

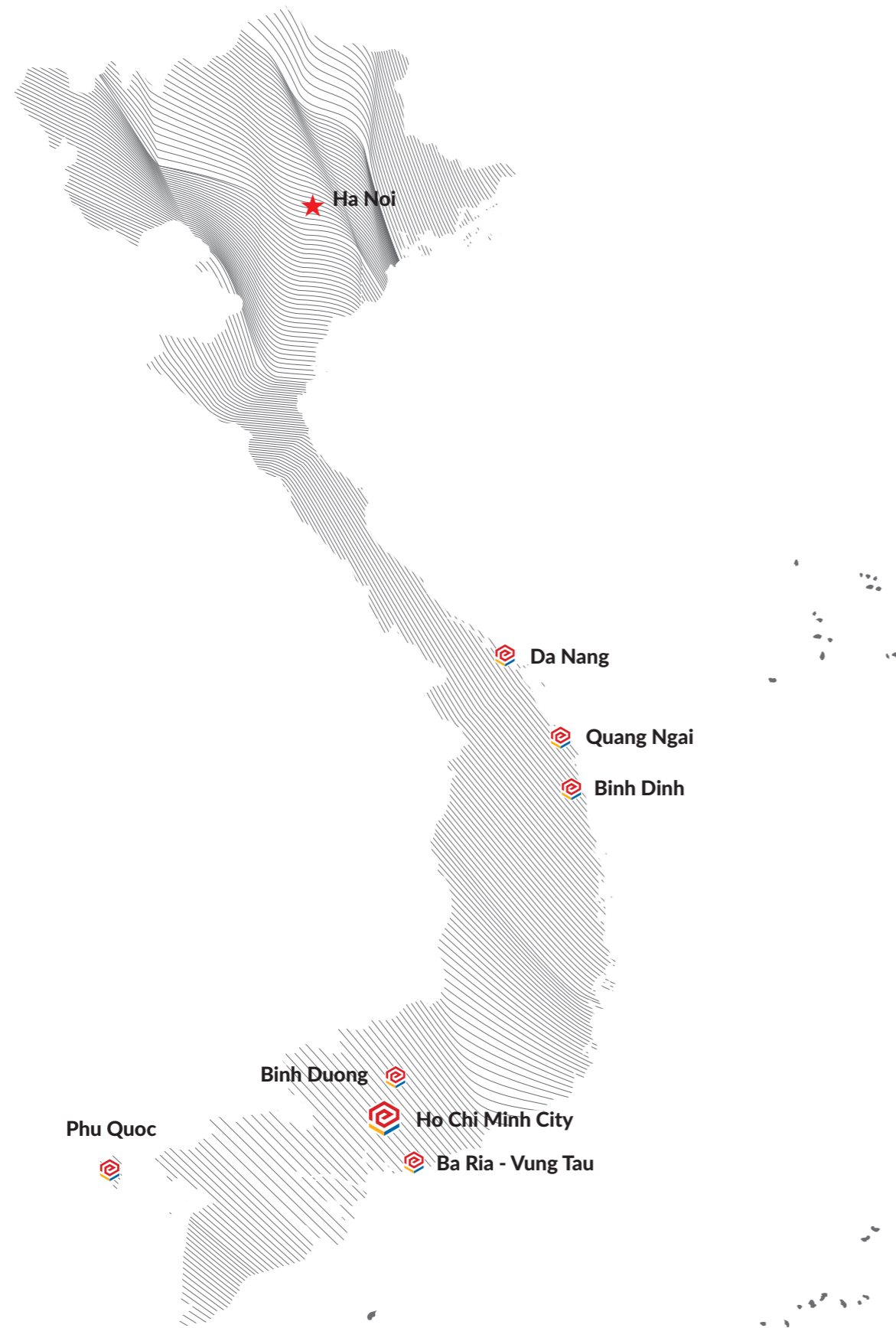


PHATDAT
CORPORATION
Real Estate Development



BEYOND THE LIMITS

ANNUAL REPORT 2020



PDR HAS DELIVERED ALL OF 2020'S TARGETS, BRINGING THE COMPANY TO A NEW HEIGHT AMIDST UNPRECEDENTED MARKET VOLATILITY.

WE ARE NOW MOVING FASTER, WITH MORE ROBUST CAPABILITIES. NEW PLATFORMS HAVE BEEN SET UP TO WELL POSITION PDR FOR GROWTH AND SUSTAINABILITY, STEERING TOWARD GREATER GOALS.

SURPASSING BOUNDARIES, WE HAVE EXPANDED OUR RANGE OF COMPETENCIES, ACCEPTED CHALLENGES HEAD-ON WHILE RISING HIGHER AND GROWING STRONGER. THIS HAS BEEN AND CONTINUES TO BE OUR OUTLOOK GOING FORWARD.

PERSEVERANCE

At the beginning of 2020, when the impacts of Covid-19 unfolded, businesses were faced with severe threats and forced to come up with adaptive solutions, adjusting their targets and expectations.

PDR was among a handful of resilient companies, which took on the harsh test with confidence, exerting solid inner strength. There has never been any discussion about reducing targets, slowing down or delaying key steps.

PDR's growth targets for 2020 were set at a markedly high level, when benchmarked with the Vietnam real estate industry's growth rate in recent years.

Prudent and with certainty from our accumulated strengths, PDR is defined by our fierce perseverance and intense focus on the new heights that we have set forth in our goals.



BREAKTHROUGH

Not only did PDR exceed business targets for our core portfolio of residential real estate, but we also achieved promising results in terms of company scale, market coverage and new ventures.

2020 is the year marked by PDR's new position, spanning across HCMC, Binh Duong, Ba Ria - Vung Tau and the Central Coast. We rolled out projects of great stature at an exceptional speed, namely: Nhon Hoi Ecotourism City, Astral City, or the Integrated complex for Warehouse, Port and Logistic Services at Cai Mep International Terminal... all of which continue to appease the market's appetite.

At the moment, PDR has officially achieved a market capitalization of over USD1 billion, and is well-structured as a professional multi-industry corporation, aiming to be in the Top 5 biggest real estate companies in Vietnam.



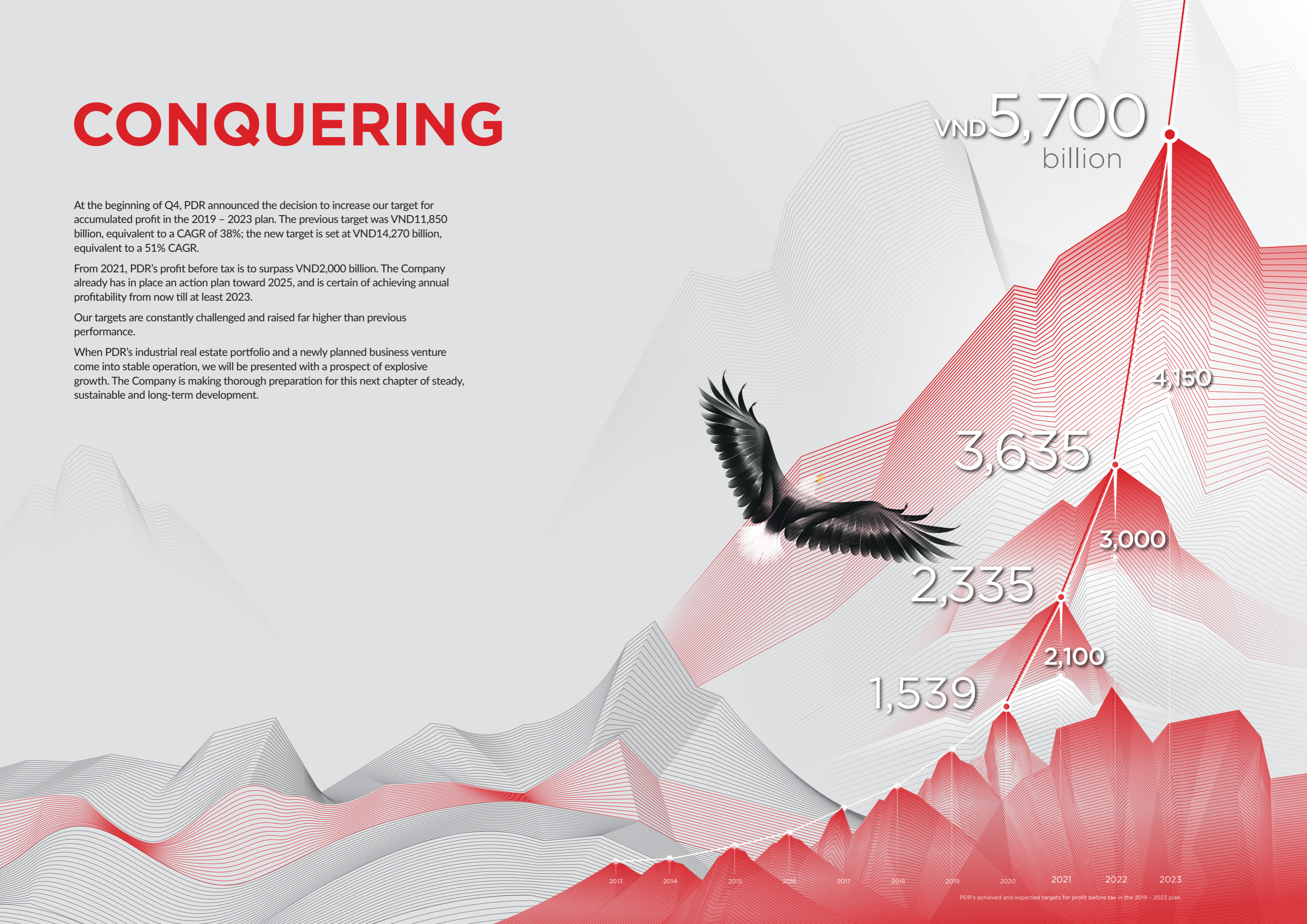
CONQUERING

At the beginning of Q4, PDR announced the decision to increase our target for accumulated profit in the 2019 – 2023 plan. The previous target was VND11,850 billion, equivalent to a CAGR of 38%; the new target is set at VND14,270 billion, equivalent to a 51% CAGR.

From 2021, PDR's profit before tax is to surpass VND2,000 billion. The Company already has in place an action plan toward 2025, and is certain of achieving annual profitability from now till at least 2023.

Our targets are constantly challenged and raised far higher than previous performance.

When PDR's industrial real estate portfolio and a newly planned business venture come into stable operation, we will be presented with a prospect of explosive growth. The Company is making thorough preparation for this next chapter of steady, sustainable and long-term development.



CONTENT

| | | | | | |
|--|---|---|--|---|--|
| <p>COMPETENCES AND ACHIEVEMENTS</p> <ul style="list-style-type: none"> 04 Perseverance 06 Breakthrough 08 Conquering 12 Chairman's statement 22 The New Era Looking back and looking forward | <p>GEARING UP ON THE NEW HEIGHT</p> <ul style="list-style-type: none"> 42 Report by the Board of Directors 52 Conversation with CEO 54 Report by the Board of Management 82 Corporate Governance | <p>REACHING A CONGLOMERATE SCALE BASED ON CORE CAPABILITIES</p> <ul style="list-style-type: none"> 132 Continuing to make breakthroughs in the residential real estate sector 142 Strategies for business diversification and transformation 146 Positioning for modern industrial cities | <p>SUSTAINABLE DEVELOPMENT REPORT</p> <ul style="list-style-type: none"> 150 Message on sustainable development 156 Highlighted humanitarian and voluntary activities in the year 158 Highlighted activities in training and human resources development 162 PDR in reference to the United Nations' 17 sustainable development goals | <p>CONSOLIDATED FINANCIAL STATEMENT</p> <p>192</p> | <p>KEY PROJECTS MADE PDR'S HISTORY</p> <p>228</p> |
|--|---|---|--|---|--|

Abbreviation

ACGS ASEAN Corporate Governance Scorecard
 AGM Annual General Meeting
 AR Annual Report
 BOD Board of Directors
 BOM Board of Management

BT Build - Transfer project
 CAGR Compound Annual Growth Rate
 CEO Chief Executive Officer
 CG Corporate Governance
 CSR Corporate Social Responsibility

EGM Extraordinary General Meeting
 HCMC Ho Chi Minh City
 HNX Hanoi Stock Exchange
 HOSE Ho Chi Minh City Stock Exchange
 IAC Internal Audit Committee

IR Investor Relations
 PDR Phat Dat Real Estate Development Corporation
 PR Public Relations
 ROAA Return on Average Assets
 ROAE Return on Average Equity
 VND Vietnam Dong

Chairman's Statement

FASTER HIGHER AND MORE SUSTAINABLE



Chairman's Statement

PDR has concluded the year 2020 with remarkable success. Built upon the strength of residential real estates - our core business - PDR continued to accelerate our growth rate in line with the announced **New Era** term. In addition, the Company has formed another forceful spearhead through the official launch of the industrial real estate segment. Simultaneously, we have been making rigorous preparations for a number of highly potential business lines. Those are the key points that I would like to first share with you in the midst of a socio-economic landscape full of insecurities due to Covid-19.

Dear shareholders and partners,

Over the past year, I guess most of us shared a deep sense of panic as we kept our eyes on how markets and social life evolved through media. Humanity has undergone events never-before-seen in history. Covid-19 created vicious disruptions to the global socio-economic context. The business world faced unprecedented challenges. Many major corporations, both global and Vietnam, had to stand the harsh test of natural selection.

Yet it is not all gloom and doom and I believe that every cloud has a silver lining. There are still opportunities for certain businesses, under certain conditions. In the recent context, opportunities remain open for enterprises with a solid foundation, robust capability, clear strategy and an ability to grasp, adapt and optimize within new market requirements.

I can affirm that PDR is the very kind of a company. Beyond mere luck and chance, this is a result of the relentless effort, learning and change that we have been undertaking.

As you might have seen, PDR began a period of explosive growth in 2017, when we overcame all previous obstacles and errors. In 2018 and 2019, the company achieved one breakthrough after another, reaching new heights in all aspects, namely revenue, profit, market building capacity and financial strength.

Despite such an outlook of opportunities and accomplishments, PDR has by no means rested on our laurels. On the contrary, we kept putting new pressures on ourselves, built our plans bigger, stretched our vision further and focused on preparing for the journey ahead.

That is how PDR gained abundant strengths and established a firm stance to embrace fierce market challenges, not only with a survival mindset, but also with a determination for success so we can keep creating fortune and destination for ourselves, for our shareholders and for our partners.

Therefore, even in the socio-economic context deeply impacted by Covid-19, PDR still expedited the completion of major projects, delivered our products to the market as scheduled, implemented new projects as well as purchased many others. We are fully ready for our upcoming vigorous accelerations.

Taking leaps from a solid foundation, growing rapidly while ensuring sustainability - has been the unswerving principle throughout our growth path. And PDR has again taken our

commitment to this principle to the next level, launching a new business segment and thriving into a company of scale and class. While residential real estate remains our core competency, the substantial, steady and stable cashflow from industrial real estate and a new future business line would make our protective fortress evermore enduring.

On this note, 2020 was also the year we made our biggest investment to hone our internal capabilities, planning a platform that can accommodate our new scale and speed. Notably, we focused on refining CG and operations structure, as well as bolstered the implementation of digital transformation and technology platforms such as ERP... Moreover, we know very well that people are the key to our business. So that our employees never have to trail behind our growth rate, we will continue to prioritize investment in human resources and corporate culture as we always have.

PDR closed the year of 2020 with a significant milestone, reaching market capitalization of USD1 billion right on the verge of the Lunar New Year. This is a bright beginning for the new year. Stepping into 2021, PDR as a company has reached a new scale, both in terms of market capitalization and profit target. Our annual profit target has now been set above VND2,000 billion.

We will be fulfilling, as ever, the New Era term, our business goals, and our commitments to our shareholders and partners... In response to your trust and partnership, we will create real results and values, both tangible and intangible.

PDR will strive forward faster, reach higher goals, while ensuring ceaseless sustainability.

I look forward to my next sharing with you about our new prospects for the future.

Best regards!



Nguyen Van Dat
Chairman

Corporate profile

CREATING VALUES FOR NEW URBAN LIVING

Phat Dat Real Estate Development Corporation (PDR) is known as one of the leading real estate developers in Vietnam with the objective of bringing new experiences to living spaces of urban residents.

Established in 2004, PDR has significantly impacted on the luxury apartment segment in HCM City market since its debut project - The EverRich 1. Offering convenience, absolute quality and higher living standards, The EverRich 1 became outstanding in the market compared to other projects at that time. As a result, The EverRich has come up as one of the most prestigious property brands and PDR successfully set foot in Vietnam real estate industry.

PDR has gradually demonstrated its capability in developing luxurious properties by following projects named The EverRich Infinity and Millennium.

Since 2017, PDR has adjusted its business strategy and decided to expand its market into potential areas and satellite cities. In a very short time, PDR has been welcomed on these markets with remarkable projects as Phat Dat Bau Ca Residentials in the central of Quang Ngai and Nhon Hoi Ecotourism City in Quy Nhon.

PDR keeps growing in momentum by extending its investment with new projects in southern provinces of Binh Duong, Vung Tau and Phu Quoc Island.

PDR is strongly confident in the values of its properties. Every project which has been developed by the company is in full combination of best location, accessibility, convenience and high quality under the professional design and planning. Especially, all projects are always in compliance with legal, environmental standards and requirements for safety.

Satisfying these criteria enables PDR to quickly implement and complete projects, create convenient living space, and cope with the actual demand of modern residents. Thus, PDR's projects always have the highest absorption rates and stand still against the social-economic fluctuations.

PDR affirms to follow the motto of "fostering life values" in developing real estate projects that brings harmonious benefits to the enterprise, customers, and communities.



Astral City - PDR's highlight project in 2021

BACKGROUND INFORMATION

BACKGROUND INFORMATION

| | |
|---------------|---|
| Official name | PHAT DAT REAL ESTATE DEVELOPMENT CORPORATION |
| Address | 8 th & 9 th floor, Tower B, Viettel Complex, 285 Cach Mang Thang Tam Street, District 10, HCM City, Vietnam |
| Tax code | 0303493756 |
| Tel | +84.28.2226 6868 |
| Fax | +84.28.2226 8686 |
| Website | www.phatdat.com.vn |

LISTING INFORMATION

| | |
|------------------------|--------------------------------|
| Stock code | PDR |
| Listed date | 30/07/2010 |
| Listed address | HCM City Stock Exchange (HOSE) |
| Charter capital | VND3,961,698,970,000 |
| Owner's Equity | VND5,194,277,496,677 |

AUDITING FIRM

| | |
|---------------|--|
| Official name | Ernst & Young Viet Nam Ltd. |
| Address | 02 Hai Trieu Street, Ben Nghe Ward, District 1, HCM City |
| Tel | +84.28.3915 7888 |
| Website | www.ey.com/vn/en/home/ey-vietnam |

BUSINESS CRITERIA

Investing and developing luxurious hotel, resort, apartments, villas among others.

BUSINESS LOCALITY

The company has developed high-end and mid-range projects across Viet Nam, including HCM City, Binh Duong, Vung Tau, Phu Quoc Island, Quang Ngai, Da Nang and Binh Dinh.

PHILOSOPHY

Visionary and Sustainable Development

VISION

To be the top Property Developer in Vietnam through owning leading brands.

MISSION

To create a perfect living environment with unique architecture and outstanding quality to add value to our customers, shareholders and community.

CORE VALUES

| | |
|-------------------|--|
| Creativity | Innovative thinking and improving willing. |
| Fairness | Evaluating upon facts and figures without prejudice. |
| Respect | Being open-minded, listening and sharing different perspectives. |
| Commitment | Committing our promises to our customers, shareholders, employees and community. |

2004

The PDR was established.
Invested in projects at Trung Son – Binh Chanh Residentials and Sao Mai. Apartments in District 5, HCMC.

2006



Kicked off The EverRich 1 project in District 11, HCMC with a total investment of VND1,100 billion.

2007



Continued processing The EverRich 1.
Developed landholdings in District 7, 9 and Nha Be, HCMC.

2008



IPO and charter capital increased to VND1,298 billion.
Invested in luxury resorts in Cam Ranh, Hoi An and Phu Quoc.
Signed contracts with Starwood and Marriott to set up The Westin Resort & Spa (in Cam Ranh) and the Marriott Hotel (in Hoi An).

2009



Completed and transferred The EverRich 1 project to customers.
Launched new brand identity with new logo and slogan.

2010



Officially listed on HOSE (stock code: PDR).
Launched showflats of The EverRich 2.
Started construction of Phu Thuan Bridge, District 7, HCMC.

2011



Inaugurated Phu Thuan Bridge.
Kicked off The EverRich 3.
Won BCI Asia Awards - Top 10 Best Project Developer.

2012



Completed construction to transfer to customers.
Completed legal and investment procedures to officially introduced The EverRich 3 to market.

2013



Continued construction and topped roof at Block C, The EverRich 2.
Developed infrastructure and landscape within The EverRich 3.

2014



Completed construction of Block C, The EverRich 2 and transferred to customers.
Started construction of My Loi BOT project, connecting Long An and Tien Giang provinces.

2015



Kicked off The EverRich Infinity, District 5, HCMC.
Inaugurated and put My Loi Bridge into operation.
Increased charter capital to VND2,018.1 billion.

2016



Kicked off Millennium, District 4, HCMC.
Topped roof at The EverRich Infinity.
Completed villas at The EverRich Infinity and transferred to customers.

2017



Topped roof at Millennium.
Finished property ownership certificates for residents at The EverRich Infinity.
Finalized all loans and bonds with creditors and Dong A Bank.
Won BCI Asia Awards - Top 10 Best Property Developer.
The EverRich Infinity won Best Luxury Apartments granted by Vietnam Property Awards 2017.

2018

Kicked off construction of internal technical infrastructure in Section I – Co Dai Village, District 9, HCMC.
Completed and transferred Millennium to customers.
Increased charter capital to VND2,663.9 billion.
Ranked 62nd in Profit500 – Top 500 Most Profitable Private Companies in Vietnam by VietnamReport.
Ranked 313th in VNR500 – Top 500 Largest Private Enterprises in Vietnam by VietnamReport.

2020

Announced the adjusted profit before tax of the 5-year plan from 2019 to 2023, increasing it from VND11,850 billion to VND14,270 billion, which is equivalent to an increase in CAGR from 38% to 51%.

Officially launched the industrial real estate segment with the first project at Cai Mep Port.

Internationally recognized when listed in 200 Asia's Best Under A Billion by Forbes Asia and named Bronze Stevie Winner for Achievement in Growth - The International Business Awards®, The Stevie Awards.

Won auctions of the right to develop Nhon Hoi Ecotourism City (116.2ha), Bac Ha Thanh project (55.7ha) and hotel project at No.1 Ngo May St., Quy Nhon City, Binh Dinh Province.

Increased charter capital to VND3,276.58 billion.
Invested VND639 billion to own 3.73ha of land in Binh Duong.

Reached a profit of over VND1,000 billion and profit before tax of VND1,105 billion, exceeded the milestone of VND1,000 billion for the first time.

Ranked at 54th of VNR500 - Top 500 Fastest Growing Companies in Viet Nam by VietnamReport.

Ranked at 251st of VNR500 - Top 500 Largest Private Companies in Viet Nam by VietnamReport.

Ranked at 7th of Top 10 - Best Annual Report, Large-Cap Group, by HOSE, HNX and VIR Newspaper.

2019

SIGNIFICANT MILESTONES IN 16 YEARS OF ESTABLISHMENT

2004 - 2009

2010 - 2014

2015 - 2018

THE NEW ERA LOOKING BACK AND LOOKING FORWARD

“NEW ERA” is a name given to mark the new phase of extraordinary growth for PDR. During this period, the Company made a major breakthrough by going beyond its old limits and giving shape to a new stature, from which we create a superior value chain for our customers, the market, and ourselves.

The designation of the New Era term has reflected the company's momentous state of development, strong aspirations, fierce determination, and crystal clear vision.

The New Era of PDR began in 2019, shaping a 5-year plan toward 2023. At half way through this journey, PDR has accomplished remarkable results beyond all expectations. The Company has continued to expand our strategic planning to always have in place a concrete and feasible 5-year plan.

The short version of PDR's success formula: Only focus on developing real estate projects at prime locations with proven legal compliance, clear prospects of profitability and swift cash flow

SUCCESSFULLY ENTERED THE NEW ERA AND ACCOMPLISHED MULTIPLE GOALS AHEAD OF 5-YEAR PLAN SCHEDULE

In 2019, when the New Era term was launched, PDR identified a number of our core goals including USD1 billion of market capitalization, over VND1,000 billion of annual profit before tax, and VND11,850 billion of accumulated profits to 2023. Besides the numbers, we also aimed at reviving the brand name of PDR, bringing the Company back to the list of the top real estate enterprises.

It took us only two years to achieve these goals. The company was valued above USD1 billion by market capitalization as of February 3, 2021; our profit before tax of 2021 is reaching VND2,335 billion, the target for accumulated profit of the 2019 - 2023 period was changed to VND14,270 billion. PDR has also been named in reputable business ranking lists such as VNR500, VN30, VNSI, MSCI Frontier Market 100 Index and more.

Accordingly, most targets of the 5-year plan have been delivered within only two years, demonstrating amazing capabilities to thrive, and PDR's decisiveness in taking actions. Accelerating on this momentum, PDR has already paved the way for stable profitability in the next three years. This means that the New Era term has been successfully executed; and its mission accomplished. The company has now settled steadily into the new position, more ready than ever to conquer new heights.

WHAT TO EXPECT IN THE NEW ERA OF PDR?

Looking into at the strategic choices that we have made will give a clear understanding of PDR's booming success.

Land bank, market and product strategies

Although HCMC is considered the "home field" of PDR, the Company decided to expand our market to increase business opportunities. However, learning from the past, the Company does not only expand massively, but also identifies and prioritizes key markets.

PDR set our eyes on second-tier coastal cities, lying in areas with existing tourism infrastructure and open policies for enterprises. Based on this strategy, PDR looked for land bank with these following conditions: Great locations, commerce-friendly environment, legal compliance. We developed residential real estate projects that meet customers' needs.

These specific criteria led to PDR's choice of Quang Ngai, Binh Dinh Province and Phu Quoc Island for our first implementation. The company quickly achieved huge success and established a solid foundation in these above markets.

Currently, PDR continues to expand our market to new cities near HCMC such as Binh Duong and Ba Ria - Vung Tau Province, using the same criteria. New projects implemented in these cities have become a magnet to real estate investors and residents.

Financial strategies

Our financial strategies have focused on creating a stable and abundant cash flow. We set clear requirements for speeding up processes for project development, product launching to the market, cash flow recovery, high investment efficiency and more. Achieving these will lead to a great financial health.

At the same time, diversifying markets and products will also help PDR to diversify our sources of income, pushing beyond the limits of our current revenue streams.

Management - operation strategies

The leadership at PDR has a long-term vision, and an unwavering aspiration to build a sustainable business. At PDR, pushing to accelerate business activities must be accompanied by the responsibility to build a solid foundation for the long run.

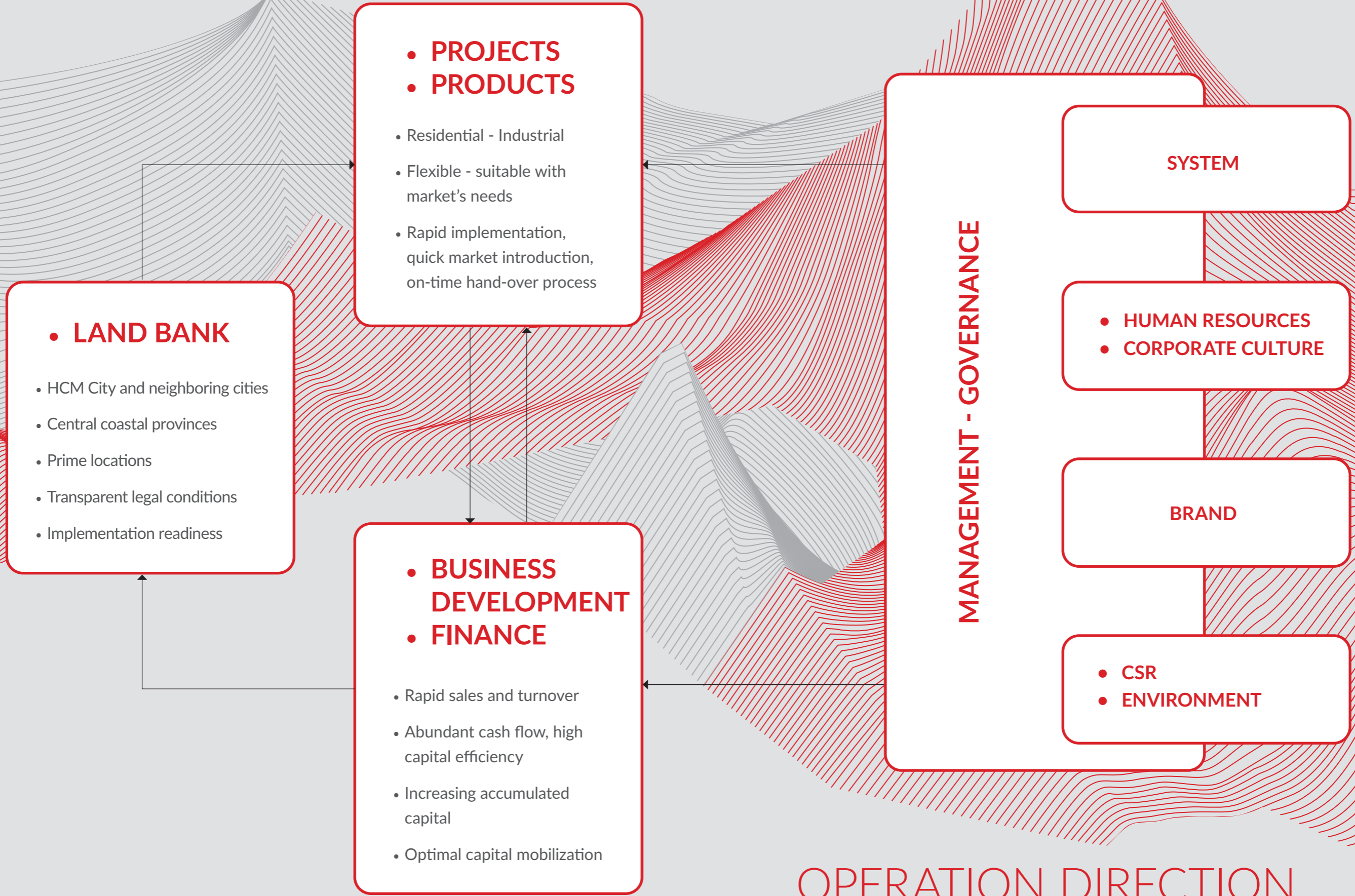
Therefore, PDR has focused on investing in administration and operation processes from the early stage. Currently, PDR is recognized as one of the top enterprises with the best-in-class governance platforms in the real estate industry in particular, and Vietnam business community in general.

Continuously building on our internal strengths, PDR also gives much focus for developing our people, nurturing a positive corporate culture, and keeping our commitments with ethical values while conducting business.

These efforts have made PDR what we are today – a company of stellar reputation in the eyes of investors, partners and customers; and assembled as our collective power, helping us achieve our high growths.


In 2020, utilizing our accumulated internal strength and experience, PDR reached a new level when executing the diversification strategy on our business sectors. The Company will maintain our focus on residential real estate, and at the same time pave the way to grow our business in industrial real estate, and another new portfolio to be rolled out in the near future.

Currently, PDR has built a land fund of over 450 hectares in beautiful locations of potential markets. Projects are being deployed in accordance with the land fund, backed by research, investment, and development, aiming for efficiency, high value, and meeting socio-economic requirements. Thus, PDR is gearing up for the next growth strategy post - New Era, where a much larger scale awaits.

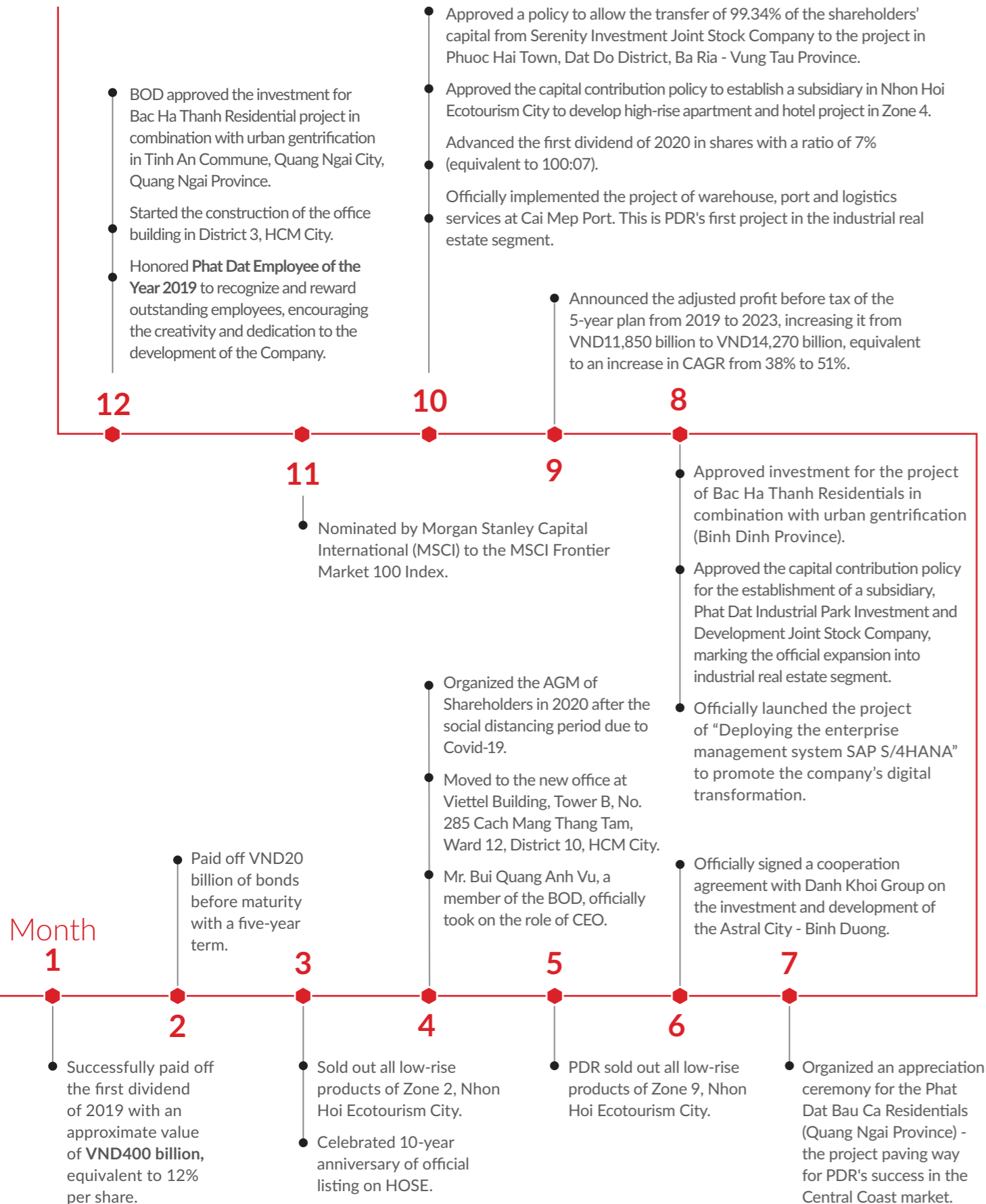


OPERATION DIRECTION FOR THE **NEW ERA**

GEARING UP ON THE NEW HEIGHT

- Calmly accepted unexpected socio-economic pictures due to the impact of Covid-19 and kept strong determination with the set plan.
 - Maintained the breakthrough growth rate and accomplished all extreme targets of 2020.
 - Achieved abundant financial resources, capable of acquiring new projects and landholdings.
 - Officially launched the industrial real estate segment and implemented the first project in Ba Ria - Vung Tau.
 - Strengthened the foundations of governance and operation through improving human resources, dynamic digitalization process, vibrant corporate culture, etc.
 - Spent only two years to mostly complete the targets of the 2019 - 2023 plan.
 - Increased the planned profit before tax for the 2019 - 2023 period from VND11,850 billion to VND14,270 billion.
- 

2020 IN HIGHLIGHTS



HIGHLIGHTED HONORS AND AWARDS

THROUGHOUT THE HISTORY

Propex Vietnam Awards by HCM City Real Estate Association

Viet Nam Gold Star Awards by HCM City Communist Youth Union and Vietnam Young Entrepreneurs Association

Best Luxury Apartment in HCM City to EverRich Infinity project and Millennium project by Property Guru

Top 10 Leading Real Estate Developers in Vietnam by BCI Asia

Standard Living Space to EverRich Infinity project by Dau Tu Newspaper

IN 2020 AND Q1, 2021

Asia's 200 Best
Under A Billion, by Forbes Asia.

Ranked 6th
In 50 Most Efficient Companies in Vietnam 2019.

Ranked 24th
In 500 Fastest Growing Enterprises in Vietnam in 2020.

Outstanding Progress Award 2019
Best Corporate Management category, voted by HOSE, HNX and Dau Tu Newspaper.

Bronze Stevie Winner
The International Business Awards®, category of Achievement in Growth, The Stevie Awards.

Top 10
Real Estate Investors in 2021 by VNR.



Competences and achievements

Gearing up on the new height

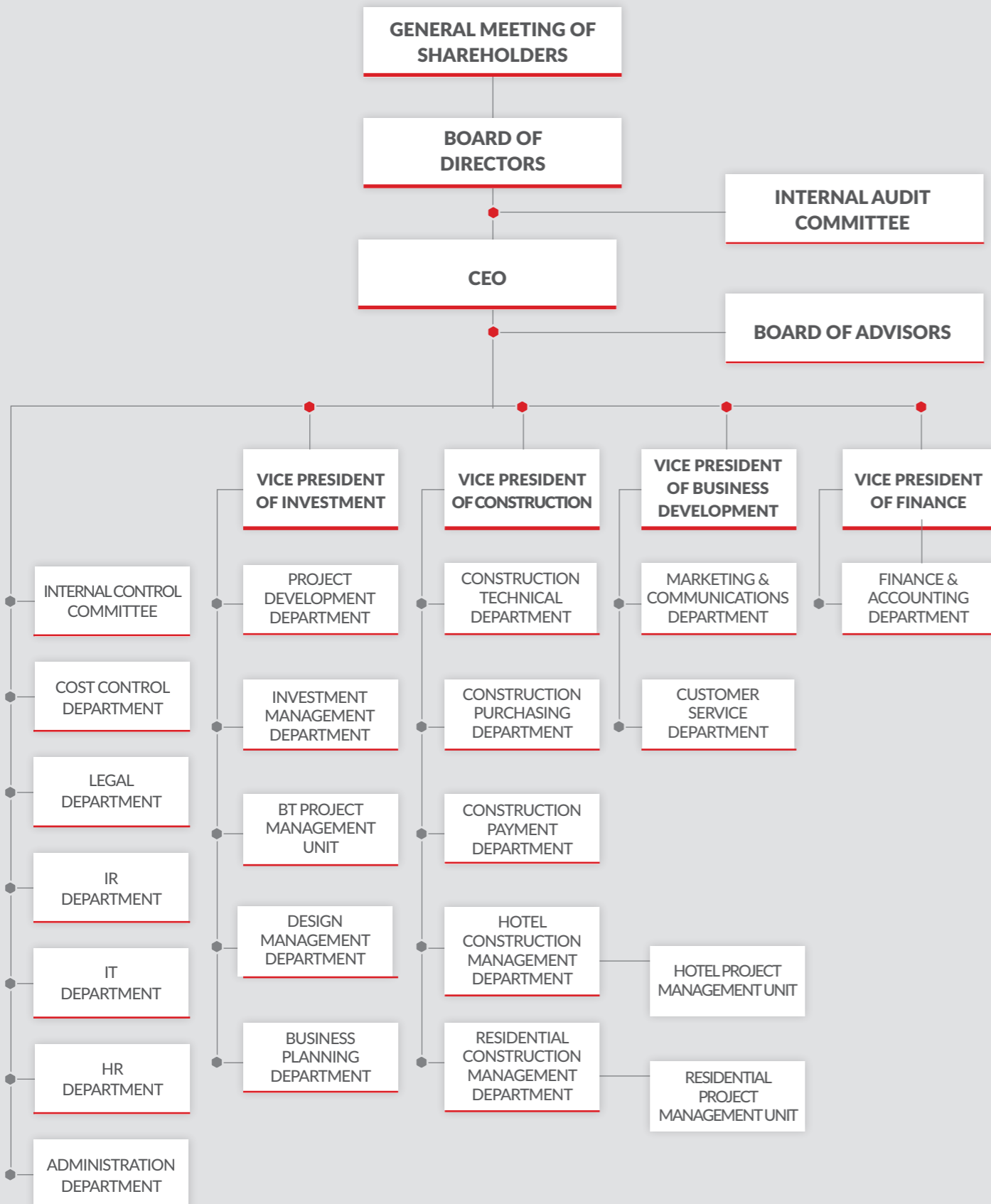
Reaching a conglomerate scale based on core capabilities

Sustainable development report

Consolidated financial statement

Key projects made pdr's history

ORGANIZATIONAL STRUCTURE CHART



PDR applied the CG model in accordance with regulations under the Vietnam Enterprise Law, Government’s decree on CG, including applying international standards. The Company’s governance structure includes the General Meeting of Shareholders, the BOD, the Internal Audit Committee under the BOD and the CEO.

GENERAL MEETING OF SHAREHOLDERS

Including all shareholders with voting rights, this is the highest decision-making body of PDR. Annually, the Company held two meetings, including one regular meeting and one extraordinary meeting in the form of collecting written opinions.

BOARD OF DIRECTORS

As the governing body of the Company, the Board have full authorization from the Company to decide and exercise the rights and obligations which are under the authority of the General Meeting of Shareholders. The BOD has 09 members, including 03 independent and 03 non-executive members. All BOD members have a working-term of 5 years, starting from 2018. In April 2020, the BOD elected one additional member.

In order to improve the organizational system, law compliance, monitoring and operational efficiency, from the second quarter of 2019, the BOD established the IAC, reporting directly to BOD. At the same time, since April 2020, PDR has separated the roles of the Chairman and the CEO. Besides, the BOD also assigned our members into key fields of the company. When it comes to important decisions, the BOD will organize meetings and request reports from respective management members. Other members of the BOD will communicate, discuss, provide feedbacks etc. The BOD holds the rights on the final decision based on voting results.

INTERNAL AUDIT COMMITTEE UNDER BOARD OF DIRECTORS

The IAC operates under the BOD as an advisory department, which supports the BOD in supervising honesty of financial reports, laws and rules compliance of the company and other functions, missions regulated in the CG regulations.

THE CEO

The CEO is an appointed member of BOD, who manages daily operation. The CEO holds a term of 5 years since appointment date and is assisted by Vice Presidents and Functional Directors.

PDR has changed the previously applied Chairman cum CEO model from April 2020. To ensure compliance with applicable CG regulations and to enhance professionalism to meet new development needs, PDR officially appointed a new CEO at the same time. The Board of Advisors and the Internal Control Committee will be assisting the new CEO in operation and control.

BOARD OF DIRECTORS



Compliments and achievements

Gearing up on the new height

Reaching a conglomerate scale based on core capabilities

Sustainable development report

Consolidated financial statement

Key projects made pdr's history

BOARD OF MANAGEMENT



Competences and achievements

Gearing up on the new height

Reaching a conglomerate scale based on core capabilities

Sustainable development report

Consolidated financial statement

Key projects made possible by history



MR. NGUYEN VAN DAT
1970

CHAIRMAN

Business Administration

He is the Board Chairman cum CEO from 2004 to April, 2020.

Before establishing PDR, he opened an import - export business in HCM City, serving as the Board Chairman cum CEO of Tan Viet Phat Trading Co., Ltd, Chairman of Tan Quoc Te and Dai Phat Think Trading Co.,Ltd.



MR. NGUYEN TAN DANH
1990

VICE CHAIRMAN

Bachelor of Business Administration

He has worked for PDR since 2014 as Investment Analyst, Deputy CEO – Sales, Executive Advisor.

Before, he worked at Catalyst SF (in USA), OpenAsia Investment Fund and Viet Capital Securities - JSC.

MR. LE QUANG PHUC
1966

NON-EXECUTIVE DIRECTOR

Master of Business Administration and Civil Engineer

He has joined PDR since 2008 as an Independent Director, Non-executive Director and Advisor of CEO.

Before, he worked at PACE Business Management School, Civil Engineering Construction Corporation No.5 (CIENCO 5), Civil Engineering Construction JSC No.586.



MS. TRAN THI HUONG
1961

**VICE CHAIRWOMAN
NON-EXECUTIVE DIRECTOR**

Bachelor of Economics in Finance and Accounting

She has worked for PDR since 2006 as Chief of Finance Officer and Chief Accountant, she is also an Executive Director, Deputy CEO – Finance. Before joining PDR, she worked at Long An Textile Company, Long An Province; Department of the Management of State Capital at Enterprises, Long An Province; Department of Finance and Pricing of Long An Province and Thai Tuan Textile and Garment Co.,Ltd.



PDR is led by the leaders who have a strong influence in the business community and real estate industry in Vietnam.

They share a similar values,
business philosophy and vision.

MR. DOAN VIET DAI TU
1963

NON-EXECUTIVE
DIRECTOR

Master of
Business Administration

He has worked as a Non-executive Director in PDR since 2008. Besides, he has worked at Openasia (Lazard Asia Investment Bank) in Vietnam and Openasia S.A in France.



MR. KHUONG VAN MUOI
1949

INDEPENDENT DIRECTOR

Architecture

He has joined PDR as Independent Director since 2018. Before, he worked at HCM City Architect University, Southern Architect and Construction Co.,Ltd, HCM City, the HCM City Association of Architects.



MR. BUI QUANG ANH VU
1975

EXECUTIVE DIRECTOR
CEO

Master of Business Administration

He has worked at PDR as the Investment Director and Deputy CEO of investment since 2014.

Before, he worked for Vietnam Airlines, Hoang Hac JSC, Thanh Cong Securities JSC, Phuong Phat Co.,Ltd.



MR. LE MINH DUNG
1975

INDEPENDENT DIRECTOR

Maritime Engineer

He has joined PDR as Independent Director since March, 2019.

Before, he worked at Inlaco Sai Gon Co.,Ltd, HCM City

University of Transport and Communications, Gemadep JSC, Truong Phat Loc Shipping Co.,Ltd.

MR. TRAN TRONG GIA VINH
1974

INDEPENDENT DIRECTOR

Master of Economics, Bachelor of Business Administration Master of Business Administration and Civil Engineer

He has joined PDR as Independent Director since 2018.

Before, he worked at Pepsico Vietnam Co.,Ltd, Phuong Phat Co.,Ltd.



MR. PHAM TRONG HOA
1973

ADVISOR

Master of Techniques

He has worked at PDR as Deputy CEO of construction since 2010.

Before, he worked for Ha Noi University of Construction, Vietnam Construction Investment & Consultant JSC, FICO Real Estate JSC, Nam Viet Real Estate JSC, Sai Gon Vina JSC.



MS. NGUYEN THI THU NGUYET
1979

HEAD OF THE IAC

Master of Public Finance

She worked at 10th Real Estate JSC, Doosong Vina Co.,Ltd. Since 2014, she has worked as Chief Accountant at Truong Phat Loc Shipping JSC.

**INTERNAL
AUDIT
COMMITTEE**



MR. TO MINH TAI
1990

INTERNAL AUDITOR

Bachelor of Finance – Banking

He has worked as a finance control specialist at PDR since May, 2019.

Before, he worked at A&C Auditing and Consulting Co.,Ltd, Van Group, CT Group, AFC Vietnam Auditing Co.,Ltd, Thu Thiem Housing Development JSC.

MR. VO HOANG TU
1988

INTERNAL AUDITOR

Bachelor of Finance – Accounting

He has worked as a Finance Control specialist at PDR since June 2019

Before, he worked at A&C Auditing and Consulting Co.,Ltd, Tan Hiep Phat Trading and Services Co.,Ltd, Duy Tan Plastic Manufacturing Co.,Ltd.

MR. NGUYEN THANH THAO
1978

**VICE PRESIDENT OF
FINANCE**

Bachelor of Economics

He has worked at PDR as CFO since 2018 and Vice President of Finance since 2020.

Before, he worked for Thai Tuan Textile and Garment Co.,Ltd, BIDV and Truong Phat Loc Shipping Co.,Ltd.



Competences and achievements

Gearing up on the new height

Reaching a conglomerate scale based on core capabilities

Sustainable development report

Consolidated financial statement

Key projects made pdr's history

REPORT BY BOARD OF DIRECTORS

2020 is the second year we have implemented the New Era. Following the direction announced last year, PDR aimed at accelerating the growth rate while ensuring the speed and sustainable factors. We have fully complied with this requirement to achieve breakthroughs in terms of business performance as well as foundation reinforcement.

PDR officially appointed a new CEO in April 2020, putting an end to the previously applied Chairman cum CEO model. This critical change barely interrupted the operation of the Company. The implementation of Board of Advisors model has helped ensure the management ability and increase support for the new executive board.

Yet the expansion and accelerated growth also brought in new challenges, which required PDR to enhance our governance and management capacities. Recognizing these challenges, the leadership team always pays attention to enhancing CG and internal control, aiming towards effective and seamless approaches to employee empowerment.

These are important preparations for the next development stage utilizing the new speed and scale of PDR.

ASSESSMENT ON BUSINESS ACTIVITIES 2020

BUSINESS PERFORMANCE

Net revenue reached $\uparrow 15\%$

VND 3,911.21 billion

Equivalent to VND511.03 billion YoY increase.

Profit before tax gained $\uparrow 39.3\%$

VND 1,540.22 billion

Equal to VND434.91 billion YoY increase.

Profit after tax reached $\uparrow 39.6\%$

VND 1,220.25 billion

Equivalent to VND346.11 billion YoY increase.

In 2020, the Covid-19 pandemic severely affected the Vietnamese economy in general and the real estate market in particular. However, with a strict, clear and thorough risk management policy and a flexible business strategy, PDR has exceeded the business targets approved by the 2020 AGM of Shareholders.

In September 2020, the BOD announced an increase in planned profit before tax for the 2019 - 2023 period, from VND11,850 billion to VND14,270 billion, equivalent to an increase in CAGR from 38% to 51%. Considering the depressed and unpredictable developments of the market, the adjusted profit target reflected PDR's confidence in our business results as well as future performance.

With outstanding business results, the Company has fulfilled all annual financial commitments. Notably, we made full and timely payment for the capital mobilization via bond issuance. In addition, the Company made two 2019 dividend payments in January and June 2020, respectively in cash at a rate of 12% and in shares at a rate of 13%. We also advanced 2020 dividend in shares at a rate of 7% in November 2020.

Besides the continuous growth and the right financial strategy in recent years, PDR also accumulated great financial resources, allowing us to select and acquire a series of new projects with favorable conditions. As a result, the Company continued to expand our land bank last year, ready for projects appealing to the market.

The above outstanding business results have turned the Company into the center of attention among investors. PDR's stock was considered one of the best stocks on HOSE last year. With the market's favor, by the beginning of February 2021, the market capitalization value of PDR officially surpassed USD1 billion. Currently, the Company continues to receive attention from domestic and international investors, gaining various cooperation opportunities with reputable partners while maintaining our control and advantages.

FACTORS CONTRIBUTING TO THE COMPANY'S BREAKTHROUGH RESULTS

Consistent direction and flexible strategy

- Consistent adherence with the direction of speed and sustainable development, which means, maintaining a high and continuous growth using our solid foundations, core competencies and sustainability.
- Strict compliance with the development strategy which focuses on the core area of residential real estate, prioritizes potential markets and only invest in projects with prospects of rapid implementation, early cash flow and high efficiency.
- Official expansion to industrial real estate, elevating from the core competency of project development. Stepping into industrial real estate is a way to increase the company's long-term sustainability as this business segment is expected to bring stable and consistent cash flow in the coming years.

Fine-tuned Corporate Governance and business management capabilities

- Speed and sustainability has become the guideline for all of our decisions and a common understanding among leaders and executive levels. These strategies have led to determination and specific actions to improve company management and CG, reflected by the appointment of the new CEO in April 2020 and separating the roles of the Chairman and CEO. The Board of Advisors model has helped ensure the management ability and increase support for the BOD and BOM. The Company has also expanded the scope of decentralization/empowerment for the CEO and the BOM as well as promoted the recruitment of senior personnel and the management team

and provided training programs to improve personnel capabilities.

- Another significant effort in increasing our internal strength was promoting digital transformation. The Company has shown our determination in upgrading the digital infrastructure, implementing the ERP program and other technology applications. Such investment has helped enhance not only business efficiency but also internal control and risk management.
- We maintained the focus on internal control and risk management, implementing management and responsive measures. Upon the rapid expansion in human resources, the Company has also paid more attention to personnel risks and internal harmony.

Strengthened and growing brand reputation

- The Company has recently chose to sell products via strategic partners instead of direct distribution channels. Therefore, we did not completely focus on brand promotion to mass customers. However, thanks to the influences of PDR's projects, the brand of Phat Dat has claimed a new position in the market, including Binh Dinh, Quang Ngai and recently Binh Duong.
- Thanks to the business growth and potential projects, the Company has established reputation among the real estate industry, business community, financial/credit institutions, local authorities and investors. The real results in effectiveness and operation capacity have turned PDR into an attractive cooperation partner.

Dynamic working environment and enhanced team capacity

- The office relocation brought a new style and favorable conditions for the establishment of modern infrastructure.

- The company has made significant changes in recruitment, training, salary, bonus and remuneration policies to serve the current requirements for rapid growth and prepare internal capacities for the future. We also facilitated multiple breakthrough activities in training and internal communications to create new motivations for employees.
- In particular, PDR gained significant improvement in both the quantity and quality of the middle-senior level management team, contributing to the executive capacity and flexibility in the human resource structure.

Fulfilling social responsibilities

- In addition to maintaining companionship with the activities and organizations that the Company had been a long-time sponsor, PDR also expanded our efforts to support the community, including natural disaster relief and activities for the betterment of the community during holidays and Tet.
- While developing our projects, the Company also aimed for green approaches, increasing contributions to the society by the standards in our humanity oriented products.

ASSESSMENT ON OPERATIONS OF THE BOARD OF MANAGEMENT

The BOM and the new CEO appointed in April 2020 have quickly assumed their roles and duties. In general, the BOM has a clear understanding of the strategy laid out by the BOD and make great efforts to accomplish the plan. The BOD highly appreciated the following outstanding achievements of the BOM:

- Make important changes to the executive organization and currently contributing to the development of new management methods.
- Lead and manage the executive team, closely monitor and evaluate the Company's business activities.
- Promptly submit reports, proposals or recommendations to the BOD; keep business operations on the right track following the law and planned targets.
- Acknowledge the importance of human resources to promptly invest in employee development for current needs and future preparation.
- Fulfill obligations to employees' rights and benefits, tax obligations and responsibility to the community.

ASSESSMENT OF COORDINATION BETWEEN BOD, BOM AND IAC

- The BOM was willing to learn and strictly followed the direction of the BOD as well as the announced strategy of the Company.
- The IAC always worked hard to fulfill their duties and promptly file reports to properly identify risks, which helped the BOD to improve their monitoring capabilities.
- All parties always shared information and worked closely with each other, aiming at contributing to the overall results and the fast, efficient and sustainable development of the Company.

BOD'S DEVELOPMENT ORIENTATION AND STRATEGY FOR 2021

The Company has drawn a clear strategy for the development roadmap to 2025. Accordingly, 2021 will be the third year of the New Era term.

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In terms of favorable conditions, PDR has created a strong momentum and solid foundations to ensure higher growth prospects. However, multiple in-house capabilities need to be strengthened. At the same time, the business environment is still insecure due to Covid-19 and its chain effects.

Therefore, in order to maintain the fast and sustainable direction, the Company needs to put greater effort into all aspects and avoid subjectivity and complacency during the rapid change of the socio-economic environment.

2021 guidance by the BOD include the following key notes:

EFFICIENTLY IMPLEMENT THE DIVERSIFICATION STRATEGY

PDR has now diversified not only our markets and product segments but also business fields. More new sectors and professions will be added to the Company's scope of business, alongside with industrial real estate.

Market expansion and business diversification should adhere to PDR's core competencies. This strategy must also be consistent with the Company's key criteria in business development such as ensuring legality and efficiency, generating fast revenue and cash flow, minimizing the risk of resource fragmentation and lack of control.

UPGRADE THE MANAGEMENT SYSTEM AND HUMAN RESOURCE

There is a soaring demand for human resources in the near future. The harmony between current and new employees will be a big challenge that cannot be resolved solely by policies in recruitment, training and benefits, but by optimal solutions.

INCREASE IN PRODUCT VALUES

Our completed projects have been recognized for their quality, aesthetic values and utilities. These achievements should be maintained and promoted. At the same time, it is necessary to apply new ideas in project design and development to add cultural - human values as well as convenience and modernity to the products, which helps satisfy the increasing demands for living space and lifestyle of the residents.

Regarding the industrial real estate and upcoming new business fields, the added values in the product are also set as the top criterion to contribute new values to the market and society.

PROMOTE BRAND POSITIONING

The PDR brand needs to be boosted to a new level to be in line with the increased size of the Company. It is also necessary to build a harmonious relationship between the new brands brought about by new projects/ segments and the current one.

FURTHER STRENGTHEN FINANCIAL HEALTH

The Company has developed and effectively implemented our financial policy with specific criteria, typically the sales policy which creates a fast, steady and stable cash flow, good management of receivables, inventory, diversification of capital mobilization channels and partnership opportunities with reputable partners. Therefore, it is necessary to maintain and improve this financial strategy.

On the other hand, 2021 poses a higher mission in enhancing financial accumulation ability to ensure better stability and prepare the needed resources for faster, stronger and bigger growth in the upcoming time.

ENRICH CORPORATE CULTURE

The Company aims to build a The Company aims to build a professional work environment where the employees are considered family members to each other . It is necessary to clearly define the values, culture and communications methods to practically and effectively empower the human resources.

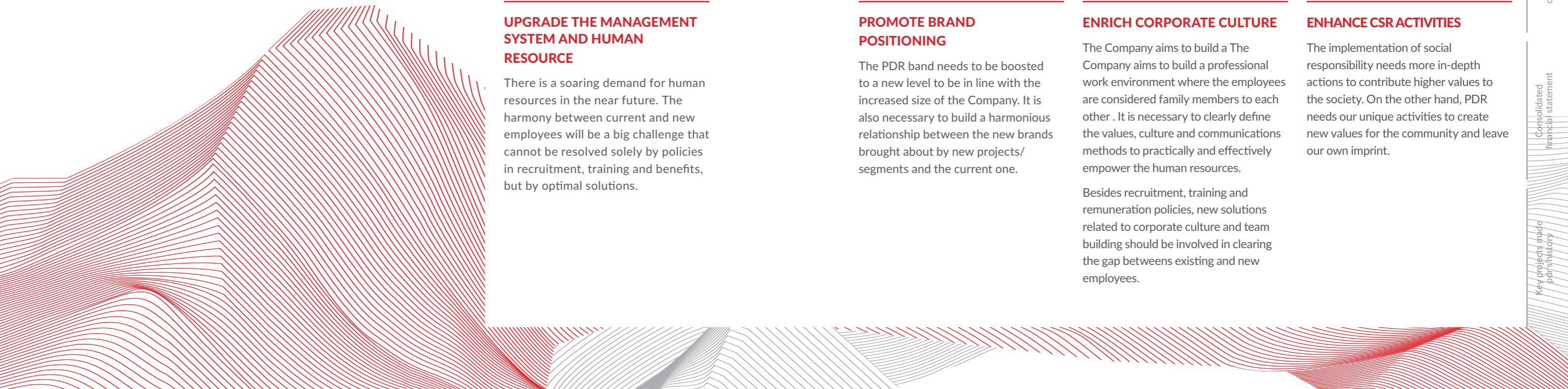
Besides recruitment, training and remuneration policies, new solutions related to corporate culture and team building should be involved in clearing the gap between existing and new employees.

CONTINUE LAND BANKING

A continuous expansion in the land bank is needed to meet the demands of both residential and industrial real estate as well as new industries. Expansion options should follow the criteria about location, local readiness, legality and rapid implementation.

ENHANCE CSR ACTIVITIES

The implementation of social responsibility needs more in-depth actions to contribute higher values to the society. On the other hand, PDR needs our unique activities to create new values for the community and leave our own imprint.



ASSESSMENT OF INDEPENDENT DIRECTORS

In 2020, the BOD had a total of 9 members, including 3 independent directors. All members of the BoD actively participated in planning, compliance control, strategic review and ensuring CG practices.

In the same year, PDR also started to separate CEO and Chairman positions to comply with corporate regulations.

ORGANIZING BOD MEETINGS

- The BOD meetings were held with detailed agendas and well-prepared documents in accordance with corporate standards. All agenda items were carefully and thoroughly discussed, reviewed and assessed to provide the best solutions and directions for the Company.
- All issues related to business and finance strategy, corporate culture.
- Management system, etc., were discussed and rigorously monitored by both the BOD and BOM. The execution process included a clear decentralization of power, immediate risk analysis and identification to ensure stability, safety and compliance with the law as well as to achieve the targets set by the BOD and BOM.
- All investments in new strategies were under independent research with scientific bases and reviewed by both the BOD and the BOM.

SUPERVISION ON CEO & OTHER MEMBERS OF BOM

- In general, The BOD did a good job at supervising the BOM, keeping the company's operations on the right track to follow the strategic direction and adapt to practical situations.
- BOD members who were also on the BOM fully attended both regular and impromptu meetings of the BOM. Decisions were always analyzed, reviewed and consulted by the BOD to find solutions that best serve the Company. Thus, members of the BoD were always promptly updated on the Company's operations and real time requirements.
- Members of the BOD actively identified their supporting roles and responsibilities to the BOM. The BOD also conducted many sessions for experience sharing, interacting and management training for the BoM and middle-level managers.
- The BOD was particularly interested in risk management solutions in order to assist the executive board in early problem detection and help maintain the company's sustainability and stability as well as secure investors' benefits.



GENERAL ASSESSMENT ON THE BOARD OF DIRECTORS PERFORMANCE

- Under the action plan of the BOD, all related works in 2019 strictly followed AGM's resolutions and the company's regulations, management rules and governance practices.
- All BOD members had a deep sense of responsibility and high professionalism. Therefore, their tasks in protecting the Company's benefits were clearly assigned and duly performed.
- The BOD proposed many effective and timely solutions to help the BOM overcome a number of challenges in operation, performing supervision and control to ensure absolute compliance with the law.
- The BOD governed and led the Company to achieve all growth and profits targets in 2020. fulfill obligation to contribute to the State budget, and bring maximum benefits to shareholders and stable income to all employees.
- The BOD joined the BOM in implementing activities to foster corporate culture. Through innovative methods, the BOD successfully performed their accompanying roles in building sustainable values for the business in the 2019 - 2023 plan.

BUSINESS PERFORMANCE REPORT



Competences and achievements

Gearing up on the new height

Reaching a conglomerate scale based on core capabilities

Sustainable development report

Consolidated financial statements

New projects and subsidiaries

Conversation with CEO

EMBRACING ALL CHALLENGES

In April 2020, Mr. Bui Quang Anh Vu, Deputy CEO of Investment, was officially appointed the CEO of PDR. This is the first appointed CEO of PDR after many years this role was concurrently held by Chairman Nguyen Van Dat.

Appointing of Mr. Bui Quang Anh Vu and separating the roles of Chairman and CEO not only ensures compliance with CG regulations, but also reflects the will of the Board in taking PDR to a new level.

Mr. Bui Quang Anh Vu is highly regarded for his capacity, long engagement with the Company and profound understanding and alignment with PDR's business philosophy and corporate culture, to lead PDR's up and growing scale.

After nearly a year, all these assessments have been proven thanks to Mr. Bui Quang Anh Vu's outstanding performance when he led PDR to extraordinary results despite the market's turbulence amidst the Covid-19 pandemic. For the first time, the newly appointed CEO opened to share some insights of the achievements as well as the strategic plan of PDR.



? As a CEO, how do you evaluate the year of 2020 for PDR?

Over the past year, we have witnessed the changes in global socio-economy, the challenges for business environment. But beyond the gloomy scene, PDR keeps on writing into our development history the proud results that we achieved. We also nurture the prospect of unexpected success for the strategy for the New Era.

We have fulfilled all the targets and the promises we made to shareholders, partners, customers and our employees in 2020. For example, our commitment to the plan of revenue and profit, bond payment schedules, land bank expansion, business diversification to build sustainable revenue, brand promotion, and more. In some targets, we even managed to exceed the planned numbers.

More importantly, PDR continued to improve our management structure, strengthen corporate culture and enhance our core foundations to prepare for the future. At PDR, we unswervingly strive for rapid growth and increasing sustainability.

? Facing PDR's ambitious development strategy and targets, what are the advantages and pressures that you have been through in your role?

Obviously, the biggest difficulty is the market's pressure. I inherit a great advantage from PDR's existing clear strategy and strong internal capabilities. I adhered to the goals and requirements set forth by the BOD to drive action plan and results.

In response to the ambitious strategy and high targets of PDR, I aim to keep a synchronous and consistent implementation

in all areas, from project-product development, project legal compliance, stable cash flow and sufficient financial resources, brand's influence on team building, enhancement of management system and corporate culture.

All missions must be in line with the direction and requirements of the strategy for the New Era. We also keep on updating, improving and reinforcing our implementation along the way.

? Besides meeting the current growth targets, you also focused on preparing the foundations for the further future. Would you please share the focused areas to bring about the new strength and vitality for the Company?

As I have shared my thoughts, we have two missions that must be accomplished at the same time. Firstly, speeding up to achieve breakthroughs. And secondly, reinforcing the internal capabilities to become more and more sustainable.

To achieve this requirement, it is impossible to delay the development of a management - operating system, employee development and a unique corporate culture.

In my opinion, a system is only built effectively when it was developed from a "soft power" of transparent management mindset. The builders must have a clear vision of the business management model, prior to the application of "hard power", which are compatible technical tools and technologies.

During the past year, PDR has strongly enhanced the digital transformation process. In the fourth quarter of 2020, the ERP system was officially put into operation after the previous thorough preparation. All engineering and technology applications were built on the specifications and actual needs of PDR. Therefore, we strongly believe in the efficiency of this system.

PDR paid more attention to employee development during last year. Despite the gloomy market, PDR set a new record in new recruits. Moreover, we also strongly focused on fostering, developing and increasing the roles of the existing employees. Our remuneration and benefit policies has never been this high.

To gain sustainability, an enterprise must own a strong team that always thirst for development, instead of chasing after development requirements. We are working hard to create such a team. To accomplish that mission, we must build a corporate following strict principles but also carrying caring culture. At PDR, we put integrity and transparency on top of other core values.

PDR provides a perfect environment for people with capacity and aspirations. The Company will guide, support and provide the best opportunities for an employee's success. In exchange, we expect our employees to put all their heart and soul into development the Company. Best effort and adherence with the value of honesty are expected without excuses.

It will take a long journey to build the foundation, internal capabilities and culture for a corporation. We have taken our first steps last year and achieved encouraging results.

? In 2021, the goals and expectations of PDR are even bigger after the expansion in both its scale and sectors. What are your main directions to help the Company maintain its rapid and sustainable growth?

Our plan for 2021 is clear and in line with the 2019 - 2023 strategy.

Accordingly, we will proceed with our specific targets of land bank acquisition in potential markets with great prospects and high efficiency. At the same time, we will develop residential real estate products compatible with the market's

needs, generate fast cash flow and continue to improve corporate financial health. We will also implement prudent communication - marketing strategy to increase brand coverage and influence. These activities are expected to help us accelerate and achieve breakthroughs.

Internally, we continue to reinforce business sustainability. The key for management system development is to enhance the digitization process and specific tools such as ERP.

Finally, the most important task is to expand and elevate the team. We have policies in place to keep the balance between talent acquisition and long-term employee development. To build an ideal working environment, it is necessary to put more ideas and efforts into corporate culture.

The philosophy of "Success together" is always in my thoughts. A thriving company will bring the respective prosperity to its employees basing on their contributions.

Continuous evolvement is the market's nature and business has never been an easy work. With our existing achievements and our will to thrive above, we are ready to embrace all challenges and never cease to move forward.

? Given the scale and development requirements of PDR, the CEO position certainly faces a lot of pressure. What is your secret to always stay strong and maintain the enthusiasm?

I have strong alignment with the Company's ideals and goals where my core values and business perspective do not conflict with those of the Company. This gives me peace of mind to put all my heart into this job.

The new position has given me new challenges to grow further. This is also an opportunity for me to realize my long-awaited dreams.

Thank you for your sharing!

ASSESSMENT REPORT BY BOARD OF MANAGEMENT

Adhered to the strategy, goals and directions of the BOD and with a well-made implementation plan and methodology, the process of conducting business was in line with PDR's plan.

Fulfilled all business tasks and achieved all defined targets to ensure growth rate even when going through the unpredictable socio-economic fluctuations.

Took new steps in upgrading our internal resources. Typically, the Company has properly managed the rapid expansion of the human resources, promoted the professionalism of the team, deployed a number of new initiatives in the management system, and stayed on top of the digital transformation process in order to officially apply new management tools such as ERP.

PDR has clearly demonstrated the determination to revamp and upgrade the corporate culture. We have made important changes in employee policies in order to motivate and engage the team as well as build the workplace to a more professional and compassionate place.

OUTSTANDING NUMBERS OF 2020

Market capitalization

USD 1,000,000,000

From the momentum of 2020, PDR has officially become of the companies with a market cap of over \$1 billion on February 3, 2021.

Total land bank
459.63 (hectares)

All items of the land bank are situated in prime locations in potential markets

Growth rate of profit after tax
39.6%

Compared to 2019

Dividend
17%

The Company made two dividend payments in 2020

Cumulative profit
VND 14,270 billion

A new cumulative profit target for the 2019 - 2023 period was announced in September 20, replacing the previous goal of VND11,850 billion, equivalent to a CAGR rate of 51%

Average pay rise rate
13.3%

The periodic salary review for employees was implemented in April 2020 - exactly when the market began to severely suffer from Covid-19

Owner's equity
VND 5,194 (billion)

19% YoY increase

BUSINESS RESULTS

PDR was in a cohort of businesses standing strong and maintaining their directions during the Covid-19 pandemic. The high growth rate in 2020 has brought PDR's scale to an all-time record.

Since the end of January 2020, the Covid-19 pandemic has made its presence highly visible and caused unprecedented changes in social life and business environment globally. Vietnam is one of the first countries hit by the pandemic. It is generally ascertained that Covid-19 has affected the business circle more profoundly than any economic crisis in the history of the modern world.

As a result of Covid-19, numerous businesses have been trapped in miserable circumstances. Stagnation has taken place everywhere. Shutting down, delaying or canceling plans, firing employees, slashing staff salaries are, among other things, the solutions that many businesses have been forced to adopt.

A shadow has also been cast over the real estate market. Businesses and customers have both become extremely cautious in decisions. Purchasing power has slowed down with many project plans forced to change course or more drastic actions made out of a necessity for survival. According to preliminary statistics, about 1,000 real estate businesses dissolved in 2020.

In that context, PDR was in a cohort of businesses that standing strong and maintain their development directions. The company adhered to our business criteria and operations and even timely deployed the existing plans. Our projects were still accelerated to ensure committed milestones. All of PDR's financial obligations were punctually performed.

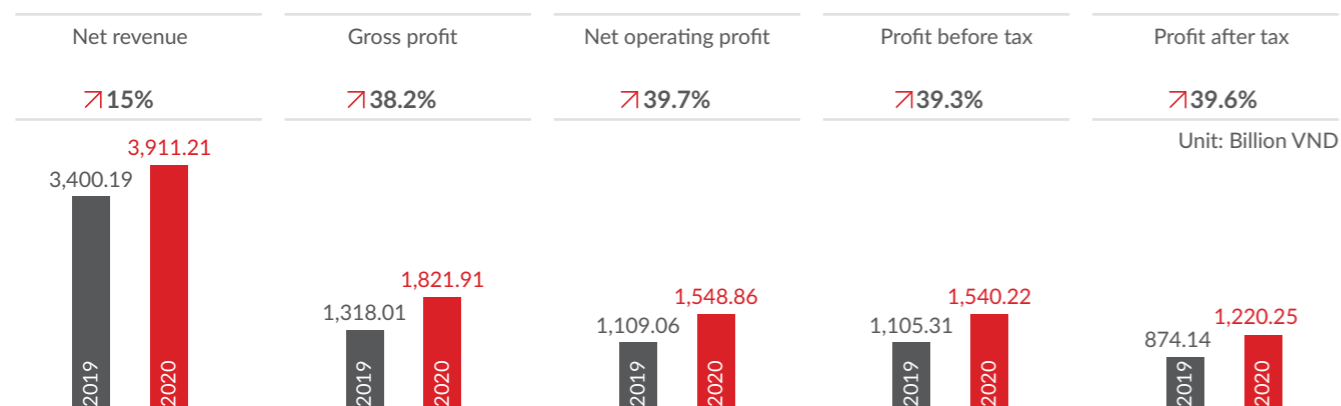
Moreover, thanks to the accumulated financial resources, PDR managed to acquire many new projects. At the same time, since mid-2020, the PDR has expanded our business to the industrial real estate segment and officially launched the first project in the third quarter of the year.

The high growth rate in 2020 brought PDR's scale to an all-time record. In response to the rapidly increasing workload, the number of personnel nearly doubled in 2019. Activities including improving the management system, investing in technology infrastructure, training the team, etc. were carried out at an unprecedented pace.

With the progress and efforts PDR has made, the Company has reached new heights in business, ensuring the top spot in the industry in terms of growth rate, creating a new strength and position in the market. PDR officially joined the USD 1 billion-market-cap club in early 2021.

Net revenue ↑15%
VND3,911 billion
YOY increase

Profit before tax ↑39.3%
VND1,540 billion
YOY increase



FINANCIAL SITUATION

- **Abundant accumulated funding**
- **Completely financially robust for investment needs**
- **Discrete in selecting funding sources**
- **Acquired more large-scale projects with accumulated funding**
- **100% of bonds are paid for upon maturity**

After three years of continuous growth and accumulation, PDR has achieved the best financial standing in the real estate industry.

Having a well-balanced capital structure, PDR's cash flow and liquidity have always been at an excellent status.

PDR's financial capacity is specifically demonstrated by the Company's punctual payment of debts and the ability to acquire new large-scale projects in prime locations to deploy trendy products.

47%
Gross Profit Margin

ASSET OVERVIEW

| Targets | 2016 | 2017 | 2018 | 2019 | 2020 | %+/- |
|---------------------|-----------------|-----------------|------------------|------------------|------------------|------------|
| Total assets | 9,002.35 | 9,948.86 | 11,057.43 | 13,961.38 | 15,617.49 | 12% |
| Current assets | 8,100.62 | 7,860.01 | 8,050.30 | 10,354.69 | 10,929.13 | 5.5% |
| Long-term assets | 901.73 | 2,088.84 | 3,007.13 | 3,606.69 | 4,688.36 | 30% |

Unit: Billion VND

Current assets
ROA ↑18%

8.25%
YoY increase

ROE ↑15%
25.52%
YoY increase

By the end of 2020, the Company's short-term assets reached VND10,929.13 billion, a YOY increase of 5.5%. Out of this, inventories recorded the largest increase with VND1,336.23 billion, or 16.7%.

Some highlights of the Company's short-term assets during the year:

- Bought out 99% of owner's equity interests of Ben Thanh Long Hai Joint Stock Company for a price of VND1,980 billion to invest and develop the Tropicana project in Phuoc Hai town, Dat Do district, Ba Ria - Vung Tau province. Out of this amount, the total value of the project recorded as inventories was VND1,911.16 billion.
- Completed the investment and construction of infrastructure for Zone 2, 4, and 9 under Nhon Hoi Ecotourism City to make the same eligible for transfer. Subsequently, the Company has handed over the projects recorded a portion of revenue to customers. Thus, the inventory value of these projects by the end of 2020 decreased by VND1,317.56 billion compared to the end of 2019.

- Invested in developing other potential projects; thus the year-end value of these projects increased accordingly: The value of the Astral City Binh Duong project increased by VND28.15 billion; the residential project value in Bac Ha Thanh increased by VND41.21 billion; the project under development in the center of HCMC is valued at VND88.18 billion and several other projects.
- Fulfilled State's requirements to gain eligibility for the transfer of the entire River City project and the remaining area of The EverRich 3 project. When these projects meet all the legal requirements, the Company will carry out the transfer in accordance with the law, which shall result in a significant decrease in the value of inventories.
- The balance of cash and cash equivalents by the end of 2020 was VND53.17 billion, down by VND593.16 billion. This is mainly because at the end of 2019, PDR prepared cash to buy shares of our subsidiary (Saigon - KL Real Estate Joint Stock Company). In January 2020, this amount was transferred to the former shareholders of this company.
- Short-term receivables decreased by VND189.24 billion, mainly because the Company collected most of receivables from customers and recovered part of other receivables from investment partnership. The value of these receivables at the end of the year decreased by VND506.73 billion. Out of this amount, receivables decreased by VND816.73 billion and the value of receivables converted from long term to short term was VND310 billion.
- The company also made advance payments to develop projects and buy shares in other companies. Therefore, the value of the payments advanced to sellers at the end of the year increased by VND315.42 billion. Out of this amount, the advance payments for Central Company to implement the Astral City Binh Duong project was VND174.80 billion; the advance to buy shares of Serenity Investment Joint Stock Company was VND100 billion, and the advance to develop projects in the center of HCMC and in Tan Thanh district, Ba Ria - Vung Tau province was VND121.37 billion; advance payments for other suppliers decreased by VND53.44 billion.

Long-term assets

As of the end of 2020, PDR's long-term assets were VND4,688.36 billion, up by VND1,081.67 billion, or 30% compared to the end of 2019. The main reason was the Company promoted cooperation in the form of investment into associates to develop projects in Binh Dinh and Ba Ria - Vung Tau. The value of investment in joint ventures and associates increased by VND1,731.26 billion, specifically:

- As a result of a contribution of 49% of the charter capital to establish BIDICI Real Estate Investment Joint Stock Company, the investment value in joint ventures and affiliates increased by VND1,092.70 billion.
- Completed the purchase of 36.4% of owner's equity interest in Serenity Investment JSC for a fee of VND635.18 billion.

In addition, in 2020, the Company recovered VND268.26 billion in long-term liabilities from investment partnerships and converted VND310 billion into short-term liabilities. As a result, the total value of long-term receivables at the end of the year decreased by VND578.26 billion, or 36.9%, against the end of 2019.

In addition, the total depreciation costs of fixed assets, investment properties and the allocated value of long-term prepaid expenses during the year reduced the long-term assets by VND91.65 billion. Fixed asset costs increased by VND40.29 billion, which was mainly due to the merger of Ben Thanh Long Hai Company.

Profitability indicators tended to increase and were much higher than those of recent years:

| Targets | 2018 | 2019 | 2020 | Unit: % |
|---------------------------------|-------|-------|-------|---------|
| Return on Assets (ROA) | 6.12 | 6.99 | 8.25 | |
| Return on Equity (ROE) | 20.30 | 22.19 | 25.52 | |
| Net operating profit margin | 26.28 | 32.62 | 39.60 | |
| Profit after tax / net revenues | 29.95 | 25.71 | 31.20 | |

The above results reflect the Company's increasingly efficient use of capital and assets over the years. The profit /net revenue margins, which represent the Company's profitability, were high and on a growing trend. Besides, the Company did not incur non-performing receivables or bad assets.

SITUATION OF FUNDING

Liabilities

By the end of 2020, the Company's liabilities were VND10,423.21 billion, up by VND830.76 billion, corresponding to an increase of 8.7% compared to the end of 2019, mainly due to short-term liabilities, specifically:

Short-term liabilities: Overall, short-term liabilities increased by VND1,313.51 billion, or 42.7%, compared to the end of 2019. The main reasons include:

- Other short-term liabilities increased by VND857.11 billion.
- VND1,096.25 billion of borrowings from BIDICI Real Estate Investment Joint Stock Company.
- Deposits received increased by VND279.48 billion.
- A reduction of VND528.21 billion due to the pay-off of the payable balance for the share transfer of Saigon - KL Real Estate Joint Stock Company.
- The year-end value of loans and short-term debts increased by VND211.96 billion, mainly resulted from maturity long-term debts, were classified as short-term debts.

Long-term liabilities: There was an overall decrease of VND482.75 billion, or 7.4%. The main reason was the decreased value of long-term loans and debts, specifically:

- A decrease of VND190 billion due to the acquisition of long-term bonds of Military Bank - Saigon branch.
- VND564.68 billion of maturity long-term loans was classified as short-term debts.
- The VND15.43 billion pay-off of all loans from Vietinbank - Quang Ngai branch.
- An increase of VND266 billion due to a loan from Vietinbank - Branch 11 to finance an office building project in District 3, HCMC.

| Targets | 2016 | 2017 | 2018 | 2019 | 2020 | %+/- | Unit: VND billion |
|------------------------|----------|----------|----------|----------|-----------|------|-------------------|
| Liabilities | 6,598.55 | 7,121.97 | 7,545.80 | 9,592.45 | 10,423.21 | 9% | |
| Short-term liabilities | 1,678.06 | 1,080.84 | 791.98 | 3,072.75 | 4,386.26 | 43% | |
| Long-term liabilities | 4,920.49 | 6,041.13 | 6,753.82 | 6,519.70 | 6,036.95 | -7% | |
| Owner's Equity | 2,403.80 | 2,826.88 | 3,511.63 | 4,368.93 | 5,194.28 | 19% | |

Unit: VND billion

| Partner | Beginning balance | Bond par value | | | Ending balance |
|---|-------------------|----------------|------------------|--------------|----------------|
| | | Issue | Repurchase | Fee | |
| Hai Phong Securities Joint Stock Company | 299.70 | 300.00 | -300.00 | -0.48 | 299.22 |
| Thanh Cong Securities Joint Stock Company | 207.81 | 210.00 | -260.00 | 0.60 | 158.41 |
| SCIC Investment Co.,Ltd | 98.96 | - | -99.00 | 0.04 | - |
| Oriental Joint Stock Commercial Bank | 385.48 | - | -400.00 | 14.52 | - |
| Military Joint Stock Commercial Bank | 542.19 | - | -300.00 | 5.05 | 247.24 |
| Total | 1,534.14 | 510.00 | -1,359.00 | 19.73 | 704.87 |

Complying with existing commitments, in 2020, the Company bought a portion of Military Commercial Joint Stock Bank bonds before maturity and all maturing bonds using revenues from business activities. Besides, the Company also issued three new bonds with a total value of 510 billion dong, redemption period in 2021. As 2021 plans, the Company will purchase all maturing and before maturity bonds outstanding by the end of 2020.

Other long-term liabilities

Decreased by VND2.31 billion compared to the end of 2019. The total of VND5,547.43 billion in long-term liabilities was advance payments received under the investment cooperation contracts for River City and The EverRich 3 projects. This amount will no longer be incurred when the transfer of River City and The EverRich 3 complete.

Exchange rate

In 2019, the Company took a loan of USD22,500,000. Since this loan needs to be repaid in foreign currency, fluctuations in exchange rates would affect the Company. However, as of the end of 2020, this effect had been negligible due to subtle changes in the exchange rate.

Unit: VND billion

| Details | Share capital | Undistributed net profit | Share premium | Investment and development fund | Owner's Equity |
|--|-----------------|--------------------------|---------------|---------------------------------|------------------|
| As at December 31, 2019 | 3,276.58 | 871.3 | 11.68 | 137.51 | 4,297.08 * |
| Net profit in the year | - | 1,220.33 | - | - | 1,220.33 |
| Contributions to reward and compensation funds | - | -34.14 | - | 17.5 | -16.65 |
| Dividend payments in shares | 685.12 | -685.12 | - | - | - |
| Dividend payments in cash | - | -393.19 | - | - | -393.19 |
| Compensation for the BOD | - | -5.26 | - | - | -5.26 |
| As at December 31, 2020 | 3,961.70 | 973.92 | 11.68 | 155.01 | 5,102.31* |

* Excluding non-controlling interests.

PERFORMANCE OF SUBSIDIARIES

DK PHU QUOC CORPORATION (DK PHU QUOC)

On March 9, 2018, PDR received a share transfer to own 99% of the charter capital of DK Phu Quoc. The transfer served the implementation of the Ham Ninh Industrial Cluster Technical Infrastructure Investment Project and the Craft Village Residentials and center of Ham Ninh commune, Phu Quoc City, Kien Giang province. The project is finishing necessary legal procedures as required by the law.

COININ CONSTRUCTION INVESTMENT INFRASTRUCTURE COMPANY LIMITED (COININ)

On March 9, 2018, PDR received a share transfer to own 80% of Coinin's capital. The transfer's purpose was carrying out the BT project of Technical Infrastructure Construction for Zone 1, National Cultural and Historical park project at Long Binh Ward, District 9, HCM City. This project is currently on track.

SAI GON - KL REAL ESTATE CORPORATION (SAI GON - KL)

On October 9, 2019, PDR signed a contract to receive a share transfer to own 99% of the charter capital of Saigon - KL to implement the Commerce, Service and Housing Complex project in Binh Duong Province (Astral City). The project is finishing necessary legal procedures as required by the law.

NGO MAY REAL ESTATE INVESTMENT JOINT STOCK COMPANY (NGO MAY)

In the fourth quarter of 2019, PDR contributed to 94% of the charter capital of Ngo May. We also successful auctioned 5,246 m² of to build a hotel at No. 01 Ngo May, Quy Nhon City, Binh Dinh province. The project is finishing necessary legal procedures as required by the law.

BEN THANH - LONG HAI JOINT STOCK COMPANY (BEN THANH - LONG HAI)

On September 7, 2020, the Company completed the purchase of 99% ownership of Ben Thanh - Long Hai to implement the Wyndham Tropicana Long Hai resort in Ba Ria - Vung Tau province. The project is finishing necessary legal procedures as required by the law. The main business activity of Ben Thanh - Long Hai is real estate.

PHAT DAT INDUSTRIAL PARK INVESTMENT AND DEVELOPMENT JOINT STOCK COMPANY (PHAT DAT INDUSTRIAL PARK)

In 2020, the Company has contributed capital valued VND462.4 billion, equivalent to 68% of the ownership ratio, to establish Phat Dat Industrial Park. The main business activity of Phat Dat Industrial Park is real estate. Phat Dat Industrial Park is in the negotiation process for land bank serving business operation.

PERFORMANCE OF ASSOCIATES

PDP INVESTMENT AND CONSTRUCTION CO.,LTD (PDP)

PDP was established on July 3, 2018 with the main mission of investing and constructing the Phan Dinh Phung Sport Complex project. So far, the Company is completing the necessary procedures to implement the project.

SERENITY INVESTMENT JOINT STOCK COMPANY

On 12/31/2020, the Company completed the purchase of 36.41% ownership of Serenity Investment Joint Stock Company to implement a resort project in Ba Ria - Vung Tau province. The main business activity of Serenity is real estate.

BIDICI REAL ESTATE INVESTMENT JOINT STOCK COMPANY

In 2020, the Company has contributed the capital of VND1,092.7 billion, equivalent to 49% of the ownership ratio, to establish BIDICI Real Estate Investment Joint Stock Company. The main business activity of BIDICI is real estate.

5-YEAR FINANCIAL HIGHLIGHTS

| | 2016 | 2017 | 2018 | 2019 | 2020 |
|--|-------------|-------------|-------------|-------------|--------------------|
| BUSINESS PERFORMANCE | | | | | Unit: VND billion |
| Net revenue | 1,496.67 | 1,326.63 | 2,147.71 | 3,400.19 | 3,911.21 |
| Gross profit | 403.32 | 519.05 | 681.15 | 1,318.01 | 1,821.91 |
| Operating costs | 97.96 | 159.12 | 121.36 | 217.04 | 248.11 |
| Operating profit | 304.28 | 362.42 | 564.34 | 1,109.06 | 1,548.86 |
| Profit before tax | 304.43 | 550.87 | 758.08 | 1,105.31 | 1,540.22 |
| Profit after tax | 242.52 | 439.88 | 643.32 | 874.14 | 1,220.25 |
| BALANCE SHEET | | | | | Unit: VND billion |
| Total assets | 9,002 | 9,949 | 11,057 | 13,961 | 15,617 |
| Charter capital | 2,018 | 2,220 | 2,664 | 3,277 | 3,962 |
| Owner's Equity | 2,404 | 2,827 | 3,512 | 4,369 | 5,194 |
| FINANCIAL INDICATORS | | | | | Unit: % |
| (ROAA) | 2.93 | 4.64 | 6.12 | 6.99 | 8.25 |
| Return on Average Equity (ROAE) | 10.38 | 16.82 | 20.30 | 22.19 | 25.52 |
| INDICATOR PER SHARE UNIT | | | | | Unit: share |
| Number of shares outstanding at closing period | 201,809,971 | 221,990,923 | 266,389,007 | 327,657,972 | 396,169,897 |
| | | | | | Unit: VND |
| Earnings per share (EPS) | 1,023.00 | 1,561.00 | 2,287.00 | 2,534.52 | 2,926.00 |
| Book value per share | 11,911 | 12,734 | 13,182 | 13,334 | 13,111 |
| Year-end market value | 13,100 | 35,700 | 25,500 | 26,200 | 51,500 |

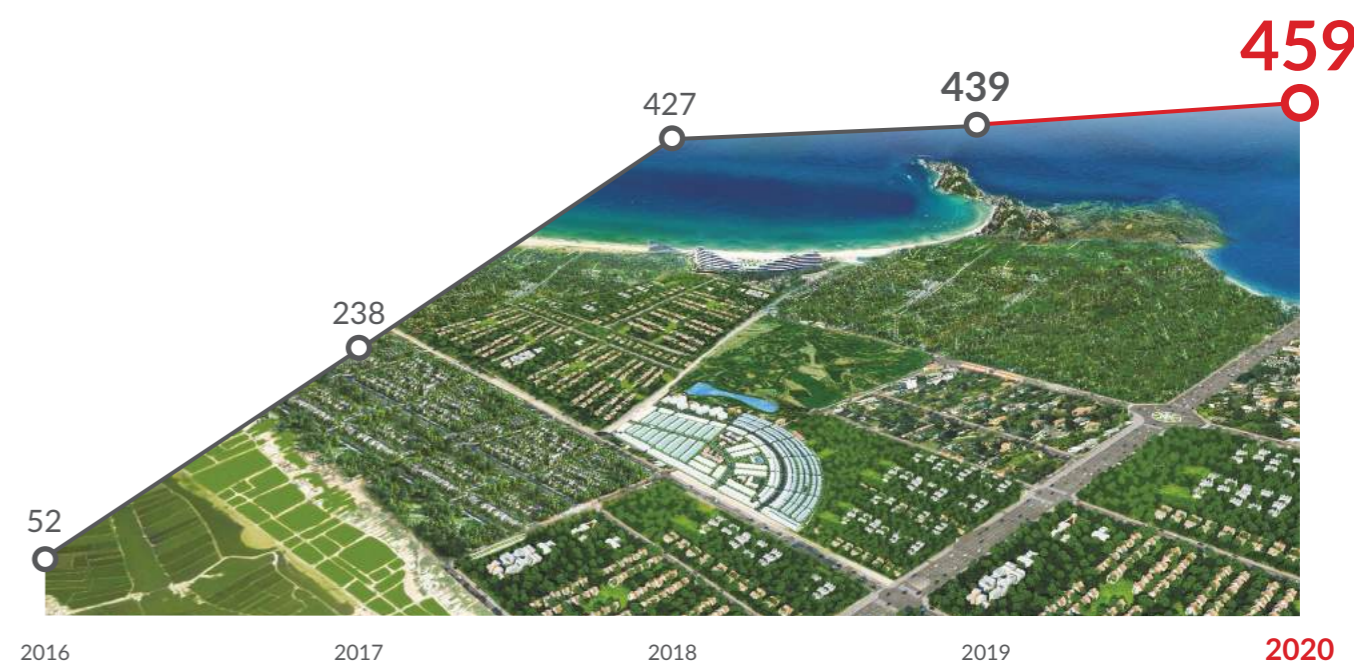
Source: Audited Consolidated Financial Statement 2016 - 2020

LAND BANK AND PROJECT DEVELOPMENT

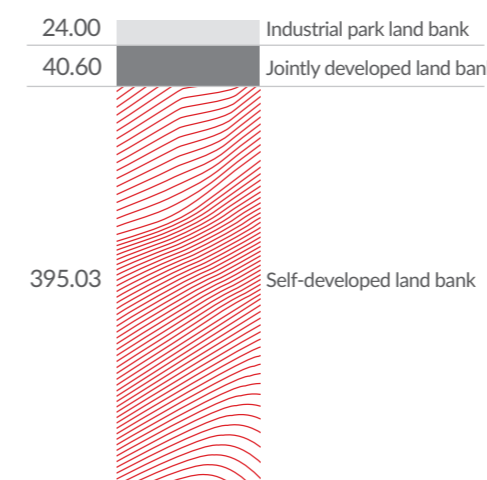
Binh Dinh, Quang Ngai and the central coastal provinces remains as the main markets that PDR aims to invest in.

Besides, in 2020, PDR expanded our target market to Ba Ria - Vung Tau, Binh Duong and included the provinces around HCMC in the next priority market group.

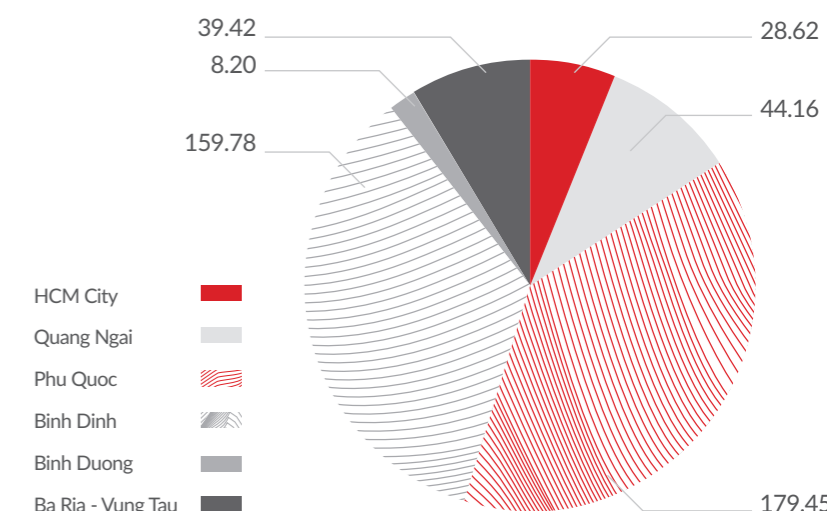
PDR's capacity of land bank development during 5 years (ha)



Land bank structure (ha)



Land bank structure in localities (ha)



Competences and achievements

Gearing up on the new height

Reaching a conglomerate scale based on core capabilities

Sustainable development report

Consolidated financial statement

Key projects made pdr's history



PROJECT PORTFOLIO ON EXISTING LAND BANK

| | List of projects (land bank) | Location | Area (ha) |
|------------|---|--------------------------------|---------------|
| I | SELF-DEVELOPED LAND BANK | | 395.03 |
| 1 | District 9 project | District 9, HCMC | 23.94 |
| 2 | Other projects in HCMC | HCM City | 4.61 |
| 3 | Pham Ngoc Thach Office Building | District 3, HCMC | 0.07 |
| | Total land bank in HCMC | | 28.62 |
| 4 | Bo Bac Residential Quarter combined with urban improvement | Quang Ngai | 44.16 |
| | Total land bank in Quang Ngai | | 44.16 |
| 5 | Residential, Handicraft Area and Center of Ham Ninh Commune | | 138.85 |
| 5.1 | Residential, Handicraft Area and Center of Ham Ninh Commune | | 79.69 |
| 5.2 | Ham Ninh Commune Industrial Cluster Project | | 59.16 |
| | Total land bank in Phu Quoc | | 138.85 |
| 6 | Nhon Hoi Ecotourism City | Binh Dinh | 116.10 |
| 6.1 | Zone N0.4 | | 34.10 |
| 6.2 | Zone N0.2 | | 36.10 |
| 6.3 | Zone N0.9 | | 45.90 |
| 7 | Bac Ha Thanh Residential Area | Binh Dinh | 43.16 |
| 8 | No. 1 Ngo May Project | Binh Dinh | 0.52 |
| | Total land bank in Binh Dinh | | 159.78 |
| 9 | Astral City Binh Duong | Binh Duong | 3.74 |
| 9.1 | Binh Duong Commercial Center 1 (Astral City) | | 1.93 |
| 9.2 | Binh Duong Commercial Center 2 (Astral City) | | 1.81 |
| 10 | Binh Duong Tower Project (Nguyen Thi Minh Khai) | Binh Duong | 4.46 |
| | Total land bank in Binh Duong | | 8.20 |
| 11 | Phuoc Hai 7.4ha project | Ba Ria Vung Tau | 5.56 |
| 12 | Ben Thanh Long Hai Tourism Zone Project (Tropicana) | Ba Ria Vung Tau | 9.86 |
| | Total land bank in Ba Ria - Vung Tau | | 15.42 |
| II | JOINTLY DEVELOPED LAND BANK | | 40.60 |
| 13 | Doan Anh Duong Ecotourism Area | Phu Quoc | 40.60 |
| III | INDUSTRIAL LAND BANK | | 24.00 |
| 14 | The project of general warehouse, port logistics and logistics services at Cai Mep Port | Phu My Town, Ba Ria - Vung Tau | 24.00 |
| | TOTAL (I) + (II) + (III) | | 459.63 |

KEY ACHIEVEMENTS IN PDR'S PROJECT DEVELOPMENT IN 2020

- Promoted the implementation of existing projects, focusing on the Zones in the major project of Nhon Hoi Ecotourism City. This project not only contributes a large share of total revenue but also establishes a solid position for PDR in the Central Coast market.
- Acquired new projects to continue diversifying products and further promote new projects in several markets including Binh Dinh, Quang Ngai, Binh Duong, Ba Ria - Vung Tau, etc.
- Strengthened the product diversification strategy. Currently, the Company has developed a full range of products such as villas, high-class apartments, land plot, etc. with considerations about customers' current needs.
- Ensured the fastest and most complete fulfillment of legal procedures to optimize the progress of construction and sale, bringing products to market in a timely manner, yielding early and effective revenues, handing over products to customers on time.
- Continued to focus resources on implementing legal procedures for BT projects.
- Completed the transfer of River City (The EverRich 2) and The EverRich 3 projects to a partner.
- Started implementing the project on warehouse, storage facility and logistics services (in Cai Mep port area, Ba Ria - Vung Tau) as part of the strategy to diversify business lines to create stable and sustainable cash flow for the Company.
- Invested VND424.9 billion in building the Company's new office at 39 Pham Ngoc Thach, District 3, HCMC as part of the effort to create a professional workplace and promote the corporate brand.

MAJOR INVESTMENTS VIA PROJECT EXECUTION IN 2020

In 2020, PDR continued to invest in projects with a total value of VND10,228.73 billion. In which, PDR has investing heavily in the Astral City Binh Duong project with the total amount of VND624.45 billion, increase 4.72% comparing to early of the year; Nhon Hoi Binh Dinh Ecotourism City with a total investment of VND1,473.61 billion; new office project of VND424.9 billion (at 39 Pham Ngoc Thach, District 3, HCMC). And many other large investments as below:

| Project | Unit: VND billion | |
|---|-------------------|------------------|
| | Beginning balance | Ending balance |
| The EverRich 2 | 3,597.77 | 3,603.77 |
| Tropicana Ben Thanh Long Hai - Ba Ria - Vung Tau | - | 1,911.16 |
| Nhon Hoi - Binh Dinh Ecotourism City | 2,791.17 | 1,473.61 |
| The EverRich 3 | 875.64 | 876.30 |
| Binh Duong Commercial Center and Luxury Apartment project (Astral City Project) | 596.31 | 624.45 |
| DK Phu Quoc | 398.74 | 475.56 |
| 39 Pham Ngoc Thach Office Building | - | 424.89 |
| Internal technical infrastructure in Co Dai Village, District 9 | 319.51 | 376.81 |
| No. 1 Ngo May Project | 126.99 | 133.45 |
| Bau Ca Project - Quang Ngai | 37.60 | 25.53 |
| Corporate management software | - | 11.04 |
| Other projects | 157.56 | 292.15 |
| Total | 8,901.28 | 10,228.73 |

PROJECT IMPLEMENTATION STATUS

| No. | Project | Location | Project Arena | Expected total investment in 2020 (VND Billion) | Accumulated investment expenditure by 2020 (VND Billion) | Planned investment expenditure in 2020 (VND, Billion) | | | Legal situation | Project implementation in 2020 | | Project implementation in 2021 | | |
|----------------------------|--|------------------|--|---|--|---|--------------|------------|--|--|---|---|---|--------------|
| | | | | | | Design | Construction | Investment | | Design | Construction | Legal situation | Design | Construction |
| I. ONGOING PROJECTS | | | | | | | | | | | | | | |
| 1 | District 9 project | District 9, HCMC | 23.9 ha | | 0.52 | | | | | The land area has been handed over | | | | |
| 2 | Pham Ngoc Thach Office | District 3, HCMC | 0.067 ha | 521 | 424.96 | 2.64 | 79.9 | | <ul style="list-style-type: none"> Legal works, design and application for construction permit were undertaken | <ul style="list-style-type: none"> Construction drawings were developed Legal Department of Planning and Architecture approved in writing the proposed four basements PC of District 3 issued document to remove the name from the old building list | | <ul style="list-style-type: none"> Appraising the basic design Appraising the technical design and apply for construction permit | <ul style="list-style-type: none"> Completing structure component | |
| 3 | Phat Dat Bau Ca Residential Area | Quang Ngai | 7.71 ha | 422.20 | 422.20 | | | | | <ul style="list-style-type: none"> Completed | | | | |
| 4 | Bo Bac residential area in combination with urban gentrification | Quang Ngai | 53.95 ha (including the planned 44.16 ha for new construction) | | 1.89 | 1.45 | 162 | | <ul style="list-style-type: none"> Procedures to issue land acquisition notification is being undertaken | <ul style="list-style-type: none"> Approving detail plan 1/500 (completed) Appraising infrastructure basic design by DoC (undergoing) | <ul style="list-style-type: none"> Survey, inventory and counting for the development, appraisal and approval of the land clearance and compensation plans | <ul style="list-style-type: none"> Approving EIA report Appraising basic design Appraising technical design | | |
| 5 | Nhon Hoi - Binh Dinh Ecotourism City | Binh Dinh | 116.1 ha | | 3,656.22 | | | | | | | | | |
| 5.1 | Zone N0.4 | Binh Dinh | 34.1 ha | 536 | | 10.98 | 73.80 | 52.7 | | | | <ul style="list-style-type: none"> Request to adjust the project plan approval | | |
| 5.1.1 | High-rise | | | | 806.76 | | | | <ul style="list-style-type: none"> Supplemented financial obligations have been completed Land use certificate for the buildings has been obtained | <ul style="list-style-type: none"> Plan adjustment 1/500 has been completed, Provincial PC's approval decision has been issued Documents for HH-2-1, HH-2-2 and HH-2-3 Basic design and fire prevention design completed Technical issues of different fields have been harmonized for technical design Construction design for basements of the three buildings have been issued | <ul style="list-style-type: none"> Drilling work for HH-2-1 block completed | <ul style="list-style-type: none"> Designing the resident building Completing the designs Appraising the basic and technical designs for buildings | | |
| 5.1.2 | Low-rise | | | | 81.67 | | | | <ul style="list-style-type: none"> Certificate has been obtained | | <ul style="list-style-type: none"> Phase 1 (Plastic C19.5) has been completed | | <ul style="list-style-type: none"> Infrastructure has been completed | |
| 5.2 | Zone N0.2 | Binh Dinh | 36.1 ha | | 1,605.01 | | 166.10 | 0 | <ul style="list-style-type: none"> Certificate has been obtained | | <ul style="list-style-type: none"> Phase 1 (Plastic C19.5) has been completed | | <ul style="list-style-type: none"> Infrastructure has been completed | |
| 5.3 | Zone N0.9 | Binh Dinh | 45.9 ha | 8.551 | 1,162.78 | 0.240 | 141.30 | 0 | | | | <ul style="list-style-type: none"> Request to transfer the project Request to adjust the project plan approval | | |
| 5.3.1 | High-rise | | | | | | | | | <ul style="list-style-type: none"> Adjustments have been discussed with the Economic Council and plan dossier has been developed. | <ul style="list-style-type: none"> Implement the detail design 1/500 for the high-rise area | <ul style="list-style-type: none"> Design works Plan dossier has been completed Next steps | | |
| 5.3.2 | Low-rise | | | | | | | | <ul style="list-style-type: none"> Certificate for each plot has been obtained | <ul style="list-style-type: none"> Request for infrastructure construction permit (completed) | <ul style="list-style-type: none"> Phase 1 (Plastic C19.5) has been completed | <ul style="list-style-type: none"> Legal works related to design: Jan 6, 2021 - Mar 29, 2021 Approval of adjustments to the detail plan 1/500 of the high-rise area: | <ul style="list-style-type: none"> Infrastructure has been completed | |
| 6 | Bac Ha Thanh residential area in combination with urban gentrification | Binh Dinh | 43.16 ha | 2,342.6 | 41.47 | 0.330 | 436.31 | | <ul style="list-style-type: none"> Decision on Investor selection has been issued Project implementation contract has been signed | <ul style="list-style-type: none"> EIA approval (completed) Agreements on infrastructure connection with related authorities (completed) Appraisal of detail design and construction drawings (completed) | <ul style="list-style-type: none"> Converting the use of agricultural land Completing the land acquisition notification procedure | <ul style="list-style-type: none"> Appraising technical design of infrastructure component: Legal works for the appraisal approval has been completed Request for Construction permit: This project is exempted from construction permit once it meets the prevailing regulations on land acquisition | | |
| 7 | Industrial Cluster at Ham Ninh commune | Phu Quoc | 59.16 ha | 1,188 | | | 104.8 | | <ul style="list-style-type: none"> Plan dossier 1/500 has been completed and submission for approval | <ul style="list-style-type: none"> Design document has been completed and submitted to the Phu Quoc Economic Zone Council for appraisal. | <ul style="list-style-type: none"> Approving plan 1/500 Notifying land acquisition Conducting survey, inventory, approve compensation plan and pay compensation to local residents | <ul style="list-style-type: none"> Announcing the Plan once it is approved | | |
| 8 | Residential, Handicraft Area and Center of Ham Ninh Commune | Phu Quoc | 79.69 ha | 4,104 | 40.90 | | | | <ul style="list-style-type: none"> Plan dossier 1/2000 has been completed and submission for approval | <ul style="list-style-type: none"> Consultation documents have been completed and will be submit to the Management Board once the plan dossier 1/2,000 is approved. | <ul style="list-style-type: none"> Completing and submitting plan dossier 1/2000 for approval Completing and submitting plan dossier 1/500 for approval | <ul style="list-style-type: none"> Completing and submitting plan dossier 1/2000 for approval Completing and submitting plan dossier 1/500 for approval | | |

Competences and achievements

Gearing up on the new height

Reaching a conglomerate scale based on core capabilities

Sustainable development report

Consolidated financial statement

Key projects made pdr's history

Project implementation status

| No. | Project | Location | Project Arena | Expected total investment in 2020 (VND Billion) | Accumulated investment expenditure by 2020 (VND Billion) | Planned investment expenditure in 2020 (VND, Billion) | | | Legal situation | Project implementation in 2020 | | Project implementation in 2021 | | |
|----------------------------------|--|---------------------------|--|---|--|---|--------------|------------|--|--|--|--|---|--------------|
| | | | | | | Design | Construction | Investment | | Design | Construction | Legal situation | Design | Construction |
| 9 | Doan Anh Duong Ecotourism Area | Phu Quoc | 40.6 ha, including 16.79 ha in Phase 1 | 1,727 | 20.32 | | | 20.83 | <ul style="list-style-type: none"> Approving the adjustments to Plan 1/500 | <ul style="list-style-type: none"> Approving detail plan 1/500 (completed) | <ul style="list-style-type: none"> Notifying land acquisition Conducting survey, inventory, approve compensation plan, pay compensation to local residents and undertake land acquisition | <ul style="list-style-type: none"> Approval Decision No. 235/QD-BQLKTPQ has been issued | | |
| 10 | Astral City | Binh Duong | 3.73 ha | 9,620 | 2,317.92 | 10,766 | 3,667.2 | 130 | <ul style="list-style-type: none"> Request for approval of the project investment plan | <ul style="list-style-type: none"> Planning of 1:500 Appraising basic design Discussions on electricity, water supply and drainage with related authorities have been completed | <ul style="list-style-type: none"> Conduction of legal works related to the investment: Request for investment plan decision Request for Decision allowing the land use conversion Completion of financial obligations | <ul style="list-style-type: none"> Completion of design works and approve plan 1/500 Comment on fire prevention component of the basic design Approval on EIA report Appraisal of basic design Appraisal of fire prevention component of the technical design Applying for Construction permit: | <ul style="list-style-type: none"> Complete underground works and 30% of above-ground floors | |
| 11 | Binh Duong Tower | Binh Duong | 4.46 ha | 5,600 | | 13,747 | | 150 | | <ul style="list-style-type: none"> Design for plan 1/500 that reflects the approved plan 1/2000 is undergoing (plan 1/2000 was approved on June 26, 2020) | <ul style="list-style-type: none"> Requesting for project investment plan approval and compling financial obligations | <ul style="list-style-type: none"> Designing; developing and submitting for approval the Design assignment Developing plan concept Developing architectural, furniture and landscape concepts Developing and submitting for approval Plan 1/500 project Completing additional financial obligations Conducting basic and technical designs | | |
| 12 | 7.4 ha Phuoc Hai project (Tai Tien) | Ba Ria Vung Tau | 5.56 ha | n/a | 735.18 | 22.85 | | | <ul style="list-style-type: none"> Detail plan 1/500 project has been developed and submitted to DoC. The detail design 1/500 is on hold while we are waiting for DoJ's report on land management solutions | <ul style="list-style-type: none"> Requesting for investment registration license Obtaining Plan 1/500 approval: | <ul style="list-style-type: none"> Approving the planning assignment: Approving detail plan 1/500 project Conducting and appraising Detail design Conducting and appraising Technical design Designing and requesting for Construction permit for hotel area Other designing works. | | | |
| 13 | Ben Thanh Long Ha (Tropicana) tourism area | Ba Ria Vung Tau | 9.86 ha | n/a | 1,980.62 | 13,194 | | | <ul style="list-style-type: none"> Completing the plan 1/500 option that converts part of the area to residential land. Waiting for the review and update into Master Plan 1/5000 which converts part of the are to residential land by DoC and Dat Do district PC for resubmission to the provincial PC | <ul style="list-style-type: none"> Requesting for land use conversion & Adjustment of investment project decision Obtaining Decision on land allocation for project implementation Identifying and completing financial obligations, Request for revised Land use certificate | <ul style="list-style-type: none"> Design works Approving the project on adjusting detail plan 1/500 Approving detail design 1/500 EIA Conducting basic design + time Appraising detail design for residential area Appraising fire prevention and technical designs for residential area Applying for Construction permit for residential area Designing and applying for Construction permit for hotel area | | | |
| 14 | Tai Tien port logistics services and warehouse | Ba Ria Vung Tau | 24 ha | n/a | 36.00 | | | | <ul style="list-style-type: none"> Conducting investment-related legal works related to facilitate the construction | | <ul style="list-style-type: none"> Conducting investment-related legal works related to facilitate the construction | | | |
| II. ONGOING BT PROJECTS | | | | | | | | | | | | | | |
| 1 | Technical infrastructure of Zone 1 (Co Dai Area) | District 9, HCMC | 84.1 ha | | 385.89 | | | 479 | | | <ul style="list-style-type: none"> 25% of the works have been completed | <ul style="list-style-type: none"> Legal works | <ul style="list-style-type: none"> The project activities are expected to complete in 2021 | |
| 2 | Phan Dinh Phung Sport Complex | District 3, HCMC | 1.4 ha | | 85.30 | | | 0.53 | | <ul style="list-style-type: none"> Appraise technical design by DoC (undergoing) | <ul style="list-style-type: none"> Conducting legal works and signing BT contract | <ul style="list-style-type: none"> Appraising technical design by DoC Approving design and cost estimates for underground components | <ul style="list-style-type: none"> Completing piling works and fence | |
| 3 | Hospital for Traumatology and Orthopaedics project | Binh Chanh District, HCMC | 3.7 ha | | 179.00 | | | | <ul style="list-style-type: none"> Undertaking next steps | | <ul style="list-style-type: none"> Conducting legal works | | | |
| III. RECOMMENDED PROJECTS | | | | | | | | | | | | | | |
| 1 | Urban gentrification in District 3 | District 3, HCMC | 0.4 ha | | | | | | <ul style="list-style-type: none"> Undertaking next steps | | | <ul style="list-style-type: none"> Undertaking next steps | | |
| 2 | Urban gentrification in District 4 | District 4, HCMC | 0.8 ha | | | | | | <ul style="list-style-type: none"> Undertaking next steps | | | <ul style="list-style-type: none"> Undertaking next steps | | |

Competences and achievements

Gearing up on the new height

Reaching a conglomerate scale based on core capabilities

Sustainable development report

Consolidated financial statement

Key projects made pdr's history

HIGHLIGHT PROJECTS



NHON HOI ECOTOURISM CITY

Known by various commercial names like Nhon Hoi New City, Ky Co Gateway, etc., Nhon Hoi Ecotourism City has been a magnet for the real estate markets of Binh Dinh and the Southern Central Coast for the last three years.

The large-scale project has been playing an important part in the transformation of Quy Nhon, providing a tremendous boost for the economic development, culture, tourism and lifestyle of this young city.

PDR is one of the key stakeholders in Nhon Hoi development projects. Zones 2, 4, and 9, developed by the company, are among the largest items of the entire project. Each requires an investment of approximately VND7,500 billion to VND9,100 billion.

The maneuver to have a hand in Nhon Hoi Ecotourism City is considered a turning point for PDR in our expansion efforts to the Central Coast, clearly demonstrating our vision, implementation capabilities, expertise and financial potential. The Company's actions were even deemed swift in some stages. Only 7 - 9 months after our successful bid, PDR planned, constructed, and sold out all products under an affiliated project.

In 2020, work items under Zones 2 and 9 accounted for the highest proportion of PDR's revenue, which further strengthened our position in this market.



As a peninsula, Nhon Hoi is a great combination between forest and sea, between nature and human. Therefore, when sketching the Nhon Hoi Ecotourism Area, PDR has also conveyed this inspiration into every page of the project.

Located in a peaceful seaside area, the project offers the living space of a future residential area, including a 5-ha eco-park combining swimming pools and playgrounds, sport ground, schools, hospitals, seaside squares and more.

Nhon Hoi Ecotourism Area owns a prime location and favorable infrastructure thanks to the arterial traffic routes and international flight routes. This area will become an attractive destination not only for investors but also for people who are searching for everlasting natural values.

ZONE 2

| | |
|-------------------------------------|---|
| Location | 19B Highway, Zone 2, Nhon Ly Commune, Quy Nhon City, Binh Dinh Province |
| Land area | 360,908 m ² |
| Total investment | VND9,123.5 billion |
| Commercial area | 215,878 m ² |
| Products | 1,927 of land plots, including: 1,425 land plots, 502 land plots combined with services |
| Time for selling | Q4, 2019 |
| Time for product transfer/hand-over | Q3, 2020 |

ZONE 4

| | |
|-------------------------------------|--|
| Location | 19B Highway, Zone 4, Nhon Ly Commune, Quy Nhon City, Binh Dinh Province |
| Land area | 341,594 m ² |
| Expected total investment | VND7,495 billion |
| Commercial area | 145,247 m ² |
| Products | 1,308 land plots, including 961 land plots for semi-detached house, 347 land plots for commerce - shophouse; apartment building. |
| Time for selling | Q2, 2019 |
| Time for product transfer/hand-over | Q3, 2019 |

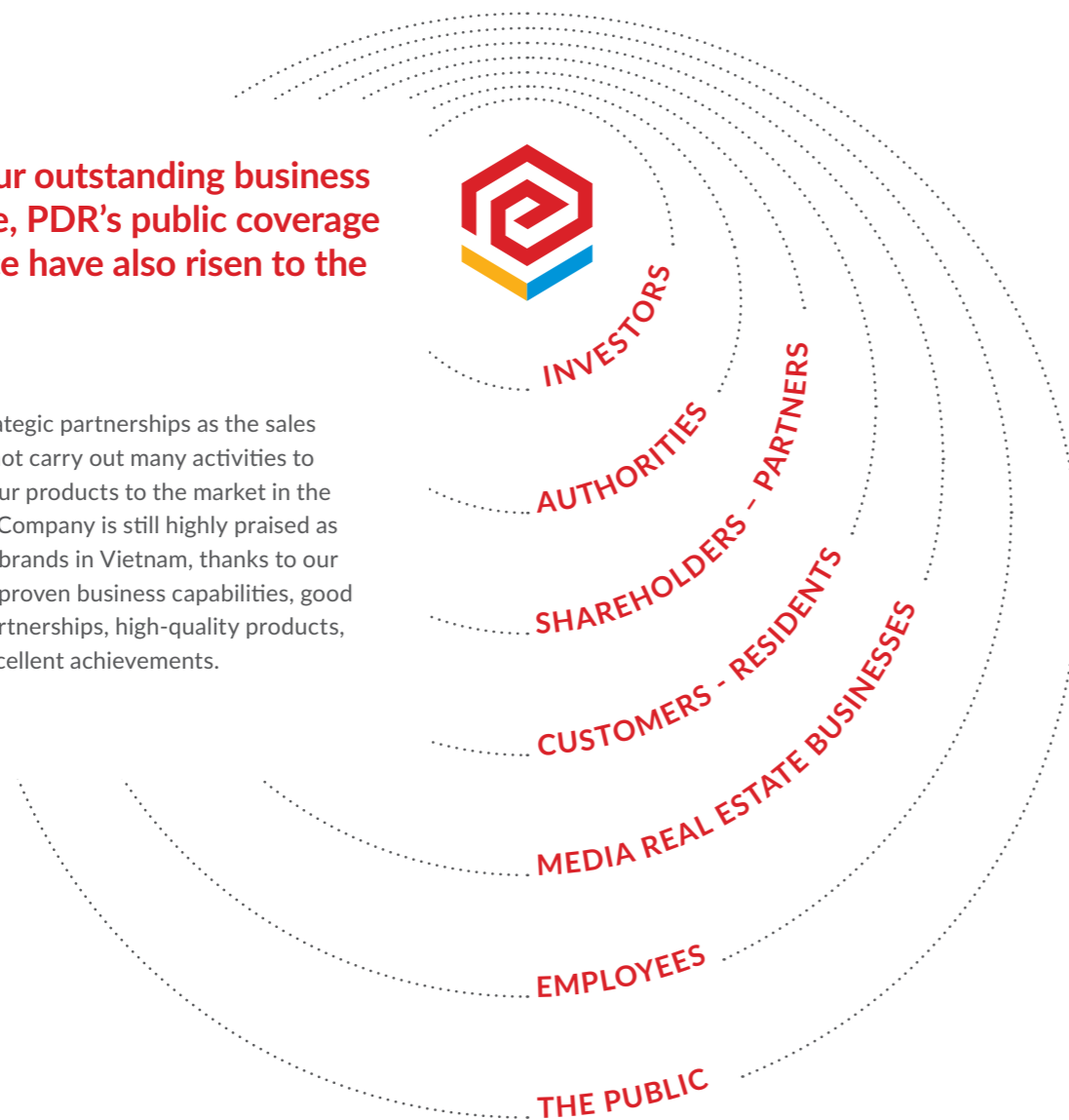
ZONE 9

| | |
|-------------------------------------|--|
| Location | 19B Highway, Zone 9, Nhon Ly Commune, Quy Nhon City, Binh Dinh Province |
| Land area | 459,832 m ² |
| Expected total investment | VND8,551 billion |
| Commercial area | 283,595 m ² |
| Products | 2,406 land plots, including: 2,055 land plots for semi-detached house, 351 land plots for villas and apartment building. |
| Time for selling | Q2, 2019 |
| Time for product transfer/hand-over | Q3, 2020 - Q4, 2020 |

BRAND DEVELOPMENT

Alongside our outstanding business performance, PDR's public coverage and influence have also risen to the next level.

Having chosen strategic partnerships as the sales channel, PDR did not carry out many activities to directly promote our products to the market in the past year. Yet, the Company is still highly praised as one of the leading brands in Vietnam, thanks to our expansion efforts, proven business capabilities, good reputation with partnerships, high-quality products, and continuous excellent achievements.



Some highlighted results:

WIDE PUBLIC COVERAGE

- A strategic advertising approach that PDR had been employing for the past year was OOH (Out-of-home advertising). PDR billboards were present in numerous public places such as airports, central buildings, main roads to HCMC, etc., to create a lasting impression and a constant reminder in people's minds.
- In addition to the primary market of HCMC, the Central areas, notably Binh Dinh and Quang Ngai, also came to fall within the Company's compass. In 2020, the Company also strengthened the position in Binh Duong and Ba Ria - Vung Tau with several large projects.

A HIGH POSITION OF TRUST

- Through our partnerships, PDR achieved a high position of trust among local officials, authorities, stockholders, and partners. Local officials believed that PDR would certainly bring about major projects with great practical values. Throughout the implementation process, PDR earned respect for our compliance with partnership guidelines and the law, as well as our ability to secure the benefits of all parties while ensuring transparency. On that account, PDR has become a desirable candidate for any successful partnership.
- Last year, the brand of PDR was the new center of attention to investors and stock buyers. Our Company's exceptional business performance added significant value to the shares and the investments we received.
- PDR products have proven to yield sustainable values on the market, sparking considerable interest from customers and real estate businesses.

STRENGTHENED VALUES

- On our thriving momentum, PDR gained significant advantages in partnerships with stakeholders, cut down time spent on pitching and research, and was trusted with abundant new opportunities.
- In the finance sector, PDR was able to select and leverage the best capital sources when needed, and our share price enjoyed a substantial increase.
- PDR products were well-received by customers, thus selling fast and maintaining high value on the market.

DEVELOPING THE HUMAN RESOURCES AND CORPORATE CULTURE

PREPARING INTERNAL STRENGTH FOR FUTURE BREAKTHROUGHS

Human resources and management systems are inevitable challenges to the development of any business. Regardless of the abundant opportunities and impressive growth rate a company may enjoy, it is still prone to risks and unsustainable progress if the internal strength fails to catch up.

PDR has soon become aware of the fact. Thus, alongside initiatives to boost the business activities and growth rate, the Company also puts effort into the enhancement of our foundation, systems, and personnel.

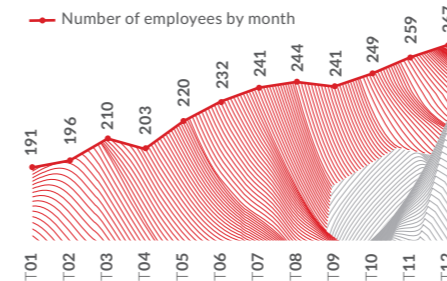
The last year witnessed not only the transition to the next generation of executives at PDR but also our transformation to a higher level, reflected by our expansion into new segments and markets, as well as increase in market capitalization, revenue and profit, to name a few. These achievements, however, introduced new tasks to the Company, including organizational restructuring, review of management capabilities, redefinition of the corporate culture, etc. to provide solutions for improving our internal strength.

PDR has always aspired for sustainability and longevity. Therefore, 2020 was an important stage for the Company to establish the foundation for future development.

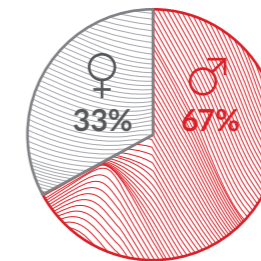
SUMMARY ON PDR'S PERSONNEL IN 2020

The number of personnel skyrocketed to meet the expansion in activities.

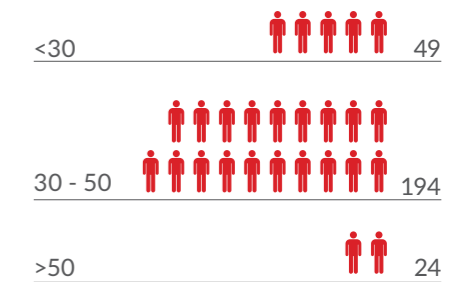
Number of employees by month (as of the last day of the month) in 2020



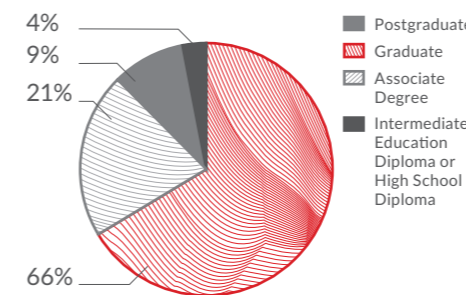
Number of employees by gender (as of December 31, 2020)



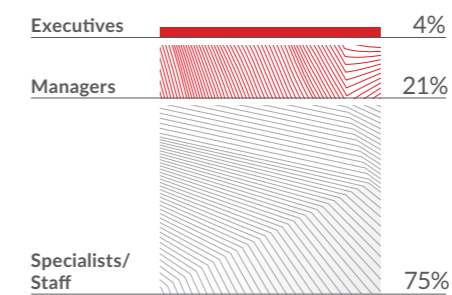
Number of employees by age (as of December 31, 2020)



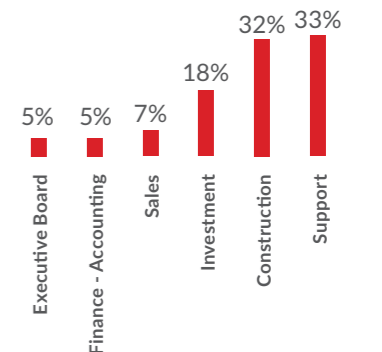
Number of employees by education level (as of December 31, 2020)



Number of employees by job grade (as of December 31, 2020)



Number of employees by division (as of December 31, 2020)



COPORATE CULTURE DEVELOPMENT

PDR aims to build a professional workplace with family vibes where connection, compassion, and support are the core values.

The definition of corporate culture may vary. Therefore, to have a more detailed roadmap, PDR interprets our corporate culture as the combination of the Company's business philosophy, value system, desired characteristics, driving missions, and code of conduct.

The corporate culture of a company may stem from the standards of its founder. However, as the business expands, its network and interactions complicated, the corporate culture calls for a specific set of rules and values



applying to every member, which will help create a shared identity for the organization.

Corporate culture also needs constant update and improvement to stay relevant to the ever-changing world, and with it, the market, humans, and society.

As such, PDR aims to build a professional workplace with family vibes where connection, compassion, and support are the core values.

In the past year, the Company experienced a radical change in terms of work environment and significantly increased personnel. The new context begged for the question of how to ensure our culture remains consistent, well-understood, and strictly followed. PDR also required a transformation toward a more refreshing, energetic, modish, and future-oriented image.

With that said, our corporate culture has essentially managed to remain intact and even improve via the following key principles:

- Performance is important, but financial gain is not everything.
- The rightful benefits of the Company shall be protected with loyalty during cooperation with the stakeholders.
- The Company's disciplines, regulations, and orders of the superiors shall be complied with.
- The employees' commitment and loyalty to the Company is highly valued.
- Mutual respect, collaboration, and support for the common goal among team members are encouraged.
- The notion of corruption and measly gain, which are commonly found in this industry, shall be inhibited entirely.
- Social responsibility and community service shall be respected and carried out, starting with compliance with tax obligation and charity activities.

Corresponding to such principles, the Company has deployed a management system, fine-tuned the policies, and applied relevant technologies.

As a work in process, PDR corporate culture will need more resources for refinement and continuous update. However, what the Company accomplished in the past year still deserved merits for the new and improved representation of the Company.

IMPROVEMENTS ON THE ORGANIZATIONAL STRUCTURE AND MANAGEMENT SYSTEM

The Board of Advisors is a special unit of PDR's organizational structure, playing a crucial part in the stable and continual development of the Company.

Some major problems the Company faced last year included how to connect new employees with the existing ones, empower the staff while maintaining sufficient control, promote teamwork while encouraging individual efforts and efficiency.

RESPONSIBILITIES OF THE BOARD OF ADVISORS

In 2020, PDR experienced a drastic change in the middle and high levels of management. A new Board of Management has been appointed, while middle-level managers has also increased in numbers. Following that, PDR has applied the Board of Advisor model to avoid interruptions to the management procedures, bring the existing values and advantages into play, welcome new members on board, improve risk control capabilities, and so on.

The Board of Advisors gathers highly skilled and trusted members with extensive expertise in key business areas, such as administration - management, finance - accounting, construction - project development, etc. The Advisors also have considerable insights into the Company because they are part of our history of development and have contributed enormously to our current standing. Outside PDR, the Advisors are also influential individuals in business.

With such outstanding credentials, the Board of Advisors acts the bridge between the BOD and the BOM, assisting the latter in managing specialties, regulating changes due to the sudden increase in personnel, especially middle-level managers, promoting professionalism and fostering execution speed while ensuring safety and promptly support, etc.

Thanks to these efforts, PDR has managed to maintain balance, stability, and safety in our rapid operation over the past year.

CHOOSING THE RIGHT PERSON

Compatibility is the most important criterion in PDR's recruiting process. Specifically, compatibility is how the candidate fits into the characteristics and values most appreciated at the Company. PDR believes that the development and contribution of an employee depends on their attitude.

Therefore, specialized knowledge aside, the compatibility of the candidate in respect with our corporate culture is considered a decisive factor.

With that in mind, PDR has ensured a certain consistency in our corporate culture without any significant disturbances or interruptions despite the dramatically increased number of personnel.

IMPROVING THE WORK PROCESSES AND UPGRADING THE SYSTEMS

The Company has updated our policies, adjusted our regulations and processes to adapt to practical demands, increase responsiveness to job requirements, improve control capacity, and encourage internal interactions, etc.

As a result, the management - administration process has become more seamless, individual and department performance more productive, contributing to the overall efficiency of the Company in a challenging and volatile year for business.

DIGITAL TRANSFORMATION

PDR has spent about USD2 million on building the ERP system and given the server system an amount of investment rarely seen in our peers.

Digital transformation is a priority in PDR's allocation of time, budget, and human resources. Since 2019 and over the past year, the Company's digitalization process has advanced by leaps and bounds.



THESE EFFORTS STRICTLY ADHERE TO THE FOLLOWING CRITERIA

- Careful analysis of the Company's models, needs, and conditions to take the right approach.
- An implementation roadmap with clear targets.
- Involvement of departments and executives to ensure the deployments match the organization's conditions, value chain and practical requirements.
- Adaptation to current needs and readiness for future expansion when needed.
- No rush or superficial actions.

ACHIEVEMENTS OF 2020

- Completed IT infrastructure and standardized equipment according to global trends and the Company's demands (A server with substantial investment, security system, professional storage system...).
- Extensively adopted Office 365 in different levels.
- Deployed HR management system software: Completed the stage of solution design, widely provided for all staff and officially applied in early 2021.
- Implemented the enterprise resource planning software (ERP-SAP): Completed the stage of solution design, training, checkup testing officially applied in early 2021.

ACHIEVED PERFORMANCE

- Higher work efficiency and better utilized human resources.
- Increased capabilities in the monitoring and control of work progress.
- Better interconnectivity.
- Advanced new technology adoption ability of employees.
- Refreshing vibes in the work environment through adoption and training activities, etc.

HUMAN RESOURCES TRAINING AND DEVELOPMENT

In 2020, PDR dedicated 60% of the training courses to the middle-level management, 20% for specialist/staff levels and the rest 20% for all levels. Training contents focused on helping employees understand themselves and the organization to enrich their abilities and emotions.

SPECIFIC TOPICS OF TRAINING

Total training costs in 2020

VND 1,000,000,000

Total training in 2020

320 hours

Besides that, the internal training is still ongoing

Awareness:

Internal training was planned and delivered to all personnel for a deep understanding of the Company's code of conduct/business philosophy. On that basis, they could realize the vision, direction, core values, and business strategy of the Company.

Soft skills

For the management level: The training sessions were focused on the role of a manager and how to enhance their leadership skills to help them understand their job, apply management tools, face real-life situations in their work, manage changes, and so on.

For the specialist/staff levels: The goal was to unleash their intellectual potential, help them understand themselves and others as well as connect with the community. On that basis, they could break down barriers, find their own inspirations, and unlock their creativity.

HIGHLIGHTED RESULTS

Pre-training

96% of the participants understood the training objectives and had a study plan before the course.

In training

89% of the participant had a firm grasp of the lessons, actively contributed to discussions, sharing and sum-ups.

Post-training

77% of the employees could apply the theory to their work, adjusted and implemented it according to their personalities and personal strengths, turned it into a habit for better productivity.

INTANGIBLE AND TANGIBLE IMPACTS ON THE COMPANY

- Transformed mindset, perspectives, and communications.
- Higher productivity and business performance contributed to the overall results of the Company.
- The rate of promotion/change of title/expansion of responsibilities in 2020 increased by 5% compared to 2019.
- Improved quality of the human resources.

LABOR POLICIES



- Salary** ↑ 13.3%
 Average rate in the periodic salary review for employees
- Total welfare expenses** VND8.9 billion
 Bonus not included
- Bonus** VND13.8 billion
 Total bonus in 2020
- Bonus Value** 12-month salary
 For those with outstanding contributions
- Insurance** VND8.2 billion
 Total payments made by the Company & employees to Social Insurance, Health Insurance, Unemployment Insurance

COMPENSATION AND BENEFIT POLICY

To attract talents and strengthen loyalty, PDR has made significant adjustments to our compensation and benefit policies. PDR salaries and benefits are currently higher than the market average.

- According the salary review on April 2020, the income of all employees increased by 13.3% on average.
- Up to the end of 2020, the average salary of all employees was VND31.59 million/person/month. The average salary of the managers was VND89.52 million/person/month (increasing by over 14% compared to 2019).

| Benefit expenses in 2020 | | Currency: VND |
|--|--|----------------------|
| Total | | 8,855,064,702 |
| Benefit expenses (birthdays, weddings, academic achievements of employees' children, presents for the International Women's Day, childbirth allowance, sickness allowance, funerals, health insurance, periodic health checks, uniforms, Tet presents, etc.) | | 1,114,538,960 |
| Expenses for break meals | | 2,003,039,213 |
| Expenses for team building activities | | 3,264,627,600 |
| Expenses on 2020 year-end party included separate 2019 year-end expenses and a portion of 2020 year-end expenses | | 1,961,094,929 |
| Expenses for the Labor Union | | 511,764,000 |

BONUS POLICY

| Total bonus value in 2020 | | Currency: VND |
|--|--|-----------------------|
| Total | | 13,820,385,521 |
| 13th-month pay for 2019 | | 4,460,031,771 |
| KPI bonus for 2019 | | 4,127,684,250 |
| Rewards for Outstanding People of Phat Dat | | 2,941,532,000 |
| Seniority bonus | | 1,179,888,000 |
| Holiday bonus | | 1,111,249,500 |

- To encourage the staff to maximize their abilities and productivity, the Company, as advised by leading experts, has adopted the adjusted policies for compensation and benefits based on individual contributions and performance.
- PDR has rewarded "Outstanding People of Phat Dat" with a bonus of 12-month salary to exceptional individuals.
- Seniority bonus is also applied to recognize long-term commitments. Specifically: Those who have worked for the full of 5 - 10 - 15 years are entitled to a bonus of 1/2/3 months of salary.
- There are also bonus policies for holidays and PDR's anniversary.
- Other seniority benefits include real estate and stock options at a discount.

SOCIAL INSURANCE

The Company always fulfills our obligations on social, health, and unemployment insurances to timely provide the employees with all of their rightful benefits.

| PAYMENTS MADE TO SOCIAL INSURANCE-HEALTH INSURANCE-UNEMPLOYMENT INSURANCE IN 2020 | | Currency: VND |
|---|--|----------------------|
| Total payments made by the Company & employees to Social Insurance - Health Insurance Unemployment Insurance | | 8,187,880,959 |
| By the Company | | 5,501,232,519 |
| By the employees | | 2,686,648,440 |

CORPORATE SOCIAL RESPONSIBILITY AND ENVIRONMENTAL PROTECTION

For details on social responsibility and community service, please refer to the Sustainable Development Report, starting from page 150 of this publication.

Corresponding to the growth of PDR, the scale, quantity and quality of CSR activities as well as efforts in philanthropy and environmental protection also received more attention.

Some highlighted results:

- Continued to expand budget for CSR. In 2020, PDR established at least 38 donation campaigns, which successfully raised VND5.3 billion in cash. The initiative was developed and carried out by the highest level of the Company.
- Supported organizations and programs trusted for their credibility, mission and value contributed to the community.
- Implemented new activities to provide timely support for emergencies, such as disaster relief and response to the pandemic.
- Followed thoroughly all requirements and regulations on environmental protection before, during and after each project.

CORPORATE GOVERNANCE

Corporate Governance is identified by PDR as one of the most critical activities for establishing a solid foundation for the company's development, particularly when the company is growing fast in all aspects to become a conglomerate.

The company has given special attention to CG activities by assigning managers who have deep professional knowledge, intensive business experience and good capacity to absorb new international knowledge.

PDR has built up the CG model and related Regulations to a certain degree of professionalism. In addition, PDR constantly updates and adjusts this model and rules to make them compatible with our development requirements as well as changes in the business and legal environment, etc. The company also pro-actively works to apply higher international standards such as the ACGS to meet global and future development requirements.

PDR's CG capacity and efforts were recognized via the Outstanding Progress Award in CG category, granted in late 2020 by HOSE, HNX and Vietnam Investment Review Magazine.

The PDR Corporate Governance is based on the following core values



Competences and achievements

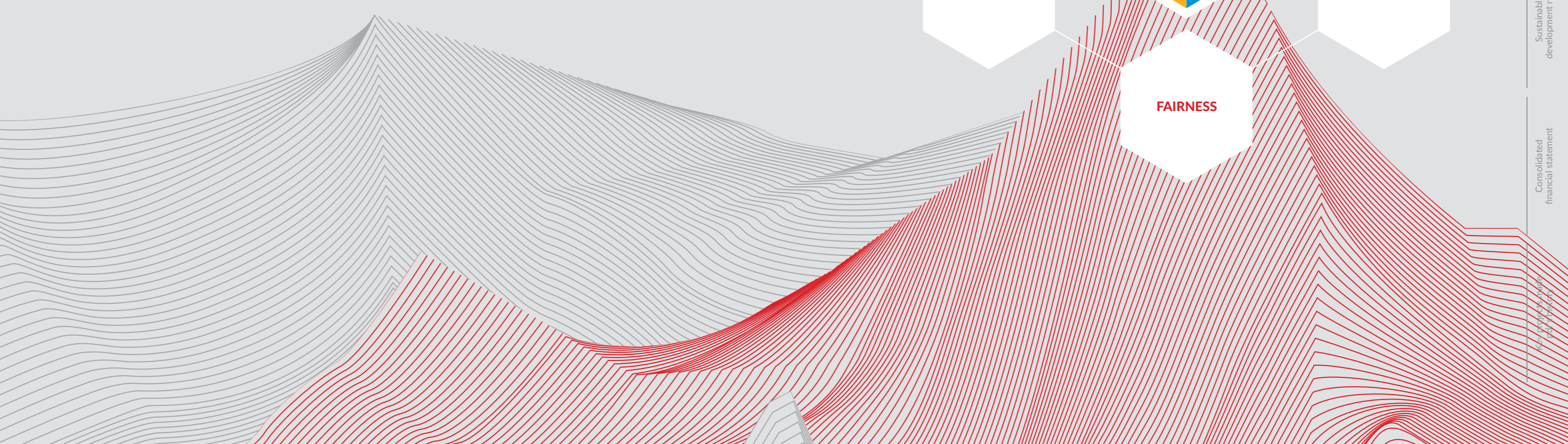
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Sustainable development report

Consolidated financial statement

Key projects, more and more



CG PRINCIPLES OF PDR



OPERATION STRUCTURE OF BOD

Members of BOD

In 2020, the BOD maintained operational standards in accordance with corporate regulations and CG Regulations. The BOD currently has 9 members, including 3 independent ones. The BOD's structure ensures the balance among members' skills, expertise in laws, finance, securities; as well as a balance among the executive and non-executive and independent directors.

Following below is a list of the BOD's members, their share proportion as well as their voting rights:

| No. | Members | Position | Independent | Executive | Non-executive | Ownership proportion |
|-----|---------------------|-------------------------------|-------------|-----------|---------------|----------------------|
| 01 | Nguyen Van Dat | Chairman | | • | | 61.16% |
| 02 | Tran Thi Huong | Vice chairwoman Non-Executive | | | • | 0.20% |
| 03 | Nguyen Tan Danh | Vice chairman | | | • | 0.45% |
| 04 | Bui Quang Anh Vu | Executive Director cum CEO | | • | | 0.12% |
| 05 | Le Quang Phuc | Non-Executive Director | | | • | 0.11% |
| 06 | Doan Viet Dai Tu | Non-Executive Director | | | • | 0.16% |
| 07 | Khuong Van Muoi | Independent Director | • | | | 0.00% |
| 08 | Tran Trong Gia Vinh | Independent Director | • | | | 0.00018% |
| 09 | Le Minh Dung | Independent Director | • | | | 0.00% |

Change of Board's membership

April of 2020, the Company changed the BOD's membership structure by adding one new member with a 2020 - 2023 term to ensure a balanced supervision between executive, non-executive and independent members in accordance with the the Company's regulations and internal CG rules.

ACTIVITIES OF BOD

- The BOD has worked effectively to lead, coordinate and control the operation of the BOM properly. Thereby, the BOD has led the Company to operate in accordance with the announced strategy, requirements and business plans. Some detailed results of the BOD's activities are as follows:
- Making strategic breakthrough, bringing PDR to a multidisciplinary scale in addition to diversifying markets and products, ensuring financial sustainability and enhancing organizational capacity through recruitment.
- Strictly complying with current laws related to CG.
- Timely and fully announcing information about business operation to shareholders, authorities and stakeholders in transparent, precise and instant methods.
- Effectively supervising the management and administration activities of the BOM, ensuring the stability, safety and legality of the Company.
- Organizing the 2020 AGM and the 2020 EGM by collecting written opinions.
- Considering and approving the 2020 Business Plan.
- Periodically monitoring and evaluating the implementation of the 2020 Business Plan.
- Supervising the interim of dividends to shareholders according to the AGM's resolutions.
- Strengthening risk management measures and strictly supervising to ensure compliance of the Company.

BOARD'S MEETINGS IN 2020

In 2020, the BOD has organized 30 periodic and extraordinary meetings in order to timely give directions and guidelines for business activities based on resolutions of the 2020 AGM of Shareholders.

The participation attendance rate of the BOD's members was as follows:

| No. | Members | Number of participated meetings | Attendance rate | Reason to be absent |
|-----|---------------------|---------------------------------|-----------------|---|
| 01 | Nguyen Van Dat | 30/30 | 100% | |
| 02 | Tran Thi Huong | 30/30 | 100% | |
| 03 | Nguyen Tan Danh | 28/30 | 93% | Went on business trip |
| 04 | Le Quang Phuc | 30/30 | 100% | |
| 05 | Doan Viet Dai Tu | 25/30 | 83% | Went on business trip |
| 06 | Khuong Van Muoi | 30/30 | 100% | |
| 07 | Tran Trong Gia Vinh | 30/30 | 100% | |
| 08 | Le Minh Dung | 30/30 | 100% | |
| 09 | Bui Quang Anh Vu | 26/30 | 86% | Voted as extra member for 2020 - 2023 term. |

RESOLUTIONS RELEASED BY BOD IN 2020

| No. | Number of resolution/decision | Date | Content |
|-----|-------------------------------|------------|--|
| 01 | 01/2020/QĐ-HĐQT | 06/02/2020 | Closing shareholders list to organize the AGM of Shareholders 2020. |
| 02 | 02/2020/QĐ-HĐQT | 26/02/2020 | Organizing the AGM of Shareholders 2020. |
| 03 | 03A/2020/QĐ-HĐQT | 10/03/2020 | Approving the policy of purchasing subsidiary products and using bank collaterals to secure loan obligations and bond issuance obligations. |
| 04 | 03B/2020/QĐ-HĐQT | 10/03/2020 | Approving investment policy in building a new head office and using bank collaterals to secure loan obligations. |
| 05 | 04/2020/QĐ-HĐQT | 27/04/2020 | Approving remuneration for members of BOD, expenditure for committees/sub-committees appointed by BOD in 2020 and distribution of 2019 bonuses. |
| 06 | 05A/2020/QĐ-HĐQT | 27/04/2020 | Approving the resignation of Mr. Nguyen Van Dat from the CEO position. |
| 07 | 05B/2020/QĐ-HĐQT | 27/04/2020 | Approving Mr. Bui Quang Anh Vu's resignation from the Deputy General Director position. |
| 08 | 05C/2020/QĐ-HĐQT | 27/04/2020 | Appointing Mr. Bui Quang Anh Vu as the new CEO. |
| 09 | 05D/2020/QĐ-HĐQT | 27/04/2020 | Approving the resignation of Mr. Pham Trong Hoa from the Deputy CEO - Construction position to assume the role as Executive Advisor - Construction Division. |
| 10 | 06A/2020/QĐ-HĐQT | 27/04/2020 | Approving bond-issuance to pay dividend for existing shareholders. |
| 11 | 06B/2020/QĐ-HĐQT | 27/04/2020 | Approving bond-issuance documentation to pay dividend for existing shareholders. |
| 12 | 07/2020/QĐ-HĐQT | 29/04/2020 | Approving using bank collaterals to secure loan obligations of a third party. |
| 13 | 08/2020/QĐ-HĐQT | 13/05/2020 | Approving credit extension/loans and collaterals as guarantee at the Vietnam Joint Stock Commercial Bank for Industry and Trade - Branch 11, HCMC. |
| 14 | 09/2020/QĐ-HĐQT | 01/06/2020 | Approving 1 st bond-issuance plan 2020. |
| 15 | 10/2020/QĐ-HĐQT | 17/06/2020 | Approving 2 nd bond-issuance plan 2020. |
| 16 | 11/2020/QĐ-HĐQT | 18/06/2020 | Approving policy of receiving transfer of contributed capital. |
| 17 | 12/2020/QĐ-HĐQT | 19/06/2020 | Approving using pledged assets/bank collaterals to secure loan obligations and guarantee payment of bond issuance of the Company and/or a third party. |

| No. | Number of resolution/decision | Date | Content |
|-----|-------------------------------|------------|---|
| 18 | 13/2020/QĐ-HĐQT | 24/06/2020 | Approving collateral conversion to secure the Company's obligations at Phuong Dong Commercial Joint Stock Bank - Ben Thanh Branch. |
| 19 | 14/2020/QĐ-HĐQT | 24/06/2020 | Approving 3 rd bond-issuance plan 2020. |
| 20 | 15/2020/QĐ-HĐQT | 22/07/2020 | Approving the permission granting policy for transactions related to the Company's project bids. |
| 21 | 16/2020/QĐ-HĐQT | 07/08/2020 | Approving investment in the Bac Ha Thanh Residential project in combination with urban gentrification at Phuoc Thuan Commune, Tuy Phuoc District, Binh Dinh Province. |
| 22 | 17/2020/QĐ-HĐQT | 13/08/2020 | Approving the capital contribution to set up subsidiaries. |
| 23 | 18/2020/QĐ-HĐQT | 21/08/2020 | Approving stock-issuance plan and documentation for the 1 st interim dividend of 2020 to shareholders. |
| 24 | 19/2020/QĐ-HĐQT | 07/09/2020 | Closing shareholders list to collect shareholders' written opinions. |
| 25 | 20/2020/QĐ-HĐQT | 21/09/2020 | Amending business strategy orientation and profit before tax targets for the 2019 - 2023 period. |
| 26 | 21/2020/QĐ-HĐQT | 14/10/2020 | Approving policy of receiving transfer of contributed capital. |
| 27 | 22/2020/QĐ-HĐQT | 14/10/2020 | Contributing capital to company's establishment and appointing an authorized representative to manage the contributed capital. |
| 28 | 23/2020/QĐ-HĐQT | 19/10/2020 | Approving stock-issuance plan and documentation for the 1 st interim dividend of 2020 to shareholders. |
| 29 | 24/2020/QĐ-HĐQT | 26/11/2020 | Approving loans and collaterals as guarantee at Phuong Dong Commercial Joint Stock Bank - Ben Thanh Branch. |
| 30 | 25/2020/QĐ-HĐQT | 30/11/2020 | Loosening progress schedule for Bau Ca Residential Area in combination with urban gentrification at Quang Ngai City, Quang Ngai Province. |
| 31 | 26/2020/QĐ-HĐQT | 01/12/2020 | Approving the resignation of Mr. Nguyen Thanh Thao from the Financial Chief Officer position to assume the Deputy CEO - Finance position. |
| 32 | 27/2020/QĐ-HĐQT | 02/12/2020 | Closing shareholders list to collect shareholders' written opinions. |
| 33 | 28/2020/QĐ-HĐQT | 02/12/2020 | Changing the form of capital contribution at member companies. |
| 34 | 29/2020/QĐ-HĐQT | 09/12/2020 | Terminating the capital contribution at member companies |
| 35 | 30/2020/QĐ-HĐQT | 09/12/2020 | Approving policy of buying more shares from member companies. |
| 36 | 31/2020/QĐ-HĐQT | 30/12/2020 | Approving investment to conduct the Bo Bac Residential project in combination with urban gentrification at Tinh An Commune, Quang Ngai City, Quang Ngai Province. |

COMMITTEES UNDER BOARD OF DIRECTORS

The BOD has one affiliated sub-committee, the IAC, established in 2019. As planned, the IAC will be replaced by an Audit Committee.

INFORMATION ABOUT MEMBERS OF THE IAC

| No. | IAC members | Position | Starting/Ending date as an IAC member | Professional qualification |
|-----|-----------------------|------------------|---------------------------------------|----------------------------|
| 01 | Nguyen Thi Thu Nguyet | Head of IAC | Appointed on 18/6/2019 | Master of Economics |
| 02 | Vo Hoang Tu | Internal Auditor | Appointed on 18/6/2019 | Bachelor of Economics |
| 03 | To Minh Tai | Internal Auditor | Appointed on 18/6/2019 | Bachelor of Economics |

MEETINGS OF THE IAC

| No. | IAC members | Number of participated meetings | Attendance rate | Voting rate | Reason to be absent |
|-----|-----------------------|---------------------------------|-----------------|-------------|---------------------|
| 01 | Nguyen Thi Thu Nguyet | 03/03 | 100% | 100% | |
| 02 | Vo Hoang Tu | 03/03 | 100% | 100% | |
| 03 | To Minh Tai | 03/03 | 100% | 100% | |

SUPERVISION OF IAC TO THE BOD, BOM AND SHAREHOLDERS

- Auditing entities in the Company in terms of compliance with provisions of current laws, company's rules and regulations and CG rules; including but not limited to auditing the compliance with the laws on tax obligations, compulsory social insurance and other financial obligations.
- Auditing entities in the Company in terms of compliance with company's policies, regulations and processes; reviewing the compatibility and effectiveness of the company's internal control system in the prevention, detection and timely treatment of risks.
- Auditing and evaluating bi-annual and annual financial statements of the company and our subsidiaries.
- Discussing with the Company and/or our subsidiaries' independent auditors to and clarify relevant issues detected during the mid-year and the annual audits to recommend solutions to handle or prevent risks.
- Evaluating the implementation of the Company's business goals.
- Recommending measures to correct and remedy mistakes; improving internal control system; enhancing CG.
- Following up and inspecting the implementation by entities in the Company and its subsidiaries of post-audit recommendations.
- Submitting reports to the BOD about IAC's activities, problems and recommendations.

THE COORDINATION BETWEEN IAC AND BOD, BOM AND OTHER MANAGERS

- Strengthening IAC's supervision of the BOM's compliance with the provisions of current laws, Company's regulations, AGM resolutions, as well as the company's internal management process and regulations; supervising and monitoring the results of BOM's targets, plans and missions.
- Performing periodic and extraordinary audits based on BOD's requirements; coordinating with the BOD, BOM and related departments in improving and enhancing the company's internal control system.
- Conducting regular audits and supervision to departments and providing recommendations to effectively complete the company's administrative procedures and risk management process.

CORPORATE GOVERNANCE TRAINING

The BOD members have always demonstrated the will to learn and acquire knowledge on CG themselves using various channels provided or recommended.



OUTSTANDING CORPORATE GOVERNMENT ACHIEVEMENTS IN 2020

- Clearly separating the roles and responsibilities of the Chairman and the CEO to ensure independence during the decision-making process and improve the transparency and efficiency of PDR's governance activities.
- Diversifying capacities of BOD members for better feedback and more informed, practical and proper strategies, orientations and decisions.
- Applying international standards such as OECD and ASEAN Scorecard to improve CG.

01

UP-TO-DATE REGULATIONS AND IMPROVED INFORMATION PROVISION

- Making adjustments and supplementations to the Company's Charter to ensure our compliance with prevailing State regulations.
- Approving adjustments and supplementations to the Internal Regulations on CG to ensure our compliance with prevailing State regulations.
- Referring to and applying international practices on CG in PDR.
- Expanding information disclosure requirements to subsidiary level to mitigate conflicts of interest.
- Applying consistently CG regulations in PDR.
- Publishing on our website the Company's Charter and Internal Regulations on CG, regulations on mandates and responsibilities of BOD and IAC, etc.

02

PROPER ORGANIZATIONAL STRUCTURE AND EFFICIENT COOPERATION BETWEEN BOD AND IAC, BETWEEN BOD AND BOM

- Clearly separating the roles and responsibilities of the BOD Chairman and the CEO to ensure independence during the decision making process and improve the transparency and efficiency of PDR's governance activities.
- Ensuring that BOD composition follows the prevailing State regulations. Diversifying capacities of BOD members for better feedback and more informed, practical and proper strategies, orientations and decisions.
- Promoting IAC's roles to provide advice to BOD and improve their supervision and controlling competency.
- Properly adjusting the company's organizational structure to our development, with special attention to the development of a professional corporate model.
- Encouraging BOD members to learn and enrich their governance knowledge with best practices that comply with prevailing State regulations.

03

PROTECTION OF THE RIGHTS OF SHAREHOLDERS AND STAKEHOLDERS

- Clarifying rights and obligations of shareholders in PDR's Charter and Regulations. Below are the basic rights of the shareholders:
 - To have their ownership right registered.
 - To transfer their shares.
 - To get access to the company's information on a timely and regular basis.
 - To participate and vote in PDR's annual and EGM of Shareholders.
 - To elect/dismiss or remove BOD members.
 - To receive the company's profits. PDR gave two dividends in shares in 2020.
- An AGM was convened on March 28, 2020 and shareholders' written feedback was sought twice in 2020 (in September and December 2020). The procedures for organizing the AGM and written feedback follow prevailing regulations to ensure the rights and benefits of the shareholders at a maximum level. Meeting invitations were sent via secured postal mails to the shareholders listed in the company's shareholders provided by the HCMC Securities Depository Center.
- All BOD, BOM and IAC members attended the AGM. In addition, the independent audit representative was also invited to this meeting.
- The meeting minutes, vote-counting minutes and Resolution of the AGM were updated on PDR's website twenty-four (24) hours after the meeting.

04

EQUITABLE TREATMENT FOR SHAREHOLDERS

Application of the Company's Charter to protect the minority shareholders. In particular:

- Right to summon the General Meeting of Shareholders: Shareholders or group of shareholders possessing more than 5% of the company's shares who are entitled to voting right in six continuous months can request to summon General Meeting of Stakeholders (regulated in the Company's Charter).
- Right to nominate BOD, IAC member: Shareholders or group of shareholders possessing more than 5% of the company's shares who are entitled to voting right in six continuous months can nominate or apply to become BOD or IAC members (regulated in the Company's Charter).
- Election, dismissal or removal of BOD/IAC members will be approved in the General Meeting of Stakeholders' sessions.

Shares transaction of employees or related persons

- Share transactions of employees or related persons follow regulations of the Company's Charter, Information Disclosure Procedure as well as Circular No. 155/2015/TT-BTC. The employees and related persons must disclose their information when making share transactions to prevent internal information use for such transactions. In particular:
 - At least three working days before the transaction date, the employees and related persons must disclose their information.
 - Within three working days after the transaction completion, the employees and related persons must disclose their information.

Contract or transaction of inside shareholder:

- In 2020, transactions between the company and the company where members of the BOD, the BOM, the IAC have been a founding member or a member of the BOB, CEO for the past three (03) years are all reported in the bi-annual and annual management reports.

Please refer to the BOD's evaluation report for more details.

Transactions with relevant stakeholders:

- This item is clearly presented in the bi-annual and annual governance reports or can be referred from BOD's evaluation report.

05

DISCLOSURE AND TRANSPARENCY

- PDR's information disclosure was conducted within the regulated time frame and in a timely, holistic and efficient manner.
- Documents, resolutions, decisions, transactions with relevant persons, etc. were fully made public in regulated time frame.
- PDR's AR was in Top 10 Annual Reports of 2018; Outstanding Progress Award in CG in 2019, and PDR was among the top 20 companies in the Vietnam Sustainability Index (VNSI), etc. The reports often provide information on our business activities, development strategies, shareholders and ownership structure, financial and non-financial criteria, remuneration, salary and bonus of BOD, BOM and IAC members, transactions of insiders and related persons, etc. in a full and detail manner.
- The company's bi-annual reports provide all information on the General Meeting of Shareholders, BOD/IAC members, meetings and transactions with related stakeholders.
- Information on PDR's website has been updated in both English and Vietnamese (remaining the same in the future) for shareholders, domestic and international investors.
- Investor Relations (IR) in 2020 created the interactive information channel and good relationship with shareholders, attracted a number of new and potential investors, expanded the shareholder structure, strengthened their capacity and financial resource and brought about positive impacts on PDR shares.
 - Meeting with domestic and international investment funds and securities trading agencies at the "Vietnam Conference 2020" organized by HSC in September 2020.
 - Organized conference on 2020 business activities with the participation of 170 investors, shareholders, brokers and analysts.
- The General Meeting of Shareholders was organized within the regulated time frame.

ACKNOWLEDGEMENT OF RELEVANT AUTHORITIES AND INVESTORS

Outstanding Progress Award in Corporate Governance in 2020 by HOSE.



HOSE's VNSI list of 20 Sustainable Development Companies.



ORIENTATION OF CORPORATE GOVERNANCE IMPROVEMENT IN 2021

In order to ensure professional and suitable CG for the company's development strategy, PDR identifies the following activities for implementation in 2021:

- Completing and strengthening the company's organizational structure, reforming and improving the quality of CG activities to meet the requirements of a corporation.
 - Strictly and consistently applying CG regulations throughout the system, from PDR to its subsidiaries.
 - Maintaining the position in the VNSI20 list of HOSE.
 - Replacing the IAC by Audit Committee.
 - Appointing suitable members to the Audit Committee to fulfill its role in internal control, risk management and PDR's internal governance framework.
 - Regularly updating with international knowledge and practices on CG.
 - Setting the target of applying IFRS international standards in the preparation of financial reports which will be audited by Ernst & Young.
 - Further conducting IR activities to strengthen interactive, transparent and efficient information exchange.
- Strengthening PDR's prestige in the financial community and reducing PDR's capex in its activities.
 - Further improving and applying ACGS to improve PDR's governance standards and practice. The following criteria are set to be improved by PDR in 2021:
 - Providing information in both English and Vietnamese to PDR's shareholders and investors.
 - Ensuring no private meeting organized by BOD member, or without executive director at least once a year.
 - Publishing policy on diversifying BOD membership.
 - Publicizing policies/practices to encourage shareholders, including organizational shareholders, to participate in the General Meeting of Shareholders, or participate in and contribute to the company's activities.
 - Proposing that the Auditing Committee have at least four meetings a year.
 - Sustaining and ensuring shareholders' benefits, including the profit payment in dividends, etc.

REMUNERATION, SALARY AND BONUS OF BOD, BOM, IAC MEMBERS

Currency: VND

| No. | Full name | Position | Quantity of shares | Owning proportion | Remuneration, salary and bonus in 2020 (before PIT) | | |
|-----------|------------------------------------|---------------------------|--------------------|-------------------|---|-----------------------------|-----------------------|
| | | | | | Remuneration and bonuses for the BOD, IAC | Salary and bonus of the BOM | Total |
| I | BOD, BOM AND OTHER MANAGERS | | 246,394,177 | 62.19% | 4,960,000,000 | 17,602,223,361 | 22,562,223,361 |
| 1 | Nguyen Van Dat | Chairman | 242,280,879 | 61.16% | 1,200,000,000 | 5,599,477,733 | 6,799,477,733 |
| 2 | Bui Quang Anh Vu | Executive Director CEO | 465,787 | 0.12% | 280,000,000 | 4,222,870,769 | 4,502,870,769 |
| 3 | Tran Thi Huong | Vice chairwoman | 779,287 | 0.20% | 600,000,000 | 3,718,156,923 | 4,318,156,923 |
| 4 | Nguyen Tan Danh | Vice chairman | 1,784,631 | 0.45% | 480,000,000 | 316,262,222 | 796,262,222 |
| 5 | Le Quang Phuc | Non-executive Director | 446,157 | 0.11% | 480,000,000 | 186,013,333 | 666,013,333 |
| 6 | Doan Viet Dai Tu | Non-Executive Director | 628,055 | 0.16% | 480,000,000 | - | 480,000,000 |
| 7 | Khuong Van Muoi | Independent Director | - | 0.00% | 480,000,000 | - | 480,000,000 |
| 8 | Tran Trong Gia Vinh | Independent Director | 698 | 0.00% | 480,000,000 | - | 480,000,000 |
| 9 | Le Minh Dung | Independent Director | - | 0.00% | 480,000,000 | - | 480,000,000 |
| 10 | Pham Trong Hoa | Advisor | 4,758 | 0.00% | - | 660,000,000 | 660,000,000 |
| 11 | Nguyen Thanh Thao | Vice President of Finance | 3,925 | 0.00% | - | 1,647,875,714 | 1,647,875,714 |
| 12 | Vu Quynh Hoa | Chief Accountant | - | 0.00% | - | 1,251,566,667 | 1,251,566,667 |
| II | IAC AND CG IN-CHARGE PERSON | | 2 | 0.00% | 300,000,000 | 2,305,861,223 | 2,605,861,223 |
| 1 | Members of IAC | IAC | 2 | 0.00% | - | 667,346,556 | 667,346,556 |
| 2 | Members in charge of CG | In charge of CG | - | 0.00% | 300,000,000 | 1,638,514,667 | 1,938,514,667 |
| | TOTAL | | 246,394,179 | 62.19% | 5,260,000,000 | 19,908,084,584 | 25,168,084,584 |

Competences and achievements

Gearing up on the new height

Reaching a conglomerate scale based on core capabilities

Sustainable development report

Consolidated financial statement

Key projects made pdr's history

STOCK TRADING INFORMATION

1. CHARTER CAPITAL

VND **3,961,698,970,000**

| | |
|-------------------------------------|--------------------|
| Total share | 396,169,897 shares |
| Type of share | Common share |
| Par value | VND10,000/share |
| Number of restricted share | 0 shares |
| Number of freely-transferred shares | 396,169,897 shares |

2. SHAREHOLDER STRUCTURE (according to the shareholder list closed on December 31, 2020)

| No. | Object | Domestic | | Foreign | | Total | |
|-----|-------------------------------|-------------|-----------|-----------|-----------|-------------|-----------|
| | | Value | Ratio (%) | Value | Ratio (%) | Value | Ratio (%) |
| | Number of share | 393,047,953 | 99.21% | 3,121,944 | 0.79% | 396,169,897 | 100.00% |
| 1 | Individual | 393,005,382 | 99.20% | 82,954 | 0.02% | 393,088,336 | 99.22% |
| 2 | Organization | 42,571 | 0.01% | 3,038,990 | 0.77% | 3,081,561 | 0.78% |
| | Number of shareholders | 2,046 | 96.46% | 75 | 3.54% | 2,121 | 100.00% |
| 1 | Individual | 2,018 | 95.14% | 30 | 1.41% | 2,048 | 96.56% |
| 2 | Organization | 28 | 1.32% | 45 | 2.12% | 73 | 3.44% |

DETAILED SHAREHOLDERS STRUCTURE

| No. | Object | Number of share | Ratio (%) |
|------------|------------------------------------|-----------------|-----------|
| I | STATE SHAREHOLDER | | |
| II | INTERNAL SHAREHOLDER | | |
| 1 | BOD | | |
| | Foreign | | |
| | Domestic | 246,385,494 | 62.19% |
| 2 | BOM | 469,712 | 0.12% |
| 3 | IAC | 2 | 0.00% |
| 4 | Chief Accountant | - | - |
| III | Treasury share | - | - |
| IV | Trade Union | - | - |
| V | Major shareholder (> 5%) | - | - |
| | Foreign | - | - |
| | Domestic | 242,280,879 | 61.16% |

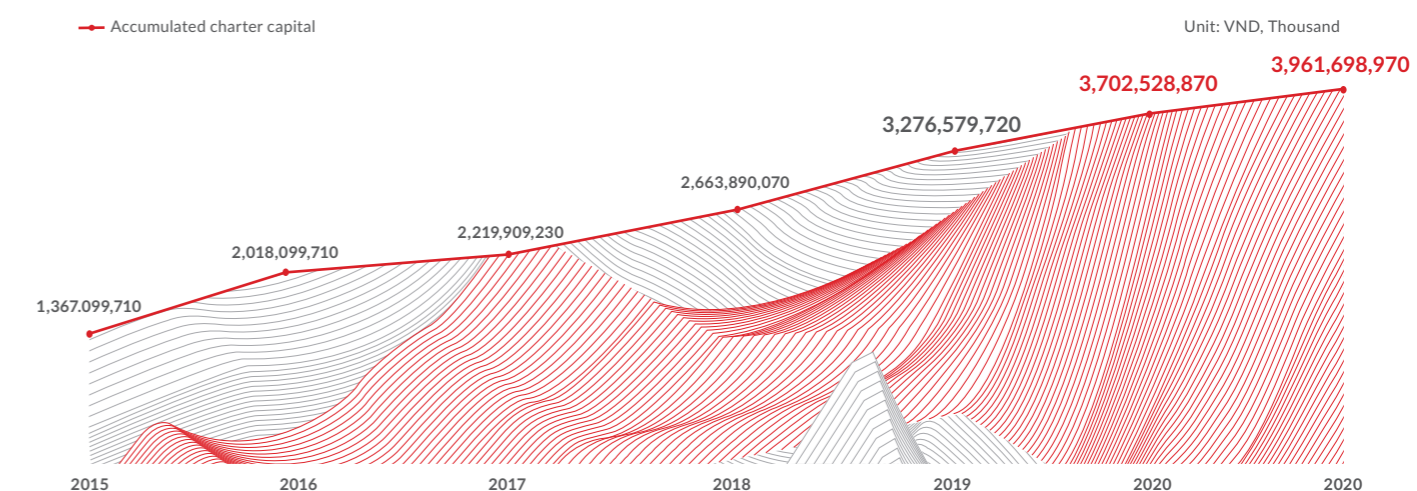
LIST OF INTERNAL SHAREHOLDERS, NUMBER OF SHARES

| No. | Full name | Position | Beginning quantity (01/01/2020) |
|--|-----------------------|---------------------------|---------------------------------|
| I BOD, BOM AND OTHER MANAGERS | | | |
| 1 | Nguyen Van Dat | Chairman | 200,381,179 |
| 2 | Bui Quang Anh Vu | Executive Director - CEO | 385,236 |
| 3 | Tran Thi Huong | Vice chairwoman | 644,520 |
| 4 | Nguyen Tan Danh | Vice chairman | 1,476,000 |
| 5 | Le Quang Phuc | Non-Executive Director | 369,000 |
| 6 | Doan Viet Dai Tu | Non-Executive Director | 519,441 |
| 7 | Khuong Van Muoi | Independent Director | |
| 8 | Tran Trong Gia Vinh | Independent Director | 578 |
| 9 | Le Minh Dung | Independent Director | |
| 10 | Pham Trong Hoa | Advisor | 3,936 |
| 11 | Nguyen Thanh Thao | Vice President of Finance | 3,247 |
| 12 | Vu Quynh Hoa | Chief Accountant | |
| Total | | | 203,783,137 |
| II IAC AND CG IN-CHARGE PERSONS | | | |
| 1 | Nguyen Thi Thu Nguyet | Chief of IAC | 3,497 |
| 2 | To Minh Tai | Internal Auditor | |
| 3 | Vo Hoang Tu | Internal Auditor | |
| 4 | Phan Huy Han | CG in-charge person | |
| 5 | Tran Thi Hoai An | CG in-charge person | |
| Total (II) | | | 3,497 |
| TOTAL (I) + (II) | | | 203,786,634 |

| Share data | | | | | | | |
|------------|------------|------------|------------|----------------------|-------------------------------|------------------|--|
| | Increasing | | | Decreasing (Selling) | Closing quantity (31/12/2020) | Owning ratio (%) | Note |
| | Buying | Dividend | Plus | | | | |
| | | 41,899,700 | 41,899,700 | | 242,280,879 | 61.16% | |
| | | 80,551 | 80,551 | | 465,787 | 0.12% | Appointed on 18/6/2019 |
| | | 134,767 | 134,767 | | 779,287 | 0.20% | |
| | | 308,631 | 308,631 | | 1,784,631 | 0.45% | |
| | | 77,157 | 77,157 | | 446,157 | 0.11% | |
| | | 108,614 | 108,614 | | 628,055 | 0.16% | |
| | | | - | | - | 0.00% | |
| | | 120 | 120 | | 698 | 0.00% | |
| | | | - | | - | 0.00% | |
| | | 822 | 822 | | 4,758 | 0.00% | Dismissed on April 27 |
| | | 678 | 678 | | 3,925 | 0.00% | |
| | | - | - | | - | 0.00% | |
| | | - | - | | - | 0.00% | |
| | | 42,611,040 | 42,611,040 | | 246,394,177 | 62.19% | |
| | 800 | 32 | 832 | 4,327 | 2 | 0.00% | Renamed to Audit Committee on 01/01/2021 |
| | | | - | | - | 0.00% | |
| | | | - | | - | 0.00% | |
| | | | - | | - | 0.00% | |
| | | | - | | - | 0.00% | |
| | 800 | 32 | 832 | 4,327 | 2 | 0.00% | |
| | 800 | 42,611,072 | 42,611,872 | 4,327 | 246,394,179 | 62.19% | |

SHAREHOLDER EQUITY CHANGES

| No. | Year | Initial charter capital | Increased charter capital | Accumulated charter capital | Form of capital increasing |
|---------------------|------|-------------------------|---------------------------|-----------------------------|--|
| Unit: VND, Thousand | | | | | |
| 1 | 2010 | 1,302,000,000 | | | Officially listed |
| 2 | 2015 | 1,302,000,000 | 65,099,710 | 1,367,099,710 | Stock dividend at ratio of 5% |
| 3 | 2015 | 1,367,099,710 | 651,000,000 | 2,018,099,710 | Issuing additional shares at ratio 02:01, price: VND10,000/share |
| 4 | 2017 | 2,018,099,710 | 201,809,520 | 2,219,909,230 | Stock dividend at ratio of 05:01 |
| 5 | 2018 | 2,219,909,230 | 443,980,840 | 2,663,890,070 | Stock dividend at ratio of 05:01 |
| 6 | 2019 | 2,663,890,070 | 612,689,650 | 3,276,579,720 | Stock dividend at ratio of 100:23 |
| 7 | 2019 | 3,276,579,720 | | 3,276,579,720 | Cash dividend at ratio of 12% per share |
| 8 | 2020 | 3,276,579,720 | 425,949,150 | 3,702,528,870 | Stock dividend at ratio of 100:13 |
| 9 | 2020 | 3,702,528,870 | 259,170,100 | 3,961,698,970 | Stock dividend at ratio of 100:07 |



SUBSIDIARIES & ASSOCIATES

| No. | Company name | Business industry | Tax code | Legal Representative | Address | Charter capital (VND) | PDR's capital ratio | | PDR's capital until 31/12/2020 |
|-----------------------|---|--|------------|----------------------|--|-----------------------|---------------------|-------------------|--------------------------------|
| | | | | | | | % | Amount (VND) | |
| A SUBSIDIARIES | | | | | | | | | |
| 1 | PHU QUOC DK JSC | Residential construction, special building construction, public construction, real estate business and brokerage | 1701522101 | Duong Le Vu Thanh | No.229, 30/4 Street, Zone 1, Duong Dong Town, Phu Quoc Island District, Kien Giang Province | 710,000,000,000 | 99% | 702,900,000,000 | 702,900,000,000 |
| 2 | COININ TECHNICAL INFRASTRUCTURE INVESTMENT AND CONSTRUCTION CO.,LTD | Real estate business, construction | 0313662185 | Duong Van Toan | 271/16 An Duong Vuong Street, Ward 3, District 5, HCMC | 270,000,000,000 | 80% | 216,000,000,000 | 216,000,000,000 |
| 3 | SAI GON - KL REAL ESTATE JSC | Real estate business with land usage right of owners or renting | 3700902915 | Le Quang Phuc | Land plot number 1186-1187, map number 6 - 2 (D2), Binh Duc Quarter, Binh Hoa Ward, Thuan An Town, Binh Duong Province | 268,000,000,000 | 99% | 265,320,000,000 | 265,320,000,000 |
| 4 | NGO MAY REAL ESTATE DEVELOPMENT JSC | Real estate business with land usage right of owners or renting | 4101553978 | Tran Thi Huong | No.01, Ngo May Street, Nguyen Van Cu Ward, Quy Nhon City, Binh Dinh Province | 1,120,500,000,000 | 94% | 1,053,270,000,000 | 133,725,000,000 |
| 5 | BEN THANH LONG HAI JSC | Real estate business with land usage right of owners or renting | 3500783805 | Ngo Thuy Van | Provincial Highway 44A, Phuoc Hai Town, Dat Do District, Ba Ria - Vung Tau Province | 150,000,000,000 | 99% | 148,500,000,000 | 148,500,000,000 |
| 6 | PHAT DAT INDUSTRIAL PARK INVESTMENT AND DEVELOPMENT JSC | Real estate business with land usage right of owners or renting | 0316462970 | Tran Thi Huong | 9 th Floor, Tower B, Viettel Building, 285 Cach Mang Thang 8 Street, Ward 12, District 10, HCMC | 680,000,000,000 | 68% | 462,400,000,000 | 462,400,000,000 |
| B ASSOCIATES | | | | | | | | | |
| 1 | PDP INVESTMENT AND CONSTRUCTION CO.,LTD | Real estate business with land usage right of owners or renting | 0315143682 | Nguyen Khac Sinh | 9 th Floor, Tower B, Viettel Building, 285 Cach Mang Thang 8 Street, Ward 12, District 10, HCMC | 300,000,000,000 | 49% | 147,000,000,000 | 6,067,000,000 |
| 2 | BIDICI JSC | Real estate business with land usage right of owners or renting | 4101576855 | Hoang Vo Anh Khoa | No. 01, Ngo May Street, Nguyen Van Cu Ward, Quy Nhon City, Binh Dinh Province | 2,230,000,000,000 | 49% | 1,092,700,000,000 | 1,092,700,000,000 |
| 3 | SERENITY INVESTMENT JSC | Real estate business with land usage right of owners or renting | 3502421310 | Pham Cong Thanh | Hai Tan Quarter, Phuoc Hai Town, Dat Do District, Ba Ria - Vung Tau Province | 116,160,000,000 | 36.41% | 42,300,000,000 | 42,300,000,000 |

REPORT BY INTERNAL AUDIT COMMITTEE

The Internal Audit Committee (IAC) was formed by the BOD in Quarter 2 of 2019 in replacement of the Supervisory Board model. This marked an important move in PDR's enhancement of our CG framework.

Since its establishment, the IAC has been playing an active role in improving the risk management system, enhancing the BOD ability in supervision, promoting information transparency, and providing more effective leadership.

Later on, the IAC shall be transformed into the Audit Committee. All such changes shall aim to ensure PDR's CG is constantly upgraded and complies with the instructions of provisions of applicable laws.

ORGANIZATION AND DUTIES OF THE IAC IN 2020

The IAC is an advisory body that provides assistance to the BOD via the following major tasks:

Conducting independent and objective audit and review of: The honesty of quarterly, bi-annual and annual financial statements; the Company's compliance with the provisions of law; the effectiveness and efficiency of internal policies, regulations and processes; the delivery of strategic goals, operating goals, and the Company's plans and operating results.

Giving recommendations on measures to correct and remedy mistake as well as measures to improve the internal control and CG systems in order to improve the effectiveness of risk prevention, detection and handling.

Performing other tasks as defined under the Operation

Charter of the IAC.

The IAC has three members (please see information on page 41)

In 2020, the IAC held three meetings, which were fully attended and covered the following agenda:

- (1) Discussing the agenda of the annual audit plan and the assignment of tasks before submitting the same to the Board for approval.
- (2) Discussing plans and assigning tasks to the implementation of enterprise resources planning system (ERP).
- (3) Summarizing activities of the IAC in 2020, adopting the IAC's 2020 report. In addition, the IAC also held many other dedicated meetings with units and departments across the Company.

ACTIVITIES OF THE IAC IN 2020

The BOD authorized Ms. Tran Thi Huong, Vice Chairman of the Board, to be directly in charge of the IAC. Therefore, the IAC always received the timely guidance and involvement of the Board as well as sufficient resources to conduct its activities. At the same time, the IAC was provided by the BOM and entities both within the Company and in its subsidiaries with sufficient information and documentation required to conduct the internal audit function. That enabled the IAC to properly perform its tasks in accordance with the Operation Charter of the IAC and the IAC 2020 action plan approved by BOD Specifically:

- 01 Auditing entities in the Company in terms of compliance with the provisions of current law, the Company's rules and regulations, including but not limited to auditing the compliance with the laws on tax obligations, compulsory insurance, and other financial obligations.
- 02 Auditing entities in the Company in terms of compliance with company's policies, regulations and processes; reviewing the compatibility and effectiveness of the company's internal control system in the prevention, detection and timely treatment of risks.
- 03 Auditing and evaluating quarterly, semi-annual and annual financial statements of the Company and its subsidiaries.
- 04 Discussing with the Company and/or its subsidiaries' independent auditors to clarify relevant issues and/or risks detected during periodic and extraordinary independent audits to recommend solutions to handle or prevent risks.
- 05 Evaluating the implementation of the Company's business goals.
- 06 Recommendations of measures: Correcting and remedying mistakes; improving the internal control system; improving CG function.
- 07 Following up and inspecting the implementation by entities in the Company and its subsidiaries of post-audit recommendations.
- 08 Reporting to the j48 on activities, issues and the IAC's recommendations.
- 09 The IAC attended a number of meetings of the BOM related to the evaluation of the implementation of the business goals and plans for 2020, the implementation of risk management steps according to the best practices, and the reporting and evaluation of the effectiveness of risk control and management activities.
- 10 The IAC reviewed information in the 2020 AR before submitting the same to the BOD for review, approval and announcement.
- 11 The IAC proposed to the BOD the selection of an independent auditor for the fiscal year 2021.

EVALUATION OF PDR'S MAIN BUSINESS ACTIVITIES

1. The compliance with applicable laws; suitability, validity and efficiency of the company's internal examination system

The internal examination system is a combination of the company's regulations, rules, policies, process and organizational structure which is built in accordance with applicable laws and is applied to prevent, discover and timely solve all risks.

- The Company has set up and released management document system (including: Principles, policies, organizational structure, regulations, process ... in line with applicable laws; rule and CG – representing management requirements and how to implement business operation) to all staff to understand and carry out.
- The management document system is used by managers as tools to manage staff's daily activities and to co-operate with departments and is applied by the Internal Examination Commission, under the MB, as foundation to control the departments' compliance with applicable regulations.
- At the same time, the Internal Control Committee supervised operational and financial situation of the company and its affiliated ones.
- During supervision, the IAC recorded that:
 - The company and affiliates fully implemented all financial contributions to the Government and employees under the current state laws and regulations.
 - There was no employee, team or department that did not comply with applicable laws and regulations, rules and processes that the company released.
 - The company paid attention to risk management under international practices.
 - The BOM carried out risk management under good practices; all threats were identified, assessed and response methods were released. Risk control and management were closely supervised and countermeasures were taken.
 - In early 2020, the BOM reported on the risks related to the Covid-19 pandemic. Thanks to the focus on risk management and its close monitoring of the economic environment, the Company's operations have been following the right track and adhering to the set goals. This has made it possible for the Company to quickly prevent and adapt to macro changes, thus incurring no losses relating to the identified and monitored risks.
- The BOM has been closely monitoring the economic situation and the developments of the real estate market to make timely decisions and flexibly solve issues facing the Company to obtain the highest efficiency while ensuring compliance with the law.
- The IAC highly appreciates the capacity to prevent, detect and promptly handle the risks that the Company's internal control system has demonstrated.

2. Supervision on transparency of financial statements

The IAC has reviewed the quarterly, semi-annual and annual financial statements of 2020 and agreed with the independent auditor's assessment. Details as follows:

- The IAC ascertains that the administration process followed a clear receipt-recording and filing system. An established accounting information system of the company and its affiliated ones, including accounting books, has been completed in compliance with accounting standards and concepts with the related legal expectations.
- The financial statements were prepared and presented honestly, in conformity with current accounting standards and regulations. No material errors could falsify the financial statements had been found.
- Transactions with related parties were strictly audited and fully accounted for, no abnormalities have been detected in these transactions.
- The recommendations of the independent auditor in the Management Letter for the bi-annual, 9-month and annual period have been noted, reviewed and implemented by the BOM.

Some major targets in consolidated 2020 annual financial statements

| No. | Targets | Unit | 2018 | 2019 | 2020 |
|-----|--|-------|-------|-------|--------------|
| 1 | Solvency | | | | |
| | Liquidity ratio | Times | 10.16 | 3.37 | 2.49 |
| | Quick ratio | Times | 2.76 | 0.77 | 0.36 |
| 2 | Capital structure indicators | | | | |
| | Debt to total assets ratio | Times | 0.68 | 0.69 | 0.67 |
| | Long-term debt to total assets ratio | Times | 0.61 | 0.47 | 0.39 |
| 3 | Operating efficiency indicators | | | | |
| | Working capital turnover | Times | 0.27 | 0.37 | 0.37 |
| | Inventory turnover | Times | 0.25 | 0.30 | 0.24 |
| 4 | Profitability indicators | | | | |
| | Receivables turnover | Times | 0.69 | 1.05 | 1.35 |
| | Profit after tax to net revenues | % | 29.95 | 25.71 | 31.20 |
| | Return on Equity | % | 20.30 | 22.19 | 25.52 |
| | Return on Assets | % | 6.12 | 6.99 | 8.25 |
| | Return and Sales | % | 26.28 | 32.62 | 39.6 |

3. Assessment on business results in 2020

- The net revenues in 2020 reached VND3,911.21 billion, representing a YOY increase of 15.0%, and 103.2% of the target.
- The profit before tax in 2020 was VND1,540.22 billion, representing a YOY increase of 39.3%, attaining 102.7% of the target.

4. Review of information provided in Annual Report 2020

The company has reported and publicly disclosed information in accordance with current regulations.

COMMENTS AND RECOMMENDATIONS FROM IAC

In the face of great changes in the macroeconomic environment, the real estate and the financial markets as a result of Covid-19, the BOM has responded quickly and promptly prepared for both direct and indirect impacts. Thanks to this, the Company's investment and business activities were still deployed effectively with targets being successfully achieved.

In order to continue promoting this growth momentum and successfully implementing the 5-year business strategy (2019 - 2023), the IAC recommends the following measures to the BOM:

- Reviewing, improving and completing management document system (principles, policies, organizational structure, regulations and process of the company) in line with changes in applicable laws, the company's regulations and CG's rules, good CG practices and best risk management. All processes must follow the below requirements: Assessing and dismissing none-important control points or unnecessary working process, adding important control points by reviewing the balance between profit and expense.
- Having a detailed plan and periodically introducing the management related documents to all employees, making sure that they fully understand their responsibilities. Maintaining the compliance awareness as well as contributing ideas to enhance the effectiveness of the internal control system.
- Evaluating all risks, updating changes to complete the Company's risk management process.
- Embracing critical market research, in search for new projects, at the same time tightly controlling expenditure to money flow. Furthermore, increasing the application of information technology into the management system to enhance the efficiency of business activities.

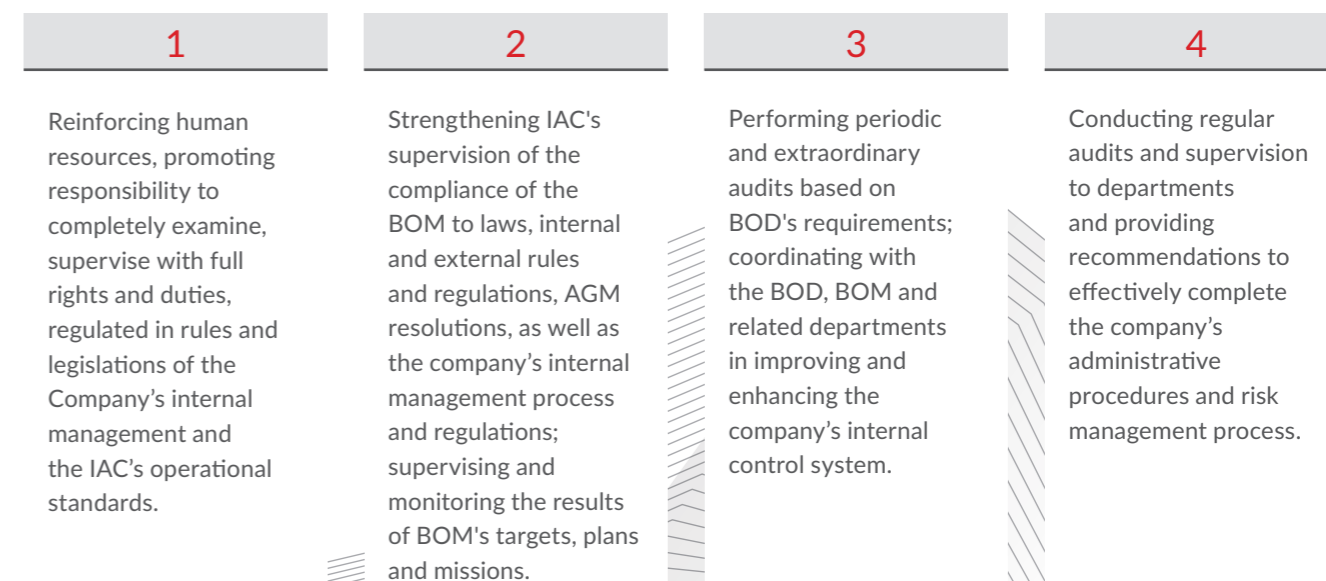
The IAC also proposes that the BOD should increase the role of the IAC in monitoring and controlling finance, performance and compliance with management systems of various departments and affiliated companies. The holistic approach will act in support of the IAC to improve its operational effectiveness and expertise.

THE IAC'S 2021 ACTION PLAN

Pursuant to Point b, Clause 1, Article 137 of the Law on Enterprises No. 59/2020/QH14 dated June 17, 2020 and effective from January 1, 2021, the IAC will be renamed to Audit Committee. Therefore, at the 2021 AGM, PDR will adopt an amendment to the Corporate Charter, including the renaming of the IAC to the Audit Committee. After that, the BOD will remove the members of the IAC and will appoint members of the Audit Committee in accordance with the standards specified under Article 161 of the Law on Enterprises 2020 and related guiding documents.

Until the date of removal, the IAC plans to operate on the basis of operating results of 2020, the business goals and for 2021, the goals of the IAC, the requirements to perform work according to the level of risk, and the amount of back-up time needed for unexpected audits.

The IAC's operating orientations for the first 4 months of 2021 are as follows:



Competences and achievements

Gearing up on the new height

Reaching a conglomerate scale based on core capabilities

Sustainable development report

Consolidated financial statement

Key projects made pdr's history

INVESTOR RELATIONS

PDR'S STOCK INFORMATION BY THE END OF 2020

Market capitalization ↑138%

VND **20,400** billion \approx USD **880** million

Comparing to the same period. The market capitalization surpassed the USD1 billion milestone on February 3, 2021.

Forbes Asia 2020 evaluation

Among the **Top 200 Best Under A Billion** of Forbes Asia.

Currently, PDR has listed ourselves in the club of enterprises with over **USD1 billion** of capitalization.

Liquidity of

1,370,403 units

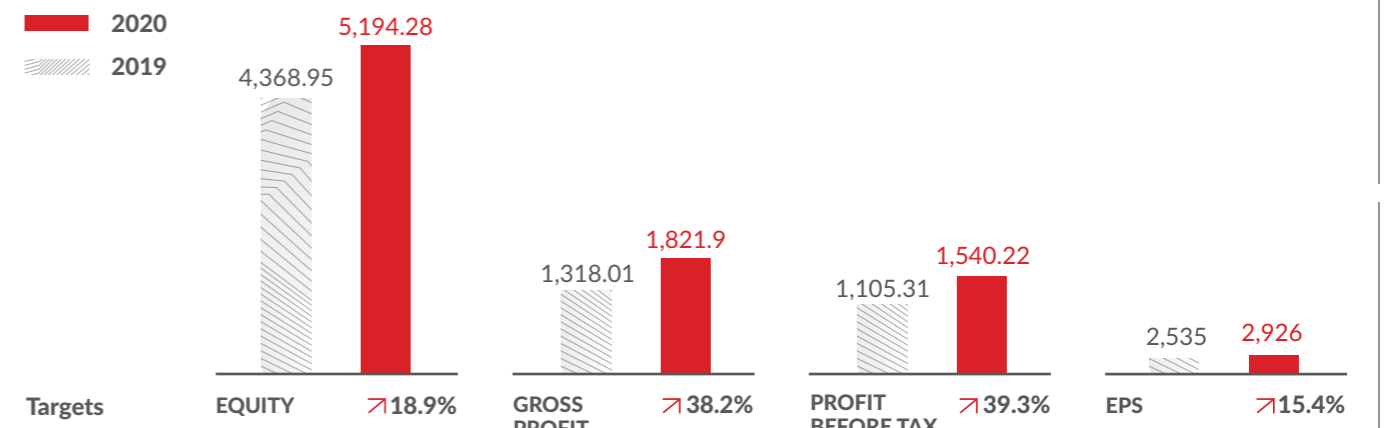
Average transaction/day.

Stock price reached ↑138%

VND **51,500**

Comparing to the beginning of the year, the highest growth ever.

In 2020, international ETFs such as FTSE Vietnam ETF, VNM ETF, Premia MSCI Vietnam ETF, iShare MSCI Frontier 100 ETF, S&P Select Frontier ETF etc. also increased the proportion of PDR shares thanks to the policy of investing in the top of the leading stocks in Vietnam. Specifically, on March 5, DB x-trackers FTSE Vietnam UCITS ETF (FTSE ETF) added PDR to the investment portfolio stated in Q1, 2021 and completed its restructuring on March 19 with an estimated buying rate of around 1.7% (equivalent to additional shares of 2.6 millions).



PDR HAS BEEN CLASSIFIED INTO STOCK GROUPS OF



VN 30

Group of 30 stocks with the best market capitalization and liquidity on the HOSE.



VNSI

Group of 20 stocks with sustainable development evaluated and selected by HOSE.



MSCI FRONTIER MARKET 100 INDEX

Group of stocks with the best market capitalization and liquidity, selected from the investable stocks of MSCI Frontier Markets Investable Market Index.

THE ATTRACTION POINTS OF PDR STOCK

- Having clear strategies and goals, breakthrough but sustainable growth. Typically, a 5-year strategy for the 2019 - 2023 term with the cumulative profit before tax target of VND14,270 billion.
- Maintaining a professional CG in accordance with international standards.
 - Aligning the Company with the United Nations' 17 sustainable development goals.
 - Maintaining the Company's CG in accordance with domestic and international standards such as OECD, ASEAN Scorecard, VNSI etc.
- Taking care of investors' benefits.
- Paying an annual dividend.
- Disclosing information transparently and promptly.
- Being listed among the prestigious stock groups such as VN30, VNSI, MSCI, Forbes Asia and other prestigious organizations/funds.
- High growth potential:
 - Targeting to be in the Top 5 real estate developers in Vietnam.
 - Healthy and stable financial potential.
 - Rapid land bank development with prime locations.
 - Diversified markets and products, industrial real estate segment to create a steady and stable cash flow.

TRANSACTION STATISTICS (From January 2, 2020 - December 31, 2020)

| No. | Details | Unit | Statistics |
|-----|-------------------------------------|------|------------|
| 1. | Total annual average trading volume | Unit | 1,370,403 |
| 2. | Foreigner ownership (Room) | % | 40% |
| 3. | Share price on December 31, 2020 | VND | 51,500 |
| 4. | Highest price - adjusted price | VND | 56,500 |
| 5. | Lowest price - adjusted price | VND | 19,800 |
| 6. | EPS | VND | 3,201 |
| 7. | ROA | % | 7.81 |
| 8. | ROE | % | 23.49 |
| 9. | Book value per share | VND | 13,111 |

PRICE CHART OF PDR STOCK IN 2020

(Price adjusted, from January 1, 2020 - December 31, 2020)



DIVIDEND POLICY FOR INVESTORS AND SHAREHOLDERS

PDR always maintains the principle of mutual benefit, sharing business results with investors, shareholders and partners. In 2020, PDR will pay full and flexible dividend even when the market is going through a challenging period.

Dividend payments are conducted during the year

| No. | Year of Dividends | Payment |
|-----|-------------------|-----------------------------------|
| 1 | 2019 | Stock dividend at ratio of 100:23 |
| 2 | 2019 | Cash dividend at ratio of 12% |
| 3 | 2020 | Stock dividend at ratio of 100:13 |
| 4 | 2020 | Stock dividend at ratio of 100:07 |
| 5 | 2021 | Stock dividend at ratio of 100:10 |

HIGHLIGHT IR EVENTS

On January 14, 2021, PDR cooperated with Mirae Asset Securities Vietnam and Savills Vietnam to successfully organize the event "PDR - Reaching new heights" in HCM City. The conference attracted attendance of more than 200 investors. This is an activity to inform investors about the trend of the real estate market in 2021 and the future growth prospect of PDR in the New Era term of the Company.



Competences and achievements

Gearing up on the new height

Reaching a conglomerate scale based on core capabilities

Sustainable development report

Consolidated financial statement

Key projects made pdr's history

ORIENTATION OF INVESTOR RELATION IN YEAR 2021

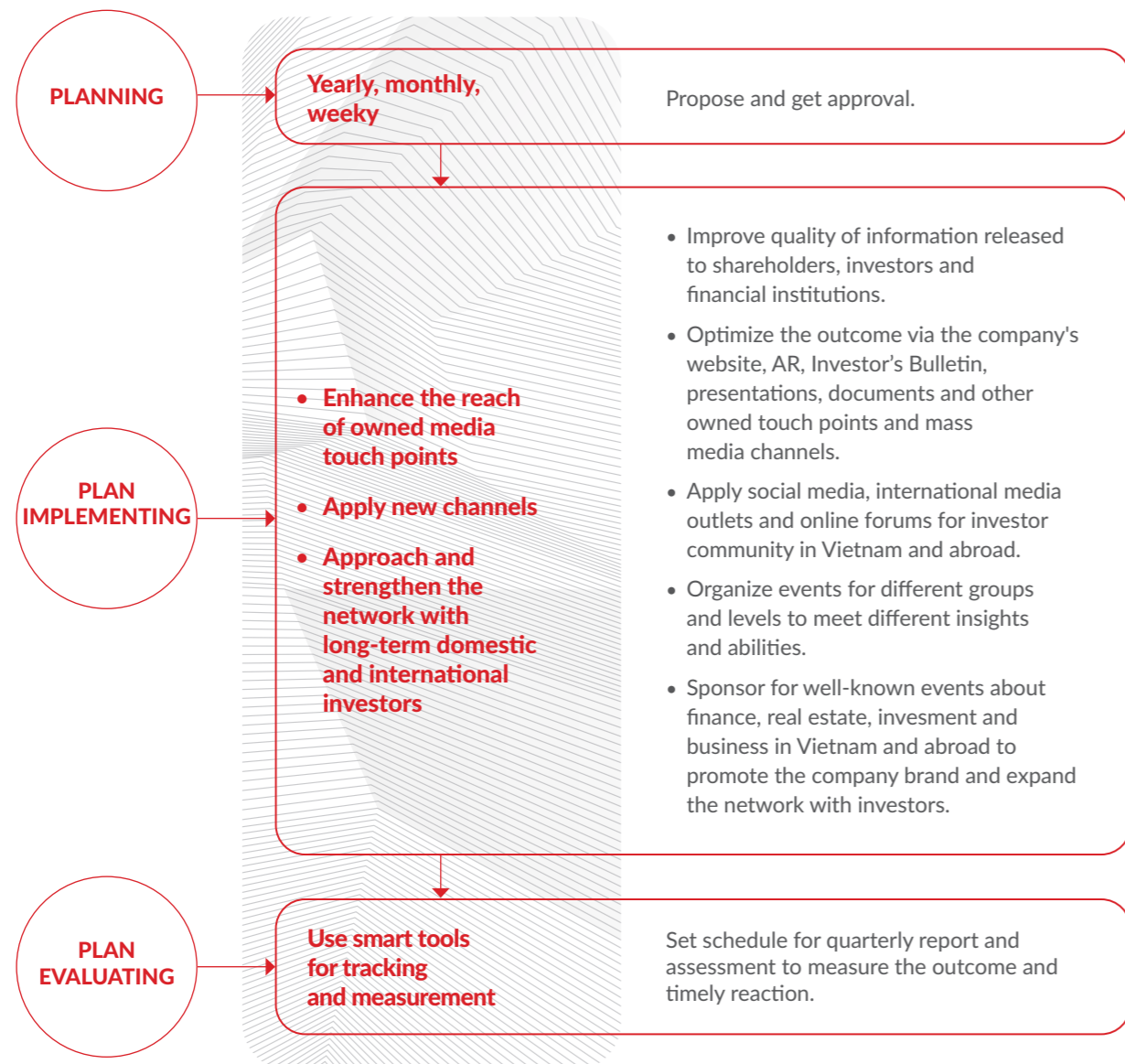
IR is identified by the PDR's BOD as one of the key tasks that need priorities. This mission serves to increase PDR's influence on the capital market in general and the value of PDR shares on the stock market in particular.

The development orientation of IR activities in 2021 continues to focus on three main actions:



IR IMPLEMENTATION PLAN IN 2021

Continue to follow the below procedure



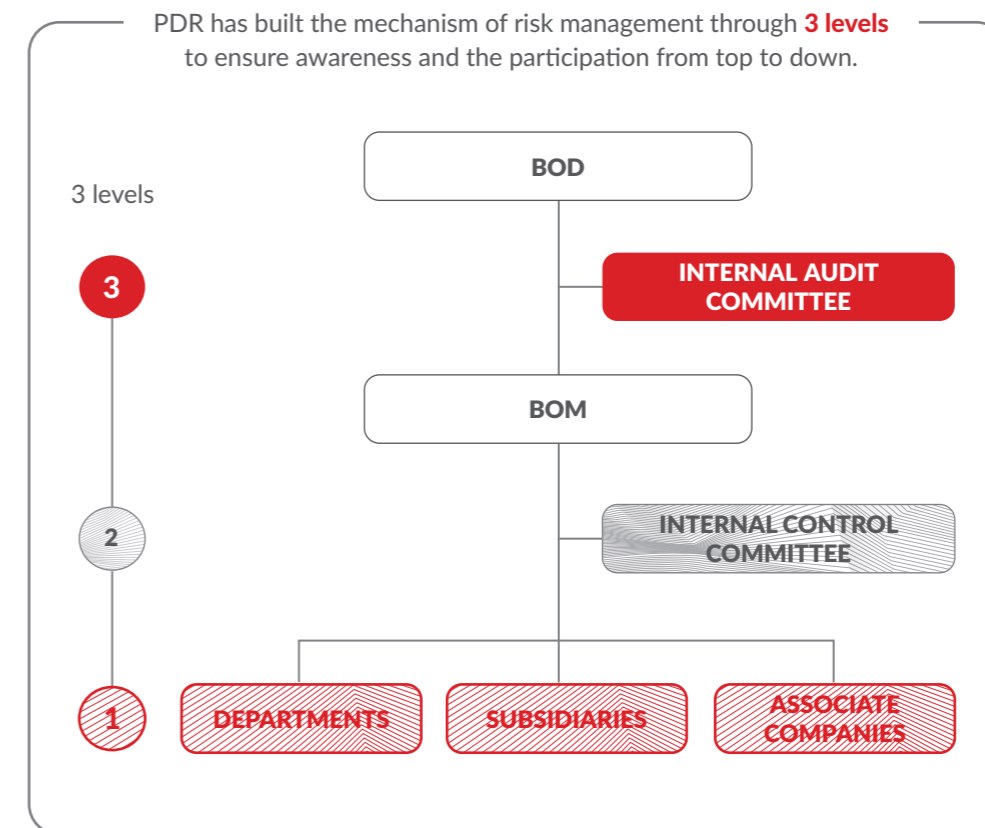
RISK MANAGEMENT

Risk management has an integral role in enhancing the efficiency of a business and making it sustainable. It ensures that the business advances in the right direction. PDR considers risk management one of the core tasks of CG.

BASES FOR RISK MANAGEMENT



RISK MANAGEMENT MECHANISM



RISK MANAGEMENT METHODS

- Set goals, build and retain risk management strategy.
- Define and analyse types of risks.
- Prepare reaction plans.
- Define risk management structure and roles/tasks.
- Manage and report.

INTERNAL CONTROL

Targets of Internal control process

Identifying, managing risks (present or potential) and preventing inefficiency and non-compliance with internal requirements during the course of the company's operations to achieve targets and fulfil plans and ensure efficiency.

| No | Duty | Responsibility |
|----|---|---------------------------------|
| 01 | Setting up international examination plans (periodic/sudden request) | Internal Examination Commission |
| 02 | Implementing internal examination (periodic/sudden request): Compliance control (as required by the company management system) Operational control (based on the company's targets and plans; ensure quality and reliability of CG report and financial report) Financial control (risks, wastage, losses, inefficiency) | Internal Examination Commission |
| 03 | Reporting non-compliance, imprecise and ineffective activities, risks, and recommendations | Internal Examination Commission |
| 04 | Setting up plans to prevent non-compliance and imprecise and ineffective activities and to manage risk and recovery | Related departments |
| 05 | Carrying out risk prevention and recovery activities | Related departments |
| 06 | Supervising, controlling and assessing risk prevention and monitoring recovery | Internal Examination Commission |
| 07 | Reporting results of risk prevention, management and recovery efforts | Internal Examination Commission |

Improving the capacity of risk management levels



DEPARTMENTS, SUBSIDIARIES, ASSOCIATE COMPANIES

Improvements implemented by reviewing, building and accomplishing the regulation and internal procedure systems to ensure the compliance with the provisions of the law and the need for rapid development of the Company.



INTERNAL CONTROL COMMITTEE

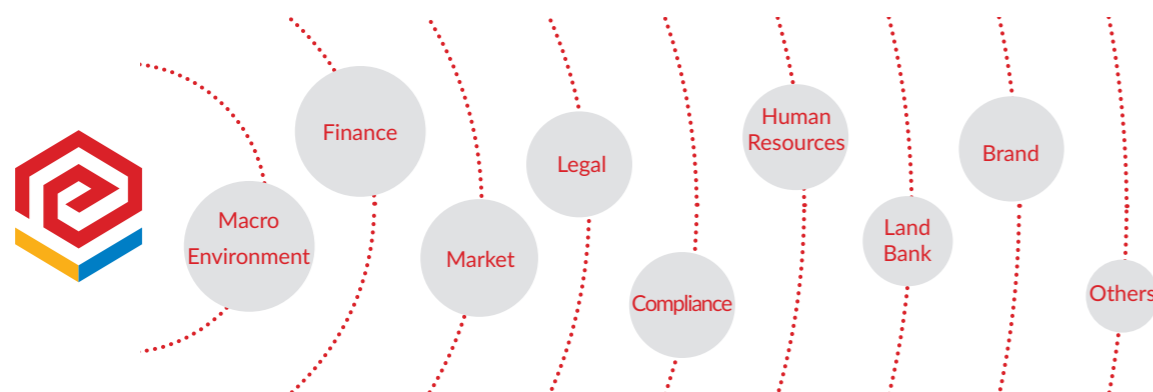
Improvement in supervision role to enhance the supporting capabilities to the new BOM's management process.



INTERNAL AUDIT COMMITTEE

After more than a year of operation, the IAC has gained various experience, contributing to a more effective performance.

2020 Major Risks



DETECTING 2020 MAJOR RISKS

Due to the unexpected, unpredictable and constant development of the Covid-19 pandemic, BOD of PDR, together with BOM and in-house departments, re-identified the Company's risks. Using close monitoring and thorough analysis, PDR identified the main risks to the Company and prepared the best response solutions.

MACRO ENVIRONMENT RISKS

Risk identification

The unpredictable development of Covid-19 may lead to social distancing periods, canceling or delaying all normal daily activities. As a consequence, business operations will also be stagnated.

There is a high possibility that offices will be temporarily closed and all employees must work from home. This will challenge the coordination, monitoring, progress and performance enhancement inside a business.

It is likely that the supply chain will suffer from frequent disruptions, leading to the rise in prices of materials, logistics and operations. On the other hand, our partners may also be affected which creates impact on the whole supply chain.

Another risk is when an employee is detected as a positive case or has contact with source of infection, resulting in mass isolation and hurting the Company's process.

Response measures

- Reviewing and preparing scenarios and resources for plans of social distancing and work from home to maintain the highest level of seamless communications.
- Building an updated backup plan in response to interruptions due to social distancing or banned large gathering.
- Increasing the use of information technology applications to replace face-to-face activities with online version.
- Closely monitoring the market changes to take optimal prevention and control measures.
- Strictly monitoring employees' safety and highly encourage them to apply highest safety measures.

FINANCIAL RISKS

Risk identification

The impacts on the general market may lead to new developments in the financial market. Among which, traditional capital sources maybe under the risk of hibernation or depletion.

The State Bank's adjustments may also gradually decrease the maximum ratio of banks' short- and medium-term loans. The banking industry may take more cautious assessment for loans and disbursements.

There will be a slow and interrupted cash flow due to difficulties from partner difficulties or purchasing power.

Response measures

- Diversifying the sources of capital mobilization to create more opportunities to approach and select reputable partners with strong financial resources.
- Utilizing the Company's accumulated capital to actively purchase projects with optimal conditions and to keep projects under planned implementation.
- Increasing cash flow speed by applying quick project implementation, finding the best time for product introduction to the market.
- Financial structures should be regularly evaluated and rearranged by diversifying fund mobilization sources in the form of issuing additional shares; withdrawing resources from invested projects with low economic efficiency; entering into tie-ups with foreign and local partners etc.
- Seeking for small and medium projects to quickly resume capital by sales push and to minimize loans from credit institutions.

MARKET RISKS

Risk identification

The Covid-19 pandemic has put a significant impact on the real estate market. In particular, the purchasing power has been deterred by the affected investment in real estate or cautious actions of customers.

There has been a decrease in trend of real estate price in most segments and markets, possibly affecting the product price of the Company.

Response measures

- Instead of spending resources in building our own sales team, maintaining the flexible sales policy by coordinating with strategic partners in product distribution to the market. This helps increase sales speed, control output and create more favorable opportunities in cash flow recovery.
- Increasing the possible ratio of market consumption by focusing on products that are highly compatible with customers' current needs.

LEGAL RISKS

Risk identification

In recent years, though changes have been introduced to the legal system, especially the Real Estate Business Law, the system needs further refinement to better regulate the property market. Regular amendments to laws and policies can be expected based on market's changes. Such changes could affect PDR's business plans and operations.

Furthermore, the real estate businesses also face the risk of overlapping regulations and lack of information, preventing proper compliance of the business. Typically, investment and land handover procedures remain complicated, often affecting businesses' ownership rights. This has led to the difficulties in compensation and site clearance.

In 2020, granting of permission for real estate projects was tightened, which delayed the completion of legal procedures for several projects.

Response measures

- Setting up an in-house legal team with senior lawyers who are experts in the Business Law and Real Estate Business Law.
- Retaining trustworthy law firms to obtain relevant industry-specific regulatory updates and carry out adjustments to internal processes and policies to ensure legal compliance.
- Willing to hire leading legal experts and organize face-to-face consultations if and when necessary.
- Enhancing the capacity and market knowledge of the investment - project development department in order to effectively approach legal process.

COMPLIANCE RISKS

| Risk identification | Response measures |
|---|--|
| <p>This risk occurs when employees accidentally or deliberately break the company's regulations, internal rules or control processes. Part-time and seasonal workers are often used in the real estate industry. Such workers are likely to violate regulations.</p> <p>In 2020, PDR had a rapid increase in human resources when the number of new recruits almost equaled the existing team. Such change may create more challenges in compliance when it takes time for new employees to adapt to the Company's culture and standards.</p> | <ul style="list-style-type: none"> Enhancing the management and monitoring role of the IAC. In addition, the Board of Advisors and Internal Control Department have also helped the company ensure the highest levels of compliance with regulations. Issuing, amending and updating the governance and internal control regulations in accordance with the evolving requirements of the PDR. Focusing on constant upgrade of the management system and human resource quality to ensure efficient management of expenditure, quality and project deadlines. Establishing operation processes and mechanism together with assessments of individuals and departments to reduce mistakes. Communicating and building the code of conduct for Phat Dat employees basing on high ethical standards, and it is communicated and applied at all levels, from the lowest to the top. Applying strict punishment to any violation to the Company's regulations. Carrying out extraordinary and regular assessments at all departments and focus more on the part that is likely to go wrong. The assessment results will be reported to the BOD and the BOM. |

HUMAN RESOURCE RISKS

| Risk identification | Response measures |
|--|---|
| <ul style="list-style-type: none"> The rapid growth of the Company may lead to the risk an unresponsive human resource. It is always a big challenge to recruit the right employees that match requirements on working capability and culture adaptation. The bigger challenge comes in keeping these talents inside the Company's pool. | <ul style="list-style-type: none"> Enhancing the training plans, having practical plans for training and mentoring human resources to avoid the lack of replacements in the future. Improving the attractive working environment and mechanism to retain talents. Reviewing and applying better policies in remuneration, salary, bonus and ensure internal fair assessment. |

LAND BANK RISKS

| Risk identification | Response measures |
|--|---|
| <ul style="list-style-type: none"> The market of land bank is facing an enormous supply shortfall, specifically the areas with favorable locations in potential localities. Compensation payment and site clearance are always considered risky since they often cause delays resulting in increased costs and thus lower profits. | <ul style="list-style-type: none"> Closely monitoring the market, preparing an abundant financial resource to buy more potential projects when possible. Actively seeking for and securing undisputed and potential land banks through acquisitions, M&A, auction, bidding, and implement projects of urban gentrifying and BT. Maximizing the capacity for rapid project development, legal knowledge for quick legal procedure application and effective project implementation. |

BRAND NAME RISKS

| Risk identification | Response measures |
|--|--|
| <p>The current media and communications environment may hurt any business's reputation. As a real estate enterprise and listed business, PRD becomes more vulnerable to different media attacks.</p> | <ul style="list-style-type: none"> Increasing the tools for social listening to closely monitor the public discussions and to promptly identify signals of crisis or attacks; proposing the fastest response solution. Focusing on the capacity of responding to media crisis and improve the personnel readiness. Conducting professional communications - marketing activities to protect brand name and reduce the risk of brand crisis. |

OTHERS

| Risk identification | Response measures |
|---|--|
| <p>Other risks associated with force majeure events such as natural disasters, floods, fire, war etc. These events can slow down construction progress or cause partial or total damage to the construction. These rare risks, once happen, can cause severe and unavoidable damages.</p> | <ul style="list-style-type: none"> Strictly complying with the regulations on national fire prevention and fighting across the Company, from the headquarter to branch offices and construction sites. Ensuring fire insurance for all assets including offices, houses and work equipment (computer systems, office equipment, etc.). |

LEGAL COMPLIANCE

As a listed company, PDR strictly complies with regulations for governance and law provisions, including Law on Enterprises, Law on Real Estate Trading, Law on Securities, etc.

Typically:

- The Law on Enterprises No. 68/2014/QH13 regulates the operation of joint stock companies such as the organization and convention of AGMs.
- The Law on Real Estate Trading, No. 66/2014/QH13 regulates specifics and requirements of off-plan properties, sales of off-plan properties and the execution of guarantees for sale of off-plan properties.
- The Law on Securities, Decree 71/2017/ND-CP, Circular 155/2015/TT-BTC regulates the full, transparent, accurate and timely disclosure of periodic and extraordinary information in accordance with company's regulations.
- The recently effective laws and regulations include Law on Enterprises No. 59/2020/QH14 dated June 17, 2020; Circular 96/2020/TT-BTC of the Ministry of Finance; Law on Securities No. 54/2019/QH14. Effective date: January 01, 2021.
- The company also complies with Circular 95/2017/TT-BTC and issues internal regulations using the form provided thereunder.



Competences and achievements

Gearing up on the new height

Reaching a conglomerate scale based on core capabilities

Sustainable development report

Consolidated financial statement

Key projects made pdr's history

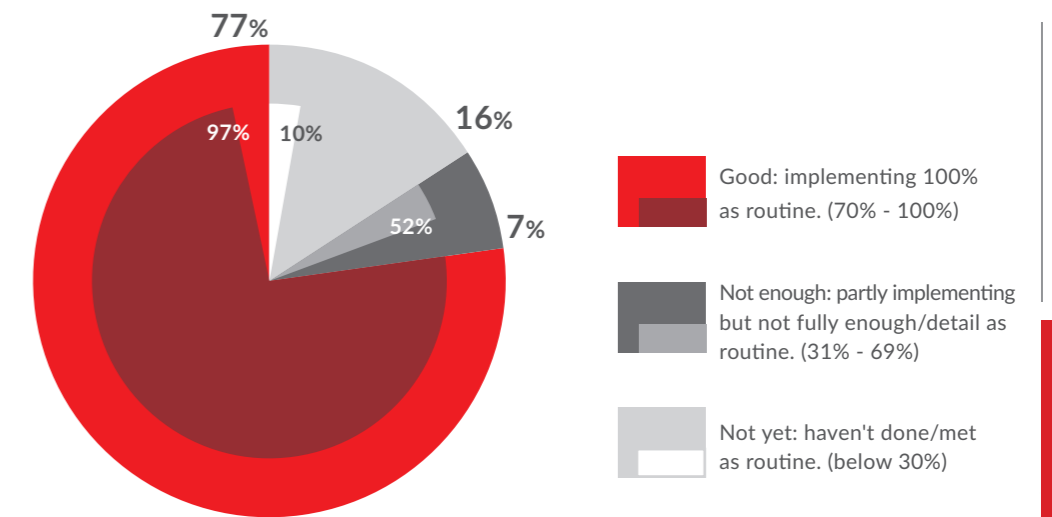
ASSESSING CORPORATE GOVERNANCE BASED ON THE ASEAN CORPORATE GOVERNANCE SCORECARD



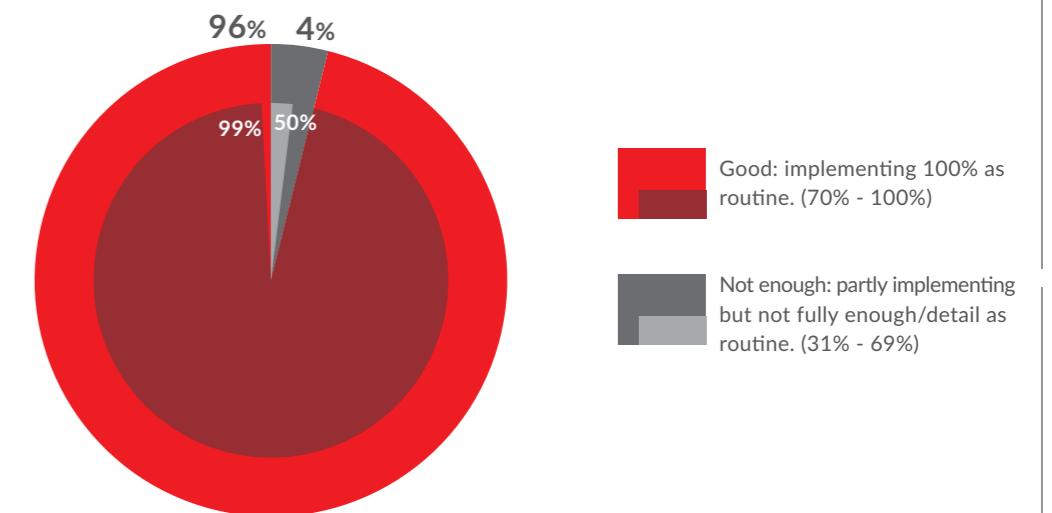
THE ASEAN CORPORATE GOVERNANCE SCORECARD (ACGS) IS ONE OF THE INITIATIVES OF THE ASEAN CAPITAL MARKET FORUM (ACMF) UNDER CO-OPERATION AND SUPPORT OF THE ASIAN DEVELOPMENT BANK (ADB).

PDR has applied this scorecard as a standard to evaluate CG performance since 2019 and continue in 2020. It is considered a reliable basis to help understand the current CG quality and orientation for improvement in the future. This is also the Company's participation in efforts to build a common ASEAN economic community.

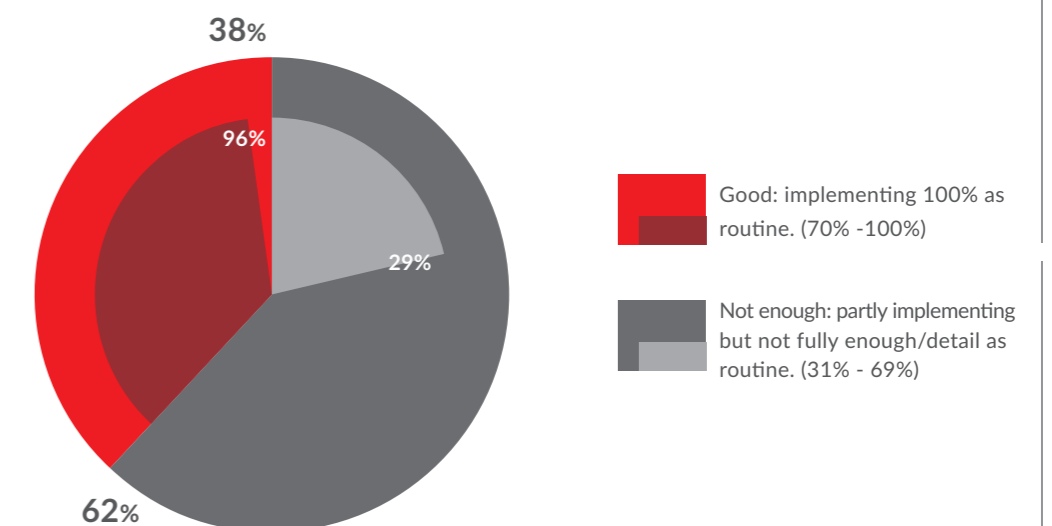
ASEAN CORPORATE GOVERNANCE SCORECARD



PENALTY CARD



BONUS CARD



Competences and achievements

Gearing up on the new height

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Sustainable development report

Consolidated financial statement

Key projects made pdr's history

THE ASEAN CORPORATE GOVERNANCE SCORECARD

● <30% ● 31% - 69% ● 70% - 100%

| Question- naires | Content | Assess- ment | Result in 2019 | Result in 2020 |
|---|---|--------------|---|--|
| A. BASIC SHAREHOLDER RIGHTS | | | | |
| A.1.1 | Does the company pay (interim and final/annual) dividends in an equitable and timely manner; that is, all shareholders are treated equally and paid within 30 days after being (i) declared for interim dividends and (ii) approved by shareholders at Annual General Meetings (AGM) for final dividends? | ● | The AGM 2019 was organised on 30/03/2019 and approved dividend issuance by share in 2018 at ratio of 100:23, closed day for listing was 25/04/2019, payment day was: 02/05/2019 | Continues maintaining Good execution of this criterion |
| A.3.3 | Does the company allow shareholders to elect directors/commissioners individually? | ● | At PDR's AGM, elections for board directors commissioners was regulated by Election Regulation department with clear process for shareholders. Referencing the AGM document, elections for board directors/commissioners and audit committee during 2018 -2023 was organised on 30/03/2018. On 30/03/2019 election was held to add an extra 01 independent commissioner and dismissed the Examination Commission. | Continues maintaining Good execution of this criterion |
| A.3.5 | Do the minutes of the most recent Annual General Meeting (AGM) record that the shareholders were given the opportunity to ask questions and raise problems? | ● | Minutes of the PDR's most recent AGM recorded all and full shareholders' questions and board's answers. | Continues maintaining Good execution of this criterion |
| A.3.6 | Do the minutes of the most recent AGM record questions and answers? | ● | | |
| A.3.7 | Does the company disclose the most recent AGM's resolutions in latest results? | ● | Most recent AGM's minutes and resolutions were fully disclosed within 24 hours in PDR websites as well as being sent to HCM City Stock Exchange and the State Securities Commission. | Continues maintaining Good execution of this criterion |
| A.3.8 | Does the company disclose the voting results including approving, dissenting, and abstaining votes for all resolutions/each agenda item for the most recent AGM? | ● | Most recent AGM's minutes disclosed the voting results including approving, dissenting, and abstaining votes for all resolutions/each agenda item. | Continues maintaining Good execution of this criterion |
| A.3.9 | Does the company disclose the list of board members who attended the most recent AGM? | ● | AGM's minutes always disclosed the list of board members who attended the AGM. | Continues maintaining Good execution of this criterion |
| A.3.10 | Did the chairman take part in AGM? | ● | Chairman cum CEO took part in all meetings, including AGM and others. | Continues maintaining Good execution of this criterion |
| A.3.11 | Did the CEO take part in AGM? | ● | | |
| A.3.12 | Did the head of examination commission take part in AGM? | ● | The head of examination commission took part in AGM. | Continues maintaining Good execution of this criterion |
| A.3.15 | Did the company vote by poll (as opposed to by show of hands) for all resolutions at the most recent AGM? | ● | Shareholders voted by poll as approving, dissenting, and abstaining votes for all resolutions/each agenda item. | Continues maintaining Good execution of this criterion |
| A.3.16 | Does the company disclose that it has appointed an independent party (scrutineers/inspectors) to count and/or validate the votes at the AGM? | ● | At AGM, PDR always invites representatives of shareholders to count and/or validate the votes. In 2019 AGM, PDR Continues to invite but shareholder representative did not participate in counting and validating the votes. | Continues maintaining Good execution of this criterion |
| A.3.17 | Does the company make the results of the most recent AGM/EGM resolutions public available for all in the next working day? | ● | AGM's minutes and resolutions were disclosed within 24 hours. | Continues maintaining Good execution of this criterion |
| A.3.19 | Does the company provide at least 21 days notice for all AGMs? | ● | At AGM 2019, held on 30/03/2019, PDR has announced all documents and notices for this AGM on 14/03/2019. According to the Enterprise Law, AGM documents should be sent 10 days before AGM and the company's regulation is 15 days. | To organize PDR's 2021 AGM held on 27/03/2021, PDR will comply with the provisions of Circular 96/2020/TT-BTC on Information Disclosure and the Law on Enterprises, effective from 01/01/2021. |
| A.4.1 | In cases of mergers, acquisitions and/or takeovers requiring shareholders' approval, does the BOD/ commissioners of the company appoint an independent party to evaluate the fairness of the transaction price? | ● | At PDR, the situation has not yet occurred. | At PDR, the situation has not yet occurred. |
| A.5.1 | Does the company disclose its practices to encourage shareholders to engage with the company beyond AGM? | ● | Approving activities to improve investor's relationship. | PDR is considering building policies that bring the best benefits to shareholders |
| B. EQUITABLE TREATMENT OF SHAREHOLDERS | | | | |
| B.2.1 | Does each resolution in the most recent AGM deal with only one item, i.e., there is no bundling of several items into the same resolution? | ● | Resolutions of AGM 2019 well implemented the content. | Continues maintaining Good execution of this criterion |

| Question- naires | Content | Assess- ment | Result in 2019 | Result in 2020 |
|---|---|--------------|---|---|
| B.2.2 | Are the company's notice of the most recent AGM/ circulars fully translated into English and published on the same date as the local-language version? | ● | In 2019, PDR was in the process to disclose information and document by both Vietnamese and English. | PDR is progressively translating material into English, which is scheduled to be released on the same day with the 2021 AGM's documents in Vietnamese and English. |
| B.2.3 | Are the profiles of directors/commissioners (at least age, academic qualification, date of appointment, experience, and directorships in other listed companies) in seeking election/re-election included? | ● | PDR fully announced profiles of directors/commissioners (at least age, academic qualification, date of appointment, experience, and directorships in other listed companies) in election/re-election. | Continues maintaining Good execution of this criterion |
| B.2.4 | Are the auditors seeking appointment/reappointment clearly identified? | ● | Documents of AGM mentioned statuses of auditor's appointment/reappointment clearly. | Continues maintaining Good execution of this criterion |
| B.2.5 | Did AGM material explain about dividend policy? | ● | Documents of AGM mentioned about this issue, including annual dividend ratio, cash for dividend and money amount for different funds. | Continues maintaining Good execution of this criterion |
| B.2.6 | Did AGM material disclose dividend ratio? | ● | | |
| B.3.2 | Are the directors / commissioners required to report their dealings in company shares within 3 business days? | ● | PDR is well implementing this principle under circular number 155/2015/TT-BTC and the company's regulations. | Continues maintaining Good execution of this criterion |
| B.4.2 | Does the company have a policy requiring a committee of independent directors/commissioners to review material related party transactions (RPTs) to determine whether they are in the best interests of the company and shareholders? | ● | PDR will consider adding this rule in the coming years. | |
| B.4.3 | Does the company have a policy requiring board members (directors/commissioners) to abstain from participating in the board discussion on a particular agenda when they are conflicted? | ● | Board members (directors/commissioners) are allowed to participate but not to vote in the board discussion on a particular agenda when they are conflicted. | The company is in the process of building a specific policy for this issue. |
| B.5.1 | Does the company have a policy supporting finance for units which are not affiliated? | ● | PDR doesn't have this circumstances occurring. | PDR doesn't have this circumstances occurring. |
| C. ROLE OF STAKEHOLDERS | | | | |
| C.1 The rights of stakeholders that are established by law or through mutual agreements are to be respected. | | | | |
| C.1.1 | The existence and scope of the company's efforts to address customers' welfare? | ● | PDR presented on this issue in the 2020 AR and in its on-going document for CG. | In PDR's typical business operation, PDR has registered and has been approved by the Vietnam Competition Administration Department in terms of Product Sales Contract which has strict provisions on customers' interests and protection of customers' interests. |
| C.1.2 | Supplier/contractor selection procedures and process explanation? | ● | The PDR has a supplier/contractor selection process and operation. However, this is internally circulated and approved by PDR's CEO. | PDR continues maintaining and improving this criterion. |
| C.1.3 | The company's efforts to ensure that its value chain is environmentally friendly or is consistent with promoting sustainable development? | ● | PDR presented on this issue in the 2020 AR. | PDR continues maintaining and improving this criterion. |
| C.1.4 | The company's efforts to interact with its communities? | ● | PDR presented on this issue in the 2020 AR. | PDR continues maintaining and improving this criterion. |
| C.1.5 | The company's anti-corruption programmes and procedures? | ● | PDR presented on this issue in the 2020 AR, our regulations and processes, specifying the financial management decision-making powers of the PDR to prevent corruption. | PDR continues maintaining and improving this criterion. |
| C.1.6 | How creditors' rights are safeguarded? | ● | PDR will consider adding this rule in the coming years. | PDR will consider adding this rule in the coming years. |
| C.1.7 | The company's detail practices to protect customers' safety and health? | ● | PDR presented on this issue in the 2020 AR. | PDR already presented on this issue in the 2020 AR. |
| C.1.8 | Supplier/contractor selection procedures? | ● | PDR issued the selection process and criteria for the supplier/contractor. | PDR issued the selection process and criteria for the supplier/contractor. |
| C.1.9 | Environmentally friendly value chain? | ● | PDR presented on this issue in the 2020 AR. | PDR already presented on this issue in the 2020 AR. |

Competences and achievements

Gearing up on the new height

Reaching a conglomerate scale based on core capabilities

Sustainable development report

Consolidated financial statement

Key projects made pdr's history

| Questionnaires | Content | Assessment | Result in 2019 | Result in 2020 |
|----------------|--|------------|---|---|
| C.1.10 | Activities of interaction with the communities? | ● | PDR presented on this issue in the 2020 AR. | PDR already presented on this issue in the 2020 AR. |
| C.1.11 | Anti-corruption programme and process? | ● | PDR presented on this issue in the 2020 AR, our regulations and processes, specifying the financial management decision-making powers of the PDR to prevent corruption. | PDR presented on this issue in the 2020 AR, our regulations and processes, specifying the financial management decision-making powers of the PDR to prevent corruption. |
| C.1.12 | Creditors' rights? | ● | PDR will consider adding this rule in the coming years. | PDR will consider adding this rule in the coming years. |
| C.1.13 | Does the company have a separate report/section that discusses its responsibility/sustainable development? | ● | PDR presented on this issue in the 2020 AR at sustainability section. | PDR already presented on this issue in the 2020 AR at sustainability section. |
| C.2 | Where stakeholder interests are protected by law, stakeholders should have the opportunity to obtain effective redress for violation of their rights | | | |
| C.2.1 | Does the company provide contact details via the company's website or AR which stakeholders (e.g. customers, suppliers, general public etc.) can use to voice their concerns and/or complaints for possible violation of their rights? | ● | PDR provides contact information on website, quarterly Investor's Bulletin and AR. | PDR provides contact information on website, quarterly Investor's Bulletin and AR. |
| C.3 | Mechanisms for employee participation should be permitted to develop. | | | |
| C.3.1 | Does the company explicitly disclose the policies on health, safety and welfare for its employees? | ● | | |
| C.3.2 | Does the company explicitly disclose the practices on health, safety and welfare for its employees? | ● | | |
| C.3.3 | Does the company explicitly disclose the policies on training and development programmes for its employees? | ● | PDR's AR and quarterly Investor's Bulletin have clearly and fully sensitised the criteria. | PDR's AR and quarterly Investor's Bulletin have clearly and fully sensitised the criteria. |
| C.3.4 | Does the company explicitly disclose the practices on training and development programmes for its employees? | ● | | |
| C.3.5 | Does the company have a reward/compensation policy that accounts for the performance of the company beyond short-term financial measures? | ● | | |
| C.4 | Stakeholders including individual employee and their representative bodies, should be able to freely communicate their concerns about illegal or unethical practices to the board and their rights should not be compromised for doing this | | | |
| C.4.1 | Does the company have a whistle blowing policy which includes procedures for complaints by employees and other stakeholders concerning alleged illegal and unethical behaviour? | ● | PDR has established and issued content and process within collective labour agreement, code of behaviour conduct for "Phat Dat People" and also addressed the issues in the AR. | Continues maintaining Good execution of this criterion |
| C.4.2 | "Does the company have a policy or procedures to protect an employee/person who reveals alleged illegal/unethical behaviour from retaliation?" | ● | | |
| D. | DISCLOSURE AND TRANSPARENCY | | | |
| D.1 | Transparency structure | | | |
| D.1.1 | Does the information on shareholdings reveal the identity of beneficial owners, holding 5% shareholding or more? | ● | | Continues maintaining Good execution of this criterion |
| D.1.2 | Does the company disclose the direct and indirect (deemed) shareholdings of major and/or substantial shareholders? | ● | PDR has provided details in periodic corporate report in every 6 months, one year and AR. | |
| D.1.3 | Does the company disclose the direct and indirect (deemed) shareholdings of directors (commissioners)? | ● | | |
| D.1.4 | Does the company disclose the direct and indirect (deemed) shareholdings of senior management? | ● | | |
| D.1.5 | Does the company disclose details of the parent/holding company, subsidiaries, associates, joint ventures and special purpose enterprises/vehicles (SPEs)/ (SPVs)? | ● | PDR has disclosed this information in AR and periodic financial report. | Continues maintaining Good execution of this criterion |

| Questionnaires | Content | Assessment | Result in 2019 | Result in 2020 |
|----------------|--|------------|--|--|
| D.2 | Quality of AR | | | |
| D.2.1 | Major risks | ● | PDR has disclosed major risks in AR. | Continues maintaining Good execution of this criterion |
| D.2.2 | Corporate objectives | ● | PDR's targets and plans have been disclosed in ARs and Shareholders Notice column in the company's website. | |
| D.2.3 | Financial performance indicators | ● | | Continues maintaining Good execution of this criterion |
| D.2.4 | Non-financial performance indicators | ● | PDR has disclosed these contents in AR and Shareholders Notice column in the company's website. | |
| D.2.5 | Dividend policy | ● | | |
| D.2.6 | Details in price policy | ● | PDR will consider to add this rule into the coming years. | Continues maintaining Good execution of this criterion |
| D.2.7 | Biographical details (at least age, academic qualifications, date of first appointment, relevant experience, and any other directorships of listed companies) of all directors/commissioners | ● | | |
| D.2.8 | Training courses/constructive courses for directors/commissioners to take part in. | ● | | Continues maintaining Good execution of this criterion |
| D.2.9 | Number of meetings held exclusively for directors/commissioners during the year | ● | PDR has disclosed these contents' details in the AR. | |
| D.2.10 | Attendance details of each director/commissioner in all directors/commissioners meetings held during the year | ● | | |
| D.2.11 | "Total remuneration of each member of the board of directors/commissioners" | ● | | |
| D.2.12 | Does the AR contain a statement confirming the company's full compliance with the code of CG and where there is non-compliance, identify and explain reasons for each such issue? | ● | PDR has clearly represented these contents in AR. | Continues maintaining Good execution of this criterion |
| D.3 | Disclosure of related party transactions (RPT) | | | |
| D.3.1 | Does the company disclose its policy covering the review and approval of material on RPTs? | ● | PDR's Sustainability Report has presented the issue but it was not in detail. PDR will review and improve the content in the coming years. | |
| D.3.2 | Does the company disclose the name and relationship for each material on RPTs? | ● | PDR's Sustainability Report has presented the issue but it was not in detail. PDR will review and improve the content in the coming years. | |
| D.3.3 | Does the company disclose the nature and value for each material on RPTs? | ● | PDR has clearly represented these contents in AR. | |
| D.4 | Directors and commissioners dealings in shares of the company | | | |
| D.4.1 | Does the company disclose trading in the company's shares by insiders? | ● | PDR has clearly represented these contents in AR and CG report for every 6 months and a year. | Continues maintaining Good execution of this criterion |
| D.5 | External auditor and Auditor Report | | | |
| D.5.1 | Are the audit fees disclosed? | ● | The company has disclosed contract signing with audit company but has not revealed the fee. | PDR continues to consider improving this criterion in the coming years. |
| D.5.2 | Are the non-audit fees disclosed? | ● | PDR does not have non-audit fees. | Continues maintaining Good execution of this criterion |
| D.5.3 | Does the non-audit fee exceed the audit fees? | ● | PDR does not have non-audit fees hence there is no comparison. | Continues maintaining Good execution of this criterion |
| D.6 | Medium of communications | | | |
| D.6.1 | Quarterly reporting | ● | PDR has timely and fully issued quarterly reports on website, HCM City Stock Exchange and the State Securities Committee. | Continues maintaining Good execution of this criterion |
| D.6.2 | Company website | ● | PDR's website is available in Vietnamese and English. All listed information is being translated to English. | PDR is progressively translating material into English, which is scheduled to be released on the same day with the 2021 AGM's documents in Vietnamese and English. |
| D.6.3 | Analyst's briefing | ● | PDR has periodically organised meetings with shareholders, investors, securities analyst's every month, quarterly to update business activities. | Continues maintaining Good execution of this criterion |
| D.6.4 | Media briefings /press conferences | ● | The company regularly writes articles to update business activities, promote image through mass media and conferences... | Continues maintaining Good execution of this criterion |

Competences and achievements

Gearing up on the new height

Reaching a conglomerate scale based on core capabilities

Sustainable development report

Consolidated financial statement

Key projects made pdr's history

| Questionnaires | Content | Assessment | Result in 2019 | Result in 2020 |
|----------------|--|---|----------------|---|
| D.7 | Timely filing/release of annual/financial reports | | | |
| D.7.1 | Are the audited annual financial reports/statements released within 120 days from the financial year end? | ● PDR has disclosed audited annual financial reports on website, HCM City Stock Exchange, the State Securities Committee and Investor's Bulletin. | | Continues maintaining Good execution of this criterion |
| D.7.2 | Is the AR released within 120 days from the financial year end? | ● PDR has disclosed AR on website, HCM City Stock Exchange, the State Securities Committee and Investor's Bulletin. | | Continues maintaining Good execution of this criterion |
| D.7.3 | Is the true and fairness/fair representation of the annual financial statements/reports affirmed by the BOD/commissioners and or the relevant officers of the company? | ● PDR has disclosed the issue on financial report and AR. | | Continues maintaining Good execution of this criterion |
| D.8 | Company website | | | |
| D.8.1 | Business activities | ● PDR has disclosed the issue on website and AR. | | Continues maintaining Good execution of this criterion |
| D.8.2 | Financial statements/reports (latest yearly) | ● PDR has disclosed the issue on website and AR. | | Continues maintaining Good execution of this criterion |
| D.8.3 | Materials provided in briefings to analysts and media | ● PDR has provided all materials which are monthly and quarterly updated. | | Continues maintaining Good execution of this criterion |
| D.8.4 | Owning structure | ● PDR has disclosed the issue on website and AR. | | Continues maintaining Good execution of this criterion |
| D.8.5 | Organization structure | ● PDR has disclosed the issue on website and AR. | | Continues maintaining Good execution of this criterion |
| D.8.6 | Downloadable AR | ● Easy to download PDR's AR. | | Continues maintaining Good execution of this criterion |
| D.8.7 | Notice of AGM and/or (EGM) | ● PDR has disclosed the issue on website, 6-month and 1-year CG report and AR. | | Continues maintaining Good execution of this criterion |
| D.8.8 | Minutes of AGM and/or EGM | ● PDR has disclosed the issue on website, 6-month and 1-year CG report and AR. | | Continues maintaining Good execution of this criterion |
| D.8.9 | Company's constitution (company's by-laws, memorandum and articles of association) | ● PDR's regulations were fully published on website and sent to HCM City Stock Exchange and the State Securities Committee. | | Continues maintaining Good execution of this criterion |
| D.9 | Investor relations | | | |
| D.9.1 | Does the company disclose the contact details (e.g. telephone, fax, and email) of the officer / office responsible for ? | ● PR's website has contact and question/answer column. Additionally, contact detail of Investor and Shareholder Relationship Department on AR and quarterly bulletin. | | Continues maintaining Good execution of this criterion |
| E. | RESPONSIBILITIES OF THE BOARD | | | |
| E.1 | Board Duties and Responsibilities, clearly defined board responsibilities and CG policy | | | |
| E.1.1 | Does the company disclose its corporate governance policy / board charter? | ● PDR has disclosed the issue on website, 6-month and 1-year CG report. | | Continues maintaining Good execution of this criterion |
| E.1.2 | Are the types of decisions requiring board of directors/commissioners' approval disclosed? | ● PDR has disclosed the issue on website, 6-month and 1-year CG report and AR. | | Continues maintaining Good execution of this criterion |
| E.1.3 | Are the roles and responsibilities of the BOD/ commissioners clearly stated? | ● Regulations and rules on CG have represented roles and responsibilities of the BOD/commissioners. This issue has disclosed at AR and 6-month and 1-year CG report. | | Continues maintaining Good execution of this criterion |
| | Corporate Vision/Mission | | | Continues maintaining Good execution of this criterion |
| E.1.4 | Does the company have an updated vision and mission statement? | ● PDR has disclosed the issue on website and AR. | | Continues maintaining Good execution of this criterion |
| E.1.5 | Does the BOD play a leading role in the process of developing and reviewing the company's strategy at least annually? | ● PDR periodically reviews vision, mission/strategy and has disclosed on AR. | | Continues maintaining Good execution of this criterion |
| E.1.6 | Does the BOD have a process to review, monitor and oversee the implementation of the corporate strategy? | ● Members of the BOD direct the strategy formulation and supervision/review through regular BOD meetings; abnormal (if any). | | Continues maintaining Good execution of this criterion |
| E.2 | Board structure | | | |
| | Code of Ethics or Conduct | | | |
| E.2.1 | Are the details of the code of ethics or conduct disclosed? | ● PDR addressed this issue in the AR and would consider posting the "Phat Dat Code of Conduct" on the PDR's website. | | Continues maintaining Good execution of this criterion |
| E.2.2 | Are all directors/commissioners, senior management and employees required to comply with the code/s? | ● At PDR, every member of the BOD must comply with the "Phat Dat Code of Conduct" and this issue is mentioned in the AR. | | Continues maintaining Good execution of this criterion |
| E.2.3 | Has the company disclosed the process of implementing and monitoring compliance with the code/s of ethics or conduct? | ● PDR monitored the implementation and compliance of the "Phat Dat Code of Conduct". However, PDR has not publicly announced how to implement and monitor it. | | PDR monitored the implementation and compliance of the "Phat Dat Code of Conduct". However, PDR has not publicly announced how to implement and monitor it. |

| Questionnaires | Content | Assessment | Result in 2019 | Result in 2020 |
|----------------|---|--|----------------|---|
| | Board Structure & Composition | | | |
| E.2.4 | Do independent directors/commissioners make up at least 50% of the BOD/commissioners? | ● PDR has not met the criterion but will consider adding this rule in the coming years. | | PDR has not met this criterion; however, PDR will consider this issue in the coming years in accordance with the standard ratio of one third for the proportion of independent BOD members. |
| E.2.5 | Do independent directors/commissioners separate/ be independent with BOD and major shareholders? | ● PDR has fully met the criterion. | | Continues maintaining Good execution of this criterion |
| E.2.6 | Does the company have a term limit of nine years its directors/ commissioners? | ● PDR has not met the criteria but will consider adding this rule in the coming years. | | Continues maintaining Good execution of this criterion |
| E.2.7 | Has the company set a limit of five board seats that an individual independent/non-executive director/commissioner may hold simultaneously? | ● PDR has fully met the criterion. | | Continues maintaining Good execution of this criterion |
| E.2.8 | Does the company have any executive directors who serve on more than two boards of listed companies outside of the group? | ● PDR has fully met the criterion. | | Continues maintaining Good execution of this criterion |
| | Nominating Committee | | | |
| E.2.9 | Does the company have a Nominating Committee? | ● | | |
| E.2.10 | Is the Nominating Committee comprised of a majority of independent directors/commissioners? | ● | | |
| E.2.11 | Is the chairman of the Nominating Committee an independent director/commissioner? | ● | | |
| E.2.12 | Does the company disclose the terms of reference/ governance structure/charter of the Nominating Committee? | ● | | PDR has not established the Nominating Committee so far. |
| E.2.13 | Did the Nominating Committee meet at least twice during the year? | ● | | This subcommittee and its operation are managed by a member of the BOD. |
| E.2.14 | Is the meeting attendance of the Nominating Committee disclosed? | ● | | |
| | Remuneration Committee/ Compensation Committee | | | |
| E.2.15 | Does the company have a Remuneration Committee? | ● | | |
| E.2.16 | Is the Remuneration Committee comprised of a majority of independent directors/commissioners? | ● | | |
| E.2.17 | Is the chairman of the Remuneration Committee an independent director/commissioner? | ● | | |
| E.2.18 | Does the company disclose the terms of reference/ governance structure/ charter of the Remuneration Committee? | ● | | PDR has not established the Remuneration/ Compensation Committee so far. |
| E.2.19 | Did the Remuneration Committee meet at least twice during the year? | ● | | |
| E.2.20 | Is the meeting attendance of the Remuneration Committee disclosed? | ● | | |
| | Audit Committee | | | |
| E.2.21 | Does the company have an Audit Committee? | ● At AGM 2019, PDR dismissed the Examination Commission and established the Internal Audit Commission under the management board. | | Continues maintaining Good execution of this criterion |
| E.2.22 | Is the Audit Committee comprised entirely of non-executive directors/commissioners with a majority of independent directors/commissioners? | ● At AGM 2019, PDR dismissed the Examination Commission; for previous years, all member of Examination Commission were non-executive but not independent ones. | | Starting from 01/01/2021, PDR will establish an Audit Commission to replace the IAC, and arrange the Audit Commission's composition in accordance with the law and issue its operation regulations. |
| E.2.23 | Is the Chairman of the IAC an independent director/commissioner? | ● Chairman of the Internal Audit Commission under the management board is independent commissioner. | | |

Competences and achievements

Gearing up on the new height

Reaching a conglomerate scale based on core capabilities

Sustainable development report

Consolidated financial statement

Key projects made pdr's history

| Question-naires | Content | Assess-ment | Result in 2019 | Result in 2020 |
|-----------------|--|-------------|--|---|
| E.2.24 | Does the company disclose the terms of reference/governance structure/charter of the Audit Committee? | ● | Since April 2019, PDR has developed and issued the Operation Regulations for the IAC directly under the BOD. | Starting from 01/01/2021, PDR will establish an Audit Commission to replace the IAC, and arrange the Audit Commission's composition in accordance with the law and issue its operation regulations. |
| E.2.25 | Does the AR disclose the biography or qualifications of members of the Audit Committee? | ● | PDR already presented on this issue in the 2019 AR. | Continues maintaining Good execution of this criterion |
| E.2.26 | Does at least one of the independent directors/commissioners of the committee have accounting expertise (accounting qualification or experience)? | ● | Chairman of the dismissed Examination Commission is now an independent commissioner and has accounting expertise. | Continues maintaining Good execution of this criterion |
| E.2.27 | Did the Audit Committee meet at least four times during the year? | ● | In 2019, PDR's Examination Commission did not meet at least 4 times a year because since March 30, 2019, AGM dismissed the commission and set up the Internal Audit Commission under the management board. | At PDR, starting from 01/01/2021, the IAC will change to the Audit Commission in accordance with regulations. |
| E.2.28 | Is the meeting attendance of the Audit Committee disclosed? | ● | PDR has disclosed the issue on AR. | Continues maintaining Good execution of this criterion |
| E.2.29 | Does the Audit Committee have primary responsibility for recommendation on the appointment, and removal of the external auditor? | ● | At PDR, the Board of supervisors is entitled to make recommendations on appointment and dismissal of the independent auditor. | Continues maintaining Good execution of this criterion |
| E.3 | Board Processes | | | |
| | Board meetings and attendance | | | |
| E.3.1 | Are the BOD meeting scheduled before the start of the financial year? | ● | Every year, PDR has set up AGM before the start of financial year and reported in AR. | Continues maintaining Good execution of this criterion |
| E.3.2 | Does the BOD/commissioners meet at least six times during the year? | ● | In 2019, the management board had 25 meetings, which were mentioned in the CG report and AR. | Continues maintaining Good execution of this criterion |
| E.3.3 | Has each of the directors/commissioners attended at least 75% of all the board meetings held during the year? | ● | PDR has mentioned this in CG report and AR of 2019. | Continues maintaining Good execution of this criterion |
| E.3.4 | Does the company require a minimum quorum of at least 2/3 for board decisions? | ● | In 2019, the management board had 25 meetings, which were mentioned in the CG report and AR. | Continues maintaining Good execution of this criterion |
| E.3.5 | Did the non-executive directors/commissioners of the company meet separately at least once during the year without any executives present? | ● | PDR has not followed this criterion yet and is considering implementing it in 2020. | PDR has not followed this criterion yet. |
| | Access to information | | | |
| E.3.6 | Are board papers for BOD/commissioners meetings provided to the board at least five business days in advance of the board meeting? | ● | PDR has complied with the criterion. | Continues maintaining Good execution of this criterion |
| E.3.7 | Does the company secretary play a significant role in supporting the board in discharging its responsibilities? | ● | PDR has two personnel who are in charge of CG instead of the board secretary who are assisting the board to fully implement their responsibilities. | Continues maintaining Good execution of this criterion |
| E.3.8 | Is the company secretary trained in legal, accountancy or company secretarial practices and has kept abreast on relevant developments? | ● | PDR has two personnel who are in charge of CG, one of them is a lawyer and is trained on legal framework and CG. | Continues maintaining Good execution of this criterion |
| | Board Appointments and Re-Election | | | |
| E.3.9 | Does the company disclose the criteria used in selecting new directors/commissioners? | ● | PDR has complied with the criterion. | Continues maintaining Good execution of this criterion |
| E.3.10 | Did the company describe the process followed in appointing new directors/commissioners? | ● | PDR has complied with the criterion. | Continues maintaining Good execution of this criterion |
| E.3.11 | Are all directors/commissioners subject to re-election every 3 years? | ● | Tenure of every board member is 5-year. | Tenure of every board member is 5-year. |
| | Remuneration Matters | | | |
| E.3.12 | Does the company disclose its remuneration (fees, allowances, benefit-in-kind and other emoluments) policy/practices (i.e. the use of short term and long-term incentives and performance measures) for its executive directors and CEO? | ● | PDR has disclosed the issue in a detailed and full manner in the AR. | Continues maintaining Good execution of this criterion |

| Question-naires | Content | Assess-ment | Result in 2019 | Result in 2020 |
|-----------------|---|-------------|--|---|
| E.3.13 | Is there disclosure of the fee structure for non-executive directors/commissioners? | ● | PDR has disclosed the issue in a detailed and full manner in the AR. | Continues maintaining Good execution of this criterion |
| E.3.14 | Do the shareholders or the BOD approve the remuneration of the executive directors and/or the senior executives? | ● | PDR has disclosed the issue in a detailed and full manner in the AR. | Continues maintaining Good execution of this criterion |
| E.3.15 | Does the company have measurable standards to align the performance-based remuneration of the executive directors and senior executives with long-term interests of the company, such as clawback provision and deferred bonuses? | ● | PDR will consider adding this rule in the coming years. | PDR will consider adding this rule in the coming years. |
| | Internal Audit | | | |
| E.3.16 | Does the company have an Internal Audit Commission function? | ● | PDR established the IAC under the BOD and with a Board of supervisors. | Continues maintaining Good execution of this criterion |
| E.3.17 | Is the head of internal audit identified or, if outsourced, is the name of the external firm disclosed? | | PDR's AR presented information on the background of the Chairman of the IAC under the BOD. | Continues maintaining Good execution of this criterion |
| E.3.18 | Does the appointment and removal of the internal auditor require the approval of the Audit Committee? | ● | PDR did not face the issue because the Board of supervisors was dismissed to establish the IAC under the BOD. | PDR did not face the issue because the Board of supervisors was dismissed to establish the IAC under the BOD. |
| | Risk Oversight | | | |
| E.3.19 | Does the company establish a sound internal control procedure/risk management framework? | ● | | |
| E.3.20 | Have the BOD/commissioners conducted a review of the company's material controls (including operational, financial and compliance controls) and risk management systems? | ● | PDR complied with and fully mentioned this criterion in the AR. | Continues maintaining Good execution of this criterion |
| E.3.21 | Does the company disclose the key risks to which the company is materially exposed to (i.e. financial, operational including IT, environmental, social, economic)? | ● | PDR complied with and fully mentioned this criterion in the AR. | Continues maintaining Good execution of this criterion |
| E.3.22 | Does the AR/Annual CG Report contain a statement from the board of directors/commissioners or Audit Committee commenting on the adequacy of the company's internal controls/risk management systems? | ● | PDR complied with and fully mentioned this criterion in the AR. | Continues maintaining Good execution of this criterion |
| E.4 | Personnel in the Board | | | |
| | Board Chairman | | | |
| E.4.1 | Do different persons assume the roles of chairman and CEO? | ● | In 2020, PDR will separate chairman and CEO. | PDR has separated chairman and CEO. |
| E.4.2 | Is the chairman an independent director/commissioner? | ● | Independent commissioner of the board is not chairman. | Independent commissioner of the board is not chairman. |
| E.4.4 | Are the roles and responsibilities of the chairman disclosed? | ● | The company's CG disclosed the issue. | Continues maintaining Good execution of this criterion |
| | Skills and Competencies | | | |
| E.4.5 | Does at least one non-executive director/commissioner have prior working experience in the major sector that the company is operating in? | ● | Non-executive commissioners have many years of experience in real estate. | Continues maintaining Good execution of this criterion |
| E.4.6 | Does the company have any programme to diversify board commissioners? | ● | PDR has not met the criterion and will consider improving this in the coming years. | PDR has not met the criterion and will consider improving this in the coming years. |
| E.5 | Effective BOM | | | |
| E.5.1 | Does the company have orientation programmes for new directors/commissioners? | ● | Annual assessment to the board and CEO has disclosed in AR but orientation programme for new directors/commissioners is not clear. | Not clear at PDR and will be improved in the coming years |
| E.5.2 | Does the company have a policy that encourages directors/commissioners to attend on-going or continuous professional education programmes? | ● | PDR has complied with the criteria. | Continues maintaining Good execution of this criterion |
| E.5.3 | Does the company disclose the process on how the BOD/commissioners plans for the succession of the CEO/Managing Director/President and key management? | ● | PDR has trained, planned and fostered the succession procedures and is ready to appoint new personnel. | Continues maintaining Good execution of this criterion |

Competences and achievements

Gearing up on the new height

Reaching a conglomerate scale based on core capabilities

Sustainable development report

Consolidated financial statement

Key projects made pdr's history

| Question-naires | Content | Assess-ment | Result in 2019 | Result in 2020 |
|-----------------|---|-------------|---|---|
| E.5.4 | Does the BOD/commissioners conduct an annual performance assessment of the CEO/Managing Director/President? | ● | PDR has disclosed the issue on AR at the management assessment. | Continues maintaining Good execution of this criterion |
| E.5.5 | Did the company conduct an annual performance assessment of the BOD/commissioners? | ● | | |
| E.5.6 | Did the company disclose process for an annual performance assessment of the board of directors/commissioners? | ● | | |
| E.5.7 | Did the company disclose the criteria for an annual performance assessment of the board of directors/commissioners? | ● | | |
| E.5.8 | Did the company conduct an annual performance assessment of the individual directors/commissioners?" | ● | PDR will consider, assess and set up process, criteria in the time ahead. | PDR will consider, assess and set up process, criteria in the time ahead. |
| E.5.9 | Did the company disclose the process for an annual performance assessment of the individual directors/commissioners? | ● | | |
| E.5.10 | Did the company disclose the criteria for an annual performance assessment of the individual directors/commissioners? | ● | | |
| E.5.11 | Did the company conduct an annual performance assessment of the board committees? | ● | | |

PENALTY CARD

| Question-naires | Content | Assess-ment | Result in 2019 | Result in 2020 |
|---|---|-------------|--|---|
| A. RIGHTS OF SHAREHOLDERS | | | | |
| A.1 Basic shareholder rights | | | | |
| A.1.1 | Did the company fail or neglect to offer equal treatment for share repurchases to all shareholders? | ● | PDR hasn't recorded any case. The company's regulations and internal CG, clearly addresses on the equal treatment for share repurchases to all shareholders. | PDR continues maintaining and improving this criterion. |
| A.2 Shareholders, including institutional shareholders, should be allowed to consult with each other on issues concerning their basic shareholder rights as defined in the Principles, subject to exceptions to prevent abuse. | | | | |
| A.2.1 | Is there evidence of barriers that prevent shareholders from communicating or consulting with other shareholders? | ● | PDR hasn't recorded any barrier. | PDR continues maintaining and improving this criterion. |
| A.3 Right to participate effectively and vote in general shareholders meeting and should be informed of the rules, including voting procedures, that govern general shareholders meetings. | | | | |
| A.3.1 | Did the company include any additional and unannounced agenda item into the notice of AGM/EGM? | ● | PDR has always announced in advance to shareholders about additional agenda and item of AGM/EGM. | Continues maintaining Good execution of this criterion |
| A.3.2 | Did the Chairman of the Board, Audit Committee Chairman and CEO attend the most recent AGM? | ● | PDR has complied to the regulation. At AGM, all members of management board, BOD, internal audit commission and other managers participated. | Continues maintaining Good execution of this criterion |
| A.4 Capital structures and arrangements that enable certain shareholders to obtain a degree of control disproportionate to their equity ownership should be disclosed. | | | | |
| A.4.1 | Did the company fail to disclose the existence of shareholders agreement? | ● | The agreement does not exist in PDR. | Continues maintaining Good execution of this criterion |
| A.4.2 | Did the company fail to disclose the existence of voting cap? | ● | PDR has regulated details in programme - voting rules at AGM. | Continues maintaining Good execution of this criterion |
| A.4.3 | Did the company fail to disclose the existence of multiple voting rights? | ● | Multiple voting rights do not exist in PDR. | Continues maintaining Good execution of this criterion |
| A.5 Capital structures and arrangements that enable certain shareholders to obtain a degree of control disproportionate to their equity ownership should be disclosed. | | | | |
| A.5.1 | Is a pyramid ownership structure and/ or cross holding structure apparent? | ● | PDR does not record any pyramid ownership structure and/ or cross holding structure apparent. | |
| B. EQUITABLE TREATMENT OF SHAREHOLDERS | | | | |
| B.1 Insider trading and abusive self-dealing should be prohibited. | | | | |
| B.1.1 | Has there been any conviction of insider trading involving directors/commissioners, management and employees in the past three years? | ● | PDR does not record any violation. | Continues maintaining Good execution of this criterion |

| Question-naires | Content | Assess-ment | Result in 2019 | Result in 2020 |
|--|---|-------------|--|--|
| B.2 Protecting minority shareholders from abusive action | | | | |
| B.2.1 | Has there been any cases of non-compliance with the laws, rules and regulations pertaining to material related party transactions in the past three years? | ● | PDR does not record any violation. | Continues maintaining Good execution of this criterion |
| B.2.2 | Were there any RPTs that can be classified as financial assistance (i.e not conducted at arms length) to entities other than wholly-owned subsidiary companies? | ● | PDR does not record any transaction. | Continues maintaining Good execution of this criterion |
| C. ROLE OF STAKEHOLDERS | | | | |
| C.1 The rights of stakeholders that are established by law or through mutual agreements are to be respected. | | | | |
| C.1.1 | Have there been any violations of any laws pertaining to labour/employment/consumer/insolvency/commercial/competition or environmental issues? | ● | PDR does not record any violation. | Continues maintaining Good execution of this criterion |
| C.2 Where stakeholders participate in the CG process, they should have access to relevant, sufficient and reliable information on a timely and regular basis. | | | | |
| C.2.1 | Has the company faced any sanctions by regulators for failure to make announcements within the requisite time period for material events? | ● | PDR has tightly complied on information announcements according to circular number 155, Enterprise Law and does not record any violation. | Continues maintaining Good execution of this criterion |
| D. DISCLOSURE AND TRANSPARENCY | | | | |
| D.1 Sanctions from regulator on financial reports | | | | |
| D.1.1 | Did the company receive a "qualified opinion" in its external audit report? | ● | PDR has tightly complied on information announcements according to circular number 155, Enterprise Law and does not record any violation. | Continues maintaining Good execution of this criterion |
| D.1.2 | Did the company receive an "adverse opinion" in its external audit report? | ● | PDR's audited financial report received "qualified opinion" by E&Y auditor. | Continues maintaining Good execution of this criterion |
| D.1.3 | Did the company receive a "disclaimer opinion" in its external audit report? | ● | | Continues maintaining Good execution of this criterion |
| D.1.4 | Has the company in the past year revised its financial statements for reasons other than changes in accounting policies? | ● | PDR has tightly complied and has not revised financial report. | Continues maintaining Good execution of this criterion |
| E. RESPONSIBILITIES OF THE BOARD | | | | |
| E.1 Compliance with listing rules, regulations and applicable laws | | | | |
| E.1.1 | Is there any evidence that the company has not complied with any listing rules and regulations over the past year apart from disclosure rules? | ● | PDR does not record any violation. | Continues maintaining Good execution of this criterion |
| E.1.2 | Have there been any instances where non-executive directors/commissioner have resigned and raised any issues of governance-related concerns? | ● | PDR does not record any violation. | Continues maintaining Good execution of this criterion |
| E.2 Board structure | | | | |
| E.2.1 | Does the Company have any independent directors/commissioners who have served for more than nine years or two terms of five years each (which ever is higher) in the same capacity? | ● | The Company does not have any independent directors/commissioners who have served well for the criteria. | Continues maintaining Good execution of this criterion |
| E.2.2 | Did the company fail to identify who are the independent director(s)/commissioner(s)? | ● | The company has clearly identified who are the independent director(s)/commissioner(s) under regulations and well met the criteria. | Continues maintaining Good execution of this criterion |
| E.2.3 | Does the company have any independent directors/non-executive/commissioners who serve on a total of more than five boards of publicly-listed companies? | ● | PDR does not record any case. | Continues maintaining Good execution of this criterion |
| E.3 External Audit | | | | |
| E.3.1 | Are any of the directors or senior management a former employee or partner of the current external auditor (in the past 2 years)? | ● | PDR does not record any case. | Continues maintaining Good execution of this criterion |
| E.4 Board structure and composition | | | | |
| E.4.1 | Has the chairman been the company CEO in the last three years? | ● | The chairman has been the company CEO in the last three years, however, the issue will be submitted to AGM in 2020 and separate the two positions. | PDR has separated the two positions of Chairman and General Director from April 2010 |
| E.4.2 | Do independent non-executive directors/commissioners receive options, performance shares or bonuses? | ● | PDR does not record any case. | Continues maintaining Good execution of this criterion |

Competences and achievements

Gearing up on the new height

Reaching a conglomerate scale based on core capabilities

Sustainable development report

Consolidated financial statement

Key projects made pdr's history

BONUS CARD

| Questionnaires | Content | Assessment | Result in 2019 | Result in 2020 |
|----------------|--|--|---|----------------|
| A. | RIGHTS OF SHAREHOLDERS | | | |
| A.1 | Basic rights of shareholders | | | |
| A.1.1 | Does the company practice secure electronic voting in absentia at the general meetings of shareholders? | <ul style="list-style-type: none"> The PDR's regulations and internal rules on CG has allowed electronic voting. However, this regulation hasn't been applied yet in AGM due to technology. This will be considered and implemented in the next AGMs. | PDR implemented this at the 2020 AGM. | |
| B. | EQUITABLE TREATMENT OF SHAREHOLDERS | | | |
| B.1 | Notice of AGM | | | |
| B.1.1 | Does the company release its notice of AGM (with detailed agendas and explanatory circulars), as announced to the Exchange, at least 28 days before the date of the meeting? | <ul style="list-style-type: none"> Meeting invitation for AGM was released before 15 days. | PDR will make improvements at the 2021 AGM. | |
| C. | ROLES OF STAKEHOLDERS | | | |
| C.1 | The rights of stakeholders that are established by law or through mutual agreements are to be respected. | | | |
| C.1.1 | Does the company adopt an internationally recognized reporting framework for sustainability (i.e. GRI, Integrated Reporting, SASB)? | <ul style="list-style-type: none"> PDR's Sustainability was established on GRI standard. | PDR continues the development orientation in accordance with the GRI Standard. | |
| D. | DISCLOSURE AND TRANSPARENCY | | | |
| D.1 | Quality of AR | | | |
| D.1.1 | Are the audited annual financial reports /statements released within 60 days from the financial year end? | <ul style="list-style-type: none"> The audited annual financial report released within 10 days from the day to sign financial report under circular number TT155/2015/TT-BCTC. | The audited annual financial report released within 10 days from the day to sign financial report under circular number TT155/2015/TT-BCTC. | |
| D.1.2 | Does the company disclose details of remuneration of the CEO? | <ul style="list-style-type: none"> PDR has disclosed in AR. | PDR has disclosed in AR. | |

| Questionnaires | Content | Assessment | Result in 2019 | Result in 2020 |
|----------------|--|--|--|----------------|
| E. | RESPONSIBILITIES OF THE BOARD | | | |
| E.1 | Board Competencies and Diversity | | | |
| E.1.1 | Does the company have at least one female independent director/commissioner? | <ul style="list-style-type: none"> Deputy chairman cum Executive Advisory is a female, independent commissioners are male. | Vice Chairman cum Executive Advisory is a female, independent commissioners are male. | |
| E.1.2 | Does the company have a policy and disclose measurable objectives for implementing its board's diversity and report on progress in achieving its objectives? | <ul style="list-style-type: none"> PDR hasn't met the criterion. | PDR hasn't met the criterion. | |
| E.2 | Board Structure | | | |
| E.2.1 | Is the Nominating Committee comprised entirely of independent directors/commissioners? | <ul style="list-style-type: none"> PDR does not record any transaction. | PDR does not record any transaction. | |
| E.2.2 | Does the Nominating Committee undertake the process of identifying the quality of directors aligned with the company's strategic directions? | <ul style="list-style-type: none"> PDR hasn't set up the Nominating Committee. | PDR hasn't set up the Nominating Committee. | |
| E.3 | Board Appointments and Re-Election | | | |
| E.3.1 | Does the company use professional search firms or other external sources of candidates (such as director databases set up by director or shareholder bodies) when searching for candidates to the BOD/commissioners? | <ul style="list-style-type: none"> PDR has fulfilled the criterion. | PDR has fulfilled the criterion. | |
| E.4 | Board Structure & Composition | | | |
| E.4.1 | Do independent non-executive directors/commissioners make up more than 50% of the BOD/commissioners for a company with independent chairman? | <ul style="list-style-type: none"> PDR has independent and non-executive commissioners taking 50%. However, chairman is not an independent. | PDR has independent and non-executive commissioners taking 50%. However, chairman is not an independent. | |
| E.5 | Risk Oversight | | | |
| E.5.1 | Does the board describe its governance process around IT issues including disruption, cyber security, disaster recovery, to ensure that all key risks are identified, managed and reported to the board? | <ul style="list-style-type: none"> This is regulated in internal rules. Every quarter, the internal audit commission reports to the management board about major risks. | This is regulated in internal rules. Every quarter, the internal audit commission reports to the management board about major risks. | |
| E.6 | Effectiveness of BOD | | | |
| E.6.1 | Does the company have a sub-department of risk management? | <ul style="list-style-type: none"> PDR hasn't established a sub-department of risk management. | PDR hasn't established a sub-department of risk management." | |

Competences and achievements

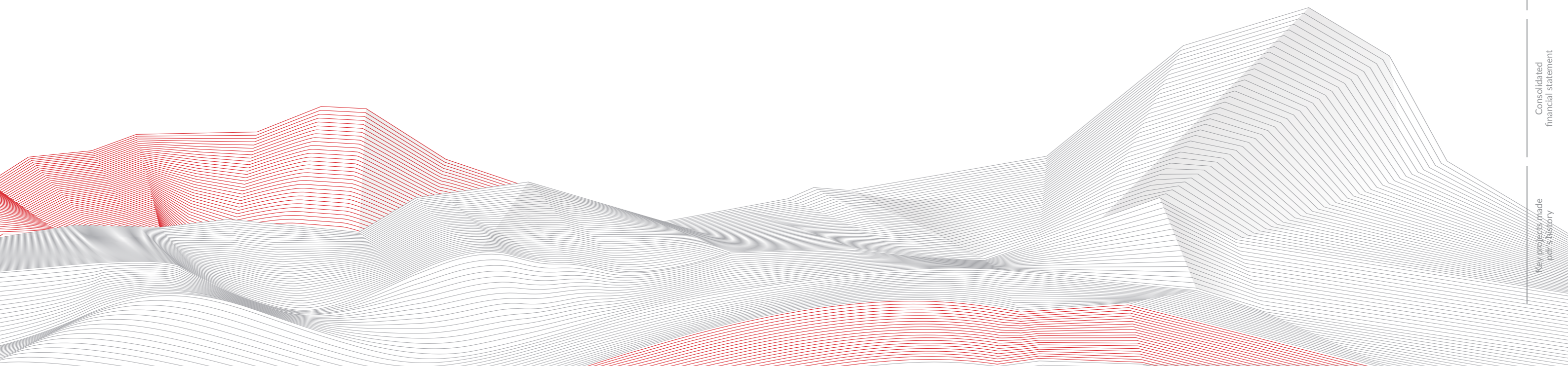
Gearing up on the new height

Reaching a conglomerate scale based on core capabilities

Sustainable development report

Consolidated financial statement

Key projects made PDR's history



REACHING A CONGLOMERATE SCALE BASED ON CORE CAPABILITIES

- Forming a professional conglomerate revolving around the core competency of project development, in which the residential real estate sector remains the key focus.
- Robustly developing the industrial real estate segment and expand into renewable energy to strengthen our business pillars. Phat Dat Group aims to reach a brand new height, with holistic development in scale, value, and sustainability.
- Enhancing the proposition of PDR in the real estate industry and increase our influence in the business community to maximize opportunities for our contribution into the economy and society as a whole.
- Fully focusing on the execution in alignment with the New Era Strategy, keep pushing to deliver the 2019 – 2023 targets as early as possible.
- Being more engaged with social responsibilities, facilitate meaningful changes for a better and more progressive community.
- Reinforcing internal capabilities, build a people-centric corporate environment where employees embrace as their second home.
- Expanding international cooperation and build up PDR's reputation, one that echoes the image of a company valued by the billions of dollars.



2021 PLAN FOR PDR

CONTINUING TO MAKE BREAKTHROUGHS IN THE RESIDENTIAL REAL ESTATE SECTOR

In the Phat Dat Group, officially formed in 2021, PDR with residential real estate as its core business, remains the key player. Therefore, PDR will continue to pursue **our strategy of rapid and sustainable growth** with perseverance and consistency. The company has to capture all opportunities and leverage all resources to grow faster and reach a larger scale; while aiming to be an enterprise of depth and humanity – one that brings growing values to its customers, market, shareholders, partners, and the community.

In the plan for 2021, the PDR leadership holds a view that the socio-economic environment in general and the real estate industry in particular will still face many unpredictable developments. Covid-19 may be properly controlled in the near future, yet the aftershocks from the pandemic will remain grave. However, compared with the overall picture of the global economy, Vietnam's economy has a basis for faster recovery. The demand for housing and real estate investment will increase again if no more serious Covid-19 developments occur.

This context requires businesses to have very strong internal strengths, stay relevant to market needs, and act securely and efficiently.

PDR has prepared resources carefully to ensure the smooth implementation of our business operations as planned. In terms of adaptability, PDR will become even better thanks to the experience we have gained over the past year. Besides, the Company also has detailed contingency scenarios to respond to unexpected occurrences. The risk management system is being activated at the highest level to always grasp the situation, have timely warnings and propose the most appropriate solution.

The common spirit of the PDR is to be ready to face the challenges that may arise and to steadfastly overcome them to ensure the successful implementation of all plans and targets for the year.

Some of the key goals PDR is poised to achieve in 2021:

Gradually establish a leading position in the group of mid-cap real estate developers

in the stock market, fast-tracking toward being in the top 5 largest real estate companies in Vietnam.

Fulfill commercial and financial targets.

Out of these targets, the target for profit before tax is VND2,335 billion.

Achieve more visible progress in strengthening internal resources,

consolidating the management system and developing corporate culture, joining the Top 100 Best Places To Work in Vietnam

Successfully operate the ERP system and complete the digitization process

to bring the company to a higher level of professionalism.

Harmoniously align with the industrial real estate and renewable energy domains

to create a synergy for the entire Group.

Competences and achievements

Gearing up on the new height

Reaching a conglomerate scale based on core capabilities

Sustainable development report

Consolidated financial statement

Key projects made pdr's history

LAND BANK - PROJECTS AND PRODUCTS

DIVERSIFY AND ENRICH PRODUCT VALUES

- The priority market is the Central Coast region and the economic axis revolving around HCMC.
- Projects on prime locations with standard planning and design meeting the needs of a modern city.
- High-value products compatible with the needs of customers in each locality and segment.

PDR owns a sizable land bank located in central areas or areas planned for the future of newly developed cities. In 2021, the Company will continue to promote and acquire new land bank. PDR's land bank development will still adhere to our mandatory criteria such as: Having full legal basis, located on the socio-economic development axis of the respective locality, having well-established traffic, tourism and trade connectivity with big cities, ready for fast implementation.

Besides Binh Dinh and Quang Ngai, where PDR has made our footprint clearly visible with successful projects, PDR's priority markets in 2021 also include Binh Duong and Ba Ria - Vung Tau. PDR highly values the prospects of these localities in the near future because of the need to develop satellite towns and tourism infrastructure around HCMC.

In terms of products, PDR has developed a wide range of products for various categories and segments such as apartments, villas, land plots, etc. In 2021, the Company will focus strongly on developing apartments of medium size, high quality, and differentiated style and value to fully satisfy young urban residents.

Astral City in Thuan An City, Binh Duong Province is one of the typical projects that PDR launches this year.

Besides, PDR is also actively preparing for a number of new product categories such as commercial - tourism projects.

In addition to the consistency with product development requirements set out in the New Era strategy, PDR will constantly strive to enhance the value content of our products.



PDR has played the key role in Nhon Hoi Ecotourism City's development.

FINANCE AND FUNDING

INCREASE FINANCIAL ACCUMULATION AND EXPAND OPPORTUNITIES OF FUNDING SOURCES

- Generate an ample cash flow still remains our main focus.
- Absolutely avoid choices that could lead to the risk of being financially overspread or bogged down.
- Increase accumulated funds to boost proactiveness in acquiring new projects and implementing business activities.

In 2020, with our abundant financial resources and plentiful accumulated funds, PDR comfortably accelerated while the overall market was particularly challenging. This once again affirmed PDR's financial orientation was absolutely correct.

2021 will be the year when PDR continues to build on that experience. PDR will always ensure diversified sources of revenue from projects that have been and will be continuously marketed. The Company will control the efficiency and speed of cash flows, deploy projects and sell quickly for the sake of high capital utilization.

In addition to the absolute avoidance of over-spread investment and poor-liquidity products that cause the risk of cash flow exhaustion, PDR also requires a higher level of cash accumulation that is sufficient for relatively prolonged contingency and allows the acquisition of new projects and optimal capturing of opportunities.

With attractive and stable business performance over the past time, PDR is currently a well sought-after target of cooperation for many local and international investors and financial institutions. The Company will actively expand the partner network, increase the initiative in choosing the best fund-raising source when there is a need for cash injection.

Currently, PDR has prepared a detailed action plan to always ensure the sufficiency of secured activities and projects to generate profits at least until 2023. Although this is a good source of support to lean on, PDR will not drop guard. On the contrary, the Company is determined to leverage all resources and opportunities to reach unexpected heights, paving the way for the next journey of conquest.



PDR's stable business performance attracts a great network of local and international investors and financial institutions.

Competences and achievements

Gearing up on the new height

Reaching a conglomerate scale based on core capabilities

Sustainable development report

Consolidated financial statement

Key projects made pdr's history

MANAGEMENT - OPERATION

ACTIVATE RISK MANAGEMENT SYSTEM AT THE HIGHEST LEVEL

- Optimize our risk management process to always be in control, and keep the situation stable amidst unpredictable developments of the market.
- Have ownership over specific solutions to upgrade the quality of our management & operation system.
- Keep our focus on digital transformation to successfully operate the ERP program.

As previously assessed, the market environment in 2021 will harbor many potential risks that can lead to unexpected developments even with seasoned players. Therefore, all levels of PDR's risk management system will always be in a prudent state, and will observe the situation quickly, conduct thorough analysis and report to the BOD and BOM in a timely manner to adopt optimal responses.

In order to enhance professionalism and increase the efficiency of management, operation and control capabilities, PDR also determines that the consolidation of foundation, the improving of organizational mechanisms and the standardization of regulations and processes, as tasks that needs to be carried on.

Therefore, this year, the Company's digital transformation process will have to be completed to facilitate a smooth transition into a new phase of efficient operation. Specifically, the ERP program will have to be finalized while eOffice and CRM are to be widely adopted and all documents will be digitalized.



HUMAN RESOURCES AND CORPORATE CULTURE

BECOME GREAT PLACE TO WORK

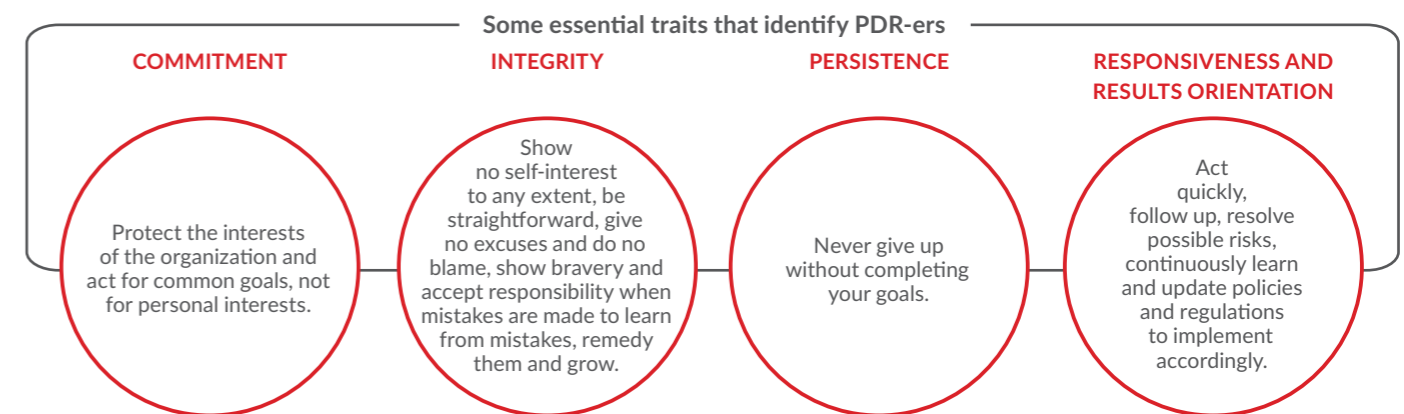
- Actively expand human resources to meet the work volume and speed.
- Fully develop the senior and middle management team with the supporting role of the Board of Advisors.
- Develop a well-received corporate culture, with the specific aim to be among the 100 Best Places To Work in Vietnam.

Over 2020 and 2021, the number of new recruits has been increasing rapidly. The senior and middle management team has had many new employees. The recruitment and development of human resources will continue to be in full swing this year.

This will inevitably result in many problems such as capacity gap and job processing speed, cultural differences, conflicts of interests, and so on. Therefore, in addition to recruiting the right people, the company's leaders is also required to perform even better in harmonizing relationships and leading changes.

In order to develop corporate culture, PDR will come up with a clearer definition, restructure criteria and update new values. At the same time, the Company will integrate corporate culture into most of our activities at various levels.

In addition, to secure a position in the top 100 working environments in Vietnam, PDR will introduce solutions to synchronously improve fields such as civilized spaces, clear work processes, outstanding remuneration policy and diverse career opportunities. The Company's employer brand must be established so PDR can become the top choice of job seekers.



BRAND - COMMUNICATION - MARKETING

NEW IMAGE COMPATIBLE WITH SCALE AND HEIGHT

- Upgrade our brand image holistically.
- Expand promotion to international market.
- Enhance communication content in both Vietnamese and English.

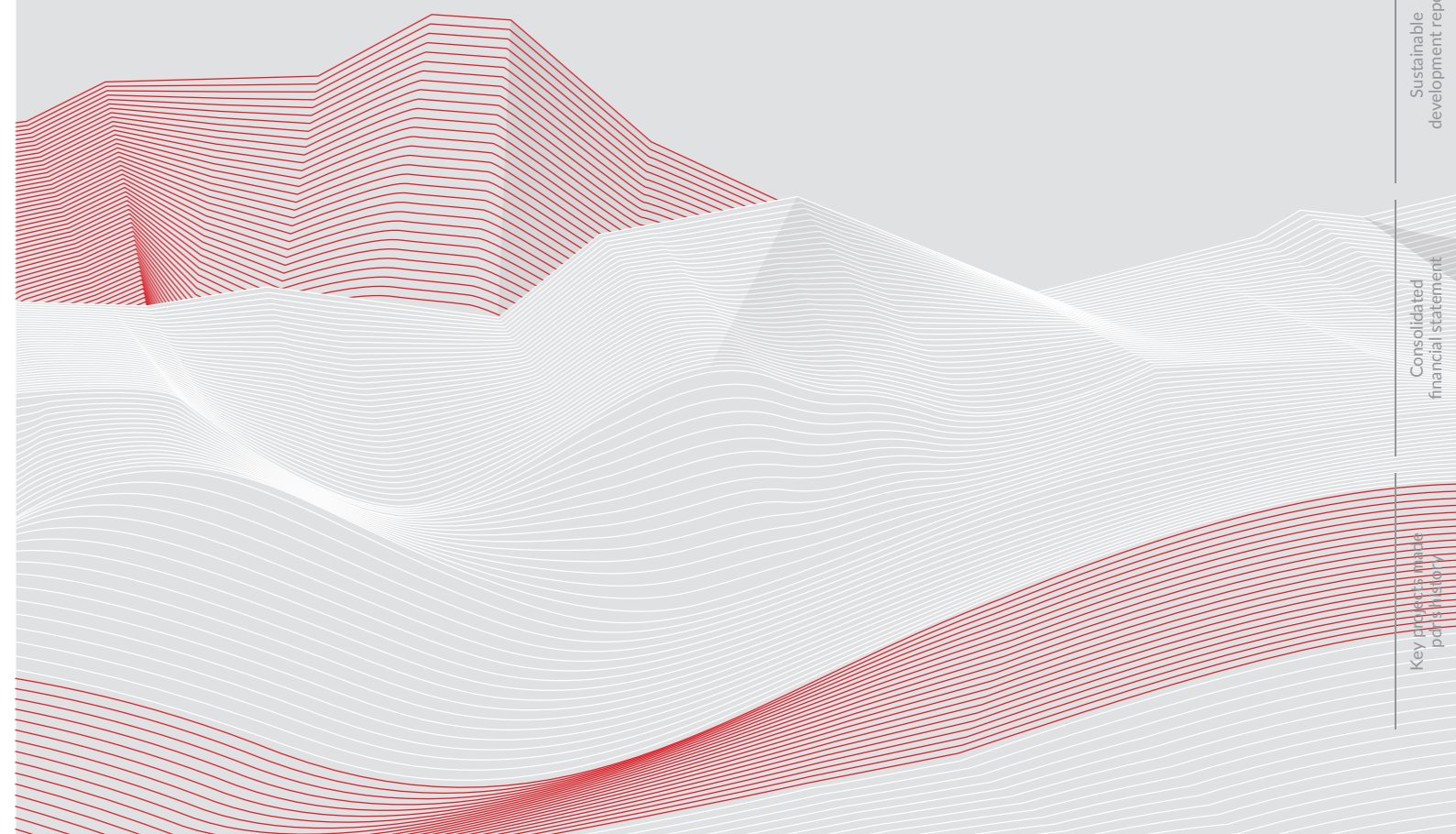
In 2021, to match the size of the group of which PDR is the key player, PDR needs a more professional and comprehensive brand development strategy to gain a new position in the perception of all target audience groups including customers, investors, business communities, professionals, recruitment market and insiders.

Therefore, PDR will select more capable team and methods for the communication - marketing.

On the other hand, PDR needs to expand communication coverage to the international market with reputable media channels for the purpose of partner and investment network expansion. More English content will be made available to provide timely information and reach the appropriate international audience.



HIGHLIGHT PROJECTS IN 2021



Competences and achievements

Gearing up on the new height

Reaching a conglomerate scale based on core capabilities

Sustainable development report

Consolidated financial statement

Key projects made phatdat's history

HIGHLIGHT PROJECTS IN 2021

ASTRAL CITY

Since its first days, Astral City has become a gem in the real estate market. It is currently one of the most attractive projects in Binh Duong and to investors from surrounding provinces.

The brand of Astral City is attached to the Commercial Complex Centers (Binh Duong 1 and Binh Duong 2). The project is located in Thuan An City, next to the Highway 13 - the backbone expressway connecting HCMC, Thuan An City and Thu Dau Mot City. Some

utility projects that later became the iconic landmarks of Binh Duong have also been built on this highway, including Aeon Mall, Lotte Mart, Hanh Phuc International Hospital, Song Be Golf Resort, Industrial Parks of VSIP 1, Viet Huong, Dong An 1, to name a few.

Products in Astral City have been built to meet the needs of a modern living space of young residents, providing a diversified and dynamic living environment via technical and social infrastructure.

BINH DUONG 1 COMMERCIAL COMPLEX CENTER

- Land area: 19,277.7 m².
- Total expected investment: About VND4,791 billion.
- Total estimated construction area: 175,127.43 m², including apartment area: 160,102.17m², commercial and service area: 15,025.26 m².
- Products: 2,475 apartments, shophouses and commercial centers.
- Expected time for sale: Q2, 2021.
- Expected time for handover: Q3, 2022.

BINH DUONG 2 COMMERCIAL COMPLEX CENTER

- Land area: 18,066.1 m².
- Total expected investment: About VND4,827.3 billion.
- Total estimated construction area: 175,127.43 m², including apartment area: 163,164.89 m², commercial and service area: 15,123.18 m².
- Products: Apartment, shophouse, officetel etc.
- Expected time for sale: Q3, 2021.
- Expected time for handover: Q3, 2022.



Competences and achievements

Gearing up on the new height

Reaching a conglomerate scale based on core capabilities

Sustainable development report

Consolidated financial statement

Key projects made pdr's history

STRATEGY FOR **BUSINESS DIVERSIFICATION AND TRANSFORMATION INTO A CONGLOMERATE**

‘ **PDR meets** changes head on,
and **gears up** for changes,’



STRATEGY FOR BUSINESS DIVERSIFICATION AND TRANSFORMATION INTO A CONGLOMERATE

After the successful execution of our diversification strategy in markets, segments, and product categories – which jump-started the company into a new era of outstanding growth, PDR has decided to make a more vigorous breakthrough by a new diversification strategy in business sectors. For the immediate future, the company is well-prepared with two major strategic plans in place to developing our industrial real estate, and renewable energy businesses.

These 2 new sectors were chosen for being highly compatible with our rationale, conditions, resource and having great prospect. From here onward, PDR is building the Phat Dat conglomerate on the backbone of a professional model where all business units are strongly interconnected, creating superior synergy to fuel the company's new era of unprecedented growth.

PRINCIPLES OF DEVELOPMENT

- Leverage PDR's core competency of project development. Specifically, it includes the abilities to observe the market demands, develop the land bank, clearly understand legal procedures, build products, mobilize capital and speedily execute the plans.
- Conduct thorough surveys and assessments to reach an optimal approach.
- Make investment decisions based on the potential of fast, stable and long-term results.

TARGETS

- Optimize opportunities and capacities to enhance business sustainability.
- Consider business expansion as a defense "fortress" for the core businesses as the new segments can bring in big, stable and long-term revenue.
- Provide products that are wanted on the current and future market, solving specific needs of the socio-economy.

ADVANTAGES OF PDR

- Great vision, strong internal capabilities.
- High capacity in land bank development and large capital mobilization.
- An extensive network of trusted partners to ensure both input and output opportunities.

STRUCTURE AND PROPORTION

- Core segments:**
- Residential real estate
- Expanded segments:**
- Industrial real estate.
 - Renewable energy.

OPERATION REQUIREMENTS

- Ensure speed and sustainability.
- Balance resources with the harmony among member companies.
- Maintain a healthy capital structure, stable cash flow, high liquidity and financial - capital independence.
- Apply the same management and control principles to both PDR and the subsidiaries.

IMPLEMENTATION ROADMAP

Residential real estate:

- Continue to accelerate the growth rate, complete all targets of the New Era strategy before due date and gear up for the next journey post-New Era.

Industrial real estate:

- Implemented the first project in 2020 which will be accelerated in 2021, first revenue expected at the end of 2022.

Renewable energy:

- Made thorough researches on the market and developed an approach in 2020; preparations to be finished for official implementation in 2021.

POSITIONING FOR MODERN INDUSTRIAL CITIES

In Mid August 2020, PDR approved the policy on capital contribution to establish a subsidiary named Phat Dat Industrial Park Investment and Development Joint Stock Company. This subsidiary has an initial charter capital of VND680 billion, officially representing the Company in the challenging yet potential business.

In early October 2020, the Company's first industrial park was officially launched in Cai Mep port area (Ba Ria - Vung Tau) which is considered the new gateway to the Southern economy. So far, the related legal procedures and requirements have been fully completed and ready for the deployment of the project on General warehouse and port logistics services. The total estimated investment is VND1,136 billion.

The 24-ha area is only a pilot project for PDR to get to learn the new segment. Initiating such a lean project also reflected the caution of the Company. PDR used it as a bridge to implement big projects.

As planned, the Company aims to develop **industrial cities** with an area of 1,000 - 6,000ha in localities with existing foundations and advantages for industrial zones, typically Binh Duong, Dong Nai, and Ba Ria - Vung Tau.

Departing from traditional forms of industrial parks, PDR's projects include a full formula of a modern socio-economic model with 70% of the area for warehouses and factories, 30% for urban infrastructure and services. This model meets the living and working requirements of the respective citizens in the industrial park and surrounding communities.

This is a new model for an industrial park, staying in line with the needs for modern economic development, corresponding with demands from production - logistics - trade gateway and research and creation facilities. At the same time, it allows for a balance between urbanization and sustainable development. This is also an inevitable trend in the future-oriented development of industrial zones, which has been adopted widely around the world but scarcely in Vietnam.

To overcome the disadvantages, PDR has cooperated with Japanese partners experienced in developing professional industrial zones. The Company also enhances our strengths in terms of reputation, project development capacity and rich business experience to gather a network of partners - investors powered with resources in land bank, finance and business. These strategic collaborations have created a solid foundation for PDR, getting the Company ready to meet the most challenging deployment requirements and ensure operational efficiency.

According to market reports, the Southern provinces are experiencing a shortage in industrial real estate supply. Existing industrial parks have been fully utilized with a significant increase in rent. The predicted shortage will be more pronounced in the near future as the economy recovers from the pandemic and demand for rent grows higher. In particular, what many companies need is not simply industrial zones but industrial cities that can provide a full range of services, including medical - health care, education, amenities and a healthy environment to ensure the life quality of businesspeople, experts and workers.

To stay on top of this trend, Vietnam must develop industrial parks that are able to meet all of the requirements. Currently, there are only a few of such industrial parks in the country. In particular, the supply of industrial real estate has not met the demands of the market. Therefore, it is a timely and trendy decision of PDR to invest in industrial real estate.

By expanding our business into new segments, PDR will accumulate more power and influence, instead of fragmenting our resources. These are important steps to foster the breakthroughs and sustainability of Phat Dat Group in the upcoming years.

PDR's first industrial real estate project in the center of Cai Mep Port, a convenient location to connect this seaport with local industrial zones. The project is only 55 km from the center of HCMC, 30 km from Long Thanh airport, which provides easy access from large industrial zones of Dong Nai, Binh Duong, etc.

According to the expected timeline, PDR will generate a new, continuous and stable revenue source from industrial real estate, starting from the end of 2022. The Company aims to provide the market with 300,000 m² of services in this area in the coming years.



Phat Dat Group is working on the plan of modern industrial cities.

OUR COMMITMENTS

PDR's relationship with all stakeholders is highly respected and considered one of the foundations for stable and sustainable development. This affirmation has been proved through the ways we build and fulfill our commitments comprehensively and practically.

COMMITMENTS TO EMPLOYEES

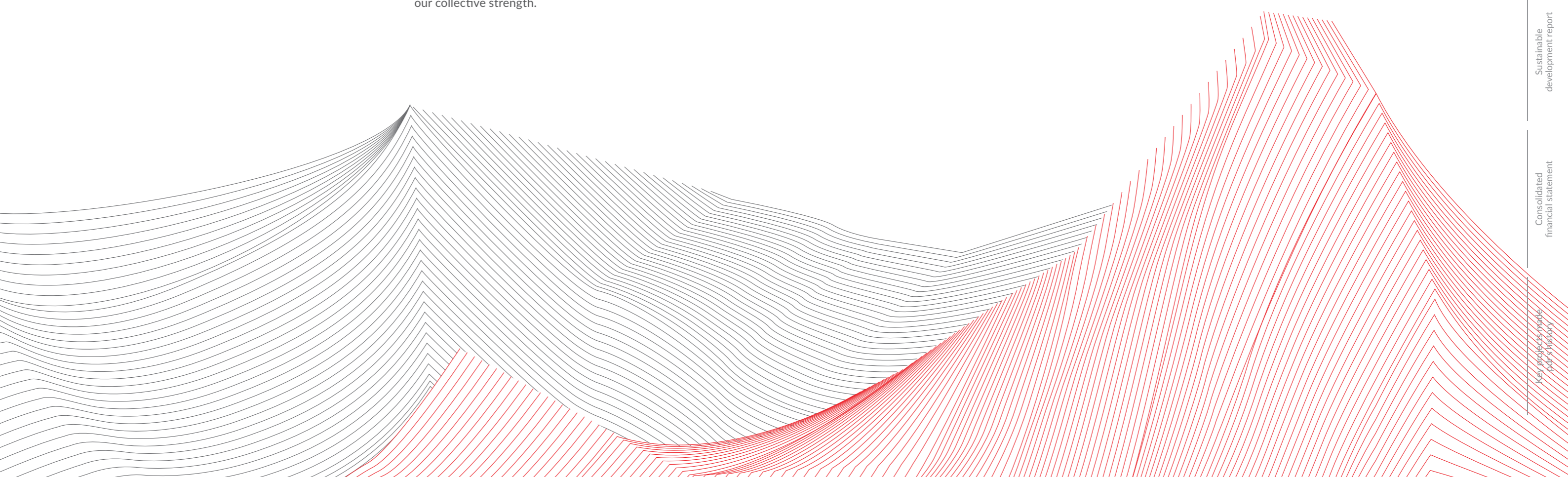
- Consider employee as a key factor in our development process to meet the target of being listed in the Top 100 Best Places To Work in Vietnam. Not only that PDR ensures to fully implement all employee welfare policies in compliance with the law, but also builds remuneration policies that create a friendly, comfortable, solidarity and fair working environment.
- Keep striving to improve and retain employee's income at a competitive level compared to the general market; ensure transparency and consistency with the labor market and business activities. Policies on salary, bonus, remuneration, commendation ... are to be implemented in a fair, clear, satisfactory manner according to efforts and contributions from every individual
- Advocate against all forms of forced labor, commit to ensure maximum benefits for employees in accordance with Vietnam laws, international practices and PDR's specific conditions and capabilities.
- Commit to honesty, sincerity, and respect toward people's differences; under any circumstances, listen, share, and keep commitments with employees to utilize our collective strength.

COMMITMENTS TO PARTNERS, SHAREHOLDERS AND CUSTOMERS

- Use customer satisfaction as one of the measuring factors for the Company's values, prioritize the protection of customers' rights, respect and honor our commitments to customers.
- Comply strictly with the provisions of the law, ensure harmonious benefits for all stakeholders in every activity and actively promote good relationships among parties.
- Commit to keep the confidentiality of the employees who file reports or feedbacks; apply zero-tolerance to retaliation. At the same time, value all efforts of contributing feedbacks from partners, suppliers and customers. A dedicated department in PDR will receive comments from related parties and ensure prompt response and handling in accordance with Company's standards as well as the laws of Vietnam.

COMMITMENTS TO COMMUNITY - SOCIETY

- PDR always provides maximum efforts to restrict impacts on the environment and the community in all of our investment and project development activities. All of PDR's projects have been developed under the principle of contributing to the development of new faces with enriched culture and aesthetic values for Vietnamese urban areas, improvement of residents' living quality and beauty for the social environment.
- Commit to carrying out a sustainable development direction with responsibility and business morality; prioritize working capacity and business value in the highest correlation with good development of society and the community.
- Give continuous care, support, and push for effective implementation of the Company's philanthropy and CSR; invest great efforts to contribute and proactively create positive changes. PDR's charity and social activities particularly focused on deep value and long-term efficiency to ensure the highest effectiveness and most practical impacts to the communities in need.



SUSTAINABLE DEVELOPMENT REPORT

According to the development philosophy of PDR, the basic for an enterprise's survival is the value that the enterprise brings to the society.

Therefore, the development journey of PDR is also a journey of constantly creating and enhancing the contributions to human development. This journey involves employees, customers, partners and the community.

A business only achieves sustainable development when it operates in a sustainable society. By the same token, the sustainability of the community and society also comes from the choice of business behavior during the implementation of business activities.

In that spirit, PDR always sets the task of improving compliance with the regulations on sustainable development and encouraging internal stakeholders, customers, partners, stakeholders... toward the same direction.

SOME IMPORTANT REQUIREMENTS HAVE BEEN AND WILL BE STRICTLY COMPLIED WITH AT PDR:

- Always pay attention to the harmony of the master plan, the aesthetics of the design and the quality of the construction to ensure cultural, aesthetic and refined urban values when developing a project.
- Only choose partners, contractors and suppliers who comply with environmental regulations, ensure building products meet the criteria concerning utilities and living environment for customers and the community.
- Strictly ensure the proportion of green space in projects and absolutely do not sacrifice this to gain higher revenue or profit.
- Actively invest in the improvement of utilities - public infrastructure in or around the projects developed by the Company alongside meeting all general regulations.
- Initiate and promote a civilized, healthy and humane lifestyle in the resident community, especially the resident community in PDR-built projects.

MESSAGE ON SUSTAINABLE DEVELOPMENT

Real estate development businesses can exert a great impact on the natural - social environment and the life of the community in both positive and negative directions.

If the business determines a healthy mission and value system, it can breathe new life into the community in which projects are developed.

Therefore, compliance with the standards of sustainable development is a required task at all levels and departments of the PDR.

Under the direction of the BOD, PDR regularly reviews operational processes related to sustainable development goals through active discussions with stakeholders. An active process of dialogue between PDR and stakeholders aims to ensure the implementation of effective solutions in accordance with the strategy and direction of sustainable development.

The process of implementing duties of complying with and protecting sustainable development standards of the Company:

BOD

- Provide the general direction and issue strategies and orientations on matters related to the sustainable development of PDR.
- Approve goals and action plans to implement the sustainable development strategy.

CEO AND BOM

- Develop and submit to the BOD goals and action plans on sustainable development.
- Devise implementation orientation, share strategies, goals and plans for sustainable development throughout the Company.
- Ensure the sustainable development plan meets the set targets.
- Urge and supervise relevant departments on the implementation of the plans.

DEPARTMENTS

- Implement and realize the sustainable development plan according to the direction of the CEO and the BOM.
- Monitor, report and propose recommendations in a timely manner to improve compliance with sustainable development standards.

EMPLOYEES

- Perform specific daily tasks related to the sustainable development goals of the Company.
- Propose initiatives to help the Company make the best choice in developing solutions for sustainable development.

COMMITMENTS FROM BOD AND BOM

Ensuring the company's compliance with standards of sustainable development is closely linked to the commitments of the leadership. At PDR, the orientation and commitment to the implementing sustainable development goals, as well as the incorporation of sustainable development goals into business activities, received the consensus from the BOD, the BOM, various management levels and employees.

In 2017, Mr. Nguyen Van Dat, BOD Chairman of PDR, was the Vice Chairman of the Viet Nam Business Council for the Sustainable Development. PDR has the opportunity to update new trends in sustainable development, thus incorporating them in strategies and business operations more effectively. At the same time, the Company commits to joining hands in annual sustainable development activities to promote more business participation in the sustainable development orientation, and to promote and replicate the application of indicators of sustainable development in the Vietnamese business community.

PDR's commitment toward sustainable development is carried out on three principles:

RESPONSIBLE DEVELOPMENT

- All construction project must deliver positive values to residents and the locality.
- Existing natural condition and landscape must be protected at the maximum level. Master planning, design and architectural capabilities will be employed to create harmony between the two.
- Construction ratio/green space is ensured at an ideal proportion.
- Natural resources will be used effectively. Pollution is managed at pre-construction and during construction stages.
- New and modern techniques and technologies are chosen to minimize energy and natural resources consumption during project operation stages.

HUMAN CARE

- Creating living spaces which would bring long-term happiness.
- Minimizing inconvenience, supporting residential community to have space for promoting talent, spirit and value.
- Taking care of our employees to have positive people who can create the best products.
- Creating and leading a positive and humane lifestyle for employees, customers, residents and the community.

COMMUNAL ASSISTANCE

- Supporting activities for those who face difficulties. Reducing hunger and poverty shall increase social stability.
- Paying attention to education, training, providing scholarship for individuals who have goodwill, talent and effort in order to help them change their lives and build the future, creating and spreading good values in future development to the community.
- Sponsoring and joining hand in the healthy spirit and cultural activities, which are necessary for local residents, especially where PDR has business activities.

STANDARD OF SUSTAINABILITY REPORT

The report is prepared in conformity with the Growth Resources Indicators (GRI) Standards – currently the latest international version of sustainability reporting standard for businesses and is being applied in many countries.

The key areas addressed have been determined based on a combination of the level of stakeholders' interest and their impacts on PDR. They are published in this report as the core contents.

In addition, we also refer to the Guidelines on the Disclosure of Environmental and Social Information of State Securities Commission of Vietnam, the IFC and Circular 155/2015/TT-BTC to implement this report in a more convenient, standardized, transparent and efficient manner.

Scope of the report

This report is prepared in Vietnam, in the field of investment and real estate business.

This report is prepared for the following scope of operations:

PDR, including the Head Office and 3 branches and 6 affiliated companies.

Branches

PDR: Head Office, Quang Ngai Branch, Phu Thuan Branch, District 5 Branch.

Subsidiaries

| No. | Company name | Charter capital (VND) | PDR's capital ratio (VND) | |
|-----|---|-----------------------|---------------------------|-------------------|
| 1 | DK Phuoc Quoc Corporation | 710,000,000,000 | 99% | 702,900,000,000 |
| 2 | Coinin Construction Investment Infrastructure CO.,LTD | 270,000,000,000 | 80% | 216,000,000,000 |
| 3 | Saigon - KL Real Estate Corporation | 268,000,000,000 | 99% | 265,320,000,000 |
| 4 | Ngo May Real Estate Investment JSC | 1,120,500,000,000 | 94% | 1,053,270,000,000 |
| 5 | Ben Thanh Long Hai JSC | 150,000,000,000 | 99% | 148,500,000,000 |
| 6 | Phat Dat Industrial Park Investment and Development Joint Stock Company | 680,000,000,000 | 68% | 462,400,000,000 |

Reporting cycle

Information in the report was updated for the fiscal year 2020 beginning on January 1st, 2020 and ending on December 31st, 2020.

Starting from 2018, PDR's sustainability report has been compiled on an annual basis and included in the AR publication.

To make this report a valuable source of information and reference for PDR, stakeholders, investors and the public, we look forward to receiving comments on issues covered by our report.

DECLARATION OF ACCURACY AND HONESTY OF THE ANNUAL REPORT 2020

PDR pledges that the content of AR 2020, which is integrated with the company's sustainability report, has been prepared in full compliance with appendix 04 –circular

155/2015/TT-BTC. Additionally, the information in this report represents PDR's efforts to ensure transparency, timeliness and accuracy to investors and shareholders.





For further information about the mentioned departments/individuals or any feedback to this Annual Report, please contact:

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Competences and achievements

Gearing up on the new height

Reaching a conglomerate scale based on core capabilities

Sustainable development report

Consolidated financial statement

Key projects made pdr's history

HIGHLIGHTS IN CSR ACTIVITIES THROUGHOUT THE YEAR



Corresponding to the dramatic growth in business, PDR's humanitarian and voluntary activities are also increasing in scale and quality. Throughout the past year, PDR has directly organized or contributed to over 38 voluntary programs in many localities, by different forms, and to various degrees. The total value of donations in cash was VND5.3 billion.

In addition, there were various forms of support from individuals, teams or the whole Company. At PDR, humanitarian activities and social responsibility are always encouraged among Company leaders and staff at all levels. This is also considered a core value in corporate culture,

strengthening the foundation for sustainable development of each individual and the community.

PDR supports humanitarian and voluntary activities across many fields, from culture, education and sports to security and defense. The main proportion in the budget for voluntary activities is still directed toward individuals and projects that help raise awareness of development opportunities, and promote a humane, healthy and cultural lifestyle.

There are many programs and organizations that PDR has long accompanied. This journey has continued well over the past year in addition to new activities.

Highlighted programs

Relief programs for natural disaster in Quang Binh



Near the end of the year, the central region suffered from storms, floods, and severe landslides, causing a lot of damage to the economy and life. Quang Binh was one of the provinces that got hit worst. Breaking a 40-year record, these natural disasters made it even more challenging for the people.

In an effort to help people overcome the damages, at the end of October, PDR's mission visited and donated gifts to people in the most affected communes of Quang Ninh and Le Thuy districts. The total value of donations by Phat Dat was VND500 million.

Continuing to accompany the children of Vo Hong Son Center for Children with Disabilities



Vo Hong Son Center for Children with Disabilities is a non-public foster institution, founded by the late journalist Vo Hong Son - former Deputy Editor of Saigon Giai Phong Newspaper. In the school year 2020 - 2021, the Center has a total of 116 students, of which 32 are enrolled in both literacy and vocational training. After more than 5 years of establishment, the Center provides care to an annual average of 115 disabled and disadvantaged students in Quang Ngai Province.

At the opening ceremony in 2020, PDR's Quang Ngai branch donated VND200 million to the center. PDR is one of the long-time sponsors that have accompanied the children and the center from their first days.

The 10th year with the Youth Volunteer Campaign



The Summer Youth Volunteer Campaign is organized by the Vietnam Youth Federation and the Vietnam Student Association in HCMC. HCMC has run the program for 10 consecutive years, throughout which PDR has been a loyal companion.

The Summer Youth Volunteer Campaign 2020 took place from July 19 to August 16 at 319 wards, communes and towns of 24 districts in HCMC and 13 provinces and cities in the Central Highlands, the Southeast and the Southwest, attracting over 350,000 volunteers.

PDR donated VND350 million to provide 5,000 uniforms and hats for the volunteers. Mr. Bui Quang Anh Vu, PDR's CEO, said: "We are very proud to be a part of this meaningful summer volunteer campaign. I believe that with the youthful enthusiasm and compassion of the volunteers, the Summer Volunteer Campaign will bring more and more spiritual and material values to the people. I also believe that PDR's funding for this campaign will continue to increase in the coming years. Because our growth strategy in the New Era goes hand in hand with the commitment to aid community development, share our profits and actively contribute to the society."

Warm springtime for Quang Ngai people



During the Lunar New Year festival in 2020, PDR cooperated with the Quang Ngai People's Council and the Quang Ngai Provincial Union to donate 1,000 Tet gifts to Tet for Those in Need program in Quang Ngai Province.

Tet for Those in Need is the annual program of the Company to help bring a warmer spring to households with financial difficulties or under government care, orphans, disabled and disadvantaged children in Quang Ngai Province. 1,000 New Year gifts were given out to the districts of Tay Tra, Tra Bong, Binh Son, Son Tinh, Son Ha, Son Tay, Tu Nghia, Nghia Hanh, Mo Duc, Duc Pho, Minh Long, Ba To and Quang Ngai City. The total value was VND500 million.

2020 HIGHLIGHTS IN TRAINING AND HUMAN RESOURCES DEVELOPMENT

NUMBER OF NEW EMPLOYEES

132

AVERAGE SALARY INCREASED BY

13.3%

NUMBER OF TRAINING PROGRAMS

25

In 2020, Covid-19 severely affected the labor market. Stagnated business led to unemployment, decrease in salary and income, as well as chaos in the daily life. The challenging context also derived most workers of their training and development opportunities.

In contrast to the general crisis, PDR enjoyed a successful year with our HR activities. The welfare and benefits of our employees remained intact. Not only that, the demands for recruitment and expansion even rocketed. Our labor policies greatly improved, bringing PDR's compensation rate above the market average.

Thanks to the implementation of large projects in various fields and localities, PDR also made considerable contributions in terms of job opportunities and economic value, helping to relieve the pandemic-led pressure on society.

Some highlights on our training and HR development efforts in the past year:

TRAINING CRITERIA/PURPOSES

- Achieve more results in developing skills, knowledge and capacity for employees.
- Focus on improving leadership and administration skills for the middle-level management.
- Apply the theory in practice such as helping employees understand themselves and build personal development plans.
- Diversify training forms, including classroom training, coaching, experiential training, interaction, 1:1 coaching, applying trend-appropriate methods and techniques.

KEY CONTENTS

- Comprehensive leadership capacity.
- Project management, career planning.
- WBS (Work Breakdown Structure).
- Change management.
- Inspiration for work.
- Staff motivation.
- Creative thinking.
- Emotion management.
- Time management.
- Seminars on mental health to develop positive thinking.
- Discussions and exchange with the executive board of the Company.



Competences and achievements

Gearing up on the new height

Reaching a conglomerate scale based on core capabilities

Sustainable development report

Consolidated financial statement

Key projects made pdr's history

HEALTH CARE AND PANDEMIC PREVENTION



To keep the business safe and the employees in good health while supporting the Government with its Covid-19 prevention efforts, PDR has adopted the following policies for the past year:

- Absolute compliance with regulations on social distancing.
- The 2020 AGM of Shareholders was conducted with a limited number of in-person attendees, following social distancing standards. The meeting was live-streamed via media platforms to ensure the involvement of remote members.
- The employees are required to wear face masks and limit physical contact in public spaces.
- Body temperature check and hand disinfection are required upon entering and exiting the Company premises.
- The developments of the pandemic in areas where PDR has on-going projects are closely monitored to provide guidance and support for disease prevention activities.

Along with business development, activities supporting PDR's actions toward the Sustainable Development Goals were compatibly expanded in 2020.

The majority of the UN SDGs were promoted in terms of budget and quality action.

EIA REPORTS



For absolute compliance with the laws on project development and criteria of sustainable development, all PDR projects include reports on Environmental Impact Assessment (EIA).

PDR's specialized departments would analyze and forecast the environmental impacts of our investment projects to propose protection measures, ensuring scientific, practical, and transparent implementations of our projects.

This is also the basis to help the Company improve our evaluation, preparation, management, control and prevention regarding environmental problems throughout project establishment and implementation.

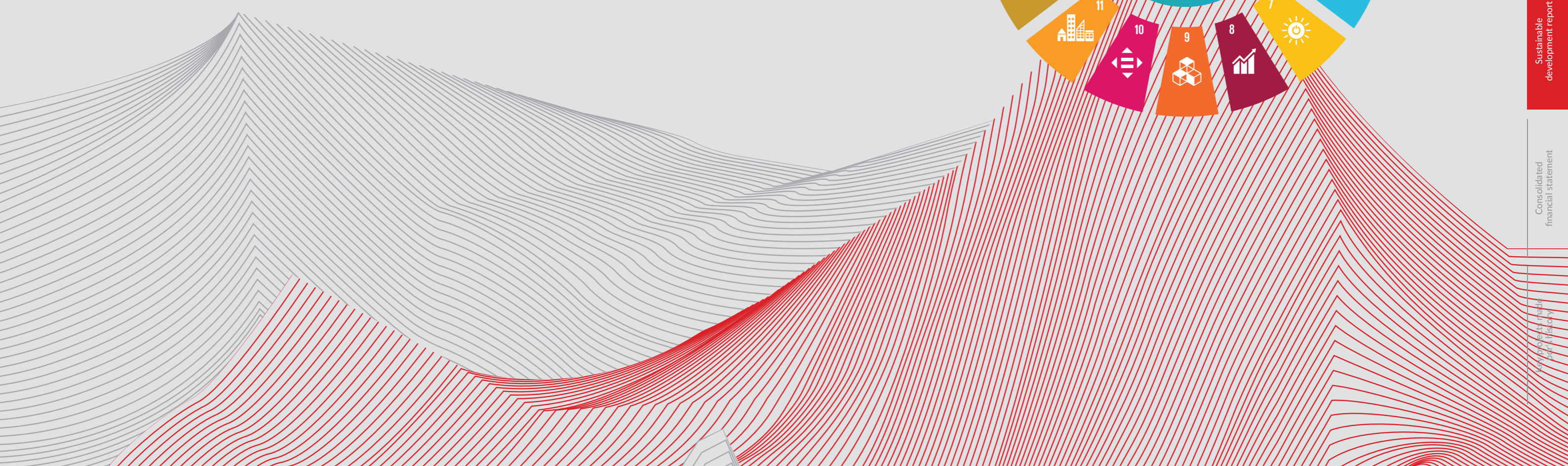
Thanks to our complete, proper, and timely EIA reports, PDR received high opinion and approvals from local authorities in areas with on-going projects.

Some highlighted results of PDR's projects:





- Playing an important part in the transformation of the area to become more modern and accommodating.
- Constructing a well-planned, high-quality residential area.
- Blending in the overall landscape across the urban area.
- Taking advantage of the existing landscape to build an urban area with attractive landscape and fresh, friendly environment.
- Saving energy and ensuring safety for users according to the criteria of sustainable development.
- Synchronously connecting with the area's technical and social infrastructure system.
- Recovering the state budget through profits from the auction of land use rights in the urban area.
- Facilitating the development of social programs.
- Promoting cultural exchanges within and beyond the area to strengthen the intellectual wellness of the citizens.






PDR IN REFERENCE TO THE UNITED NATIONS' 17 SUSTAINABLE DEVELOPMENT GOALS (SDGs)

Along with business development, activities supporting PDR's actions toward the Sustainable Development Goals were compatibly expanded in 2020. The majority of the UN SDGs were promoted in terms of budget and quality action. Among these, goals related to human advancement received the strongest support for both financial capacities and education and awareness, culture and a healthy overall environment.



PDR in reference to the United Nations' 17 Sustainable Development Goals (SDGs)

| Criterion | Content |
|--|--|
|  <p>NO POVERTY, ZERO HUNGER End poverty in all its forms everywhere. End hunger, achieve food security and improved nutrition and promote sustainable agriculture.</p> | <ul style="list-style-type: none"> Donated monthly funds to Phu Hoa Orphanage in Quang Ngai Province. Carried out a program to support poor families in Quang Ngai. Donated funds to organize the Spring Day Shelter program. Supported in caring for the poor and families under preferential treatment policy through many programs. Sponsored to support the people suffering from floods in Central Vietnam. Sponsored the Vo Hong Son Center for Children with Disabilities. Sponsored the Tet for the poor program in Quang Ngai. Sponsored the fund-raising event "Winter not cold anymore" to help people in the highland. Donated to the charity programme "Bringing Spring" for poor people in Quang Ngai Province. |
|  <p>GOOD HEALTH AND WELL-BEING Ensure health and promote well-being for all at all ages.</p> | <ul style="list-style-type: none"> Supported Agent Orange victims in Binh Chanh District. Supported union activities to welcome the XII District Congress for the term 2020-2025. Organized annual meetings, team building and overseas travel for employees. Contributed to social security activities nationwide. Held activities to promote the World Oral Health Day. Granted 50 scholarships to the "10,000 steps - Health for Community". Organized mental health workshops for employees to improve their ability to protect themselves and those around them. Mid-work exercise program. Health protection and Covid-19 prevention measures inside and outside the office. |
|  <p>EDUCATION QUALITY Ensure inclusive and equitable quality for education. Promote lifelong learning opportunities for all.</p> | <ul style="list-style-type: none"> Supported the project of compiling books on revolutionary bases of Boi Loi, Trang Bang, Tay Ninh. Supported the construction of derivative works of Tran Quoc Tuan High School, City, Quang Ngai Sponsored the 89th anniversary of the Ho Chi Minh Communist Youth Union and granted the Ly Tu Trong Award. Sponsored the project of donating "Vietnamese Tales" books to schools in Quang Ngai Province. Financed the installation of interior equipment for the Semi-boarding area of Tra Xinh Semi-Boarding Secondary School for Ethnic Minority People, Quang Ngai Province. Carried out internal training on a monthly and quarterly basis. Carried out capacity-building training for managers. Provided training for successful generation of managers. Contributed funds for the Buddha Family's scholarship fund in Quang Ngai province. Sponsored scholarship fund and organized congress for HCM City's Female Intellectual Associations. |
|  <p>GENDER EQUALITY Achieve gender equality and empower all women and girls.</p> | <ul style="list-style-type: none"> Female employees account for almost 40%. Continuous emphasis is placed on facilitating the promotion of female employees to senior management and executive advisor positions. Provided full employee benefits during maternity period and female employees raising children of 12 months old. Presented gifts and delivered wishes on the occasion of March 8, October 20, birthdays, etc. |

| Criterion | Content |
|---|---|
|  <p>CLEAN WATER AND SANITATION Ensure availability and sustainable management of water and sanitation for all.</p> | <ul style="list-style-type: none"> Tightly supervised technical standards of: pH, BOD5, TSS, total dissolved solids, Sulfur (calculated according to H2S), Nitrate (calculated according to N), ammonium (calculated according to N), animal fat and vegetable oil, total surface-active substances, phosphate and coliform. Used water according to Vietnam's Standards, especially at projects subjecting to Vietnam Construction Standards - QCVN 01:2008/BXD. Periodically examined the water systems used in projects. Made use of rainwater and recycled wastewater using treatment stations at project sites for watering. Constant use of water-saving equipment and automatic washing machines of high capacity for sustainable use of water. |
|  <p>AFFORDABLE AND CLEAN ENERGY Ensure access to affordable, reliable, sustainable and modern energy for all.</p> | <ul style="list-style-type: none"> Used clean and renewable sources of energy in all projects. Alternative electric power: used solar energy. Water resource: used clean water supply with integrated solar system. Power from natural gas: used natural CNG with environmentally friendly methane. |
|  <p>DECENT WORK AND ECONOMIC GROWTH Decent Work and Economic Growth.</p> | <ul style="list-style-type: none"> Posted high revenues and contributed VND billions to the budget. Generated thousands of opportunities for both direct job seekers and indirect beneficiaries. Sponsored the 6th General Meeting of the Association of Architects of Binh Dinh Province. Supported the development program of Quang Ngai Province Entrepreneurs' Club. |
|  <p>INDUSTRY, INNOVATION AND INFRASTRUCTURE Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation</p> | <ul style="list-style-type: none"> Used environmentally friendly materials such as light bricks, unburnt bricks, engineered wood, etc. Used energy-regenerating elevators to save electricity. Constantly innovated and adapted globally prevailing technologies, creating sustainable quality and safety conditions for residents. Paid attention to space and natural ventilation in designs by using sun blinds to avoid solar radiation and minimize the use of electricity by permeating natural light. Built centralized wastewater treatment stations meeting proper hygiene standards. |
|  <p>REDUCED INEQUALITY Reduced inequality</p> | <ul style="list-style-type: none"> Continued supporting Agent Orange victims in Binh Chanh District, HCMC. Sponsored for the 73th celebration of the War Invalids and Martyrs day. Supported Management Board of The EverRich 1 to organize the Full Moon Night at Building E1 on October 1, 2020. Sponsored the second-term General Meeting of HCMC Women's Entrepreneur Association. Supported the Vo Hong Son Center of raising children with disabilities. Sponsored to pay gratitude to former youth volunteers in the Central provinces. Donated to the child care fund of Nhon Ly Commune. |

Competences and achievements

Gearing up on the new height





Reaching a conglomerate scale based on core capabilities




Sustainable development report

Consolidated financial statement

Key projects made pdr's history

PDR in reference to the United Nations' 17 Sustainable Development Goals (SDGs)

| Criterion | Content |
|--|---|
|  <p>SUSTAINABLE CITIES AND COMMUNITIES Make cities and human settlements inclusive, safe, resilient and sustainable.</p> | <ul style="list-style-type: none"> • Financed the construction of the National flagpole in Hon La Island, Quang Binh. • Sponsored activities to celebrate the 30th anniversary of the re-establishment of Quang Ngai Province. • Sponsored fireworks at Lunar New Year's Eve 2021. • Planted trees around the project sites and workplaces. • Built urban residential areas with modern and adequate utilities, contributing to improved living standards. • Funded the "Role models of the neighborhood" program. • Supported the development of The Library 2030 in Quang Ngai Province. |
|  <p>RESPONSIBLE CONSUMPTION AND PRODUCTION Ensure responsible and sustainable consumption and production patterns.</p> | <ul style="list-style-type: none"> • Used diesel-electricity generators with two-layer filter equipment in order to reduce harmful air generated from the fuel burning process. • Applied the national technical norms on noise: QCVN 26:2010/BTNMT. • Monitored the environmental quality of projects every 6 months during the construction and operational phases. • Managed, prevented and responded to risks during construction and operational phases. • Committed to preventing negative impacts on the environment or affecting the community as well as economic and social activities. • Ensured labour safety and fire & explosion protection during construction and operation • Contracted experienced consultants to optimize environmental impacts. • Applied national technical standard on industrial waste air for dust and inorganic substances QCVN 19:2009/BTNMT. |
|  <p>CLIMATE ACTION Take urgent action to combat climate change and its impacts.</p> | <ul style="list-style-type: none"> • Projects were designed and implemented according to EDGE Green Building standards of the IFC organization – World Bank. • Low emission (Low E) glass was adopted to reduce heat, ultraviolet and infrared rays. • Used solar panels in replacement of electricity. • Applied the calculation of the insulated of enclosure walls and glass, meeting the national standards of energy-efficient buildings - QCVN09/2013-BXD. • Monitored air quality: at the gate of the project, waste-treatment basement, ground for nearby waste-collection. |
|  <p>WATER RESOURCES Conservation and sustainable use of ocean ecosystems.</p> | <ul style="list-style-type: none"> • Constructed a water collection pit that flowed from storage rooms into the wastewater drainage system, and finally into wastewater treatment stations, ensuring safe and hygienic water sources. • Automatically supervised the quality of treated wastewater with an amount of 1,000 m³ of wastewater/day and higher. • Monitoring frequency: every 3 months and when the State management offices requested. • Used rainwater and recycled waste water from the on-site treatment stations for watering. • The drain pipe system is made of PVC. The pipi sloping ensures best drainage. • Collected garbage around project sites and workplaces. • Supervised the collection of daily solid waste. |

| Criterion | Content |
|--|---|
|  <p>LAND RESOURCES Protect, restore and promote sustainable use of terrestrial ecosystems.</p> | <ul style="list-style-type: none"> • Committed to treating excavated soil in accordance with the provisions of Decision No. 44/2015/QD-UBND. • Ensured full compliance with applicable requirements such as using a sealed canvas to prevent spillage and dust spread during transportation of excavated soil and construction materials. • Excavated soil was used for site leveling at project sites. • Contracted appropriate entities to legally dispose excavated soil. • Called for tender to select both main and sub-contractors for the transportation and treatment of excavated soil in accordance with applicable regulations. |
|  <p>PEACE, JUSTICE AND STRONG INSTITUTIONS Promote peaceful and inclusive societies for sustainable development.</p> | <ul style="list-style-type: none"> • Supported the candle-lighting ceremony in celebration of the Liberation of the South. • Developed a set of code of conduct for "Phat Dat-er" based on core values such as: Creativity, commitment, fairness and respect. • Organized quarterly dialogues with employees. • Sponsored "The Law Day" program held by the People's Committee of District 12. |
|  <p>PARTNERSHIPS TO ACHIEVE THE GOAL The Global Partnership for Development.</p> | <ul style="list-style-type: none"> • Actively participated in Saigon Association of Construction & Building Materials (SACA). • Listed in MSCI Frontier Market 100 Index. • Participated and won Asia's most prestigious construction & architecture award – the BCI Asia Awards. • Encouraged the creativity of a socially responsible architecture industry. |

Competences and achievements

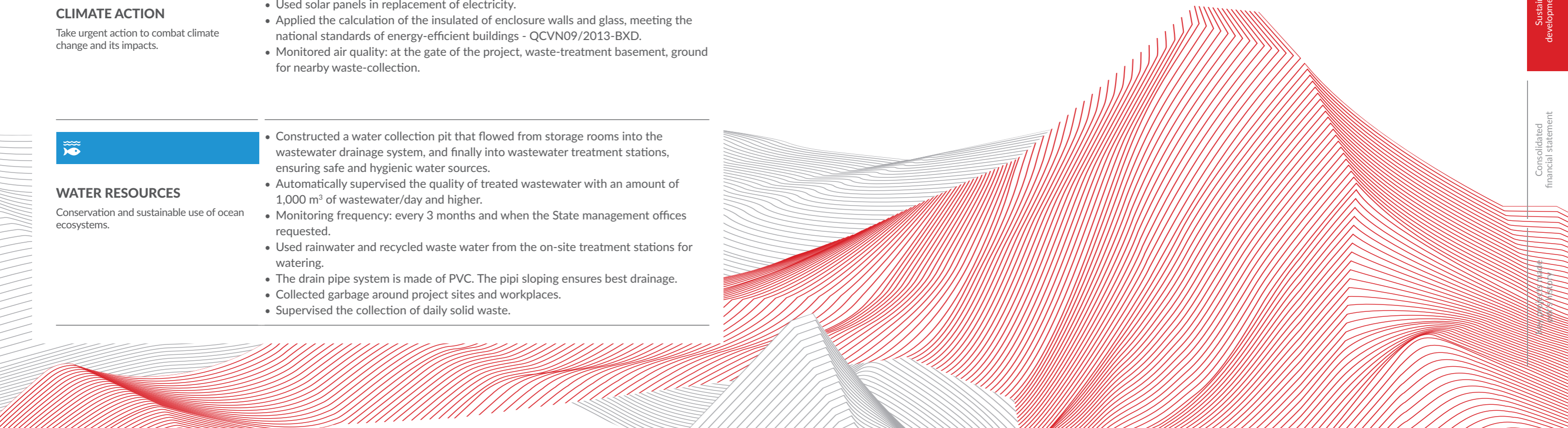
Gearing up on the new height

Reaching a conglomerate scale based on core capabilities

Sustainable development report

Consolidated financial statement

New projects made



THE PARTICIPATION OF THE STAKEHOLDERS

PROCESS OF IDENTIFYING STAKEHOLDERS

GR102-43

PDR identifies stakeholders through the following procedures:

Analyze activities

Analyze activities in the value chain of real estate and BT projects.

Propose a list

Propose a list of organizations and individuals involved in each activity in the value chain, focusing on organizations and individuals with previous working relationships and partnerships with the Company and those possessing capabilities and experience in each activity.

Discuss and assess

Discuss and assess stakeholders through professional methods combined with available data.

Identify the list

Identify the list of stakeholders in each activity and arranging them in order of priority.

IDENTIFICATION AND SELECTION OF STAKEHOLDERS

GR 102-42

The identification and selection process begins with enlisting all relevant groups based on their various levels of influence, interest and affiliation to PDR's sustainable development. As a result, vital PDR stakeholders are identified based on the level of interaction they have with the group.

The list of stakeholders in PDR's sustainable development activities are defined as follows:

| | | |
|---|-----------------------------------|--|
|  | CUSTOMERS | End-users of PDR's products. |
|  | PARTNERS | Providers of services and solutions relating to the development of property projects, building contractors, suppliers of equipment, facilities, etc. |
|  | SHAREHOLDERS AND INVESTORS | Legal owners of part or all of the share capital, who have rights and obligations associated with PDR's business performance. |
|  | EMPLOYEES | Key contributors of the factors constituting the Company's production capacity. |
|  | COMMUNITY | Formed on the basis of relationships between individuals and groups of people. |
|  | GOVERNMENT | Legal capacities or regulatory entities participating in inspection and policy-making activities. |
|  | COMPETITORS | Contenders within the same segment, competing for or against products and pricing, and possessing competitive strengths in various dynamics. |
|  | THE MEDIA | Entities that operate in publishing and communications. |
|  | FINANCIAL INSTITUTIONS | Entities that provide financial solutions. |

IDENTIFICATION OF RELATED ISSUES

Related issues were identified based on:

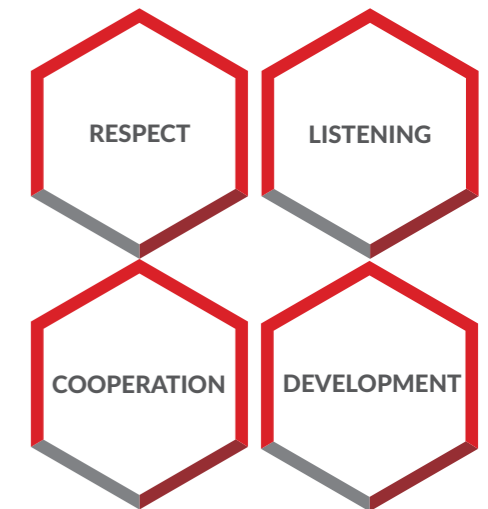
| | | |
|--------------------------------|-------------------------------|---|
| Real estate market environment | Main concerns of stakeholders | The issues that reflect PDR's impacts on the economy, environment and society |
|--------------------------------|-------------------------------|---|

MECHANISM TO CONSULT STAKEHOLDERS, STAKEHOLDERS' KEY CONCERNS AND FEEDBACK FROM PDR

GR 102-21

- In consistency with the corporate culture and code of business conduct, PDR has been proactively building sustainable relationships with stakeholders based on values of "Respect - Listening - Cooperation - Development" aiming to develop and bring long-term prosperity to each party. Feedback collected from stakeholders acts as the basis for PDR's formulation and adoption of further useful solutions to advance the sustainable development strategy. Therefore, PDR encourages stakeholder's feedback which will be received, acknowledged and acted upon timely and publicly with logic.
- Stakeholders' feedback are received, analyzed and processed concurrently by responsible personnel of the dedicated departments.
- At the same time, such feedback is also delivered to the BOM/BOD via written or in direct reports at meetings.
- After due diligence is performed, appropriate instructions and measures are to be executed immediately.
- In cases when feedback cannot be solved or executed instantaneously due to various reasons, the specific stakeholder will be informed and further discussions will be launched.
- Plenty of feedback from related parties has been received, resulting in positive changes in the Company's plan or the adoption of measures that fit practical situations. This has made business operations more efficient, while minimizing costs and better aligning the Company's compliance with the law.

MECHANISM TO APPROACH STAKEHOLDERS



Competences and achievements

Gearing up on the new height

Reaching a conglomerate scale based on core capabilities

Sustainable development report

Consolidated financial statement

Key projects made pdr's history

The participation of the stakeholders (Continued)

| Stakeholders | Approach | Main concerns of stakeholders | Response by PDR |
|--|---|---|--|
|  <p>CUSTOMERS</p> | <ul style="list-style-type: none"> Receive feedback via direct meetings or social networking platforms, and mail box info@phatdat.com.vn Organize meetings and gatherings with customers through sales events, loyalty programs, customer conferences, etc. Send product information and business policies related to the Company directly to customers in written form. | <ul style="list-style-type: none"> Reasonable prices. Quality and service. Customer satisfaction. Staff's efficiency and working manner. The Company's responsibility over products. Sale policy. After-sales policy | <ul style="list-style-type: none"> Strictly comply with domestic and international regulations; adopt reasonable pricing policies, ensure harmony between customer benefits and business benefits. Ensure the best quality and service for customers. Each PDR member is equipped and also requested to pay attention to and be ready to meet customers' justified requirements during interactions. Express appreciation to customers by holding customer conferences, offering promotions and devising optimal after-sales policies. Establish a mechanism to handle customer complaints. |
|  <p>PARTNERS</p> | <ul style="list-style-type: none"> Meet and discuss via direct meetings or receive and resolve questions via email, phone, fax. Participate in joint activities related to cooperation in project investment and development, sustainable development with society and community. Record feedback and promptly handle critical issues. | <ul style="list-style-type: none"> Business performance. Cooperation ability and attitude. Respect for interests of related parties. Cooperation efficiency. Safety, health and environment. Information confidentiality. | <ul style="list-style-type: none"> Select suppliers fairly based on capability profile with diverse evaluation criteria of experience, ability to meet quality and technological requirements. Confidential supplier information is not to be disclosed to their competitors. Promote open dialogues and positive aspects while limiting negative ones, work towards building a long-term bilateral relationship which is beneficial to all parties. |

| Stakeholders | Approach | Main concerns of stakeholders | Response by PDR |
|--|---|--|---|
|  <p>SHAREHOLDERS AND INVESTORS</p> | <ul style="list-style-type: none"> Hold vis-a-vis meetings on a monthly and quarterly basis as well as when required. Receive and handle inquiries through email, phone, fax, etc. Organize AGMs, periodic and non-periodic meetings. Publish detailed financial statements on mass media in accordance with regulations of the State Securities Commission and HOSE. Attend annual conferences, forums and exhibitions of the construction industry to share information. | <ul style="list-style-type: none"> Business performance. Operating situation and efficiency. Development orientation and strategy. Risk management. Transparent information. Information confidentiality | <ul style="list-style-type: none"> Regularly organize meetings, public exchanges, regular and extraordinary meetings, issue periodic newsletters to investors, etc. This serves to provide timely and appropriate information to help shareholders and investors have a more comprehensive view of PDR's operations and development strategy. The exchanges and disclosure of information must be done fairly, ensuring equal opportunities for all investors. Refrain from making uncontrolled information disclosure of investors and shareholders without permission, or without the request of law enforcement agencies. |
|  <p>EMPLOYEES</p> | <ul style="list-style-type: none"> Survey, either directly or indirectly, to obtain employees' feedback on the working environment, working protocol, welfare policies, remuneration, and so on. Organize discussions and dialogues with employees on a monthly basis. Organize team building events and activities on important occasions such as company anniversary, lunar new year, other holidays, etc. | <ul style="list-style-type: none"> The Company's remuneration policy. Promotion opportunities. Workplace safety. Working environment. Colleague relationship. Management - staff relationship. | <ul style="list-style-type: none"> Every year, the Company introduces improvements in remuneration policies and benefits for employees. Talent retention policy. Training and career development programs for employees. Issue a code of conduct as a base for behavior and interactions. Regularly hold internal activities to promote a healthy and engaging environment for employees. Staff management is based on the respect for employees, including respect for decisions, wishes, aspirations, right of freedom and other legitimate rights. |

Competences and achievements

Gearing up on the new height




Reaching a conglomerate scale based on core capabilities



Sustainable development report

Consolidated financial statement

Key projects made pdr's history

The participation of the stakeholders (Continue)

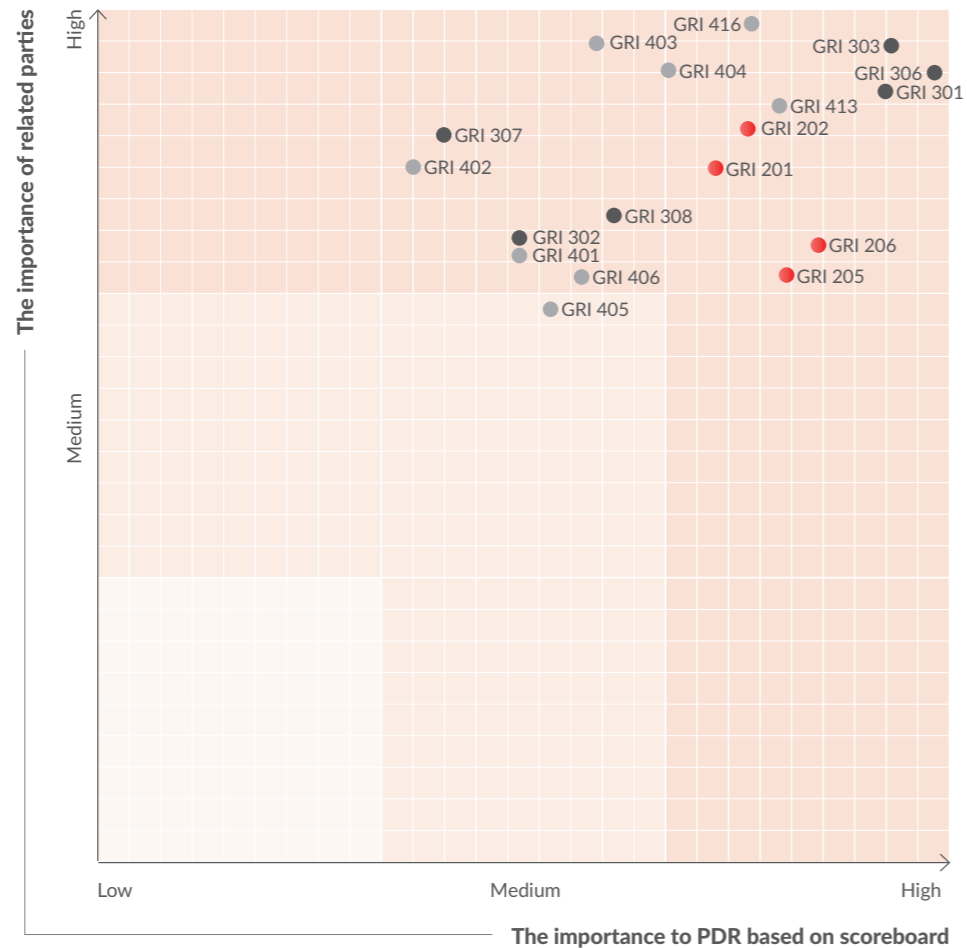
| Stakeholders | Approach | Main concerns of stakeholders | Response by PDR |
|---|--|--|--|
|  <p>COMMUNITY</p> | <ul style="list-style-type: none"> Participate in donation programs and community building activities of organizations and local authorities. Provide information on business activities to the community through mainstream media channels. | <ul style="list-style-type: none"> Employment issues. Contributions to the community. Care and responsibility to the community. Direct and indirect impacts on the environment during operation. | <ul style="list-style-type: none"> Committed to placing the environment above the Company's development goals, thus minimizing environmental impacts during the project implementation and operation. Affirm the sense of responsibility and devotion to harmonize environmental protection with socio-economic growth. Continue promoting the charity programs and sponsorship, promote positive social changes and development. |
|  <p>GOVERNMENT</p> | <ul style="list-style-type: none"> Participate in real estate, construction and architecture workshops held by various authorities and regulators. Actively participate in the activities of architecture, construction and project development associations. Publish tax information and perform tax reporting according to applicable regulations. | <ul style="list-style-type: none"> The Company's compliance with the law. Difficulties facing the Company during the implementation of legal policies and provisions. General market and industry trends. Carry out investment and business activities in a responsible manner towards customers, society and the environment. | <ul style="list-style-type: none"> Duly comply with the country's applicable laws regarding business operation, society and environment. Duly perform the obligation of tax contribution to the state budget. |
|  <p>COMPETITORS</p> | <ul style="list-style-type: none"> Meet and share information with competitors through construction and real estate associations meetings or meetings with investors interested in the real estate industry held by the HOSE. Maintain personal relationships between the PDR's management and competitors. Gather competition information from mainstream/official media channels. | <ul style="list-style-type: none"> Code of conduct for dealing with competitors. Healthy competition. Compliance with antitrust laws and competition laws. | <ul style="list-style-type: none"> Maintain harmony with competitors with full goodwill and continuously learn from their success. To not defame or vandalize competitors, recognize their success and respect their interests on the principle "The best company is the winning one". Stay committed to fair competition, commit no collusion or manipulation of market prices, refuse to receive competitor information that may be confidential. Flexibly respond to fierce competition, be persistent with the principle of honesty in business; uphold quality and brand reputation as the top priority; respect and comply with antitrust laws, competition laws, ensure healthy, free and open competition. |

| Stakeholders | Approach | Main concerns of stakeholders | Response by PDR |
|--|--|---|---|
|  <p>MEDIA</p> | <ul style="list-style-type: none"> Distribute press releases and hold press conferences. Respond to media interviews on mass media channels. Regularly update important information on the corporate website and social network. Coordinate to implement many TV programs and publish information on the official media about upcoming major events. | <ul style="list-style-type: none"> Business performance. The Company's development strategy. The accuracy of information. Proactivity in providing information. | <ul style="list-style-type: none"> Build good relationships with the media on the principles of equality, transparency and legality. Always ensure accuracy, clarity, completeness and objectivity of messages and information provided, thus helping the press to be well informed of the Company's operations. Handle media crisis with skill and calmness. Announcements are to be conscientious and well-versed towards objections and accusations. |
|  <p>FINANCIAL INSTITUTIONS</p> | <ul style="list-style-type: none"> Meet and discuss directly through meetings, emails, workshops on investment cooperation. Carefully develop plans to ensure cooperation between concerned parties. Manage risks and provide transparent and accurate information. Participate in joint activities relating to cooperation in project investment and development as well as sustainable development with the society and community. Record feedback and promptly handle critical issues. | <ul style="list-style-type: none"> Business performance. Operating situation and efficiency. Development orientation and strategy. Cooperation ability and attitude. Respect the interests of concerned parties. Cooperation efficiency. Safety, health and environment. Risk management. Transparent information. Information confidentiality. | <ul style="list-style-type: none"> Commit to timely delivery of transparent and consistent information. Build and strictly implement strategic risk management to monitor financial situation for stable cash flow and growth. Information regarding related parties is not to be disclosed. Respect all parties' interest to ensure balanced benefits in investment and all co-operations. |

Competences and achievements
 Gearing up on the new height
 Reaching a conglomerate scale based on core capabilities
 Sustainable development report
 Consolidated financial statement
 Key projects made pdr's history

ASSESSMENT OF KEY ISSUES

The assessment of key issues is carried out at meetings between the BOM and Heads of the Departments. At such meetings, participants will align on the topics of the key areas and update results on the matrix of criticality.



| ● Economy | ● Environment | ● Society |
|------------------------------------|---|--|
| GRI 201 Economic efficiency | GRI 301 Materials | GRI 401 Employment |
| GRI 202 Indirect economic impacts | GRI 302 Energy | GRI 402 Management/staff relationship |
| GRI 205 Anti-corruption | GRI 303 Water | GRI 403 Occupational safety and health |
| GRI 206 Obstruction of competition | GRI 306 Wastewater and waste | GRI 404 Education and training |
| | GRI 307 Environmental compliance | GRI 405 Diversity and equality |
| | GRI 308 Re-assessment of suppliers of environmental solutions | GRI 406 No discrimination |
| | | GRI 413 Community and locality |
| | | GRI 416 Customer safety and health |

PDR ESTABLISHES THE MATRIX OF 17 CRITICALITY



Competences and achievements

Gearing up on the new height

Reaching a conglomerate scale based on core capabilities

Sustainable development report

Consolidated financial statement

Key projects maps and history

ECONOMIC EFFICIENCY

ECONOMIC EFFICIENCY

GR 201

According to the current CG model under international standards, including IFC's CG Rules and Growth Resources Indicators - the international codes on sustainable development, PDR is profoundly aware of the growing responsibility toward stakeholders, especially investors and shareholders, who contribute important funds to the Company. In order to evaluate the resonance between PDR and our stakeholders, the Company has devised a matrix to analyze 18 key areas under three important categories, namely Economy, Society and Environment.

PDR focuses strongly on building the information basis on aspects of direct economic values generated, distributed and undistributed. At the same time, the efficiency of sustainable contributions to the economy in general is demonstrated by the contribution to the state budget and the community - society. PDR commits to ensuring rights and establishing fair relationships with investors and shareholders. The Company also makes efforts to improve the social welfare of employees to increase working efficiency; and provide real estate products with outstanding quality and improve living standard for customers.

In 2020, PDR continued developing in line with the New Era strategy with a total direct economic value of VND3,917.41 billion, an increase of 15% compared to the same period in 2019, mainly from sales revenue from projects and other revenues.

In addition, the distributed economic value was VND2,697.16 billion with the main cost structure focusing on business activities of VND2,240.52 billion, remuneration expenses of VND108.08 billion, and other expenses. In 2020, PDR paid VND319.97 billion to the state budget and accounted for 12% of the total direct economic value and much higher than in recent years. With the continuous increase in scale of the Company, the awareness of complying with the law and fully paying the State budget has received close attention.

As a result, the undistributed economic value reached VND 1,220.25 billion, an increase of 39% compared to the same period.

| No. | Content | Revenue (VND billion) |
|------------|---|-----------------------|
| I | DIRECT ECONOMIC VALUE GENERATED | 3,917.41 |
| 1 | Revenues from projects | 3,881.86 |
| 2 | Revenues from transfer of investment properties | - |
| 3 | Income from investment cooperation contracts | - |
| 4 | Revenues from other services | 35.55 |
| II | DISTRIBUTED ECONOMIC VALUE | 2,697.16 |
| 1 | Operating expenses | 2,240.52 |
| 2 | Staff salary and benefits | 108.08 |
| 3 | Payments to fund provider | 23.05 |
| 4 | Payments to the state budget | 319.97 |
| 5 | Investment for the community | 5.55 |
| III | UNDISTRIBUTED ECONOMIC VALUE | 1,220.25 |

ANTI-CORRUPTION

GRI 205

Identifying corruption - related risks

According to the evaluation, PDR identifies corruption risks in the following activities:

- Site clearance and compensation for land and houses.
- Bidding for selection of service providers and construction contractors.
- Management of contractors during the supply of services and construction.
- Distribution of the Company's products to customers.

Thus, according to the evaluation, PDR is able to identify any threat of internal and external corruption to the group, helping the group to complete policies and processes against corruption.

Communication and training on anti-corruption policies and procedures

- In regular monthly meetings, PDR always reminds employees of anti-bribery and corruption. At PDR, 100% of employees are communicated about the Company's regulations related to this matter. This communication builds the awareness and capacity needed for workers to fight corruption.
- PDR has also introduced sanctions and enforced strict regulations on bribery and corruption in contracts with all of our partners or parties in their various terms of engagement.
- PDR acknowledges the anti-graft efforts and proudly reports that there were no corruption cases found at PDR in 2020

ANTI-COMPETITION BEHAVIOR

GRI 206



Identifying impacts of unhealthy competition

- Firstly, for enterprises, business activities would face or risk facing stagnant, financial lost, reduced market share, and even going into bankruptcy or getting merged and equitized.
- Secondly, for consumers: they would lose their belief in the products, the enterprise and doubt all products on the market.
- Thirdly, for the national economy: the Government would not collect taxes, thus impact on national economy. Product quality reduces along with the prestige of Vietnamese enterprises in the broader market. As a result, export would be slowed down. Otherwise, this would create negative feelings and attitudes among foreign investors who would like to invest into Vietnam.

Recognizing all impacts, PDR pledges:

To healthily compete based on product quality and pricing and not in the interest to defame competitors' products or services.

Carefully examine the competitors' marketing and communication messages to promptly detect unfair competition, if any.

Complete regulations and process about unhealthy competition to popularize and train staff which empowers them to understand and implement in accordance with regulations.

Competences and achievements

Gearing up on the new height

Reaching a competitive edge based on core capabilities

Sustainable development report

Consolidated financial statement

Key projects made for history

ENVIRONMENTAL PROTECTION

MANAGEMENT OF MATERIALS

GRI 301

Real estate development means the increase of construction, natural resources exploitation including building material, fuel and generation of waste into environment.

To minimize such kinds of impact, during the construction process, besides choosing prestigious contractors and partners who have tight control over management system for strategic co-operation, PDR's technical department continuously researches and seeks new materials and construction technology to properly and effectively conform to international trends on green constructions. This includes:

- Regarding construction material, PDR prioritizes the use of environmentally friendly materials that are locally available for building, which include and are not limited to bricks, technical equipment, technical pipelines, etc. in gradual replacement of imports to reduce their carbon footprint.
- Use light brick materials and unbaked bricks in replacement of traditional baked bricks which are responsible for increasing air pollution. This replacement brings higher environmental efficiency while still ensuring structural safety.
- Use flooring made from manufactured wood, laminate wood, MDF, plywood, sawdust and other alternatives as substitutes for natural wood. These materials are less prone to warping and are resistant to water and abrasion resistance. Moreover, they are aesthetically appealing and cost-efficient. At the same time, certain types of wood flooring from bamboo, which is durable, light, easily renewable and environmentally friendly are also selected for some projects.
- Have a strong focus on the construction design stage to apply solutions on equipment and technology, enabling efficient use of energy during the operation stage.
- Use energy-regenerating elevators to save electricity
- Install solar panels
- Use solar water heating system to save electricity
- Reuse treated wastewater to water trees, wash roads ... to save water
- Research to use smart electric glass to replace traditional curtains, partitions, reduce heat transfer from inside to outside and from outside into the building, control sunlight radiation and prevent harmful UV rays that affect human health.
- Use light-reflecting or light-refracting glasses to channel light deep into the room to make better use of natural light.

Regarding branches in the group, PDR controls the level of energy, electricity and water consumption, and implements energy-saving

initiatives and campaigns to reduce such consumption. Some prominent results included:

- Use integrated devices such as dimmers with hourly, zone-based on and off timers, which can reduce light use during off-peak hours, making the most of natural light for the public lighting system.
- Switch to LED bulbs to save energy.
- Use sensor devices for rooms/areas to automatically carry out power and water shutdowns when not needed, effectively reducing energy consumption and prolonging the life of the device.
- Substitute traditional sockets with sensor sockets to detect any unused room or "idle" area to automatically power off when not needed, effectively reducing energy consumption.
- Install motion sensor system so lights only turn on when people pass and automatically turn off after 3 to 5 minutes if there is no person in areas such as the garage or toilets, which have a variable frequency of people entering and leaving.
- Adjust the float to increase the operating time, reduce the number of starts and reduce idling time for the water supply and drainage system.
- Design and operate the filling of roof tanks at night with pre-pumped water for the domestic water pumping system. This falls within the off-peak period, with low electricity price; thus, energy costs are saved and noise is reduced.
- Replace worn-out impellers, regularly maintain, change the oil and lubricate impellers periodically to save electricity and increase equipment life.
- Place cooling devices in well-ventilated areas to increase cooling efficiency and tightly control operation to avoid waste.
- Constantly research new solutions for natural ventilation. Based on current international standards and regulations of the Ministry of Construction, PDR's design management team will calculate the area of ventilation holes and windows that can be opened or closed on the wall or roof, so that more than 5% of the floor area used for rooms can adjoin the outer space. The parking lot only utilizes natural ventilation, so at least 25% of the wall area on opposite sides or 1/20 of the floor area for each parking space must be open.
- Use the smart building management system BMS to connect with other electromechanical systems inside the building such as electrical systems, air conditioning and ventilation, lighting, water pumps, elevators... to minimize risks for engineering systems and help the operator monitor and turn on and off devices remotely, and manage energy consumption in buildings more easily.

| Alternative materials | Unit | Total in 2019 | Total in 2020 | Total in 2021 |
|---|------|---------------|---------------|---------------|
| Ratio of replacement of baked bricks with light bricks/light partition plates | % | 50 | 55 | 60 |
| Ratio of use of manufactured wood (apartment flooring) to natural wood | % | 100 | 100 | 100 |
| Ratio of use of Led in replacement of fluorescent and compact bulbs | % | 90 | 95 | 100 |

Quantity of alternative materials, fuel, chemical substances used for construction in one project was presented as follow:

Quantity of alternative materials used for construction in one project

| No | Type of materials | Unit | Quantity |
|----|---|----------------|----------|
| A | Materials as per design | | |
| 1 | Hollow bricks of 8x8x19 dimensions, 20 cm thick walls, height <= 4 m, cement mortar of grade 75 | m ³ | 3,800 |
| B | Alternative materials | | |
| 1 | Plaster partition wall | m ² | 19,000 |

Fuel and chemicals for one project

| No | Type of fuel and chemicals | Unit | Quantity |
|----|----------------------------|-------|----------|
| 1 | Gasoline | litre | 120 |
| 2 | Additives | kg | 18,345 |
| 3 | Water-proofing chemicals | kg | 6,845 |



Competences and achievements

Gearing up on the new height

Reaching a conglomerate scale based on core capabilities

Sustainable development report

Consolidated financial statement

Key projects made pdr's history

Environmental protection (Continued)

ENERGY CONSUMPTION

GRI 302

- Direct consumed energy: Utilize local power supply grid with appropriated capacity for each specific project. Rigorous capacity calculations are carried out during the design stage to optimize power consumption.
- Promote the use of solar energy systems or any other renewable source of energy.
- Use low-power LEDs to replace fluorescent and compact bulbs. Despite higher initial investment, this helps reduce the cost of electricity consumption significantly for both constructions and households; Always pay attention to splitting the line during the design stage to save resources, electricity and reduce costs for users.
- Use inverter /chiller air conditioning system and smart control solutions to ensure power consuming devices are switched off when not in use, apply solutions during design stage to create natural ventilation, thus helping to minimize the use of electricity.

Forecast of total maximum power supply of one project

| No | Description | Data | Unit | Quota as per norm | Calculated quota | Unit | Total load (W) |
|----|--|--------|----------------|-------------------|------------------|------------------|----------------|
| 1 | Electricity quota for apartment section | 2000 | person | 800 | 1040 | W/person | 2,028,000 |
| 2 | Electricity quota for commercial section | 21,906 | m ² | 30 | 39 | W/m ² | 854,334 |
| 3 | Load of public lighting, elevator, etc | | | 50 | 35 | % | 1,009,882 |
| 4 | Total power | | | | | | 3,892,216 |
| 5 | Total transformer load (kVA) - CosΨ 0.8 | | | | | | 4,865,270 |



Reduction of electricity consumption for years at the projects

| No | Description | Data | Unit | Quota as per norm | Calculated quota | Unit | Total load (W) |
|-----------------------------------|--|--------|----------------|-------------------|------------------|------------------|----------------|
| FIRST YEAR (10% REDUCTION) | | | | | | | |
| 1 | Electricity quota for apartment section | 2000 | Person | 800 | 936 | W/person | 1,872,000 |
| 2 | Electricity quota for commercial section | 21,906 | m ² | 30 | 35 | W/m ² | 766,710 |
| 3 | Load of public lighting, elevator, etc | | | 50 | 32 | % | 844,387 |
| 4 | Total power | | | | | | 3,483,097 |
| 5 | Total transformer load (kVA) - CosΨ 0.8 | | | | | | 4,353,871 |
| SECOND YEAR (8% REDUCTION) | | | | | | | |
| 1 | Electricity quota for apartment section | 2000 | Person | 800 | 853 | W/person | 1,706,000 |
| 2 | Electricity quota for commercial section | 21,906 | m ² | 30 | 32 | W/m ² | 700,992 |
| 3 | Load of public lighting, elevator, etc | | | 50 | 29 | % | 698,028 |
| 4 | Total power | | | | | | 3,105,020 |
| 5 | Total transformer load (kVA) - CosΨ 0.8 | | | | | | 3,881,275 |
| THIRD YEAR (5% REDUCTION) | | | | | | | |
| 1 | Electricity quota for apartment section | 2000 | Person | 800 | 800 | W/person | 1,600,000 |
| 2 | Electricity quota for commercial section | 21,906 | m ² | 30 | 30 | W/m ² | 657,180 |
| 3 | Load of public lighting, elevator, etc | | | 50 | 27 | % | 609,439 |
| 4 | Total power | | | | | | 2,866,619 |
| 5 | Total transformer load (kVA) - CosΨ 0.8 | | | | | | 3,583,274 |



Competences and achievements

Gearing up on the new height

Reaching a conglomerate scale based on core capabilities

Sustainable development report

Consolidated financial statement

Key projects made pdr's history

Environmental protection (Continued)

WATER CONSUMPTION

GRI 303

Water supply and saving water

- Use clean water from local water supply plants with appropriated capacity for each specific project.
- In technical design, PDR uses water taps with sensors, taps with air-mixing mode in the discharge process, dual-flush toilets, high-capacity automatic washing machines, etc. for optimized water saving.
- Use hot water systems with solar energy for power-intensive projects such as hotels, leading to a considerable decrease in electricity consumption.
- Build underground water tanks and harvest rain water and recycle wastewater treated by environmentally accredited systems at project sites for plant watering (on average, the amount of recycled water is about 300 m³ per project).
- Use electronic devices to control water consumption and detect losses and incidents for timely measures.

Target and demand for water

Supply:

- Water provided to the project site is from the City's clean water supply.

Water quota and demand:

- The site areas are located at the Nhon Hoi Ecotourism City, Quy Nhon City, Binh Dinh Province and Bac Ha Thanh Residential Area, Binh Dinh Province, Binh Duong Commercial Complex (Astral City Binh Duong).
- The non-regulated water use coefficient of Kday = 1.2 and Khour = 1.4.

A project's water demand is calculated according to Vietnam Building

QCXDVN 01:2008/BXD

Forecast of the maximum water supply of one project

| No | Water use purpose | Quota | Unit | Size | Unit | Flow rate (m ³ /day) |
|----|-----------------------------------|---------|--------------|-------|--------|---------------------------------|
| 1 | Water for apartments | 250 (*) | litre/person | 1,500 | person | 375 |
| 2 | Water for offices and restaurants | 75 (*) | litre/person | 200 | person | 15.0 |
| 3 | Public use, watering | 05 | % | | | 19.5 |
| 4 | Total | | | | | 409.5 |
| 5 | Contingency (leakages, etc.) | <20 | % | | | 81.9 |
| 6 | Total water demand | | | | | 491.4 |

ENVIRONMENTAL IMPACTS WHEN THE PROJECT'S IN OPERATION

The PDR clearly understands the significance of environmental protection during the design, construction and exploitation process for urban complexes, office spaces and apartments. Each new project is well planned and scientifically synchronized to have environmental protection design, whilst fully harnessing natural advantages.

Green spaces are considered indispensable highlights in every PDR project. Low construction density, high ratio of trees which are well arranged, with ample water available has created modern living spaces that are environmentally friendly.

Typical projects such as Zone 2, 4, 9 within the Nhon Hoi Ecotourism City, Bac Ha Thanh Residential Area, Binh Duong Commercial Center and Luxury Apartment (Astral City)... all possess a high ratio of trees, convenient walking streets, a public square and green space, making them a success story of taking existing natural advantages and transforming it into an ecotourism city. PDR's works are eco-urban areas which add a refreshing splash of green to every province.

Priority is given to using in-room layout for guests, with packaging from recycled paper and fabrics made of 70% bamboo and 30% cotton.



Competences and achievements

Gearing up on the new height

Reaching a conglomerate scale based on core capabilities

Sustainable development report

Consolidated financial statement

Key projects made pdr's history

Environmental protection (Continued)

**ZONE 2; ZONE 4; ZONE 9
NHON HOI ECOTOURISM CITY, BINH DINH PROVINCE**

Environmental quality monitoring during operation



**BAC HA THANH RESIDENTIAL AREA,
BINH DINH PROVINCE**

Environmental quality monitoring during operation



Monitoring the quality of emission at the source:

- Electric generators are equipped with dual-stage smoke filters which reduce toxic gases emitted during fuel combustion.
- Using dual-stage smoke filters for electric motors and diesel generator.
- With the best solution, more than 95% of black smoke, PM, HC gas, CO is treated to ensure environmental quality. This is also applied in industrial activities and in the electricity generator system for apartment buildings...
- Monitoring position: 2 points at the 2 exhaust ducts of the standby generators.
- Monitoring indicators: Dust, CO, NOx, SO2, and noise.
- Monitoring frequency: Every 3 months and when requested by the regulator.
- Comparative norms:
 - QCVN 19:2009/BTNMT - National technical norms on industrial emissions for dust and inorganic substances (column B, Kp = 0.9; Kv = 0.6).
 - QCVN 26:2010/BTNMT - National technical norms on noise.

Environmental monitoring of waste water quality:

- Monitoring positions:
 - 01 position in front of the wastewater treatment system.
 - 01 position behind the waste water treatment system.
 - 01 position at the manhole connecting wastewater with the shared sewer.
- Monitoring indicators: pH, BOD5, TSS, total dissolved solid, sulphide (calculated according to H2S), nitrate (calculated according to N), Ammonium (calculated according to N), animal fat and vegetable oil, total surface-active agents, phosphate, coliform.
- Monitoring frequency: Every 3 months and when requested by the regulator.
- Comparative norm: QCVN 14: 2008/BTNMT - National technical norm on domestic wastewater quality (column B; K = 1).
- Continuous automatic monitoring of treated wastewater with a discharge volume of 1,000m3 per day and more.

Monitoring domestic solid waste and hazardous waste:

- Scope of monitoring: Monitoring the storage of waste, its composition, volume and contracting vendors.
- Monitoring frequency: every 6 months and when requested by the regulatory authorities.
- Apply:
 - Circular No. 36/2015/TT-BTNMT dated 30 June, 2015 of the Ministry of Natural Resources and Environment on the management of hazardous waste.
 - Noting the Decree No. 38/2015/ND-CP dated 24 April, 2015 of the Government regulating waste and scrap management, payment of sanitation fees and environmental protection fees according to Decision No. 88/2008/QD-UBND dated December 20, 2008 of the Municipal People's Committee.

The estimated environmental monitoring cost when the project enters an optimal stage in operations is reported at about VND20 million per cycle.

Air quality monitoring:

- Monitoring position:
 - 01 point at the project entrance gate.
 - 1 point in the area adjacent to the residential area in the south of the project.
- Monitoring indicators: Dust, SO2, NO2, CO, NH3, H2 S, noise.
- Monitoring frequency: Every 6 months.
- Comparative norms:
 - QCVN 05: 2013/ BTNMT - National technical norms on ambient air quality.
 - QCVN 26: 2010/BTNMT - National technical norms on noise.

Emission monitoring at the source:

- Using dual-stage smoke filters for electric motors and diesel generator. This would reduce 95% of PM black smoke, HC and CO smoke to protect environment. It should be applied into industry and generator system for apartments and high-rise buildings.
- Monitoring positions: 1 point at the exhaust opening of the standby generator.
- Monitoring indicators: Dust, CO, NOx, SO2, and noise.
- Monitoring frequency: Every 3 months.
- Comparative norms:
 - QCVN 19: 2009/ BTNMT- National technical norms on industrial emissions for dust and inorganic substances (column B, Kp = 0.9; Kv = 0.6).
 - QCVN 26: 2010/BTNMT - National technical norms on noise

Environmental monitoring of wastewater quality:

- Sampling location: post - treatment wastewater.
- Monitoring indicators: pH, BOD5, TSS, total dissolved solid, sulfur (calculated according to H2S), nitrate (calculated according to N), ammonium (calculated according to N), animal fat and vegetable oil, total surface-active substances, phosphate, coliform.
- Monitoring frequency: every 3 months.
- Comparative norms:
 - QCVN 14:2008/BTNMT - National technical norms on domestic wastewater quality (column B; K = 1).

Monitoring of solid waste and hazardous waste:

- Hazardous waste:
 - Frequency: every 6 months.
 - Apply: Circular No. 12/2011/TT-BTNMT dated 14 April, 2011 of the Ministry of Natural Resources and Environment on hazardous waste management.
- Monitor domestic solid waste:
 - Frequency of gathering: Daily.
 - Gathering done by: Responsible entities.
 - Apply Decree No. 59/2007/ND-CP dated 9 April, 2007 of the Government on solid waste management, payment of sanitation fees and environmental protection fees under Decision No. 88/2008/QD-UBND dated 20 December, 2008 of the Municipal People's Committee
- The environmental monitoring cost is estimated at VND15 million per occasion during stable operation.

Environmental protection (Continued)



BINH DUONG COMMERCIAL CENTER AND LUXURY APARTMENT (ASTRAL CITY)

Environmental quality monitoring during operation

Air quality monitoring:

- Monitoring positions:
 - 01 point at the entrance area of the project
 - 01 point at the nearest household in the north of the project.
 - 01 point at the nearest household in the south of the project.
- Monitoring criteria: Dust, SO₂, NO₂, CO, NH₃, H₂S, noise.
 - Monitoring frequency: Every 6 months.
- Comparative norms:
 - QCVN 05:2013/BTNMT - National technical norms on ambient air quality.
 - QCVN 26:2010/BTNMT - National technical norms on noise.

Monitoring the quality of emission at the source:

- Electric generators are equipped with dual-stage smoke filters which reduce toxic gases emitted during fuel combustion. This would reduce 95% of PM black smoke, HC and CO to ensure environmental quality. This is also applied in industrial activities and in the electricity generator system for apartment buildings...
- Monitoring positions: 1 point at the chimney of the backup generator.
- Monitoring criteria: Dust, CO, NO_x, SO₂ and noise.
- Monitoring frequency: Every 3 months.
- Comparative norms:
 - QCVN 19:2009/BTNMT- National technical norms on industrial emissions for dust and inorganic substances (column B, Kp = 0.9; Kv = 0.6).
 - QCVN 26:2010/BTNMT - National technical norms on noise.

Environmental monitoring of wastewater quality:

- Sampling location: 01 position at the manhole connecting wastewater with the shared sewer behind the automatic monitoring station on Binh Duong Avenue.
- Monitoring criteria: pH, BOD₅, TSS, total dissolved solids, sulfur (calculated according to H₂S), nitrate (calculated according to N), ammonium (calculated according to N), animal fat and vegetable oil, total surface-active substances, phosphate, coliform.
- Monitoring frequency: Every 03 months.
- Comparative norms: QCVN 14:2008/BTNMT - National technical norms on domestic wastewater quality. (column B; K = 1).

Monitoring of solid waste and hazardous waste:

- Hazardous waste:
 - Monitoring frequency: Every 6 months.
 - Apply: Circular No. 12/2011/TT-BTNMT dated 14 April, 2011 of the Ministry of Natural Resources and Environment on hazardous waste management.
- Domestic solid waste monitoring:
 - Survey locations: 04 points in the solid waste storage area;
 - Monitoring frequency: Daily.
 - Gathering done by: Responsible entities.
 - Applicable norms: Decree 38/2015/ND-CP - Decree on waste and scrap management; Decree No. 40/2019/ND-CP dated May 13, 2019 of the Government on amending and supplementing a number of articles of the decrees detailing and guiding the implementation of the Law on Environment.
 - Estimated cost for environmental monitoring when the project enters an optimal stage in operation is reported at about VND15 million per cycle.

ENVIRONMENTAL PROTECTION COMPLIANCE

GRI 307

- To implement and comply with laws and other environmental protection efforts in 2020 and targets in 2021, PDR has enforced different solutions on the awareness of this matter. The group also diligently and fully complies with all environmental laws and does not violate any regulations on ecosystem protection under any activities.
- Environmental monitoring management methods are appropriately introduced in PDR's projects; thus, the effective compliance with the applicable laws on environment is guaranteed. PDR is proud of fully following environmental laws and having no violations so far.
- Environmental Impact Assessment (EIA) reports are implemented in accordance with applicable regulations and are submitted to relevant authorities for appraisal before construction commencement.
- Planning, technical standardization and norms are adopted in compliance with both the central government and local authorities to create more green spaces and landscapes, and to prevent compromising public land for personal benefit. Highlights: Zone 2, Zone 4 and Zone 9 of Nhon Hoi Ecotourism City, Bac Ha Thanh Residential Area, Binh Duong Commercial Center and Luxury Apartment (Astral City), hotels and resorts... A large proportion of the site is dedicated to a water reservoir which helps balance the surface water amount and prevent flooding for the entire area.
- Additionally, PDR constantly invests in new machinery, which is modern and standard equipment, to minimize noise, smoke, odor and gas pollution.
- PDR is dedicated to the mobilization on environmental protection project in managing real estate construction.
- At the same time, ample space is dedicated to greenery and landscaping, partly to protect environment and elevate its natural aesthetics.
- Treating wastewater at A-level manhole, using the treated output for watering, to save the resource then discharge into popular drainage system.
- At any project, close liaison with contractors is carried out to establish environmental protection rules and regulations to ensure that each party is acting in consciousness of the surrounding habitat.
- Working with contractors to consider and implement high-safety and environmental-friendly technical solutions in construction work.
- To ascertain that PDR contractors or providers are adhering to the policies, the company organizes inspections and supervision of contractors' compliance with environmental protection regulations. Therefore,

- we work to coordinate with contractors to handle any inappropriate events.
- Barriers with solid structures are installed at all construction areas, meeting aesthetic and sustainability requirements throughout the construction process and preventing the spread of dust, noise, vibration, and light within the neighbourhood.
- Drainage systems with proper connectivity are installed at project sites to ensure thorough drainage and prevent flooding. Construction wastewater, before being discharged into the shared drainage system, must be channelled into well-sized manholes where soil and mud settles down through the settling compartments.
- Wastewater is treated before being discharged into the environment. Wastewater from construction work is led into the sedimentation tank for treatment before being discharged into the City's sewer.
- Utilize natural and recycled energy, which is friendly to the environment, as well as recycling treated water for watering.



Competences and achievements

Gearing up on the new height

Reaching a conglomerate scale based on core capabilities

Sustainable development report

Consolidated financial statement

Key projects made pdr's history

Environmental protection (Continued)

COMPLIANCE WITH LAWS ON FINES

| Criterion | Case |
|---|------|
| Total monetary value of significant fines | 0 |
| Total non-monetary sanctions | None |
| Cases referred to dispute handling mechanisms | None |

By strictly complying with State laws and regulations, PDR was not fined for a single case in 2020.

Other areas

In 2020, PDR was not involved in any cases relating to conflict of interests and corruption. The company absolutely did not use forced labor or child labor and strictly complied with the law regarding social insurance, health insurance and other benefits for employees relevant to the labor market.

Responsibility for local community

- Paying special attention to the environmental impacts of each project (air pollution, noise, water sources) that can alter natural resources, the surrounding ecological environment or change the economic - social environment and human life around the project area. Therefore, each project by PDR applies progressive standards for the design and uses low-polluting materials during construction, while being assessed by reputable experts for environmental impacts before project implementation and after putting the project into operation.
- Seriously implementing environmental monitoring management methods in our projects. PDR is proud of complying with the regulations and laws on the environment, and up to now there has not been any violation of the above regulations in order to maintain the brand that PDR is building and developing.
- Continuing business plan development for the future, which prioritize social benefits and protect the environment to create perfect living spaces for the community, heading towards professional and sustainable development.
- Maintaining a high proportion of green trees, make the most of the project location to build landscapes and utility works, creating a desirable living environment for residents. PDR's works are eco-urban areas, contributing to a greener image of the locality.

- Utilizing professional technical consultant services like Starwood, Marriott in controlling and supervising design and construction of hotels and resorts in compliance with international and local standards. The PDR has often paid attention to the appearance of the construction architect to ensure overall aesthetics is in line with local master planning and regional spiritual culture. In detail, all old-age architect and items, such as ancient wall, well, old tree and vegetation inside projects have been preserved to make a unique design for projects in particular and for the locality in general.
- PDR is also co-operating with the local authority to mitigate sea erosion into the revetment dyke and the remaining terrestrial natural conditions by designing proper architect plans with maximum limit on soil excavation.
- PDR is devoted to developing products for the community.
- We strive to improve the social environment in localities where PDR is present and actively display responsibility with partners, customers, colleagues and community.



ASSESSMENT REPORT RELATED TO EMPLOYEES

EMPLOYMENT

GRI 401

- New recruits: 132 persons
- Termination: 62 persons, including 26 new hires.

OCCUPATIONAL HEALTH AND SAFETY

GRI 403

- Offer social insurance, health insurance and unemployment insurance, as well as creating good conditions for employees to enjoy insurance regimes in accordance with the law.
- In 2020, PDR's welfare expenses (birthdays, marriage, academic achievements of employees' children, International Women's Day gifts, childbirth allowance, sickness allowance, funeral condolence offerings, health insurance, periodic health check-ups, uniforms, Tet gifts...) was more than VND1.11 billion.
- Offer health care insurance for managers and accident insurance for all employees.
- Always strictly comply with the provisions of the law on labor safety and hygiene.

STAFF - MANAGEMENT RELATIONSHIP

GRI 402

- Always ensures to conform with collective employee agreement, Labor Laws or provisions of other laws related to employers.
- Create favorable conditions for the Trade Union's activities.
- Fully organize periodic dialogues and employee conferences in accordance with applicable regulations.
- Create conditions for employees to understand the orientation, goals, plans, operation status and regulations... of the Company.
- Encourage employees to comment on issues related to the company's activities and interests of employees.

EDUCATION & TRAINING

GRI 404

- Focus on internal communication and training for employees.
- Place great emphasis on the human factor in sustainable development, thus selecting, investing in, providing professional and leadership training for excellent personnel to prepare them as future generation, with remuneration mechanisms relevant to assigned tasks.
- Promote management, standardize processes, adjust internally to find the most suitable model for the business field and corporate culture.
- Enhance the application of technology to create new breakthroughs to optimize costs, thus improving the productivity and efficiency of the system to create a solid foundation for the Group's development needs in the new period.



Competences and achievements

Gearing up on the new height

Reaching a conglomerate scale based on core capabilities

Sustainable development report

Consolidated financial statement

Key projects made pdr's history

CUSTOMER SAFETY AND HEALTH

GRI 416

Responsibilities for products

In order to absolutely ensure customer benefits, PDR always pays attention to quality control from the start of project implementation to the point of delivery. PDR's quality control, in summary, comprises of four steps as follows:



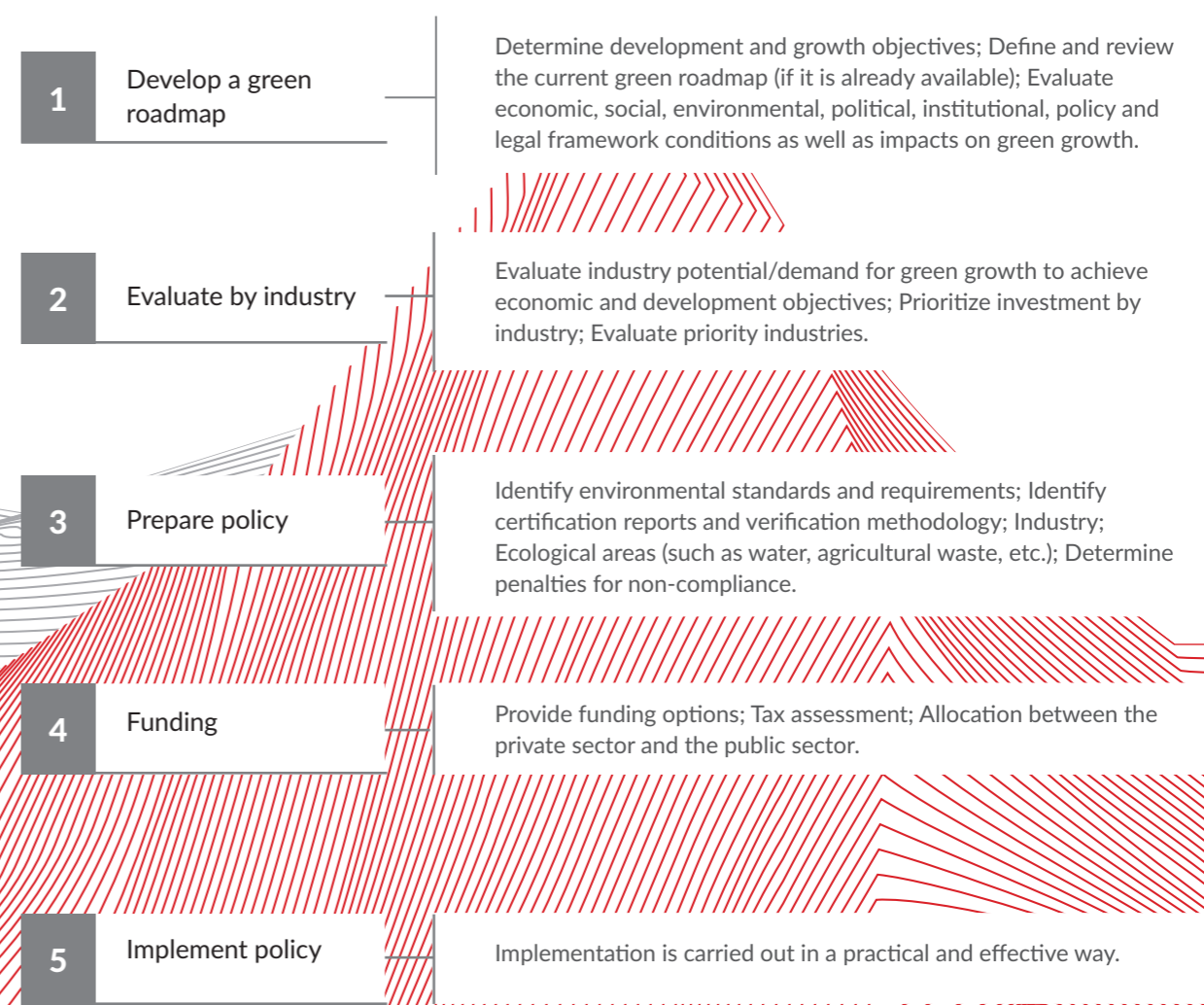
REPORT RELATED TO THE GREEN CAPITAL MARKET

Below is a report related to the green capital market under the guidance of the State Securities Commission.

Realizing the importance of the green capital market in community development, PDR continues researching and exploring the green capital market for the second year.

During the 2021 AGM, PDR will approve shareholders' votes on this new area.

The growth roadmap of the green capital market includes the following steps:



Competences and achievements

Gearing up on the new height

Reaching a conglomerate scale based on core capabilities

Sustainable development report

Comprehensive financial statement

Key projects and CSR activities

CONSOLIDATED FINANCIAL STATEMENTS



GENERAL INFORMATION

THE COMPANY

Phat Dat Real Estate Development Corp ("the Company") is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to the Business Registration Certificate ("BRC") No. 4103002655 issued by the Department of Planning and Investment ("DPI") of HCMC on 13 September 2004, as amended.

The Company's shares were listed on the Ho Chi Minh Stock Exchange ("HOSE") with code PDR in accordance with the License No. 1207/SGDHCM-NY issued by the HOSE on 9 July 2010.

The current principal activities of the Company and its subsidiaries are to construct and trade real estate properties; to undertake the civil and industrial projects, bridges and roads; and to provide real estate brokerage and valuation services, and real estate trading centre and management.

The Company's registered head office is located at Floors 8 and 9 Tower B, Viettel Building, 285 Cach Mang Thang Tam Street, Ward 12, District 10, HCMC, Vietnam.

BOARD OF DIRECTORS

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

| | |
|------------------------|--------------------|
| Mr Nguyen Van Dat | Chairman |
| Ms Tran Thi Huong | Deputy Chairwoman |
| Mr Nguyen Tan Danh | Deputy Chairman |
| Mr Doan Viet Dai Tu | Member |
| Mr Le Minh Dung | Independent member |
| Mr Khuong Van Muoi | Independent member |
| Mr Tran Trong Gia Vinh | Independent member |
| Mr Le Quang Phuc | Member |
| Mr Bui Quang Anh Vu | Member |

**Appointed on 25 April 2020*

INTERNAL AUDIT COMMITTEE

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

| | |
|--------------------------|--------|
| Ms Nguyen Thi Thu Nguyet | Head |
| Mr Vo Hoang Tu | Member |
| Mr To Minh Tai | Member |

MANAGEMENT

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

| | | |
|----------------------|-------------------------|------------------------------|
| Mr Bui Quang Anh Vu | General Director | appointed on 27 April 2020 |
| | Deputy General Director | resigned on 27 April 2020 |
| Mr Nguyen Van Dat | General Director | resigned on 27 April 2020 |
| Mr Pham Trong Hoa | Deputy General Director | resigned on 27 April 2020 |
| Mr Nguyen Thanh Thao | Deputy General Director | appointed on 1 December 2020 |

LEGAL REPRESENTATIVE

The legal representative of the Company from 1 January 2020 to 6 May 2020 was Mr Nguyen Van Dat and from 7 May 2020 to the date of this report are Mr Nguyen Van Dat and Mr Bui Quang Anh Vu.

AUDITORS

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

REPORT OF MANAGEMENT

Management of Phat Dat Real Estate Development Corp ("the Company") is pleased to present this report and the consolidated financial statements of the Company and its subsidiaries ("the Group") for the year ended 31 December 2020.

MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

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

STATEMENT BY MANAGEMENT

Management does hereby state that, in its opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2020, and of the consolidated results of its operations and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the consolidated financial statements.

For and on behalf of management:



Bui Quang Anh Vu
CEO

HCMC, Vietnam
1 March 2021

INDEPENDENT AUDITORS' REPORT

To: The Shareholders of Phat Dat Real Estate Development Corp

We have audited the accompanying consolidated financial statements of Phat Dat Real Estate Development Corp ("the Company") and its subsidiaries ("the Group") as prepared on 1 March 2021 and set out on pages 5 to 45, which comprise the consolidated balance sheet as at 31 December 2020, and the consolidated income statement and the consolidated cash flow statement for the year then ended and the notes thereto.

MANAGEMENT'S RESPONSIBILITY

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

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these 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 and plan and perform the audit to obtain reasonable assurance about whether the Group's consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Group's preparation and 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 the Group's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

OPINION

In our opinion, the consolidated financial statements give a true and fair view, in all material respects, of the consolidated financial position of the Group as at 31 December 2020, and of the consolidated results of its operations and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the consolidated financial statements.

Ernst & Young Vietnam Limited



Ernest Yoong Chin Kang
Deputy General Director
Audit Practicing Registration Certificate
No. 1891-2018-004-1

HCMC, Vietnam
1 March 2021



Ly Hong My
Auditor
Audit Practicing Registration Certificate
No. 4175-2017-004-1

Competences and achievements

Gearing up on the new height

Reaching a conglomerate scale based on core capabilities

Sustainable development report

Consolidated financial statement

Key projects made pdr's history

Consolidated financial statements

| CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2020 | | | | VND |
|---|--|-------|---------------------------|---------------------------|
| Code | ASSETS | Notes | Beginning balance | Ending balance |
| 100 | A. CURRENT ASSETS | | 10,354,694,188,254 | 10,929,134,432,965 |
| 110 | I. CASH AND CASH EQUIVALENTS | 5 | 646,334,409,446 | 53,166,353,724 |
| 111 | Cash | | 646,334,409,446 | 47,166,353,724 |
| 112 | Cash equivalents | | - | 6,000,000,000 |
| 120 | II. SHORT-TERM INVESTMENT | | - | 12,180,299,200 |
| 123 | Held-to-maturity investments | 6 | - | 12,180,299,200 |
| 130 | III. CURRENT ACCOUNTS RECEIVABLE | | 1,705,319,506,303 | 1,516,084,550,001 |
| 131 | 1. Short-term trade receivables | 7 | 795,203,585,316 | 170,232,056,537 |
| 132 | 2. Short-term advances to suppliers | 8 | 755,175,650,677 | 1,070,601,322,639 |
| 136 | 3. Other short-term receivables | 9 | 158,048,756,336 | 276,292,715,200 |
| 137 | 4. Provision for doubtful short-term receivables | 7 | (3,108,486,026) | (1,041,544,375) |
| 140 | IV. INVENTORY | | 7,994,802,959,880 | 9,331,028,013,395 |
| 141 | Inventories | 10 | 7,994,802,959,880 | 9,331,028,013,395 |
| 150 | V. OTHER CURRENT ASSETS | | 8,237,312,625 | 16,675,216,645 |
| 151 | 1. Short-term prepaid expenses | 11 | 2,535,665,201 | 4,699,725,667 |
| 152 | 2. Value-added tax deductible | 19 | 3,055,335,504 | 11,804,834,925 |
| 153 | 3. Tax and other receivables from the State | 19 | 2,642,764,611 | 170,656,053 |
| 155 | 4. Other current assets | | 3,547,309 | - |
| 200 | B. NON-CURRENT ASSETS | | 3,606,685,291,937 | 4,688,355,121,724 |
| 210 | I. LONG-TERM RECEIVABLES | | 1,566,429,244,555 | 988,174,914,270 |
| 211 | 1. Long-term trade receivables | 7 | 100,000,000,000 | 50,000,000,000 |
| 216 | 2. Other long-term receivables | 9 | 1,466,429,244,555 | 938,174,914,270 |
| 220 | II. FIXED ASSETS | | 17,573,105,541 | 34,077,217,131 |
| 221 | 1. Tangible fixed assets | 12 | 16,528,118,651 | 33,676,251,475 |
| 222 | Cost | | 27,710,898,627 | 69,544,998,761 |
| 223 | Accumulated depreciation | | (11,182,779,976) | (35,868,747,286) |
| 227 | 2. Intangible fixed assets | 13 | 1,044,986,890 | 400,965,656 |
| 228 | Cost | | 3,171,378,036 | 3,357,367,536 |
| 229 | Accumulated amortisation | | (2,126,391,146) | (2,956,401,880) |
| 230 | III. INVESTMENT PROPERTIES | 14 | 75,415,499,883 | 69,391,784,192 |
| 231 | 1. Cost | | 82,664,270,272 | 75,664,270,272 |
| 232 | 2. Accumulated depreciation | | (7,248,770,389) | (6,272,486,080) |
| 240 | IV. LONG-TERM ASSET IN PROGRESS | | 908,369,586,162 | 898,176,435,935 |
| 242 | 1. Construction in progress | 15 | 908,369,586,162 | 898,176,435,935 |
| 250 | V. LONG-TERM INVESTMENTS | | 5,502,000,000 | 1,733,949,000,000 |
| 252 | 1. Investments in associates | 16 | 2,692,000,000 | 1,733,949,000,000 |
| 255 | 2. Held-to-maturity investment | | 2,810,000,000 | - |
| 260 | VI. OTHER LONG-TERM ASSETS | | 1,033,395,855,796 | 964,585,770,196 |
| 261 | 1. Long-term prepaid expenses | 11 | 1,033,362,960,251 | 964,520,684,604 |
| 262 | 2. Deferred tax assets | 31.3 | 32,895,545 | 65,085,592 |
| 270 | TOTAL ASSETS | | 13,961,379,480,191 | 15,617,489,554,689 |

| CONSOLIDATED BALANCE SHEET (CONTINUED) AS AT 31 DECEMBER 2020 | | | | VND |
|---|---|-------|---------------------------|---------------------------|
| Code | RESOURCES | Notes | Beginning balance | Ending balance |
| 300 | C. LIABILITIES | | 9,592,450,613,317 | 10,423,212,058,012 |
| 310 | I. CURRENT LIABILITIES | | 3,072,749,465,963 | 4,386,260,247,758 |
| 311 | 1. Short-term trade payables | 17 | 260,918,338,771 | 288,279,900,889 |
| 312 | 2. Short-term advances from customers | 18 | 651,149,337,644 | 619,995,008,225 |
| 313 | 3. Statutory obligations | 19 | 178,844,784,958 | 489,894,325,264 |
| 314 | 4. Payables to employees | | 4,531,081,501 | 13,130,285,261 |
| 315 | 5. Short-term accrued expenses | 20 | 145,704,680,565 | 78,205,851,801 |
| 319 | 6. Other short-term payables | 21 | 623,410,262,001 | 1,480,519,543,789 |
| 320 | 7. Short-term loans | 22 | 1,201,598,912,000 | 1,413,560,061,129 |
| 322 | 8. Bonus and welfare fund | 23 | 6,592,068,523 | 2,675,271,400 |
| 330 | II. NON-CURRENT LIABILITIES | | 6,519,701,147,354 | 6,036,951,810,254 |
| 337 | 1. Other long-term liabilities | 21 | 5,549,400,552,616 | 5,551,706,991,616 |
| 338 | 2. Long-term loans | 22 | 970,300,594,738 | 485,244,818,638 |
| 400 | D. OWNERS' EQUITY | | 4,368,928,866,874 | 5,194,277,496,677 |
| 410 | I. CAPITAL | | 4,368,928,866,874 | 5,194,277,496,677 |
| 411 | 1. Share capital | 24.1 | 3,276,579,720,000 | 3,961,698,970,000 |
| 411A | Shares with voting rights | | 3,276,579,720,000 | 3,961,698,970,000 |
| 412 | 2. Share premium | 24.1 | 11,680,300,000 | 11,680,300,000 |
| 418 | 3. Investment and development fund | 24.1 | 137,513,584,076 | 155,013,584,076 |
| 421 | 4. Undistributed earnings | 24.1 | 871,304,238,377 | 973,918,145,839 |
| 421A | Undistributed earnings by the end of prior year | | 4,365,082,023 | 17,609,608,196 |
| 421B | Undistributed earnings of current year | | 866,939,156,354 | 956,308,537,643 |
| 429 | 5. Non-controlling interests | 25 | 71,851,024,421 | 91,966,496,762 |
| 440 | TOTAL LIABILITIES AND OWNERS' EQUITY | | 13,961,379,480,191 | 15,617,489,554,689 |



Vo Thi Minh Hang
Preparer
1 March 2021



Vu Quynh Hoa
Chief Accountant



Bui Quang Anh Vu
CEO

Consolidated financial statements

| CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2020 | | | | VND |
|---|---|-------|---------------------|---------------------|
| Code | ITEMS | Notes | Previous year | Current year |
| 1 | 1. Revenue from sale of goods and rendering of services | 26 | 3,410,467,569,021 | 3,911,211,875,460 |
| 2 | 2. Deductions | 26 | (10,281,555,066) | - |
| 10 | 3. Net revenue from sale of goods and rendering of services | 26 | 3,400,186,013,955 | 3,911,211,875,460 |
| 11 | 4. Cost of goods sold and services rendered | 27 | (2,082,172,994,694) | (2,089,297,271,479) |
| 20 | 5. Gross profit from sale of goods and rendering of services | | 1,318,013,019,261 | 1,821,914,603,981 |
| 21 | 6. Finance income | | 8,191,043,675 | 6,122,334,350 |
| 22 | 7. Finance expenses | 28 | (101,578,949) | (31,064,169,156) |
| 23 | In which: Interest expenses | | - | (23,044,589,042) |
| 25 | 8. Selling expenses | 29 | (124,034,028,139) | (117,902,117,428) |
| 26 | 9. General and administrative expenses | 29 | (93,003,741,165) | (130,208,516,284) |
| 30 | 10. Operating profit | | 1,109,064,714,683 | 1,548,862,135,463 |
| 31 | 11. Other income | | 4,447,792,353 | 77,457,535 |
| 32 | 12. Other expenses | | (8,201,664,074) | (8,719,449,815) |
| 40 | 13. Other loss | | (3,753,871,721) | (8,641,992,280) |
| 50 | 14. Accounting profit before tax | | 1,105,310,842,962 | 1,540,220,143,183 |
| 51 | 15. Current corporate income tax expense | 31.1 | (230,723,252,719) | (319,999,845,246) |
| 52 | 16. Deferred tax income (expense) | 31.1 | (444,203,896) | 32,190,047 |
| 60 | 17. Net profit after tax | | 874,143,386,347 | 1,220,252,487,984 |
| 61 | 18. Net profit after tax attributable to shareholders of the parent | | 874,138,744,149 | 1,220,323,637,643 |
| 62 | 19. Net (loss) profit after tax attributable to non-controlling interests | | 4,642,198 | (71,149,659) |
| 70 | 20. Basic earnings per share (VND/share) | 33 | 2,141 | 2,926 |
| 71 | 21. Diluted earnings per share (VND/share) | 33 | 2,141 | 2,926 |



Vo Thi Minh Hang
Preparer

1 March 2021



Vu Quynh Hoa
Chief Accountant



Bui Quang Anh Vu
CEO

| CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2020 | | | | VND |
|--|---|------------|---------------------|---------------------|
| Code | ITEMS | Notes | Previous year | Current year |
| I CASH FLOWS FROM OPERATING ACTIVITIES | | | | |
| 1 | Accounting profit before tax | | 1,105,310,842,962 | 1,540,220,143,183 |
| Adjustments for: | | | | |
| 2 | Depreciation and amortisation of fixed assets and investment properties | 12, 13, 14 | 6,010,671,000 | 7,319,208,489 |
| 3 | Reversal of provision | | (704,596,848) | - |
| 4 | Foreign exchange gain arising from revaluation of monetary accounts denominated in foreign currency | | - | (900,000,000) |
| 5 | Interest income | | (6,682,602,020) | (5,222,334,350) |
| 6 | Interest expenses | | - | 25,834,239,060 |
| 8 | Operating profit before changes in working capital | | 1,103,934,315,094 | 1,567,251,256,382 |
| 9 | Decrease (increase) in receivables | | (64,568,313,755) | 838,561,385,547 |
| 10 | Decrease (increase) in inventories | | (3,453,811,699,227) | 1,610,545,181,604 |
| 11 | Increase in payables | | 1,759,427,245,554 | 758,747,183,095 |
| 12 | Decrease (increase) in prepaid expenses | | (109,651,679,990) | 66,735,558,633 |
| 14 | Interest paid | | (76,813,864,626) | (284,440,701,611) |
| 15 | Corporate income tax paid | | (156,800,342,826) | (146,852,552,847) |
| 17 | Other cash outflows for operating activities | | (19,491,463,244) | (25,817,710,904) |
| 20 | Net cash flows from (used in) operating activities | | (1,017,775,803,020) | 4,384,729,599,899 |
| II CASH FLOWS FROM INVESTING ACTIVITIES | | | | |
| 21 | Purchase and construction of fixed assets | | (101,269,950,297) | (484,545,332,616) |
| 23 | Payments for term deposits at banks | | (2,810,000,000) | (9,370,299,200) |
| 25 | Payments for investments in other entities | | (599,743,496,260) | (3,864,327,521,217) |
| 26 | Collections of investments in other entities | | - | 60,000,000,000 |
| 27 | Interest received | | 6,693,043,675 | 5,222,334,350 |
| 30 | Net cash flows used in investing activities | | (697,130,402,882) | (4,293,020,818,683) |
| III CASH FLOWS FROM FINANCING ACTIVITIES | | | | |
| 33 | Drawdown of borrowings | | 2,456,471,923,000 | 1,161,200,000,000 |
| 34 | Repayment of borrowings | | (284,572,416,262) | (1,453,127,583,738) |
| 36 | Dividends paid | | - | (392,949,253,200) |
| 40 | Net cash flows (used in) from financing activities | | 2,171,899,506,738 | (684,876,836,938) |
| 50 | Net (decrease) increase in cash and cash equivalents for the year | | 456,993,300,836 | (593,168,055,722) |
| 60 | Cash at beginning of the year | | 189,341,108,610 | 646,334,409,446 |
| 70 | Cash and cash equivalents at end of the year | 5 | 646,334,409,446 | 53,166,353,724 |



Vo Thi Minh Hang
Preparer

1 March 2021



Vu Quynh Hoa
Chief Accountant



Bui Quang Anh Vu
CEO

Competences and achievements

Gearing up on the new height

Reaching a conglomerate scale based on core capabilities

Sustainable development report

Consolidated financial statement

Key projects made pdr's history

Consolidated financial statements

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

as at 31 December 2020 and for the year then ended

1. CORPORATE INFORMATION

Phat Dat Real Estate Development Corp (“the Company”) is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to the Business Registration Certificate (“BRC”) No. 4103002655 issued by the Department of Planning and Investment (“DPI”) of HCMC on 13 September 2004, as amended.

The Company’s shares were listed on the Ho Chi Minh Stock Exchange (“HOSE”) with code PDR in accordance with the License No. 1207/SGDHCM-NY issued by the HOSE on 9 July 2010.

The current principal activities of the Company and its subsidiaries (“the Group”) are to construct and trade real estate properties; to undertake the civil and industrial projects, bridges and roads; and to provide real estate brokerage and valuation services, and real estate trading centre and management.

The Company’s registered head office is located at Floors 8 and 9 Tower B, Viettel Building, 285 Cach Mang Thang Tam Street, Ward 12, District 10, HCMC, Vietnam.

The number of the Group’s employees as at 31 December 2020 was 267 (31 December 2019: 190).

On 8 February 2020, the Group received the Notification of the DPI of HCMC indicating the completion of the process to dissolve Phu Hung Real Estate Investment Company Limited (“Phu Hung”) – a Company’s subsidiary, which the BOD decided to dissolve in accordance with Decision No. 21/2018/QD-HDQT on 6 November 2018.

On 9 December 2020, the Group received the Notification of the DPI of HCMC indicating the completion of the process to dissolve Phat Dat Investment Limited Company (“Phat Dat Investment”) – a Company’s subsidiary, which the BOD decided to dissolve in accordance with Decision No. 25/2019/QD-HDQT on 14 November 2019.

In addition, the Group has 3 associates as disclosed in Note 16.

Corporate structure

As at 31 December 2020, the Company has 6 following subsidiaries which were consolidated into the consolidated financial statements of the Group:

DK PHU QUOC CORPORATION (“DK PHU QUOC”)

DK Phu Quoc is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to the BRC No. 1701522101 issued by the DPI of Kien Giang Province on 22 April 2011, as amended. DK Phu Quoc’s registered head office is located at Group 17, C Lot, Quarter 5, Duong Dong Ward, Phu Quoc City, Kien Giang Province, Vietnam. The principal activities of DK Phu Quoc are to trade real estate properties and provide construction services.

As at 31 December 2020 and 31 December 2019, the Group holds a 99% equity share and voting rights in this subsidiary.

COININ CONSTRUCTION INVESTMENT INFRASTRUCTURE COMPANY LIMITED (“COININ”)

Coinin is a limited liability company with two or more members incorporated under the Law on Enterprise of Vietnam pursuant to the BRC No. 0313662185 issued by the DPI of HCMC on 25 February 2016, as amended. Coinin’s registered head office is located at No. 271/16, An Duong Vuong Street, Ward 3, District 5, HCMC, Vietnam. The principal activities of Coinin are to trade real estate properties and provide construction services.

As at 31 December 2020 and 31 December 2019, the Group holds a 80% equity share and voting rights in this subsidiary.

SAI GON - KL REAL ESTATE CORPORATION (“SAI GON - KL”)

Sai Gon - KL is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to the BRC No. 13700902915 issued by the DPI of Binh Duong Province on 29 April 2008, as amended. Sai Gon - KL’s registered head office is located at Land lot No. 1186 - 1187, Map sheet No. 6-2 (D2), Binh Duc Quarter, Binh Hoa Ward, Thuan An City, Binh Duong Province, Vietnam. The principal activity of Sai Gon - KL is to trade real estate properties.

As at 31 December 2020 and 31 December 2019, the Group holds a 99% equity share and voting rights in this subsidiary.

NGO MAY REAL ESTATE INVESTMENT JOINT STOCK COMPANY (“NGO MAY”)

Ngo May is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to the BRC No. 4101553978 issued by the DPI of Binh Dinh Province on 19 November 2019. Ngo May’s registered head office is located at No. 1, Ngo May Street, Nguyen Van Cu Ward, Quy Nhon City, Binh Dinh Province, Vietnam. The principal activity of Ngo May is to trade real estate properties.

As at 31 December 2020 and 31 December 2019, the Group holds a 94% equity share and voting rights in this subsidiary.

BEN THANH - LONG HAI CORPORATION (“BEN THANH - LONG HAI”) (NOTE 4)

Ben Thanh - Long Hai is a shareholding company incorporated under the Law on Enterprises of Vietnam pursuant to the BRC No. 3500783805 issued by the DPI of Ba Ria - Vung Tau Province on 1 March 2007, as amended. Ben Thanh - Long Hai’s registered head office is located at Road 44A, Phuoc Hai Town, Dat Do District, Ba Ria - Vung Tau Province, Vietnam. The principal activity of Ben Thanh - Long Hai is to trade real estate properties.

As at 31 December 2020, the Group holds a 99% equity share and voting rights in this subsidiary.

PHAT DAT INDUSTRIAL PARK INVESTMENT JOINT STOCK COMPANY (“PHAT DAT IP”)

During the year, the Group contributed of VND 462,400,000,000, equivalent to 68% ownership interest, to establish Phat Dat IP, a shareholding company incorporated under the Law on Enterprises of Vietnam pursuant to the BRC No. 0316462970 issued by the DPI of HCMC on 31 August 2020. Phat Dat IP’s registered head office is located at Floor 9 Tower B, Viettel Building, 285 Cach Mang Thang Tam Street, Ward 12, District 10, HCMC, Vietnam. The principal activity of Phat Dat IP is to trade real estate properties.

As at 31 December 2020, the Group holds a 68% equity share and voting rights in this subsidiary.

Notes to the consolidated financial statements (continued)

2. BASIS OF PREPARATION**2.1 Accounting standards and system**

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

Decision No. 149/2001/QD-BTC dated 31 December 2001 on the Issuance and Promulgation of Four Vietnamese Accounting Standards (Series 1);

Decision No. 165/2002/QD-BTC dated 31 December 2002 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 2);

Decision No. 234/2003/QD-BTC dated 30 December 2003 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 3);

Decision No. 12/2005/QD-BTC dated 15 February 2005 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 4); and

Decision No. 100/2005/QD-BTC dated 28 December 2005 on the Issuance and Promulgation of Four Vietnamese Accounting Standards (Series 5).

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

2.2 Applied accounting documentation system

The Group's applied accounting documentation system is the General Journal system.

2.3 Fiscal year

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

2.4 Accounting currency

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

2.5 Basis of consolidation

The consolidated financial statements of the Group comprise the financial statements of the Company and its subsidiaries for the year ended 31 December 2020.

Subsidiary is fully consolidated from the date of acquisition, being the date on which the Company obtains control, and continued to be consolidated until the date that such control ceases.

The consolidated financial statements of the Company and its subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies.

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

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

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

When the acquisition of subsidiaries does not represent a business combination, it is accounted for as an acquisition of a group of assets and liabilities. The cost of the acquisition is allocated to the assets and liabilities acquired based upon their relative fair values, and no goodwill or deferred tax is recognised.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**3.1 Cash and cash equivalents**

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

3.2 Inventories

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

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

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

Merchandise - cost of purchase on a weighted average basis.

Provision for obsolete inventories

- An inventory provision is created for the estimated loss arising due to the impairment of value (through diminution, damage, obsolescence, etc.) of inventories owned by the Group, based on appropriate evidence of impairment available at the balance sheet date.
- Increases or decreases to the provision balance are recorded into the cost of goods sold account in the consolidated income statement.

Inventory property

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

Cost includes:

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

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

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

3.3 Receivables

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

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

3.4 Fixed assets

Tangible fixed assets and intangible fixed assets are stated at cost less accumulated

depreciation and amortisation.

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

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

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

3.5 Leased assets

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

Where the Group is the lessee

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

Where the Group is the lessor

Assets subject to operating leases are included as the Group's investment properties in the consolidated balance sheet. Initial direct costs incurred in negotiating an operating lease are recognised in the consolidated income statement as incurred.

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

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

| | |
|--------------------------|--------------|
| Buildings and structures | 5 – 25 years |
| Machinery and equipment | 6 – 7 years |
| Means of transportation | 3 – 6 years |
| Office equipment | 6 – 8 years |
| Computer software | 3 years |

3.7 Investment properties

Investment properties comprise land use rights, buildings or part of a building or both and infrastructure held to earn rentals or for capital appreciation, or both, rather than for use in the production or supply of goods or services; administration purposes or sale in the ordinary course of business.

Investment properties are stated at cost including transaction costs less accumulated depreciation.

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

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

| | |
|---|--------------------|
| Buildings and structures | 25 – 48 years |
| Land use rights with indefinite useful life | are not amortised. |

Notes to the consolidated financial statements (continued)

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

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

3.8 Construction in progress

Construction in progress represents fixed assets under construction and is stated at historical cost. This includes costs of construction, installation of equipment and other direct costs. Construction in progress is not depreciated until such time as the relevant assets are completed and put into operation.

3.9 Borrowing costs

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

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

3.10 Prepaid expenses

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

The following types of expenses are recorded as prepaid expense and are amortised or recognised consistently with revenue to the consolidated income statement:

- The EverRich 2 project compensation expenses and management fees;
- Commission fees;
- Advertising expenses;
- Office renovation costs; and
- Tools and supplies.

3.11 Assets acquisitions and business combinations

The Group acquires subsidiaries that own assets and production activities. At the date of acquisition, the Group considers whether the acquisition represents the acquisition of a business. The Group accounts for an acquisition as a business combination where an integrated set of activities is acquired in addition to the assets.

When the acquisition of subsidiaries does not represent a business combination, it is accounted for as an acquisition of a group of assets and liabilities. The cost of the acquisition is allocated to the assets and liabilities acquired based upon their relative fair values, and no goodwill or deferred tax is recognised.

3.12 Investments

Investments in associates

The Group's investments in its associates are accounted for using the equity method of accounting. An associate is an entity in which the Group has significant influence that is neither subsidiaries nor joint ventures. The Group generally deems they have significant influence if they have over 20% of the voting rights.

Under the equity method, the investment is carried in the consolidated balance sheet at cost plus post acquisition changes in the Group's share of net assets of the associate. Goodwill arising on acquisition of the associate is included in the carrying amount of the investment. Goodwill is not amortised. The consolidated income statement reflects the share of the post-acquisition results of operation of the associate.

The share of post-acquisition profit (loss) of the associate is presented on face of the consolidated income statement and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Dividend receivable from associate reduces the carrying amount of the investment.

The financial statements of the associates are prepared for the same reporting period and use the same accounting policies as the Group. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

Held-to-maturity investments

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

Provision for diminution in value of investments

Provision of the investment is made when there are reliable evidences of the diminution in value of those investments at the balance sheet date. Increases or decreases to the provision balance are recorded as finance expenses in the consolidated income statement.

3.13 Payables and accruals

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

3.14 Foreign currency transactions

Transactions in currencies other than the Group's reporting currency of VND are recorded at the actual transaction exchange rates at transaction dates which are determined as follows:

- Transactions resulting in receivables are recorded at the buying exchange rates of the commercial banks designated for collection; and
- Transactions resulting in liabilities are recorded at the selling exchange rates of the commercial banks designated for payment;

At the end of the year, monetary balances denominated in foreign currencies are translated at the actual exchange rates at the balance sheet dates which are determined as follows:

- Monetary assets are translated at buying exchange rate of the commercial bank where the Group conducts transactions regularly; and
- Monetary liabilities are translated at selling exchange rate of the commercial bank where the Group conducts transactions regularly.

All foreign exchange differences incurred are taken to the consolidated income statement.

3.15 Appropriation of net profits

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

The Group maintains the following reserve funds which are appropriated from the Group's net profit as proposed by the BOD ("BOD") and subject to approval by shareholders at the AGM.

Investment and development fund

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

Bonus and welfare fund

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

Dividends

Final dividends proposed by the Company's BOD are classified as an allocation of undistributed earnings within the equity section on the consolidated balance sheet, until they have been

approved by shareholders at the AGM. At that time, they are recognised as a liability in the consolidated balance sheet.

3.16 Revenue recognition

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

Sale of apartments

For apartments sold after completion of construction, the revenue is recognised when the significant risks and rewards of ownership of apartments have been transferred to the buyers, usually upon the handing over of apartments.

Sale of residential plots and related infrastructure

Doanh thu được ghi nhận khi phần lớn rủi ro và lợi ích liên quan Revenue is recognised when the significant risks and rewards of ownership of residential plots and related infrastructures have been transferred to the buyers, usually upon the handing over of residential plots and related infrastructures.

Rental income

Rental income receivable under operating leases is recognised on a straight-line basis over the term of the lease.

Rendering of services

Revenue is recognised upon the services had been provided and completed.

Interest income

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

3.17 Taxation

Current income tax

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

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

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

Notes to the consolidated financial statements (continued)

Deferred tax

Thuế thu nhập hoãn lại được xác định cho các khoản chênh lệch Deferred tax is provided using the balance sheet liability method on temporary differences at the balance sheet date between the tax base of assets and liabilities and their carrying amount for financial reporting purposes.

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

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

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

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

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

3.18 Earnings per share

Basic earnings per share amount is computed by dividing net profit after tax for the period attributable to ordinary shareholders of the Company (after adjusting for the bonus and welfare fund and BOD's remuneration) by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the net profit after tax attributable to ordinary shareholders of the Company (after adjusting for the bonus and welfare fund and BOD's remuneration) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

3.19 Segment information

A segment is considered as an independent department of the Group which involve in the process of providing products or rendering services (business segment), or providing products or rendering services in a specific economic environment (geographical segment). These departments are responsible for risk and gain benefit separately from other department.

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

3.20 Related parties

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

4. ASSETS ACQUISITION

Vào ngày 7 tháng 9 năm 2020, Nhóm Công ty đã hoàn tất On 7 September 2020, the Group completed the acquisition of 99% ownership interest in Ben Thanh - Long Hai from previous shareholders at a consideration of VND 1,980,000,000,000. Accordingly, Ben Thanh - Long Hai became the Group's subsidiary from that date.

Management assessed that the said cost of acquisition represents the fair value of the project owned by this newly-acquired subsidiary. As a result, management accounted for this acquisition as asset acquisition rather than business combination because this subsidiary only owns real estate project and is not in official commercial operation yet.

5. CASH AND CASH EQUIVALENTS

| | VND | |
|----------------------|------------------------|-----------------------|
| | Beginning balance | Ending balance |
| Cash on hand | 136,492,947 | 194,029,113 |
| Cash in banks | 646,197,916,499 | 46,972,324,611 |
| Cash equivalents (*) | - | 6,000,000,000 |
| Total | 646,334,409,446 | 53,166,353,724 |

* Cash equivalents represent term deposit at bank with original maturity of one month and earning interest at the rate of 3.5% per annum.

6. HELD-TO-MATURITY INVESTMENTS

Held-to-maturity investments represent deposits at banks with original maturities of twelve months and earning interest at the rates ranging from 5.45% to 6.38% per annum.

7. TRADE RECEIVABLES

| | VND | |
|---|------------------------|------------------------|
| | Beginning balance | Ending balance |
| Short-term | 795,203,585,316 | 170,232,056,537 |
| Receivables from other parties | 695,788,611,272 | 119,083,656,537 |
| Thien Minh Real Estate Investment Corporation | 344,738,890,572 | 70,615,693,202 |
| Danh Khoi Holdings Investment Joint Stock Company | 157,852,595,000 | - |
| Others | 193,197,125,700 | 48,467,963,335 |
| Receivables from related parties (Note 32) | 99,414,974,044 | 51,148,400,000 |
| Long-term | 100,000,000,000 | 50,000,000,000 |
| Receivable from a related party (Note 32) | 100,000,000,000 | 50,000,000,000 |
| Total | 895,203,585,316 | 220,232,056,537 |
| Provision for doubtful short-term receivables | (3,108,486,026) | (1,041,544,375) |
| NET | 892,095,099,290 | 219,190,512,162 |

Movements of provision for doubtful short-term receivables were as follows:

| | VND | |
|---------------------------------------|----------------------|----------------------|
| | Previous year | Current year |
| Beginning balance | 3,813,082,874 | 3,108,486,026 |
| Write-off provision during the year | - | (2,066,941,651) |
| Reversal of provision during the year | (704,596,848) | - |
| Ending balance | 3,108,486,026 | 1,041,544,375 |

Notes to the consolidated financial statements (continued)

8. SHORT-TERM ADVANCES TO SUPPLIERS

| | VND | |
|---|------------------------|--------------------------|
| | Beginning balance | Ending balance |
| 620 Infrastructure Development and Investment Corporation | 361,572,995,000 | 373,200,000,000 |
| Advances to individuals for project and capital transfer | 63,691,635,000 | 275,371,128,500 |
| Mr Pham Cong Thanh | - | 100,000,000,000 |
| Ms Nguyen Thi Phuong Thao | 9,691,635,000 | 85,371,128,500 |
| Ms Nguyen Thi My Duyen | 54,000,000,000 | 54,000,000,000 |
| Mr Nguyen Cao Tien | - | 36,000,000,000 |
| Land Clearance and Compensation Corporation | 178,099,623,590 | 178,881,848,207 |
| Central Construction Corporation | - | 147,804,853,158 |
| Duc Khai Corporation | 70,228,366,367 | 70,228,366,367 |
| Others | 81,583,030,720 | 25,115,126,407 |
| Total | 755,175,650,677 | 1,070,601,322,639 |

9. OTHER RECEIVABLES

| | VND | |
|--|--------------------------|--------------------------|
| | Beginning balance | Ending balance |
| Short-term | 158,048,756,336 | 276,292,715,200 |
| Receivables from other parties | 142,958,293,348 | 266,292,715,200 |
| Minh Hoang Real Estate Business Joint Stock Company ("Minh Hoang") (i) | 17,660,000,000 | 200,000,000,000 |
| Truong Phat Loc Shipping Joint Stock Company ("Truong Phat Loc") (ii) | 75,000,000,000 | 50,000,000,000 |
| Deposits | 6,372,484,000 | 733,360,000 |
| Others | 43,925,809,348 | 15,559,355,200 |
| Receivables from related parties (Note 32) | 15,090,462,988 | 10,000,000,000 |
| Long-term | 1,466,429,244,555 | 938,174,914,270 |
| Receivables from other parties | 1,365,489,492,655 | 898,174,914,270 |
| Phu Quoc Doan Anh Duong Corporation ("Doan Anh Duong") (iii) | 416,000,000,000 | 356,000,000,000 |
| Tan Hoang Real Estate Corporation (iv) | 223,000,000,000 | 223,000,000,000 |
| Tam Binh Real Estate Corporation (iv) | 200,000,000,000 | 200,000,000,000 |
| Truong Phat Loc (ii) | 126,400,000,000 | 76,400,000,000 |
| Phu Quoc Economic Zone Management Board | 38,548,000,000 | 38,548,000,000 |
| Deposits | - | 3,960,245,380 |
| Minh Hoang (i) | 361,400,000,000 | - |
| Others | 141,492,655 | 266,668,890 |
| Receivable from a related party (Note 32) | 100,939,751,900 | 40,000,000,000 |
| Total | 1,624,478,000,891 | 1,214,467,629,470 |

(i) The amount represents remaining receivables from contributed capital from the Business Cooperation Contract ("BCC") regarding to the development of commercial floors and office-apartments of Millennium project located at No. 132, Ben Van Don Street, Ward 6, District 4, HCMC ("Millennium project").

(ii) The amount represents remaining receivable from contributed capital from Investment Cooperation Contract ("ICC") liquidation regarding to the development of Millennium project.

(iii) The amount represents the capital contribution in accordance with the ICC regarding to the development of Vung Bau Ecotourism Project located at Cua Can Commune, Phu Quoc City, Kien Giang Province and earning the shared profit according to the proportion of financial contributions but not less than the interest of 20% p.a.

(iv) The amount represents capital contribution in accordance with the ICC regarding to the construction and development of the ICD Port of Transhipment project located at Long Binh Ward, District 9, HCMC and receiving the shared land area after the project's completion.

10. INVENTORIES

| | VND | |
|----------------------------|--------------------------|--------------------------|
| | Beginning balance | Ending balance |
| Real estate properties (*) | 7,992,915,026,215 | 9,330,555,534,275 |
| Merchandise | 1,887,933,665 | 472,479,120 |
| Total | 7,994,802,959,880 | 9,331,028,013,395 |

(*) Real estate properties mainly include compensation costs, land clearance costs, construction costs, capitalised interest and other development costs incurred for the following on-going real estate projects:

| | VND | |
|---|--------------------------|--------------------------|
| | Beginning balance | Ending balance |
| The EverRich 2 project (i) | 3,597,766,841,597 | 3,603,774,811,610 |
| Tropicana Ben Thanh Long Hai project | - | 1,911,159,780,077 |
| Nhon Hoi - Binh Dinh project (ii) | 2,791,168,413,614 | 1,473,606,599,450 |
| The EverRich 3 project (i) | 875,636,079,563 | 876,296,187,469 |
| Binh Duong Commercial Center and Luxury Apartment project ("Astral City project") | 596,306,128,270 | 624,452,264,818 |
| DK Phu Quoc project | - | 475,559,749,892 |
| Ngo May project (ii) | - | 133,451,877,454 |
| Bau Ca - Quang Ngai project | 37,603,106,026 | 25,530,072,475 |
| Other projects | 94,434,457,145 | 206,724,191,030 |
| Total | 7,992,915,026,215 | 9,330,555,534,275 |

(i) The EverRich 2 and The EverRich 3 projects and all of their associated asset rights were pledged to Vietnam Prosperity Joint Stock Commercial Bank as security collateral for the loans taken by the Group's business partners. As at the balance sheet date, the Group is in progress to fulfil the Government's requirements for transferring the remaining parts of these projects in accordance with ICCs entered with Big Gain Investment Company Limited ("Big Gain") and Dynamic Innovation Company Limited ("Dynamic") (Note 21).

(ii) Nhon Hoi - Binh Dinh and Ngo May projects and all of their associated asset rights were pledged as security collateral for the loans obtained and bonds issued by the Group (Note 22).

Notes to the consolidated financial statements (continued)

11. PREPAID EXPENSES

| | VND | |
|--|--------------------------|------------------------|
| | Beginning balance | Ending balance |
| Short-term | 2,535,665,201 | 4,699,725,667 |
| External services expenses | 381,151,768 | 2,396,976,753 |
| Tools and supplies | 714,438,747 | 649,309,740 |
| Insurance fees | 502,474,083 | 624,185,572 |
| Others | 937,600,603 | 1,029,253,602 |
| Long-term | 1,033,362,960,251 | 964,520,684,604 |
| The EverRich 2 project compensation expenses (*) | 923,823,243,655 | 923,823,243,655 |
| Commission fees | 100,000,000,000 | 20,763,679,587 |
| Office renovation | - | 5,703,519,522 |
| Advertising expenses | 2,910,441,003 | 4,979,719,223 |
| Apartments management fees | 3,383,934,585 | 3,383,934,585 |
| Others | 3,245,341,008 | 5,866,588,032 |
| Total | 1,035,898,625,452 | 969,220,410,271 |

(*) This is the compensation expenses paid to CRE & AGI Consulting Joint Stock Company and Phu Hung, a Company's subsidiary, which was dissolved on 8 February 2020, upon liquidation of BCCs relating to construction and business management of The EverRich 2 project. These BCCs were terminated so that the Group can transfer this project to Big Gain under the ICC (Note 10).

12. TANGIBLE FIXED ASSETS

| | VND | | | | |
|--|--------------------------|-------------------------|-------------------------|----------------------|-------------------------|
| | Buildings and structures | Means of transportation | Machinery and equipment | Office equipment | Total |
| COST | | | | | |
| Beginning balance | - | 23,468,244,085 | 4,242,654,542 | - | 27,710,898,627 |
| New purchase | - | 3,563,938,545 | 2,900,208,000 | - | 6,464,146,545 |
| Increase due to subsidiary consolidation | 34,020,488,862 | 1,419,851,656 | 701,504,800 | 131,174,971 | 36,273,020,289 |
| Reclassify to inventories | - | - | (903,066,700) | - | (903,066,700) |
| Ending balance | 34,020,488,862 | 28,452,034,286 | 6,941,300,642 | 131,174,971 | 69,544,998,761 |
| In which: | | | | | |
| Fully depreciated | 5,141,750,887 | 4,486,489,376 | 3,951,444,387 | 131,174,971 | 13,710,859,621 |
| ACCUMULATED DEPRECIATION | | | | | |
| Beginning balance | - | (7,879,741,473) | (3,303,038,503) | - | (11,182,779,976) |
| Depreciation for the year | (745,189,932) | (3,577,083,018) | (816,795,265) | - | (5,139,068,215) |
| Increase due to subsidiary consolidation | (17,604,286,337) | (1,419,851,656) | (692,608,363) | (131,174,971) | (19,847,921,327) |
| Reclassify to inventories | - | - | 301,022,232 | - | 301,022,232 |
| Ending balance | (18,349,476,269) | (12,876,676,147) | (4,511,419,899) | (131,174,971) | (35,868,747,286) |
| NET CARRYING AMOUNT | | | | | |
| Beginning balance | - | 15,588,502,612 | 939,616,039 | - | 16,528,118,651 |
| Ending balance | 15,671,012,593 | 15,575,358,139 | 2,429,880,743 | - | 33,676,251,475 |

13. INTANGIBLE FIXED ASSETS

| | VND |
|--|------------------------|
| | Computer software |
| COST | |
| Beginning balance | 3,171,378,036 |
| Increase due to subsidiary consolidation | 185,989,500 |
| Ending balance | 3,357,367,536 |
| In which: | |
| Fully amortised | 2,154,470,536 |
| ACCUMULATED AMORTISATION | |
| Beginning balance | (2,126,391,146) |
| Amortisation for the year | (644,021,234) |
| Increase due to subsidiary consolidation | (185,989,500) |
| Ending balance | (2,956,401,880) |
| NET CARRYING AMOUNT | |
| Beginning balance | 1,044,986,890 |
| Ending balance | 400,965,656 |

14. INVESTMENT PROPERTIES

| | Land use rights | Building and structures | VND Total |
|---------------------------------|----------------------|-------------------------|------------------------|
| COST | | | |
| Beginning balance | 12,581,327,536 | 70,082,942,736 | 82,664,270,272 |
| Reclassify to inventories | (5,274,354,545) | (1,725,645,455) | (7,000,000,000) |
| Ending balance | 7,306,972,991 | 68,357,297,281 | 75,664,270,272 |
| ACCUMULATED DEPRECIATION | | | |
| Beginning balance | (786,757,894) | (6,462,012,495) | (7,248,770,389) |
| Depreciation for the year | - | (1,536,119,040) | (1,536,119,040) |
| Reclassify to inventories | 786,757,894 | 1,725,645,455 | 2,512,403,349 |
| Ending balance | - | (6,272,486,080) | (6,272,486,080) |
| NET CARRYING AMOUNT | | | |
| Beginning balance | 11,794,569,642 | 63,620,930,241 | 75,415,499,883 |
| Ending balance | 7,306,972,991 | 62,084,811,201 | 69,391,784,192 |

The fair values of the investment properties were not formally assessed and determined as at 31 December 2020. However, given the current occupancy rate of these properties and market price of surrounding land, it is management's assessment that these properties' market values are higher than their carrying value as at this date.

Notes to the consolidated financial statements (continued)

15. CONSTRUCTION IN PROGRESS

| | VND | |
|---|------------------------|------------------------|
| | Beginning balance | Ending balance |
| Office building (*) | - | 424,892,553,707 |
| The Internal Technical Infrastructure Construction Ancient project in District 9, | 319,511,653,557 | 376,814,929,277 |
| HCMC | 7,976,940,104 | 83,229,865,277 |
| Other projects under Building and Transfer agreements | 398,738,837,674 | - |
| DK Phu Quoc project | 126,992,204,750 | - |
| Ngo May project | - | 11,040,986,310 |
| Accounting software | 55,149,950,077 | 2,198,101,364 |
| Others | 908,369,586,162 | 898,176,435,935 |

(*)Land use rights and its associated assets were pledged as security collateral for the loan obtained by the Group (Note 22). The capitalised interest to invest, develop the projects for the year ended 31 December 2020 was VND 20,996,087,672 (for the year ended 31 December 2019: nil).

16. INVESTMENTS IN ASSOCIATES

| | Beginning balance | | Ending balance | |
|--|-------------------|--------------------------|----------------|----------------------|
| | % of ownership | Amount VND | % of ownership | Amount VND |
| BIDICI Joint Stock Company ("BIDICI") (i) | 49 | 1,092,700,000,000 | - | - |
| Serenity Investment Joint Stock Company ("Serenity") (ii) | 36 | 635,182,000,000 | - | - |
| PDP Project Construction Investment Co., Ltd ("PDP Project") (iii) | 49 | 6,067,000,000 | 49 | 2,692,000,000 |
| Total | | 1,733,949,000,000 | | 2,692,000,000 |

(i) During the year, the Company contributed of VND1,092,700,000,000, equivalent to 49% ownership interest, to establish BIDICI, a shareholding company incorporated under the Law on Enterprises of Vietnam pursuant to the ERC No. 4101576855 issued by the DPI of Binh Dinh Province on 16 October 2020. BIDICI's registered head office is located at 1 Ngo May Street, Nguyen Van Cu Ward, Quy Nhon City, Binh Dinh Province, Vietnam. The principal activity of BIDICI is to trade real estate properties.

(ii) On 31 December 2020, the Company completed the acquisition of 36% of ownership interest in Serenity to implement the Resort and villa project at Ba Ria - Vung Tau Province. Serenity is a shareholding company incorporated under the Law on Enterprises of Vietnam pursuant to the ERC No. 3502421310 issued by the DPI of Ba Ria - Vung Tau Province on 27 March 2020. Serenity's registered head office is located at Hai Tan Quarter, Phuoc Hai Town, Dat Do District, Ba Ria - Vung Tau Province, Vietnam. The principal activity of Serenity is to trade real estate properties.

(iii) PDP Project is a limited liability company with two or more members incorporated under the Law on Enterprise of Vietnam pursuant to the BRC No. 0315143682 issued by the DPI of HCMC on 3 July 2018. PDP Project's registered head office is located at Floor 9 Tower B, Viettel Building, 285 Cach Mang Thang Tam Street, Ward 12, District 10, HCMC, Vietnam. The principal activity of PDP Project is to trade real estate properties. PDP Project's current main project is Phan Dinh Phung construction project at 8 Vo Van Tan, Ward 6, District 3, HCMC. As at the balance sheet date, the Group has contributed of VND6,067,000,000 over its charter capital of VND147,000,000,000 as per BRC.

17. SHORT-TERM TRADE PAYABLES

| | VND | |
|--|------------------------|------------------------|
| | Beginning balance | Ending balance |
| Phu My Hung Investment Corporation | 165,122,193,621 | 165,122,193,621 |
| Sai Gon Transport Construction Joint Stock Company | 61,281,747,788 | 31,336,050,766 |
| Thien An Mechanical Co., Ltd | - | 30,298,070,520 |
| T&T Trading & Services Limited | - | 20,388,979,200 |
| IDV Investment and Trading Joint Stock Company | 6,828,799,823 | 13,074,589,917 |
| Dong Khanh Construction Company Limited | 13,636,067,669 | 11,636,067,669 |
| Others | 14,049,529,870 | 16,423,949,196 |
| Total | 260,918,338,771 | 288,279,900,889 |

18. SHORT-TERM ADVANCES FROM CUSTOMERS

| | VND | |
|---|------------------------|------------------------|
| | Beginning balance | Ending balance |
| Danh Khoi Holdings Investment Joint Stock Company | 556,528,830,332 | 593,402,049,007 |
| Others | 94,620,507,312 | 26,592,959,218 |
| Total | 651,149,337,644 | 619,995,008,225 |
| In which: | | |
| Nhon Hoi - Binh Dinh project | 591,765,616,622 | 593,402,049,007 |
| Other projects | 59,383,721,022 | 26,592,959,218 |

19. STATUTORY OBLIGATIONS

| | VND | | | |
|--------------------------|------------------------|------------------------|--------------------------|------------------------|
| | Beginning balance | Increase | Decrease | Ending balance |
| PAYABLES | | | | |
| Corporate income tax | 143,797,858,831 | 317,598,336,688 | (146,852,552,847) | 314,543,642,672 |
| Value-added tax | 33,134,492,623 | 281,231,232,177 | (142,020,361,162) | 172,345,363,638 |
| Personal income tax | 1,912,433,504 | 34,432,525,058 | (33,488,077,965) | 2,856,880,597 |
| Others | - | 75,838,188,389 | (75,689,750,032) | 148,438,357 |
| Total | 178,844,784,958 | 709,100,282,312 | (398,050,742,006) | 489,894,325,264 |
| RECEIVABLES | | | | |
| Value-added tax | 3,055,335,504 | 36,597,976,215 | (27,848,476,794) | 11,804,834,925 |
| Corporate income tax (*) | 2,642,764,611 | 18,233,061,178 | (20,705,169,736) | 170,656,053 |
| Total | 5,698,100,115 | 54,831,037,393 | (48,553,646,530) | 11,975,490,978 |

(*)In accordance with Circular No. 96/2015/TT-BTC issued by the Ministry of Finance on 22 June 2015 which provides guidelines for implementation of the Law on corporate income tax, the Group is entitled to provisionally pay tax at the rate of 1% on cash collections from its customers.

20. SHORT-TERM ACCRUED EXPENSES

| | VND | |
|--------------------|------------------------|-----------------------|
| | Beginning balance | Ending balance |
| Interest expenses | 78,594,435,111 | 70,161,180,594 |
| Construction costs | 58,475,289,099 | 3,870,537,650 |
| Others | 8,634,956,355 | 4,174,133,557 |
| Total | 145,704,680,565 | 78,205,851,801 |

Notes to the consolidated financial statements (continued)

21. OTHER PAYABLES

| | VND | |
|--|--------------------------|--------------------------|
| | Beginning balance | Ending balance |
| Short-term | 623,410,262,001 | 1,480,519,543,789 |
| Payable to related parties (Note 32) | - | 1,100,758,150,229 |
| Deposits received | 3,373,396,000 | 282,856,500,000 |
| ICCs – Nhon Hoi – Binh Dinh project (*) | 73,000,000,000 | 75,649,786,290 |
| Sai Gon – KL shares transfer | 528,212,980,877 | - |
| Others | 18,823,885,124 | 21,255,107,270 |
| Long-term | 5,549,400,552,616 | 5,551,706,991,616 |
| ICCs – The EverRich 2 and The EverRich 3 projects (**) | 5,547,433,656,616 | 5,547,433,656,616 |
| Others | 1,966,896,000 | 4,273,335,000 |
| Total | 6,172,810,814,617 | 7,032,226,535,405 |

(*) These represent capital received from individuals to develop the Nhon Hoi – Binh Dinh project under ICCs. Accordingly, they will receive the shared actual profit after tax arising from the project but not less than the interest of 15% p.a. on their contributed capital.

(**) On 26 December 2017, the Group has entered into 5-year ICCs with Big Gain in relation to the development of a part of The EverRich 2 project and with Dynamic in relation to the development of apartment block of The EverRich 3 project. According to these ICCs and appendixes:

a. Big Gain/Dynamic has obligation to settle the costs incurred by the Group for the cooperated project.

b. The parties may receive the profits from the project in accordance with the proportion of financial contributions of the parties.

c. After the land use rights certificate of the project is granted for the Group, Big Gain/Dynamic has the option to purchase and the Group has the option to sell 99% of the Group's interest in the ICC at the price equivalent to 99% of the agreed contributed value of the Group in this ICC, plus a surplus that will be agreed upon by the parties.

d. When the legal conditions of the project are met, the Group has the right to assign this project to another partner provided that it fully reimburses Big Gain/Dynamic the contributed amount plus interest. The amount of interest shall be agreed upon by the parties.

As at the balance sheet date, the Group received the amount of VND4,557,365,656,616 and VND990,068,000,000 from Big Gain and Dynamic, respectively.

22. LOANS

| | VND | | | | | |
|--------------------------------------|--------------------------|--------------------------|----------------------------|--------------------------|----------------------|--------------------------|
| | Beginning balance | Increase | Decrease | Reclassify | Revaluation | Ending balance |
| Short-term | 1,201,598,912,000 | 901,746,149,129 | (1,458,987,583,738) | 770,102,583,738 | (900,000,000) | 1,413,560,061,129 |
| Loans from banks (Note 22.1) | 99,652,850,000 | 208,000,000,000 | (30,927,583,738) | 57,427,583,738 | - | 334,152,850,000 |
| Bonds issued (Note 22.2) | 1,101,946,062,000 | 530,546,149,129 | (1,364,860,000,000) | 190,000,000,000 | - | 457,632,211,129 |
| Loans from other parties (Note 22.3) | - | 163,200,000,000 | (63,200,000,000) | 522,675,000,000 | (900,000,000) | 621,775,000,000 |
| Long-term | 970,300,594,738 | 285,046,807,638 | - | (770,102,583,738) | - | 485,244,818,638 |
| Loans from banks (Note 22.1) | 15,427,583,738 | 280,000,000,000 | - | (57,427,583,738) | - | 238,000,000,000 |
| Bonds issued (Note 22.2) | 432,198,011,000 | 5,046,807,638 | - | (190,000,000,000) | - | 247,244,818,638 |
| Loans from other parties (Note 22.3) | 522,675,000,000 | - | - | (522,675,000,000) | - | - |
| Total | 2,171,899,506,738 | 1,186,792,956,767 | (1,458,987,583,738) | - | (900,000,000) | 1,898,804,879,767 |

22.1 Loans from banks

Details of the loans from banks are as follows:

| Bank | Ending balance VND | Principal repayment term | Purpose | Interest rate % p.a. | Description of collateral |
|--|------------------------|---------------------------------------|--|---|--|
| VIETNAM JOINT STOCK COMMERCIAL BANK FOR INDUSTRY AND TRADE – BRANCH 11 HO CHI MINH CITY | | | | | |
| Loan 1 | 266,000,000,000 | From 16 January 2021 to 25 April 2030 | To finance office building project at District 3, HCMC | Interest rate of 12-month deposits + additional capital mobilization cost + 4 | Land use rights and associated assets at District 3, HCMC |
| Loan 2 | 106,500,000,000 | 25 May 2021 | To finance Nhon Hoi – Binh Dinh project | 11 | Land use rights and associated assets Land lot 120, 1 Ngo May, Quy Nhon City, Binh Dinh Province |
| ORIENT COMMERCIAL JOINT STOCK BANK - BEN THANH BRANCH | | | | | |
| Loan 1 | 100,000,000,000 | 28 May 2021 | To finance Nhon Hoi – Binh Dinh project | 9,8 | 14,000,000 PDR shares owned by shareholders |
| JOINT STOCK COMMERCIAL BANK FOR INVESTMENT AND DEVELOPMENT OF VIETNAM – NHA BE BRANCH | | | | | |
| Loan 1 | 99,652,850,000 | 28 January 2021 | To finance Nhon Hoi – Binh Dinh project | 11 | Land use rights and associated assets belongs to Nhon Hoi – Binh Dinh project |
| Total | 572,152,850,000 | | | | |
| In which: | | | | | |
| Short-term | 334,152,850,000 | | | | |
| Long-term | 238,000,000,000 | | | | |

22.2 Bonds issued

Details of the bonds issued at par value are as follows:

| | Ending balance VND | Principal repayment term | Purpose | Interest rate % p.a. | Description of collateral |
|-------------------|------------------------|----------------------------------|---|--|---|
| Bond 1 | 247,244,818,637 | From 3 March 2022 to 3 June 2024 | To finance Nhon Hoi – Binh Dinh project | 10.5 for the first year and interest rate of 24-month VND deposits at Military Commercial Joint Stock Bank + 3.5 | Land use rights and all assets rights belongs to area No. 2, Nhon Hoi – Binh Dinh project; land use rights at Quang Nam Province belong to An Dien - the Group's business partner |
| Bond 2 | 49,562,500,001 | 16 June 2021 | To finance projects of the Group | 13 | 9,150,000 PDR shares owned by shareholders |
| Bond 3 | 299,219,711,113 | 2 July 2021 | To finance projects of the Group | 13 | 25,000,000 PDR shares owned by shareholders |
| Bond 4 | 108,850,000,016 | 9 July 2021 | To finance projects of the Group | 13 | 10,100,000 PDR shares owned by shareholders |
| Total | 704,877,029,767 | | | | |
| In which: | | | | | |
| Short-term | 457,632,211,129 | | | | |
| Long-term | 247,244,818,638 | | | | |

Notes to the consolidated financial statements (continued)

22.3 Loans from other parties

| Lender | Ending balance | | Principal repayment term | Purpose | Interest rate % p.a. | Description of collateral |
|-----------------------------|------------------------|-------------------|--------------------------------|---|----------------------|---|
| | VND | USD | | | | |
| Vietnam New Urban Center LP | 521,775,000,000 | 22,500,000 | From 2 May 2021 to 13 May 2021 | To finance Nhon Hoi - Binh Dinh project | 15 | 18,500,000 PDR shares owned by shareholders |
| Mr Vu Duong Hien | 100,000,000,000 | - | 30 September 2021 | To finance projects of the Group | 13.5 | 5,800,000 PDR shares owned by shareholders |
| Total | 621,775,000,000 | 22,500,000 | | | | |

23. BONUS AND WELFARE FUND

| | VND | |
|-----------------------|----------------------|----------------------|
| | Previous year | Current year |
| Beginning balance | 13,283,531,767 | 6,592,068,523 |
| Increase | 12,800,000,000 | 16,640,913,781 |
| Decrease | (19,491,463,244) | (20,557,710,904) |
| Ending balance | 6,592,068,523 | 2,675,271,400 |

24. OWNERS' EQUITY

24.1 Movements in owners' equity

| | VND | | | | Total |
|------------------------------------|--------------------------|-----------------------|---------------------------------|------------------------|--------------------------|
| | Share capital | Share premium | Investment and development fund | Undistributed earnings | |
| PREVIOUS YEAR | | | | | |
| Beginning balance | 2,663,890,070,000 | 11,680,300,000 | 124,713,584,076 | 645,866,230,447 | 3,446,150,184,523 |
| Net profit for the year | - | - | - | 874,138,744,149 | 874,138,744,149 |
| Transfer to bonus and welfare fund | - | - | - | (12,800,000,000) | (12,800,000,000) |
| Appropriation of net profit | - | - | 12,800,000,000 | (12,800,000,000) | - |
| Dividends share | 612,689,650,000 | - | - | (612,689,650,000) | - |
| BOD's allowance | - | - | - | (10,411,086,219) | (10,411,086,219) |
| Ending balance | 3,276,579,720,000 | 11,680,300,000 | 137,513,584,076 | 871,304,238,377 | 4,297,077,842,453 |
| CURRENT YEAR | | | | | |
| Beginning balance | 3,276,579,720,000 | 11,680,300,000 | 137,513,584,076 | 871,304,238,377 | 4,297,077,842,453 |
| Net profit for the year | - | - | - | 1,220,323,637,643 | 1,220,323,637,643 |
| Transfer to bonus and welfare fund | - | - | - | (16,640,913,781) | (16,640,913,781) |
| Appropriation of net profit | - | - | 17,500,000,000 | (17,500,000,000) | - |
| Dividends by shares (*) | 685,119,250,000 | - | - | (685,119,250,000) | - |
| Dividends by cash | - | - | - | (393,189,566,400) | (393,189,566,400) |
| BOD's allowance | - | - | - | (5,260,000,000) | (5,260,000,000) |
| Ending balance | 3,961,698,970,000 | 11,680,300,000 | 155,013,584,076 | 973,918,145,839 | 5,102,310,999,915 |

(*)On 15 June 2020, the Company completed the issuance of 42,594,915 ordinary shares to pay dividend to existing shareholders at par value of VND10,000/share in accordance with the Resolution of Shareholders No. 01/DHDCD-NQ.2020 dated 25 April 2020 and Decision of BOD No. 06A/2020/QD-HDQT dated 27 April 2020. On 3 July 2020, the Company received the 28th amended Enterprise Registration Certificate issued by the DPI of HCMC, approving the increase of charter capital from VND3,276,579,720,000 to VND3,702,528,870,000.

On 9 November 2020, the Company completed the issuance of 25,917,010 ordinary shares to pay dividend to existing shareholders at par value of VND10,000/share in accordance with the Extraordinary Resolution of Shareholders No. 01/DHDCDBT-NQ.2020 dated 15 October 2020 and Decision of BOD No. 23/2020/QD-HDQT dated 19 October 2020. On 20 November 2020, the Company received the 29th amended Enterprise Registration Certificate issued by the DPI of HCMC, approving the increase of charter capital from VND3,702,528,870,000 to VND3,961,698,970,000.

24.2 Capital transactions with owners and distribution of dividends

| | VND | |
|---|--------------------------|--------------------------|
| | Previous year | Current year |
| CONTRIBUTED SHARE CAPITAL | | |
| Beginning balance | 2,663,890,070,000 | 3,276,579,720,000 |
| Increase during the year | 612,689,650,000 | 685,119,250,000 |
| Ending balance | 3,276,579,720,000 | 3,961,698,970,000 |
| DIVIDENDS | | |
| Dividend declared | 612,689,650,000 | 1,078,308,816,400 |
| Dividend paid | 612,689,650,000 | 1,078,047,503,200 |
| Dividend paid by cash for 2019: VND 1,200 per share | - | 392,928,253,200 |
| Dividend paid by shares for 2019: 13 shares per 100 existing shares (2018: 23 shares per 100 existing shares) | 612,689,650,000 | 425,949,150,000 |
| Dividend paid by shares for 2020: 7 shares per 100 existing shares | - | 259,170,100,000 |

24.3 Shares

| | VND | |
|---------------------------|-------------|----------------|
| | Quantity | Ending balance |
| Authorised shares | 327,657,972 | 396,169,897 |
| Issued and paid-up shares | 327,657,972 | 396,169,897 |
| Ordinary shares | 327,657,972 | 396,169,897 |
| Shares in circulation | 327,657,972 | 396,169,897 |
| Ordinary shares | 327,657,972 | 396,169,897 |

Par value of outstanding share: VND10,000/share (31 December 2019: VND 10,000/share).

25. NON-CONTROLLING INTEREST

| | VND | |
|---|-----------------------|-----------------------|
| | Previous year | Current year |
| Beginning balance | 65,476,000,000 | 71,851,024,421 |
| (Accumulated losses) undistributed earnings | 4,642,198 | (71,149,659) |
| Increase due to acquisition of a subsidiary | 6,370,382,223 | 20,186,622,000 |
| Ending balance | 71,851,024,421 | 91,966,496,762 |

Notes to the consolidated financial statements (continued)

26. REVENUE FROM SALE OF GOODS AND RENDERING OF SERVICES

| | VND | |
|------------------------------------|--------------------------|--------------------------|
| | Previous year | Current year |
| Gross revenue | 3,410,467,569,021 | 3,911,211,875,460 |
| Of which: | | |
| Sale of residential plots | 3,374,904,133,792 | 3,828,122,077,658 |
| Sale of infrastructure | - | 53,738,865,591 |
| Revenue from rendering of services | 15,907,800,844 | 21,321,126,394 |
| Revenue from investment properties | 10,904,791,138 | 8,029,805,817 |
| Sale of apartments | 8,750,843,247 | - |
| Deduction | (10,281,555,066) | - |
| Sales returns | (10,281,555,066) | - |
| NET SALE | 3,400,186,013,955 | 3,911,211,875,460 |
| In which: | | |
| Sale of residential plots | 3,374,904,133,792 | 3,828,122,077,658 |
| Sale of infrastructure | - | 53,738,865,591 |
| Revenue from rendering of services | 15,907,800,844 | 21,321,126,394 |
| Revenue from investment properties | 10,904,791,138 | 8,029,805,817 |
| Sale of apartments | (1,530,711,819) | - |
| In which: | | |
| Sales to other parties | 3,340,913,490,389 | 3,910,117,291,591 |
| Sales to related parties | 59,272,523,566 | 1,094,583,869 |

27. COST OF GOODS SOLD AND SERVICES RENDERED

| | VND | |
|-------------------------------|--------------------------|--------------------------|
| | Previous year | Current year |
| Cost of residential plots | 2,061,653,285,342 | 2,061,777,786,468 |
| Cost of services rendered | 16,075,916,709 | 15,029,618,349 |
| Cost of infrastructure | - | 8,652,533,434 |
| Cost of investment properties | 4,443,792,643 | 3,837,333,228 |
| Total | 2,082,172,994,694 | 2,089,297,271,479 |

28. FINANCE EXPENSES

| | VND | |
|---------------------|--------------------|-----------------------|
| | Previous year | Current year |
| Interest expenses | - | 23,044,589,042 |
| Bond issuance costs | - | 2,789,650,018 |
| Others | 101,578,949 | 5,229,930,096 |
| Total | 101,578,949 | 31,064,169,156 |

29. SELLING EXPENSES AND GENERAL AND ADMINISTRATIVE EXPENSES

| | VND | |
|--|------------------------|------------------------|
| | Previous year | Current year |
| Selling expenses | 124,034,028,139 | 117,902,117,428 |
| Commission fees | 100,559,689,549 | 100,582,808,486 |
| Advertising expenses | 16,116,188,747 | 8,613,193,925 |
| Salaries | 4,609,609,648 | 5,287,394,125 |
| Others | 2,748,540,195 | 3,418,720,892 |
| General and administrative expenses | 93,003,741,165 | 130,208,516,284 |
| Salaries | 56,497,776,993 | 73,792,215,879 |
| External services expenses | 22,292,137,062 | 38,428,300,024 |
| Depreciation and amortisation | 3,155,726,495 | 4,403,559,189 |
| Others | 11,058,100,615 | 13,584,441,192 |
| Total | 217,037,769,304 | 248,110,633,712 |

30. OPERATING COSTS

| | VND | |
|---|--------------------------|--------------------------|
| | Previous year | Current year |
| Construction costs | 3,438,109,455,826 | 1,060,769,467,394 |
| Interest expenses | 148,375,932,092 | 248,771,951,226 |
| External services expenses | 138,860,979,027 | 144,918,058,890 |
| Salaries | 61,103,277,641 | 79,079,610,004 |
| Depreciation and amortisation (Notes 12, 13 and 14) | 6,010,671,000 | 7,319,208,489 |
| Others | 13,917,786,141 | 16,775,889,357 |
| Total | 3,806,378,101,727 | 1,557,634,185,360 |

Competences and achievements

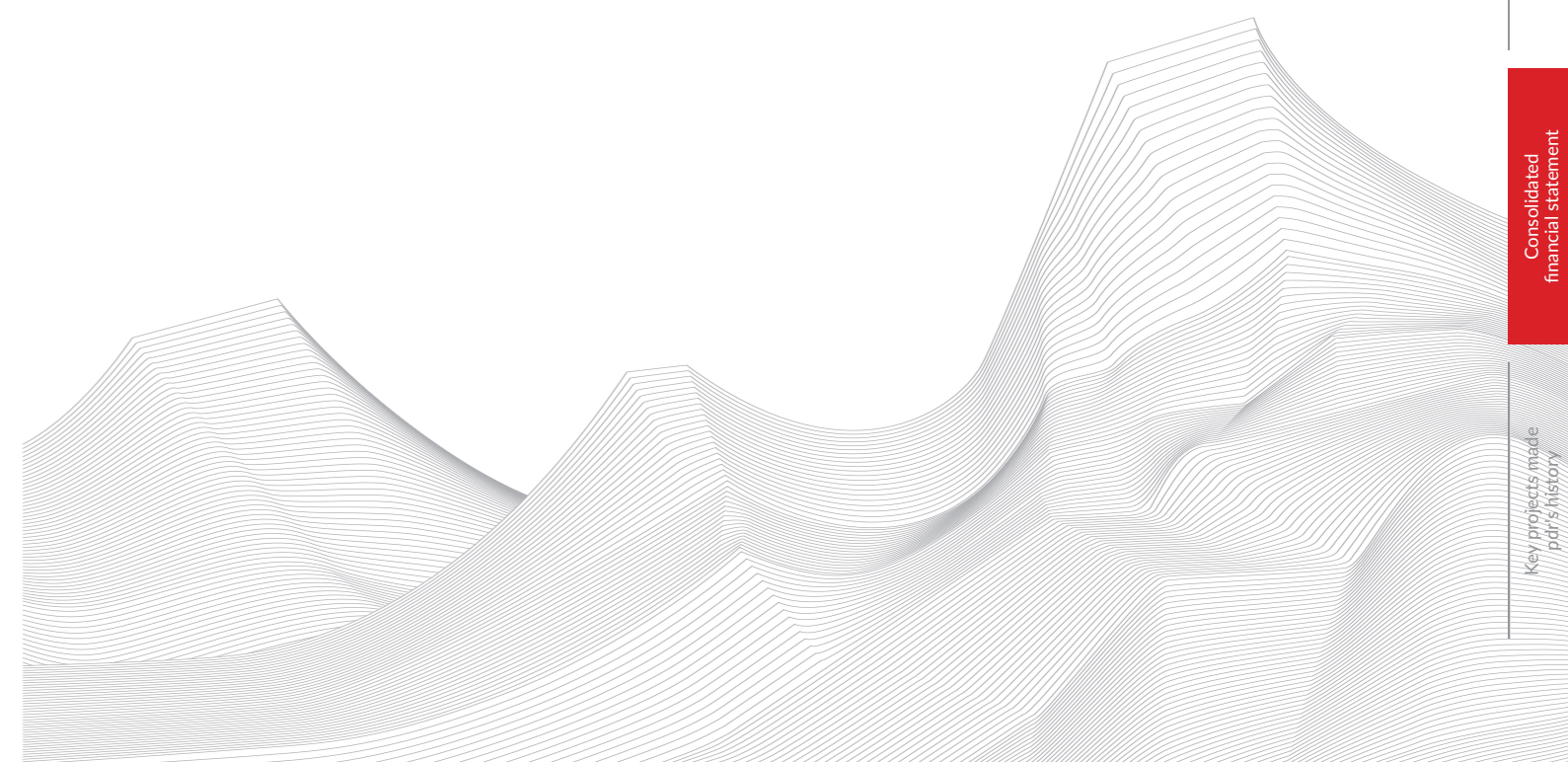
Gearing up on the new height

Reaching a conglomerate scale based on core capabilities

Sustainable development report

Consolidated financial statement

Key projects made pdr's history



Notes to the consolidated financial statements (continued)

31. CORPORATE INCOME TAX

The corporate income tax ("CIT") rate applicable to the Company and its subsidiaries is 20% of taxable profits.

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

31.1 CIT expenses

| | VND | |
|-------------------------------|------------------------|------------------------|
| | Previous year | Current year |
| Current CIT expense | 230,723,252,719 | 319,999,845,246 |
| Deferred CIT (income) expense | 444,203,896 | (32,190,047) |
| Total | 231,167,456,615 | 319,967,655,199 |

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

| | VND | |
|--|--------------------------|--------------------------|
| | Previous year | Current year |
| Accounting profit before tax | 1,105,310,842,962 | 1,540,255,167,512 |
| At CIT rate of 20% | 221,062,168,592 | 308,051,033,502 |
| Adjustments: | | |
| Non-deductible expenses | 10,408,228,294 | 11,463,193,930 |
| Losses in subsidiaries not yet recognised deferred tax asset | 145,856,874 | 460,432,632 |
| Others | (336,595,666) | - |
| CIT expense | 231,167,456,615 | 319,967,655,199 |

31.2 Current tax

The current CIT payable is based on taxable profit for the current year. The taxable profit of the Company and its subsidiaries for the year differs from the accounting profit before tax as reported in the consolidated income statement because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are not taxable or deductible. The Company and its subsidiaries' liability for current tax is calculated using tax rates that have been enacted by the balance sheet date.

31.3 Deferred tax

The following is deferred tax assets recognised by the Company and its subsidiaries, and the movements thereon:

| | Consolidated balance sheet | | Consolidated income statement | |
|--------------------------------------|----------------------------|-------------------|-------------------------------|-------------------|
| | Beginning balance | Ending balance | Previous year | Current year |
| Accrued expenses | 32,895,545 | 65,085,592 | (444,203,896) | 32,190,047 |
| Deferred tax asset | 32,895,545 | 65,085,592 | | |
| Deferred tax income (expense) | | | (444,203,896) | 32,190,047 |

32. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Significant transactions with related parties were as follows:

| Related party | Relationship | Transaction | VND | |
|--|---------------------------|---------------------------------------|-------------------|-------------------|
| | | | Previous year | Current year |
| Mr Nguyen Van Dat | Chairman | Advances | 1,095,878,080,662 | 1,680,467,506,609 |
| | | Collection of advances | 1,095,878,080,662 | 1,680,467,506,609 |
| | | Borrowing | 24,051,013,966 | 567,602,511,828 |
| | | Repayment | 24,051,013,966 | 567,494,361,599 |
| BIDICI | Associate | Borrowing | - | 1,096,250,000,000 |
| | | Capital contribution | - | 1,092,700,000,000 |
| AKYN Service Trading Investment Joint Stock Company ("AKYN") | Related party of Chairman | Collection of investment | - | 50,939,751,900 |
| | | Collection of capital transfer | 27,000,000,000 | 45,000,000,000 |
| | | Collection of real estate transfer | 3,143,000,000 | 18,288,000,000 |
| | | Rendering of services | 494,870,676 | 1,094,583,869 |
| Ms Doan Thi Trang | Related party of Chairman | Collection of expenses paid on behalf | - | 15,219,558,717 |
| | | Collection of real estate transfer | 17,648,000,000 | 15,000,000,000 |
| | | Payments on behalf | 15,125,285,677 | 129,095,729 |
| | | Collection of real estate transfer | 21,000,000,000 | 10,306,377,900 |
| Mr Bui Quang Anh Vu | General Director | Borrowing | - | 1,500,000,000 |
| | | Repayment | - | 1,500,000,000 |
| | | Deposit | - | 800,000,000 |
| | | Real estate transfer | 29,033,813,517 | - |
| Ms Tran Thi Huong | BOD's Deputy Chairwoman | Collection of real estate transfer | 21,000,000,000 | 10,276,238,400 |
| | | Deposit | - | 800,000,000 |
| | | Borrowing | - | 500,000,000 |
| | | Repayment | - | 500,000,000 |
| Mr Le Quang Phuc | BOD's member | Real estate transfer | 29,041,638,544 | - |
| | | Collection of real estate transfer | - | 2,764,080,000 |
| PDP Project | Associate | Deposit | - | 800,000,000 |
| BDSC Management Consulting Corporation | Related party of Chairman | Capital contribution | 2,692,000,000 | 3,375,000,000 |
| | | Receive of service rendered | 2,043,500,000 | 1,884,000,000 |
| Mr Nguyen Thanh Thao | Deputy General Director | Deposit | - | 800,000,000 |
| Mr Le Minh Dung | BOD Independent member | Deposit | - | 800,000,000 |
| Mr Tran Trong Gia Vinh | BOD Independent member | Deposit | - | 400,000,000 |

Notes to the consolidated financial statements (continued)

Remuneration to members of the BOD and Management was as follows:

| Individuals | Position | Remuneration | | VND |
|------------------------|-------------------------|-----------------------|-----------------------|-----|
| | | Previous year | Current year | |
| | | | | |
| Mr Nguyen Van Dat | Chairman | 7,481,609,231 | 6,799,477,733 | |
| Ms Tran Thi Huong | Deputy Chairwoman | 4,377,430,769 | 4,318,156,923 | |
| Mr Nguyen Tan Danh | Deputy Chairman | 3,311,286,154 | 796,262,222 | |
| Mr Le Quang Phuc | BOD member | 1,050,000,000 | 666,013,333 | |
| Mr Doan Viet Dai Tu | BOD Independent member | 1,020,000,000 | 480,000,000 | |
| Mr Khuong Van Muoi | BOD Independent member | 720,000,000 | 480,000,000 | |
| Mr Tran Trong Gia Vinh | BOD Independent member | 720,000,000 | 480,000,000 | |
| Mr Le Minh Dung | BOD Independent member | 320,000,000 | 480,000,000 | |
| Mr Bui Quang Anh Vu | General Director | 2,867,796,923 | 4,502,870,769 | |
| Mr Pham Trong Hoa | Deputy General Director | 2,861,981,538 | 660,000,000 | |
| Mr Nguyen Thanh Thao | Deputy General Director | - | 1,647,875,714 | |
| Total | | 24,730,104,615 | 21,310,656,694 | |

Amounts due from and due to related parties were as follows:

| Related party | Relationship | Transaction | VND | |
|-------------------------------------|---------------------------|--|------------------------|--------------------------|
| | | | Beginning balance | Ending balance |
| SHORT-TERM TRADE RECEIVABLES | | | | |
| AKYN | Related party of Chairman | Capital transfer | 45,000,000,000 | 50,000,000,000 |
| | | Rendering of services | 544,357,744 | 1,148,400,000 |
| | | Sale of apartments | 18,288,000,000 | - |
| Ms Doan Thi Trang | Related party of Chairman | Real estate property transfer | 15,000,000,000 | - |
| Mr Bui Quang Anh Vu | General Director | Sale of residential plots | 10,306,377,900 | - |
| Ms Tran Thi Huong | BOD's Deputy Chairwoman | Sale of residential plots | 10,276,238,400 | - |
| | | | 99,414,974,044 | 51,148,400,000 |
| LONG-TERM TRADE RECEIVABLE | | | | |
| AKYN | Related party of Chairman | Capital transfer | 100,000,000,000 | 50,000,000,000 |
| OTHER SHORT-TERM RECEIVABLES | | | | |
| AKYN | Related party of Chairman | Contributed capital from ICC liquidation | - | 10,000,000,000 |
| Ms Doan Thi Trang | Related party of Chairman | Payments on behalf | 15,090,462,988 | - |
| | | | 15,090,462,988 | 10,000,000,000 |
| OTHER LONG-TERM RECEIVABLE | | | | |
| AKYN | Related party of Chairman | Contributed capital from ICC liquidation | 100,939,751,900 | 40,000,000,000 |
| OTHER SHORT-TERM PAYABLES | | | | |
| BIDICI | Associate | Lending | - | 1,096,250,000,000 |
| Mr Bui Quang Anh Vu | General Director | Deposit | - | 800,000,000 |
| Ms Tran Thi Huong | Deputy Chairwoman | Deposit | - | 800,000,000 |
| Mr Le Quang Phuc | BOD member | Deposit | - | 800,000,000 |
| Mr Tran Trong Gia Vinh | BOD Independence member | Deposit | - | 400,000,000 |
| Mr Le Minh Dung | BOD Independence member | Deposit | - | 800,000,000 |
| Mr Nguyen Thanh Thao | Deputy General Director | Deposit | - | 800,000,000 |
| Mr Nguyen Van Dat | Chairman | Lending | - | 108,150,229 |
| Total | | | - | 1,100,758,150,229 |

Competences and achievements

Gearing up on the new height

Reaching a conglomerate scale based on core capabilities

Sustainable development report

Consolidated financial statement

Key projects and milestones

Notes to the consolidated financial statements (continued)

33. EARNINGS PER SHARE

The Group uses following data to calculate the basic and diluted earnings per share:

| | Previous year (adjusted) | Current year |
|--|--------------------------|--------------------------|
| | | VND |
| Profit after tax attributable to ordinary shareholders of the Company | 874,138,744,149 | 1,220,323,637,643 |
| Less: BOD's allowance (*) | (8,452,000,000) | (24,406,472,753) |
| Bonus and welfare fund (**) | (17,500,000,000) | (36,609,709,129) |
| Net profit after tax attributable to ordinary shareholders of the Company (VND) | 848,027,421,790 | 1,159,307,455,761 |
| Weighted average number of ordinary shares for the year (shares) (**) | 396,169,897 | 396,169,897 |
| Basic earnings per share (VND/share) (par value: VND 10,000/share) | 2,141 | 2,926 |
| Diluted earnings per share (VND/share) | 2,141 | 2,926 |

(*)Profit used to compute earnings per share for the year ended 31 December 2019 have been restated to the amounts reported in the consolidated financial statements for the year ended 31 December 2019 to reflect the actual appropriation of bonus and welfare fund and BOD's allowance and bonus from undistributed net income of 2019 in accordance with the Resolution of Shareholders at AGM dated 25 April 2020.

Profit used to compute earnings per share for the year ended 31 December 2020 was adjusted for the provisional appropriation of bonus and welfare fund and BOD's allowance from undistributed net income of 2020 following the plan as approved by Shareholders at AGM dated 25 April 2020.

(**)The weighted average number of ordinary shares for the year ended 31 December 2020 has been retrospectively adjusted for the dividend shares issued on 15 June 2020 and 9 November 2020.

There have been no dilutive potential ordinary shares during the year and up to the date of these consolidated financial statements.

34. COMMITMENTS**34.1 Capital commitments**

Capital commitments of the Group were as follows:

| | Beginning balance | Ending balance |
|----------------------------------|------------------------|------------------------|
| | | VND |
| Project construction commitments | 742,528,101,725 | 698,453,825,967 |
| Capital contribution commitments | 228,308,000,000 | 285,763,000,000 |
| PDP Project | 144,308,000,000 | 141,763,000,000 |
| Doan Anh Duong | 84,000,000,000 | 144,000,000,000 |
| Total | 970,836,101,725 | 984,216,825,967 |

34.2 Operating lease commitments

The Group leases office under operating lease arrangements with the minimum lease commitment were as follows:

| | Beginning balance | Ending balance |
|-------------------|-------------------|-----------------------|
| | | VND |
| Less than 1 year | - | 15,393,410,900 |
| From 1 to 5 years | - | 46,772,350,275 |
| Total | - | 62,165,761,175 |

35. EVENT AFTER THE BALANCE SHEET DATE

On 12 January 2021, Phat Dat IP received the 1st amended ERC issued by the DPI of HCMC, approving the increase in charter capital from VND680,000,000,000 to VND3,000,000,000,000. Accordingly, the Company's contribution in the charter capital of Phat Dat IP was proportionally increased from VND462,400,000,000 to VND2,040,000,000,000.

Except for the above event, there has been no matter or circumstance that has arisen since the balance date that requires adjustment or disclosure in the consolidated financial statements of the Group.



Vo Thi Minh Hang
Preparer
1 March 2021



Vu Quynh Hoa
Chief Accountant

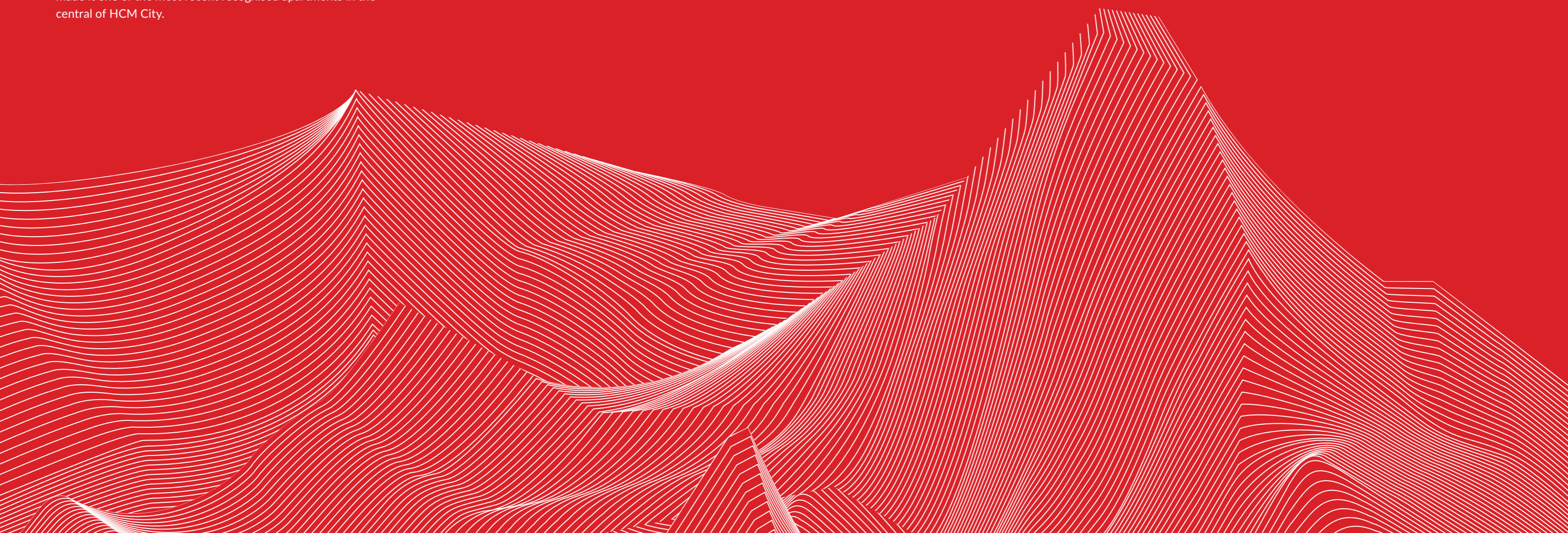


Bui Quang Anh Vu
CEO

KEY PROJECTS THAT MADE PDR SUCCESSFUL

PDR's performance history and prestige are founded on the success of capstone projects in the key market, HCM City, besides other ongoing and newly finished projects across other provinces.

The Company is well known for 4 outstanding apartment projects in luxury segment under the brand name The EverRich. Additionally, in co-operation with our strategic partners, PDR had successfully brought Millennium project to the market and made it one of the most recent recognised apartments in the central of HCM City.



PDR'S MAIDEN PROJECT



THE EVERRICH 1

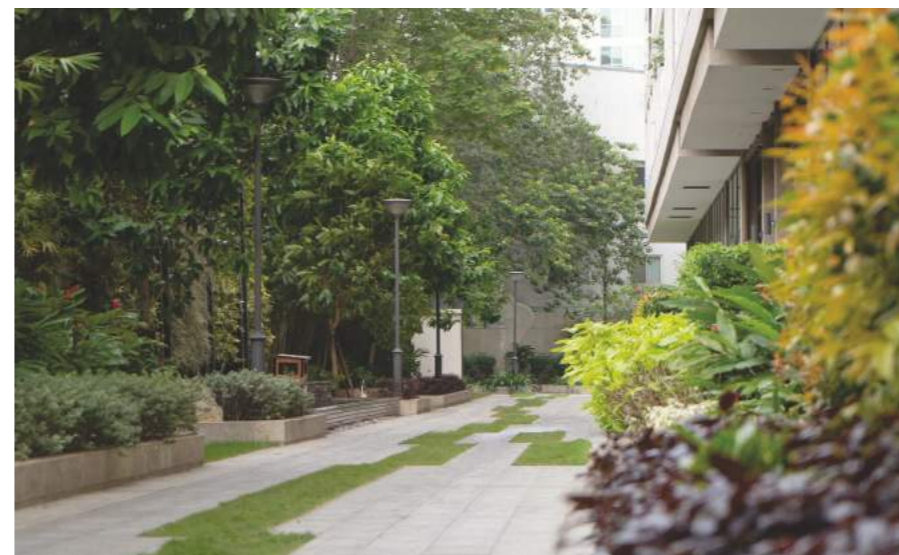
Location: District 11, HCM City

PDR has heavily invested to develop its own brand name, with strong determination to become a professional real estate developer. The brand name The EverRich connotes the meaning of sustainable prosperity in all spheres of life.

The EverRich 1 has proven PDR's capability and verified its prospects in high-end segment of HCM City's real estate market.

The project was officially kicked off in October, 2006 and completed beyond committed schedule in November, 2009 with two buildings on the site of 85,645 m². It consists of 350 apartments, 5 floors of commercial and services area.

Located at intersections of District 5, 6, 10, 11 and Tan Binh, The EverRich 1 is accessible from all around HCM City. Furthermore, with outstanding infrastructure and utilities, The EverRich 1 was considered as an ideal place for successful people. Until now, the project has retained its prestige and value on the market and is the living space for a prosperous community.



Competences and achievements

Gearing up on the new height

Reaching a conglomerate scale based on core capabilities

Sustainable development report

Consolidated financial statement

Key projects made pdr's history

PROJECT OF AESTHETIC DESIGN

THE EVERRICH 2

Location: District 7, HCM City

In PDR's philosophy to develop real estate products, aesthetics spirit to create beauties is one of the most important highlights.

The EverRich 2 is clearly expressive of this spirit, captured by its remarkably unique design inspired by French aestheticism. The project was developed in the harmony with local background and has taken advantage of Sai Gon River's scenery to make an ideal urban space.

Making the significant change on the landscape's appearance of Phu Thuan Ward which was highly cluttered back then, The EverRich 2 is expected to play the key role of creating a new socioeconomic bone in District 7, along with Phu My Hung Urban Area.

Planned on large scale, project has a total site area of 112,585 m² and total construction area of 643,535 m² (with construction density is only 25%) for 3,125 apartments.

The EverRich 2's showflats was officially launched in October, 2010. The advantages from unique architecture, green space availability and prime location of the project has attracted great attention from investors and consumers who have been looking for a prosperous living environment.

The stagnated real estate market had raised concerns on the expected performance of The EverRich 2. However, due to its strong competitiveness, The EverRich 2 is still one of the most prospective projects for new investors after transferring.



Competences and achievements

Gearing up on the new height

Reaching a conglomerate scale based on core capabilities

Sustainable development report

Consolidated financial statement

Key projects made pdr's history

THE PROJECT FOR PERFECT LIVING SPACES



THE EVERRICH³

Location: District 7, HCM City

Alongside The EverRich 2, The EverRich 3 is another grandiose project of PDR at Phu Thuan Ward. These two projects have greatly improved both landscape's appearance and property value at the locality. PDR has also invested in building the bridge named Phu Thuan to form an interlink with Phu My Hung Urban Area.

With its ideal location, good feng shui and soothing scenery, The EverRich 3 was developed for sustainable living which city dwellers always aspire at. Built on total site area of 9.9ha and the construction density is at 35% of total area, The EverRich 3 reserves the big parts for open space and green areas.

The project comprised of 78 villas and townhouses; 2,264 apartments, 1,536 offices beside shopping malls, schools, sport centers, parks and an artificial lake.

PDR perfected this project in every corner, The EverRich 3 was expected to be a factor of the socio economic transformation and become a new destination in District 7.

THE PROJECT THAT STRENGTHENED PDR'S POWER




THE EVERRICH INFINITY

Location: District 5, HCM City

From the great experience with large-scale projects, PDR has clearly figured out market demand and mapped out the new approach. Hence, the company decided to adjust its strategy in order to focus on small and medium size projects in downtown areas.

Additionally, PDR has continued to implement its philosophy to bringing unique aesthetic value, human environment and eco-friendly lifestyle to urban living spaces. Due to the current situation of traffic and economy in the city, such type of projects is highly desired and thus, is expected to bring more opportunities.

The success of The EverRich Infinity confirmed that strategy and helped PDR to efficiently embark on the journey towards its goal.

Designed as a resort compound, The EverRich Infinity offers a peaceful and relax atmosphere, which is not easy to find in the crowded city. The project's unique architecture has brought it various international and domestic awards.

It is erected on 8,050.4 m² and total construction area of 68,382 m², the project comprises 439 apartments, 325 offices; 1,271 m² commercial and service areas.

The EverRich Infinity was completed in November, 2016 and is one of the most desired high-class apartment buildings in downtown of HCM City.

Competences and achievements

Gearing up on the new height

Reaching a conglomerate scale based on core capabilities

Sustainable development report

Consolidated financial statement

Key projects made pdr's history

THE PROJECT THAT MOVED PDR TO THE NEXT LEVEL



Location: District 4, HCM City

Following the great success of The EverRich Infinity, PDR has continuously consolidated its position as a professional real estate developer with Millennium. The project is in co-operation with PDR's strategic partners to ensure the maximum effectiveness.

Millennium follows PDR's new strategy which drives the company to small and medium size projects in downtown area. Millennium is located at heart of District 4 and easy to reach HCM City's iconic places in District 1.

Designed for the modern dynamic lifestyle, Millennium offers the luxurious living space which is consistently displayed through interior and architecture.

The project included 653 apartments, 387 offices and 17 shop-houses on total site area of 87,631 m². Its construction density was 50% at the foundation block and 35% at the tower. Millennium was completed and transferred in June, 2018.



THE PROJECT PAVED THE WAY FOR PDR TO THE CENTRAL COAST MARKET

PHAT DAT BAU CA



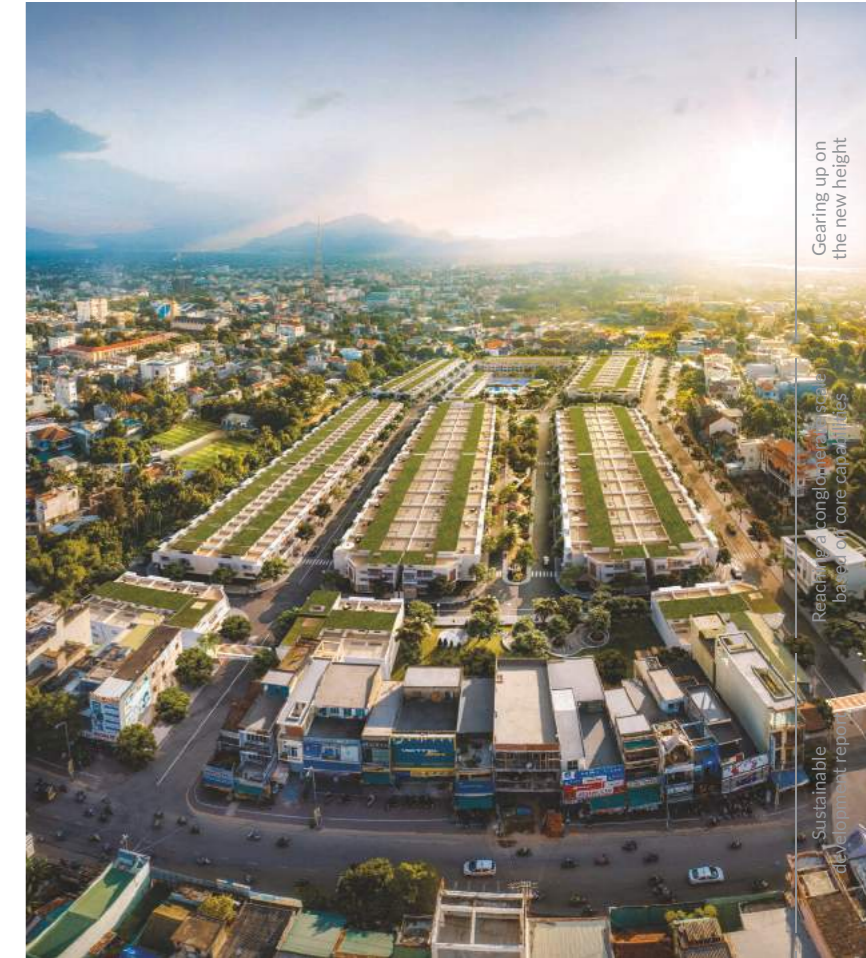
Location: Quang Ngai City.

In 2017, PDR started to promote its product diversification strategy to new markets, in addition to the existing focus on HCMC. Emerging cities in the Central Coast, favored with tourism potential, readiness of the socio-economic infrastructure, high demand from the new generations of citizens, and attractive investment policies, etc., has become a priority in the company's direction. Among these candidates, Quang Ngai City was the ideal choice for Phat Dat Bau Ca Residential Project.

Located in the center of Quang Ngai City, Phat Dat Bau Ca Residential Area is considered to breathe new life into the local real estate market by a synchronized project that provides leading-edge facilities, such as swimming pools, multi-purpose sports courts, BBQ yards, parks, and playgrounds, etc., typically only seen at luxurious works in developing cities.

Thanks to the modern and utility infrastructure, Phat Dat Bau Ca Residential Area is contributing to the improvement of life quality, and establishment of cultured living environment and healthy lifestyle of its inhabitants. It has now become a prosperous area, home to many happy families and desired destination for newer generations of urbanites.

The project includes 325 land plots for townhouses, occupying an area of 7.7 hectares.



Competences and achievements

Gearing up on the new height

Ready and complete to reach the core city of HCMC

Sustainable development report



Consolidated financial statement

Key projects made pdr's history



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