERTIES (continued)

Additional disclosure

The rental income and operating expenses relating to investment properties is presented as below:

		VND
	<i>For the six-month period ended 30 June 2022</i>	<i>For the six-month period ended 30 June 2021</i>
Rental income from investment properties	15,333,131,222	3,996,195,976
Direct operating expenses of investment properties that generated rental income during the period	(4,984,176,828)	(2,218,191,080)

The fair value of the investment properties had not yet been formally assessed and determined as at 30 June 2022. However, given the present occupancy of these properties and the market value, it is management's assessment that these properties' fair values are higher than their carrying values at the interim balance sheet date.

15. GOODWILL

	VND
Cost:	
31 December 2021 and 30 June 2022	<u>32,270,935,608</u>
Accumulated amortisation:	
As at 31 December 2021	(13,715,147,633)
Amortisation for the period	<u>(1,613,546,779)</u>
As at 30 June 2022	<u>(15,328,694,412)</u>
Net carrying amount:	
As at 31 December 2021	<u>18,555,787,975</u>
As at 30 June 2022	<u>16,942,241,196</u>

16. SHORT-TERM TRADE PAYABLES

	30 June 2022	31 December 2021
Due to other parties	1,191,087,885,710	1,024,658,170,363
- Hai Dang Thai Binh Trading Construction Joint Stock Company (former knowns as Hai Dang Thai Binh Trading Construction Co., Ltd.)	279,663,128,857	253,905,241,952
- Thanh Vinh Trading - Service - Construction Co., Ltd.	114,504,836,145	73,387,808,555
- Binh Dinh Construction Co., Ltd.	11,449,944,555	19,699,320,921
- Other parties	785,469,976,153	677,665,798,935
Due to related parties (Note 32)	<u>153,102,403,247</u>	<u>36,552,040,216</u>
TOTAL	<u>1,344,190,288,957</u>	<u>1,061,210,210,579</u>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2022 and for the six-month period then ended

17. SHORT-TERM ADVANCES FROM CUSTOMERS

	VND	
	30 June 2022	31 December 2021
Advances from related parties (Note 32)	1,750,312,541,573	1,912,419,895,183
Other customers	6,963,187,851	147,960,642,585
TOTAL	<u>1,757,275,729,424</u>	<u>2,060,380,537,768</u>

18. STATUTORY OBLIGATIONS

	VND			
	31 December 2021	Increase in the period	Decrease in the period	30 June 2022
Land use rights fee (*)	168,260,358,146	-	-	168,260,358,146
Corporate income tax	21,185,867,561	32,904,464,187	(18,430,320,730)	35,660,011,018
Value-added tax	(53,914,173,999)	267,810,587,994	(274,564,893,960)	(60,668,479,965)
Personal income tax	658,479,538	8,068,550,397	(7,888,143,619)	838,886,316
Other taxes	58,152,494,454	88,345,378	(88,345,378)	58,152,494,454
TOTAL	<u>194,343,025,700</u>	<u>308,871,947,956</u>	<u>(300,971,703,687)</u>	<u>202,243,269,969</u>
In which:				
Receivable	(53,914,173,999)			(60,668,479,965)
Payable	248,257,199,699			262,911,749,934

(*) Under the Official Letter No. 6059/STNMT-KTD dated 22 June 2017 issued by Department of Natural Resources and Environment relating to the method determining the land price based on the market price of Richmond City, the Group has been determined the land use rights fee of Richmond City by VND 336,520,716,293 based on the Valuation Report issued by Saigon Appraisal and Financial Service Joint Stock Company. Up to the date of these interim consolidated financial statements, the Group paid temporarily 50% of the land use rights fee.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2022 and for the six-month period then ended

19. SHORT-TERM ACCRUED EXPENSES

	VND	
	30 June 2022	31 December 2021
Accrual for on-going construction projects	617,970,445,342	510,882,158,262
Accrual for land use right fee (*)	208,445,742,258	208,445,742,258
Interest expense	5,071,696,318	3,156,079,659
Others	1,710,216,921	1,832,152,063
TOTAL	833,198,100,839	724,316,132,242

(*) In 2020, the Group has estimated the value of land use right of Richmond City project based on the most updated information. Accordingly, the Group has made an additional accrual for the land use right value of the Richmond City Project by an amount of VND 208,445,742,258. As at the date of these interim consolidated financial statements, the Group has not yet received the official notification from regulatory authorities regarding the exact determination of the land use rights fee of the Richmond City project.

20. OTHER SHORT-TERM PAYABLES

	VND	
	30 June 2022	31 December 2021
Maintenance fund	46,620,037,668	46,598,102,527
Social insurance, health insurance, unemployment insurance and trade union	8,585,452,526	827,026,726
Dividend payable	4,287,309,000	4,287,309,000
Deposits payable	1,655,025,400	1,705,025,400
Others	71,000,000	-
TOTAL	61,218,824,594	53,417,463,653

Hung Thinh Incons Joint Stock Company

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NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2022 and for the six-month period then ended

21. SHORT-TERM LOANS

	31 December 2021	Drawdown	Repayment	Allocation of bond issuance cost	VND 30 June 2022
Loans from banks (Note 21.1)	1,518,595,565,930	2,098,541,593,827	(1,311,047,914,744)	-	2,306,089,245,013
Domestic straight bond (Note 21.3)	440,112,500,000	140,854,545,455	-	10,397,727,270	591,364,772,725
Current-portion of long-term loans (Note 21.2)	3,367,224,053	-	(1,568,127,000)	-	1,799,097,053
TOTAL	1,962,075,289,983	2,239,396,139,282	(1,312,616,041,744)	10,397,727,270	2,899,253,114,791

Hung Thinh Incons Joint Stock Company

B09a-DN/HN

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2022 and for the six-month period then ended

21. SHORT-TERM LOANS (continued)

21.1 Short-term loans from banks

The Group obtained short-term loans from banks for the purpose of financing its working capital requirements. Details are set out in the table below:

Bank	30 June 2022	Maturity date	Interest rate % p.a.	Description of collateral
Tien Phong Commercial Joint Stock Bank - Nguyen Oanh Branch	712,147,583,549 VND	From 5 July 2022 to 23 December 2022	6.5 - 8.55	- Land use rights, rights and benefits arising from Land rental contract No. 22/HDTD dated 16 February 2017 between the People's Committee of Binh Dinh Province and HTC; - Property at 45 Thanh Thai, Ward 14, District 10, Ho Chi Minh City owned by Hung Thinh Sai Gon Co., Ltd. and benefits arising from this property; - Land use rights and assets attached to land at Song Da - Thang Long Apartment Project at 94-96-98 Street No. 77, Tan Quy Ward, District 7, Ho Chi Minh City owned by the Group; - Land use rights, rights and benefits arising from land use right in and plot number 602, 603, map sheet No. 2, Thuy Trieu Hamlet, Cam Hai Dong Commune, Cam Lam District, Khanh Hoa Province owned by Mr Tran Trung Chinh; - Collection rights arising from Construction Contract No.0106/2020/HDDT/HTQN-HTI dated 1 June 2020 and other related appendix between the Company and Hung Thinh Quy Nhon Service Entertainment Joint Stock Company relating to Office, Hotel and Apartment Complex Project located at 1 Nguyen Tat Thanh Street, Ly Thuong Kiet District, Quy Nhon City, Binh Dinh Province.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2022 and for the six-month period then ended

21. SHORT-TERM LOANS (continued)

21.1 Short-term loans from banks (continued)

The Group obtained short-term loans from banks for the purpose of financing its working capital requirements. Details are set out in the table below: (continued)

Bank	30 June 2022	Maturity date	Interest rate	Description of collateral
	VND		% p.a.	
Joint Stock Commercial Bank for Investment and Development of Vietnam - Bac Saigon Branch	500,000,000,000	From 20 July 2022 to 13 March 2023	8.3	- Collection rights arising from the Construction Contract of III - IV Trung Son Residential 6.57 ha, Function Area 6A, South City No. 1115/HDTC/2015 dated 29 December 2015 between the Group and Viet Tam Investment JSC; - Collection rights arising from Construction Contract No. 0411/HDTC/2016 dated 4 November 2016 between the Group and HTC relating to 510 Kinh Duong Vuong Project; - Collection rights arising from Construction Contract No. 1907/HDTC/2017 dated 26 July 2017 between the Group and Thuan Thanh Phat Co., Ltd. relating to Chuong Duong Project; - Collection rights arising from Construction Contract No. 1207/HDTC/2016 dated 12 July 2016 between the Group and HTC relating to High-rise condominium combining commercial, service, office Project located at No. 79/5B Nguyen Xi Street, Ward 26, Binh Thanh District; - Collection rights arising from Construction Contract No. 66/HDTC/2018 dated 6 June 2018 between the Group and Khai Thinh Real Estate JSC relating to Khai Vy project located at 4 Dao Tri, Phu Nhuan Ward, District 7; - Land use rights and assets attached to land No. 1581 and No. 1621; Map Sheet No. 45, Ministry of Land Administration of Binh Trung Tay Ward, District 2 (according to Documentary in 2003); - Means of transportation and term deposit amounting to VND 51,524,103,035 owned by HTC; - Term deposit contracts of the Group amounting to VND 22,117,738,982.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2022 and for the six-month period then ended

21. SHORT-TERM LOANS (continued)

21.1 Short-term loans from banks (continued)

The Group obtained short-term loans from banks for the purpose of financing its working capital requirements. Details are set out in the table below: (continued)

Bank	30 June 2022	Maturity date	Interest rate % p.a.	Description of collateral
Vietnam Maritime Joint Stock Commercial Bank - Ho Chi Minh City Branch	443,620,979,060	From 5 July 2022 to 30 December 2022	7.7	<ul style="list-style-type: none"> - Land use rights in Cam Hoa Ward and Cam Hai Dong Ward, Cam Lam District, Khanh Hoa Province and in Bao Lam Ward and Bao Loc City, Lam Dong Province owned by individuals; - Collection rights arising from Construction Contract No.0107/2019/HDTT-HTI-BMC dated 1 July 2019 between the Group and BMC Quy Nhon Real Estate Investment JSC relating to BMC Quy Nhon Condotel project located at Lot DV3, Residence - Commercial - Service area west of An Duong Vuong Street, Nguyen Van Cu Ward, Quy Nhon City, Binh Dinh Province; - Collection rights arising from Construction Contract No.0502/2020/HDTT/DP-HTI dated 5 February 2020 between the Group and Dai Phuc Company Limited relating to Dai Phu Commercial Apartment located at Dong Hoa Ward, Di An City, Binh Duong Province; - Collection rights arising from Consulting, Design and Construction Contract No.1902/2019/HDTT/GTQN-HTI dated 26 June 2019 between the Group and Hung Thinh Quy Nhon Service Entertainment JSC relating to Hai Giang Merry Land project located at Nhon Hoi Economic Zone, Quy Nhon City, Binh Dinh Province; - Credit guarantee contract issued by HTC.
Vietnam Prosperity Joint Stock Commercial Bank - Ben Thanh Branch	309,509,409,526	From 19 August 2022 to 13 November 2022	8.3 - 8.5	<ul style="list-style-type: none"> - Collection rights arising from Construction Contract No. 3110/2019/HDTT/HTC-HTI dated 31 October 2019 between the Group and HTC located at Thi Sach Street, Thang Tam Ward, Vung Tau City, Ba Ria - Vung Tau Province relating to Condotel Project; - Group's term deposit contract amounting to VND 32,746,511,260; - 10,000,000 shares of the Company owned by Hung Thinh Investment Joint Stock Company; - Credit guarantee contract issued by HTC.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2022 and for the six-month period then ended**21. SHORT-TERM LOANS (continued)****21.1 Short-term loans from banks (continued)**

The Group obtained short-term loans from banks for the purpose of financing its working capital requirements. Details are set out in the table below: (continued)

Bank	30 June 2022	Maturity date	Interest rate % p.a.	Description of collateral
Military Commercial Joint Stock Bank - Saigon Branch	235,752,333,380 VND	From 22 July 2022 to 29 March 2023	7.7 - 8.6	<ul style="list-style-type: none"> - The Group's term deposit contracts amounting to VND 59,500,000,000; - Collection rights arising from Construction contract No. 07/07/HDTG/2016 dated 7 July 2016 between the Group and Khai Huy Quan JSC relating to Phu My 2 Resettlement Area Project, Phu My Ward, District 7, Ho Chi Minh City; - Collection rights arising from Construction contract No. 2510/HDTG/2017 dated 25 October 2017 between the Group and HTC relating to Phat Dat Resort Project; - Collection rights arising from Construction contract No. 2511/2020/HDTT/TVH-HTI dated 25 November 2020 between the Group and Tan Van Hoa Construction and Trading Joint Stock Company relating to Bien Hoa Universe Complex Project located at Ho Nai Ward, Bien Hoa City, Dong Nai Province; - Means of transportation and term deposit amounting to VND 21,478,333,333 owned by HTC.
Orient Commercial Joint Stock Bank	68,780,918,439	From 26 July 2022 to 28 July 2022	6.9 - 8.0	<ul style="list-style-type: none"> - Term Group's term deposit contract amounting to VND 20,000,000,000; - 7,900,000 shares of Hung Thinh Land JSC owned by HTC.
Joint Stock Commercial Bank for Foreign Trade of Vietnam - Tan Dinh Branch	36,278,021,059	From 12 July 2022 to 21 March 2023	8.0	<ul style="list-style-type: none"> - The Group's term deposit contract amounting to VND 15,735,000,000; - 3,500,000 shares of Hung Thinh Land JSC owned by HTC.
TOTAL	2,306,089,245,013			

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2022 and for the six-month period then ended

21. SHORT-TERM LOANS (continued)

21.2 Current portion of long-term loans from a bank

The Group obtained long-term loans from a bank to financing its purchase and installation of fixed assets. The details of loans are as follows:

Bank	30 June 2022	Maturity date	Interest rate % p.a.	Description of collateral
Military Commercial Joint Stock Bank - Saigon Branch	<u>1,799,097,053</u>	13 December 2022	10.3	Machinery and equipment valued at VND 9,469,925,015.

21.3 Short term bonds

Bonds were issued to domestic individuals and organisations to financing its working capital. The details of bonds are as follows:

Arrangement organizations	Owners	30 June 2022	Interest rate % p.a.	Maturity date	Description of collateral
Tan Viet Securities Joint Stock Company	Tan Viet Securities Joint Stock Company	300,000,000,000	10.5	29 September 2022	- 25,000,000 shares of Hung Thinh Land JSC owned by HTC and Mr Nguyen Dinh Trung; - Land use rights, rights and benefits in Planning Area of Transport Union 655, Chuong Duong Street, Nguyen Van Cu Ward, Quy Nhon City, Binh Dinh Province owned by Kim Cuc Real Estate Investment and Trading Joint Stock Company ("Kim Cuc"); - Asset benefits arising from Kim Cuc Multifunctional Condotel project invested by Kim Cuc.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2022 and for the six-month period then ended

21. SHORT-TERM LOANS (continued)

21.3 Short term bonds (continued)

Bonds were issued to domestic individuals and organisations to financing its working capital. The details of bonds are as follows: (continued)

Arrangement organizations	Owners	Interest rate		Maturity date	Description of collateral
		30 June 2022	% p.a.		
		VND			
Viet Dragon Securities Corporation	Viet Dragon Securities Corporation	192,600,000,000	10.5	31 December 2022	- 37,500,000 shares of Hung Thinh Land Joint Stock Company owned by HTC;
	Others organizations and individuals	107,400,000,000			- 3,500,000 shares of the Company owned by HTC.
Issuance costs		(8,635,227,275)			
TOTAL		591,364,772,725			

Hung Thinh Incons Joint Stock Company

B09a-DN/HN

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2022 and for the six-month period then ended

22. OWNERS' EQUITY

22.1 Increase and decrease in owners' equity

	Share capital	Share premium	Investment and development fund	Undistributed earnings	Non-controlling interest	Total	VND
For the six-month period ended 30 June 2021							
As at 31 December 2020	330,622,210,000	45,000,000,000	15,427,249,459	599,728,085,652	24,609,663,292	1,015,387,208,403	
Issuance of shares	164,469,800,000	115,128,860,000	-	-	-	279,598,660,000	
Net profit for the period	-	-	-	120,329,489,603	16,833,266	120,346,322,869	
Issuance costs	-	(248,000,000)	-	-	-	(248,000,000)	
As at 30 June 2021	495,092,010,000	159,880,860,000	15,427,249,459	720,057,575,255	24,626,496,558	1,415,084,191,272	
For the six-month period ended 30 June 2022							
As at 31 December 2021	891,164,110,000	159,880,860,000	20,125,740,520	425,141,884,010	24,626,496,558	1,520,939,091,088	
Net profit for the period	-	-	-	128,969,810,117	421,228,771	129,391,038,888	
Funds contribution (*)	-	-	7,055,691,404	(7,055,691,404)	-	-	
Bonus and welfare fund appropriation (*)	-	-	-	(11,759,485,673)	-	(11,759,485,673)	
As at 30 June 2022	891,164,110,000	159,880,860,000	27,181,431,924	535,296,517,050	25,047,725,329	1,638,570,644,303	

(*) In accordance with the Resolution of the Annual General Meeting of Shareholders No. 01/2022/NQ-DHDCD dated 5 June 2022, the Company's shareholders approved the appropriation of the investment and development funds, bonus and welfare funds of year 2021 with a total amount of VND 25,870,868,481. In 2021, in accordance with the bonus policy of the Board of Directors, the Company temporarily appropriate the bonus and welfare funds with the total amount of VND 7,055,691,404. Accordingly, the Company appropriated additional bonus and welfare funds with an amount of VND 11,759,485,673.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2022 and for the six-month period then ended

22. OWNERS' EQUITY (continued)

22.2 Shares

	<i>Number of shares</i>	
	<i>30 June 2022</i>	<i>31 December 2021</i>
Issued shares		
Issued and paid-up shares	89,116,411	89,116,411
<i>Ordinary shares</i>	89,116,411	89,116,411
Shares in circulation		
<i>Ordinary shares</i>	89,116,411	89,116,411

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

22.3 Capital transactions with shareholders

	<i>VND</i>	
	<i>For the six-month period ended 30 June 2022</i>	<i>For the six-month period ended 30 June 2021</i>
Contributed capital		
Beginning balance	891,164,110,000	330,622,210,000
Issuance of shares	-	164,469,800,000
Ending balance	<u>891,164,110,000</u>	<u>495,092,010,000</u>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2022 and for the six-month period then ended

23. PROVISIONS

Provision represents the provision for warranties of construction projects. Details of movement in provisions are as follows:

	VND	
	<i>For the six-month period ended 30 June 2022</i>	<i>For the six-month period ended 30 June 2021</i>
Beginning balance	8,386,920,646	3,265,364,735
Provision for during the period	-	20,597,093,944
Ending balance	<u>8,386,920,646</u>	<u>23,862,458,679</u>
<i>In which:</i>		
Short-term provision	2,506,622,121	20,597,093,944
Long-term provision	5,880,298,525	3,265,364,735

24. BONUS AND WELFARE FUND

	VND	
	<i>For the six-month period ended 30 June 2022</i>	<i>For the six-month period ended 30 June 2021</i>
Beginning balance	30,226,246,070	22,167,022,729
Funds appropriation	11,759,485,673	-
Utilised during the period	<u>(10,100,505,550)</u>	<u>(6,739,773,270)</u>
Ending balance	<u>31,885,226,193</u>	<u>15,427,249,459</u>

25. REVENUE**25.1 Revenue from sale of goods and rendering of services**

	VND	
	<i>For the six-month period ended 30 June 2022</i>	<i>For the six-month period ended 30 June 2021</i>
Rendering of construction services (*)	3,226,438,843,947	2,847,761,326,980
Rendering of other services	17,745,751,443	7,737,296,815
Revenue from transfer of real estate	957,087,000	-
TOTAL	<u>3,245,141,682,390</u>	<u>2,855,498,623,795</u>
<i>In which:</i>		
Sales to related parties	3,163,745,748,719	2,847,953,326,980
Sales to other parties	81,395,933,671	7,545,296,815

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2022 and for the six-month period then ended

25. REVENUE (continued)

25.1 Revenue from sale of goods and rendering of services (continued)

(*) Revenue from construction contracts recognised during the period are as follows:

	VND	
	<i>For the six-month period ended 30 June 2022</i>	<i>For the six-month period ended 30 June 2021</i>
Revenue from the on-going construction contracts recognised during the period	3,058,231,351,307	2,759,617,775,630
Revenue from the completed construction contracts recognised during the period	168,207,492,640	88,143,551,350
TOTAL	3,226,438,843,947	2,847,761,326,980
Cumulative revenue recognised up to end of period of the on-going construction contracts	11,098,591,305,821	7,801,388,107,121

25.2 Finance income

	VND	
	<i>For the six-month period ended 30 June 2022</i>	<i>For the six-month period ended 30 June 2021</i>
ICC profit (Note 9)	31,500,000,000	31,500,000,000
Interest from deposits at bank	2,705,993,297	2,881,593,321
Interest from loan receivables	2,406,673,972	-
Penalty interest	-	18,105,178,082
TOTAL	36,612,667,269	52,486,771,403
<i>In which:</i>		
Income from related parties	33,906,673,972	49,605,178,082
Income from other parties	2,705,993,297	2,881,593,321

26. COST OF GOODS SOLD AND SERVICES RENDERED

	VND	
	<i>For the six-month period ended 30 June 2022</i>	<i>For the six-month period ended 30 June 2021</i>
Cost of construction services rendered	2,926,319,163,012	2,617,669,843,089
Cost of other services rendered	4,709,027,237	5,138,922,403
Cost of real estate sold	845,515,730	(15,456,440,435)
TOTAL	2,931,873,705,979	2,607,352,325,057

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2022 and for the six-month period then ended

27. FINANCE EXPENSES

	VND	
	<i>For the six-month period ended 30 June 2022</i>	<i>For the six-month period ended 30 June 2021</i>
Interest expense	106,498,527,475	89,906,805,908
Allocation of bond issuance expenses	10,397,727,270	8,042,727,270
Discount payment	120,655,765	14,195,793
TOTAL	117,016,910,510	97,963,728,971

28. GENERAL AND ADMINISTRATIVE EXPENSES

	VND	
	<i>For the six-month period ended 30 June 2022</i>	<i>For the six-month period ended 30 June 2021</i>
Labour costs	43,750,107,317	31,009,704,700
External services expenses	11,702,692,823	10,547,063,119
Depreciation and amortisation	2,436,211,810	2,389,189,946
Reversal of provisions	-	(1,193,885,040)
Other expenses	12,649,459,086	8,986,942,170
TOTAL	70,538,471,036	51,739,014,895

29. PRODUCTION AND OPERATING COSTS

	VND	
	<i>For the six-month period ended 30 June 2022</i>	<i>For the six-month period ended 30 June 2021</i>
Cost for construction services	2,521,645,028,633	2,559,826,974,200
Labour costs	119,053,808,770	83,091,600,725
Expenses for external services	38,042,391,445	22,307,796,598
Depreciation and amortisation (Notes 12, 13, 14 and 15)	13,150,555,584	12,828,953,414
Cost of real estate sold	845,515,730	(15,456,440,435)
Provision for construction warranties	-	20,597,093,944
Revelsal of provsion for doubtful debt	-	(1,193,885,040)
Other expenses	18,693,168,665	13,660,296,142
TOTAL	2,711,430,468,827	2,695,662,389,548

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2022 and for the six-month period then ended

30. CORPORATE INCOME TAX

The statutory corporate income tax ("CIT") rate applicable to the Company and its subsidiary for the period is 20% of taxable profits (2020: 20%).

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

30.1 CIT expense

	VND	
	<i>For the six-month period ended 30 June 2022</i>	<i>For the six-month period ended 30 June 2021</i>
CIT expense in period	32,904,464,187	31,133,721,023
Deferred tax (income) expense	58,934,931	(549,717,617)
TOTAL	32,963,399,118	30,584,003,406

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

	VND	
	<i>For the six-month period ended 30 June 2022</i>	<i>For the six-month period ended 30 June 2021</i>
Accounting profit before tax	162,354,438,006	150,930,326,275
At CIT rate (20%)	32,470,887,601	30,186,065,255
<i>Adjustments to increase (decrease):</i>		
Amortisation of goodwill	322,709,356	322,709,356
Non-deductible expenses	179,948,030	75,228,795
Interest expense not qualified for capitalisation from previous years	(10,145,869)	-
Estimated current CIT expense	32,963,399,118	30,584,003,406

30.2 Current tax

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

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2022 and for the six-month period then ended

30. CORPORATE INCOME TAX (continue)

30.3 Deferred tax

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

	<i>Interim consolidated balance sheet</i>		<i>Interim consolidated income statement</i>	
	<i>30 June 2022</i>	<i>31 December 2021</i>	<i>For the six-month period ended 30 June 2022</i>	<i>For the six-month period ended 30 June 2021</i>
Deferred tax assets				
Unpaid land use right fee	58,143,150,084	58,143,150,084	-	-
Unrealised profit	3,405,279,729	3,455,533,476	(50,253,747)	549,717,617
Borrowing cost not qualified for capitalisation	609,013,731	617,694,915	(8,681,184)	-
TOTAL	62,157,443,544	62,216,378,475	(58,934,931)	549,717,617
Deferred tax income (expenses)			(58,934,931)	549,717,617

31. TRANSACTIONS WITH RELATED PARTIES

The details of the Group's related parties as at 30 June 2022 are as follows:

Related parties	Relationship
Mr Nguyen Dinh Trung	Chairman
Mr Truong Van Viet	Vice Chairman
Mr Cao Minh Hieu	Vice Chairman
Mr Thieu Le Binh	Member of Board of Supervisors
Mr Le Nguyen Hoang Minh	Independent member of Board of Supervisors
Mr Dang Van Vu Duy	Independent member of Board of Supervisors
Mr Vo Van Thu	Head of supervisor
Mrs Nguyen Thi Loan Anh	Supervisor
Mr Nguyen Hai Phong	Supervisor
Mr Tran Tien Thanh	General Director
Mr Ngo Huy Hieu	Deputy General Director
Mr Tran Kim Hai	Deputy General Director
Mr Huynh Thanh Tu	Deputy General Director
Hung Thinh Group Corporation	The major shareholder
Hung Thinh Land Joint Stock Company	Company with the same key members
Hung Thinh Investment Joint Stock Company	The major shareholder
Binh Trieu Engineering and Construction Joint Stock Company	Subsidiary
Hung Thinh Cam Ranh Limited Liability Company	Subsidiary of major shareholder
Khai Huy Quan Joint Stock Company	Company with the same member of Board of Directors
Thuan Thanh Phat Trading Construction Company Limited	Company with the same member of Board of Directors

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2022 and for the six-month period then ended

31. TRANSACTIONS WITH RELATED PARTIES (continued)

The details of the Group's related parties as at 30 June 2022 are as follows: (continued)

Related parties	Relationship
Hung Thinh Quy Nhon Service Entertainment Joint Stock Company	Subsidiary of major shareholder
Viet Tam Investment Joint Stock Company	Subsidiary of the company with the same member of Board of Directors
Kim Cuc Real Estate Investment And Trading Joint Stock Company	Subsidiary of the company with the same member of Board of Directors
Minh Tuan Song Ray Tourism Co., Ltd.	Subsidiary of the company with the same member of Board of Directors
BMC Quy Nhon Real Estate Investment and Trading Joint Stock Company	Subsidiary of the company with the same member of Board of Directors
Khai Thinh Real Estate Joint Stock Company	Subsidiary of the company with the same member of Board of Directors
Tan Van Hoa Construction and Trading Joint Stock Company	Subsidiary of the company with the same member of Board of Directors
Indec Investment and Construction Company Limited	Company with the same member of Board of Directors
Hung Thinh Furniture Joint Stock Company	Company with the same member of Board of Directors
Dai Phuc Company Limited	Subsidiary of the company with the same member of Board of Directors
Vinh Tien Land Joint Stock Company	Company with the same key member
Hung Loc Tree Business Investment Joint Stock Company	Company with the same key member
Gia Dinh Star Joint Stock Company	Company with the same key member
Prowind Architects Joint Stock Company	Company with the same key member
Hung Thinh Innovation Joint Stock Company	Company with the same key member
Topenland Viet Nam Joint Stock Company	Company with the same key member

Significant transactions with related parties during the current and previous periods were as follows:

Related party	Relationship	Transaction	VND	
			For the six-month period ended 30 June 2022	For the six-month period ended 30 June 2021
Hung Thinh Quy Nhon Service Entertainment Joint Stock Company	Affiliate	Construction services	849,009,135,901	1,081,380,375,150
		ICC profit	31,500,000,000	31,500,000,000
Khai Thinh Real Estate Joint Stock Company	Affiliate	Construction services	755,319,808,771	936,142,291,979
Hung Thinh Group Corporation	Major shareholder	Construction services	609,907,049,275	298,418,473,976
		Lending	11,000,000,000	18,105,178,082
		Interest from lending	229,939,726	-

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2022 and for the six-month period then ended**31. TRANSACTIONS WITH RELATED PARTIES (continued)**

Significant transactions with related parties during the current and previous periods were as follows:

Related party	Relationship	Transaction	VND	
			For the six-month period ended 30 June 2022	For the six-month period ended 30 June 2021
Tan Van Hoa Construction and Trading Joint Stock Company	Affiliate	Construction services	304,838,226,014	-
Indec Investment and Construction Company Limited	Affiliate	Purchase of construction services	243,223,903,522	824,246,050,220
Dai Phuc Company Limited	Affiliate	Construction services	238,119,567,910	-
Hung Thinh Land Joint Stock Company	Affiliate	Collection of lending	109,000,000,000	-
		Construction services	79,674,497,159	5,820,113,636
		Interest	2,176,734,246	-
Khai Huy Quan Corporation	Affiliate	Construction services	80,540,756,203	53,222,602,493
BMC Quy Nhon Real Estate Investment and Trading Joint Stock Company	Affiliate	Construction services	79,590,490,305	56,414,393,127
Kim Cuc Real Estate Investment and Trading Joint Stock Company	Affiliate	Construction services	65,895,396,538	123,924,900,616
Minh Tuan Song Ray Tourism Co., Ltd	Affiliate	Construction services	58,608,000,000	-
Thuan Thanh Phat Trading Construction Company Limited	Affiliate	Construction services	28,055,346,731	164,680,005,708
Hung Loc Tree Business Investment Joint Stock Company	Affiliate	Purchase of services	20,638,933,773	-
Topenland Vietnam Joint Stock Company	Affiliate	Sale of services	11,738,544,600	-
Hung Thinh Cam Ranh Limited Liability Company	Affiliate	Purchase of materials	2,563,829,227	2,486,260,122
Viet Tam Investment Corporation	Affiliate	Construction services	-	18,225,460,785

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2022 and for the six-month period then ended

31. TRANSACTIONS WITH RELATED PARTIES (continued)

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

			VND	
Related parties	Relationship	Transaction	30 June 2022	31 December 2021
Short-term trade receivables				
Hung Thinh Quy Nhon Service Entertainment Joint Stock Company	Affiliate	Construction services	1,112,245,996,387	745,412,695,621
Hung Thinh Group Corporation	Major shareholder	Construction services	642,021,176,649	577,701,966,953
Thuan Thanh Phat Trading Construction Company Limited	Affiliate	Construction services	464,670,867,692	433,809,986,287
Khai Thinh Real Estate Joint Stock Company	Affiliate	Construction services	383,038,449,405	-
Viet Tam Investment Joint Stock Company	Affiliate	Construction services	369,812,476,967	469,812,476,967
Khai Huy Quan Joint Stock Company	Affiliate	Construction services	198,082,930,517	171,098,913,818
BMC Quy Nhon Real Estate Investment and Trading Joint Stock Company	Affiliate	Construction services	112,139,328,060	45,781,598,532
Kim Cuc Real Estate Investment And Trading Joint Stock Company	Affiliate	Construction services	100,092,787,304	83,925,759,042
Gia Dinh Star Joint Stock Company	Affiliate	Construction services	59,302,324,950	59,302,324,950
Hung Thinh Land Joint Stock Company	Affiliate	Construction services	42,976,746,694	1,648,190,835
Tan Van Hoa Construction and Trading Joint Stock Company	Affiliate	Construction services	39,137,226,803	-
Topenland Vietnam Joint Stock Company	Affiliate	Sale of services	13,996,615,379	-
Minh Tuan Song Ray Tourism Co., Ltd	Affiliate	Construction services	4,246,172,794	4,246,172,794
Hung Loc Tree Business Investment Joint Stock Company	Affiliate	Other services	368,960,000	316,800,000
Hung Thinh Cam Ranh Limited Liability Company	Affiliate	Disposal of fixed assets	-	527,822,215
TOTAL			3,542,132,059,601	2,593,584,708,014

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2022 and for the six-month period then ended

31. TRANSACTIONS WITH RELATED PARTIES (continued)

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

			VND	
Related parties	Relationship	Transaction	30 June 2022	31 December 2021
Short-term advances to suppliers				
Indec Investment and Construction Company Limited	Affiliate	Construction services	2,242,859,000,514	1,593,987,858,977
Hung Thinh Group Corporation	Major shareholder	Construction services	22,451,093,979	22,452,829,627
Hung Loc Tree Business Investment Joint Stock Company	Affiliate	Purchase of materials	14,729,874,701	21,467,847,112
Hung Thinh Furniture Joint Stock Company	Affiliate	Construction services	1,173,677,919	722,621,919
TOTAL			2,281,213,647,113	1,638,631,157,635
Short-term loan receivables				
Hung Thinh Group Corporation	Major shareholder	Lending (*)	9,000,000,000	-
Hung Thinh Land Joint Stock Company	Affiliate	Lending	-	109,000,000,000
TOTAL			9,000,000,000	109,000,000,000
(*) This is an unsecured lending at rate 7.8% per annum and has the term of 12 months from the date of loan drawdown.				
Other short-term receivables				
Hung Thinh Group Corporation	Major shareholder	Received on behalf	459,401,342,749	483,130,305,025
		Penalty interest	21,149,610,958	21,149,610,958
Hung Thinh Quy Nhon Service Entertainment Joint Stock Company	Affiliate	ICC contribution	300,000,000,000	300,000,000,000
		ICC profit	90,648,630,137	59,148,630,137
Hung Thinh Land Joint Stock Company	Major shareholder	Lending interest	2,200,027,397	23,293,151
TOTAL			873,399,611,241	863,451,839,271
Long-term loan receivable				
Hung Thinh Group Corporation	Major shareholder	Lending (*)	2,000,000,000	-

(*) This is an unsecured lending at rate 7.8% per annum and has the term of 24 months from the date of loan drawdown.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2022 and for the six-month period then ended

31. TRANSACTIONS WITH RELATED PARTIES (continued)

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

			VND	
<i>Related parties</i>	<i>Relationship</i>	<i>Transaction</i>	<i>30 June 2022</i>	<i>31 December 2021</i>
Short-term trade payables				
Indec Investment and Construction Company Limited	Affiliate	Purchase of construction services	108,881,130,235	25,121,723,478
Gia Dinh Star Joint Stock Company	Affiliate	Purchase of raw materials	31,884,011,907	-
Hung Loc Tree Business Investment Joint Stock Company	Affiliate	Purchase of construction services	4,289,452,053	19,348,120
Hung Thinh Furniture Joint Stock Company	Affiliate	Purchase of service	3,266,413,287	4,468,132,089
Viet Tam Investment Joint Stock Company	Affiliate	Purchase of service	2,990,905,490	2,990,905,490
Hung Thinh Group Corporation	Major shareholder	Purchase of construction services	1,023,479,613	1,023,479,613
Hung Thinh Cam Ranh Limited Liability Company	Affiliate	Purchase of construction services	767,010,662	1,902,908,987
Hung Thinh Quy Nhon Service Entertainment Joint Stock Company	Affiliate	Purchase of raw materials	-	526,243,312
Hung Thinh Retail Joint Stock Company	Affiliate	Purchase of construction services	-	272,911,056
Khai Thinh Real Estate Joint Stock Company	Affiliate	Purchase of construction services	-	226,388,071
TOTAL			153,102,403,247	36,552,040,216

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2022 and for the six-month period then ended

31. TRANSACTIONS WITH RELATED PARTIES (continued)

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

			VND	
Related parties	Relationship	Transaction	30 June 2022	31 December 2021
Short-term advances from customers				
Hung Thinh Quy Nhon Service Entertainment Joint Stock Company	Affiliate	Construction services	1,108,344,275,716	871,689,846,388
Minh Tuan Song Ray Tourism Co., Ltd.	Affiliate	Construction services	193,703,360,000	182,000,000,000
Hung Thinh Corporation	Major shareholder	Construction services	134,042,471,758	83,559,916,850
Dai Phuc Co., Ltd.	Affiliate	Construction services	131,080,744,027	223,218,480,347
Vinh Tien Land Corporation	Affiliate	Construction services	100,000,000,000	100,000,000,000
Tan Van Hoa Construction and Trading Joint Stock Company	Affiliate	Construction services	83,141,690,072	198,446,556,601
Khai Thinh Real Estate Joint Stock Company	Affiliate	Construction services	-	253,505,094,997
TOTAL			1,750,312,541,573	1,912,419,895,183

Salary and bonus of management during the period were as follows:

		VND	
		For the six-month period ended 30 June 2022	For the six-month period ended 30 June 2021
Mr Tran Tien Thanh	General Director	1,497,000,000	1,060,000,000
Mr Huynh Thanh Tu	Deputy General Director	1,420,500,000	1,032,000,000
Mr Tran Kim Hai	Deputy General Director	1,035,000,000	886,000,000
Mr Ngo Huy Hieu	Deputy General Director	916,000,000	550,138,880
Mr Le Quynh Mai	Deputy General Director from 13 September 2021 until 7 June 2022	764,000,000	-
TOTAL		5,632,500,000	3,528,138,880

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2022 and for the six-month period then ended

31. TRANSACTIONS WITH RELATED PARTIES (continued)

Allowance of Board of Directors, Board of Supervisors and Board of Directors' Secretary were as follows:

		VND	
		<i>For the six-month period ended 30 June 2022</i>	<i>For the six-month period ended 30 June 2021</i>
Mr Nguyen Dinh Trung	Chairman	20,000,000	-
Mr Truong Van Viet	Vice Chairman	16,000,000	-
Mr Cao Minh Hieu	Vice Chairman	16,000,000	-
Mr Le Nguyen Hoang Minh	Member		
	from 17 October 2021	10,000,000	-
Mr. Dang Van Vu Duy	Member	10,000,000	-
Mr Thieu Le Binh	from 17 October 2021	10,000,000	-
Mr Nguyen Ngoc Long	Board of Director's		
	Secretary	52,000,000	-
Mr Vo Van Thu	Head of supervisor	10,000,000	-
Mrs Nguyen Thi Loan Anh	Supervisor	10,000,000	-
Mr Nguyen Hai Phong	Supervisor	10,000,000	-
TOTAL		164,000,000	-

32. EARNINGS PER SHARE

The following reflects the income and share data used in the basic and diluted earnings per share computations:

		VND	
		<i>For the six-month period ended 30 June 2022</i>	<i>For the six-month period ended 30 June 2021</i>
Net profit after tax attributable to ordinary shareholders		128,952,960,723	120,329,489,603
Adjustments due to bonus and welfare fund (*)		-	(9,063,090,975)
Net profit after tax attributable to ordinary shareholders for basic earnings		128,952,960,723	120,329,489,603
Weighted average shares in circulation for basic earnings		89,116,411	76,685,786
Earnings per share			
- Basic earnings per share		1,447	1,451
- Diluted earnings per share		1,447	1,451

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2022 and for the six-month period then ended

32. EARNINGS PER SHARE (continued)

(*) Profit used to compute earnings per share for the six-month period ended 30 June 2021 was restated following the actual allocation to bonus and welfare fund from 2021 retained earnings according to the Resolution of the Annual General Meeting of Shareholders No. 01/2022/NQ-DHDCD dated 5 June 2022.

Weighted average number of ordinary shares for basic earnings for the six-month period ended 30 June 2021 was restated to reflect the issuance of shares appropriated from stock dividends at the ratio of 80% of the year 2021 according to the Resolution of the Annual General Meeting of Shareholder No. 01/2021/NQ-DHDCD dated 17 October 2021.

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of completion of these interim consolidated financial statements.

33. COMMITMENTS

The Group leases premises and office under operating lease arrangements. The minimum lease commitment as at the balance sheet date under the operating lease agreements are as follows:

	VND	
	30 June 2022	31 December 2021
Less than 1 year	2,232,800,000	2,769,800,000
From 1 year to 5 years	1,939,000,000	1,919,000,000
TOTAL	4,171,800,000	4,688,800,000

34. SEGMENT INFORMATION

The primary segment reporting format is determined to be business segments as the Group's risks and rates of return are affected predominantly by differences in the products and services rendered. Secondary information is reported geographically. The operating businesses are organised and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

The Group's business segment is derived mainly from rendering of construction services and real estate in on sole geographical segment which is Vietnam.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2022 and for the six-month period then ended

34. SEGMENT INFORMATION (continued)

			VND
	Construction service	Real estate	Total
For the six-month period ended 30 June 2022			
Segment revenue	3,226,486,843,947	18,654,838,443	3,245,141,682,390
Segment profit	152,560,900,868	9,793,537,138	162,354,438,006
Other segment information			
Depreciation and amortisation	(6,839,388,263)	(4,697,620,541)	(11,537,008,804)
As at 30 June 2022			
Segment assets	7,537,031,910,214	1,314,994,034,767	8,852,025,944,981
Segment liabilities	6,713,752,020,942	499,703,279,736	7,213,455,300,678
For the six-month period ended 30 June 2021			
Segment revenue	2,847,857,326,980	7,641,296,815	2,855,498,623,795
Segment profit	140,814,543,348	10,115,782,927	150,930,326,275
Other segment information			
Depreciation and amortisation	(6,499,781,946)	(4,715,624,688)	(11,215,406,634)
Provisions for doubtful debts	1,193,885,040	-	1,193,885,040
Provision for construction warranty	(20,597,093,944)	-	(20,597,093,944)
As at 30 June 2021			
Segment assets	5,100,240,571,966	1,436,156,684,239	6,536,397,256,205
Segment liabilities	4,548,444,988,571	572,868,076,362	5,121,313,064,933

35. COVID-19 PANDEMIC

The Covid-19 pandemic is resulting in an economic slowdown and adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the Group operates. The Company's management has continuously monitored ongoing developments and assessed the financial impact in respects of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues as the situation has evolved, using the best information obtained up to the date of this interim consolidated financial statements.

36. EVENT AFTER THE BALANCE SHEET DATE

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



Vu Thi Gai
Preparer



Nguyen Le Xuan
Chief Accountant




Tran Tien Thanh
General Director

Ho Chi Minh City, Vietnam

25 August 2022