

**C.E.O GROUP JOINT STOCK COMPANY**  
**AUDITED CONSOLIDATED FINANCIAL**  
**STATEMENTS**

**for the fiscal year ended December 31, 2019**



**C.E.O GROUP JOINT STOCK COMPANY**

Address: 5<sup>th</sup> Floor, CEO tower, HH2-1, Me Tri Ha New Urban Area, Nam Tu Liem district, Hanoi

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**BOARD OF GENERAL DIRECTORS' REPORT**

We, members of Board of General Directors of C.E.O Group Joint Stock Company (hereinafter referred to as "the Company") present this Report together with the Company's audited Consolidated Financial Statements for the fiscal year ended December 31, 2019.

**Board of Management and Board of General Directors**

Members of Board of Management and Board of General Directors who held the Company during the fiscal year ended December 31, 2019 and to the Reporting date, include:

***Board of Management***

Mr. Doan Van Binh	Chairman
Ms. Pham Thi Mai Lan	Vice Chairwoman
Mr. Luu Duc Quang	Member
Mr. Ta Van To	Member
Ms. Vu Thi Lan Anh	Member

***Board of General Directors***

Mr. Ta Van To	General Director
Ms. Vu Thi Lan Anh	Deputy General Director
Mr. Cao Van Kien	Deputy General Director
Mr. Tran Dao Duc	Deputy General Director
Mr. Nguyen Van Dong	Deputy General Director (Appointed on January 17, 2019)
Ms. Do Phuong Anh	Deputy General Director (Appointed on February 25, 2019)
Ms. Phan Le My Hanh	Deputy General Director (Appointed on February 25, 2019)

**Respective responsibilities of Board of General Directors**

Board of General Directors of the Company is responsible for preparing Consolidated Financial Statements which give a true and fair view of the financial position, business operation results and cash flows of the Company in the year, in accordance with Vietnamese Accounting Standards, Vietnamese Accounting regime for enterprises and legal regulations relating to the preparation and presentation of the Consolidated Financial Statements. In the preparation of these Consolidated Financial Statements, Board of General Directors is required to:

- Select suitable accounting policies and then consistently apply them;
- Make judgments and estimates that are reasonable and prudent;
- State whether appropriate accounting standards are respected or any application of material misstatements needs to be disclosed and justified in Consolidated Financial Statements;
- Prepare the Consolidated Financial Statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business; and
- Design and implement an effective internal control system for the purpose of properly preparing and presenting the Consolidated Financial Statements so as to minimize risks and frauds.

**BOARD OF GENERAL DIRECTORS' REPORT**

*(continued)*

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

Board of General Directors confirms that the Company has complied with the above requirements in preparing these Consolidated Financial Statements.

*For and on behalf of Board of General Directors,*

**C.E.O GROUP JOINT STOCK COMPANY**



**Ta Van To**  
**General Director**  
*Hanoi, March 16, 2020*



No.: 243-20/BC-TC/VAE

Hanoi, March 30, 2020

## INDEPENDENT AUDIT REPORT

**To: Shareholders**  
**Board of Management and Board of General Directors**  
**C.E.O Group Joint Stock Company**

We have audited the accompanying Consolidated Financial Statements of C.E.O Group Joint Stock Company (hereinafter referred to as "the Company"), prepared on March 16, 2020, from page 06 to page 53, including: Consolidated Balance Sheet as at December 31, 2019, Consolidated Income Statement, Consolidated Cash Flow Statement for the fiscal year then ended and Notes to the Consolidated Financial Statements.

### Respective responsibilities of Board of General Directors

Board of General Directors of the Company is responsible for the preparation and true & fair presentation of the Consolidated Financial Statements of Company in accordance with Vietnamese Accounting Standards, Vietnamese Accounting regime for enterprises and legal regulations relating to the preparation and presentation of the Consolidated Financial Statements and for such internal control as Board of Directors determines is necessary to enable the presentation of Consolidated Financial Statements that are free from material misstatements whether due to fraud or error.

### Respective responsibilities of Auditor

Our responsibility is to express an opinion on the Consolidated Financial Statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical requirements, plan and perform the audit to obtain reasonable assurance about whether the Consolidated Financial Statements of the Company are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosure in the Consolidated Financial Statements. The procedures are selected depending on the auditor's judgement, including the assessment on risk of material misstatements of the Consolidated Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Corporation's preparation and true & fair presentation of the Consolidated Financial Statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Board of General Directors as well as evaluating the overall presentation of the Consolidated Financial Statements.

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



# INDEPENDENT AUDIT REPORT

(continued)

## Auditor's opinion

In our opinion, the Consolidated Financial Statements have, in all material respects, given a true and fair view of the financial position of the Company as at December 31, 2019, as well as business performance and cash flows for the fiscal year then ended, in accordance with Vietnamese Accounting Standards, Vietnamese Accounting regime for enterprises and legal regulations related to the preparation and presentation of Consolidated Financial Statements.



*[Handwritten signature of Pham Hung Son]*

**Pham Hung Son**  
Deputy General Director  
*Certificate of audit practice registration No.:*  
0813-2018-034-1  
For and on behalf of  
**VIETNAM AUDITING AND EVALUATION CO., LTD.**

*[Handwritten signature of Nguyen Thi Hong Van]*

**Nguyen Thi Hong Van**  
Auditor  
*Certificate of audit practice registration No.:*  
0946-2018-034-1



## CONSOLIDATED BALANCE SHEET

As at December 31, 2019

ASSETS		Codes	Notes	31/12/2019	Unit : VND 01/01/2019
<b>A</b>	<b>CURRENT ASSETS</b>	<b>100</b>		<b>3,511,811,585,661</b>	<b>5,473,170,382,400</b>
<b>I</b>	<b>Cash and cash equivalents</b>	<b>110</b>	<b>V.1.</b>	<b>200,976,014,220</b>	<b>358,811,289,562</b>
1	Cash	111		148,976,014,220	286,311,289,562
2	Cash equivalents	112		52,000,000,000	72,500,000,000
<b>II</b>	<b>Short-term financial investments</b>	<b>120</b>	<b>V.2.</b>	<b>1,023,697,936,833</b>	<b>1,163,400,000,000</b>
1	Trade securities	121		-	24,400,000
2	Provision for devaluation of securities	122		-	(24,400,000)
3	Held-to-maturity investments	123		1,023,697,936,833	1,163,400,000,000
<b>III</b>	<b>Short-term receivables</b>	<b>130</b>		<b>1,013,248,643,463</b>	<b>1,563,086,862,974</b>
1	Short-term trade accounts receivable	131	V.3.	625,226,319,285	664,194,542,486
2	Prepayment to suppliers	132	V.4.	173,987,494,068	248,454,598,838
3	Receivables from short-term loan	135	V.5.	179,600,000,000	86,900,000,000
4	Other short-term receivables	136	V.6.	70,034,322,456	586,908,739,945
5	Provision for short-term bad debts	137		(35,599,492,346)	(23,371,018,295)
<b>IV</b>	<b>Inventories</b>	<b>140</b>	<b>V.7.</b>	<b>1,021,560,301,438</b>	<b>2,244,364,133,826</b>
1	Inventories	141		1,021,560,301,438	2,244,364,133,826
<b>V</b>	<b>Other current assets</b>	<b>150</b>		<b>252,328,689,707</b>	<b>143,508,096,038</b>
1	Short-term prepaid expenses	151	V.13.	19,239,830,405	17,874,528,355
2	VAT deductibles	152		233,060,394,969	115,956,410,684
3	Taxes and receivables from the State budget	153	V.16.	28,464,333	9,677,156,999
<b>B</b>	<b>NON-CURRENT ASSETS</b>	<b>200</b>		<b>4,525,549,995,306</b>	<b>2,949,320,031,678</b>
<b>I</b>	<b>Other long-term receivables</b>	<b>210</b>		<b>7,459,136,001</b>	<b>5,322,405,789</b>
1	Other long-term receivables	216	V.6.	8,806,498,136	6,669,767,924
2	Provision for long-term bad debts	219		(1,347,362,135)	(1,347,362,135)
<b>II</b>	<b>Fixed assets</b>	<b>220</b>		<b>1,390,592,203,568</b>	<b>1,202,440,409,442</b>
1	Tangible fixed assets	221	V.10.	1,353,470,599,566	1,165,009,751,047
-	Historical cost	222		1,549,783,706,951	1,302,851,921,753
-	Accumulated depreciation	223		(196,313,107,385)	(137,842,170,706)
2	Finance lease fixed assets	224	V.8.	6,287,632,395	8,431,680,003
-	Historical cost	225		10,604,545,454	10,604,545,454
-	Accumulated depreciation	226		(4,316,913,059)	(2,172,865,451)
3	Intangible fixed assets	227	V.11.	30,833,971,607	28,998,978,392
-	Historical cost	228		39,321,852,490	34,831,420,230
-	Accumulated amortization	229		(8,487,880,883)	(5,832,441,838)
<b>III</b>	<b>Investment property</b>	<b>230</b>	<b>V.12.</b>	<b>868,273,853,773</b>	<b>188,530,896,397</b>
-	Historical cost	231		926,457,222,782	223,859,538,130
-	Accumulated depreciation	232		(58,183,369,009)	(35,328,641,733)
<b>IV</b>	<b>Non-current assets in process</b>	<b>240</b>	<b>V.9.</b>	<b>1,747,248,052,558</b>	<b>1,167,244,076,367</b>
1	Construction in progress	242		1,747,248,052,558	1,167,244,076,367
<b>V</b>	<b>Long-term financial investments</b>	<b>250</b>	<b>V.2.</b>	<b>1,600,000,000</b>	<b>1,600,000,000</b>
1	Capital contribution into other entities	253		1,600,000,000	1,600,000,000
<b>VI</b>	<b>Other non-current assets</b>	<b>260</b>		<b>510,376,749,406</b>	<b>384,182,243,683</b>
1	Long-term prepaid expenses	261	V.13.	116,761,554,710	194,433,701,431
2	Deferred income tax	262		15,826,329,877	21,929,154,247
3	Goodwill	269	V.18.	377,788,864,819	167,819,388,005
<b>TOTAL ASSETS (270=100+200)</b>		<b>270</b>		<b>8,037,361,580,967</b>	<b>8,422,490,414,078</b>

(Notes from page 11 to page 53 are an integral part of these Consolidated Financial Statements)

## CONSOLIDATED BALANCE SHEET

As at December 31, 2019

(continued)

EQUITY AND LIABILITIES	Codes	Notes	Unit : VND	
			31/12/2019	01/01/2019
<b>C LIABILITIES</b>	<b>300</b>		<b>4,371,607,259,882</b>	<b>5,951,210,958,377</b>
<b>I Current liabilities</b>	<b>310</b>		<b>2,654,414,238,013</b>	<b>4,964,993,749,028</b>
1 Trade accounts payable	311	V.14.	511,126,816,281	467,414,636,090
2 Prepayments from customers	312	V.15.	273,908,863,216	2,973,336,184,836
3 Taxes and payables to the State budget	313	V.16.	353,082,875,022	95,912,198,758
4 Payables to employees	314		26,478,281,729	22,320,922,872
5 Short-term payable expenses	315	V.17.	184,208,912,880	207,783,272,904
6 Unrealized short-term revenue	318	V.20.	5,485,188,393	14,260,454,995
7 Other short-term payables	319	V.21.	152,444,436,370	125,284,221,920
8 Short-term loans and obligations under finance lease	320	V.19.	1,069,694,661,051	969,933,771,218
9 Welfare and bonus fund	322		77,984,203,071	88,748,085,435
<b>II Non-current liabilities</b>	<b>330</b>		<b>1,717,193,021,869</b>	<b>986,217,209,349</b>
1 Long-term prepayment expenses	333	V.17.	167,619,871,323	75,723,565,512
2 Unrealized long-term revenue	336	V.20.	254,158,136,498	158,403,996,748
3 Other long-term payables	337	V.21.	15,352,572,723	16,774,558,738
4 Long-term loans and obligations under finance lease	338	V.19.	1,270,061,713,971	728,235,006,826
5 Deferred tax liabilities	341		10,000,727,354	7,080,081,525
<b>D OWNER'S EQUITY</b>	<b>400</b>		<b>3,665,754,321,085</b>	<b>2,471,279,455,701</b>
<b>I Owner's equity</b>	<b>410</b>	<b>V.22.</b>	<b>3,665,754,321,085</b>	<b>2,471,279,455,701</b>
1 Owners' contributed capital	411		2,573,399,850,000	1,544,039,910,000
- Ordinary shares with voting right	411a		2,573,399,850,000	1,544,039,910,000
2 Development and investment fund	418		149,940,147,087	120,119,472,243
3 Retained earnings	421		258,609,453,114	226,924,138,250
Retained earnings accumulated to the end of the previous year	421a		(2,593,298,222)	3,681,343,323
Retained earnings this year	421b		261,202,751,336	223,242,794,927
4 Non-controlling minority interest	429		683,804,870,884	580,195,935,208
<b>TOTAL EQUITY &amp; LIABILITIES (440=300+400)</b>	<b>440</b>		<b>8,037,361,580,967</b>	<b>8,422,490,414,078</b>

Hanoi, March 16, 2020

C.E.O GROUP JOINT STOCK COMPANY

Prepared by

Chief Accountant

General Director



Le Thu Phuong



Do Thi Thom



Ta Van To

(Notes from page 11 to page 53 are an integral part of these Consolidated Financial Statements)

## CONSOLIDATED INCOME STATEMENT

for the fiscal year ended December 31, 2019

Items	Codes	Notes	Unit : VND	
			The year 2019	The year 2018
1 Revenue from sales and services	01	VI.1.	4,550,482,235,973	2,246,237,955,258
2 Revenue deductions	02	VI.2.	427,324,660	-
3 Net revenue from sales and services (10 = 01-02)	10		4,550,054,911,313	2,246,237,955,258
4 Cost of goods sold	11	VI.3.	3,110,631,520,602	1,390,960,786,519
5 Gross profit from sales and services (20 = 10-11)	20		1,439,423,390,711	855,277,168,739
6 Financial income	21	VI.4.	71,893,929,061	76,983,573,893
7 Financial expenses	22	VI.5.	159,434,784,094	140,189,874,051
Where: Interest expense	23		147,075,524,450	117,857,666,994
8 Profit or loss in joint ventures, associates	24		-	-
9 Selling expenses	25	VI.8.	210,210,242,008	60,902,502,572
10 General administration expenses	26	VI.8.	294,497,758,058	241,629,255,790
11 Net profit from operations {30=20+(21-22)+24-(25+26)}	30		847,174,535,612	489,539,110,219
12 Other income	31	VI.6.	11,213,584,962	48,938,980,456
13 Other expenses	32	VI.7.	24,029,560,975	35,636,378,704
14 Other profit (40=31-32)	40		(12,815,976,013)	13,302,601,752
15 Total accounting profit before tax (50 = 30+40)	50		834,358,559,599	502,841,711,971
16 Current CIT expense	51	VI.9.	217,528,675,318	135,310,062,050
17 Deferred CIT expense	52	VI.10.	9,023,470,199	(4,545,878,055)
18 Profit after corporate income tax (60=50-51-52)	60		607,806,414,082	372,077,527,976
19 Profit after tax attributable to the Parent company	61		447,910,116,342	223,231,507,253
20 Profit after tax attributable to non-controlling interests	62		159,896,297,740	148,846,020,723
21 Basic earning per share	70	VI.11.	2,061.16	1,301.19

Hanoi, March 16, 2020

C.E.O GROUP JOINT STOCK COMPANY

Prepared by

Chief Accountant

General Director



Le Thu Phuong



Do Thi Thom




Ta Van To

(Notes from page 11 to page 53 are an integral part of these Consolidated Financial Statements)

## CONSOLIDATED CASH FLOW STATEMENT

(Under indirect method)

for the fiscal year ended December 31, 2019

Unit : VND

Items	Codes	Notes	The year 2019	The year 2018
<b>I. Cash flow from operating activities</b>				
1. Profit before tax	01		834,358,559,599	372,077,527,976
2. Adjustments for:				
- Depreciation of fixed assets and investment property	02		122,229,149,337	79,671,585,536
- Provisions	03		12,204,074,051	8,922,508,711
- Gains, losses from exchange rate differences due to the revaluation of monetary items dominated in foreign currencies	04		1,540,440	(62,333,653)
- Gains, losses from investment activities	05		(70,290,684,881)	(71,021,928,706)
- Interest expense	06		147,075,524,450	117,857,666,994
3. Profit from operating activities before changes in working capital	08		1,045,578,162,996	507,445,026,858
- Increases/Decreases in receivables	09		(105,467,908,242)	(346,322,419,590)
- Increases/Decreases in inventories	10		1,222,803,832,388	(987,789,732,355)
- Increases/Decreases in payables (excluding interest payable, corporate income tax payable)	11		(2,237,918,547,961)	2,459,025,237,781
- Increases/Decreases in prepayment expense	12		76,306,844,671	(66,420,478,020)
- Increases/Decreases in value of trade securities	13		(24,400,000)	-
- Interest expense paid	14		(132,518,407,268)	(93,977,695,891)
- Corporate income tax paid	15		(142,698,078,565)	(129,149,029,231)
- Other cash inflows from operating activities	16		800,811,461	1,123,981,920
- Other cash outflows from operating activities	17		(69,984,062,059)	(13,940,333,026)
<b>Net cash flow from operating activities</b>	<b>20</b>		<b>(343,121,752,579)</b>	<b>1,329,994,558,446</b>
<b>II. Cash flow from investment activities</b>				
1. Payment for purchase and construction of fixed assets and other non-current assets	21		(1,593,792,668,526)	(966,648,596,902)
2. Proceeds from liquidation, disposal of fixed assets and other non-current assets	22		1,363,636,364	-
3. Cash outflows for lending, purchasing debt instruments of other entities	23		(1,529,746,189,587)	(2,457,700,000,000)
4. Proceeds from lending, resales of debt instruments of other entities	24		1,576,748,252,754	1,730,400,000,000
5. Capital contribution into other entities	25		-	(28,150,000,000)
6. Recovery of capital contribution into other entities	26		24,400,000	145,000,000,000
7. Cash inflows from lending interest, dividends and distributed profits	27		142,175,503,406	84,739,450,248
<b>Net cash flow from investment activities</b>	<b>30</b>		<b>(1,403,227,065,589)</b>	<b>(1,492,359,146,654)</b>
<b>III. Cash flow from financial activities</b>				
1. Proceeds from shares issue, contribution from owners	31		1,039,159,940,000	54,000,000,000

(Notes from page 11 to page 53 are an integral part of these Consolidated Financial Statements)

## CONSOLIDATED CASH FLOW STATEMENT

(Under indirect method)

for the fiscal year ended December 31, 2019

(continued)

Items	Codes	Notes	Unit : VND	
			The year 2019	The year 2018
2. Receipt from borrowing	33		4,099,085,453,148	1,975,768,396,762
3. Borrowing principal paid	34		(3,267,356,215,608)	(1,706,436,629,261)
4. Repayment of finance lease principal	35		(2,332,999,992)	(2,507,975,004)
5. Dividends, profit paid to owner	36		(280,249,977,745)	(243,856,056,678)
<i>Net cash flow from financial activities</i>	<i>40</i>		<i>1,588,306,199,803</i>	<i>76,967,735,819</i>
<b>Net cash flow in the period (50 = 20+30+40)</b>	<b>50</b>		<b>(158,042,618,365)</b>	<b>(85,396,852,389)</b>
<b>Opening cash and cash equivalents</b>	<b>60</b>		<b>358,811,289,562</b>	<b>444,097,062,786</b>
Effect of changes in foreign exchange rates	61		207,343,023	111,079,165
<b>Closing cash and cash equivalents (50+60+61)</b>	<b>70</b>	<b>V.1.</b>	<b>200,976,014,220</b>	<b>358,811,289,562</b>

Hanoi, March 16, 2020

C.E.O GROUP JOINT STOCK COMPANY

Prepared by

Chief Accountant

General Director



Le Thu Phuong



Do Thi Thom




Ta Van To

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

(Notes are an integral part of these Consolidated Financial Statements and they shall be read in conjunction with such enclosed Consolidated Financial Statements)

**I. Operational characteristics of enterprise****1. Form of ownership**

C.E.O Joint Stock Company (hereinafter referred to as “the Company”) was formerly Vietnam Trade, Construction and Technology Limited Company (VITECO), established and operated under the Business Registration Certificate No. 0102003701 dated 26/10/2001 issued by Hanoi Authority for Planning and Investment. The Company changed its name into C.E.O Investment Joint Stock Company and operated under Business Registration Certificate No. 0103016491 dated 29/03/2007 by Hanoi Authority for Planning and Investment. Since 21/04/2015, the Company’s name has changed into C.E.O Group Joint Stock Company in accordance with the 15th amended Business Registration Certificate No. 0101183550. The Company has made 22 times of changes in its Business Registration Certificate.

Under the 22<sup>nd</sup> amended Business Registration Certificate No. 0101183550 dated 04/9/2019, the Company increased the charter capital from VND 1,544,039,910,000 (Vietnamese dong One thousand, five hundred and forty - four billion, thirty - nine million, nine hundred and ten thousand) to VND 2,573,399,850,000 (Vietnamese dong Two thousand, five hundred and seventy - three billion, three hundred and ninety - nine million, eight hundred and fifty thousand).

Shares of the Company are listed on the Hanoi Stock Exchange under securities code of CEO.

**2. Business domain**

The Company operates in trading, real estate trading, houses for lease, service provision, resort and travel services, education and training in association with labor export.

**3. Business lines**

The Company operates in the main business domain including:

- Advisory, brokerage and auction of real estates, auction of land use right. In details: Real estate exchange; Real estate management; Real estate advertising; Real estate auction (solely operations under practice certificate granted to the representative in compliance with Laws); Real estate due valuation; Real estate brokerage; Real estate consulting;
- Construction of buildings in all types. In details: Investment in construction of buildings, industrial zones, civil works;
- Education field including kindergarten, elementary school, junior high school, senior high school, intermediate school, vocational school, and colleges (only operating after getting permission by the relevant State bodies);

**The Company’s Head Office:** 5<sup>th</sup> Floor, CEO tower, HH2-1, Me Tri Ha New Urban Area, Nam Tu Liem district, Hanoi.

**4. Normal course of production and business**

Depending on each business line, normal operating cycle of the Company will last no more than 12 months or more than 12 months, in particular:

- For business of machinery, equipment, service and consulting the normal operating cycle of the Company will be done within no more than 12 months.
- For business of real estate development the normal operating cycle of the Company will be done within more than 12 months.

**C.E.O GROUP JOINT STOCK COMPANY****CONSOLIDATED FINANCIAL STATEMENTS**Address: 5<sup>th</sup> Floor, CEO tower, HH2-1, Me Tri Ha New Urban Area, Nam Tu Liem district, Hanoi.

for the fiscal year ended December 31, 2019

Form B 09 – DN/HN

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)***(Notes are an integral part of these Consolidated Financial Statements and they shall be read in conjunction with such enclosed Consolidated Financial Statements)***5. Company Structure***Details of Subsidiaries which are consolidated into these Consolidated Financial Statements for the fiscal year ended December 31, 2019 as follows:*

NO.	Company name	Head quarter	Main operating activities	Interest proportion of the Parent Company	The Parent Company's voting right
1.	C.E.O International Limited Liability Company	5 <sup>th</sup> Floor, CEO tower, HH2-1, Me Tri Ha New Urban Area, Pham Hung street, Me Tri Ward, Nam Tu Liem district, Hanoi, Vietnam	Buildings of all types, food and beverage services, educational services,...	100%	100%
2.	C.E.O Construction JSC.,	5 <sup>th</sup> Floor, CEO tower, HH2-1, Me Tri Ha New Urban Area, Pham Hung street, Me Tri Ward, Nam Tu Liem district, Hanoi, Vietnam	Construction of buildings, industrial zones, real estate business, ...	51%	51%
3.	C.E.O Service Development Joint Stock Company	5 <sup>th</sup> Floor, CEO tower, HH2-1, Me Tri Ha New Urban Area, Pham Hung street, Me Tri Ward, Nam Tu Liem district, Hanoi, Vietnam	Labor export, training in real estate business, ...	51%	51%
4.	Dai Viet College	Lot 2B.X3, My Dinh 1 New Urban Area, Tu Liem district, Hanoi, Vietnam	Accounting training in manufacturing and trading enterprises, ...	100%	100%
5.	Phu Quoc Investment & Development Joint Stock Company	Sonasea Villas and Resort tourist complex, Duong Bao hamlet, Duong To, Phu Quoc, Kien Giang, Viet Nam	Hotels, resorts, recreation areas, real estate business, ...	60%	60%
6.	BMC - CEO Investment Joint Stock Company	5 <sup>th</sup> Floor, CEO tower, HH2-1, Me Tri Ha New Urban Area, Pham Hung street, Me Tri Ward, Nam Tu Liem district, Hanoi, Vietnam	Business of real estate, building, industrial zone, ...	87.76%	87.76%

**C.E.O GROUP JOINT STOCK COMPANY**

Address: 5<sup>th</sup> Floor, CEO tower, HH2-1, Me Tri Ha New Urban Area  
South Tu Liem District, Hanoi

**CONSOLIDATED FINANCIAL STATEMENTS**

For the fiscal year ended December 31, 2019

Form B 09- DN/HN

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

(Notes are an integral part of these Consolidated Financial Statements and they shall be read in conjunction with such enclosed Consolidated Financial Statements)

NO.	Company name	Head quarter	Main operating activities	Interest proportion of the Parent Company	The Parent Company's voting right
7.	C.E.O Travel JSC.,	5th Floor, CEO tower, HH2-1, Me Tri Ha New Urban Area, Pham Hung street, Me Tri Ward, Nam Tu Liem district, Hanoi, Vietnam	Food and beverage service provision, tour organization, ...	51%	51%
8.	Phu Quoc Housing and Urban Development Joint Stock Company	Sonasea Villas and Resort tourist complex, Duong Bao hamlet, Duong To, Phu Quoc, Kien Giang, Viet Nam	Business of real estate, lan use right, ...	51.59%	51.59%
9.	C.E.O Hospitality Co., Ltd. (Formerly named as C.E.O Hotels and Resorts One Member Co., Ltd.) (i)	Sonasea Villas and Resort tourist complex, Duong Bao hamlet, Duong To, Phu Quoc, Kien Giang, Viet Nam	Restaurants, short-stay services, property management, ...	100%	100%
10.	Van Don Tourism Investment & Development Joint Stock Company	Sonasea Van Don Harbor City Complex, Ha Long Commune, Van Don District, Quang Ninh province, Vietnam	Tourism Investment & Development, Business of real estate, tourist, ...	90%	90%
11.	Nha Trang Investment & Development JSC.	Lot D12B, Zone 4, Northern Cam Ranh Peninsula Tourism Area, Cam Hai Dong commune, Cam Lam district, Khanh Hoa province, Vietnam	Real estate business, land use right in ownership, usage or lease;	99%	99%
12.	Nam Can Tho Investment & Development JSC.	M2, Road 27, Hung Phu New Urban Area, Zone 2, Hung Thanh Ward, Cai Rang district, Can Tho, Vietnam	Real estate business, land use right in ownership, usage or lease.	99%	99%
13.	CEO Design Co., Ltd.	3 <sup>rd</sup> Floor, CEO tower, HH2-1, Me Tri Ha New Urban Area, Pham Hung Street, Me Tri Ward, Nam Tu Liem district, Hanoi, Vietnam	Consulting service for construction planning; Design and verification of construction works	100%	100%

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

(Notes are an integral part of these Consolidated Financial Statements and they shall be read in conjunction with such enclosed Consolidated Financial Statements)

- (i) Renamed under the second amended Business Registration Certificate No. 1702070874 dated 27/02/2019.

**6. Notes to the comparative information on the Consolidated Financial Statements**

Respective information, data and figures presented in the Consolidated Financial Statements of the Company for the fiscal year ended December 31, 2019 are comparative information, data and figures.

**II. Accounting period, currency used in accounting****1. Accounting period**

The Company's accounting period begins on 01/01 and ends on 31/12 every year.

**2. Currency used in accounting**

The currency used in accounting is Vietnam dong ("VND") accounted under the principle of historical cost, in accordance with Vietnamese Accounting Standards, Vietnamese Accounting regime for enterprises and the legal regulations related to the preparation and presentation of Consolidated Financial Statements.

**III. Applied accounting regime and standards****1. Applied accounting regime and standards**

The Company applies Vietnamese Accounting regime and Vietnamese Accounting Standards for enterprises promulgated under the Circular No. 200/2014/TT-BTC dated 22/12/2014 by Ministry of Finance guiding the Accounting Regime for Enterprises and Circular No. 53/2016/TT-BTC dated 21/03/2016 by Ministry of Finance regarding amendment to some articles of Circular No. 200/2014/TT-BTC; prepares and presents the Consolidated Financial Statements in accordance with Circular No. 202/2014/TT-BTC dated 22/12/2014 by Ministry of Finance.

**2. Statement on the compliance to Accounting Standards and Accounting regime**

The Company's Consolidated Financial Statements are prepared and presented in accordance with Vietnamese Accounting Standards and current Vietnamese Accounting regime for enterprises and the laws and regulations in relation to the preparation and presentation of Consolidated Financial Statements.

In particular, Vietnamese Accounting Standard No. 28 – "Segment Reporting" is not applied for preparation and presentation of these Consolidated Financial Statements.

**IV. Significant accounting policies****1. Basis for the consolidation of Financial Statements**

The Consolidated Financial Statements include Financial Statements of the Company and Financial Statements of companies under the control of the Company (subsidiaries) prepared as at December 31, 2019. The control means the Company is able to control financial policies and operations of investee companies in order to get economic benefits from these companies.

Business performance of subsidiaries which have been acquired or disposed in the year is presented in the Consolidated Income Statement from acquisition date or as at disposal date of investment in subsidiaries.

Where necessary, the financial statements in subsidiaries are adjusted so accounting policies which are being applied in the Company and subsidiaries are the same.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

*(Notes are an integral part of these Consolidated Financial Statements and they shall be read in conjunction with such enclosed Consolidated Financial Statements)*

All transactions and balances between companies in the same Group are canceled out upon consolidating the financial statements.

**Non- controlling minority interest**

Non- controlling minority interest in net assets of subsidiaries are determined as a separate item from the part of owner's equity of shareholders of the parent company Non- controlling minority interest (NCI) consists of value of non- controlling minority interest as at the initial consolidated date and changes in NCI in the total equity changes from the consolidated date. Loss amounts incurred at subsidiaries must be allocated corresponding to the ownership of non-controlling minority, in case of those loss amounts are greater than the ownership of non-controlling minority in net assets of subsidiaries.

**Business combination**

Business combinations are accounted for using the purchase method at purchase date, on which control is transferred to the Company. The control exists when the Company has governing power over financial policies and activities of an entity for purpose of gaining economic benefits of such entity. On evaluating the control power, the Company has to consider potential voting right that can be realisable at current time.

In purchase method, assets, liabilities and contingent liabilities of the Acquiree will be measured at fair value on purchase date. Any premium between consideration and total fair value of the acquired assets will be recognized as goodwill. Any shortage between consideration and total fair value of the acquired assets will be recognized into the income statement in the period in which the acquisition incurs.

Non-controlling interest as at the first business combination will be measured on the proportion of non-controlling interest in the total fair value of assets, liabilities and contingent liabilities being recognized.

**Goodwill**

Goodwill incurs from acquisition of subsidiaries or associates and jointly-controlled business entities. Goodwill is measured at historical cost less accumulated allocation. Goodwill is separately presented as another asset on the Consolidated Balance Sheet.

Historical cost of the incurred goodwill is the premium between the consideration and interest proportion in the Company in total fair value of assets, liabilities and contingent liabilities of subsidiaries, associates or joint venture entities as at investment date.

Goodwill is accounted for as an intangible asset, which is amortized by straight-line method on the estimated useful life of such goodwill from 05 to 10 years.

Goodwill that incurs from purchase of associates and jointly-controlled business entities will be added into book value of such associates and jointly-controlled business entities.

On selling subsidiaries, associates or joint venture entities, the carrying amount of goodwill which has not been amortized will be carried forward to profit/loss from the corresponding transfer.

**2. Financial instruments*****Initial recognition***

*Financial assets:* At the date of initial recognition, financial assets are recognized as their historical costs plus transaction costs directly related to procurement of these financial assets. Financial assets of the Company comprise cash, cash equivalents, trade receivables, other receivables, deposits, financial investments and derivative financial instruments.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

(Notes are an integral part of these Consolidated Financial Statements and they shall be read in conjunction with such enclosed Consolidated Financial Statements)

*Financial receivables and payables:* At the date of initial recognition, financial liabilities are recognized at their historical costs plus transaction costs directly related to the issuance of these financial liabilities. The Company's financial liabilities include trade payables, other payables, payables, financial liabilities, borrowing and derivative financial instruments.

***Subsequent measurement after initial recognition***

Currently, there is no requirement for the subsequent measurement of the financial instrument after initial recognition.

**3. Principle of recognizing cash and cash equivalents**

Cash is the general index reflecting the total cash amount owned by the enterprise as at the reporting date, including cash on hand, demand deposits at bank, recorded and reported in Vietnamese dong (VND), in accordance with regulations of Law on Accounting No. 88/2015/QH13 dated 20/11/2015 taking effect from 01/01/2017.

Cash equivalents are short-term investments with maturity less than 3 months from the date of investment, that can be easily converted into a certain amount of cash and there is no risk in conversion into cash at the time of reporting, in compliance with Vietnamese Accounting Standard No. 24 - Cash Flow Statement.

**4. Accounting principle for financial investments*****a) Trade securities***

Trade securities are securities which are hold by the Company for trading and gaining the profit.

Trade securities are recorded at historical cost. Historical cost of trade securities is determined by fair values of payments at transaction time plus costs in relation to purchase transactions of trade securities.

In the year 2019, the Company sold out these trade securities.

***b) Held-to-maturity investments***

Held-to maturity investments consist of investment amounts that the Company intends and is able to hold to the maturity date. Held-to-maturity investments include: term deposits in banks

Held-to maturity investments are recognized starting from the acquisition date and initial value of such held-to-maturity investments are determined under purchase price and expenses related to transactions of purchasing investment amounts. Interest proceeds from held-to-maturity investments after purchase date are recognized on the Income Statement on the basis of estimates. Interest before the Company holds the investments shall be deducted from historical cost at purchase time.

Held-to-maturity investments are determined as historical cost minus provisions for doubtful and bad debts.

Provisions for doubtful and bad debts of the Company's lending amounts are made under the current accounting regulations.

As at December 31, 2019, the Company has no held-to-maturity investments requiring to make any provision for.

***c) Loans***

Lending amounts are recognized at historical cost minus provisions for bad debts.

Provisions for bad debts of the Company's lending amounts are made under the current accounting regulations.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)

(Notes are an integral part of these Consolidated Financial Statements and they shall be read in conjunction with such enclosed Consolidated Financial Statements)

As at December 31, 2019, the Company had no loans that need to make provision for.

**d) Investments in equity instruments of other entities**

Investments in equity instruments of other entities reflect investments in equity instruments but the Company has no control, joint control or significant influence over the investee.

Investments into equity instruments of other entities are initially recognized at historical cost, including purchase price or capital contribution plus direct relevant costs in relation to such investments. Dividend and profit of prior periods before the investment purchase shall be deducted from the value of such investments. Dividend and profit of subsequent periods after the investment purchase shall be recorded as revenue.

Provision for impairment loss in investments into equity instruments of other entities is made at the Reporting date when the investment shows an impairment in comparison with its historical cost, then the Company makes provision as follows:

- + If an investment in listed shares or fair value of the investment is determined reliably, the provision shall be made according to the market value of the shares.
- + With regard to an investment whose fair value is not identifiable at the reporting time, the provision shall be made with the amount equal to the difference between actual capital contribution of parties in other entities and actual owners' equity multiplied with contribution proportion of the Company as compared with actual contribution of parties in other entities.

Increase, decrease in provision for impairment loss in investments into equity instruments of other entities to be made at the fiscal year end shall be recognized into finance cost.

**5. Accounting principle for receivables**

Receivables are presented as net book value less allowance for doubtful and bad debts.

Classification of receivables is made on the following principle:

- Trade accounts receivable consist of receivables with their commercial nature arising from transactions with their purchasing-selling nature between the Company and buyers who are independent entities from the Company.
- Other receivables consist of receivables with their non-commercial nature, not related to transactions with their purchasing-selling nature.

Allowance for doubtful and bad debts is made for each doubtful or bad debt based on age of each debt amounts or estimated loss that may incur because debtors are insolvent under liquidation, bankruptcy or similar hardship.

Increase, decrease in provision for bad and doubtful debts to be made at the cut-off date for Consolidated Financial Statements shall be recognized into general administration expenses.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

*(Notes are an integral part of these Consolidated Financial Statements and they shall be read in conjunction with such enclosed Consolidated Financial Statements)*

**6. Principle for recognizing inventories:**

Inventories are recognized at the lower price between historical cost and net realizable value. Historical cost of inventories consists of expenses of acquisition, processing and other directly related expenses (if any) incurred to bring inventories to their present location and condition.

Inventories include purchased or constructed real estate for sales during the normal course of operation of the Company, not for lease or appreciation, being valued at lower between costs to bring each product to the current location and condition and its net realizable value. Cost of inventories as real estate include: cost of land use and land development cost, construction cost payable to contractors, borrowing cost, design consulting, land grading, land clearance, consulting fee, land transfer tax, general construction management and other relevant costs.

Net realizable value is determined as the estimated selling price of inventories during the normal business period minus the estimated costs to complete and necessary estimated costs to sell.

Value of inventories is determined by the Specific Identification Method and accounted for by perpetual method.

As at December 31, 2019, the Company had no inventories that need to make provision for devaluation.

**7. Principle for fixed asset recognition and depreciation****7.1. Principle for tangible fixed asset recognition and depreciation**

Intangible fixed assets are recognized at their historical cost, presented in the Consolidated Balance sheet under the items of historical cost, accumulated depreciation and carrying amount.

Recognition and depreciation of tangible fixed assets are pursuant to Vietnamese Accounting Standard No. 03 - Tangible fixed assets, Circular No. 200/2014/TT-BTC dated 22/12/2014 by Ministry of Finance guiding enterprise accounting regime and Circular No. 45/2013/TT-BTC dated 25/04/2013 guiding regulations on management, use and depreciation of fixed assets, Circular 147/2016/TT-BTC dated 13/10/2016 amending some articles in Circular No. 45/2013/TT - BTC and Circular No. 28/2017/TT-BTC dated 12/04/2017 amending some articles in Circular No. 45/2013/TT - BTC and Circular 147/2016/TT-BTC by Ministry of Finance.

The historical cost of procured tangible fixed assets includes their purchase price (excluding trade discount or other discount), taxes and directly related costs to bring such assets into the ready-for-use state.

Historical cost of fixed assets which are constructed by contractors includes value of completed and handover works, directly-related costs and stamp duty.

The historical cost of procured tangible fixed assets include actual price of tangible fixed assets which are self-constructed or self-made and their installation and commissioning expense.

The expenses incurred after the initial recognition of tangible fixed assets are recorded as the increases of historical cost of assets when these expenses are sure to increase economic benefits in the future. The incurred expenses which do not satisfy the above conditions are recognized into production and business operation expense in the year.



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

(Notes are an integral part of these Consolidated Financial Statements and they shall be read in conjunction with such enclosed Consolidated Financial Statements)

The Company applied straight-line depreciation method to tangible fixed assets. Tangible fixed assets are accounted and classified into groups by their nature and purpose of utilization in the Company's production and business operation, including:

Type of fixed assets	Depreciation duration <years>
Land, building and architectural objects	05 – 47
Transportation means	06 - 09
Managerial equipment, tools	02 - 05
Other Fixed assets	02 – 05

Gains or losses from asset disposal or sale are differences between proceeds from disposal and carrying amount of the assets and recognized in the Income Statement.

**7.2 Principle for intangible fixed asset recognition and amortization**

Intangible fixed assets are recognized at their historical cost, presented in the Consolidated Balance sheet under the items of historical cost, accumulated amortization and carrying amount.

Recognition and amortization of intangible fixed assets are pursuant to Vietnamese Accounting Standard No. 04 - Intangible fixed assets, Circular No. 200/2014/TT-BTC dated 22/12/2014 by Ministry of Finance and Circular No. 45/2013/TT-BTC dated 25/04/2013 guiding regulations on management, use and depreciation of fixed assets, Circular 147/2016/TT-BTC amending some articles in Circular No. 45/2013/TT - BTC and Circular No. 28/2017/TT-BTC dated 12/04/2017 amending some articles in Circular No. 45/2013/TT - BTC and Circular 147/2016/TT-BTC by Ministry of Finance.

Historical cost of acquired intangible fixed assets consists of their total purchase price to bring the assets to their state of ready-to-use. The costs arising after initial recognition of intangible fixed assets are recorded as production costs in the period excluding specific costs of a specific intangible asset, enabling an increase in the future economic benefits.

When an intangible fixed asset is sold or disposed, historical cost and accumulated depreciation are written off and gain or loss from disposal is recognized into income or expense in the year.

Intangible fixed asset of the Company includes: Land use right; Brand name, trademark; Copyright, pattern and computer softwares

**Software programs**

Costs in relation to translation software programs are not an integral part of the relevant capitalized hardware. Historical costs of computer softwares is the whole expenditure paid by the Company until the softwares are put into use. Computer softwares are amortized on straight line basis from 03 to 05 years.

**Brand name, trademark, copyright and patent**

Historical cost of brand name, copyright and patent which was bought from a third party includes the purchase price, non-refundable purchase tax and registration fee. Copyright and patent are amortized on the straight-line basis from 03 to 05 years.

**Land use right**

Value of land use rights is equal to actual expenses directly related to land use rights, such as: money paid for the land use rights, expenses incurred from compensation, land clearance, leveling of premises, stamp

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

*(Notes are an integral part of these Consolidated Financial Statements and they shall be read in conjunction with such enclosed Consolidated Financial Statements)*

duty. Land use right over the land assigned by the State upon the payment of charges is amortized on straight-line basis within 50 years, indefinite land use right is not amortized.

**8. Principle of recognition and depreciation of fixed assets under finance lease**

Asset lease is classified into finance lease if substantial risks and rewards incidental to ownership of an asset are transferred to the lessee. Finance lease assets are recorded at historical cost less accumulated depreciation. Historical cost of finance lease assets is the lower between fair value of the asset at the start of lease agreement and present value of minimum lease payment. Discount rate for calculating present value of minimum lease payments for the lease asset is the implicit interest rate in the lease agreement or the rate specified in the agreement. In case it is unable to define the implicit interest rate in the lease agreement, loan interest at the start of lease agreement shall be used.

Fixed assets under finance lease are depreciated on straight line basis within their estimated useful life. In case it is not certain that the Company will have the right to own assets at the end of lease contract, the fixed assets will be depreciated in shorter time between lease term and estimated useful life. Depreciation years of fixed assets under finance lease are detailed as follows:

<i>Asset types</i>	<i>Useful life (years)</i>
Machinery, equipment	03-07

**9. Principle of investment property recognition and depreciation*****Principle for investment property recognition***

Investment properties of the Company is the land use right, right to building, a part of building or infrastructure under possession of the Company or under finance lease to be used to gain benefits from lease or appreciation. Investment properties are presented at historical cost less accumulated depreciation. Cost of an investment property means the amount of expenses paid or the fair value of other consideration given to acquire an investment property at the time of its acquisition or construction.

Subsequent expenditure relating to an investment property that has already been recognized should be recorded into expenses, except when it is probable that future economic benefits will flow to the enterprise in excess of the originally assessed standard of performance of the existing investment property, then an increase in the cost of the investment property shall be recorded.

At the sale of investment properties, historical cost and accumulated depreciation is written off and gain/loss is recorded into income or expense in the year.

The transfer from owner-occupied property of inventory to investment property shall be made only when the owner finishes using that property and leasing it to other party for operation or upon completion of construction stage. Investment property shall be converted into owner-occupied property or inventory when the owner begins to use this property or held for sale purpose. The transfer of use purpose between investment property and owner-occupied property or inventory does not change the net book value of the transferred asset or the historical cost of the property at its transfer date.

***Principle for investment property depreciation***

Investment properties used for lease are depreciated on straight line basis within their estimated useful life. Depreciation years of investment properties are detailed as follows:

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

(Notes are an integral part of these Consolidated Financial Statements and they shall be read in conjunction with such enclosed Consolidated Financial Statements)

Type of fixed assets	Depreciation duration <years>
Land use right	Indefinite
Building	35 – 47

**10. Principle for recognizing cost of construction in progress**

Construction in progress is the cost of construction of a utility house at Sonasea Condotel & Villas in Phu Quoc, Sonasea Van Don Harbor City resort and tourism complex project and some projects which have not been completed at the cut-off date for the Consolidated Financial Statements. Cost of construction in progress is recognized by actual expenses incurred when full and legal documents, invoices are available. Expenses shall include service fee and borrowing cost in relation and accordance with the Company's accounting policies.

Under the State's regulations of construction and investment management, depending on management level, settlement value of completed construction works needed to be approved by the competent authorities. Therefore, final value of construction works may be changed and depends on settlement records which are approved by the competent authorities.

**11. Principle of recognition of Business Cooperation*****Business under joint control:***

The Company records business cooperation contracts in the Consolidated Financial Statements under joint control of business activities over the following items:

- Value of assets owned by the Company;
- Liabilities being born by the Company;
- Revenue shared from sales of goods or services rendered by such joint venture;
- Expenses incurred.

**12. Principle for recognition and allocation of prepaid expenses**

Prepaid expenses consist of actual expenses incurred but related to the business performance of many accounting periods. Prepaid expenses include: tools, instruments issued for use awaiting for allocation; prepaid insurance cost, prepaid office lease and other expenses awaiting for allocation.

Tools, instruments: Tools and instruments which were exported for use and allocated into expenses on straight-line basis from 12 to 36 months.

Prepaid insurance cost: One-off insurance cost with high value shall be allocated into expenses on straight-line basis within 12 months.

Prepaid office rentals: One-off office rental with high value shall be allocated by actual lease term under agreements in the lease contract.

Purchase cost of secondary trade mark right includes purchase price, non-refundable sale tax and registration fee. Secondary trade mark right shall be amortized on straight line basis on purchase duration.

Selling expenses awaiting for allocation include the whole expenses paid by the Company for the purpose of sales of Condotel apartments to be completed in the future and allocated when revenue from sales of apartments incurs.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

*(Notes are an integral part of these Consolidated Financial Statements and they shall be read in conjunction with such enclosed Consolidated Financial Statements)*

Other prepaid expenses are costs that are capitalized in the form of prepayments and are amortized in the Income statement on a straight-line basis in accordance with the prevailing accounting regulations.

**13. Accounting principle for liabilities**

Liabilities are amounts payable to suppliers and other subjects. Liabilities comprise trade accounts payable and other payables. Liabilities are not recorded at lower amounts than payment obligation.

Classification of liabilities is made on the following principle:

- Trade accounts payable comprises liabilities with their commercial nature arising from purchasing goods, services, assets and the suppliers are independent from buyers.
- Other amounts payable comprise amounts payable with their non-commercial nature, not related to transactions of purchasing, selling and supplying goods, services.

Liabilities are monitored by details of each item and due date.

**14. Principle for recognizing loans and obligations under finance lease**

Loans and obligations under finance lease are recognized on the basis of receipts, bank vouchers, loan agreement and loan contracts for finance lease.

Loans and obligations under finance lease are monitored by details of each item and due date.

**15. Principle for recognition and capitalization of borrowing costs**

Borrowing costs consist of loan interest and other costs that incurs in direct connection with the borrowings.

Borrowing costs are recognized into operation and production costs in the year if arising, unless they are capitalized in accordance with Accounting Standard "Borrowing Costs". As a result, borrowing costs which directly relate to procurement, construction investment or production of properties that need a quite long period to be completed for putting into operation or business shall be plus in historical cost of property until such property would be put into use or business. The incomes arising from the temporary investment of loans are deducted from the historical cost of related assets. For a separate loan for the construction of fixed assets and investment property, borrowing cost is capitalized even if the construction period is less than 12 months.

**16. Principle for recognizing accrued expense**

Accrued expenses consist of borrowing cost payable, brokerage fee, accrued project expense, profit payables under villa rental agreements, profit commitment to investors and other accrued expenses, including actual expenses incurred in the reporting period but unpaid because no invoice was available or accounting documents are missing, being recognized in operating expenses of the reporting period and payables that have not incurred because goods, services are not recognized but accrued into operating expenses in the period to secure there will be no abnormal variance in operating expenses when they actually incur, being reflected as a provision for payables.

- Borrowing costs are accrued on the basis of Loan contract and agreement for each instalment.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

*(Notes are an integral part of these Consolidated Financial Statements and they shall be read in conjunction with such enclosed Consolidated Financial Statements)*

- Accrued expenses as a profit payable under villa lease contracts are the expenses being accrued on the basis of the sublease contract for the business and exploitation of villa resort in the following two forms:
  - + Profit payable to villa owners with a fixed interest rate of 9% per annum on the value of the villa;
  - + Profit is payable to villa owners at the proportion of 85%/15% of the actual profit of villa business activities. Where, villa owners will be entitled to 85%, operating lessee will be entitled to 15%.
- Profit commitments as payables to investors are recorded based on contracts for apartment management, the actual time of profit entitlement dedicated to each investor.

The Company only accrued the expenses for estimation of cost of goods sold for construction works/items that have been completed and determined as sold in the accounting period. Accrued expenses into cost of goods sold are the amounts stated in the total investment cost estimate, but there are not sufficient documents for acceptance. Accrued expenses shall be provided for respectively to cost norm calculated in the total investment cost estimate of the works/items determined as sold out.

Accrued expenses on production and business expenses in the period are calculated strictly with reasonable and reliable evidence on the expenses to be accrued in the period to ensure the accounting expenses payable to be accounted will match the actual costs incurred.

**17. Principle for recognizing unrealized revenue**

Unrealized revenue includes revenue received in advance such as: Amounts paid in advance by customers for one or more accounting periods in terms of CEO tower lease, land use charge of Sonasea Villas & Resort Project and other unrealized revenue. Amounts paid in advance by customers are allocated and recorded into revenue for each period on straight line basis and actual lease term under agreements in each lease contract.

**18. Principle for recognizing owner's equity**

Capital investment of the Company's owners is recognized by shareholders' actual capital contribution.

Retained earnings are the profit amounts from enterprise's business operation after deducting CIT expense this year and the retroactive adjustments due to changes in accounting policies and the retroactive adjustment of material misstatements in the previous years.

Profit after corporate income tax is allocated to shareholders right after funds are made for under the Corporation Article of the Company as well as legal regulations and upon approval of the Annual General Meeting.

The distribution of profit among shareholders is considered by taking account for non-cash items included in the retained earnings that may have impact on the cash flow and payment ability of dividend such as revaluation gain over assets for capital contribution, gain from re-translation of cash items, financial instruments and other non-cash items.

Dividend is recognized as a payable upon approval by the Annual General Meeting.

**19. Principle and method of recognizing other revenue, income**

Revenue of the Company includes revenue from goods sold (home appliances, construction material, etc.), real estate invested and sold by the Company and revenue from services rendered.

Revenue from financing activities includes revenue from interest of bank deposits and from other financing activities.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)

(Notes are an integral part of these Consolidated Financial Statements and they shall be read in conjunction with such enclosed Consolidated Financial Statements)

**Sales revenue**

Revenue from selling goods is recognized upon simultaneously meeting the following five (5) conditions as follows:

- The Company has transferred the majority of risks and benefits associated with the right to own the products or goods to the buyer;
- The Company no longer holds the right to manage the goods as the goods owner, or the right to control the goods;
- Turnover is determined with relative certainty. In case the contract specifies that buyers have the right to return goods or products that were bought under specific terms, the revenue is only recognized when these specific terms no longer exist and the buyers have no right to return goods or products (except for the case that customers can return goods as exchange to other goods or services).
- The Company gained or will gain economic benefits from the sale transaction; and
- It is possible to determine the costs related to the goods sale transaction.

**Revenue from services rendered**

Revenue from a service transaction is recognized when the outcome of such transaction is determined reliably. In case such transaction of services rendered is related to many periods, the revenue is recognized in the period corresponding to the completed work item as at the date of Financial Statements for such period. Revenue from service provision is determined when it satisfies all the four (4) conditions below:

- Turnover is determined with relative certainty. In case the contract specifies that buyers have the right to return services that were bought under specific terms, the revenue is only recognized when these specific terms no longer exist and the buyers have no right to return services rendered;
- It is possible to obtain economic benefits from the service provision transaction;
- The work volume completed on the cut-off date of the Financial Statements can be determined; and
- The costs incurred from the transaction and the costs of its completion can be determined.

**Revenue from sales of real estate**

Revenue from selling properties invested by the Company is recognized upon simultaneously meeting the following five (5) conditions as follows:

- Real estates were fully completed and the risks and benefits associated with the right to own the real estates were transferred to the buyer;
- The Company no longer holds the right to manage the properties as property owner, or the right to control the properties.
- Turnover is determined with relative certainty;
- The Company gained or will gain economic benefits from the property sale transaction;
- It is possible to determine the costs related to the property sale transaction.

**Interest income**

Interest amounts are recognized on accrual basis, being determined on balances of deposits and actual interest rate in the period.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)

(Notes are an integral part of these Consolidated Financial Statements and they shall be read in conjunction with such enclosed Consolidated Financial Statements)

**20. Principle and method of recognizing finance cost**

Finance cost recognized in the Consolidated Income Statement is the total finance cost incurred in the period, without offset with revenue from financing activities, including borrowing costs, interest payable under the commitment of sales and purchase contracts, settlement discount and loss from exchange rate difference.

**21. Other principles and accounting methods****Tax liabilities****Value added tax (VAT)**

The Company declares and calculates VAT under the guidelines of current Taxation Law with VAT rate of 5% for social house business and 10% for other goods sold and services rendered.

**Corporate income tax**

Corporate income tax presents the total amount of current tax payable.

Current tax payable is calculated on taxable profit in the year. Taxable income differs from net profit presented in the Income Statement because taxable income does not include assessable incomes or expenses or deductible one in other years (including losses carried forward, if any) and it further excludes items that are non-taxable or non-deductible.

Deferred income tax is computed by the difference between book value and income tax base of assets or liabilities on the financial statements and recorded by method of Balance sheet. Deferred income tax payable is recorded for all the temporary differences while deferred tax asset is only recorded when it is certain to have sufficient assessable income in the future for deduction of temporary differences.

Deferred income tax is measured at estimated tax rate applicable for the year when assets are recovered or liabilities are paid. Deferred tax is recognized into the Income Statement and only recorded into owners' equity when such tax is related to items straight recorded in owners' equity.

Deferred tax asset and liability which are payable will be set off when the Company has a legal right to set off the current deferred tax asset and current deferred tax liability and when deferred tax asset and liability related to the corporate income tax are managed by the same tax agency and the Company intends to pay the current corporate income tax on net value basis.

The corporate income tax of the Company is determined in conformity with current tax regulations. However, these regulations may change from time to time and the final determination of corporate income tax depending on the tax check results of the competent tax authorities.

**Other taxes**

Other taxes and fees are declared and paid to the local tax authorities in compliance with the current regulations of the State.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

(Notes are an integral part of these Consolidated Financial Statements and they shall be read in conjunction with such enclosed Consolidated Financial Statements)

V. Additional information of items presented in the Consolidated Balance Sheet

1. Cash and cash equivalents

	31/12/2019 VND	01/01/2019 VND
<i>Cash</i>		
Cash on hand	148,976,014,220	286,311,289,562
Cash in bank	13,493,982,727	27,262,139,814
Cash in transit	135,482,031,493	259,048,161,833
	-	987,915
<i>Cash equivalents (*)</i>	52,000,000,000	72,500,000,000
<b>Total</b>	<b>200,976,014,220</b>	<b>358,811,289,562</b>

(\*) Cash equivalents include deposits with term of less than 3 months

2. Financial investments

2.1 Held-to-maturity investments

	31/12/2019			01/01/2019		
	Net book value	Fair value	Provision	Net book value	Fair value	Provision
a) Trade securities	-	-	-	24,400,000	-	(24,400,000)
<i>Total value of shares</i>	-	-	-	24,400,000	-	(24,400,000)
Shares of An Giang Coffee JSC. - Code AGC	-	-	-	24,400,000	-	(24,400,000)

- Number: 4,000 shares

Unit : VND



**C.E.O GROUP JOINT STOCK COMPANY**Address: 5<sup>th</sup> Floor, CEO tower, HH2-1, Me Tri Ha New Urban Area, Nam Tu Liem district, Hanoi.**CONSOLIDATED FINANCIAL STATEMENTS**

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

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**b) Held-to-maturity investments**

Unit : VND

	31/12/2019		01/01/2019	
	Historical cost	Net book value	Historical cost	Net book value
<b>Short-term</b>				
Term bank deposits	1,023,697,936,833	1,023,697,936,833	1,163,400,000,000	1,163,400,000,000
Joint Stock Commercial Bank for Investment and Development of Vietnam - Thanh Xuan Branch (1)	962,500,000,000	962,500,000,000	1,103,400,000,000	1,103,400,000,000
Vietnam Joint Stock Commercial Bank for Industry and Trade - Thanh An Branch (2)	61,197,936,833	61,197,936,833	60,000,000,000	60,000,000,000
<b>Total</b>	<b>1,023,697,936,833</b>	<b>1,023,697,936,833</b>	<b>1,163,400,000,000</b>	<b>1,163,400,000,000</b>

(1) Term deposits at Vietnam Joint Stock Commercial Bank for Investment and Development - Thanh Xuan Branch are deposits with terms of over 3 months to 12 months. Where, deposit agreements were used for mortgage, with details as follows:

- Term deposit agreement No. 453/2019/HDTG.TX-CEO dated 27/08/2019 at BIDV - Thanh Xuan branch, within a term of 12 months with the amount of VND 145 billion. This agreement is used as a security asset for bank overdraft agreement No. 02/2019/2356339/HDTC dated 14/10/2019, with term of 09 months.

- 12-month term deposits with total value of VND 280 billion, these deposit contracts were mortgaged for bank overdraft agreement No. 02/2019/9079754/HDTC with an overdraft limit of VND 279.5 billion.

- In particular, term deposit agreement No. 252/2018/HDTG.TX dated 30/5/2018 was used for mortgage, collateral for the overdraft agreement No. 01/2018/9988799/HDTC dated May 30, 2018 with Vietnam Joint Stock Commercial Bank for Investment and Development - Thanh Xuan Branch.

- This is a bank deposit of VND 500 million with term in 12 months, on the maturity date, the deposit shall be automatically rolled over in the same term as the initial registered one, with effective rate as at rollover date in accordance with the term deposit agreement No. 107/2016/HDTG.TX. This term deposit is blocked from April 25, 2016 until the deposit account for collateral is settled for review and licencing permission by the competent authorities to the Company and security of the international travel business.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)***(Notes are an integral part of these Consolidated Financial Statements and they shall be read in conjunction with such enclosed Consolidated Financial Statements)*

- Term deposit agreement No. 585/2019/HDTG.TX-CEOQT dated October 24th 2019, with deposit amount of VND 15 billion, term of 12 months, interest is paid monthly, the principal is repaid once on the maturity date and Term Deposit Agreement No. 579/2019/HDTG.TX-CEOQT dated October 21, 2019, the deposit amount is VND 230 billion, term of 12 months, interest is paid monthly, the principal is repaid once on the maturity date. The aforesaid term deposit agreements are used as security assets for overdraft limit agreement No. 01/2019/2356403/HDTG dated October 24, 2019.

(2) Deposits at Vietnam Joint Stock Commercial Bank for Industry and Trade - Thanh An Branch with term of 3 months or more.

**c) Short-term financial investments***Investments into other entities*

	31/12/2019	01/01/2019	Unit : VND
	Historical cost	Provision	Historical cost
Phong Phu Lang Co Investment & Development Joint Stock Company	1,600,000,000	-	1,600,000,000
<b>Total</b>	<b>1,600,000,000</b>	<b>-</b>	<b>1,600,000,000</b>

+ Fair value of these investments is not defined because there is not sufficient necessary information to review

+ As at 31/12/2019, the Company has not obtained Financial Statements of Phong Phu Lang Co Investment & Development Joint Stock Company as a basis to verify whether it is required to make provision (if any) for impairment loss of the investment.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)***(Notes are an integral part of these Consolidated Financial Statements and they shall be read in conjunction with such enclosed Consolidated Financial Statements)***3. Trade accounts receivable**

Unit: VND

	31/12/2019		01/01/2019	
	Amount	Provision	Amount	Provision
<i>Short-term</i>				
Green Urban Investment & Development Joint Stock Company	36,638,133,811	-	3,854,829,336	-
Trang Nguyen Phu Quoc Investment One Member Co., Ltd.	41,075,000,000	(6,796,500,000)	41,775,000,000	(112,500,000)
An Thinh Phat Hotels JSC.	19,228,860,000	(7,120,470,000)	19,228,860,000	-
Thu Hoai Phu Quoc One Member Co., Ltd.	-	-	18,288,400,000	-
Phu Quoc Trading, Services and Construction JSC.	10,823,319,999	-	10,794,960,000	-
Nam Phat Phu Quoc Trading, Services and Construction JSC.	10,774,080,000	-	10,774,080,000	-
An Hung Hotel Investment JSC.	11,347,846,000	(1,115,303,000)	11,347,846,000	-
Others	495,339,079,475	(15,085,649,346)	548,130,567,150	(22,876,948,295)
<b>Total</b>	<b>625,226,319,285</b>	<b>(30,117,922,346)</b>	<b>664,194,542,486</b>	<b>(22,989,448,295)</b>

**4. Advances to suppliers**

Unit: VND

	31/12/2019		01/01/2019	
	Amount	Provision	Amount	Provision
<i>Short-term</i>				
Thang Long Ready-mixed Concrete JSC.	9,501,225,350	-	11,102,248,550	-
Duc Thao Trading and Service Co., Ltd.	12,224,557,380	-	-	-
Me Linh Land resource development center	109,800,000,000	-	-	-
Dong Do Green Star One Member Co., Ltd.	-	-	40,000,000,000	-
Others	42,461,711,338	(381,570,000)	197,352,350,288	(381,570,000)
<b>Total</b>	<b>173,987,494,068</b>	<b>(381,570,000)</b>	<b>248,454,598,838</b>	<b>(381,570,000)</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)***(Notes are an integral part of these Consolidated Financial Statements and they shall be read in conjunction with such enclosed Consolidated Financial Statements)***5. Receivables from loans**

Unit: VND

	31/12/2019		01/01/2019	
	Amount	Provision	Amount	Provision
<i>Short-term</i>				
Nguyen Thi Thu Hang (1)	5,000,000,000	-	25,000,000,000	-
Pham Thi Tinh (1)	20,000,000,000	-	20,000,000,000	-
Dao Thi Bich Viet (1)	70,000,000,000	-	-	-
Others (2)	84,600,000,000	-	41,900,000,000	-
<b>Total</b>	<b>179,600,000,000</b>	<b>-</b>	<b>86,900,000,000</b>	<b>-</b>

(1) Contracts and amendments for loans to individuals under the loan term in 12 months. The loan was made without security asset.

(2) Under loan contracts signed with loan duration of 6 months to 12 months. These loans were made without security asset.

**6. Other receivables**

Unit: VND

	31/12/2019		01/01/2019	
	Amount	Provision	Amount	Provision
<i>a) Short-term</i>	<i>70,034,322,456</i>	<i>(5,100,000,000)</i>	<i>586,908,739,945</i>	-
<b>Advances</b>	<b>15,761,189,787</b>	-	<b>7,064,737,993</b>	-
Dang Van Hao	3,107,603,167	-	4,897,244,237	-
Nguyen Tien Dong	4,310,000,000	-	-	-
Vu Cong Khanh	745,000,000	-	592,228,000	-
Others	7,598,586,620	-	1,575,265,756	-
<b>Mortgages, deposits, collaterals</b>	<b>13,023,468,152</b>	<b>(5,100,000,000)</b>	<b>175,610,847,902</b>	-
BMC Trading, Installation and Construction Material Company (1)	5,100,000,000	(5,100,000,000)	5,100,000,000	-
Vietnam Investment JSC	-	-	170,000,000,000	-
Other deposits, collaterals	7,923,468,152	-	510,847,902	-
<b>Other receivables</b>	<b>41,249,664,517</b>	-	<b>404,233,154,050</b>	-
Receivables as Compensation and Resettlement cost of Urban Area - Duong Bao Tourism - Bai Truong - Phu Quoc Project	-	-	10,610,917,700	-
<i>Huynh Van Thom</i>	-	-	<i>10,000,000,000</i>	-
<i>Nguyen Van Cu - Nguyen Kim Tho</i>	-	-	<i>610,917,700</i>	-

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

(Notes are an integral part of these Consolidated Financial Statements and they shall be read in conjunction with such enclosed Consolidated Financial Statements)

Receivables from business cooperation activities	22,147,411,655	-	372,798,805,681	-
<i>Duc Tri Tin Trading, Services and Investment JSC. (2)</i>	1,526,534,920		26,274,845,011	-
<i>Senreal JSC. (Formerly named as Duc Tri Tin Phu Quoc JSC.) (2)</i>	20,620,876,735	-	346,523,960,670	-
Estimated interest receivable	12,236,461,195	-	7,336,440,151	-
Other receivables	6,865,791,667	-	13,486,990,518	-
<b>b) Long-term</b>	<b>8,806,498,136</b>	<b>(1,347,362,135)</b>	<b>6,669,767,924</b>	<b>(1,347,362,135)</b>
Long-term collaterals, deposits	5,245,766,780	-	3,011,723,300	-
Other receivables	3,560,731,356	(1,347,362,135)	3,658,044,624	(1,347,362,135)
<i>Quoc Oai Land Clearance and Compensation Board</i>	1,692,084,000	-	1,692,084,000	-
<i>Other long-term receivables</i>	1,868,647,356	(1,347,362,135)	1,965,960,624	(1,347,362,135)
<b>Total</b>	<b>78,840,820,592</b>	<b>(6,447,362,135)</b>	<b>593,578,507,869</b>	<b>(1,347,362,135)</b>

(1) A deposit to BMC Trading, Installation and Construction Material Company in security for transfer receipt of 510,000 shares owned by BMC-CEO Investment JSC. Held by BMC Trading, Installation and Construction Material Company under the Memorandum between two parties No. 680/2009/BMC-CEO dated 10/11/2009. The foregoing number of shares will be transferred after BMC Trading, Installation and Construction Material Company transfers the ownership of BMC Thang Long New Urban Area to BMC-CEO Investment JSC.

(2) The balance as at 01/01/2019 is a difference between shared and paid revenue and the actual capital contribution in the revenue-shared business cooperation contract for Sonasea Villas and Resort Tourism Complex to sell apartments and villas in the project. The decrease in the period means a deduction in revenue at the handover and revenue recognition with regard to apartments and villas. The balance as at 31/12/2019 is equal to the deduction in revenue when apartments and villas are handed over to customers and revenue is recognized.

## 7. Inventories

Unit: VND

	31/12/2019		01/01/2019	
	Historical cost	Provision	Historical cost	Provision
Raw material, material	24,760,341,970	-	17,534,373,042	-
Tools, instruments	201,516,968	-	876,116,381	-
Work in progress (*)	972,759,645,971	-	2,225,772,260,237	-
Finished goods	-	-	2,444,000	-
Merchandise inventories	23,838,796,529	-	178,940,166	-
<b>Total</b>	<b>1,021,560,301,438</b>	<b>-</b>	<b>2,244,364,133,826</b>	<b>-</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)

(Notes are an integral part of these Consolidated Financial Statements and they shall be read in conjunction with such enclosed Consolidated Financial Statements)

(\*) Work in progress of Sonasea Villas and Resort Project was mortgaged under the Asset Mortgage Agreement No. 01/2014/3778372/HDTC dated 28/11/2014, Asset Mortgage Agreement No. 01/2016/3778372/HDTC in 2016, amendment No. 01A/2016/3778372/SDBSHDTC dated 4/11/2016 and No. 01B/2016/3778372/SDBSHDTC in March 2017; No. 01C/2017/3778372/SDBSHDTC in April 2017 where the Company pledged to Vietnam Joint Stock Commercial Bank for Investment and Development - Thanh Xuan Branch in terms of rights, ownership and interest of the Company in the project, including land lots SV3+SV4, the Complex area SM8 and sea surface with the area of 58,621.6 m<sup>2</sup> in Sonasea Villas and Resort Complex invested by the Company.

**8. Increases, decreases of finance lease fixed assets**

Items	Machinery, equipment	Unit: VND
		Total
<i>Historical cost</i>		
Balance as at 01/01/2019	10,604,545,454	10,604,545,454
Balance as at 31/12/2019	10,604,545,454	10,604,545,454
<i>Accumulated depreciation</i>		
Balance as at 01/01/2019	2,172,865,451	2,172,865,451
Depreciation in the year	2,144,047,608	2,144,047,608
Balance as at 31/12/2019	4,316,913,059	4,316,913,059
<i>Carrying amount</i>		
As at 01/01/2019	8,431,680,003	8,431,680,003
As at 31/12/2019	6,287,632,395	6,287,632,395

**9. Non-current assets in process**

	31/12/2019	01/01/2019
	VND	VND
<i>Construction in progress</i>		
Utility construction cost in Sonasea Villas & Resort 2 Project (*)	93,507,929,363	25,958,954,554
Sonasea Condotel & Villas Project in Phu Quoc	-	838,956,546,841
Sonasea Van Don Harbor City Complex Project	1,601,019,710,651	271,588,418,019
Green Hotel & Resort Project in Nha Trang	42,844,904,884	27,866,913,696
Other projects	9,875,507,660	2,873,243,257
<b>Total</b>	<b>1,747,248,052,558</b>	<b>1,167,244,076,367</b>

(\*) The construction of utilities under the Resolution No. 02/2018/NQ-HDQT dated 01/03/2018 with the total investment cost of VND 120 billion.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

(Notes are an integral part of these Consolidated Financial Statements and they shall be read in conjunction with such enclosed Consolidated Financial Statements)

**10. Increases, decreases of fixed assets**

Items	Land, building and architectural objects	Machinery, equipment	Transportation means	Managerial equipment, tools	Fixed assets	Unit : VND
						Total
<b>Historical cost</b>						
Balance as at 01/01/2019	1,185,970,371,779	54,799,379,228	52,435,284,140	4,331,033,470	5,315,853,136	1,302,851,921,753
Purchase in the year	1,856,182	21,219,748,493	11,669,854,574	5,080,252,609	1,548,417,182	39,520,129,040
Completed construction	229,335,577,703	-	-	-	-	229,335,577,703
Disposal, transfer	-	(1,363,636,364)	(845,454,544)	-	-	(2,209,090,908)
Other decrease (*)	(19,714,830,637)	-	-	-	-	(19,714,830,637)
Balance as at 31/12/2019	1,395,592,975,027	74,655,491,357	63,259,684,170	9,411,286,079	6,864,270,318	1,549,783,706,951
<b>Accumulated depreciation</b>						
Balance as at 01/01/2019	99,660,046,252	14,280,336,818	18,738,253,060	2,552,251,513	2,611,283,063	137,842,170,706
Depreciation in the year	31,025,806,670	14,157,260,574	11,944,337,289	1,392,578,683	1,024,429,006	59,544,412,222
Disposal, transfer	-	(80,034,213)	(251,332,532)	-	-	(331,366,745)
Other decrease (*)	(742,108,798)	-	-	-	-	(742,108,798)
Balance as at 31/12/2019	129,943,744,124	28,357,563,179	30,431,257,817	3,944,830,196	3,635,712,069	196,313,107,385
<b>Carrying amount</b>						
As at 01/01/2019	1,086,310,325,527	40,519,042,410	33,697,031,080	1,778,781,957	2,704,570,073	1,165,009,751,047
As at 31/12/2019	1,265,649,230,903	46,297,928,178	32,828,426,353	5,466,455,883	3,228,558,249	1,353,470,599,566

(\*) Other decrease includes:

+ A decrease in historical cost of fixed assets is VND 9,381,366,717 and the corresponding accumulated depreciation value is VND 315,469,249 according to the Independent Audit Report No. 804-18/BC-XD/DI-VAE on the final accounts report on the project "Investment in the construction of Sonasea Villas in Sonasea Villas, Resort and Tourism Complex in Phu Quoc, Kien Giang.



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)*(Notes are an integral part of these Consolidated Financial Statements and they shall be read in conjunction with such enclosed Consolidated Financial Statements)***12. Increases, decreases in investment properties**

Items	01/01/2019	Increase in year	Decrease in year	Unit: VND 31/12/2019
<i>Investment properties for lease</i>				
<b>Historical cost</b>	<b>223,859,538,130</b>	<b>786,988,767,347</b>	<b>84,391,082,695</b>	<b>926,457,222,782</b>
- Land use right	3,407,568,000	114,922,058,746	6,191,805,092	112,137,821,654
- Land, building and architectural objects	220,451,970,130	672,066,708,601	78,199,277,603	814,319,401,128
<b>Accumulated depreciation</b>	<b>35,328,641,733</b>	<b>22,854,727,276</b>	-	<b>58,183,369,009</b>
- Land use right	-	2,391,625,525	-	2,391,625,525
- Value of building and land use right	35,328,641,733	20,463,101,751	-	55,791,743,484
<b>Carrying amount</b>	<b>188,530,896,397</b>			<b>868,273,853,773</b>
- Land use right	3,407,568,000			109,746,196,129
- Value of building and land use right	185,123,328,397			758,527,657,644

- The Company has mortgaged the investment properties with carrying amount of VND 139,877,418,866 as at 31/12/2019 (VND 143,267,226,591 as at 31/12/2018) as a security for loans at BIDV - Thanh Xuan branch.

- The Company has mortgaged investment properties of 96 Villas belonging to Sonasea Villas and Resort tourism complex with the carrying value as at 31/12/2019: VND 680,040,502,785 (as at 31/12/2018: VND 0) as a security for the loan under the Principle Credit Contract No. 90/2017-HDCVDADT/NHCT320-PHUQUOC dated August 21<sup>st</sup> 2017 applicable to investment projects

**Fair value of Investment Properties**

Under regulations of Vietnamese Accounting Standard No. 05 - Investment Properties, fair value of the investment property as at 31/12/2019 shall be presented. However the Company has not currently determined this fair value so fair value of the investment property as at 31/12/2019 has not been presented on Notes to Financial Statements. For determination of such fair value, the Company must hire an independent consultant to assess the fair value of such investment property. At present, the Company has not found a suitable consultant for performance of this work.

**13. Prepaid expenses**

	31/12/2019 VND	01/01/2019 VND
<b>a) Short-term</b>	<b>19,239,830,405</b>	<b>17,874,528,355</b>
Issued tools and instruments awaiting for allocation	14,680,258,653	6,493,313,256
Insurance cost awaiting for allocation	258,590,465	102,969,604
Office rent expense	442,757,734	570,075,451
Project expenses awaiting for allocation	787,500,000	10,547,026,889
Expenses awaiting for allocation	3,070,723,553	161,143,155
<b>b) Long-term</b>	<b>116,761,554,710</b>	<b>194,433,701,431</b>
Issued tools and instruments awaiting for allocation	61,476,566,961	28,292,196,969
Prepaid office rental	27,392,010,526	33,437,044,832
Project expenses awaiting for allocation	4,378,619,009	108,718,655,315
Royalty for Best Western International (*)	1,712,508,128	2,781,777,778

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)***(Notes are an integral part of these Consolidated Financial Statements and they shall be read in conjunction with such enclosed Consolidated Financial Statements)*

Goodwill awaiting for allocation	12,650,275,273	13,033,294,664
Other expenses awaiting for allocation	9,151,574,813	8,170,731,873
<b>Total</b>	<b>136,001,385,115</b>	<b>212,308,229,786</b>

(\*) Royalty for Best Western International is a cost which is capitalized for Sonasea Condotel &amp; Villas Project.

**14. Trade payables**

	Unit: VND			
	31/12/2019		01/01/2019	
	Historical cost	Amount payable	Historical cost	Amount payable
<i>Short-term</i>				
Duc Thao Trading and Service Co., Ltd.	-	-	30,790,735,350	30,790,735,350
Green Urban Investment & Development Joint Stock Company	34,130,886,229	34,130,886,229	-	-
Mai Quang Construction Co., Ltd. - Phu Quoc Branch	9,442,892,564	9,442,892,564	34,630,581,261	34,630,581,261
Bao Viet Investment One Member Company Limited	15,000,000,000	15,000,000,000	-	-
Vietnam Investment JSC	24,500,000,000	24,500,000,000	-	-
Nem Furniture Co., Ltd.	36,894,271,774	36,894,271,774	7,301,272,311	7,301,272,311
Hoa Binh Construction Group JSC.	47,396,583,460	47,396,583,460	69,982,681,125	69,982,681,125
Mai Quang Construction Co., Ltd.	49,871,302,378	49,871,302,378	712,792,492	712,792,492
Others	293,890,879,876	293,890,879,876	323,996,573,551	323,996,573,551
<b>Total</b>	<b>511,126,816,281</b>	<b>511,126,816,281</b>	<b>467,414,636,090</b>	<b>467,414,636,090</b>

**15. Prepayments from customers**

	31/12/2019	01/01/2019
	VND	VND
<i>Short-term</i>		
Senreal JSC. (Formerly named as Duc Tri Tin Phu Quoc JSC.)	1,861,184,244	22,114,984,852
Nguyen Kim Lien	2,296,245,684	20,715,458,961
Viet Nam Green Energy JSC.	1,119,576,158	20,922,554,735
Pham Thi Thien	27,584,418,731	33,870,885,272
Khuong Tien Hung	1,247,513,891	23,656,004,454
Le Duy Hieu	1,978,243,794	17,048,545,622
Le Van Minh	1,568,470,796	34,355,040,903
Truong Van Quang and Pham Thi Thanh Kieu	941,001,859	17,642,681,795

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)*(Notes are an integral part of these Consolidated Financial Statements and they shall be read in conjunction with such enclosed Consolidated Financial Statements)*

Others	235,312,208,059	2,783,010,028,242
<b>Total</b>	<b>273,908,863,216</b>	<b>2,973,336,184,836</b>
<b>16. Taxes and payables to the State budget</b>		
	<b>31/12/2019</b>	<b>01/01/2019</b>
	<b>VND</b>	<b>VND</b>
<b>a) Payables</b>		
Output VAT	23,952,510,021	17,200,377,931
Special consumption tax	352,962,871	205,356,739
Corporate income tax	122,197,328,044	69,608,270,345
Personal income tax	12,262,653,825	6,292,649,541
FCT	4,408,571,205	-
Land and housing tax, and rental charges	189,812,221,428	2
Other taxes	96,627,628	2,605,544,200
<b>Total</b>	<b>353,082,875,022</b>	<b>95,912,198,758</b>
<b>b) Receivables</b>		
Corporate income tax	28,464,333	9,677,156,999
<b>Total</b>	<b>28,464,333</b>	<b>9,677,156,999</b>
<b>17. Accrued expenses</b>		
	<b>31/12/2019</b>	<b>01/01/2019</b>
	<b>VND</b>	<b>VND</b>
<b>a) Short-term</b>	<b>184,208,912,880</b>	<b>207,783,272,904</b>
Accrued expenses of Chi Dong project	14,848,551,400	14,848,551,400
Accrued interest expenses	14,236,233,553	16,425,951,729
Accrued cost of real estate business	106,184,452,533	134,161,740,232
Expenses payable to Novotel Hotel	10,963,906,475	10,241,598,160
Business cooperation expense	17,291,718,270	-
Profit payable for villa lease contracts	16,287,987,252	29,472,966,351
Other accrued expenses	4,396,063,397	2,632,465,032
<b>b) Long-term</b>	<b>167,619,871,323</b>	<b>75,723,565,512</b>
Land rental for Sonasea Resort Project (*)	75,723,565,512	75,723,565,512
Accrued expenses for infrastructure, construction and equipment	80,049,491,497	-
Accrued interest expenses	11,846,814,314	-
<b>Total</b>	<b>351,828,784,203</b>	<b>283,506,838,416</b>

(\*) Land rental cost for Sonasea resort Project was accrued on the basis of the land rental agreement No. 01/HDTD dated 30/01/2015 and 05/HDTD dated 07/07/2015 between Phu Quoc Island Development and Investment Management Unit and Phu Quoc Investment and Development JSC. with land rental duration in 50 years (from 25/12/2012 to 25/12/2062), land rental is exempted in the first 15 years. Land rental is estimated by square meter to be used for technical infrastructure multiplied by unit price as prescribed in the Agreement and adjusted by 10% every 5 years for price escalation within the remaining 35 years.

**C.E.O GROUP JOINT STOCK COMPANY**

Address: 5<sup>th</sup> Floor, CEO tower, HH2-1, Me Tri Ha New Urban Area, Nam Tu Liem district, Hanoi.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

(Notes are an integral part of these Consolidated Financial Statements and they shall be read in conjunction with such enclosed Consolidated Financial Statements)

**18. Goodwill**

Items	Phu Quoc Investment & Development Joint Stock Company	C.E.O International Limited Liability Company	BMC - CEO Investment Joint Stock Company	C.E.O Travel JSC.,	Phu Quoc Investment & Development Joint Stock Company	Bai Truong Vietnam Investment & Development Co., Ltd.	Nha Trang Investment & Development JSC.	Unit : VND	
								Total	Total
<i>Historical cost</i>									
Balance as at 01/01/2019	90,029,000,000	3,919,980,000	13,683,536,032	44,622,197	127,838,439,012	-	45,859,856,714	281,375,433,955	
Increase in year	-	-	-	-	-	245,000,000,000	-	245,000,000,000	
Balance as at 31/12/2019	90,029,000,000	3,919,980,000	13,683,536,032	44,622,197	127,838,439,012	245,000,000,000	45,859,856,714	526,375,433,955	
<i>Accumulated allocation</i>									
Balance as at 01/01/2019	67,536,571,434	2,743,986,000	10,946,828,827	44,622,197	27,698,328,452	-	4,585,709,040	113,556,045,950	
Allocation in the year	11,243,223,945	391,998,000	2,736,707,205	-	12,783,843,900	3,289,041,096	4,585,709,040	35,030,523,186	
Balance as at 31/12/2019	78,779,795,379	3,135,984,000	13,683,536,032	44,622,197	40,482,172,352	3,289,041,096	9,171,418,080	148,586,569,136	
<i>Carrying amount</i>									
As at 01/01/2019	22,492,428,566	1,175,994,000	2,736,707,205	-	100,140,110,560	-	41,274,147,674	167,819,388,005	
As at 31/12/2019	11,249,204,621	783,996,000	-	-	87,356,266,660	241,710,958,904	36,688,438,634	377,788,864,819	

**C.E.O GROUP JOINT STOCK COMPANY**Address: 5<sup>th</sup> Floor, CEO tower, HH2-1, Me Tri Ha New Urban Area, Nam Tu Liem district, Hanoi.**CONSOLIDATED FINANCIAL STATEMENTS**  
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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

(Notes are an integral part of these Consolidated Financial Statements and they shall be read in conjunction with such enclosed Consolidated Financial Statements)

**19. Loans and obligations under finance lease.**

Unit : VND

	31/12/2019		In the year		01/01/2019	
	Amount	Amount payable	Increase	Decrease	Amount	Amount payable
<b>a) Short-term loans and obligations under finance lease</b>	<b>1,069,694,661,051</b>	<b>1,069,694,661,051</b>	<b>3,680,539,462,374</b>	<b>3,580,778,572,541</b>	<b>969,933,771,218</b>	<b>969,933,771,218</b>
<b>Short-term borrowing</b>	<b>705,768,790,321</b>	<b>705,768,790,321</b>	<b>3,187,947,651,023</b>	<b>3,255,087,423,878</b>	<b>772,908,563,176</b>	<b>772,908,563,176</b>
Joint Stock Commercial Bank for Investment and Development of Vietnam - Thanh Xuan Branch (1)	705,768,790,321	705,768,790,321	2,896,144,854,105	2,705,578,783,308	515,202,719,524	515,202,719,524
Loans from others (2)	-	-	291,802,796,918	549,508,640,570	257,705,843,652	257,705,843,652
<b>Long-term loans on due date</b>	<b>361,592,870,738</b>	<b>361,592,870,738</b>	<b>490,258,811,359</b>	<b>323,358,148,671</b>	<b>194,692,208,050</b>	<b>194,692,208,050</b>
Joint Stock Commercial Bank for Investment and Development of Vietnam - Thanh Xuan Branch (3)	241,592,870,738	241,592,870,738	370,258,811,359	323,358,148,671	194,692,208,050	194,692,208,050
Vietnam Joint Stock Commercial Bank for Industry and Trade - Thanh An Branch (5)	120,000,000,000	120,000,000,000	120,000,000,000	-	-	-
<b>Loans and obligations under finance</b>	<b>2,332,999,992</b>	<b>2,332,999,992</b>	<b>2,332,999,992</b>	<b>2,332,999,992</b>	<b>2,332,999,992</b>	<b>2,332,999,992</b>
Chailease International Leasing Co., Ltd. - Hanoi Branch (4)	2,332,999,992	2,332,999,992	2,332,999,992	2,332,999,992	2,332,999,992	2,332,999,992
<b>b) Long-term loans and obligations under finance lease</b>	<b>1,270,061,713,971</b>	<b>1,270,061,713,971</b>	<b>911,137,802,125</b>	<b>369,311,094,980</b>	<b>728,235,006,826</b>	<b>728,235,006,826</b>
<b>Long-term loans</b>	<b>1,267,923,130,625</b>	<b>1,267,923,130,625</b>	<b>911,137,802,125</b>	<b>366,978,094,988</b>	<b>723,763,423,488</b>	<b>723,763,423,488</b>
Joint Stock Commercial Bank for Investment and Development of Vietnam - Thanh Xuan Branch (3)	790,847,578,579	790,847,578,579	463,935,314,055	232,932,094,988	559,844,359,512	559,844,359,512

**C.E.O GROUP JOINT STOCK COMPANY**

Address: 5<sup>th</sup> Floor, CEO tower, HH2-1, Me Tri Ha New Urban Area, Nam Tu Liem district, Hanoi.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

(Notes are an integral part of these Consolidated Financial Statements and they shall be read in conjunction with such enclosed Consolidated Financial Statements)

Vietnam Joint Stock Commercial Bank for Industry and Trade - Thanh An Branch (5)	368,055,432,046	368,055,432,046	352,502,488,070	130,000,000,000	145,552,943,976	145,552,943,976
Borrowing from individuals (6)	109,020,120,000	109,020,120,000	94,700,000,000	4,046,000,000	18,366,120,000	18,366,120,000
<b>Long-term loans and obligations under finance lease</b>	<b>2,138,583,346</b>	<b>2,138,583,346</b>	-	<b>2,332,999,992</b>	<b>4,471,583,338</b>	<b>4,471,583,338</b>
Chailease International Leasing Co., Ltd. - Hanoi Branch (4)	2,138,583,346	2,138,583,346	-	2,332,999,992	4,471,583,338	4,471,583,338
<b>Total</b>	<b>2,339,756,375,022</b>	<b>2,339,756,375,022</b>	<b>4,591,677,264,499</b>	<b>3,950,089,667,521</b>	<b>1,698,168,778,044</b>	<b>1,698,168,778,044</b>

**c) Finance lease debts**

Term	The year 2019		The year 2018	
	Total amount paid for finance lease	Interest paid	Principal paid	Total amount paid for finance lease
One year or less	-	-	-	-
From 1 year to 5 years	2,821,376,278	488,376,286	488,376,286	3,188,203,931
More than 5 years	-	-	-	-
				680,228,927
				2,507,975,004

**d) Detailed notes to borrowings**

(1) Loans from BIDV - Thanh Xuan branch under the specific following contracts:

- Bank overdraft limit agreement No. 02/2019/2356339/HDTG dated 30/08/2019. Maximum overdraft amounts to VND 144.9 billion. The overdraft limit takes effect from the agreement date to 27/08/2020. The loan is made to supplement working capital for business operations. The loan is secured under the asset security agreement No. 02/2019/2356339/HDBD dated 30/08/2019. Mortgage asset includes the Deposit Agreement No. 453/2019/HDTG.TX-CEO dated 27/08/2019 with the amount of VND 145 billion.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)

(Notes are an integral part of these Consolidated Financial Statements and they shall be read in conjunction with such enclosed Consolidated Financial Statements)

- Credit limit agreement No. 04/2019/4350191/HDTD dated 09/05/2019 with Vietnam Joint Stock Commercial Bank for Investment and Development - Thanh Xuan Branch. The total regular credit limit with the maximum amount of VND 150 billion is accepted in both VND and foreign currencies. The aforesaid credit limit includes all short-term loan balances, guarantee balances transferred from specific credit agreements, specific guarantee contracts under Credit Limit Agreement No. 02/2018/4350191/HDTD dated 28/4/2018. The credit is for the purpose of supplementing working capital, payment guarantee, opening L/C after deduction of the collateral. Credit limit duration is within 12 months from the contract signing date. Loan term and interest rate are specified in each specific credit agreement. Security assets are properties being financed by the previous loans.

- Credit limit agreement No. 01/2018/7761587/HDTD dated 15/06/2018 with Vietnam Joint Stock Commercial Bank for Investment and Development - Thanh Xuan Branch. The loan has a maximum facility of VND150 billion, the loan term and interest rate are specified in each specific disbursement. The loan was made to supplement working capital, for guarantee and LC opening. The Company used the assets owned by a third party for security of such loans.

- Bank overdraft limit agreement No. 01/2019/2356403/HDTC dated 24/10/2019. Total overdraft limit is VND 244.9 billion. Bank overdraft term expires on 24/10/2020. The borrowing is made to supplement working capital for operating activities. Mortgage asset includes the Term Deposit Agreement with the amount of VND 245 billion.

- A loan under bank overdraft agreement No. 01/2019/9988799/HDTC dated 16/01/2019 with Vietnam Joint Stock Commercial Bank for Investment and Development - Thanh Xuan Branch. The borrowing is made to supplement working capital for operating activities. Mortgage asset includes the Deposit Agreement No. 294/2018/HDTG.TX dated 02/07/2018 with the amount of VND 33 billion. The overdraft limit takes effect from the agreement date to 02/07/2019.

- A loan under Overdraft agreement No. 02/2019/9079754/HDTC dated 21/08/2019 with overdraft limit of VND 279.5 billion at maximum, the overdraft limit is valid from the agreement signature date until the end of 19/08/2020. The loan is made to supplement working capital for business operations. As the form of loan guarantee the borrower will use the revenue from production and business activities of the borrower to ensure the obligation to pay overdrafts at the Bank. The Borrower had pledged deposit agreements No. 428/2019/HDTG.TX dated 19/08/2019, No. 429/2019/HDTG.TX dated 19/08/2019, No. 430/2019/HDTG.TX dated 19/08/2019, No. 431/2019/HDTG.TX dated 19/08/2019, No. 432/2019/HDTG.TX dated 19/08/2019 issued by BIDV - Thanh Xuan branch with total value of VND 280 billion.

- The loan was made under the bank overdraft limit agreement No. 01/2019/10985740/HDTC dated 21/10/2019; with the limit of VND 49.9 billion; the overdraft limit will expire on 17/09/2020; the loan is made for purpose of supplementing working capital for business operations. Mortgage asset includes the Deposit Agreement No. 494/2019/HDTG.TX-CEONT dated 17/09/2019.

(2) Short-term loan from individuals within less than 12 months, for business operations. As at 31/12/2019, the loan was settled.

(3) Long-term loans from Vietnam Joint Stock Commercial Bank for Investment and Development - Thanh Xuan Branch under the specific loan contracts. Loan was made with the security asset funded by the project loans under future asset mortgage contracts.

(4) Loan under finance lease with Chailase International Leasing Co., Ltd. - Hanoi branch under the finance lease contract No. B171216213 dated 19/12/2017; lease assets include machines, equipment or other assets with their accessories, parts, spare parts as well as user manual agreed by lessor and lessee. Leased assets are used for the operations of the lessee; lease term is within 48 months, applicable rate is the floating one.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)

(Notes are an integral part of these Consolidated Financial Statements and they shall be read in conjunction with such enclosed Consolidated Financial Statements)

(5) Long-term borrowing from Vietnam Joint Stock Commercial Bank for Industry and Trade - Thanh An Branch under the Principle Credit Contract for loans of investment project No. 90/2017-HDCVDADT/NHCT320-PHUQUOC dated 21/08/2017, credit limit of VND 875 billion and no more than 62.5% of the actual total investment cost of Sonasea Condotel & Villa Project; interest rate is specified at the time of principal disbursement in the Notice of loan interest by the Bank in each period and clearly stated on each Loan Certificate; loan is made for purpose of paying eligible and legal investment costs of Sonasea Condotel & Villa Project. Security assets include:

- Land use right under the Land use right certificate No. CE976110 issued by Kien Giang Department of Natural Resources and Environment on 25/01/2017, application for change in land use right dated 06/06/2017 to the Borrower for the land lot 607, map No. 53 at Duong Bao village, Duong To Commune, Phu Quoc district, Kien Giang Province, with the area of 34,806.6m<sup>2</sup>.

- All the assets on the land which were and will be formed in the future in Sonasea Condotel & Villa Project and attached to the Land Use Right in the Certificate of Land Use Right No. CE 976110. And the right to receivables from all the Sales agreements for apartments and villas in the Project.

- Assets are movable properties created by the Project (including but not limited to equipment, machines, interior furniture, tools and equipment, transportation means, etc.)

(6) Long-term loans from individuals under loan contracts within more than 12 months for the purpose of operating activities.

**20. Unrealized revenue**

	31/12/2019 VND	01/01/2019 VND
<b>a) Short-term</b>	<b>5,485,188,393</b>	<b>14,260,454,995</b>
Unrealized revenue from leases of CEO Tower	4,138,052,034	14,233,182,268
Advance for apartment service charges	1,347,136,359	-
Other unrealized revenue	-	27,272,727
<b>b) Long-term</b>	<b>254,158,136,498</b>	<b>158,403,996,748</b>
Unrealized revenue from leases of CEO Tower	82,257,548,858	85,522,603,210
Advance for apartment service charges	97,586,515,207	-
Advances of fees for using utilities in Sonasea Villas and Resort Project	74,314,072,433	72,881,393,538
<b>Total</b>	<b>259,643,324,891</b>	<b>172,664,451,743</b>

**21. Other payables**

	31/12/2019 VND	01/01/2019 VND
<b>a) Short-term</b>	<b>152,444,436,370</b>	<b>125,284,221,920</b>
Trade Union Fee, Social Insurance, Health Insurance, Accident Insurance payables	5,015,096,880	2,173,980,546
Long-term collaterals, deposits received	28,163,305,334	13,892,065,680
Dividends payable	20,598,973,885	58,096,919,758
Other payables	98,667,060,271	51,121,255,936
Gold Island Real Estate Services Co., Ltd. (1)	12,936,582,104	4,120,182,831
Income pledged to be repaid to customers under the management contract for apartment leasing (2)	37,113,403,792	-

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)***(Notes are an integral part of these Consolidated Financial Statements and they shall be read in conjunction with such enclosed Consolidated Financial Statements)*

<i>Contingency and maintenance cost for common area received from customers who bought apartments (2% selling price of the resort apartments)</i>	21,635,271,020	-
<i>Land acquisition paid by Phong Phu Investment and Development JSC. on behalf of the Company</i>	13,069,738,326	13,069,738,326
<i>Senreal JSC. (Formerly named as Duc Tri Tin Phu Quoc JSC.)</i>	3,383,281,000	3,383,281,000
<i>Quoc Oai Taxation Department</i>	-	19,277,754,416
<i>Other payables</i>	10,528,784,029	11,270,299,363
<b>b) Long-term</b>	<b>15,352,572,723</b>	<b>16,774,558,738</b>
Long-term collaterals, deposits received	4,436,428,641	6,917,046,962
Other payables	10,916,144,082	9,857,511,776
<i>Maintenance cost for Chi Dong project</i>	<i>1,321,506,153</i>	<i>1,321,506,153</i>
<i>Maintenance cost for social house project</i>	<i>3,080,936,427</i>	<i>2,757,953,110</i>
<i>Payable to Senreal JSC. (Formerly named as Duc Tri Tin Phu Quoc JSC.)</i>	<i>5,000,000,000</i>	<i>5,000,000,000</i>
(3)		
<i>Others</i>	<i>1,513,701,502</i>	<i>778,052,513</i>
<b>Total</b>	<b>167,797,009,093</b>	<b>142,058,780,658</b>

(1) A contribution for investment under the business cooperation contract No. 706/HDHTDT/C.E.O-GIS dated July 06th 2015 which shares the revenue from Sonasea Villas & Resort Complex in Bai Truong, Duong To Commune, Phu Quoc district, Kien Giang province for sales of villas for resort in Sonasea Villas and Resort Project. Accordingly, Gold Island Real Estate Services Co., Ltd. contributed a capital into the Company to invest in the infrastructure on land lots, total contribution amounts to VND 126,745,200,000.

Balance as at 31/12/2019 is the difference between shared revenue paid under business cooperation contracts for Gold Island Real Estate Services Co., Ltd. with the actual capital contribution and reduction in revenue at sales of apartments and villas upon handover and revenue recognition.

(2) Rental of a resort apartment payable to customers under contracts for resort apartment rental management signed between Phu Kien Phu Quoc One Member Co., Ltd. and lessors under 10-year rental management schedule. Where, Phu Kien Phu Quoc One Member Co., Ltd. shall pay a pledged income at 10% selling price of a resort apartment per year which the lessors actually paid to Phu Kien Phu Quoc One Member Co., Ltd. at specific points of time every 6 months.

(3) Payables under Business cooperation contract of revenue share No. 686/2017/HDHTDT-CEODN-DTTPQ dated 15/7/2017 and Appendix to the Contract dated 01/12/2017.

**22. Owner's equity****a) Notes to changes in Owner's equity**

Items	Owner's contributed capital	Retained earnings	Unit: VND Total
<b>Balance as at 01/01/2018</b>	<b>1,544,039,910,000</b>	<b>209,826,641,735</b>	<b>1,753,866,551,735</b>
- Profit this year	-	223,231,507,253	223,231,507,253
- Non-controlling minority interest on purchase date	-	11,287,674	11,287,674
- Shared dividends	-	(154,403,991,000)	(154,403,991,000)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)

(Notes are an integral part of these Consolidated Financial Statements and they shall be read in conjunction with such enclosed Consolidated Financial Statements)

- Payment from Development and investment fund	-	(26,312,392,643)	(26,312,392,643)
- Welfare and bonus fund for Board of Management	-	(24,760,393,491)	(24,760,393,491)
- Other decrease	-	(668,521,278)	(668,521,278)
<b>Balance as at 31/12/2018</b>	<b>1,544,039,910,000</b>	<b>226,924,138,250</b>	<b>1,770,964,048,250</b>
- Capital increase this year (i)	1,029,359,940,000	-	1,029,359,940,000
- Profit this year	-	447,910,116,342	447,910,116,342
- Shared dividends	-	(154,403,991,000)	(154,403,991,000)
- Payment from Development and investment fund	-	(32,977,217,583)	(32,977,217,583)
- Welfare and bonus fund for Board of Management	-	(41,121,363,217)	(41,121,363,217)
- Other decrease (ii)	-	(187,722,229,678)	(187,722,229,678)
<b>Balance as at 31/12/2019</b>	<b>2,573,399,850,000</b>	<b>258,609,453,114</b>	<b>2,832,009,303,114</b>

(i) The company has completed the procedures to increase capital in accordance with the current regulations and laws, and the plan for capital increase approved by 2019 Annual General Meeting in the AGM Resolution No. 01/2019/NQ-DHDCD dated March 15, 2019. In particular, the AGM approved the plan of share issue to increase charter capital from VND 1,544,039,910,000 up to VND 2,573,399,850,000 and approved the plan of share issue to increase charter capital.

According to the detailed plan for the use of capital raised from the share issue with the amount of VND 1,029,359,940,000 in Resolution No. 11/2019/NQ-HDQT dated March 27, 2019 by the Board of Directors, out of the total capital proceeds VND 484,170,000,000 will be contributed to Subsidiaries (where, VND 20,400,000,000 contributed to C.E.O Construction Joint Stock Company, VND 292,500,000,000 to Van Don Tourism Investment & Development Joint Stock Company, and VND 171,270,000,000 to Nha Trang Investment & Development JSC.), VND 450,000,000,000 was invested into River Silk Project phase IV + V + VI, and the additional working capital is VND 95,189,940,000.

In accordance with the Resolution No. 24/2019/NQ-HDQT dated September 17, 2019 of the Board of Directors adjusting the detailed plan for the use of capital raised from the share issue, the capital contribution to subsidiaries amounted to VND 876,870,000,000 out of the total proceeds (where VND 20,400,000,000 was contributed to C.E.O Construction Joint Stock Company, VND 405,000,000,000 to Van Don Tourism Investment & Development Joint Stock Company, VND 171,270,000,000 to Nha Trang Investment & Development JSC., VND 270,000,000,000 to C.E.O International Limited Liability Company and VND 10,200,000,000 to C.E.O Service Development Joint Stock Company), VND 57,300,000,000 was invested into River Silk Project phase IV + V + VI, and the additional working capital is VND 95,189,940,000.

The company utilized the capital from the issuance according to the above adjusted resolution.

(ii) The total of other decrease includes the difference between the cost of the additional purchase of investment and the net book value of asset as the additional purchase of shares of Nha Trang Investment & Development JSC. with the value of VND 103,780,678,988 and shares of Van Don Tourism Investment & Development Joint Stock Company with the value of VND 82,926,686,018.

**b) Details of owner's equity contribution**

	31/12/2019 VND	01/01/2019 VND
Contribution from shareholders	2,573,399,850,000	1,544,039,910,000
<b>Total</b>	<b>2,573,399,850,000</b>	<b>1,544,039,910,000</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)

(Notes are an integral part of these Consolidated Financial Statements and they shall be read in conjunction with such enclosed Consolidated Financial Statements)

**c) Capital transactions with owners, dividend distribution and shared profit**

	The year 2019	The year 2018
	VND	VND
<b>Owners' contributed capital</b>	<b>2,573,399,850,000</b>	<b>1,544,039,910,000</b>
Contribution at the year beginning	1,544,039,910,000	1,544,039,910,000
Contribution increase in year	1,029,359,940,000	-
Contribution at the year end	2,573,399,850,000	1,544,039,910,000
<b>Paid dividend, shared profit</b>	<b>154,403,991,000</b>	<b>154,403,991,000</b>

**d) Shares**

	31/12/2019	01/01/2019
	Shares	Shares
Number of shares registered for issue	257,339,985	154,403,991
Number of shares sold to the public	257,339,985	154,403,991
- Ordinary shares	257,339,985	154,403,991
Number of outstanding shares	257,339,985	154,403,991
- Ordinary shares	257,339,985	154,403,991
Par value of outstanding shares: VND10,000 per share		

**e) Funds of the Company**

	01/01/2019	Increase	Decrease	Unit : VND 31/12/2019
Development and investment fund	120,119,472,243	32,977,217,583	3,156,542,739	149,940,147,087
<b>Total</b>	<b>120,119,472,243</b>	<b>32,977,217,583</b>	<b>3,156,542,739</b>	<b>149,940,147,087</b>

**23. Off the Consolidated balance sheet items**

<b>Foreign currencies of all types</b>	<b>31/12/2019</b>	<b>01/01/2019</b>
USD	110,761.56	150,471.36
EUR	38,615.41	4,545.38

**VI. Additional information for items presented in the Consolidated Income Statement****1. Total revenue from sales and services**

	The year 2019	The year 2018
	VND	VND
<b>Revenue</b>		
Revenue from services rendered	613,188,332,722	546,965,831,628
Revenue from real estate business	3,816,682,319,368	1,619,410,799,909
Revenue from trading business	120,611,583,883	79,861,323,721
<b>Total</b>	<b>4,550,482,235,973</b>	<b>2,246,237,955,258</b>

**2. Revenue deductions**

	The year 2019	The year 2018
	VND	VND
Sales returns	427,324,660	-
<b>Total</b>	<b>427,324,660</b>	<b>-</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)*(Notes are an integral part of these Consolidated Financial Statements and they shall be read in conjunction with such enclosed Consolidated Financial Statements)***3. Cost of goods sold**

	The year 2019	The year 2018
	VND	VND
Cost of goods sold, services rendered	374,295,660,534	344,070,705,131
Cost of real estate business	2,617,951,391,759	967,614,926,847
Cost of trading business	118,384,468,309	79,275,154,541
<b>Total</b>	<b>3,110,631,520,602</b>	<b>1,390,960,786,519</b>

**4. Financial income**

	The year 2019	The year 2018
	VND	VND
Bank and loans interest	70,266,204,881	75,042,500,470
Gain from exchange rate difference due to revaluation at the year end	-	110,222,244
Exchange rate difference in the year	567,282,214	1,772,413,802
Other financial income	1,060,441,966	58,437,377
<b>Total</b>	<b>71,893,929,061</b>	<b>76,983,573,893</b>

**5. Financial expenses**

	The year 2019	The year 2018
	VND	VND
Interest expense	147,075,524,450	117,857,666,994
Reversal of provision made for devaluation of investment	(24,400,000)	-
Settlement discount	12,054,076,262	22,024,029,437
Loss from exchange rate difference incurred in the year	129,793,805	165,265,145
Loss from exchange rate difference due to re-translation at the year end	1,540,440	47,912,629
Other financial expenses	198,249,137	94,999,846
<b>Total</b>	<b>159,434,784,094</b>	<b>140,189,874,051</b>

**6. Other income**

	The year 2019	The year 2018
	VND	VND
Income from land acquisition	-	23,486,544,000
Income from compensation for breach in communication activities	-	400,000,000
AR/AP treatment for unknown customers/suppliers	-	4,438,016,516
Income from lease of assets	-	60,834,829
Income from fines for breach of contract	10,839,809,393	19,318,394,889
Reversal of provision for work warranty	-	622,203,850
Other income	373,775,569	612,986,372
<b>Total</b>	<b>11,213,584,962</b>	<b>48,938,980,456</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)***(Notes are an integral part of these Consolidated Financial Statements and they shall be read in conjunction with such enclosed Consolidated Financial Statements)***7. Other expenses**

	The year 2019	The year 2018
	VND	VND
Fine for late tax payment	11,568,795,918	29,231,675,580
Cost of fixed asset disposal	-	55,278,433
AR/AP treatment for unknown customers/suppliers	-	4,004,039,598
Depreciation of assets for lease	-	776,615,543
VAT on revenue of the past tax refund period	-	305,202,872
Payment for donation	-	588,000,000
Carrying value of disposed fixed assets	9,906,824,371	-
Tax claw-back	1,178,656,851	-
Other expenses	1,375,283,835	675,566,678
<b>Total</b>	<b>24,029,560,975</b>	<b>35,636,378,704</b>

**8. Selling expenses and general administration expenses**

	The year 2019	The year 2018
	VND	VND
<b>a) Selling expenses incurred in the year</b>	<b>210,210,242,008</b>	<b>60,902,502,572</b>
Sales staff	13,735,946,845	10,004,502,024
Tools, requisites	127,969,174	147,968,635
Depreciation of fixed assets	195,109,092	195,109,092
External services expenses	177,585,933,432	38,385,273,775
Others in cash	18,565,283,465	12,169,649,046
<b>b) General administration expenses incurred in the year</b>	<b>314,672,430,052</b>	<b>276,841,590,672</b>
Staff expenses	120,193,635,721	75,939,767,752
Office supply expenses	71,888,994	1,689,719,737
Office equipment expenses	4,195,774,238	3,062,909,076
Fixed asset depreciation	14,769,416,492	5,484,842,464
Taxes, fees and charges	991,236,188	652,337,528
Provision expenses	38,154,776,572	45,823,787,443
External services	60,790,489,899	78,788,354,898
Other expenses in cash	40,474,688,762	33,655,399,338
Allocated goodwill	35,030,523,186	31,744,472,436
<b>c) Deduction from general administration expenses</b>	<b>(20,174,671,994)</b>	<b>(35,212,334,882)</b>
Reversal of provisions for accounts receivables	(20,174,671,994)	(34,638,171,365)
Reversal of provision for salary fund	-	(574,163,517)
<b>Total</b>	<b>504,708,000,066</b>	<b>302,531,758,362</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)*(Notes are an integral part of these Consolidated Financial Statements and they shall be read in conjunction with such enclosed Consolidated Financial Statements)***9. Current corporate income tax expense**

	The year 2019 VND	The year 2018 VND
Corporate income tax expense calculated on current taxable income	217,528,675,318	135,310,062,050
<b>Total</b>	<b>217,528,675,318</b>	<b>135,310,062,050</b>

**10. Deferred corporate income tax expense**

	The year 2019 VND	The year 2018 VND
Deferred CIT expense from taxable temporary difference	9,023,470,199	(4,545,878,055)
<b>Total deferred corporate income tax expense</b>	<b>9,023,470,199</b>	<b>(4,545,878,055)</b>

**11. Basic earning per share**

	The year 2019 VND	The year 2018 VND
Accounting profit after corporate income tax	447,910,116,342	223,231,507,253
Adjustments of increase or decrease in accounting profit to determine profit or loss allocating to shareholders holding common shares:	(44,791,011,635)	(22,323,150,725)
Adjustments of decrease (*)	(44,791,011,635)	(22,323,150,725)
- Welfare and bonus fund	(26,874,606,981)	(13,393,890,435)
- Welfare and bonus fund for Board of Management	(17,916,404,654)	(8,929,260,290)
Profit or loss allocating shareholders holding common shares	403,119,104,707	200,908,356,528
Average outstanding common shares in the period	195,578,389	154,403,991
Basic earning per share (**)	2,061.16	1,301.19

(\*) Welfare and bonus fund for the fiscal year 2019 was temporarily made by the Company at the rate of 6% on profit after tax and Welfare and bonus fund for Board of Management was made at 4% on profit after tax in accordance with the Resolution in the year 2019 General Annual Meeting dated March 15, 2019.

(\*\*) The Company applied retrospective adjustment the Basic earning per share due to the impact of Welfare and bonus fund and bonus fund for Board of Management under the AGM Resolution for the fiscal year 2019 on March 15, 2019 as follows:

	The year 2018		
	Figures before adjustment	Adjustments	Figures after adjustment
	VND	VND	VND
Accounting profit after CIT	223,231,507,253	-	223,231,507,253
Adjustments of increase or decrease in accounting profit to determine profit or loss allocating to shareholders holding common shares:	(11,161,575,363)	(11,161,575,362)	(22,323,150,725)

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)*(Notes are an integral part of these Consolidated Financial Statements and they shall be read in conjunction with such enclosed Consolidated Financial Statements)*

Adjustments of decrease	(11,161,575,363)	(11,161,575,362)	(22,323,150,725)
- Welfare and bonus fund	(6,696,945,218)	(6,696,945,217)	(13,393,890,435)
- Welfare and bonus fund for Board of Management	(4,464,630,145)	(4,464,630,145)	(8,929,260,290)
Profit or loss allocating shareholders holding common shares	212,069,931,890	(11,161,575,362)	200,908,356,528
Average outstanding common shares in the period	154,403,991	-	154,403,991
Basic earning per share	1,373.47		1,301.19

**VII. Additional information for items presented in the Consolidated Cash Flow Statement**

	The year 2019 VND	The year 2018 VND
<b>1. Non-cash transactions that affect the Cash Flow Statement in the future</b>		
Interest integrated into principal	-	12,469,196,882
Decrease in the repayment of loans from individuals due to an offset with receivables	187,808,640,570	-
<b>2. Actual receipt of borrowing amounts in the year</b>		
Proceeds from borrowings under normal agreement	4,099,085,453,148	1,975,768,396,762
<b>3. Principal amount paid in the year</b>		
Payment of borrowing principal under normal agreement:	3,267,356,215,608	1,706,436,629,261

**VIII. Other information****1. Subsequent events after reporting period**

Board of General Directors confirms that, according to Board of General Directors, in all material respects, there are no unusual events arising after the cut-off date of accounting book which affects the financial position and operation of the Company that needed to be adjusted or presented on the Consolidated Financial Statements for the fiscal year ended December 31, 2019.

**2. Transactions and balances with related parties**

Related parties of the Corporation include: key members, individuals who are related to key members and other related parties.

*List of related parties*

Related parties	Relationship
Doan Van Minh	Related person to Chairman
Doan Tien Trung	Related person to Chief Accountant

(\* During the year, the Company has entered into its significant transactions with related parties as follows:

	The year 2019 VND	The year 2018 VND
Dividend received from Phu Quoc Housing and Urban Development Joint Stock Company		
Doan Tien Trung	21,323,844,672	28,395,637,568

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

(Notes are an integral part of these Consolidated Financial Statements and they shall be read in conjunction with such enclosed Consolidated Financial Statements)

**Balances with related parties**

	31/12/2019	01/01/2019
	VND	VND
<b>Trade accounts receivable</b>		
Doan Van Minh	5,865,706,000	11,262,783,634
<b>Other payables</b>		
Doan Tien Trung	-	21,323,844,672

**(\*) Remuneration entitled to key management members in the year as follows:**

	The year 2019	The year 2018
	VND	VND
Remuneration of key members	9,224,839,618	4,225,700,069
Remuneration of BOM members	588,000,000	588,000,000
<b>Total</b>	<b>9,812,839,618</b>	<b>4,813,700,069</b>

**3. Financial instruments****Capital risk management**

The Company manages capital to ensure that the Company can both continuously operate and maximize its owner's interests by optimizing balance of funds and debts.

The Company's capital structure consists of net borrowings (including loans as described in Note V.19 minus cash and cash equivalents) and equity of the owner (including equity, reserve funds, retained earnings after tax).

The financial leverage of the Company at the fiscal year end date is stated as follows:

<b>Financial receivables and payables</b>	31/12/2019	01/01/2019
	VND	VND
Borrowing amounts	2,339,756,375,022	1,698,168,778,044
Deduct: Cash and cash equivalents	200,976,014,220	358,811,289,562
Net debt	2,138,780,360,802	1,339,357,488,482
Owner's equity	3,665,754,321,085	2,471,279,455,701
Ratio of Debt/equity	58%	54%

**Significant accounting policies**

Details of significant accounting policies and methods adopted by the Company (including recognition criteria, basis for determination of value and basis for recognition of income and expenses) for each type of financial assets, financial liabilities as presented in Note V.

**Types of financial instruments**

	Net book value	
	31/12/2019	01/01/2019
	VND	VND
<b>Financial assets</b>		
Cash and cash equivalents	200,976,014,220	358,811,289,562
Trade receivable and other receivables	667,501,855,396	1,233,436,239,925

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

(Notes are an integral part of these Consolidated Financial Statements and they shall be read in conjunction with such enclosed Consolidated Financial Statements)

Financial investments	1,204,897,936,833	1,251,900,000,000
<b>Total</b>	<b>2,073,375,806,449</b>	<b>2,844,147,529,487</b>
<b>Financial receivables and payables</b>		
Borrowing amounts	2,339,756,375,022	1,698,168,778,044
Trade payables and other payables	678,923,825,374	609,473,416,748
Accrued expenses	351,828,784,203	283,506,838,416
<b>Total</b>	<b>3,370,508,984,599</b>	<b>2,591,149,033,208</b>

The Company has not properly assessed the fair value of its financial assets and liabilities at the balance sheet date as of the date of Circular No. 210/2009/TT-BTC dated November 06, 2009 as well as in current regulations, there is no specific guidance on determining the fair value of financial assets and liabilities. Circular 210 requires the adoption of the International Financial Reporting Standards on the presentation of financial statements and notes of financial instruments but does not provide a basis for comparative measurement and disclosure for financial instruments including those applied to the fair value, in accordance with the International Financial Reporting Standards.

**Target of financial risk management**

The Company developed a risk management system aiming at identifying and evaluating the risks to be subjected by the Company and established policies and procedures to manage risk at acceptable level. Risk management systems should be reviewed periodically to reflect changes in market conditions and the Company's operations.

Financial risk includes market risk (including exchange rate risk, interest rate risk and price risk), credit risk and liquidity risk.

**Market risk**

The Company has not taken the prevention measures for these future risks after the assessment by Board of General Directors that the cost of these preventive measures for exchange rate and interest rate may be higher than cost arising due to market risk when there is any change in exchange rate of financial instruments in the future.

*Risk management on interest rates*

The Company shall bear the interest rate risk arising from the signed interest bearing loans. This risk will be managed by the Company by maintaining a reasonable level of loans and analyzing the competitive situation in the market to obtain the favorable interest rates for the Company from appropriate sources of loans.

*Price risk management*

The Company shall bear a price risk for equity instruments arising from their investments. Investments in equity instruments are held not for trading purposes but for long-term strategic purposes. The Company does not intend to sell these investments.

**Credit risk**

Credit risk occurs when a customer or partner fails to meet contractual obligations resulting in financial loss to the Company. The Company has a suitable credit policy and regularly monitors the situation to assess whether the Company is subjected to credit risk.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

(Notes are an integral part of these Consolidated Financial Statements and they shall be read in conjunction with such enclosed Consolidated Financial Statements)

**Liquidity risk management**

The purpose of liquidity risk management is to ensure sufficient funds to meet the current and future financial obligations. Liquidity is also managed by the Company to ensure that difference between due debts and assets on maturity in the year are at a manageable level for the capital that the Company believes may be able to generate during the year. The Company's policy is to regularly monitor requirements on the current liquidity and the expected liquidity in the future to ensure that the Company can maintains sufficient cashes, loans and equity levels committed by owners to meet short-term and long-term liquidity requirements.

The below table shows in details maturity levels in accordance with the remaining contracts for non-arisen financial liabilities and agreed payment terms. The table is presented on basic of un-discounted cash flows of financial liabilities by the earliest date on which the Company has to pay. The table below shows the cash flow of principal and interest amounts. The contractual maturity date is based on the earliest date that the Company has to pay.

31/12/2019	Less than 1 year VND	From 1-5 years VND	Total VND
Trade payables and other payables	663,571,252,651	15,352,572,723	678,923,825,374
Accrued expenses	184,208,912,880	167,619,871,323	351,828,784,203
Borrowing amounts	1,069,694,661,051	1,270,061,713,971	2,339,756,375,022
01/01/2019	Less than 1 year VND	From 1-5 years VND	Total VND
Trade payables and other payables	592,698,858,010	16,774,558,738	609,473,416,748
Accrued expenses	207,783,272,904	75,723,565,512	283,506,838,416
Borrowing amounts	969,933,771,218	728,235,006,826	1,698,168,778,044

The Company assessed the liquidity risk concentration at medium level. The General Director believes the Company can generate finances to meet its due financial obligations.

The following table presents in details the maturity of non-derivative financial assets. The table is prepared on the basis of the undiscounted contractual maturity level of the financial assets, including interest on those assets (if any). Presentation of non-derivative financial asset information is necessary to understand the Company's liquidity risk management when liquidity is managed on the basis of net liabilities and assets.

31/12/2019	Less than 1 year VND	From 1-5 years VND	Total VND
Cash and cash equivalents	200,976,014,220	-	200,976,014,220
Trade receivable and other receivables	660,042,719,395	7,459,136,001	667,501,855,396
Financial investments	1,203,297,936,833	1,600,000,000	1,204,897,936,833
01/01/2019	Less than 1 year VND	From 1-5 years VND	Total VND
Cash and cash equivalents	358,811,289,562	-	358,811,289,562
Trade receivable and other receivables	1,228,113,834,136	5,322,405,789	1,233,436,239,925
Financial investments	1,250,300,000,000	1,600,000,000	1,251,900,000,000

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** (continued)

(Notes are an integral part of these Consolidated Financial Statements and they shall be read in conjunction with such enclosed Consolidated Financial Statements)

**4. Comparative information**

Representing data are taken from Consolidated Financial Statements for the fiscal year ended 31/12/2018 of C.E.O Group JSC. which were audited by Vietnam Auditing and Evaluation Co., Ltd. (VAE).

Hanoi, March 16, 2020

**C.E.O GROUP JOINT STOCK COMPANY**

**Prepared by**

**Chief Accountant**

**General Director**

**Le Thu Phuong**

**Do Thi Thom**

**Ta Van To**