



Hoang Anh Gia Lai Joint Stock Company

Separate Financial Statements
(Financial statements of the parent company)

Quarter IV of 2019

Hoang Anh Gia Lai Joint Stock Company

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SEPARATE BALANCE SHEET
31 December 2019

VND '000

Code	ASSETS	Notes	31 December 2019	31 December 2018
100	A. CURRENT ASSETS		5,815,905,777	3,251,095,303
110	I. Cash	4	116,834,469	212,718,119
111	1. Cash		116,834,469	212,718,119
130	II. Short-term receivables		5,644,378,353	2,968,015,884
131	1. Short-term trade receivables	5	391,053,860	148,062,928
132	2. Short-term advances to suppliers	6	276,537,115	53,223,639
135	3. Short-term loans receivables	7	4,112,575,874	1,685,257,537
136	4. Other short-term receivables	8	977,915,701	1,092,715,724
137	5. Provision for short-term doubtful receivables		(113,704,197)	(11,243,944)
140	III. Inventories	9	48,763,916	60,697,932
141	1. Inventories		49,038,234	60,972,250
149	2. Provision for obsolete inventories		(274,318)	(274,318)
150	IV. Other current assets		5,929,039	9,663,368
151	1. Short-term prepaid expenses		429,859	301,304
152	2. Value-added tax deductible		1,776,848	5,295,828
153	3. Tax and other receivables from the State		3,722,332	4,066,236
200	B. NON-CURRENT ASSETS		16,322,652,450	23,810,496,598
210	I. Long-term receivables		9,459,712,196	10,776,517,466
215	1. Long-term loan receivables	7	8,838,255,231	10,180,412,985
216	2. Other long-term receivables	8	898,084,158	596,104,481
219	3. Provision for long-term doubtful receivables		(276,627,193)	-
220	II. Fixed assets		197,156,682	212,651,784
221	1. Tangible fixed assets	10	169,314,362	183,522,505
222	Cost		290,309,446	301,198,226
223	Accumulated depreciation		(120,995,084)	(117,675,721)
227	2. Intangible fixed assets	11	27,842,320	29,129,279
228	Cost		40,450,152	40,450,152
229	Accumulated amortization		(12,607,832)	(11,320,873)
230	III. Investment properties	12	35,865,370	37,104,803
231	1. Cost		42,073,202	42,073,202
232	2. Accumulated depreciation		(6,207,832)	(4,968,399)
240	IV. Long-term assets in progress		9,752,230	9,583,389
242	1. Construction in progress		9,752,230	9,583,389
250	V. Long-term financial investments		6,609,511,112	12,763,110,626
251	1. Investments in subsidiaries	13.1	6,656,151,071	10,312,155,846
252	2. Investments in associates	13.2	5,000,000	3,258,537,647
253	3. Investments in other entities	13.3	7,360,041	7,360,041
254	4. Provision for long-term financial investments	13.1	(59,000,000)	(814,942,908)
260	VI. Other long-term assets		10,654,860	11,528,530
261	1. Long-term prepaid assets	14	10,654,860	11,068,748
262	2. Deferred tax assets		-	459,782
270	TOTAL ASSETS		22,138,558,227	27,061,591,901

SEPARATE BALANCE SHEET (continued)
31 December 2019

VND '000

Code	ASSETS	Notes	31 December 2019	31 December 2018
300	C. LIABILITIES		10,001,380,624	14,266,324,224
310	I. Current liabilities		1,518,364,001	3,424,554,493
311	1. Short-term trade payables	15	58,205,396	34,626,192
312	2. Short-term advances from customers	16	2,604,811	3,933,938
313	3. Tax and other receivables from the State	17	4,998,774	3,659,623
314	4. Payables to employees		11,983,334	8,312,678
315	5. Short-term accrued expenses	18	823,460,957	553,114,180
318	6. Short-term unearned revenues		60,667	228,667
319	7. Other short-term payables	19	170,315,427	1,002,721,830
320	8. Short-term loans	20	446,631,125	1,817,853,875
322	9. Bonus and welfare fund		103,510	103,510
330	II. Non-current liabilities		8,483,016,623	10,841,769,731
333	1. Long-term accrued expenses	18	1,139,729,876	1,374,149,901
337	2. Other long-term liabilities	19	292,666,626	570,075,796
338	3. Long-term loans	20	7,044,687,161	8,891,914,013
341	4. Long-term provisions		322,939	-
342			5,610,021	5,630,021
	D. OWNER'S EQUITY			
400			12,137,177,603	12,795,267,677
	I. Owner's equity			
410	1. Share capital	21.1	12,137,177,603	12,795,267,677
411	- Shares with voting rights		9,274,679,470	9,274,679,470
411a	2. Share premium		9,274,679,470	9,274,679,470
412	3. Treasury shares		3,263,858,784	3,263,858,784
415	4. Investment and development fund		(686,640)	(686,640)
418	5. Undistributed earnings (accumulated losses)		279,895,303	279,895,303
421	- Undistributed earnings (accumulated losses) up to the prior period		(680,569,314)	(22,479,240)
421a	- Undistributed losses after tax of the current period		(22,479,240)	85,590,785
421b			(658,090,074)	(108,070,025)
440	TOTAL LIABILITIES AND OWNERS' EQUITY		22,138,558,227	27,061,591,901

Tran Thi Thanh Hieu
Preparer

Le Truong Y Tram
Chief accountant

Vo Truong Son
General Director

30 January 2020

SEPARATE INCOME STATEMENTS
Quarter IV/2019

VND '000

Code	ITEM	Notes	Quarter IV		Accumulated from the beginning of the year	
			Current year	Previous year	Current year	Previous year
10	1. Revenues from sale of goods and rendering of services	22.1	33,332,912	20,091,424	100,734,788	150,747,273
11	2. Costs of goods sold	23	(31,969,475)	(18,679,528)	(93,112,577)	(122,765,299)
20	3. Gross profit from sale of goods and rendering of services		1,363,437	1,411,896	7,622,211	27,981,974
21	4. Financial income	22.2	267,425,409	320,995,787	1,291,961,813	1,393,240,909
22 23	5. Financial expenses <i>In which: interest expenses</i>	24	(244,833,622) (200,494,145)	(425,308,308) (271,519,337)	(1,581,416,011) (914,705,240)	(1,329,038,372) (1,077,816,296)
25	6. Selling expenses	25	(1,229,910)	(4,105,489)	(4,564,764)	(5,557,393)
26	7. General and administrative expenses	26	(19,499,529)	(62,609,192)	(60,012,252)	(213,379,470)
30	8. Operating profit		3,225,785	(169,615,306)	(346,409,003)	(126,752,352)
31	9. Other income	27	372,575	23,141,842	146,111,789	25,692,529
32	10. Other expenses	27	(13,698,177)	(3,462,394)	(455,774,139)	(9,999,364)
40	11. Other losses	27	(13,325,602)	19,679,448	(309,662,350)	15,693,165

SEPARATE INCOME STATEMENT (continued)
Quarter IV/2019

VND '000

Code	ITEM	Notes	Quarter IV		Accumulated from the beginning of the year	
			Current year	Previous year	Current year	Previous year
50	12. Accounting loss before tax		(10,099,817)	(149,935,858)	(656,071,353)	(111,059,187)
51	13. Current corporate income tax expenses	28	-	-	-	(4,066,942)
52	14. Deferred income tax benefits (expenses)	28	(505,455)	(1,161,283)	(782,721)	7,056,104
60	15. (Loss) profit after corporate income tax		(10,605,272)	(151,097,141)	(656,854,074)	(108,070,025)

Tran Thi Thanh Hieu
Preparer

Le Truong Y Tram
Chief accountant

Vo Truong Son
General Director

30 January 2020

SEPARATE CASH FLOW STATEMENT
Quarter IV/2019

VND '000

Code	ITEM	Notes	Accumulated from the beginning of the year	
			Current year	Previous year
	I. CASH FLOW FROM OPERATING ACTIVITIES			
01	Accounting (loss) profit before tax		(656,071,353)	(111,059,187)
	<i>Adjustments for:</i>			
02	Depreciation of fixed assets and Investment properties	10,11,12	15,916,828	19,232,945
03	Provisions		(376,855,462)	214,897,837
04	(Profit) Loss on foreign exchange difference		(331,467)	21,190,788
05	Profit from investing activities		139,749,166	(1,370,044,503)
06	Interest expenses	24	914,705,240	1,077,816,296
08	Operating profit (loss) before changes in working capital		37,112,952	(147,965,824)
09	Decrease in receivables		(1,515,725,624)	527,802,497
10	(Increase) decrease in inventories		11,934,016	54,039,893
11	Increase (decrease) in payables		(607,260,204)	(1,382,409,990)
12	(Increase) decrease in prepaid expenses		285,333	2,900,134
14	Interest paid		(728,189,479)	(336,677,729)
15	Corporate income tax paid		(1,927,750)	(49,839,924)
17	Other cash outflows for operating activities		(1,236,000)	(1,423,684)
20	Net cash flows used in operating activities		(2,805,006,756)	(1,333,574,627)
	II. CASH FLOW FROM INVESTING ACTIVITIES			
21	Purchases and construction of fixed assets		(252,853)	(309,545)
22	Proceeds from disposals of fixed assets and other long-term assets		24,105,154	-
23	Loans to other entities		(5,972,088,588)	(4,534,472,229)
24	Collections from borrowers		4,828,959,103	4,674,851,401
25	Payments for investments in other entities		-	(376,313,640)
26	Proceeds from sale of investments in other entities		5,452,581,129	2,550,000
27	Interest and dividends received		861,335,326	1,145,906,722
30	Net cash flows from investing activities		5,194,639,271	912,212,709

SEPARATE CASH FLOW STATEMENT (continued)
Quarter IV/2019

VND '000

Code	ITEM	Notes	Accumulated from the beginning of the year	
			Current year	Previous year
	III. CASH FLOW FROM FINANCIAL ACTIVITIES			
33	Borrowings received		-	925,824,600
34	Borrowings prepaid		(2,485,516,165)	(305,041,649)
40	Net cash flow from financial activities		(2,485,516,165)	620,782,951
50	Net cash flow during the period		(95,883,650)	199,421,033
60	Cash at the beginning of the period	4	212,718,119	13,297,086
70	Cash at the ending of the period	4	116,834,469	212,718,119

 Tran Thi Thanh Hieu
Preparer

 Le Truong Y Tram
Chief accountant

 Vo Truong Son
General Director

30 January 2019

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
Quarter IV/2019**1. CORPORATE INFORMATION**

Hoang Anh Gia Lai Joint Stock Company (“the Company”) is a joint stock company incorporated under the Law on Enterprise of Vietnam pursuant to Business Registration Certificate No. 3903000083 issued by the Department of Planning and Investment of Gia Lai Province on 1 June 2006 and thirty (30) subsequent Amended Business Registration Certificates.

The Company's shares were listed on the Ho Chi Minh City Stock Exchange (“HOSE”) with code HAG in accordance with Decision No. 124/QD-SGDHCM issued by HOSE on 15 December 2008.

As at 30 June 2019, the Company has eight (8) direct subsidiaries, twenty-seven (27) indirect subsidiaries, two (2) associates and five (5) branches.

The current principal activities of the Company are trading machinery and tools for cultivation and livestock; agricultural services; developing apartments for sale and lease; construction; mechanics; hotel and resort operation; sport and entertainment activities; and manufacturing and trading cattle feed and fertilizer.

The Company's head office is located at 15 Truong Chinh Street, Phu Dong Ward, Pleiku City, Gia Lai Province, Vietnam.

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

The Interim separate financial statements of the Company expressed in thousands of Vietnam dong (“VND’000”) 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 March 2001 on the Issuance and Promulgation of Four Vietnamese Standards on Accounting (Series 1);
- Decision No. 165/2002/QD-BTC dated 31 March 2002 on the Issuance and Promulgation of Six Vietnamese Standards on Accounting (Series 2);
- Decision No. 234/2003/QD-BTC dated 30 March 2003 on the Issuance and Promulgation of Six Vietnamese Standards on Accounting (Series 3);
- Decision No. 12/2005/QD-BTC dated 15 February 2005 on the Issuance and Promulgation of Six Vietnamese Standards on Accounting (Series 4); and
- Decision No. 100/2005/QD-BTC dated 28 March 2005 on the Issuance and Promulgation of Four Vietnamese Standards on Accounting (Series 5).

Accordingly, the Interim separate financial statements including their utilization 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 interim separate financial position and interim separate results of operations and interim separate cash flows in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

2.2 Applied accounting documentation

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

2.3 Fiscal year

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

The Interim separate financial statements of Quarter II of 2019 are prepared for the period from 1 April 2019 to 30 June 2019.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
Quarter IV/2019**2. BASIS OF PREPARATION** (continued)**2.4 Accounting currency**

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**3.1 Cash**

Cash comprises cash on hand and cash in banks.

3.2 Receivables

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

The provision for doubtful debts represents amounts of outstanding receivables which are doubtful of being recovered at the balance sheet date, in accordance with the guidance under Circular No. 228/2009/TT-BTC issued by Department of Finance on 7 March, 2009 ("Circular 228"). Increases or decreases to the provision balance are recorded as general and administrative expenses in the interim separate income statement.

3.3 Inventories

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

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

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

Raw and construction materials, tools and supplies and merchandise goods	-	Actual cost on a weighted average basis.
Finished goods and work-in-process	-	Cost of direct materials and labor plus attributable overheads based on the normal level of activities.

Apartments for sale under construction are carried at the lower of cost and net realizable value. Costs include all expenditures including borrowing costs, directly attributable to the development and construction of the apartments. Net realizable value represents current selling price less estimated cost to complete and estimated selling and marketing expenses.

Provision for obsolete inventories

An inventory provision is created for the estimated loss arising due to the impairment (through diminution, damage, obsolescence, etc.) of raw materials, finished goods, and other inventories owned by the Company, based on appropriate evidence of impairment available at the balance sheet date.

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

3.4 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation.

The costs of tangible fixed assets consist of their purchase prices and any directly attributable costs of bringing the tangible fixed assets to the working condition for their intended use.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
Quarter IV/2019

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.4 Tangible fixed assets (continued)

Expenditures for additions, improvements and renewals are capitalized; and expenditures for maintenance and repairs are charged to the interim separate income statement when incurred.

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

3.5 Intangible fixed assets

Intangible fixed assets are stated at cost less accumulated amortization.

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

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

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

Land use rights

The advance payment for land rental, of which the land lease contracts have effectiveness prior to 2003 and Land use right certificate being issued, are recorded as an intangible asset according to Circular No. 45/2013/TT-BTC issued by the Ministry of Finance on 25 April 2013 guiding the management, use and depreciation of fixed assets ("Circular 45"). The costs of land use rights comprise all directly attributable costs of bringing the land to the condition available for use.

Computer software

Computer software which is not an integral part of hardware is recorded as an intangible asset and amortized over the term of benefits.

3.6 Depreciation and amortization

Depreciation of tangible fixed assets and amortization 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 - 50 years
Machinery and equipment	5 - 15 years
Means of transportation	6 - 10 years
Office equipment	3 - 10 years
Perennial trees	7 years
Computer software	8 years
Other assets	6 years

Land use rights with indefinite useful life will not be amortized.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
Quarter IV/2019**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**(continued)**3.7 Investment properties**

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 Company.

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

Buildings and structures	50 years
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Investment properties are derecognized when either they have been disposed of or the investment properties are permanently withdrawn from use and no future economic benefit is expected from their disposals.

Transfers are made to investment properties when, and only when, there is a change in use, evidenced by the end of owner occupation, and the commencement of an operating lease to another party or end of construction or development. Transfers are made from investment properties when, and only when, there is change in use, evidenced by the 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 costs attributable directly to the construction of the Company's buildings and offices that have not yet been completed as at the date of the Interim separate financial statements.

3.9 Leased assets

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

Where the Company is the lessee

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

Where the Company is the lessor

Assets subject to operating leases are included as the Company's investment properties in the interim separate balance sheet. Initial direct costs incurred in negotiating an operating lease are recognized in the interim separate income statement as incurred.

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

Where long-term leased assets meet conditions, one-time revenues for all rentals received in advance are recognized in accordance with Circular 200/2014/TT-BTC.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
Quarter IV/2019**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**(continued)**3.10 Borrowing costs**

Borrowing costs consist of interests and other costs incurred in direct connection with the borrowing of fund.

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

Borrowing costs that are directly attributable to the acquisition, construction or production of a particular asset are capitalized as parts of the cost of the asset. Capitalization of borrowing costs is suspended during periods in which active development of the asset is interrupted unless such interruption is considered necessary. Capitalization of borrowing costs is ceased when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

3.11 Prepaid expenses

Prepaid expenses are reported as short-term and long-term prepaid expenses on the interim separate balance sheet which mainly include costs of tools and supplies and land rentals. They are amortized over the period for which the amounts are paid and which relates to economic benefits generated from these expenses.

The following expenses are charged in long-term prepaid expenses and to be gradually amortized in the interim separate income statement.

- ▶ Prepaid land rentals are amortized over the years of land lease; and
- ▶ Tools and supplies are amortized to the interim separate income statement in a maximum period of 3 years.

3.12 Investments*Investments in subsidiaries*

Investments in subsidiaries over which the Company has control are carried at cost.

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

Investments in associates

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

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

Investments in other entities

Investments in other entities are stated at their acquisition costs.

Provision for diminution in value of investments

Provision is made for any diminution in the value of investments at the balance sheet date in accordance with the guidance under Circular No. 228/2009/TT-BTC dated 7 March 2009 and Circular No. 89/2013/TT-BTC dated 26 June 2013 issued by the Ministry of Finance. Increases and decreases to the provision balance are recorded as financial expenses in the interim separate income statement.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
Quarter IV/2019**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**(continued)**3.13 Payables and accruals**

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

3.14 Accrual for severance pay

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

This accrued severance pay is used to settle the termination allowance to be paid to employees upon termination of their labor contracts following Article 48 of the Labor Code.

3.15 Foreign currency transactions

Transactions in currencies other than the Company'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;
- ▶ Transactions resulting in liabilities are recorded at the selling exchange rates of the transactions of commercial banks designated for payment; and;
- ▶ Payments for assets or expenses without liabilities initially being recognized are recorded at the buying exchange rates of the commercial banks that process these payments.

At the balance sheet date, monetary balances denominated in foreign currencies are translated at the actual transaction exchange rates as follows:

- ▶ Monetary assets are translated at buying exchange rate of the commercial bank where the Company conducts transactions regularly; and
- ▶ Monetary liabilities are translated at selling exchange rate of the commercial bank where the Company conducts transactions regularly.

All foreign exchange differences incurred during the period and arising from the revaluation of monetary accounts denominated in foreign currency at period-end are taken to the interim separate income statement.

3.16 Treasury shares

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

3.17 Appropriation of net profit

Net profit after tax is available for appropriation to shareholders upon the proposal by the Board of Directors and after approval by the shareholders at the annual general meeting, and after making appropriation to reserve funds in accordance with the Company's Charter and Vietnam's regulatory requirements.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
Quarter IV/2019**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**(continued)**3.17 Appropriation of net profit** (continued)

The Company maintains the following reserve funds which are appropriated from the Company's net profit as proposed by the Board of Directors and subject to approval by shareholders at the annual general meeting:

▶ *Investment and development fund*

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

▶ *Welfare fund*

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

3.18 Revenue recognition

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

Sale of goods

Revenue is recognized when the significant risks and rewards of the ownership of the goods have passed to the buyer, usually upon the delivery of the goods.

Sale of apartments

Revenue is recognized when all of the following criteria have been effectively met:

- ▶ The Company has transferred the significant risks and rewards of ownership of the units to the buyer;
- ▶ The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the units sold;
- ▶ The amount of revenue can be reliably measured;
- ▶ The economic benefits associated with the transaction will probably flow to the Company; and
- ▶ The costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from the rendering of services is recognized when the services are rendered.

Interest

Revenue is recognized as the interest accrues (taking into account the return on assets) unless collectability is in doubt.

Rental income

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

Dividend income

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

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
Quarter IV/2019**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)**3.18 Revenue recognition** (continued)*Income from disposal of investments*

Income from disposal of investments is recognized when the investment transfer procedures are completed; and the involving parties have fulfilled their respective contractual obligations.

Construction contracts

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

Where the outcome of a construction contract can not be estimated reliably, contract revenue is recognized to the extent of contract costs incurred which is probably recoverable. Contract costs are recognized as expenses in the period in which they are incurred.

3.19 Taxation*Current income tax*

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

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

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

Deferred tax

Deferred tax is provided using the 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 the purpose of preparing the Interim separate financial statements .

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

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

Deferred tax assets are recognized for all deductible temporary differences, the carryforward of unused tax losses and the carryforward of unused tax credit, to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, the carryforward of unused tax losses and the carryforward of unused tax credit can be utilized, except:

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
Quarter IV/2019**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**(continued)**3.19 Taxation** (continued)*Deferred tax* (continued)

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

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is probable that sufficient taxable profits will be available to allow all or part of the deferred income tax asset to be utilized. Previously unrecognized deferred income tax assets are reassessed at each balance sheet date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

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

Deferred tax is credited to the interim separate income statement, except when it relates to items recognized directly to equity, in which 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 Company to off-set current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority on either the same taxable entity; or when the Company intends either to settle current tax liabilities and assets on a net basis or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

3.20 Related parties

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company. For associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that give significant influences over the Company, and have key management personnel, including directors and officers of the Company, close members of the families of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
Quarter IV/2019**4. CASH**

	<i>VND '000</i>	
	<i>31 December 2019</i>	<i>31 December 2018</i>
Cash in banks	748.796	1.214.202
Cash on hand	116.085.673	211.503.917
TOTAL	<u>116.834.469</u>	<u>212.718.119</u>

5. SHORT-TERM TRADE RECEIVABLES

	<i>VND '000</i>	
	<i>31 December 2019</i>	<i>31 December 2018</i>
Receivables from the disposal of Investment	250,065,000	-
Receivables from trading and services	76,717,584	47,677,813
Receivables from construction services	34,140,815	34,415,390
Receivables from the disposal of fixed assets and investment properties	26,323,777	60,258,805
Receivables from sale of apartments	3,806,684	5,710,920
TOTAL	<u>391,053,860</u>	<u>148,062,928</u>

Short-term trade receivables were amounts due from related parties aggregating to VND'000 128,115,948 as at 31 December 2019 (*Note 29*).

6. TRẢ TRƯỚC CHO NGƯỜI BÁN NGẮN HẠN

	<i>VND '000</i>	
	<i>31 December 2019</i>	<i>31 December 2018</i>
Advances to suppliers of goods and services	<u>276,537,115</u>	<u>53,223,639</u>

Trả trước cho người bán ngắn hạn bao gồm khoản trả trước cho Related party là VND '000 268,265,107 as at 31 December 2019 (*Note 29*).

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
Quarter IV/2019**7. LOAN RECEIVABLES**

	VND '000	
	31 December 2019	31 December 2018
Short-term		
Short-term loans to related parties (<i>Note 29</i>)	3,930,680,512	1,667,079,652
<i>In which:</i>		
<i>Subsidiaries (i)</i>	1,878,507,457	1,033,368,701
<i>Other related parties (ii)</i>	2,052,173,055	633,710,951
Cho vay ngắn hạn các công ty khác (<i>iii</i>)	181,895,362	18,177,885
	<u>4,112,575,874</u>	<u>1,685,257,537</u>
Long-term		
Long-term loans to related parties (<i>Note 29</i>)	8,777,568,963	10,122,511,765
<i>In which:</i>		
<i>Subsidiaries (i)</i>	1.333.311.760	3.991.987.054
<i>Other related parties (ii)</i>	7.444.257.203	6.130.524.711
Long-term loans to other companies (<i>iii</i>)	43,380,908	42,880,908
Long-term loans to Laos Government for the Attapeu Airport (<i>v</i>)	17,305,360	15,020,312
	<u>8,838,255,231</u>	<u>10,180,412,985</u>
TOTAL	<u>12,950,831,105</u>	<u>11,865,670,522</u>

- (i) They represent unsecured loans to subsidiaries with maturity dates from January 2020 to January 2023, and interest rates ranging from 8.00% to 12.50% per annum.
- (ii) They represent unsecured loans to other related parties with maturity dates from January 2020 to March 2023, and interest rates ranging from 4.80 % to 12.00% per annum.
- (iii) They represent unsecured loans to other companies with maturity dates from January 2020 to December 2022, and interest rate ranging from 9.00% to 12.50% per annum.
- (iv) Loan to Laos Government - Attapeu International Airport project represents the interest-free loan in accordance with the Credit Contract signed with the government of Laos on 23 May 2013 to finance the construction of Attapeu International Airport in Laos. This loan will be off-set with tax payables and other obligations to the government of Laos in the future.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
Quarter IV/2019**8. OTHER RECEIVABLES**

	VND '000	
	31 December 2019	31 December 2018
Ngắn hạn		
Receivables from related parties (Note 29)	914,171,182	1,082,052,198
Receivables from companies	46,179,818	-
Interest receivables from companies	11,061,165	6,800,304
Receivables from employees	4,658,568	2,004,657
Others	1,844,968	1,858,565
	<u>977,915,701</u>	<u>1,092,715,724</u>
Long-term		
Receivables from related parties (Note 29)	895,594,486	594,554,350
Long-term deposit	514,680	514,680
Others	1,974,992	1,035,451
	<u>898,084,158</u>	<u>596,104,481</u>
TOTAL	<u>1,875,999,859</u>	<u>1,688,820,205</u>

9. INVENTORIES

	VND '000	
	31 December 2019	31 December 2018
Costs of apartments for sale	32,002,629	32,002,629
Construction materials	6,228,272	-
Work in process	5,984,497	19,519,569
<i>In which:</i>		
<i>Construction contracts</i>	5,114,407	18,649,479
<i>Manufacturing activities</i>	870,090	870,090
Merchandise goods	4,517,307	7,279,617
Raw materials	152,782	2,016,559
Tools and supplies	94,410	95,315
Finished goods	58,337	58,561
TOTAL	<u>49,038,234</u>	<u>60,972,250</u>
Provision for obsolete inventories	(274,318)	(274,318)
NET VALUE	<u>48,763,916</u>	<u>60,697,932</u>

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
Quarter IV/2019**10. TANGIBLE FIXED ASSETS**

	VND '000						
	<i>Buildings, structures</i>	<i>Machinery and equipment</i>	<i>Means of transportation</i>	<i>Office equipment</i>	<i>Perennial trees</i>	<i>Other assets</i>	<i>TOTAL</i>
Cost							
31 December 2018	227,147,150	28,703,459	35,531,753	3,018,364	6,689,440	108,060	301,198,226
Other adjustments	1,307,692	1,379,156	-	-	-	-	2,686,848
Increased in the year	-	38,831	-	45,181	-	-	84,012
Disposal during the period	(1,337,909)	(10,909,823)	(1,411,908)	-	-	-	(13,659,640)
31 December 2019	<u>227,116,933</u>	<u>19,211,623</u>	<u>34,119,845</u>	<u>3,063,545</u>	<u>6,689,440</u>	<u>108,060</u>	<u>290,309,446</u>
Accumulated depreciation							
31 December 2018	(62,270,199)	(20,394,839)	(25,456,829)	(2,787,871)	(6,689,440)	(76,543)	(117,675,721)
Depreciation in the period	(7,050,826)	(3,878,246)	(2,308,107)	(135,247)	-	(18,010)	(13,390,436)
Disposal during the period	1,337,909	7,334,775	1,398,389	-	-	-	10,071,073
31 December 2019	<u>(67,983,116)</u>	<u>(16,938,310)</u>	<u>(26,366,547)</u>	<u>(2,923,118)</u>	<u>(6,689,440)</u>	<u>(94,553)</u>	<u>(120,995,084)</u>
Net carrying amount							
31 December 2018	<u>164,876,951</u>	<u>8,308,620</u>	<u>10,074,924</u>	<u>230,493</u>	<u>-</u>	<u>31,517</u>	<u>183,522,505</u>
31 December 2019	<u>159,133,817</u>	<u>2,273,313</u>	<u>7,753,298</u>	<u>140,427</u>	<u>-</u>	<u>13,507</u>	<u>169,314,362</u>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
Quarter IV/2019**11. INTANGIBLE FIXED ASSETS**

	VND '000		
	<i>Land use right</i>	<i>Computer software</i>	<i>Total</i>
Cost			
31 December 2018 and 31 December 2019	<u>25.278.179</u>	<u>15.171.973</u>	<u>40.450.152</u>
Accumulated depreciation			
31 December 2018	-	(11.320.873)	(11.320.873)
Depreciation in the period	-	<u>(1.286.959)</u>	<u>(1.286.959)</u>
31 December 2019	-	<u>(12.607.832)</u>	<u>(12.607.832)</u>
Net carrying amount			
31 December 2018	<u>25.278.179</u>	<u>3.851.100</u>	<u>29.129.279</u>
31 December 2019	<u>25.278.179</u>	<u>2.564.141</u>	<u>27.842.320</u>

12. INVESTMENT PROPERTIES

	VND '000		
	<i>Quyền sử dụng đất</i>	<i>Nhà cửa, vật kiến trúc</i>	<i>Tổng cộng</i>
Cost			
31 December 2018 và 31 December 2019	<u>27,072,022</u>	<u>15,001,180</u>	<u>42,073,202</u>
Accumulated depreciation			
31 December 2018	(2,218,183)	(2,750,216)	(4,968,399)
Depreciation in the year	<u>(739,394)</u>	<u>(500,039)</u>	<u>(1,239,433)</u>
31 December 2019	<u>(2,957,577)</u>	<u>(3,250,255)</u>	<u>(6,207,832)</u>
Net carrying amount			
31 December 2018	<u>24,853,839</u>	<u>12,250,964</u>	<u>37,104,803</u>
31 December 2019	<u>24,114,445</u>	<u>11,750,925</u>	<u>35,865,370</u>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
Quarter IV/2019**13. LONG-TERM FINANCIAL INVESTMENTS**

	VND '000			
	<u>31 December 2019</u>		<u>31 December 2018</u>	
	<i>Cost</i>	<i>Provision</i>	<i>Cost</i>	<i>Provision</i>
Investment in subsidiaries (Note 13.1)	6,656,151,071	(59,000,000)	10,312,155,846	(814,942,908)
Investment in associates (Note 13.2)	5,000,000	-	3,258,537,647	-
Investment in other entities (Note 13.3)	7,360,041	-	7,360,041	-
TOTAL	<u>6,668,511,112</u>	<u>(59,000,000)</u>	<u>13,578,053,534</u>	<u>(814,942,908)</u>

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
Quarter IV/2019**13. LONG-TERM FINANCIAL INVESTMENTS** (continued)**13.1 Investment in subsidiaries**

Details of the Company's direct investments in subsidiaries are presented as follows:

Names of the subsidiaries	Business segment	Status of operation	% holding	31 December 2019		31 December 2018		
				Cost VND'000	% holding	Cost VND'000	% holding	
<i>Sub-holding subsidiaries</i>								
Hoang Anh Gia Lai Agricultural JSC	Industrial and agricultural farming, and cattle breeding	Operating	40.83	4,503,226,081	-	57.81	5,100,120,481	-
Hoang Anh Gia Lai Hydro Power Co., Ltd. (previously Hoang Anh Gia Lai Hydro Power JSC) ("DHA")	Năng lượng	Operating	-	-	-	99.40	2,532,179,575	(729,012,108)
<i>Direct trading subsidiaries</i>								
Hung Thang Loi Gia Lai JSC	Farming and livestock farming	Operating	78.22	1,977,146,000	-	98.00	2,477,146,000	-
Hoang Anh Gia Lai Hospital JSC	Hospital	Operating	99.00	99,000,000	-	99.00	99,000,000	-
Hoang Anh Gia Lai Sports JSC	Football club	Operating	51.00	59,000,000	(59,000,000)	51.00	59,000,000	(59,000,000)
Hoang Anh Gia Lai Vientiane Co., Ltd.	Real estate and hotel management	Pre-operating	100.00	17,778,990	-	100.00	17,778,990	-
V&H Corporation Co., Ltd. (Laos)	Rubber-tree farming	Pre-Operating	-	-	-	80.00	26,930,800	(26,930,800)
TOTAL				6,656,151,071	(59,000,000)		10,312,155,846	(814,942,908)

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
Quarter IV/2019**13. LONG-TERM FINANCIAL INVESTMENTS** (continued)**13.1 Investment in subsidiaries**

(*) On 7 August 2019, the Company completed the private issuance of 60,000,000 HNG shares to a third party. Accordingly, the Group's ownership in HNG was decreased from 57.81 % to 51.04%. The difference between the selling price and the carrying amount corresponding to the ownership of the net asset value of the Group in HNG at the date of transaction was VND'000 424,805,600 which has been recorded as financial income in the Separate income statement;

On 9 August 2019, HNG completed issuance of 221,710,000 ordinary shares to convert 221,710 bonds with a total value of VND'000 2.217.100.000, thus reducing the Company's direct ownership in HNG from 51.04% to 40.83%.

According to Letter No. 2008/19/CBTT-HAG dated 20 August 2019, despite the Company's ownership of the voting shares in HNG reduced, it still has control over HNG as Mr. Doan Nguyen Duc is holding BOD Chairman of HNG and the number of BOD members representing the Company still holds 4/7 majority. Thus, in terms of law HNG is still the the Company's..

(**) On 20 September 2019, HAG Board of Directors passed Resolution No.2009/NQHĐQT-HAGL regarding transferring all the capital contribution accounting for 80.00% of the charter capital of V&H Corporation Co., Ltd. (Laos) belonging to HAG to Hoang Anh Gia Lai Hydropower JSC. The contract value was VND '000 293,045,000. Accordingly, the gain of VND '000 232,263,816 from this transfer was recorded as financial income in the separate financial statements.

13.2 Investments in associates

Names of the associates	Business segment	31 December 2019			31 December 2018		
		The number of shares	% holding	Cost VND'000	The number of shares	% holding	Cost VND'000
East Asia Investment and Construction Consultant JSC	Consultancy	500,000	25,00	5.000.000	500.000	25,00	5,000,000
Hoang Anh Construction and Housing Development JSC (*)	Real estate	-	-	-	196,368,900	47,89	3,253,537,647
TOTAL				5,000,000			3,258,537,647

(*)On 30 September 2019, HAG Board of Directors passed Resolution No. 3009/NQHĐQT-HAGL regarding the transfer of all interests 47,93% of the charter capital in Hoang Anh Construction and Housing Development JSC which belongs to HAG to Dai Quang Minh Real Estate Investment Corporation. The transfer agreement valued 2,777,901,129 VND'000. The loss of VND'000 475,636,518 from this transfer was recorded in financial expense in the separate financial statements. Thus, Hoang Anh Construction and Housing Development JSC is no longer the Company's associate since that date

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
Quarter IV/2019**13. LONG-TERM FINANCIAL INVESTMENTS** (continued)**13.3 Investments in other entities**

	<i>VND '000</i>	
	<i>31 December 2019</i>	<i>31 December 2018</i>
Thanh Nien Media Corporation	6,200,000	6,200,000
Far East Aviation JSC	1,160,041	1,160,041
TOTAL	<u>7,360,041</u>	<u>7,360,041</u>

14. LONG-TERM PREPAID ASSETS

	<i>VND '000</i>	
	<i>31 December 2019</i>	<i>31 December 2018</i>
Pre-paid land rental	8,880,515	9,151,939
Tools and supplies	679,080	909,734
Other long-term prepaid assets	1,095,265	1,007,075
TOTAL	<u>10,654,860</u>	<u>11,068,748</u>

15. SHORT-TERM TRADE PAYABLES

	<i>VND '000</i>	
	<i>31 December 2019</i>	<i>31 December 2018</i>
Payable for purchase of goods and services	57,448,358	34,626,192
Payable to construction contractors	610,000	-
Others	147,038	-
TOTAL	<u>58,205,396</u>	<u>34,626,192</u>

Included in the trade payables were amounts due to related parties aggregating to VND '000 28,223,507 as at 31 December 2019 (*Note 29*).

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
Quarter IV/2019**16. SHORT-TERM ADVANCES FROM CUSTOMERS**

	VND '000	
	31 December 2019	31 December 2018
Advances from customers buying goods and services	1,676,726	695,459
Advances from customers buying apartments	517,884	1,755,189
Advances from construction customers	410,201	1,483,290
TOTAL	2,604,811	3,933,938

Included in the advances from customers were amounts due to related parties aggregating VND '000 772,641 as at 31 December 2019 (Note 29).

17. STATUTORY OBLIGATIONS

	VND '000	
	31 December 2019	31 December 2018
Personal income tax	2,304,645	3,344,797
Value-added tax	517,692	249,596
Corporate income tax (Note 28)	65,230	65,230
Others	2,111,207	-
TOTAL	4,998,774	3,659,623

18. ACCRUED EXPENSES

	VND '000	
	31 December 2019	31 December 2018
Short-term		
Interest expenses	794,816,139	383,223,801
<i>In which:</i>		
Interest expenses from banks	794,816,139	379,222,094
Interest expenses from individuals and entities	-	4,001,707
Operating costs	25,787,209	167,032,769
Others	2,857,609	2,857,610
	823,460,957	553,114,180
Long-term		
Interest expenses	1,139,729,876	1,374,149,901
<i>In which:</i>		
Interest expenses from banks	1,139,424,894	1,360,850,638
Interest expenses from related parties	-	13,299,263
	1,139,729,876	1,374,149,901
TOTAL	1,963,190,833	1,927,264,081

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
Quarter IV/2019**19. OTHER PAYABLES**

	VND '000	
	31 December 2019	31 December 2018
Short-term		
Payables to related parties (Note 29)	95,441,826	899,390,923
Others	74,873,601	103,330,907
	<u>170,315,427</u>	<u>1,002,721,830</u>
Long-term		
Payables to related parties (Note 29)	285,000,000	285,000,000
Others	7,666,626	285,075,796
	<u>292,666,626</u>	<u>570,075,796</u>
TOTAL	<u>462,982,053</u>	<u>1,572,797,626</u>

20. LOANS

	VND '000	
	31 December 2019	31 December 2018
Short term loans		
Current portion of domestic straight bonds (Note 20.1)	120,000,000	429,095,758
Current portion of long-term bank loans (Note 20.2)	326,631,125	775,763,117
Short-term loans from related parties	-	612,995,000
	<u>446,631,125</u>	<u>1,817,853,875</u>
Long term loans		
Domestic straight bonds (Note 20.1)	7,044,687,161	8,516,093,277
Long-term bank loans (Note 20.2)	-	77,000,000
Long-term loans from related parties	-	298,820,736
	<u>7,044,687,161</u>	<u>8,891,914,013</u>
TOTAL	<u>7,491,318,286</u>	<u>10,709,767,888</u>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
Quarter IV/2019**20. LOANS** (continued)**20.1 Domestic straight bonds**

	<i>VND '000</i>	
<i>Arrangement organization</i>	<i>31 December 2019</i>	<i>31 December 2018</i>
BIDV and BIDV Securities Company (“BSC”)	5,876,000,000	5,876,000,000
Phu Gia Securities Joint Stock Company (“PHUGIASC”)	930,000,000	930,000,000
ACB Securities Limited Company (“ACBS”)	300,000,000	300,000,000
Viet Capital Commercial Joint Stock Bank (“BV”)	120,000,000	180,000,000
VPS Securities Joint Stock Company	-	991,000,000
FPT Securities JSC (“FPTS”) and Vietnam and Vietnam Prosperity Joint Stock Commercial Bank (“VPB”)	-	594,000,000
IB Securities Joint Stock Company (“IBSC”)	-	145,268,040
Costs of bond issuance	<u>(61,312,839)</u>	<u>(71,079,005)</u>
TOTAL	<u>7,164,687,161</u>	<u>8,945,189,035</u>
<i>In which:</i>		
<i>Non-current portion of bonds</i>	<i>7,044,687,161</i>	<i>8,516,093,277</i>
<i>1-year current portion of long-term bonds</i>	<i>120,000,000</i>	<i>429,095,758</i>

As at the balance sheet date of 31 December 2019, domestic straight bonds comprise details as below:

<i>Arrangement organization</i>	<i>Bond holder</i>	<i>Amount VND'000</i>	<i>Issuance date</i>	<i>Maturity date</i>
BSC	Joint Stock Commercial Bank for Investment and Development of Vietnam	5,876,000,000	30 March 2016	30 March 2026
PHUGIASC	HD Bank – Branch of Dong Nai Trading Office	930,000,000	29 March 2016	31 March 2023
ACBS	Golden Farm JSC	300,000,000	25 April 2012	18 June 2023
BV	Viet Capital Joint Stock Commercial Bank	120,000,000	30 March 2016	30 December 2020

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
Quarter IV/2019**20. LOANS** (continued)**20.2 Long-term loans from banks**

	31 December 2019	VND '000 31 December 2018
Joint Stock Commercial Bank for Investment and Development of Vietnam	249,631,125	553,056,660
Ho Chi Minh City Development Joint Stock Commercial Bank	<u>77,000,000</u>	<u>299,706,457</u>
TOTAL	<u>326,631,125</u>	<u>852,763,117</u>
<i>In which:</i>		
<i>Long-term bank loans</i>	-	77,000,000
<i>1-year current portion of long-term bank loans</i>	326,631,125	775,763,117

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
Quarter IV/2019**21. OWNER'S EQUITY** (continued)**21.2 Shares**

	<i>31 December 2019</i>	<i>31 December 2018</i>
	<i>Share</i>	<i>Share</i>
Shares authorized to be issued	927,467,947	927,467,947
Shares issued and fully paid	927,467,947	927,467,947
<i>Ordinary shares</i>	<i>927,467,947</i>	<i>927,467,947</i>
Treasury shares	68,664	68,664
<i>Ordinary shares</i>	<i>68,664</i>	<i>68,664</i>
Outstanding shares	927,399,283	927,399,283
<i>Ordinary shares</i>	<i>927,399,283</i>	<i>927,399,283</i>

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

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
Quarter IV/2019**22. REVENUE****22.1 Revenues from sale of goods and rendering of services**

	VND '000			
	Quarter IV		Accumulated from the beginning of the year	
	Current year	Previous year	Current year	Previous year
Net revenue	33,332,912	20,091,424	100,734,788	150,747,273
<i>In which:</i>				
<i>Sale from rendering of services</i>	23,229,030	8,274,976	63,786,539	45,185,247
<i>Sale of goods, commodities</i>	10,103,882	11,816,448	36,948,249	74,392,276
<i>Sale of real estate</i>	-	-	-	31,169,750

22.2 Financial income

	VND '000			
	Quarter IV		Accumulated from the beginning of the year	
	Current year	Previous year	Current year	Previous year
Interest income	266,831,746	310,791,213	1,098,683,051	1,127,540,551
Gain on disposal of investments	-	-	180,284,836	-
Dividend income	79,978	79,977	11,959,978	242,081,177
Foreign exchange gains	321,127	9,898,451	519,861	23,195,720
Others	192,558	226,146	514,087	423,461
TOTAL	267,425,409	320,995,787	1,291,961,813	1,393,240,909

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
Quarter IV/2019**23. COSTS OF GOODS SOLD AND RENDERING OF SERVICES**

	<i>VND '000</i>			
	<i>Quarter IV</i>		<i>Accumulated from the beginning of the year</i>	
	<i>Current year</i>	<i>Previous year</i>	<i>Current year</i>	<i>Previous year</i>
Cost of rendering of services	21,542,268	5,162,453	54,976,987	37,283,259
Cost of goods, commodities sold	10,427,207	13,517,075	38,135,590	74,638,440
Cost of properties	-	-	-	10,843,600
TOTAL	31,969,475	18,679,528	93,112,577	122,765,299

24. FINANCIAL EXPENSES

	<i>VND '000</i>			
	<i>Quarter IV</i>		<i>Accumulated from the beginning of the year</i>	
	<i>Current year</i>	<i>Previous year</i>	<i>Current year</i>	<i>Previous year</i>
Interest expense	200,494,145	271,519,337	914,705,240	1,077,816,296
Loss on disposal of investments	44,493,862	-	666,241,668	-
Loss on foreign exchange difference	(154,385)	16,829,528	469,103	28,602,926
Provision for diminution in value of investments in subsidiaries	-	132,868,535	-	218,528,242
Others	-	4,090,908	-	4,090,908
TOTAL	244,833,622	425,308,308	1,581,416,011	1,329,038,372

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
Quarter IV/2019

25. SELLING EXPENSES

	VND '000			
	<i>Quarter IV</i>		<i>Accumulated from the beginning of the year</i>	
	<i>Current year</i>	<i>Previous year</i>	<i>Current year</i>	<i>Previous year</i>
Transportation and external service expenses	929,504	2,827,226	3,136,351	4,120,034
Costs of labor	263,089	93,835	876,050	220,335
Others	37,317	1,184,428	552,363	1,217,024
TOTAL	1,229,910	4,105,489	4,564,764	5,557,393

26. GENERAL AND ADMINISTRATIVE EXPENSES

	VND '000			
	<i>Quarter IV</i>		<i>Accumulated from the beginning of the year</i>	
	<i>Current year</i>	<i>Previous year</i>	<i>Current year</i>	<i>Previous year</i>
Costs of labor	10,328,103	13,914,498	35,494,230	42,946,600
External services	6,673,007	5,283,257	19,549,863	13,961,586
Depreciation and amortization	1,797,619	1,917,112	7,308,291	7,900,652
(Reversal of) Provision	-	(7,632,598)	(7,668,264)	6,849,962
Others	700,800	49,126,923	5,328,132	141,720,670
TOTAL	19,499,529	62,609,192	60,012,252	213,379,470

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
Quarter IV/2019**27. OTHER INCOMES AND EXPENSES**

	<i>VND '000</i>			
	<i>Quarter IV</i>		<i>Accumulated from the beginning of the year</i>	
	<i>Current year</i>	<i>Previous year</i>	<i>Current year</i>	<i>Previous year</i>
Other incomes	372,575	23,141,842	146,111,789	25,692,529
Gain from disposal of fixed assets	-	20,073,177	-	20,337,469
Others	372,575	3,068,665	146,111,789	5,355,060
Other expenses	13,698,177	3,462,394	455,774,139	9,999,364
Assessment of non-performing assets	(29,266,496)	-	386,755,712	-
Penalty expenses	5,029,546	320,622	23,651,231	4,436,193
Loss from disposal of fixed assets	3,561,529	-	8,992,630	-
Others	34,373,598	3,141,772	36,374,566	5,563,171
Other loss/gain	(13,325,602)	19,679,448	(309,662,350)	15,693,165

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
Quarter IV/2019**28. CORPORATE INCOME TAX**

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

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

The CIT for the period is comprised of:

	VND '000	
	2019	2018
Current corporate income tax expenses	-	4,066,942
Deferred income tax expenses	<u>782,721</u>	<u>(7,056,104)</u>
TOTAL	<u>782,721</u>	<u>(2,989,162)</u>

Current CIT

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

The current CIT expense for the period is computed as follows:

	VND '000	
	2019	2018
Accounting profit (loss) before tax	(656,071,353)	(111,059,187)
Non-deductible expenses	36,016,034	139,974,378
Foreign exchange differences from the re-assessment of monetary accounts denominated in foreign currency	(85,811)	36,914,755
Penalty expenses	(11,959,978)	(242,081,178)
Dividend income	382,927,919	-
Provision for doubtful receivables	<u>(125,894,554)</u>	<u>(1,634,235)</u>
Others	<u>(375,067,743)</u>	<u>(177,885,467)</u>
Estimated taxable profit (loss) not off-set with losses in previous year	-	4,066,942
Part of loss from previous years carried forward to off set	-	4,066,942
Estimated current taxable loss	65,230	45,838,212
Current CIT of real estate industry	4,322,702	-
Estimated current CIT expense for the period	(2,394,952)	-
CIT payable at the beginning of the period	<u>(1,927,750)</u>	<u>(49,839,924)</u>
CIT from the previous period carried to the expense this period	<u>65,230</u>	<u>65,230</u>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
Quarter IV/2019**29. TRANSACTIONS WITH RELATED PARTIES**

Significant transactions with related parties during the period are presented as follows:

<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>VND '000 Amounts</i>
Gia Lai Livestock JSC	Related party	Interest income	433,417,522
		Sale of goods and rendering of services	13,585,096
Hoang Anh Gia Lai Hydro Power JSC	Subsidiary	Disposal of investment	293,045,000
		Interest income	8,382,989
Le Me JSC	Related party	Interest income	258,230,038
Hoang Anh Gia Lai Agricultural JSC	Subsidiary	Interest income	200,398,547
		Purchase of goods	40,900,991
		Sale of goods and rendering of services	30,033,462
Hoang Anh - Quang Minh Rubber JSC	Subsidiary	Interest income	85,008,029
An Dong Meas JSC	Subsidiary		28,247,576
Hoang Anh Gia Lai Wooden Furniture JSC	Related party	Interest income	22,231,760
		Interest income	612,403
		Sale of goods and rendering of services	
Huynh De Construction JSC	Related party	Interest income	15,738,489
Thanh Binh Construction Investment & Consultant Co., Ltd.	Related party	Interest income	12,846,897
Phu Hoang Anh JSC	Related party	Interest income	11,504,781
Hoang Anh Gia Lai Agricultural JSC – Fruit processing branch	Subsidiary	Sale of goods and rendering of services	8,362,829
Dai Thang Agriculture Development Co., Ltd.	Subsidiary	Sale of goods and rendering of services	7,412,571
		Interest income	6,324,221
		Purchase of goods	3,497,028
An Tien Co., Ltd.	Related party	Interest income	7,246,774
Hoang Anh Construction and Housing Development JSC	Related party	Interest income	7,227,288
Hoang Anh Gia Lai Import - Export Trading One Member Co., Ltd	Subsidiary	Purchase of goods	6,097,087
		Sale of goods and rendering of services	508,977
Phuc Bao Minh Construction Service Trading JSC	Related party	Interest income	3,652,778
Dai Loc Hung Thinh One Member Co., Ltd.	Related party	Interest income	3,384,688
Other related parties	Related party	Sale of goods and rendering of services	4,258,610
		Interest income	60,833

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
Quarter IV/2019**29. TRANSACTIONS WITH RELATED PARTIES** (continued)

As at the balance sheet date of 31 December 2019 amounts due to and due from related parties are presented as follows:

<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>VND '000 Amounts</i>
Short-term trade receivables (Note 5)			
Thanh Binh Construction Investment & Consultant Co., Ltd	Related party	Hợp đồng xây dựng	27,595,944
Hoang Anh Gia Lai Agricultural JSC – Fruit processing branch	Subsidiary	Bán tài sản cố định Sale of goods and rendering of services	26,323,777 14,934,824
Gia Lai Livestock JSC	Related party	Sale of goods and rendering of services	15,785,554
Hoang Anh Attapeu Agriculture Development Co., Ltd.	Subsidiary	Sale of goods and rendering of services	12,816,182
Dai Thang Agriculture Development Co., Ltd.	Subsidiary	Sale of goods and rendering of services	9,766,574
Hoàng Anh Andong Meas Co., Ltd.	Subsidiary	Sale of goods and rendering of services	7,140,478
Minh Tuan Trading and Services Co., Ltd.	Related party	Hợp đồng xây dựng	5,501,714
Hoang Anh Gia Lai Sports JSC	Subsidiary	Sale of goods and rendering of services	4,583,442
Other related parties	Related party	Sale of goods and rendering of services	3,667,459
TOTAL			<u>128,115,948</u>
Short-term advances to suppliers (Note 6)			
Dai Thang Agriculture Development Co., Ltd.	Subsidiary	Advances for purchase of goods	<u>268,265,107</u>
Short-term loan receivables (Note 7)			
Hoang Anh Gia Lai Agricultural JSC	Subsidiary	Short term loan receivable	1,877,207,456
Gia Lai Livestock JSC	Related party	Short term loan receivable	1,068,890,232
Le Me JSC	Related party	Short term loan receivable	857,847,971
Hoang Anh Gia Lai Wooden furniture JSC	Related party	Short term loan receivable	86,936,725
Mr. Doan Nguyen Duc	BOD chairman	Short term loan receivable	20,120,000
Ms. Ho Thi Kim Chi	Deputy general director	Short term loan receivable	16,742,128
Ms. Vo Thi My Hanh	BOD member	Short term loan receivable	1,636,000

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
Quarter IV/2019**29. GIAO DỊCH VỚI CÁC RELATED PARTY** (continued)

As at the balance sheet date of 31 December 2019 amounts due to and due from related parties are presented as follows (continued):

<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>VND '000 Amounts</i>
Short-term loan receivables (Note 7) (continued)			
An Dong Meas JSC	Subsidiary	Short-term loan receivables	1,300,000
TOTAL			<u>3,930,680,512</u>
Long term loan receivables (Note 7)			
Gia Lai Livestock JSC	Related party	Long-term loan	4,127,769,426
Le Me JSC	Related party	Long-term loan	3,216,487,778
Hoang Anh - Quang Minh Rubber JSC	Subsidiary	Long-term loan	649,106,397
Hung Thang Loi Gia Lai JSC	Subsidiary	Long-term loan	358,538,725
Hoang Anh Gia Lai Sport JSC	Subsidiary	Long-term loan	275,765,936
Hoang Anh Gia Lai Wooden Furniture JSC	Related party	Long-term loan	100,000,000
Dai Thang Agriculture Development Co., Ltd.	Subsidiary	Long-term loan	49,900,701
TOTAL			<u>8,777,568,963</u>
Other short-term receivables (Note 8)			
Dai Thang Agriculture Development Co., Ltd.	Subsidiary	Payment on behalf	535,273,728
Hoang Anh Attapeu Agriculture Development Co., Ltd.	Subsidiary	Payment on behalf	107,926,999
Hoang Anh Gia Lai Sport JSC	Subsidiary	Interest income	99,469,183
		Payment on behalf	5,151,875
Mr. Doan Nguyen Duc	BOD chairman	Temporary lending	65,635,704
Hoang Anh Agricultural JSC	Subsidiary	Interest income	27,165,722
Gia Lai Livestock JSC	Related party	Interest income	19,711,031
		Payment on behalf	10,576,290
Hoang Anh - Quang Minh Rubber Industrial & Agricultural Co., Ltd	Subsidiary	Payment on behalf	16,049,756
Hoang Anh Gia Lai Wooden Furniture JSC	Related party	Interest income	12,780,538
		Payment on behalf	2,192,000

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
Quarter IV/2019**29. TRANSACTIONS WITH RELATED PARTIES** (continued)

As at the balance sheet date of 31 December 2019 amounts due to and due from related parties are presented as follows (continued):

<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>VND '000 Amounts</i>
<i>Other short-term receivables</i> (Note 8) (continued)			
Le Me JSC	Related party	Interest income	10,355,825
Other related parties	Related party	Payment on behalf	1,882,531
TOTAL			<u>914,171,182</u>
<i>Other long-term receivables</i> (Note 8)			
Gia Lai Livestock JSC	Related party	Interest income	480,411,710
Le Me JSC	Related party	Interest income	230,927,298
Hoang Anh - Quang Minh Rubber JSC	Subsidiary	Interest income	154,362,922
Hoang Anh Gia Lai Wooden Furniture JSC	Related party	Interest income	17,654,077
Dai Thang Agriculture Development Co., Ltd.	Subsidiary	Interest income	11,089,045
Other related parties	Related party	Interest income	1,149,434
TOTAL			<u>895,594,486</u>
<i>Short-term trade payables</i> (Note 15)			
Hoang Anh Gia Lai Agricultural JSC	Subsidiary	Purchase of goods	22,887,524
Gia Lai Livestock JSC	Related party	Advances for goods for purchase of goods	2,295,863
Dai Thang Agriculture Development Co., Ltd.	Subsidiary	Advances for goods for purchase of goods	1,950,571
Other related parties	Related party	Advances for goods for purchase of goods	1,089,549
TOTAL			<u>28,223,507</u>
<i>Short-term advances from customers</i> (Note 16)			
Highland Dairy Cattle JSC	Subsidiary	Purchase of goods	772,641

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
Quarter IV/2019**29. TRANSACTIONS WITH RELATED PARTIES** (continued)

As at the balance sheet date of 31 December 2019 amounts due to and due from related parties are presented as follows (continued):

<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>VND '000</i> <i>Amounts</i>
<i>Other short-term payables</i> (Note 19)			
Ms Vo Thi My Hanh	BOD member	BBC	36,000,000
Hoang Anh Gia Lai Vientiane Co., Ltd.	Subsidiary	Collection on behalf	22,769,750
Ms Doan Thi Nguyen Nguyen	Related party	Temporary borrowing	15,000,000
Hoang Anh Gia Lai Import - Export Trading Co., Ltd	Subsidiary	Collection on behalf	9,408,242
Hoang Anh Gia Lai Wooden Furniture JSC	Related party	Temporary borrowing	7,422,950
Other related parties	Related party	Collection on behalf	4,840,884
TOTAL			<u>95,441,826</u>

Other long-term payables (Note 19)

Mr. Doan Nguyen Duc	BOD chairman	Business cooperation	180,000,000
Ms. Ho Thi Kim Chi	Deputy General Director	Business cooperation	105,000,000
TOTAL			<u>285,000,000</u>

30. EVENTS OCCURRING AFTER THE SEPARATE BALANCE SHEET DATE

There has been no significant event occurring after the balance sheet date which would require adjustments or disclosures to be made in the separate financial statements.

Tran Thi Thanh Hieu
Preparer

Le Truong Y Tram
Chief accountant

Vo Truong Son
General Director

30 January 2020