

Hoang Anh Gia Lai Joint Stock Company

Consolidated financial statements

For the year ended 31 December 2018

Hoang Anh Gia Lai Joint Stock Company

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Hoang Anh Gia Lai Joint Stock Company

GENERAL INFORMATION

THE COMPANY

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 ("BRC") No. 3903000083 issued by the Department of Planning and Investment of Gia Lai Province on 1 June 2006, and as amended.

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

At 31 December 2018, the Group has seven (7) direct subsidiaries, twenty-nine (29) indirect subsidiaries and three (3) associates.

The current principal activities of the Company and its subsidiaries are developing and operating rubber, palm oil, fruit and other tree plantations; developing apartments, trade centres for sale and lease; mechanical; manufacturing and trading cattle foods, fertilizers; breeding and trading dairy cows and cows for meat; warehouse services, processing of agricultural products and services; operating hotels and resorts; and sport and entertainment activities.

The Company's head office is located at No. 15 Truong Chinh Street, Phu Dong Ward, Pleiku City, Gia Lai Province, Vietnam.

BOARD OF DIRECTORS

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

<i>Name</i>	<i>Position</i>
Mr Doan Nguyen Duc	Chairman
Mr Vo Truong Son	Member
Mrs Vo Thi Huyen Lan	Member
Mr Doan Nguyen Thu	Member
Mr Nguyen Van Minh	Member
Mr Phan Thanh Thu	Member
Mrs Vo Thi My Hanh	Member

BOARD OF SUPERVISORS

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

<i>Name</i>	<i>Position</i>	
Mrs Do Tran Thuy Trang	Head	appointed on 18 July 2018
Mrs Truong Thi Kim Anh	Head	resigned on 18 July 2018
Mrs Nguyen Thi Huyen	Member	
Mr Nguyen Tan Anh	Member	

Hoang Anh Gia Lai Joint Stock Company

GENERAL INFORMATION (continued)

MANAGEMENT

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

<i>Name</i>	<i>Position</i>
Mr Vo Truong Son	General Director
Mr Doan Nguyen Thu	Deputy General Director
Mr Nguyen Van Minh	Deputy General Director
Ms Ho Thi Kim Chi	Deputy General Director

LEGAL REPRESENTATIVE

The legal representative of the Company during the year and at the date of this report is Mr Vo Truong Son.

AUDITOR

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

Hoang Anh Gia Lai Joint Stock Company

REPORT OF MANAGEMENT

Management of Hoang Anh Gia Lai Joint Stock Company ("the Company") is pleased to present its report and the consolidated financial statements of the Company and its subsidiaries ("the Group") for the year ended 31 December 2018.

MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the consolidated financial statements of each financial year of the Group which give a true and fair view of the consolidated financial position of the Group and of the consolidated results of its operations 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, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2018 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 preparation and presentation of consolidated financial statements.

For and on behalf of management:



Vo Trung Son
General Director

30 March 2019

Reference: 60752790/20263458/FN-HN

INDEPENDENT AUDITORS' REPORT

To: The Shareholders and the Board of Directors of Hoang Anh Gia Lai Joint Stock Company

We have audited the consolidated financial statements of Hoang Anh Gia Lai Joint Stock Company ("the Company") and its subsidiaries ("the Group"), prepared on 30 March 2019 and set out on pages 6 to 94 which comprise the consolidated balance sheet as at 31 December 2018, and the consolidated income statement and consolidated cash flow statement for the year then ended and the notes thereto.

Management's responsibility

The Group's management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to 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 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 auditor's 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 auditor considers 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 qualified opinion.

Basis for qualified opinion

As mentioned at Note 34.3 in the accompanying consolidated financial statements, as at 31 December 2018, the Group had other short-term and long-term receivables due from related parties of An Phu Real Estate Investment Joint Stock Company with the total value of VND'000 7,594,857,478 (31 December 2017: VND'000 10,570,063,864). Based on available information, we have not been able to collect sufficient evidences to determine the recoverability of the total balance of VND'000 2,593,250,868 as at 31 December 2018 (31 December 2017: VND'000 4,023,878,331) which was included in these balances. Accordingly, we cannot determine whether there is any necessary adjustment to be made and the effects of the Group's consolidated financial statements for the year ended 31 December 2018.

Qualified opinion

In our opinion, except for the possible effects of the matter described in the "Basis for qualified opinion" paragraph, 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 2018, 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 preparation and presentation of consolidated financial statements.

Emphasis of matter

We draw attention to Note 2.1 to the consolidated financial statements. As at 31 December 2018, the accumulated loss of the Group was VND'000 36,434,976 and the Group's current liabilities exceeded its current assets by VND'000 6,568,828,675. In addition, as of that date, the Group was also in violation of bond and loan covenants as mentioned in Notes 24.2, 24.3 and 24.4 to the consolidated financial statements. These factors indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

Ernst & Young Vietnam Limited



Le Vu Trung
Deputy General Director
Audit Practicing Registration Certificate
No. 1588-2018-004-1



Nguyen Thi Nhu Quynh
Auditor
Audit Practicing Registration Certificate
No. 3040-2019-004-1

Ho Chi Minh City, Vietnam

30 March 2019

CONSOLIDATED BALANCE SHEET
as at 31 December 2018

VND'000

Code	ASSETS	Notes	Ending balance	Beginning balance
100	A. CURRENT ASSETS		6,567,906,781	8,815,052,625
110	I. Cash	5	337,736,719	141,473,491
111	1. Cash		337,736,719	141,473,491
130	II. Current accounts receivable		4,747,120,864	7,481,808,506
131	1. Short-term trade receivables	6	2,976,376,936	2,166,131,406
132	2. Short-term advances to suppliers	7	427,114,472	611,144,225
135	3. Short-term loan receivables	8	724,888,836	3,969,777,546
136	4. Other short-term receivables	9	656,027,274	756,477,238
137	5. Provision for short-term doubtful receivables	6	(37,286,654)	(21,721,909)
140	III. Inventories	10	1,397,223,406	1,118,852,515
141	1. Inventories		1,409,194,346	1,126,498,195
149	2. Provision for obsolete inventories		(11,970,940)	(7,645,680)
150	IV. Other current assets		85,825,792	72,918,113
151	1. Short-term prepaid expenses		42,012,128	31,853,662
152	2. Value-added tax deductible		33,782,839	35,050,293
153	3. Tax and other receivables from the State		10,030,825	6,014,158
200	B. NON-CURRENT ASSETS		41,543,534,835	44,247,075,031
210	I. Long-term receivables		6,531,099,389	8,887,895,570
212	1. Long-term advance to suppliers		-	477,204
215	2. Long-term loan receivables	8	6,188,425,931	7,951,978,808
216	3. Other long-term receivables	9	342,673,458	935,439,558
220	II. Fixed assets		10,732,352,612	9,921,066,056
221	1. Tangible fixed assets	11	10,671,588,242	8,590,084,812
222	Cost		12,582,296,997	10,017,277,001
223	Accumulated depreciation		(1,910,708,755)	(1,427,192,189)
227	2. Intangible fixed assets	12	60,764,370	1,330,981,244
228	Cost		115,343,472	1,422,035,740
229	Accumulated amortisation		(54,579,102)	(91,054,496)
230	III. Investment properties	13	37,104,803	3,210,064,249
231	1. Cost		42,073,202	3,398,052,191
232	2. Accumulated depreciation		(4,968,399)	(187,987,942)
240	IV. Long-term assets in progress		16,910,792,900	17,750,120,892
242	1. Construction in progress	14	16,910,792,900	17,750,120,892
250	V. Long-term investments		2,788,206,391	857,860,420
252	1. Investments in associates	16	2,771,892,520	847,332,517
253	2. Investments in other entities		16,313,871	10,507,903
255	3. Held-to-maturity investments		-	20,000
260	VI. Other long-term assets		4,543,978,740	3,620,067,844
261	1. Long-term prepaid expenses	17	1,224,232,772	976,304,493
262	2. Deferred tax assets	33.2	98,599,120	105,125,055
269	3. Goodwill	18	3,221,146,848	2,538,638,296
270	TOTAL ASSETS		48,111,441,616	53,062,127,656

CONSOLIDATED BALANCE SHEET (continued)
as at 31 December 2018

VND'000

Code	RESOURCES	Notes	Ending balance	Beginning balance
300	C. LIABILITIES		31,300,554,930	35,274,154,978
310	I. Current liabilities		13,136,735,456	12,246,677,269
311	1. Short-term trade payables	19	473,908,598	970,327,536
312	2. Short-term advances from customers	20	2,411,088,952	3,164,145,656
313	3. Statutory obligations	21	57,716,523	198,214,334
314	4. Payables to employees		67,209,973	83,448,891
315	5. Short-term accrued expenses	22	2,045,910,162	1,628,490,451
318	6. Short-term unearned revenues		228,667	314,124,586
319	7. Other short-term payables	23	1,130,795,710	3,358,503,373
320	8. Short-term loans	24	6,949,803,327	2,528,863,856
322	9. Bonus and welfare fund		73,544	558,586
330	II. Non-current liabilities		18,163,819,474	23,027,477,709
333	1. Long-term accrued expenses	22	2,029,868,704	1,319,177,615
336	2. Long-term unearned revenues		-	131,669,002
337	2. Other long-term liabilities	23	980,019,908	937,538,732
338	3. Long-term loans	24	14,803,739,630	20,296,209,849
341	4. Deferred tax liabilities	33.2	344,457,866	336,941,517
342	5. Long-term provisions		5,733,366	5,940,994
400	D. OWNERS' EQUITY		16,810,886,686	17,787,972,678
410	I. Equity		16,810,886,686	17,787,972,678
411	1. Share capital	25.1	9,274,679,470	9,274,679,470
411a	- Shares with voting rights		9,274,679,470	9,274,679,470
412	2. Share premium	25.1	3,263,858,784	3,263,858,784
415	3. Treasury shares	25.1	(686,640)	(686,640)
417	4. Foreign exchange differences	25.1	485,237,344	453,812,960
418	5. Investment and development fund	25.1	280,644,763	279,895,303
421	6. (Accumulated losses)			
	undistributed earnings	25.1	(36,434,976)	702,809,115
421a	- (Accumulated losses)			
	undistributed earnings by the end of prior year		(153,941,745)	633,221,103
421b	- Undistributed earnings of current year		117,506,769	69,588,012
429	7. Non-controlling interests	26	3,543,587,941	3,813,603,686
440	TOTAL LIABILITIES AND OWNERS' EQUITY		48,111,441,616	53,062,127,656


Tran Thi Thanh Hieu
Preparer

Le Truong Y Tram
Chief Accountant

30 March 2019

CONSOLIDATED INCOME STATEMENT
for the year ended 31 December 2018

VND'000

Code	ITEMS	Notes	Current year	Previous year
10	1. Net revenues from sale of goods and rendering of services	28.1	5,388,200,400	4,841,225,074
11	2. Costs of goods sold and rendering of services	29	(3,013,495,226)	(3,109,682,997)
20	3. Gross profit from sale of goods and rendering of services		2,374,705,174	1,731,542,077
21	4. Finance income	28.2	1,404,799,179	1,665,916,448
22	5. Finance expenses	30	(1,721,684,164)	(1,697,932,438)
23	- In which: Interest expenses		(1,532,928,450)	(1,585,315,746)
24	6. Shares of profit (loss) of associates		64,840,488	(18,433,513)
25	7. Selling expenses	31	(192,446,215)	(143,923,122)
26	8. General and administrative expenses	31	(989,336,089)	(707,548,329)
30	9. Operating profit		940,878,373	829,621,123
31	10. Other income	32	21,546,363	267,202,683
32	11. Other expenses	32	(914,727,898)	(666,678,513)
40	12. Other loss	32	(893,181,535)	(399,475,830)
50	13. Accounting profit before tax		47,696,838	430,145,293
51	14. Current corporate income tax expense	33.1	(2,998,375)	(24,802,221)
52	15. Deferred tax expense	33.2	(38,454,058)	(33,735,757)
60	16. Net profit after tax		6,244,405	371,607,315
61	17. Net profit after tax attributable to shareholders of the parent		117,506,769	69,588,012
62	18. Net (losses) profit after tax attributable to non-controlling interests		(111,262,364)	302,019,303
70	19. Basic earnings per share (VND)	27	127	80
71	20. Diluted earnings per share (VND)	27	127	80



Tran Thi Thanh Hieu
Preparer



Le Truong Y Tram
Chief Accountant



30 March 2019

CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 December 2018

VND'000

Code	ITEMS	Notes	Current year	Previous year
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	Accounting profit before tax		47,696,838	430,145,293
	<i>Adjustments for:</i>			
02	Depreciation of tangible fixed assets and investment properties and amortisation of intangible fixed assets (including amortization of goodwill)	11, 12 13, 18	1,137,274,221	1,054,629,884
03	Provisions		19,682,377	28,441,450
04	Loss foreign exchange differences arisen from the revaluation of monetary accounts denominated in foreign currencies		44,675,852	60,022,958
05	Profits from investing activities		(1,435,670,677)	(1,737,550,408)
06	Interest expenses	30	1,532,928,450	1,585,315,746
08	Operating profit before changes in working capital		1,346,587,061	1,421,004,923
09	Decrease in receivables		1,511,655,755	515,795,384
10	Increase in inventories		(695,030,279)	(211,051,664)
11	(Decrease) increase in payables		(3,837,314,700)	775,769,299
12	Increase in prepaid expenses		(215,749,814)	(767,137,982)
14	Interest paid		(971,481,036)	(714,949,467)
15	Corporate income tax paid	33.1	(54,584,465)	(4,591,515)
17	Other cash outflows for operating activities		(1,758,964)	(316,303)
20	Net cash flows (used in) from operating activities		(2,917,676,442)	1,014,522,675
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchases and construction of fixed assets and other long-term assets		(2,597,907,012)	(1,454,631,442)
22	Proceeds from disposals of fixed assets and other long-term assets		531,497,895	475,594,760
23	Loans to other entities		(3,041,376,766)	(7,208,649,956)
24	Collections from borrowers		3,903,352,004	2,988,905,798
25	Payments for investments in other entities		(7,783,830)	-
26	Proceeds from sale of investments in other entities (net of cash held by entity being disposed)		74,975,161	1,517,118,217
27	Interest and dividends received		783,659,345	1,119,834,929
30	Net cash flows used in investing activities		(353,583,203)	(2,561,827,694)

CONSOLIDATED CASH FLOW STATEMENT (continued)
for the year ended 31 December 2018

VND'000

Code	ITEMS	Notes	Current year	Previous year
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
31	Capital contribution received		-	2,450,000
33	Borrowings received		7,594,866,696	4,119,461,254
34	Borrowings repaid		(4,127,343,823)	(3,055,353,071)
40	Net cash flows from financing activities		3,467,522,873	1,066,558,183
50	Net increase (decrease) in cash for the year		196,263,228	(480,746,836)
60	Cash at beginning of the year	5	141,473,491	794,326,175
61	Impact of exchange rate fluctuation		-	(172,105,848)
70	Cash at end of the year	5	337,736,719	141,473,491



Tran Thi Thanh Hieu
Preparer



Le Truong Y Tram
Chief Accountant



30 March 2018

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS
as at 31 December 2018 and for the year then ended

1. THE COMPANY

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 ("BRC") No. 3903000083 issued by the Department of Planning and Investment of Gia Lai Province on 1 June 2006, and as amended.

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

At 31 December 2018, the Group has seven (7) direct subsidiaries, twenty-nine (29) indirect subsidiaries and three (3) associates, as below:

<i>Name of subsidiaries</i>	<i>Location</i>	<i>Status of operation</i>	<i>% holding</i>
Hydropower sector			
(1) Hoang Anh Gia Lai Hydropower Joint Stock Company ("DHA")	Gia Lai, Vietnam	Operating	99.40
(2) Hoang Anh Attapeu Power Co., Ltd. ("NK2")	Vientiane, Laos	Waiting for disposal	99.40
(3) Nam Kong 3 Electric Co., Ltd. ("NK3")	Attapeu, Laos	Waiting for disposal	99.40
(4) Hoang Anh Sai Gon Hydropower Joint Stock Company	Ho Chi Minh, Vietnam	Pre-operating	99.00
Agriculture plantation sector			
(5) Hoang Anh Gia Lai Agricultural Joint Stock Company ("HNG")	Gia Lai, Vietnam	Operating	63.33
(6) Hoang Anh Gia Lai Import - Export Trading One member Co., Ltd.	Gia Lai, Vietnam	Operating	63.33
(7) Hoang Anh - Quang Minh Rubber Joint Stock Company	Gia Lai, Vietnam	Operating	61.92
(8) Hoang Anh - Quang Minh Rubber Industrial and Agricultural Co., Ltd.	Attapeu, Laos	Operating	61.92
(9) Hoang Anh Dak Lak Joint Stock Company	Dak Lak, Vietnam	Operating	63.03
(10) Hoang Anh Attapeu Agriculture Development Co., Ltd. ("HAA")	Attapeu, Laos	Operating	63.33
(11) Hoang Anh An Dong Meas Co., Ltd.	Ratanakiri, Campuchia	Operating	61.92

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

1. THE COMPANY (continued)

<i>Name of subsidiaries</i>	<i>Location</i>	<i>Status of operation</i>	<i>% holding</i>
<i>Agriculture plantation sector</i> (continued)			
(12) Hoang Anh Oyadav Co., Ltd.	Ratanakiri, Cambodia	Pre-operating	63.33
(13) Heng Brothers Co., Ltd.	Ratanakiri, Cambodia	Operating	63.33
(14) CRD Co., Ltd.	Ratanakiri, Cambodia	Pre-operating	63.33
(15) Hoang Anh Ratanakiri Co., Ltd.	Ratanakiri, Cambodia	Pre-operating	63.33
(16) Highland Dairy Cattle Joint Stock Company	Gia Lai, Vietnam	Operating	62.70
(17) An Dong Mia JSC	Gia Lai, Vietnam	Operating	63.33
(18) Hoang Anh Lum Phat Co., Ltd.	Ratanakiri, Cambodia	Operating	63.33
(19) Dong Penh JSC	Gia Lai, Vietnam	Operating	63.27
(20) Daun Penh Agrico Co., Ltd.	Ratanakiri, Cambodia	Operating	63.27
(21) Indochina Rubber Investment and Development Co., Ltd.	Ho Chi Minh, Vietnam	Operating	63.33
(22) Eastern Europe Rubber Investment Co., Ltd	Ho Chi Minh, Vietnam	Operating	63.33
(23) Eastern Rubber (Cambodia) Co., Ltd.	Kratie, Cambodia	Pre-operating	63.33
(24) Binh Phuoc Kratie Rubber 2 Co., Ltd.	Kratie, Cambodia	Operating	63.33
(25) Sovann Vuthy Co., Ltd.	Kratie, Cambodia	Operating	63.33
(26) Trung Nguyen Rubber JSC	Gia Lai, Vietnam	Operating	63.28
(27) Hung Thang Loi Gia Lai JSC	Gia Lai, Vietnam	Operating	98.00
(28) Dai Thang Agricultural Development Co., Ltd	Champasak, Lao	Operating	98.00

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended**1. THE COMPANY** (continued)

<i>Name of subsidiaries</i>	<i>Location</i>	<i>Status of operation</i>	<i>% holding</i>
<i>Mining sector</i>			
(29) Hoang Anh Gia Lai Mineral One member Co., Ltd.	Gia Lai, Vietnam	Discontinued operation	99.40
(30) Hoang Anh GL - Kontum Mineral One member Co., Ltd.	Kontum, Vietnam	Discontinued operation	99.40
(31) Hoang Anh Xekong Mineral Co., Ltd.	Attapeu, Laos	Discontinued operation	99.40
<i>Construction, trading and services sector</i>			
(32) Hoang Anh Gia Lai Sport Joint Stock Company	Gia Lai, Vietnam	Operating	69.85
(33) Hoang Anh Gia Lai Hospital Joint Stock Company	Gia Lai, Vietnam	Operating	99.00
(34) V&H Corporation Co., Ltd.	Vientiane, Laos	Pre-operating	100.00
(35) V&H Corporation (Lao) Co., Ltd.	Vientiane, Laos	Pre-operating	80.00
(36) Hoang Anh Gia Lai Vientiane Co., Ltd.	Vientiane, Laos	Pre-operating	100.00

Pre-operating status means the subsidiaries are still under investment stage and have not yet started their commercial operations as at 31 December 2018.

The current principal activities of the Company and its subsidiaries ("the Group") are developing and operating rubber, oil palm, fruit and other tree plantations; developing apartments, trade centres for sale and lease; mechanical; manufacturing and trading cattle foods, fertilizers; breeding and trading dairy cows and cows for meat; warehouse services, processing of agricultural products and services; operating hotels and resorts; and sport and entertainment activities.

The Company's head office is located at No. 15 Truong Chinh Street, Phu Dong Ward, Pleiku City, Gia Lai Province, Vietnam.

The number of the Group's employees as at 31 December 2018 was 3,199 (31 December 2017: 5,247).

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

2. BASIS OF PREPARATION

2.1 *Going concern assumption*

The consolidated financial statements have been prepared on a going concern basis, which presumes that the Group will be able to realize its assets and discharge its liabilities in the normal course of operations for the foreseeable future.

As at 31 December 2018, the accumulated loss of the Group was VND'000 36,434,976 and the Group's current liabilities exceeded its current assets by VND'000 6,568,828,675. In addition, as of that date, the Group was also in violation of bond and loan covenants as mentioned in Notes 24.2, 24.3 and 24.4 to the consolidated financial statements. These factors indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern.

As at the date of these consolidated financial statements, the Group had prepared a cash flows projection and profit plan in the next 12 months which is expected to be generated from projects that are being implemented and restructure some investments whereby the Group can repay due debts and continue to operate in the next fiscal year. In addition, on 3 August 2018, the Group signed the Strategic Investment Cooperation Agreement with Truong Hai Auto Corporation ("THACO"), in which, THACO commits to assist the Group to fundraising to finance its Group's agricultural projects and financial restructuring. On this basis, the Group's management consider it is appropriate to prepare the Group's consolidated financial statements on the going concern basis.

Accordingly, the consolidated financial statements do not include any adjustments to assets and liabilities that may be necessary if the Group is unable to continue as a going concern.

2.2 *Accounting standards and system*

The consolidated financial statements of the Group expressed in thousands of Vietnam dong ("VND'000"), are prepared in accordance with the Vietnamese Enterprise Accounting System, Vietnamese Accounting Standard No. 27 - Financial Reporting and other 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 consolidated results of operations and consolidated cash flows in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

2.3 *Applied accounting documentation system*

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

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

2. BASIS OF PREPARATION (continued)

2.4 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.

2.5 Accounting currency

The consolidated financial statements are prepared in Vietnam Dong ("VND") which is also the Group's accounting currency.

2.6 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries for the year ended 31 December 2018.

The financial statements of the Company and its subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. Adjustments are made for any differences in accounting policies that may exist to ensure consistency between the subsidiaries and the Company.

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

Non-controlling interest 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.

The subsidiaries are consolidated from the date on which the Group obtains control and cease to be consolidated from the date on which the Group ceases to control. Where there is a loss of control over the subsidiaries, the consolidated financial statements still include results for the period of the reporting period during which the Group has control. When the Group loses its control over the subsidiaries but the transfer process of its ownership has not been completed as at reporting date, the Group incorporates the financial statements of subsidiaries as at and up to the date of the Group's loss of control into the Group's consolidated financial statements for the reporting period.

Subsidiaries have been included in the consolidated financial statements using the purchase method of accounting that measures the subsidiaries' assets and liabilities at their fair value at the acquisition date.

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

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

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 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, in accordance with the guidance under Circular No. 228/2009/TT-BTC date 7 December 2009 ("Circular 228"). Increases or decreases to the provision balance are recorded as general and administrative expense in the consolidated income statement.

3.3 Inventories

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

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

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

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

By products

By products resulted from livestock activities with nil in quantity and amount recorded into the accounting books as at the date of the interim consolidated financial statements

Inventory properties

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

Cost includes:

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

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

The cost of inventory property recognised 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.

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.3 *Inventories* (continued)

Provision for obsolete inventories

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

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

3.4 *Tangible fixed assets*

Tangible fixed assets are stated at cost less accumulated depreciation.

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

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

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

3.5 *Intangible fixed assets*

Intangible fixed assets are stated at cost less accumulated amortisation.

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 consolidated income statement as incurred.

When intangible assets are sold or retired, any gain or loss resulting from their disposal (the difference between the net disposal proceeds and the carrying amount) is included in the consolidated 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 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. 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 intangible fixed asset and amortised over the term of benefits.

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.6 Depreciation and amortisation

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

Buildings and structures	4 - 50 years
Machinery and equipment	3 - 25 years
Means of transportation	2 - 30 years
Office equipment	2 - 10 years
Livestock	6 - 8 years
Land use rights	20 - 50 years
Computer software	5 - 8 years
Other assets	3 - 20 years

Land use right with indefinite useful life is not amortised.

Rubber and pepper plantations

Management estimated to start harvesting the rubber and pepper plantations after 7 years and 3 years of cultivation, respectively. Accordingly, the plantations would be transferred from construction in progress to tangible fixed assets after such mentioned years and depreciation will be started.

Dragon fruit plantations

Management estimates that the initial development period of the dragon fruit is from 8 to 9 months since the start of planting. Accordingly, the plantations would be transferred from construction in progress to tangible fixed assets after such mentioned period and depreciation will be started.

Oil palm plantations

In accordance with the results of the assessment on the Group's oil palm plantations conducted by the Academy of Forest Sciences (Central South and Tay Nguyen province) in August 2017, management estimated that the initial development period of the oil palm is 6 years, which conform to the characteristics of the Group's current oil palm plantations in Cambodia and Laos. As a result, the Group will convert the oil palm plantations into fixed assets and start depreciating after the end of the basic development period.

Plantation depreciation rate

Depreciation rate of rubber plantations is based on Official Letter No. 1937/BTC-TCDN dated 9 February 2010 of Corporate Finance Department - Ministry of Finance guiding the depreciation of rubber plantations and the Decision No. 221/QĐ-CSVN on 27 April 2010 of Vietnam Rubber Group guiding the depreciation rate of rubber plantations over the 20 years cycle.

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.6 Depreciation and amortization (continued)

Plantation depreciation rate (continued)

Depreciation of dragon fruits, pepper and mango plantations are calculated in accordance with Decision No. 115/17/QĐ-HAGL Agrico dated 8 August 2017 and Decision No. 0101/18/QĐ-HAGL Agrico dated 2 January 2018 of Management providing guidance on depreciation of dragon fruits, pepper and mango plantations over its exploitation cycle.

The details are as follows:

Year	Rate (%)			
	Rubber plantations	Dragon fruit plantations	Pepper plantations	Mango plantations
First year	2.50	1.00	4.60	0.30
Second year	2.80	3.40	8.50	1.00
Third year	3.50	5.00	8.50	2.20
Fourth year	4.40	6.70	8.50	4.30
Fifth year	4.80	8.40	8.50	5.80
Sixth year	5.40	8.40	8.50	5.80
Seventh year	5.40	8.40	6.20	5.80
Eighth year	5.10	8.40	6.20	5.80
Ninth year	5.10	8.40	6.20	5.80
Tenth year	5.00	8.40	3.80	5.80
Eleventh year	7.00	6.70	3.80	5.80
Twelfth year	6.60	6.70	3.80	5.80
Thirteenth year	6.20	6.70	3.80	5.80
Fourteenth year	5.90	6.70	3.80	5.80
Fifteenth year	5.50	Carrying amount	3.80	5.80
Sixteenth year	5.40		3.80	5.80
Seventeenth year	5.00		3.80	5.80
Eighteenth year	5.50		Carrying amount	5.80
Nineteenth year	5.20			5.80
Twentieth year	Carrying amount			Carrying amount

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.7 *Investment properties*

Investment properties are stated at cost including transaction costs less accumulated depreciation and/or amortisation.

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	25 - 30 years
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Investment properties are derecognised in the consolidated balance sheet 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 costs directly attributable to the construction of the Group's buildings, offices for lease, plantations and hydropower plants which have not yet been completed as at the date of these consolidated financial statements.

Building and structures

Includes costs directly related to the construction of the Group's factories, offices and structures such as construction costs, survey costs, design and other related costs.

Plantation costs

Plantation costs include costs directly attributable to the rubber, palm oil, pepper and other fruit plantations such as survey, land compensation, land clearance, seeds, fertilizer, transportation costs of seeds and other materials, workers' wages, building roads and fences, fire prevention and security guards, anti-botanic drugs and other related costs.

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.9 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 term of the lease.

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.

In case of long-term lease, lease income is recognised in the consolidated income statement on a one-time recognition of the entire amount received in advance when the conditions are met in accordance with Circular 200/2014/TT-BTC.

3.10 Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Borrowing costs 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 a particular asset are capitalised as part of the cost of that asset. Capitalisation of borrowing costs is suspended during the years in which active development of the asset is interrupted unless such interruption is considered necessary. Capitalisation 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 consolidated balance sheet which mainly includes cost of tools and supplies, prepaid office rentals and land rentals, sugarcane plantation, corn plantation, fruit plantation, land reclamation and grass plantation; and costs of training footballers, and other costs. They are amortised over the period for which the amounts are paid or the period in which economic benefits are generated in relation to these expenses.

- ▶ Prepaid land and office rentals are amortised over the lease period;
- ▶ Tools and consumables with large value issued into production and can be used for more than one year, amortised no more than three (3) years and recognised in the consolidated income statement;
- ▶ Fruit, other plantation and grass expenses include: stems, land preparation and planting costs. The stem costs are amortised over the lifetime of these trees. Land preparation and planting costs are amortised over the period, in which economic benefits are generated in connection to the costs incurred; and
- ▶ Costs of training footballers include costs of training and development which belong to Hoang Anh Gia Lai - Arsenal JMG Academy ("HAGL - JMG"). The costs of trainings are amortised from 7 to 10 years according to the contract between HAGL - JMG and footballers.

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.12 Business combinations and goodwill

Business combinations are accounted for using the purchase method. The cost of a business combination is measured as the fair value of assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange plus any costs directly attributable to the business combination. Identifiable assets and liabilities and contingent liabilities assumed in a business combination are measured initially at fair values at the date of business combination.

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

When the Company acquires the non-controlling interests of a subsidiary, the difference between the cost of acquisition and the carrying amount of the non-controlling interest is reflected as undistributed earnings in the consolidated balance sheet.

Where the acquisition of subsidiary which is not a business, instead of an asset acquisition, the individual identifiable assets acquired and liabilities assumed are identified and recognised. The cost of the acquisition shall be allocated to the individual identifiable assets and liabilities on the basis of their relative fair values at the date of purchase. Such a transaction or event does not give rise to goodwill.

3.13 Investments

Investments in associates

The Group's investment in associates is accounted for using the equity method of accounting. An associate is an entity in which the Group has significant influence that is neither subsidiary nor joint venture. 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 associates. Goodwill arising on acquisition of the associate is included in the carrying amount of the investment. Goodwill is not amortised and subject to annual review for impairment. 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 associates is presented on face of the consolidated income statement and its share of post-acquisition movements in reserves is recognized in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Dividend/profit sharing receivable from associates reduces the carrying amount of the investment.

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.13 Investments (continued)

Investments in associates (continued)

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.

Investments in other entities

Investments in other entities are stated at their acquisition costs.

Provision for investments

Provision is made for any diminution in value of the investments in other entities at the balance sheet date in accordance with the guidance under Circular No. 228/2009/TT-BTC dated 7 December 2009 and Circular No. 89/2013/TT-BTC dated 28 June 2013 issued by the Ministry of Finance. Increases and decreases to the provision balance are recorded as finance expenses in the consolidated income statement.

3.14 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.

3.15 Accrual for severance pay

The severance pay to employee is accrued at the end of each reporting period for all employees who have been in service more than 12 months 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 Labour Code 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 reporting date. Any increase or and decrease to the accrued amount other than actual payment to employee will be taken to the consolidated income statement.

This accrued severance pay is used to settle the severance allowance to be paid to employee upon severance of their labour contract following Article 48 of the Labour Code.

3.16 Profit earnings per share

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

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

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.17 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;
- Transactions resulting in liabilities are recorded at the selling exchange rates of the transaction of commercial banks designated for payment; and
- Payments for assets or expenses without liabilities initially being recognised is recorded at the buying exchange rates of the commercial banks that process these payments.

At the end of the period, monetary balances denominated in foreign currencies are translated at the actual transaction exchange rates at the balance sheet date 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 during the period and arisen from the translation of monetary accounts denominated in foreign currency at consolidated balance sheet date are taken to the consolidated income statement.

Conversion of the financial statements of a subsidiary of the Group which maintains its accounting records in other currency rather than the Group's accounting currency of VND for the consolidation purpose is as follows:

- Assets and liabilities are converted into VND by using the average buying and selling exchange rate, respectively, as announced by the commercial banks where the Group maintains bank accounts at the balance sheet date;
- Revenues, other income and expenses are converted into VND by using the average exchange rate for the period;
- All foreign exchange differences resulting from conversion of financial statements of the subsidiary for the consolidation purpose are taken to the "foreign exchange reserve" on the consolidated balance sheet and charged to the consolidated income statement upon the disposal of the investment.

3.18 Treasury shares

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

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.19 Appropriation of net profit

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

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

► *Investment and development fund*

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

► *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.

3.20 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 goods

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

Rendering of services

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

Sale of apartments

For sale of apartments, revenue is recognized when all of the following criteria have been effectively met:

- The Group has transferred to the buyer the significant risks and rewards of ownership of the units;
- The Group 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 measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the entity; and
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.20 Revenue recognition (continued)

Construction contract

Where the outcome of a construction contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the consolidated balance sheet date. Variations in contract work, claims and incentive payments are included to the extent that they have been agreed with the customer.

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

Interest

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

Rental income

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

Dividend income

Income is recognised when the Group's entitlement as an investor to receive the dividend is established.

Income from disposal of investments

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

Revenue from lease of long-term assets

The Group recognizes a one-time long-term lease income for all received rental when compliance with the following conditions in accordance with Circular 200/2014/TT-BTC:

- ▶ Rental period accounts for over 90% of the useful life of the asset;
- ▶ The lessee has no right to cancel the lease and the Group has no obligation to return the amount received in advance in any case and in any form;
- ▶ The amount received in advance from the lease must not be less than 90% of the total lease amount expected to be collected under the contract during the lease term and the lessee must pay the whole rent within 12 months from the time of the lease starting point of renting assets;
- ▶ Almost all risks and benefits associated with ownership of leased assets have been transferred to the lessee; and
- ▶ The Group must estimate relatively sufficient cost of leasing activities.

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.21 Taxation

Current income tax

Current income tax assets and liabilities for the current and prior periods 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 off-set current tax assets against current tax liabilities and when the Group intends to settle its current tax assets and liabilities on a net basis.

Deferred tax

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

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

- ▶ where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the related transaction affects neither the accounting profit nor taxable profit or loss; and
- ▶ in respect of taxable temporary differences associated with investments in subsidiaries and associates 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 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, except:

- ▶ 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 recognised 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 utilised.

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

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.21 Taxation (continued)

Deferred tax (continued)

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

Deferred tax is charged or credited to the 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 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 Group intends either settle current tax liabilities and assets on a net basis or to realise 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.

3.22 Convertible bonds

Bonds that are convertible by the holder into a fixed number of ordinary shares of the entity are separated into financial liability (a contractual arrangement to deliver cash or another financial asset) and equity instrument (a call option granting the holder the right, for a specified period of time) based on the terms of the contract.

On issuance of the convertible bond, the fair value of the liability component is determined by discounting the future payment (including principal and interest) to present value at the market rate for an equivalent non-convertible bond less issuance cost. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption.

The remainder of the proceeds is allocated to the conversion option that is recognised and included in shareholders' equity. The carrying amount of the conversion option is not re-measured in subsequent years.

Transaction costs are allocated during the lifetime of the bond following straight-line basis. At initial recognition, issuance costs are deducted from the liability component of the bond.

3.23 Provision

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

3.24 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 Group, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Group. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Group that gives them significant influences over the Group, key management personnel, including directors and officers of the Group and close members of the families of these individuals and companies associated with these individuals also constitute related parties.

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.25 Segment information

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

4. SIGNIFICANT EVENTS DURING THE YEAR

Acquisition of shares of Hung Thang Loi Gia Lai Joint Stock Company

In accordance with Resolution of Board of Directors No 1603/18/NQHĐQT-HAGL dated 16 March 2018, Board of Directors approved the purchase of 76,930,000 shares of Hung Thang Loi Gia Lai Joint Stock Company ("Hung Thang Loi Gia Lai") with the price of VND 32,200 per share. Accordingly, on 17 March 2018, the Group net-off receivables with individuals to make payment of VND'000 2,477,146,000 to purchase the said number of shares and acquired 98.00% of interest in Hung Thang Loi Gia Lai.

The fair value of the identifiable assets and liabilities according to the net carrying amount of Hung Thang Loi Gia Lai as at the date of acquisition were:

	<i>VND'000</i>
	<i>Fair value recognized on acquisition date</i>
Assets	
Cash	1,306,682
Current accounts receivable	1,295,407,353
Inventories	24,478,895
Other current assets	54,217
Tangible fixed assets	491,079,463
Construction in progress	237,519,659
Other long-term assets	435,666,755
	2,485,513,024
Liabilities	
Other liabilities	818,838,629
Loans	233,695,438
	1,052,534,067
Total net assets at fair value	1,432,978,957
Non-controlling interest	28,659,579
Net assets acquired	1,404,319,378
Goodwill arising on acquisition	1,072,826,622
Purchase consideration transferred	2,477,146,000

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

4. SIGNIFICANT EVENTS DURING THE YEAR (continued)

Hoang Anh Gia Lai Agricultural Joint Stock Company ("HNG") issued an addition 119,700,000 shares to non-controlling interest

On 9 March 2018, HNG completed the private issuance of 119,700,000 shares to non-controlling interests to swap the debt to equity. Accordingly, HNG's share capital increased from VND'000 7,671,438,950 to VND'000 8,868,438,950 and the Group's ownership in HNG was decreased from 65.85% to 56.96%.

The difference between the carrying amount corresponding to the ownership of the net asset value of the Group in HNG before and after the issuance of the above shares was VND'000 268,662,871, which has been recorded as a deduction on undistributed earnings in the consolidated balance sheet.

Transferring all interests in Gia Lai Livestock Joint Stock Company ("CNGL")

On 20 March 2018, Highland Diary Castle Joint Stock Company, a subsidiary of the Group, transferred all shares of total shares in CNGL to Heygo Food Joint Stock Company. Accordingly, the gain resulted from this transaction of VND'000 43,519,553 were recorded in finance income in the consolidated income statement.

Partial acquisition of interests in An Dong Mia Joint Stock Company ("ADM")

On 31 March 2018, the Group acquired 6,000,000 shares in ADM from CNGL. Accordingly, HNG's ownership in ADM increased from 69.50% to 99.50% and the Group's ownership in ADM increased from 43.43% to 62.18%.

The difference between consideration transferred and the value of transferred net assets in ADM as at the transaction date amounting to VND'000 169,104,526 was recorded as a deduction to undistributed earnings in the consolidated balance sheet.

Disposal of net assets in Hoang Anh Construction and Housing Development JSC ("HAN")

On 12 September 2018, HAN issued an additional 125,000,000 ordinary shares to strategic shareholders at the issuing price of VND 13,425 per share (par value of VND 10,000 per share).

Accordingly, HAN's share capital increased from VND'000 2,850,000,000 to VND'000 4,100,000,000 and the Group's ownership in HAN was adjusted decrease from 68.90% to 47.89%. Therefore, the Group recorded gain from the disposal of subsidiary HAN due to the issuance of the above shares with an amount of VND'000 516,040,909 in the consolidated income statement, and included this amount was the gain had been adjusted in undistributed earnings of the previous years as HAN issued shares to shareholders outside the Group which reduced the Group's ownership without losing control aggregating to VND'000 426,403,428 (Note 25.1).

Partial acquisition of interests in Hoang Anh Gia Lai Agricultural Joint Stock Company ("HNG")

On 19 September 2018, the Group acquired 24,000,000 shares in HNG from HAN. Accordingly, the Group increased its ownership in HNG from 61.92% to 63.33%.

The difference between consideration transferred and the value of transferred net assets in HNG as at the transaction date amounting to VND'000 207,238,425 was recorded as a deduction to undistributed earnings in the consolidated balance sheet.

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended**5. CASH**

	VND'000	
	Ending balance	Beginning balance
Cash on hand	14,888,915	17,195,074
Cash in banks	322,847,804	124,278,417
TOTAL	337,736,719	141,473,491

6. SHORT-TERM TRADE RECEIVABLES

	VND'000	
	Ending balance	Beginning balance
Receivables from sales of goods and rendering of services	1,640,202,928	1,145,033,158
<i>In which:</i>		
- Mittaphap Import Export Company	525,363,199	9,647,209
- Bolaven Service and Trading Manufacturing Co., Ltd	238,482,216	-
- Other customers	876,357,513	1,135,385,949
Receivables from construction services	784,539,432	857,261,771
<i>In which:</i>		
- Receivable from Laos Government for construction of Airports	748,511,168	737,569,190
- Other customers	36,028,264	119,692,581
Receivables from disposal of assets and investment properties	542,589,899	147,652,615
<i>In which:</i>		
- Heygo Food Joint Stock Company	516,200,000	-
- Other customers	26,389,899	147,652,615
Receivables from sale of apartments	9,044,677	16,183,862
TOTAL	2,976,376,936	2,166,131,406
<i>In which:</i>		
Related parties (Note 34.2)	307,145,551	641,674,018
Other parties	2,669,231,385	1,524,457,388

Details of movements of provision for doubtful receivables:

	VND'000	
	Current year	Previous year
Beginning balance	21,721,909	29,122,822
Addition during the year	21,320,234	(7,400,913)
Reversal created during the year	(5,755,489)	-
Ending balance	37,286,654	21,721,909

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

7. SHORT-TERM ADVANCE TO SUPPLIERS

	VND'000	
	Ending balance	Beginning balance
Advance to acquisition of land and project (*)	248,679,631	-
Advance to suppliers for purchase of goods and services	117,068,745	535,943,781
Advance to contractors for construction of apartments and purchasing of machineries and equipment (**)	60,177,999	71,917,466
Others	1,188,097	3,282,978
TOTAL	427,114,472	611,144,225
<i>In which:</i>		
<i>Related parties (Note 34.2)</i>	33,621,109	412,870,972
<i>Other parties</i>	393,493,363	198,273,253

(*) This balance represents the advance to Khan Xay Agricultural Development One Member Co., Ltd for acquisition the rubber and jackfruit at Vat Luong Village, Samackhixay District, Attapeu Province, Lao People's Democratic Republic. As at the balance sheet date, the Group was on progress to complete legal transference procedures.

(**) Included in this balance was the value of advance for some individual contractors related to the hypro projects amounting to VND'000 26,177,026.

8. LOAN RECEIVABLES

	VND'000	
	Ending balance	Beginning balance
Short-term		
Short-term loans to related parties (Note 34.2) (i)	633,710,952	3,754,961,320
Short-term loans to other parties (ii)	91,177,884	214,816,226
	724,888,836	3,969,777,546
Long-term		
Long-term loans to related parties (Note 34.2) (i)	6,130,524,711	7,512,960,946
Long-term loans to Laos Government - Attapeu Airport project (iii)	15,020,312	169,589,065
Long-term loans to other parties (ii)	42,880,908	269,428,797
	6,188,425,931	7,951,978,808
TOTAL	6,913,314,767	11,921,756,354

(i) These loans made to related parties are unsecured, having repayment terms to 2022.

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended**8. LOAN RECEIVABLES** (continued)

(ii) These short-term and long-term loans are unsecured which have repayments terms to 2023 and bearing interest rates from 10.00% to 15.10% per annum, details are as follows:

	VND'000	
	Ending balance	Beginning balance
Mrs Le Thuy Duong	73,000,000	-
Ban Me Rubber JSC	36,340,405	-
Indochina Cow JSC	13,102,453	13,102,453
Quang Trung Electric Co., Ltd	-	168,015,082
Samaki Agricultural Development Co., Ltd	-	141,465,392
Others	11,615,934	161,662,096
TOTAL	134,058,792	484,245,023

(iii) Loan to Laos Government - Attapeu International Airport project represents the interest-free loan in accordance with the Credit Contract signed with the Laos Government on 23 May 2013 to finance construction of Attapeu International Airport. This loan will be offset with tax payable to the Laos Government in the future. Details are as follows:

	Ending balance	Beginning balance
Ending balance (USD)	648,826	7,482,421
Ending balance (VND'000)	15,020,312	169,589,065

9. OTHER RECEIVABLES

	VND'000	
	Ending balance	Beginning balance
Short-term	656,027,274	756,477,238
Interest from lending to companies	227,438,092	496,345,797
Advances to other companies	226,611,576	51,053,406
Advances to employees	163,893,229	96,402,593
Short-term deposits	3,000,000	42,532,151
Others	35,084,377	70,143,291
<i>In which:</i>		
Related parties (Note 34.2)	457,258,949	558,864,605
Other parties	198,768,325	197,612,633
Long-term	342,673,458	935,439,558
Interest from lending to companies	329,230,801	548,843,689
Long-term deposits	9,931,481	12,838,699
Advances to other companies	-	248,004,789
Receivable from business cooperation contracts	-	125,750,981
Others	3,511,176	1,400
<i>In which:</i>		
Related parties (Note 34.2)	329,540,303	890,477,069
Other parties	13,133,155	44,962,489
TOTAL	998,700,732	1,691,916,796

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended**10. INVENTORIES**

	VND'000	
	<i>Ending balance</i>	<i>Beginning balance</i>
Work in process	1,062,575,678	837,389,494
<i>In which:</i>		
<i>Construction contracts (i)</i>	629,555,879	610,961,724
<i>Manufacturing activities</i>	428,160,396	111,137,954
<i>Beef cattle breeding</i>	4,859,403	111,197,997
<i>Services rendered</i>	-	4,091,819
Raw materials	172,407,850	134,446,820
Finished goods	55,406,832	15,814,079
Tools and supplies	47,088,667	7,955,419
Apartments available for sales (ii)	36,395,297	76,898,171
Merchandise goods	35,320,022	40,553,412
Construction materials	-	13,440,800
TOTAL	1,409,194,346	1,126,498,195
Provision for obsolete inventories	(11,970,940)	(7,645,680)
NET	1,397,223,406	1,118,852,515

(i) This mainly represented the work in progress for the construction of Nongkhang International Airport in Houaphanh, Laos under the Contract No. LAO - NKP01 on 15 June 2013 with a total acceptance value of USD 25,584,644 up to 31 December 2018 (31 December 2017: USD 25,584,644). According to the Minutes No. 27610/GTVT on 12 December 2017 between the representatives of investor - the Department of Civil Aviation of Laos, the representatives of the Projection Management Consulting Company and the Group, duration of the implementation was extended till the end of 20 June 2019.

(ii) All of available for sales apartments have been mortgaged to secure the Group's outstanding loans (Note 24).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for year ended 31 December 2018

11. TANGIBLE FIXED ASSETS

Cost	Buildings, structures (*)	Machinery and equipment	Means of transportations	Office equipment	Livestock and perennial tress	Other assets	VND'000 Total
Beginning balance	2,675,785,086	565,879,747	2,207,365,851	11,010,445	4,504,508,861	52,727,011	10,017,277,001
Transfer from construction in progress							
Newly purchases	77,189,804	465,956	79,575,789	115,066	3,401,082,256	-	3,558,428,871
Acquisition of subsidiaries	32,246,130	67,388,064	26,217,873	271,532	-	3,253,177	129,376,776
Foreign exchange differences	429,308,183	5,049,377	98,314,180	-	-	-	532,671,740
Disposals	14,751,888	3,651,069	14,298,612	17,655,280	(42,427,695)	928,476	8,857,630
Disposals of subsidiary	(33,660,416)	(36,437,874)	(18,461,392)	(425,536)	(418,773,360)	-	(507,758,578)
Write off	(1,077,446,647)	(24,083,506)	(33,015,942)	(21,381,331)	-	(2,272,710)	(1,158,200,136)
Reclassified from inventory	(20,230,786)	(1,592,631)	(873,232)	-	(16,094,001)	(1,002,440)	(39,793,090)
Ending balance	2,097,943,242	580,320,202	2,373,421,739	7,245,456	41,436,783	-	41,436,783
Accumulated depreciation							
Beginning balance							
Depreciation for the year	(368,936,854)	(262,077,872)	(428,992,933)	(8,019,623)	(332,378,859)	(26,786,048)	(1,427,192,189)
Acquisition of subsidiaries	(160,824,906)	(68,142,882)	(194,711,401)	(2,385,218)	(229,802,920)	(7,004,078)	(662,871,405)
Foreign exchange differences	(31,211,488)	(1,859,175)	(8,521,614)	-	-	-	(41,592,277)
Disposals	2,475,233	722,235	624,732	(886,489)	3,309,982	58,417	6,304,110
Disposals of subsidiary	9,523,490	14,293,779	8,832,359	425,536	95,300,439	-	128,375,603
Write off	44,180,475	11,541,909	16,306,552	4,384,166	-	1,043,946	77,457,048
Ending balance	5,253,886	554,556	132,635	-	2,170,420	698,858	8,810,355
Net carrying amount	(499,540,164)	(304,967,450)	(606,329,670)	(6,481,628)	(461,400,938)	(31,988,905)	(1,910,708,755)
Beginning balance	2,306,848,232	303,801,875	1,778,372,918	2,990,822	4,172,130,002	25,940,963	8,590,084,812
Ending balance	1,598,403,078	275,352,752	1,767,092,069	763,828	7,008,331,906	21,644,609	10,671,588,242
<i>In which:</i>							
<i>Pledged/mortgaged as loan's security (Note 24)</i>	1,285,820,790	246,229,773	1,701,535,188	114,231	6,235,378,950	17,975,241	9,487,054,173
<i>Fully depreciated</i>	19,522,060	37,990,736	39,217,146	2,132,313	6,689,440	7,515,691	113,067,386

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended**11. TANGIBLE FIXED ASSETS** (continued)

(*) As at 31 December 2018, the Group used value of Hoang Anh Attapeu Hotel, which belongs to Hoang Anh Attapeu Agriculture Development Co., Ltd., the Group's subsidiary, as collateral to secure the bank loan of Thanh Thanh Cong Attapeu Sugar Cane Co., Ltd., the third party. Details are as below:

	VND'000		
	<i>Buildings, structures</i>	<i>Machinery and equipment</i>	<i>Other assets</i>
			<i>Total</i>
Ending balance	49,633,319	444,841	1,782,903
			51,861,063

12. INTANGIBLE FIXED ASSETS

	VND'000		
	<i>Land use rights</i>	<i>Computer software</i>	<i>Total</i>
Cost			
Beginning balance	1,287,750,559	134,285,181	1,422,035,740
Foreign exchange differences	32,956,066	231,437	33,187,503
Disposal of subsidiaries	(1,288,332,951)	(51,546,820)	(1,339,879,771)
Ending balance	32,373,674	82,969,798	115,343,472
Accumulated amortization			
Beginning balance	(22,629,123)	(68,425,373)	(91,054,496)
Amortisation for the year	(8,160,831)	(14,156,629)	(22,317,460)
Foreign exchange differences	(565,664)	-	(565,664)
Disposal of subsidiaries	29,941,320	29,417,198	59,358,518
Ending balance	(1,414,298)	(53,164,804)	(54,579,102)
Net carrying amount			
Beginning balance	1,265,121,436	65,859,808	1,330,981,244
Ending balance	30,959,376	29,804,994	60,764,370
<i>In which:</i>			
<i>Fully depreciated</i>	200,000	3,083,700	3,283,700
<i>Pledged/mortgaged as loans' security (Note 24)</i>	25,278,179	14,817,773	40,095,952

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

13. INVESTMENT PROPERTIES

	Land use right	Buildings, structures	Office for lease	Commercial Center	VND'000 Total
Cost					
Beginning balance	27,072,022	17,558,404	2,222,825,169	1,130,596,596	3,398,052,191
Foreign exchange differences	-	-	58,353,449	29,680,343	88,033,792
Disposal of subsidiaries	-	(2,557,224)	(2,281,178,618)	(1,160,276,939)	(3,444,012,781)
Ending balance	27,072,022	15,001,180	-	-	42,073,202
Accumulated depreciation					
Beginning balance	(1,478,788)	(3,066,599)	(111,639,628)	(71,802,927)	(187,987,942)
Charges for the year	(739,395)	(568,305)	(36,170,400)	(24,289,186)	(61,767,286)
Foreign exchange differences	-	-	(2,930,750)	(1,884,965)	(4,815,715)
Disposal of subsidiaries	-	884,688	150,740,778	97,977,078	249,602,544
Ending balance	(2,218,183)	(2,750,216)	-	-	(4,968,399)
Net carrying amount					
Beginning balance	25,593,234	14,491,805	2,111,185,541	1,058,793,669	3,210,064,249
Ending balance	24,853,839	12,250,964	-	-	37,104,803
<i>In which:</i>					
Pledged/mortgaged as loan security (Note 24)	24,514,798	12,250,964	-	-	36,765,762

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

13. INVESTMENT PROPERTIES (continued)

The rental income and operating expenses relating to investment properties were presented as follows:

		VND'000
	<i>Current year</i>	<i>Previous year</i>
Rental income from investment properties	509,461,750	792,036,808
Direct operating expenses of investment properties that generated rental income during the year	227,734,536	392,003,742

The fair value of the investment properties was not formally assessed and determined as at 31 December 2018. However, given the present high occupancy rate and the market value of these properties, it is management's assessment that these properties' market values are much higher than their carrying value as at the balance sheet date.

14. CONSTRUCTION IN PROGRESS

		VND'000
	<i>Ending balance</i>	<i>Beginning balance</i>
Rubber plantations	5,957,078,605	7,960,502,432
Palm oil plantations	3,523,865,660	3,348,265,882
Hydropower plants (*)	3,379,400,885	3,385,682,060
Fruit plantations	2,929,781,057	1,703,067,342
Buildings, plants and factories	917,377,456	687,226,986
Hoang Anh Gia Lai - Arsenal JMG Academy	56,679,237	53,432,133
Pepper plantation	30,405,295	114,959,517
Hoang Anh Gia Lai Myanmar Centre project	-	351,086,244
Beef cattle project	-	6,617,792
Other construction works	116,204,705	139,280,504
TOTAL	<u>16,910,792,900</u>	<u>17,750,120,892</u>

(*) This represents the Nam Kong 2 and Nam Kong 3 hydropower projects that have been signed sale contract with Chaleun Sekong Group ("CSG"). As at 31 December 2018, the Group received an amount advances from this customer (Note 20) and was in the process of completing legal procedures to transfer. The transfer of these projects is expected to be completed in 2019.

Rubber, palm oil, pepper plantations, fruit plantations, hydropower plants and other construction works have been mortgaged to secure the Group's outstanding loans (Note 24).

15. CAPITALISED BORROWING COSTS

During the year, the Group has capitalised borrowing costs amounting to VND'000 688,769,817 (year ended 31 December 2017: VND'000 689,985,580). These are costs incurred on the bank loans and bonds used to finance the construction and development of fixed assets, hydro power plants, rubber, palm oil and other projects.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

16. INVESTMENTS IN ASSOCIATES

Name of associates	Business activity	Ending balance		Beginning balance	
		Interest	Carrying value	Interest	Carrying value
		%	VND'000	%	VND'000
HAN	Real estate	47.89	2,500,883,911	-	-
Bidiphar Rubber Joint Stock Company (*)	Rubber plantation	49.14	263,399,088	49.14	265,778,583
East Asia Investment and Construction Consultant Joint Stock Company	Design and consultancy	25.00	7,609,521	25.00	7,609,521
CNGL (**)	Livestock and fruit	-	-	23.46	573,944,413
TOTAL			2,771,892,520		847,332,517

Based on the direct ownership of the Group's subsidiaries in these companies.

(*) Bidiphar Rubber Joint Stock Company ("Bidiphar") is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to the Enterprise Registration Certificate No. 3503000155, issued by the Department of Planning and Investment of Binh Dinh Province on 14 September 2007 and pursuant to amended Investment Certificates. The current principal activities of Bidiphar is planting, tending, harvesting and processing rubber.

(**) On 20 March 2018, the Group transferred all shares of total shares in CNGL to Heygo Food Joint Stock Company. Accordingly, the gain resulted from this transaction of VND'000 43,519,553 were recorded in finance income in the consolidated income statement.

Details of carrying value of the investment in associates on 31 December 2018 were as follows:

	VND'000
	Amount
Cost of investment	
Opening balance	856,553,911
Addition during the year	2,429,842,267
Disposal	(589,200,000)
Ending balance	2,697,196,178
Accumulated share in post-acquisition profit	
Opening balance	(9,221,394)
Share of gain from associates during the year	64,840,488
Disposal	29,535,071
Unrealised profit elimination	(10,457,823)
Ending balance	74,696,342
Net carrying amount	
Opening balance	847,332,517
Ending balance	2,771,892,520

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

17. LONG-TERM PREPAID EXPENSES

	VND'000	
	<i>Ending balance</i>	<i>Beginning balance</i>
Fruit plantations	868,103,961	338,141,701
Land clearance costs	209,442,959	119,745,845
Land rental fees	76,019,489	77,325,774
Training costs of HAGL - JMG	29,512,341	36,580,897
Tools and supplies	23,719,114	17,902,929
Office rental fee	5,333,584	24,595,489
Operating prepaid cost at Hoang Anh Gia Lai Myanmar Centre project	-	326,864,840
Others	12,101,324	35,147,018
TOTAL	1,224,232,772	976,304,493

18. GOODWILL

	VND'000
	<i>Amount</i>
Cost	
Beginning balance	3,013,468,551
Acquisition subsidiaries (Note 4)	1,072,826,622
Ending balance	4,086,295,173
Accumulated amortisation	
Beginning balance	(474,830,255)
Amortisation for the year	(390,318,070)
Ending balance	(865,148,325)
Net carrying amount	
Beginning balance	2,538,638,296
Ending balance	3,221,146,848

19. SHORT-TERM TRADE PAYABLES

	VND'000	
	<i>Ending balance</i>	<i>Beginning balance</i>
Payables for purchases of goods and services	463,476,493	581,265,959
Payables to construction contractors	10,293,479	386,759,864
Others	138,626	2,301,713
TOTAL	473,908,598	970,327,536
<i>In which:</i>		
<i>Other parties</i>	436,058,220	691,265,856
<i>Related parties (Note 34.2)</i>	37,850,378	279,061,680

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

20. SHORT-TERM ADVANCES FROM CUSTOMERS

	VND'000	
	Ending balance	Beginning balance
Chaleun Sekong Group ("CSG") advances (Note 14)	2,258,871,961	1,937,491,633
Advances from trade customers	105,842,347	401,485,954
Advances from customers for purchase of apartments	46,374,644	630,303,525
Advances from construction services customers	-	194,864,544
TOTAL	2,411,088,952	3,164,145,656
<i>In which:</i>		
Other parties	2,411,088,952	2,840,041,664
Related parties (Note 34.2)	-	324,103,992

21. STATUTORY OBLIGATIONS

	VND'000			
	Beginning balance	Increase in year	Decrease in year	Ending balance
Value-added tax	35,251,988	2,801,948	(30,528,961)	7,524,975
Corporate income tax (Note 33.1)	84,361,805	887,096	(54,584,465)	30,664,436
Personal income tax	11,625,323	37,827,141	(39,141,855)	10,310,609
Others	66,975,218	7,958,456	(65,717,171)	9,216,503
TOTAL	198,214,334	49,474,641	(189,972,452)	57,716,523

22. ACCRUED EXPENSES

	VND'000	
	Ending balance	Beginning balance
Interest expenses	2,965,310,282	2,133,992,109
Operating costs	1,067,053,924	770,261,297
Bond issuance cost	43,414,660	43,414,660
TOTAL	4,075,778,866	2,947,668,066
<i>In which:</i>		
Short-term	2,045,910,162	1,628,490,451
Long-term	2,029,868,704	1,319,177,615

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

23. OTHER PAYABLES

	VND'000	
	Ending balance	Beginning balance
Short-term	1,130,795,710	3,358,503,373
Advances from other companies and other individuals (i)	1,009,733,136	1,779,699,664
Payables for land leases	78,988,748	133,957,484
Payables for apartment maintenance fee	9,573,496	24,585,898
Payables for business cooperation contract	-	1,282,500,000
Others	32,500,330	137,760,327
<i>In which:</i>		
Related parties (Note 34.2)	202,914,128	2,144,930,519
Other parties	927,881,582	1,213,572,854
Long-term	980,019,908	937,538,732
Payables for business cooperation contracts (ii)	835,000,000	550,000,000
Payables for land leases	109,415,187	135,669,657
Long-term deposits	-	235,056,332
Others	35,604,721	16,812,743
<i>In which:</i>		
Related parties (Note 34.2)	844,725,774	550,077,566
Other parties	135,294,134	387,461,166
TOTAL	2,110,815,618	4,296,042,105

(i) This balance represents non-bearing interest and non-mortgage advances with a repayment term in 2019 from other companies and other individuals outside the Group for the purpose of supplementing working capital.

(ii) Long-term payables for business cooperation contracts ("BBC") included:

- Long-term business cooperation contract between Tay Nguyen Dairy Cow Joint Stock Company - a subsidiary of the Group, and An Tien Co., Ltd. ("An Tien"), a related party, to invest in a livestock project beef and beef cows with a total project value of VND'000 963,968,249 for a period of five (5) years (from 20 May 2016 to 20 May 2021). Accordingly, An Tien commits to contribute VND'000 700,000,000 and the Group pledged to contribute VND'000 263,968,249 invested in the project. The profit from the project will be divided according to the actual capital contribution ratio of the parties. The An Tien balance has been contributed as at 31 December 2018 is VND'000 550,000,000.
- Representing the capital contribution received from BCC signed on 29 September 2018 with related individuals in the Group on the investment cooperation in the Group's fruit tree projects with amounting to VND'000 285,000,000. BCCs do not require the establishment of a new legal entity and profit will be divided based on the business results of the project with a cooperation term of three (3) years from the contract date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

24. LOANS

	Beginning balance	Increase	Decrease	VND '000 Ending balance
Short-term				
Convertible bonds (Note 24.1)	-	2,217,226,167	(64,013,464)	2,153,212,703
Short-term bank loans (Note 24.2)	728,781,281	2,093,544,819	(1,909,457,572)	912,868,528
Current portion of long-term bank loans (Note 24.4)	579,091,847	1,712,502,908	(753,622,229)	1,537,972,526
Current portion of long-term bonds (Note 24.3)	401,099,073	914,041,578	(401,147,738)	913,992,913
Other short-term loans (Note 24.5)	819,891,655	1,535,018,806	(923,153,804)	1,431,756,657
	<u>2,528,863,856</u>	<u>8,472,334,278</u>	<u>(4,051,394,807)</u>	<u>6,949,803,327</u>
Long-term				
Domestic straight bonds (Note 24.3)	10,965,896,345	104,280,528	(1,000,856,014)	10,069,320,859
Long-term bank loans (Note 24.4)	9,308,802,300	377,704,706	(5,081,797,835)	4,604,709,171
Other long-term loans (Note 24.5)	21,511,204	131,978,503	(23,780,107)	129,709,600
	<u>20,296,209,849</u>	<u>613,963,737</u>	<u>(6,106,433,956)</u>	<u>14,803,739,630</u>
TOTAL	<u>22,825,073,705</u>	<u>9,086,298,015</u>	<u>(10,157,828,763)</u>	<u>21,753,542,957</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

24. LOANS (continued)

24.1 Convertible bonds

Details of convertible bonds as at 31 December 2018 are as follows:

Arrangement organization	Owners	Ending balance VND'000	Maturity date	Interest rate % p.a.	Purpose	Collateral	Note
VNDIRECT Securities Corporation ("VNDIRECT")	Truong Hai Auto Corporation ("THACO") Others	2,216,880,000 220,000	9 August 2019	0,00	Invest in planting new fruit trees, financial restructuring of the Group	Unsecured	On the maturity date, the aggrangement will carry out the issuance of converted shares and increase the charter capital corresponding to the above converted shares with the conversion price of 10,000 VND per share. The converted shares will value equal to all other outstanding shares.
Bond's issuance expenses		(252,333)					
TOTAL		2,216,847,667					
							VND'000
							Amount
							2,216,847,667
							105,576,190
							2,111,271,477
							41,941,226
							-
							41,941,226
							41,941,226
							2,153,212,703

For the year ended 31 December 2018

Value of convertible bonds
Equity component

Liability component at initial recognition

Add: Accumulated amortisation of discount

Beginning balance
Amortisation for the year
Ending balance

Liability component at end of the year

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

24. LOANS (continued)

24.2 Short-term bank loans

	VND'000	
	<i>Ending balance</i>	<i>Beginning balance</i>
Tien Phong Commercial Joint Stock Bank ("TPBank")	599,911,828	321,597,754
Laos Viet Joint Venture Bank ("Laos - Viet Bank")	207,207,636	119,898,087
Saigon Thuong Tin Commercial Joint Stock Bank ("Sacombank")	83,346,445	80,737,650
Bank for Investment and Development of Vietnam ("BIDV")	22,402,619	171,945,940
Bank for Investment and Development of Cambodia ("BIDC")	-	34,601,850
TOTAL	912,868,528	728,781,281

The Group obtained these loans to finance its working capital requirements. These loans bear interest at floating rates and are secured by the Group's land use rights; buildings, plants and factories; machineries and equipment; assets belong to cow projects; rubber and palm oil plantations; and other assets.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

24. LOANS (continued)

24.2 Short-term bank loans (continued)

Details of short-term bank loans are as follows:

Banks	Ending balance	Term and maturity date	Interest rate	Collateral (Notes 11, 12, 13 and 14)
	VND'000		% p.a.	
a. TPBank				
Head Office in Hanoi	599,911,828	From 17 January 2019 to 21 September 2019	Equal to the interest rate of TPBank's 3 months corporate savings in VND plus the margin of 3.20 (2018: 10.20 - 10.50)	The right to use and exploit on the area of 925 ha belongs to Eastern Rubber (Cambodia) Co., Ltd.; 32,829,686 HNG shares are owned by the Company; The right to use and exploit 453.7 ha of plantation land owned by Dai Thang Agricultural Development Co., Ltd.
b. Laos - Viet Bank ("LVB")				
Attapeu Branch	207,207,636	11 December 2019	8.00	Head office of Dai Thang Agricultural Development Co., Ltd. at NongYoi Village, Paksong District, Champasak Province, Laos on parcel No. 03; The whole project is planting 853 ha of passion fruit trees in Phanoudong Village, Nongkuong Village, Huoi Kong Village - Paksong District, Champasak Province, Laos and the entire construction of 26.7 ha pepper area in Nongkuong Village, Paksong District, Province Champasak, Laos is owned by Dai Thang Agricultural Development Co., Ltd.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

24. LOANS (continued)

24.2 Short-term bank loans (continued)

Bank	Ending balance	Term and maturity date	Interest rate	Collateral
	VND'000		% p.a.	(Notes 11, 12, 13 and 14)
c. Sacombank				
Cambodian Branch	83,346,445	10 April 2019	9.00	An area of 1,123 ha land rubber are located at Sre Thmay Ward, Khsum Commune, Snol District, Kro Ches Province, Cambodia with certificate No. Kr. 0193 dated 16 August 2016, owned by the Eastern Rubber (Cambodia) Co., Ltd.
d. BIDV				
Gia Lai Branch	22,402,619	18 February 2019	9.00	Machineries and equipment, 3 cars with license plates 81A-015.78; 81B-004.56; 81B-002.48 Hoang Anh Gia Lai Medical University Hospital and construction of Hoang Anh Gia Lai Medical University Hospital

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended**24. LOANS (continued)****24.3 Domestic straight bonds**

Outstanding domestic straight bonds comprised as detailed below:

	VND'000	
<i>Arrangement organizations</i>	<i>Ending balance</i>	<i>Beginning balance</i>
BIDV and BIDV Securities Company ("BSC")	5,876,000,000	5,876,000,000
Euro Capital Security ("ECS")	1,694,000,000	1,694,000,000
Vietnam Prosperity Bank Securities Company Limited ("VPBS")	991,000,000	991,000,000
Phu Gia Securities Joint Stock Company ("PHUGIASC")	930,000,000	930,000,000
FPT Securities JSC ("FPTS") and Vietnam Prosperity Bank JSC ("VPB")	594,000,000	594,000,000
IB Securities Joint Stock Company ("IBSC")	489,502,177	614,000,000
ACB Securities Limited Company ("ACBS")	300,000,000	516,649,915
Viet Capital Bank Commercial Joint Stock Bank	180,000,000	240,000,000
Bond issuance cost	(71,188,405)	(88,654,497)
TOTAL	10,983,313,772	11,366,995,418
<i>In which:</i>		
<i>Non-current portion</i>	10,069,320,859	10,965,896,345
<i>Current portion</i>	913,992,913	401,099,073

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

24. LOANS (continued)

24.3 Domestic straight bonds (continued)

Arrangement organizations	Owner	Amount	Interest rate	Maturity date	Purpose	Collateral (Notes 11, 12, 13 and 14)
		VND'000	% p.a.			
BIDV and BSC	BIDV	5,876,000,000	The average of interest rate of individual saving deposit in VND with the term of 12 months announced by branches of 4 commercial banks at Gia Lai Province including Agribank, BIDV, Vietcombank and Vietinbank plus margin of 3.00 (2018: 9.70)	30 December 2026	To finance investment projects of the Group and to restructure existing debts of the Group	Land lease right and related assets, as follows: 4,852.74 ha in Attapeu Province, Laos, owned by Hoang Anh - Quang Minh Rubber Industrial and Agricultural Co., Ltd.; 9,996.9 ha (rubber) in Attapeu Province, Laos; 5,588 ha (rubber) and 2,093 ha (palm oil) in Attapeu Province, Laos owned by Hoang Anh Attapeu Agriculture Development Co., Ltd.; 9,380.9 ha (planting 7,102 ha palm oil) in Ratanakiri Province, Cambodia owned by Hoang Anh Andong Meas Co., Ltd.; 1,960.91 ha in Ratanakiri Province, Cambodia owned by Heng Brothers Co., Ltd.; 3,283.66 ha in Ratanakiri Province, Cambodia, owned by C.R.D Co., Ltd.; All assets (movable properties and real estates) attached to the land and all rights, interests and benefits associated with or arising from such assets related to the land; The right of ownership and compensation when insured events arise under insurance contracts for related assets as mentioned above; 44,926,000 HAG shares held by the Chairman.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

24. LOANS (continued)

24.3 Domestic straight bonds (continued)

Arrangement organizations	Owner	Amount VND'000	Interest rate % p.a.	Maturity date	Purpose	Collateral (Notes 11, 12, 13 and 14)
ECS (*)	VPB	1,394,000,000	The ininterest rate of 10.50 for 3 first period and the following period	From 17 August 2019 to 17 December 2021	To restructure a part of matured bond - par value at VND 2,000 billion issued on December 2012; finance to investing in the projects including rubber and palm oil plantations in Laos and Cambodia	166,717,250 HNG shares held by the Company.
	National Citizen Bank	300,000,000	the interest rate of company savings deposit in VND with the term of 12 months announced by VPB plus margin of 4.50 (2018: 10.90 - 12.00)	From 17 February 2017 to 17 December 2021		
TOTAL		1,694,000,000				
<i>In which:</i>						
Current portion		334,000,000				
Non-current bond		1,360,000,000				
VPBS	VPB	991,000,000	The interest rate of company savings deposit in VND with the term of 12 months announced by VPB plus margin of 3.50 for 3 periods in the first year and 3.25 for subsequent interest periods (2018: 10.05 - 11.00)	From 28 July 2019 to 28 July 2021	To co-operate business to implement beef cattle and dairy cattle breeding project with Gia Lai Livestock Joint Stock Company (VND 600 billion) in Gia Lai Province and finance working capital of Company (VND 400 billion)	110,628,505 HNG shares held by the Company; 4,700,000 HAG shares held by the Chairman, 19,940,000 HNG shares at Dong Penh JSC and Daun Penh project with total area 7,376.08 ha at Ratarakiri Province, Cambodia owned by Daun Penh Agrico Co., Ltd.
<i>In which:</i>						
Current portion		191,000,000				
Non-current portion		800,000,000				

(*) As at 31 December 2018 and the date of these consolidated financial statements, the actual area of rubber plantation in the subsidiaries of the Group was 44,479 ha smaller than the area of 70,643 ha committed in bond purchase contract.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

24. LOANS (continued)

24.3 Domestic straight bonds (continued)

Arrangement organizations	Owner	Amount VND'000	Interest rate % p.a.	Maturity date	Purpose	Collateral (Notes 11, 12, 13 and 14)
PHUGIASC	HDBank - Dong Nai Branch	930,000,000	Adjust one every three months and cost of finance rate VND 12 months announced by BIDV plus margin of 3.50 (2018: 10.00 - 11.00)	31 December 2023	To finance investment projects of the Group and to restructure existing debts of the Group	74,070,455 HNG shares held by the Company; 10,800,000 HAG shares held by Chairman; 196,368,900 shares HAN held by the Company.
FPTS and VPB	VPB	594,000,000	The interest rate of company savings deposit in VND with the term of twelve (12) months announced by VPB plus margin of 4.00 for (2018: 10.50 - 11.40)	To 27 December 2021	To implement beef cattle breeding project with Highland Dairy Cattle JSC in la Bang Ward, Chu Prong District, Gia Lai Province under business cooperation contract	196,368,900 shares of HAN held by the Company; assets formed from construction of the Myanmar Trade Zone; contributed capital of USD 51 million in Hoang Anh Gia Lai Myanmar Co., Ltd. held by HAN; 225,970,000 shares of DHA; 166,345,440 HNG shares held by the Company; 19,940,000 shares of HNG at Dong Penh Agrico JSC and 7,376.08 ha of oil palm planted by Daun Penh Agrico Co., Ltd. in Chey Ou Dom Commune, Lumphat District, Ratanakiri Province, Cambodia.

In which:

Current portion	114,000,000
Non-current portion	480,000,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

24. LOANS (continued)

24.3 Domestic straight bonds (continued)

Arrangement organizations	Owner	Amount VND'000	Interest rate % p.a.	Maturity date	Purpose	Collateral (Notes 11, 12, 13 and 14)
IBSC	VPB	145,268,041	The interest rate of company savings deposit in VND with the term of twelve (12) months announced by VPB plus margin of 4.00 (2018: 10.50)	29 December 2020	To finance investment projects of the Group and to restructure existing debts of the Group	166,345,440 HNG shares held by the Company; 7,376.08 ha of oil palm planted by Daun Penh Agrico Co., Ltd. in Chey Ou Dom Commune, Lumphat District, Ratanakiri Province, Cambodia and 4,700,000 HAG shares held by Chairman.
IBSC	VPB	344,234,136	The interest rate of 10.50 for 3 (three) first period and the following period the interest rate of company savings deposit in VND with the term of twelve (12) months announced by VPB plus margin of 4.00 (2018: 11.10 - 11.50)	From 27 March 2019 to 27 December 2020	Restructure existing debts of the Group	166,345,440 HNG shares held by the Company; Land use right 7,376.08 ha of oil palm planted and attached asset at Lumphat District, Ratanakiri Province, Cambodia owned by Daun Penh Agrico Co., Ltd. and 4,700,000 HAG shares held by Chairman.
TOTAL		489,502,177				
<i>In which:</i>						
Current portion		214,992,913				
Non-current portion		274,509,264				

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

24. LOANS (continued)

24.3 Domestic straight bonds (continued)

Arrangement organizations	Owner	Amount	Interest rate	Maturity date	Purpose	Collateral (Notes 11, 12, 13 and 14)
		VND'000	% p.a.			
ACBS	Viet Golden Farm JSC (*)	300,000,000	13 months deposit interest rate of Tien Phong bank plus margin of 4.50 (2018: 10.00)	18 June 2023	To finance investment projects of the Group and to restructure existing debts of the Group	196,368,900 HAN shares held by HAG.
Viet Capital Commercial Joint Stock Bank	Viet Capital Commercial Joint Stock Bank	180,000,000	The interest rate will be equal to the average interest rate of 13 months corporate savings in VND plus the margin of 3.50 (2018: 10.00 - 10.90)	From 30 June 2018 to 30 December 2020	To finance the Group's investment projects including the project of planting 10,000 ha of new rubber trees (Ratanakiri Province, Cambodia); Nam Kong 2 hydropower project (Attapeu Province, Laos) and to restructure existing debts of the Group	12,960,000 HAG shares held by the Chairman; 13,405,675 HNG shares held by the Company; 45,230,000 shares of Gia Lai Livestock JSC owned by An Phu Real Estate Investment Joint Stock Company.
In which:						
Current portion		60,000,000				
Non-current portion		120,000,000				

(*) As at 31 December 2018 and the date of these consolidated financial statements, the Group's current ratio is less than one (1), and this was the breach of the bond purchasing contract that the current payment ratio must be greater than one (1).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2017

24. LOANS (continued)

24.4 Long-term bank loans

Details of the long-term bank loans are as follows:

<i>Banks</i>	<i>VND'000</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Bank for Investment and Development of Vietnam ("BIDV")	2,522,768,438	2,950,770,244
Ho Chi Minh City Development Joint Stock Commercial Bank ("HDBank")	1,334,047,633	1,401,510,119
Laos Viet Joint Venture Bank - Attapeu Branch	1,031,033,107	1,420,718,793
Saigon Thuong Tin Commercial Joint Stock Bank ("Sacombank")	1,004,832,519	2,924,753,645
Tien Phong Commercial Joint Stock Bank ("TPbank")	250,000,000	1,190,141,346
TOTAL	6,142,681,697	9,887,894,147
<i>In which:</i>		
<i>Non-current portion</i>	<i>4,604,709,171</i>	<i>9,308,802,300</i>
<i>Current portion</i>	<i>1,537,972,526</i>	<i>579,091,847</i>

The Group obtained these loans mainly to finance the construction and development of the Group's rubber, palm oil and fruit plantations projects.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued) as at 31 December 2018 and for the year then ended

24. LOANS (continued)

24.4 Long-term bank loans (continued)

The terms and conditions of bank loans are as follows:

Banks	Ending balance	Term and maturity date	Interest rate	Collateral (Notes 11, 12, 13 and 14)
	VND'000		% p.a.	
<i>BIDV, Gia Lai Branch</i>				
Loan 1	734,927,398	From 31 December 2019 to 31 December 2026	12-month savings deposit interest rate paid in arrears of BIDV plus 4.70 (2018: 7.20)	9,996.9 ha rubber plantation and land use rights in Saysetha and Phu Vong District, Attapeu Province, Laos owned by Hoang Anh Attapeu Agriculture Development Co., Ltd.
Loan 2	577,088,948	From 1 June 2019 to 28 December 2019	8.20 - 11.60 (loans by VND) 8.20 - 8.80 (loans by USD)	2 floors of Apartment and Shopping mall Bau Thac Gian, Thanh Khe District, Da Nang City, Vietnam owned by the Company; 7 cars owned by the Company; 13,310,000 HNG shares held by the Company; Hoang Anh Gia Lai Hotel owned by the Company; Land use right and exploitation of 1,194.74 ha rubber plantation at Po To Commue, la Pa District, Gia Lai Province, Vietnam owned by Trung Nguyen Rubber JSC.
Loan 3	553,056,660	From 17 March 2019 to 21 December 2019	9.30 - 11.60 (loans by VND) 7.70 - 7.82 (loans by USD)	7 cars owned by the Company; 1 car owned by DHA; 3,310,000 HNG shares held by the Company; Land use right and exploitation of 1,194.74 ha rubber plantation at Po To Commue, la Pa District, Gia Lai Province, Vietnam owned by Trung Nguyen Rubber JSC; Hoang Anh Gia Lai Football Academy Complex; Construction of HAGL Medicine and Pharmacy Hospital University.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

24. LOANS (continued)

24.4 Long-term bank loans (continued)

The terms and conditions of bank loans are as follows: (continued)

Banks	Ending balance	Term and maturity date	Interest rate	Collateral/ (Notes 11, 12, 13 and 14)
	VND'000		% p.a.	
BIDV, Binh Dinh Branch				
Loan 4 (*)	576,217,075	From 25 March 2020 to 25 December 2026	12-month savings deposit interest paid in arrears of BIDV in USD plus 5.00 (2018: 7.00)	Land use right of the HAGL luxury apartment project included 47 apartments, block A, B, C at 40 Hung Vuong Street, Buon Ma Thuot City, Dak Lak Province, Vietnam owned by Hoang Anh Dak Lak JSC; 119 apartments belong to HAGL luxury residence are and office building at 06 Hoang Van Thu Street, Pleiku City, Gia Lai Province, Vietnam owned by the Company; HAGL Granite Stone factory in beside National Route 14, Ia Bang Commue, Dak Doa District, Gia Lai Province, Vietnam owned by the Company; Vietnam owned by the Company; Land use right 6,993.2 m2 at Phu Dong Ward, Pleiku City, Gia Lai Province, Vietnam;
Loan 5	81,478,357	26 December 2024	12-month savings deposit interest paid in arrears of BIDV in USD plus 5.00 (2018: 7.00)	Right to use and exploit of 4,733.01 ha rubbers plantation and 3,155.79 ha palm oil plantation in Attapeu Province, Laos owned by Hoang Anh Attapeu Agriculture Development Co., Ltd.
TOTAL	2,522,768,438			Whole investments and exploitation of Nam Kong 2 hydropower project formed in the future; a part of HAGL Medicine and Pharmacy Hospital University.

In which:
Current portion 1,135,427,433
Non-current portion 1,387,341,005

(*) As at 31 December 2018 and the date of these consolidated financial statements, the actual area of rubber plantation of the Group is 14,825 ha, not complying with the commitment in Loan Agreement is 17,950 ha.

Hoang Anh Gia Lai Joint Stock Company

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

24. LOANS (continued)

24.4 Long-term bank loans (continued)

The terms and conditions of bank loans are as follows: (continued)

Banks	Ending balance	Term and maturity date	Interest rate	Collateral (Notes 11, 12, 13 and 14)
	VND'000		% p.a.	
<i>HDBank - Dong Nai Branch</i>				
Loan 1 (*)	887,541,177	From 25 June 2020 to 31 December 2023	Adjust twice a year (2018: USD: 7.00 - 7.50 and VND: 10.50 - 12.00)	36 millions HAG shares held by Chairman and Ms Hoang Thi Ngoc Bich - Chairman's wife; Land use right 7,924 ha and attached assets at Ratananiki Province, Cambodia; Contributed capital of 13.9 millions shares owned by HNG, 6 millions shares owned by Highland Dairy Cattle JSC and 100 thousands shares owned by Gia Lai Livestock JSC at An Dong Mia JSC.
Loan 2	299,706,456	From 1 August 2019 to 30 August 2020	10.50 - 11.00	196,368,090 HAN shares held by the Company.
<i>HDBank - Gia Lai Branch</i>				
Loan 1	49,800,000	From 30 September 2019 to 30 September 2021	12.50	All fruit tree and exploitation right in the future of fruit plantation project and the profit which arised from project.
Loan 2	7,000,000	From 30 March 2019 to 30 June 2020	12.50	All fruit tree and exploitation right in the future of fruit plantation project and the profit which arised from project; Commitment of pledging 15 tractors, 15 semi trailers owned by Hoang Anh Gia Lai Import - Export Trading One Member Co., Ltd.
HDBank - Dak Lak Branch	90,000,000	From 31 March 2019 to 31 December 2020	11.50	All fruit tree and exploitation right in the future of fruit and savory plantation project in Ea H'leo Commue, Ea H'leo District, Dak Lak Province, Vietnam.
TOTAL	1,334,047,633			
<i>In which:</i>				
Current portion	252,706,456			
Non-current portion	1,081,341,177			

(*) As at 31 December 2018 and the date of these consolidated financial statements, the actual area of palm oil plantation of the Group is 4,875.2 ha, not complying with the commitment in Loan Aggrement is 6,653 ha.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

24. LOANS (continued)

24.4 Long-term bank loans (continued)

The terms and conditions of bank loans are as follows: (continued)

Banks	Ending balance	Term and maturity date	Interest rate	Collateral
	VND'000		% p.a.	(Notes 11, 12, 13 and 14)
Laos - Viet Bank, Attapeu Branch				
Loan 1 (*)	348,901,858	From 25 August 2019 to 25 August 2022	10.00	Office building of Hoang Anh Attapeu Agriculture Development Co., Ltd. at Km No. 31, Hatxan Commune, Xaysettha District, Attapeu Province, Laos corresponding to the map No. 17 001 0008; 0.3 ha of rubber latex production factory in Xaysettha District, Attapeu Province, Laos and whole imported cows (14,219 cows) of Hoang Anh Attapeu Agriculture Development Co., Ltd.
Loan 2 (**)	278,600,243	From 25 December 2019 to 25 December 2026	LAK: 12.75 USD: 10.00	Land use right and exploitation 4,733.01 ha rubber and 3,155.79 ha palm oil in Attapeu Province, Laos owned by Hoang Anh Attapeu Agriculture Development Co., Ltd.
Loan 3	127,590,496	From 1 August 2019 to 30 August 2020	10.00	All construction, machinery and equipment attached Nam Kong 3 hydropower project formed after investment in Phu Vong District, Attapeu Province, Laos.

(*) As at 31 December 2018 and the date of these consolidated financial statements, the Group has liquidated all cows, accordingly, the Group does not guarantee a sufficient number of cows importing 14,219 cows in accordance with this Loan Agreement.

(**) As at 31 December 2018 and the date of these consolidated financial statements, the actual area of palm oil plantation of the Group is 2,850.27 ha, not complying with the commitment in Loan Agreement is 3,155.79 ha.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended**24. LOANS** (continued)**24.4 Long-term bank loans** (continued)

The terms and conditions of bank loans are as follows: (continued)

<i>Banks</i>	<i>Ending balance</i>	<i>Term and maturity date</i>	<i>Interest rate</i>	<i>Collateral</i>
	<i>VND'000</i>		<i>% p.a.</i>	<i>(Notes 11, 12, 13 and 14)</i>
Laos - Viet Bank, Attapeu Branch (continued)				
Loan 4	77,420,358	From 25 February 2019 to 30 November 2020	10.00	All construction tools, machineries and equipment supply for the construction of oil palm processing plant arise after the investment capital owned by Hoang Anh Attapeu Agriculture Development Co., Ltd.
Loan 5 (*)	198,520,152	From 25 July 2019 to 25 October 2022	9.50 - 10.00	Land use right of 3 land lots 1,001.78 ha at Laman District, Sekong Province, Laos and all assets on land belonging to the project of raising cows and imported cows are valued at USD 26,460,000 owned by Hoang Anh - Quang Minh Rubber Industrial and Agricultural Co., Ltd.; all assets attached on rubber plantation with area of 420.91 ha in Laman District, Sekong Province, Laos owned by Hoang Anh - Quang Minh Rubber Industrial and Agricultural Co., Ltd.
TOTAL	1,031,033,107			
<i>In which:</i>				
Current portion	116,813,471			
Non-current portion	914,219,636			

(*) As at 31 December 2018 and the date of these consolidated financial statements, the Group has not yet secured enough value for cattle of USD 26,460,000 as required by this loan agreement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

24. LOANS (continued)

24.4 Long-term bank loans (continued)

The terms and conditions of bank loans are as follows: (continued)

Bank	Ending balance	Term and maturity date	Interest rate	Collateral (Notes 11, 12, 13 and 14)
	VND'000		% p.a.	
Sacombank, Da Nang Branch (*)	262,454,605	From 24 December 2021 to 6 December 2026	13 months deposit rate of Sacombank plus 2.00 and adjusted each 3-months (2018: 9.50)	23.2 million HAG shares held by the Chairman and 14.5 million shares of Hoang Anh Quang Minh JSC held by HNG.
Sacombank, Sai Gon Branch (**)	300,000,000	From 25 June 2020 to 25 December 2021	13 months deposit rate + 2.50 per month, adjusted 3 times per annum (2018: 10.00)	Land use right 687.9 ha rubber in Ea H'leo District, Dak Lak Province, Vietnam owned by Hoang Anh Dak Lak JSC; 18.57 million shares of HAG are held by the Chairman, 15 million shares of HNG are held by the Company; 4.99 million shares of Hoang Anh - Quang Minh Rubber JSC held of HNG; All revenues and yields arising from the project of rubber trees are in scope (but not limited to) 3,476.58 ha planted and exploited by Trung Nguyen Rubber JSC.

(*) As at 31 December 2018 and the date of these consolidated financial statements, the actual area plantation of the Group is 44,479 ha, not complying with the commitment in Loan Agreement is 70,643 ha.

(**) As at 31 December 2018 and the date of these consolidated financial statements, the actual area of rubber plantation of the Group is 3,122.72 ha, not complying with the commitment in Loan Agreement is 3,476.58 ha. In addition, the Group has not purchased insurance for collateral as committed in the loan agreement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended**24. LOANS** (continued)**24.4 Long-term bank loans** (continued)

The terms and conditions of bank loans are as follows: (continued)

<i>Banks</i>	<i>Ending balance</i>	<i>Term and maturity date</i>	<i>Interest rate</i>	<i>Collateral</i>
	<i>VND'000</i>		<i>% p.a.</i>	<i>(Notes 11, 12, 13 and 14)</i>
<i>Sacombank, Thu Duc Branch</i>				
Loan 1 (*)	250,000,000	From 25 December 2021 to 25 December 2026	9.60	Land use right 1,328.1 ha rubber plantation and related assets in Chu Prong District, Gia Lai Province, Vietnam owned by Trung Nguyen Rubber JSC;
Loan 2	85,000,000	From 25 April 2020 to 11 October 2021		Land use right 479.2 ha in Ea H'leo Ward, Ea H'leo District, Dak Lak Province, Vietnam owned by Hoang Anh Dak Lak JSC and 683.33 ha in Ea H'leo Ward, Ea H'leo District, Dak Lak Province, Vietnam owned by Ban Me Rubber JSC.
Loan 3	16,100,000	From 20 January 2021 to 20 July 2022	9.50 for the 1 st year, then at the 13 months deposit rate paid in arrears plus 2.50 (2018: 9.50)	Land use right 1,328.1 ha rubber plantation and attached assets in Ia Puch Ward, Chu Prong District, Gia Lai Province, Vietnam owned by Trung Nguyen Rubber JSC.
<i>Sacombank, Cambodia Branch</i>				
Loan 1	68,037,914	From 21 June 2019 to 21 June 2021	9.00	Land use right: Project 1 at Talao Ward, Ouchum District, Ratanakiri Province, Cambodia and Project 2 at Nhang Ward, Andong Meas District, Ratanakiri Province, Cambodia owned by Hoang Anh Oyadav Co., Ltd.
Loan 2	23,240,000	From 24 January 2019 to 24 July 2022	9.00	Land use right 728.24 ha at Sre Thmay Commue, Khsum Ward, Snol District, Kro Ches Province, Cambodia owned by Eastern Rubber (Cambodia) Co., Ltd.
TOTAL	1,004,832,519			

In which:

<i>Current portion</i>	33,025,166
<i>Non-current portion</i>	971,807,353

(*) As at 31 December 2018 and the date of these consolidated financial statements, the actual area of palm oil plantation of the Group is 7,004 ha, not complying with the commitment in loan agreement is 9,470 ha.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

24. LOANS (continued)

24.4 Long-term bank loans (continued)

The terms and conditions of loans payable to banks are as follows: (continued)

Bank	Ending balance	Term and maturity date	Interest rate	Collateral
	VND'000		% p.a.	(Notes 11, 12, 13 and 14)
TPBank - Head Office				
Loan 1	150,000,000	From 25 May 2020 to 29 November 2021	11.00	878.38 ha land use right at Srae Thmey Village, Ksem Ward, Snoul District, Kratie Province, Cambodia owned by Eastern Rubber (Cambodi) Co., Ltd.
Loan 2	100,000,000	From 25 May 2020 to 23 November 2021	11.00	Securities with yield, dividends, rights and benefits arising from 15,000,000 HNG shares.
TOTAL	250,000,000			

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

24. LOANS (continued)

24.5 Other short-term and long-term loans

The terms and conditions of loan payables are as follows:

<i>Names</i>	<i>Ending balance</i> VND'000	<i>Term and maturity date</i>	<i>Interest rate</i> % p.a.	<i>Collateral</i>
Other short-term loans				
Truong Hai Auto Corporation	746,132,000	1 April 2019 and 5 June 2019	6.00 - 6.50	Unsecured
Mr Doan Nguyen Duc (Note 34.2)	612,995,000	10 December 2019	6.00 - 10.50	Unsecured
Mrs Tran Thi Huu Duyen (*)	33,529,000	From 28 July 2019 to 30 January 2019	7.00 - 10.00	Unsecured
Other individuals and companies (*)	34,100,657	From 26 October 2016 to 24 August 2019	9.00 - 10.00	Unsecured
TOTAL	1,426,756,657			
Other long-term loans				
Mrs Huynh Tran Thanh Phuong	5,000,000	29 June 2019	6.50	Unsecured
Mr Doan Nguyen Duc (Note 34.2)	129,709,600	10 October 2021	10.00	Unsecured
TOTAL	134,709,600			
<i>In which:</i>				
Current portion	5,000,000			
Long-term loan	129,709,600			

(*) As at 31 December 2018 and the date of consolidated financial statement, the Group has not yet made payment for matured loans amounting to VND'000 33,848,657.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

25. OWNERS' EQUITY

25.1 Increase and decrease in owners' equity

	Share capital	Share premium	Treasury shares	Foreign exchange differences	Investment and development fund	Undistributed earnings (accumulated losses)	Total
	VND'000						
Previous year							
Beginning balance	7,899,679,470	3,539,078,784	(686,640)	625,918,808	279,895,303	952,700,191	13,296,585,916
Issuance of new shares to exercise the convertible bond	1,375,000,000	(275,220,000)	-	-	-	-	1,099,780,000
Net profit for the year	-	-	-	-	-	69,588,012	69,588,012
Foreign exchange differences	-	-	-	(172,105,848)	-	-	(172,105,848)
Equity transactions inside Group with non-controlling interests	-	-	-	-	-	(319,479,088)	(319,479,088)
Ending balance	9,274,679,470	3,263,858,784	(686,640)	453,812,960	279,895,303	702,809,115	13,974,368,992
Current year							
Beginning balance	9,274,679,470	3,263,858,784	(686,640)	453,812,960	279,895,303	702,809,115	13,974,368,992
Net profit for the year	-	-	-	-	-	117,506,769	117,506,769
Foreign exchange differences	-	-	-	31,424,384	-	-	31,424,384
Remuneration for members of the supervisory board	-	-	-	-	-	(1,737,000)	(1,737,000)
Reclassification	-	-	-	-	749,460	(749,460)	-
Disposal of subsidiaries (Note 4)	-	-	-	-	-	(426,403,248)	(426,403,248)
Equity transactions inside Group with non-controlling interests (*)	-	-	-	-	-	(427,861,152)	(427,861,152)
Ending balance	9,274,679,470	3,263,858,784	(686,640)	485,237,344	280,644,763	(36,434,976)	13,267,298,745

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

25. OWNERS' EQUITY (continued)

25.1 Increase and decrease in owners' equity (continued)

(*) Capital transactions with non-controlling interests of subsidiaries but do not lose control, mainly included:

- On 9 March 2018, HNG completed the private issuance of 119,700,000 shares to non-controlling interest. Accordingly, the Group's ownership in HNG was decreased from 65.85% to 56.97%. The difference between the carrying amount corresponding to the ownership of the net asset value of the Group in HNG before and after the issuance of the above shares was VND'000 268,662,871, which has been recorded as a deduction on undistributed earnings in the consolidated balance sheet;
- On 16 March 2018, the Group acquired 76,930,000 shares in Hung Thang Loi Gia Lai (equivalent 98% ownership) which Hung Thang Loi Gia Lai was holding 5.64% HNG shares. Accordingly, the Group's ownership in HNG was increased from 56.97% to 62.49%. The difference between the carrying amount corresponding to the ownership of the net asset value of the Group in HNG as at transaction date was VND'000 157,001,821, which has been recorded as an increase on undistributed earnings in the consolidated balance sheet;
- On 31 March 2018, HNG acquired an addition of 6,000,000 shares in ADM from CNG. Accordingly, HNG increased its ownership in ADM from 69.5% to 99.5%, and hence, the Group's ownership in ADM increased from 43.43% to 62.18%. The difference between consideration transferred and the value of transferred net assets in ADM as at the transaction date amounting to VND'000 169,104,526 was recorded as a deduction to undistributed earnings in the consolidated balance sheet; and
- On 19 September 2018, the Group acquired 24,000,000 shares in HNG from HAN. Accordingly, the Group increased its ownership in HNG from 61.92% to 63.33%. The difference between consideration transferred and the value of transferred net assets in HNG as at the transaction date amounting to VND'000 207,238,425 was recorded as a deduction to undistributed earnings in the consolidated balance sheet.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

25. OWNERS' EQUITY (continued)

25.2 Shares

	<i>Ending balance</i>	<i>Beginning balance</i>
Shares authorised to be issued	927,467,947	927,467,947
Shares issued and fully paid		
<i>Ordinary shares</i>	927,467,947	927,467,947
Outstanding shares		
<i>Ordinary shares</i>	927,399,283	927,399,283
Treasury shares		
<i>Ordinary shares</i>	68,664	68,664

26. NON-CONTROLLING INTERESTS

		<i>VND'000</i>
	<i>Ending balance</i>	<i>Beginning balance</i>
Beginning balance	3,813,603,686	2,649,088,573
New shares issued by subsidiaries to non-controlling interests	1,197,000,000	2,450,000
Capital transactions in the Group with non-controlling interests of subsidiaries	(499,402,722)	860,045,810
Disposal of subsidiaries	(848,934,538)	-
(Loss) profit during the year attributable to non-controlling interests	(111,262,363)	302,019,303
Dividends paid to non-controlling interests	(7,416,122)	-
Ending balance	<u>3,543,587,941</u>	<u>3,813,603,686</u>

27. EARNINGS PER SHARE

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

	<i>Ending balance</i>	<i>Beginning balance</i>
Net profit attributable to ordinary shareholders of the Company (VND'000)	117,506,769	69,588,012
Weighted average number of ordinary shares during the year for basic earnings per share	927,399,283	868,255,447
Earnings per share (VND)		
- Basic earnings per share	127	80
- Diluted earnings per shares	127	80

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

28. REVENUES**28.1 Revenue from sale of goods and rendering of services**

	VND'000	
	Current year	Previous year
Net revenue	5,388,200,400	4,841,225,074
<i>In which:</i>		
Sale of fruits	2,897,277,177	1,612,028,646
Sale of chilli	513,949,664	24,931,966
Rendering of rental services	509,461,750	723,516,613
Sale of goods, by-products and waste	470,270,787	440,022,096
Rendering of other services (hospital, hotel, advertising, v.v.)	406,544,334	606,673,377
Sale of rubber latex	345,077,184	454,358,577
Sale of cows	126,827,550	759,269,479
Revenue from investment property	57,910,339	59,278,538
Sale of pepper	38,214,271	-
Sale from contractual constructions	22,667,344	80,381,541
Sale of sugar	-	80,764,241
<i>In which:</i>		
Sale from related parties	29,832,490	298,602,768
Sale from third parties	5,358,367,910	4,542,622,306

28.2 Finance income

	VND'000	
	Current year	Previous year
Interest income from loans to other parties	755,262,551	798,953,582
Gain on disposal of investments	563,609,679	807,659,222
Foreign exchange gains	81,224,545	48,666,991
Interest income from bank deposits	4,089,505	5,437,010
Others	612,899	5,199,643
TOTAL	1,404,799,179	1,665,916,448
<i>In which:</i>		
Financial income from related parties	749,845,449	743,206,536
Financial income from third parties	654,953,730	922,709,912

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

29. COSTS OF GOODS SOLD AND SERVICES RENDERED

		VND'000
	Current year	Previous year
Cost of fruits	1,298,285,319	761,235,134
Cost of chilli	353,339,846	7,673,011
Cost of rendering of rental services	227,734,536	382,688,288
Cost of goods sold, by-product and waste	159,796,549	200,021,543
Cost of rendering other services (hospital, hotel, advertising, v.v.)	368,041,139	445,133,983
Cost of rubber latex	371,389,292	352,603,169
Cost of cows	135,954,566	722,539,952
Cost of investment property	38,476,544	58,761,526
Cost of pepper	35,011,542	-
Cost of contractual constructions	25,465,893	57,906,529
Cost of sugar	-	121,119,862
TOTAL	3,013,495,226	3,109,682,997

30. FINANCE EXPENSES

		VND'000
	Current year	Previous year
Interest expense on bank loans and bonds	1,532,928,450	1,585,315,746
Foreign exchange losses	152,734,178	63,397,561
Others	36,021,536	49,219,131
TOTAL	1,721,684,164	1,697,932,438

31. SELLING EXPENSE AND GENERAL AND ADMINISTRATIVE EXPENSES

		VND'000
	Current year	Previous year
Selling expenses		
External services	152,008,417	101,156,821
Labour costs	22,660,977	27,962,791
Depreciation and amortization	1,794,026	3,456,575
Others	15,982,795	11,346,935
TOTAL	192,446,215	143,923,122
General and administrative expenses		
Allocation of goodwill	390,318,070	319,598,039
Labour costs	144,510,009	182,156,078
External services	44,248,405	76,519,841
Depreciation	34,318,490	35,605,584
Provision	21,272,492	8,620,401
Others	354,668,623	85,048,386
TOTAL	989,336,089	707,548,329

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

32. OTHER INCOME AND EXPENSES

		VND'000
	<i>Current year</i>	<i>Previous year</i>
Other income	21,546,363	267,202,683
Profit from disposal of assets	-	141,905,662
Tax exemption	-	97,162,878
Others	21,546,363	28,134,143
Other expenses	914,727,898	666,678,513
Costs of converting other business purpose	427,947,376	296,695,388
Loss from assessment of non-performing assets	253,135,851	237,277,153
Loss from disposal of long-term assets	128,410,284	20,283,562
Penalty expenses	44,461,527	9,350,809
Depreciation of idle assets	17,349,380	19,122,206
Others	43,423,480	83,949,395
OTHER LOSS	(893,181,535)	(399,475,830)

33. CORPORATE INCOME TAX

The Company and its subsidiaries located in Vietnam have the obligation to pay corporate income tax ("CIT") at the rate of 20% of taxable profits (2017: 20%).

The Group's subsidiaries located in Laos, Cambodia, Myanmar and Thailand have the obligations to pay CIT at the applicable tax rates of their taxable profits. They are also entitled to CIT exemption and reduction in accordance with their respective business registration certificates, investment licenses and applicable tax regulations.

The Company and its subsidiaries' tax returns are subject to examination by the 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 consolidated financial statements could be changed at a later date upon final determination by the tax authorities.

		VND'000
	<i>Current year</i>	<i>Previous year</i>
Current CIT	2,998,375	24,802,221
Deferred tax expense	38,454,058	33,735,757
TOTAL	41,452,433	58,537,978

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

33. CORPORATE INCOME TAX (continued)

33.1 Current income tax

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

	VND'000	
	Current year	Previous year
Accounting profit before tax	47,696,838	430,145,293
<i>Adjustments to increase (decrease) accounting profit</i>		
Losses of subsidiaries	1,257,732,317	883,912,470
Amortisation of goodwill	390,318,070	319,598,040
Reverse of capitalized interest on consolidation	34,147,473	395,646,231
Unrealized profits eliminated on consolidation	(32,629,674)	79,350,474
Expenses inadequately documented	10,190,354	17,428,421
Penalties	4,974,838	16,469,211
Share of profit (loss) from associates	(64,840,488)	16,336,454
Gain on disposals of subsidiaries on the consolidated financial statements	(563,609,679)	(878,438,276)
Provisions	(468,891,480)	(435,876,305)
Profit from subsidiaries which are tax exempted	(945,808,547)	(234,727,683)
Foreign exchange differences	58,559,227	(69,509,091)
Others	296,257,819	151,576,224
Adjusted net profit before loss carried forward	24,097,068	691,911,463
Tax loss carried forward	-	(395,414,164)
Estimated current taxable profit	24,097,068	296,497,299
Estimated current CIT	2,035,545	23,210,016
CIT of real estate activities	4,066,941	-
Under provision of CIT in previous year	(3,104,111)	1,592,205
Estimated current CIT expense for the year	2,998,375	24,802,221
CIT payable at beginning of the year	82,826,083	63,040,251
Other adjustments	(2,111,279)	(424,874)
CIT paid during the year	(54,584,465)	(4,591,515)
CIT payable at end of year	29,128,714	82,826,083
<i>In which:</i>		
CIT payables (Note 21)	30,664,436	84,361,805
CIT over payment	(1,535,722)	(1,535,722)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

33. CORPORATE INCOME TAX (continued)

33.2 Deferred tax

The following comprise the Group's deferred tax assets and deferred tax liabilities recognized by the Group and the movements thereon during the year:

	VND'000			
	<i>Consolidated balance sheet</i>		<i>Consolidated income statement</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>	<i>Current year</i>	<i>Previous year</i>
Deferred tax assets				
Unrealised profit eliminated on consolidation	98,599,120	105,125,055	(6,525,935)	14,005,828
	98,599,120	105,125,055	(6,525,935)	14,005,828
Deferred tax liabilities				
Interest expense capitalised on consolidation	203,715,780	207,259,809	(3,544,029)	(41,284,877)
Gain from disposal of investments	103,208,182	-	103,208,182	-
Provision for the investments	37,533,904	105,269,934	(67,736,030)	86,987,118
Income from sale type lease	-	24,411,774	-	2,039,344
	344,457,866	336,941,517	31,928,123	47,741,585
Net deferred tax charge to consolidated income statement			38,454,058	33,735,757

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

34. TRANSACTIONS WITH RELATED PARTIES

34.1 Significant transactions

Significant transactions with related parties in current year and prior year were as follows:

			VND'000	
<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>Current year</i>	<i>Previous year</i>
Gia Lai Livestock JSC	Related company	Lending	384,715,112	2,677,712,456
		Collection of lending	115,727,133	940,262,537
		Interest income	441,263,243	301,409,740
		Offset debt	262,044,833	-
		Purchase of goods and services	73,686,063	289,117,998
		Sales of goods and rendering of services	23,054,084	140,804,073
An Phu Real Estate Investment Joint Stock Company	Related company	Collection of lending	1,066,130,329	816,357,365
		Lending	-	1,060,273,015
		Interest income	109,683,955	256,065,847
		Offset debt	196,851,346	-
Mr Doan Nguyen Duc	Chairman	Borrowing	1,794,900,000	-
		Repayment of borrowing	1,658,900,000	-
		Short-term loans	612,995,000	-
		Long-term loans	129,709,600	-
		BCC contribution	370,000,000	240,000,000
		Repayment of BCC	380,395,244	-
		Interest income	2,967,516	28,909,696
		Interest expense	6,391,122	-
		Lending	3,920,000	-
		Collection of lending	24,675,000	281,009,591
Huynh De Construction JSC	Related company	Interest income	19,946,349	14,109,705
		Lending	-	199,900,328
Phu Hoang Anh JSC	Related company	Interest income	31,112,788	33,797,024
		Lending	-	123,872,977
Le Me JSC	Related company	Long-term lending	2,256,438,360	-
		Collection of lending	729,091,049	-
		Interest income	70,281,828	-
Highland Agricultural Service Co., Ltd.	Related company	Repayment of BCC	129,778,980	-
HAGL Wooden Furniture JSC	Related company	Lending	100,000,000	-
		Interest income	21,758,487	14,839,392
		Disposal of fixed assets	26,033,893	-
Minh Tuan Trading and Services Co., Ltd.	Related company	Interest income	5,514,405	8,012,666
		Long-term lending	-	68,079,071

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

34. TRANSACTIONS WITH RELATED PARTIES (continued)

34.1 Significant transactions (continued)

Significant transactions with related parties in current year and prior year were as follows:
(continued)

Related parties	Relationship	Transactions	VND'000	
			Current year	Previous year
Hoang Tho Material Co., Ltd.	Related company	Collection of lending	-	115,917,134
		Interest income	-	11,893,703
Hoang Anh Housing Development and Construction JSC	Associate	Collection of lending	2,015,741,470	-
		Collection of interest receivables	148,102,850	-
		Lending	82,203,000	-
		Interest income	9,005,421	-
Thanh Binh Construction Investment Consultant Co., Ltd.	Related company	Interest income	15,269,167	16,661,083
An Tien Co., Ltd.	Related company	Interest income	11,103,123	11,363,773
Dai Loc Hung Thinh Co., Ltd.	Related company	Interest income	5,304,507	8,434,522
Phuc Bao Minh Construction Service Trading JSC	Related company	Interest income	5,069,444	-
Thang Long Agriculture Development Co., Ltd.	Related company	Interest income	1,565,216	17,019,244
Dai Thang Agricultural Development Co., Ltd. (*)	Subsidiary	Lending	-	398,208,195
		Purchase of goods and services	-	180,570,736
		Sales of goods and rendering of services	-	99,243,127
Electric Construction Co., Ltd	Related company	Sales of goods and rendering of services	-	24,564,938
		Purchase of goods and services	-	17,748,342
Hung Thang Loi Gia Lai JSC (*)	Subsidiary	Loan	-	30,091,300
		Interest expenses	-	10,170,174
Ms Truong Thi Truc Thien Trang	Related party	Interest income	-	7,584,732

(*) As Note 4, on 17 March 2018, Hung Thang Loi Gia Lai JSC and Dai Thang Agricultural Development Co., Ltd. became subsidiaries in the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

34. TRANSACTIONS WITH RELATED PARTIES (continued)

34.1 Significant transactions (continued)

Significant transactions with related parties in current year and prior year were as follows:
(continued)

			VND'000	
<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>Current year</i>	<i>Previous year</i>
Mr Tu Minh Dang	Related party	Lending	-	676,200,000
		Acquisition of capital contribution	676,200,000	-
Mr Nguyen Quyen	Related party	Lending	-	935,057,000
		Acquisition of capital contribution	1,150,023,000	-
Mr Hoang Trong Hung	Related party	Lending	-	516,700,000
		Acquisition of capital contribution	650,923,000	-
Mrs Ho Thi Kim Chi	Related party	BCC	345,000,000	55,500,000
		Repayment BCC	296,055,000	-
Mr Nguyen Thuong Trung	Related party	BCC	-	137,000,000
		Repayment BCC	137,000,000	-
Mr Thuy Ngoc Dung	Related party	BCC	-	135,000,000
		Repayment BCC	135,000,000	-
Mr Nguyen Ngoc Mai	Related party	BCC	-	140,000,000
		Repayment BCC	140,000,000	-
Mrs Nguyen Thi Hong Luyen	Related party	BCC	-	115,000,000
		Repayment BCC	115,000,000	-
Mr Tran Quang Dung	Related party	BCC	-	110,000,000
		Repayment BCC	110,000,000	-
Mr Duong Thanh Bich	Related party	BCC	-	150,000,000
		Repayment BCC	150,000,000	-
Mrs Le Thuy Duong	Related party	BCC	-	50,000,000
		Repayment BCC	50,000,000	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

34. TRANSACTIONS WITH RELATED PARTIES (continued)

34.2 Balance of receivables and payables

As at the balance sheet date, amounts due to and due from related parties were as follows:

			VND'000	
Related parties	Relationship	Transactions	Ending balance	Beginning balance
Short-term trade receivables (Note 6)				
An Phu Group (*)	Related companies	(*)	200,544,787	496,649,239
Tay Nguyen Agriculture Service Co., Ltd.	Related company	Sales of goods and rendering of services	71,906,750	40,079,827
Golden Farm Agriculture and Forestry JSC	Related company	Sales of goods and rendering of services	30,370,320	-
Electric Construction Co., Ltd	Related company	Sales of goods and Rendering of construction service	382,628	3,628,478
			-	65,325,049
Dai Thang Agricultural Development Co., Ltd. (**)	Subsidiary	Sales of goods and rendering of services	-	20,756,431
Hoang Anh Ban Me JSC	Related company	Sales of goods	-	11,456,776
Others related parties		Sales of goods and rendering of services	3,941,066	3,778,218
TOTAL			307,145,551	641,674,018

(*) Detail balance of An Phu Group were as follow:

		VND'000	
An Phu Group	Transactions	Ending balance	Beginning balance
Gia Lai Livestock JSC	Sales of goods	133,665,986	439,883,209
	Sales of fixed assets	383,279	-
	Rendering of construction services	-	18,084,773
Thanh Binh Construction Investment Consultant Co., Ltd.	Rendering of construction services	27,595,944	27,595,944
	Sales of goods	2,180,959	3,517,833
HAGL Wooden Furniture JSC	Sales of fixed assets	26,006,620	-
	Sales of goods and rendering of services	5,210,285	-
Minh Tuan Trading and Services Co., Ltd.	Rendering of construction services	5,501,714	5,774,737
Others related parties	Sales of goods and rendering of services	-	1,792,743
TOTAL		200,544,787	496,649,239

(**) As Note 4, on 17 March 2018, Dai Thang Agricultural Development Co., Ltd. became subsidiary in the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

34. TRANSACTIONS WITH RELATED PARTIES (continued)

34.2 Balance of receivables and payables (continued)

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

			VND'000	
<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>Ending balance</i>	<i>Beginning balance</i>
Short-term advances to suppliers (Note 7)				
An Phu Group (*)	Related companies	(*)	29,771,109	410,301,606
Tay Nguyen Agriculture Service Co., Ltd.	Related company	Advance for purchasing goods and service	3,850,000	-
Electric Construction Co., Ltd.	Related company	Advance for purchasing goods and service	-	2,569,366
TOTAL			33,621,109	412,870,972

(*) Detail balance of An Phu Group were as follows:

			VND'000	
<i>An Phu Group</i>		<i>Transactions</i>	<i>Ending balance</i>	<i>Beginning balance</i>
Gia Lai Livestock JSC		Advance for purchase of goods and services	29,771,109	397,012,296
Hoang Tho Material One Member Co., Ltd		Advance for purchase of goods and services	-	13,016,410
Huynh De Construction JSC		Advance for construction contracts	-	272,900
TOTAL			29,771,109	410,301,606

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

35. TRANSACTIONS WITH RELATED PARTIES (continued)

34.2 Balance of receivables and payables (continued)

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

			VND'000	
<i>Related parties</i>	<i>Relationship</i>	<i>Interest rate</i> <i>% p.a.</i>	<i>Ending balance</i>	<i>Beginning balance</i>
Short-term loan receivables (Note 8)				
An Phu Group (*)	Related companies	(*)	489,039,660	1,090,388,994
Hoang Anh Housing Development and Construction JSC	Related company	9.00 - 11.00	82,203,000	-
Tay Nguyen Agriculture Service Co., Ltd.	Related company	0.00	56,653,075	-
Electric Construction Co., Ltd.	Related company	0.00	5,815,217	-
Mr Nguyen Quyen	Related party	-	-	935,057,000
Mr Tu Minh Dang	Related party	-	-	676,200,000
Mr Hoang Trong Hung	Related party	-	-	516,700,000
Dai Thang Agricultural Development Co., Ltd. (**)	Subsidiary	-	-	445,627,940
Thang Long Agriculture Development Co., Ltd.	Related company	-	-	49,900,700
Mr Doan Nguyen Duc	Chairman	-	-	33,990,410
Long Thinh JSC	Related company	-	-	4,170,750
Hoang Anh Ban Me JSC	Related company	-	-	2,925,526
TOTAL			633,710,952	3,754,961,320

(**) As Note 4, on 17 March 2018, Dai Thang Agricultural Development Co., Ltd. became subsidiary in the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

34. TRANSACTIONS WITH RELATED PARTIES (continued)

34.2 Balance of receivables and payables (continued)

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

Short-term loan receivables (Note 8) (continued)

(*) Detail balance of An Phu Group were as follows:

<i>An Phu Group</i>	<i>Interest rate</i> <i>% p.a.</i>	<i>VND'000</i>	
		<i>Ending balance</i>	<i>Beginning balance</i>
Gia Lai Livestock JSC	12.00	313,312,864	185,994,550
An Tien Co., Ltd.	10.00	93,000,000	93,000,000
HAGL Wooden Furniture JSC	12.00	82,726,796	-
An Phu Real Estate Investment JSC	-	-	626,466,204
Thanh Binh Construction and Investment Consultant Co., Ltd.	-	-	123,299,907
Dai Loc Hung Thinh Co., Ltd.	-	-	61,628,333
TOTAL		489,039,660	1,090,388,994

			VND'000	
Related parties	Relationship	Transactions	Ending balance	Beginning balance
Other short-term receivables (Note 9)				
An Phu Group (*)	Related companies	(*)	450,594,792	497,088,437
Golden Farm Agriculture and Forestry JSC	Related company	Payment on behalf	3,589,369	-
Electric Construction Co., Ltd.	Related company	Payment on behalf	1,950,431	-
Mr Doan Nguyen Duc	Chairman	Interest income	-	33,288,967
Dai Thang Agricultural Development Co., Ltd. (**)	Subsidiary	Lending	-	19,016,297
Mr Phan Thanh Thu	Council's member	Advance	-	1,853,367
Others related parties		Interest income and lending	1,124,357	7,617,537
TOTAL			457,258,949	558,864,605

(**) As Note 4, on 17 March 2018, Dai Thang Agricultural Development Co., Ltd. became subsidiary in the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

35. TRANSACTIONS WITH RELATED PARTIES (continued)

34.2 Balance of receivables and payables (continued)

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

Other short-term receivables (Note 9) (continued)

(*) Detail balances of An Phu Group were as follows:

An Phu Group	Transaction	VND'000	
		Ending balance	Beginning balance
Thang Long Agricultural Development Co., Ltd.	Lending	200,852,876	-
Phu Hoang Anh JSC	Interest income	157,007,722	159,626,905
	Payment on behalf	2,619,184	-
Gia Lai Livestock JSC	Interest income	19,847,708	156,386,695
	Lending	21,376,469	28,124,334
	Payment on behalf	1,139,938	31,807,278
An Tien Co., Ltd.	Interest income	31,235,470	21,806,304
Hoang Anh Me Kong JSC	Lending	12,624,059	12,624,059
HAGL Wooden Furniture JSC	Payment on behalf	2,192,000	2,556,565
	Interest income	1,682,111	-
Huynh De Construction JSC	Interest income	17,255	17,255
An Phu Real Estate Investment JSC	Interest income	-	44,353,801
Dai Loc Hung Thinh Co., Ltd.	Interest income	-	21,557,241
Thanh Binh Construction and Investment Consultant Co., Ltd.	Interest income	-	18,228,000
TOTAL		450,594,792	497,088,437

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

34. TRANSACTIONS WITH RELATED PARTIES (continued)

34.2 Balance of receivables and payables (continued)

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

			VND'000	
Related parties	Relationship	Interest rate %/p.a.	Ending balance	Beginning balance
Long-term loan receivables (Note 8)				
An Phu Group (**)	Related companies	(**)	6,095,915,457	7,435,714,993
Tay Nguyen Agriculture Service Co., Ltd.	Related company	12.00	22,895,434	-
IAPACCO JSC	Related company	0.00	6,123,820	-
Viet May Investment JSC	Related company	10.00	5,590,000	-
Dai Thang Agricultural Development Co., Ltd. (*)	Subsidiary	-	-	54,052,853
Hoang Anh Ban Me JSC	Related company	-	-	23,193,100
TOTAL			6,130,524,711	7,512,960,946

(*) As Note 4, on 17 March 2018, Dai Thang Agricultural Development Co., Ltd. became subsidiary in the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

34. TRANSACTIONS WITH RELATED PARTIES (continued)

34.2 Balance of receivables and payables (continued)

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

Long-term loan receivables (Note 8) (continued)

(**) Detail balances of An Phu Group were as follows:

			VND'000
An Phu Group	Interest rate	Ending balance	Beginning balance
	%/p.a.		
Gia Lai Livestock JSC	12.00	3,884,249,304	3,491,345,993
Le Me JSC	14.00	1,527,347,311	-
Huynh De Construction JSC	10.00	196,731,113	196,731,113
Phu Hoang Anh JSC	10.00	155,872,977	358,488,312
Thanh Binh Construction and Investment Consultant Co., Ltd.	10.00	147,000,000	75,000,000
HAGL Wooden Furniture JSC	10.00	100,000,000	136,261,796
Phuc Bao Minh Construction Service Trading JSC	10.00	50,000,000	50,000,000
Dai Loc Hung Thinh Co., Ltd.	13.00	34,714,752	710,000,000
Saigon Mekong Investing JSC	-	-	1,834,926,927
Hoang Tho Material One Member Co., Ltd.	-	-	381,703,227
An Phu Real Estate Investment JSC	-	-	105,110,065
Minh Tuan Trading and Services Co., Ltd.	-	-	75,481,435
An Tien Co., Ltd.	-	-	20,666,125
TOTAL		6,095,915,457	7,435,714,993

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

34. TRANSACTIONS WITH RELATED PARTIES (continued)

34.2 Balance of receivables and payables (continued)

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

			VND'000	
Related parties	Relationship	Transactions	Ending balance	Beginning balance
Other long-term receivables (Note 9)				
An Phu Group (**)	Related companies	(**)	328,991,673	639,920,595
Thang Long Agricultural Development Co., Ltd.	Related company	Lending	-	130,284,692
Dai Thang Agricultural Development Co., Ltd. (*)	Subsidiary	Lending	-	117,720,096
		Interest income	-	2,551,686
Others related parties		Others	548,630	-
TOTAL			329,540,303	890,477,069

(*) As Note 4, on 17 March 2018, Dai Thang Agricultural Development Co., Ltd. became subsidiary in the Group.

(**) Detail balances of An Phu Group were as follows:

			VND'000	
An Phu Group		Transactions	Ending balance	Beginning balance
Gia Lai Livestock JSC		Interest income	146,857,511	260,327,064
		BCC receivable	-	125,750,980
Thanh Binh Construction and Investment Consultant Co., Ltd.		Interest income	43,040,917	9,543,750
Huynh De Construction JSC		Interest income	32,468,560	12,522,211
Le Me JSC		Interest income	29,098,785	-
Dai Loc Hung Thinh Co., Ltd		Interest income	26,861,748	-
Phu Hoang Anh JSC		Interest income	26,168,409	20,488,121
Phuc Bao Minh Construction Service Trading JSC		Interest income	17,975,000	12,905,556
HAGL Wooden Furniture JSC		Interest income	6,520,743	31,061,435
An Phu Real Estate Investment JSC		Interest income	-	161,975,432
Minh Tuan Trading and Services Co., Ltd.		Lending	-	4,099,189
An Tien Co., Ltd.		Lending	-	1,246,857
TOTAL			328,991,673	639,920,595

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended**34. TRANSACTIONS WITH RELATED PARTIES** (continued)**34.2 Balance of receivables and payables** (continued)

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

			VND'000	
Related parties	Relationship	Transactions	Ending balance	Beginning balance
Short-term trade payables (Note 19)				
IAPACCO JSC	Related company	Purchase of goods and services	18,760,988	-
East Asia Investment and Construction Consultant JSC	Associate	Purchase of goods and services	10,391,383	-
Gia Lai Livestock JSC	Related company	Purchase of goods and services	4,344,889	102,076,936
HAGL Wooden Furniture JSC	Related company	Purchase of goods and services	4,093,267	84,221,566
Dai Thang Agricultural Development Co., Ltd. (*)	Subsidiary	Purchase of goods and services	-	83,166,966
Hoang Tho Material One Member Co., Ltd.	Related company	Purchase of goods and services	-	9,328,145
Others related parties		Purchase of goods	259,851	268,067
TOTAL			37,850,378	279,061,680
Short-term advances from customers (Note 20)				
Gia Lai Livestock JSC	Related company	Advance for construction services	-	194,864,544
Dai Thang Agricultural Development Co., Ltd. (*)	Subsidiary	Advance for purchase of goods and services	-	128,617,878
Others related parties		Advance for purchase of goods and services	-	621,570
TOTAL			-	324,103,992

(*) As Note 4, on 17 March 2018, Dai Thang Agricultural Development Co., Ltd. became subsidiary in the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

34. TRANSACTIONS WITH RELATED PARTIES (continued)

34.2 Balance of receivables and payables (continued)

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

				VND'000
Related parties	Relationship	Transactions	Ending balance	Beginning balance
Short-term other payables (Note 23)				
Mr Doan Nguyen Duc	Chairman	Borrowing BCC	136,000,000	-
			-	240,000,000
Mrs Doan Thi Nguyen Nguyen	Related party	Borrowing	20,000,000	-
Mr Nguyen Anh Hoa	Related party	Borrowing	15,305,360	-
Hoang Anh Housing Development and Construction JSC	Associate	Borrowing	11,786,058	-
Le Me JSC	Related company	Borrowing	11,685,000	-
Saigon Mekong Investment JSC	Related company	Temporary borrowings	6,450,000	6,450,000
Hung Thang Loi Gia Lai JSC (*)	Subsidiary	Temporary borrowings	-	500,000,000
		Interest expense	-	10,120,174
Gia Lai Livestock JSC	Related company	Temporary borrowings	-	250,098,890
		Interest expense	-	40,329,333
Tay Nguyen Agricultural Service JSC	Related company	BCC	-	150,000,000
		Temporary borrowings	-	4,100,000
Mr Duong Thanh Bich	Related party	BCC	-	150,000,000
Mr Nguyen Ngoc Mai	Related party	BCC	-	140,000,000
Mr Nguyen Thuong Trung	Related party	BCC	-	137,000,000
Mr Thuy Ngoc Dung	Related party	BCC	-	135,000,000
Ms Nguyen Thi Hong Luyen	Related party	BCC	-	115,000,000
Mr Tran Quang Dung	Related party	BCC	-	110,000,000

(*) As Note 4, on 17 March 2018, Hung Thang Loi Gia Lai JSC became subsidiary in the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

34. TRANSACTIONS WITH RELATED PARTIES (continued)

34.2 Balance of receivables and payables (continued)

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

			VND'000	
<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>Ending balance</i>	<i>Beginning balance</i>
Other short-term payables (Note 23) (continued)				
Mrs Ho Thi Kim Chi	Deputy General Director	BCC	-	55,500,000
Mrs Le Thuy Duong	Related party	BCC	-	50,000,000
East Asia Investment Construction and Consultant JSC	Associate	Temporary borrowings	-	10,666,989
Hoang Anh Ban me JSC	Related company	Temporary borrowings	-	5,711,421
An Phu Real Estate Investment JSC	Related company	Temporary borrowings	-	3,000,000
An Tien Co., Ltd.	Related company	Temporary borrowings	-	2,654,276
		Dividend	-	2,034,000
Mr Duong Hoang Bac	Related party	Temporary borrowings	-	1,958,300
Huynh De Construction JSC	Related company	Temporary borrowings	-	22,147,125
Others related parties		Others	1,687,710	3,160,011
TOTAL			202,914,128	2,144,930,519
Other long-term payables (Note 23)				
An Tien Co., Ltd.	Related company	BCC	550,000,000	550,000,000
		Others	2,034,000	-
Mr Doan Nguyen Duc	Chairman	BCC	180,000,000	-
Mrs Ho Thi Kim Chi	Deputy General Director	BCC	105,000,000	-
Hoang Anh Gia Lai - Bangkok Co., Ltd.	Related company	Others	7,666,626	-
Other related parties		Others	25,148	77,566
TOTAL			844,725,774	550,077,566

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

34. TRANSACTIONS WITH RELATED PARTIES (continued)

34.2 Balance of receivables and payables (continued)

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

			VND'000	
<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>Ending balance</i>	<i>Beginning balance</i>
Short-term accrued expense				
Mr Doan Nguyen Duc	Chairman	Interest expense	4,001,707	-
Long-term accrued expense				
Mr Doan Nguyen Duc	Chairman	Interest expense	2,389,416	-
Short-term loans (Note 24)				
Mr Doan Nguyen Duc	Chairman	Loan	612,995,000	-
Gia Lai Livestock JSC	Related company	Loan	-	298,000,000
Hung Thang Loi Gia Lai JSC (*)	Subsidiary	Loan	-	12,091,300
Mr Duong Hoang Bac	Related party	Loan	-	7,823,000
TOTAL			612,995,000	317,914,300
Long-term loans (TM số 24)				
Mr Doan Nguyen Duc	Chairman	Loan	129,709,600	-

(*) As Note 4, on 17 March 2018, Hung Thang Loi Gia Lai JSC became subsidiary in the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

34. TRANSACTIONS WITH RELATED PARTIES (continued)

34.3 An Phu Group receivables

Amounts due to from An Phu Group were as follows (extracted from Note 34.2):

By recorded accounts:

	VND'000	
	Ending balance	Beginning balance
Long-term loan receivables	6,095,915,457	7,435,714,993
Short-term loan receivables	489,039,660	1,090,388,994
Other short-term receivables	450,594,792	497,088,437
Short-term trade receivables	200,544,787	496,649,239
Other long-term receivables	328,991,673	639,920,595
Short-term advance to suppliers	29,771,109	410,301,606
TOTAL	7,594,857,478	10,570,063,864

By entities:

	VND'000	
	Ending balance	Beginning balance
Gia Lai Livestock JSC	4,550,604,168	5,134,717,173
Le Me JSC	1,556,446,096	-
Phu Hoang Anh JSC	341,668,291	538,603,338
Huynh De Construction JSC	229,216,928	210,127,665
HAGL Wooden and Furniture JSC	224,338,556	170,427,556
Thanh Binh Construction Investment Consultant Co., Ltd	219,817,820	257,185,434
Thang Long Agriculture Development Co., Ltd.	200,852,876	-
An Tien Co., Ltd.	124,235,470	136,889,504
Phuc Bao Minh Construction Service and Trading JSC	67,975,000	62,905,556
Dai Loc Hung Thinh Co., Ltd	61,576,500	793,185,574
Hoang Anh Me Kong JSC	12,624,059	12,624,059
Minh Tuan Trading and Service Co., Ltd.	5,501,714	85,355,361
An Phu Real Estate Investment JSC	-	2,668,212,942
Saigon Mekong Investment JSC	-	381,703,227
Hoang Tho Material Co., Ltd.	-	118,126,475
TOTAL	7,594,857,478	10,570,063,864

As at the date of these financial statements, the Group's total receivables from the An Phu Group as mentioned above were secured by the assets of Mr Doan Nguyen Duc - Chairman of the Board of Directors, and the assets of other related companies and individuals.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

34. TRANSACTIONS WITH RELATED PARTIES (continued)

34.4 Remuneration for the member of the Board of Management, the Board of Supervisors, the Board of Directors and the Board's secretary

Net salaries, bonus and remunerations for the members of the Board of Management, the Board of Supervisors, the Board of Directors and the Board's secretary are as follows:

	VND'000	
	Current year	Previous year
<i>Board of Management and Board of Directors</i>		
Salary	11,558,691	10,309,200
<i>Board of Supervisors</i>		
Salary	1,008,000	1,548,000
<i>Board's secretary</i>		
Salary	401,333	132,000
TOTAL	12,968,024	11,989,200

35. COMMITMENTS

Operating lease commitments

As a lease

The Group leases parcels of land in Vietnam, Laos and Cambodia to build factories, football facilities, hotels; office; cattle farm and for rubber trees and other plantations. As at the balance sheet dates, the lease commitments under the operating lease agreements as follows:

	VND'000	
	Ending balance	Beginning balance
Less than one year	29,032,155	98,021,128
From one to five years	116,048,422	709,537,635
More than five years	1,046,633,514	7,397,081,714
TOTAL	1,191,714,091	8,204,640,477

Warranty provision for the airport projects

As at 31 December 2018, the Group has been in progress to construct and complete remaining works of two airport projects namely The Attapeu Airport Construction Project at Attapeu Province and The Nongkhang Airport Construction Project at Huaphan Province, Lao People's Democratic Republic. The Group did not recognise provision for warranty for the two projects, because these projects have not been handed-over to contractors.

As mentioned at section 13.2 of Contract of the Attapeu Airport Construction Project No. LAO-ATP(01) dated January 2013 and section 13.2 of Contract of the Nongkhang Airport Construction Project No. LAO-NKP(01) dated 15 June 2013, the guarantee period is one year after the of handover the project.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

35. COMMITMENTS (continued)

Other commitment

As at 31 December 2018, the Group was the defendant in a dispute relating to Capital contribution agreement signed on 19 December 2011 between FPT Fund Management Joint Stock Company ("FPT Capital"), Hoang Anh Gia Lai Agricultural Joint Stock Company (formerly Hoang Anh Gia Lai Rubber Joint Stock Company or HAG Rubber), Mr Doan Nguyen Duc - Chairman of the Board of Directors of the Company, in which, FPT Capital sued and requested the Group to buy all 2,242,500 shares of HAG Rubber (HNG) that FPT Capital was holding with the exercise amount of VND'000 141,353,823. Under the terms of the Capital contribution contracts, in any case and at any time after 6 months from the date HAG Rubber got listed (10 July 2015), the Group was obliged to repurchase all of HAG Rubber shares that FPT Capital was holding in case Mr Doan Nguyen Duc did not implement this commitment.

According to the management's assessment, at the date of these consolidated financial statements, the terms of the contracts and payment commitments mentioned above contain contents that violate the law, resulting in invalid contract commitments. On 19 October 2018, the Group sent a counterclaim to request the People's Court of Pleiku City, Gia Lai Province to invalidate the contracts. In addition, at the date of these consolidated financial statements, Mr Doan Nguyen Duc also committed to be capable of performing potential contract terms that may be convicted by the Court without requiring the Group to incur any other obligation regarding this contract.

36. OFF BALANCE SHEET ITEMS

<i>ITEM</i>	<i>Ending balance</i>	<i>Beginning balance</i>
Foreign currencies:		
- Laos KIP (LAK)	120,520,076	1,307,232,151
- Cambodia Riels (KHR)	84,386,864	215,851,975
- United States Dollar (USD)	1,860,416	3,083,091
- Euro (EUR)	455	7,143
- Myanmar Kyat (MMK)	-	525,633,509
- Thai Baht (THB)	-	3,093,096

37. SEGMENT INFORMATION

The primary segment reporting format is determined to be business segments as the Group's risks and rates of return are affected predominantly by differences in the products and services provided. Secondary information is reported geographically, therefore:

- external sales by geographic area based on the location of the customer, if the outward sales of each part accounts for 10% or more of the total external sale;
- the total remaining value of part assets according to the position of the assets, if the properties of each part account for 10% or more of total assets of all geographical areas; and
- total expenses incurred in the year to purchase fixed assets - part assets expected to be used more than one year (tangible fixed assets, intangible fixed assets and other long-term assets) according to their position property, if the property of that part accounts for 10% or more of the total assets of segments,

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

37. SEGMENT INFORMATION (continued)

37.1 Business segment

The Group's business activities are organised and managed according to the nature of the products and services provided by the Group with each of them being a strategic business unit providing various products and serving in different markets.

Prices applied to transactions between divisions are determined on an arm-length basis similar to those of third parties. Revenue, costs and income statement of divisions including transactions between departments. These transactions are excluded when preparing the consolidated financial statements.

The Group's geographical segment is determined by the location of the Group's assets. External sales revenue presented in geographical segments is determined based on the geographical location of customers of the Group.

For management purposes, the Group is organised into business units based on their products and services, and has seven reportable operating segments as follows:

- ▶ Real estate: developing apartment projects for sale and lease; managing and development properties;
- ▶ Production: producing and trading fertilizers, pipes and other tools and supplies;
- ▶ Trading and services: asset management and trading of goods;
- ▶ Construction: construction of apartments, airport and cowshed;
- ▶ Power: developing and operating hydropower plants;
- ▶ Mining: exploiting and selling iron ore (ceased operation); and
- ▶ Agriculture: planting rubber, sugarcane and palm oil trees, processing and trading of rubber latex, rubber wood, sugar, palm oil and other tree plantations and livestock.

Management monitors the operating results of its business units separately for the purposes of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain aspects, as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements. The financing, including finance costs and finance revenue, and income taxes are managed on a Group basis and are not allocated to operating segments.

The segment information of the hospitality industry has been combined into the trading and services industry during the period as the hospitality industry is currently not the Group's core business.

The following tables present revenue and profit and certain assets and liability information regarding the Group's business segment:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

37. SEGMENT INFORMATION (continued)

37.1 Business segment (continued)

	Real estate	Production	Trading and services	Construction	Agriculture	Power	Eliminations	Total
For the year ended 31 December 2017								
<i>Revenue</i>								
External customers	782,795,151	464,954,062	606,673,377	80,381,541	2,906,420,943	-	-	4,841,225,074
Inter-segment elimination	-	347,049,601	66,190,098	8,072,330	616,520,622	-	(1,037,832,651)	-
Total	782,795,151	812,003,663	672,863,475	88,453,871	3,522,941,565	-	(1,037,832,651)	4,841,225,074
Segment results	341,345,337	257,259,508	161,539,394	22,475,012	948,922,826	-	-	1,731,542,077
Unallocated expenses								(1,250,947,281)
Profit before income tax, financial income and financial expense								480,594,796
Financial income								1,665,916,448
Financial expense								(1,697,932,438)
Share loss from associates								(18,433,513)
Profit before tax								430,145,293
Current income tax expense								(24,802,221)
Deferred income tax expense								(33,735,757)
Profit after tax for the year								371,607,315
As at 31 December 2017								
<i>Assets and liabilities</i>								
Segment assets	10,108,173,230	5,743,353,617	339,487,886	173,418,104	30,725,856,836	3,420,834,551	-	50,511,124,224
Cash of the Group								141,473,491
Investments in associates								847,332,517
Unallocated assets								1,562,197,424
Total assets								53,062,127,656
Segment liabilities	(5,182,475,843)	(6,616,331,417)	(68,879,664)	(260,523,722)	(21,807,357,090)	(2,933,736,948)	-	(36,869,304,684)
Unallocated liabilities								1,595,149,706
Total liabilities								(35,274,154,978)

VND'000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

37. SEGMENT INFORMATION (continued)

37.1 Business segment (continued)

	Real estate	Production	Trading and services	Construction	Agriculture	Power	Eliminations	Total
For the year ended 31 December 2018								
<i>Revenue</i>								
External customers	567,372,089	470,270,787	406,544,334	22,667,344	3,921,345,846	-	-	5,388,200,400
Inter-segment elimination	-	427,371,708	66,985,430	-	982,375,852	-	(1,476,732,990)	-
Total	567,372,089	897,642,495	473,529,764	22,667,344	4,903,721,698	-	(1,476,732,990)	5,388,200,400
Segment results	301,161,009	310,474,238	38,503,195	(2,798,549)	1,727,365,281	-	-	2,374,705,174
Unallocated expenses								(2,074,963,839)
Profit before income tax, financial income and financial expense								299,741,335
Financial income								1,404,799,179
Financial expense								(1,721,684,164)
Share loss from associates								64,840,488
Profit before tax								47,696,838
Current income tax expense								(2,998,375)
Deferred income tax expense								(38,454,058)
Profit after tax for the year								6,244,405
As at 31 December 2018								
<i>Assets and liabilities</i>								
Segment assets	562,947,574	6,705,004,847	328,813,728	635,254,936	33,170,287,045	3,136,811,361	-	44,539,119,491
Cash of the Group								337,736,719
Investments in associates								2,771,892,520
Unallocated assets								462,692,886
Total assets								48,111,441,616
Segment liabilities	(928,303)	(8,448,995,001)	(51,841,968)	(9,229,926)	(19,857,001,631)	(2,589,612,515)	-	(30,957,609,344)
Unallocated liabilities								(342,945,586)
Total liabilities								(31,300,554,930)

VND'000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

37. SEGMENT INFORMATION (continued)

37.2 Geographical segment

The following tables present revenue, expenditure and certain asset information regarding the Group's geographical segments:

	Vietnam	Laos	Cambodia	Myanmar	Others	VND'000 Total
For the year ended 31 December 2017						
<i>Revenue</i>						
Sales to external customers	2,095,062,446	1,331,396,451	185,986,793	1,108,579,730	120,199,654	4,841,225,074
Capital expenditure	236,117,052	711,056,002	320,878,133	30,068,437	7,019	1,298,126,643
As at 31 December 2017						
<i>Others segment information</i>						
Segment assets	16,833,346,285	15,622,303,647	9,765,409,189	6,301,084,842	55,124,130	48,577,268,093
Cash						141,473,491
Investment in associates						847,332,517
Unallocated assets						3,496,053,555
Total assets						53,062,127,656
For the year ended 31 December 2018						
<i>Revenue</i>						
Sales to external customers	2,404,557,735	1,425,895,038	462,576,959	709,295,233	385,875,435	5,388,200,400
Capital expenditure	369,573,685	1,376,177,891	738,160,181	123,728,000	-	2,607,639,757
As at 31 December 2018						
<i>Others segment information</i>						
Segment assets	14,312,987,426	18,630,100,529	11,175,137,728	-	-	44,118,225,683
Cash						337,736,719
Investment in associates						2,771,892,520
Unallocated assets						883,586,694
Total assets						48,111,441,616

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2018 and for the year then ended

38. RECLASSIFICATION OF CORRESPONDING FIGURES

In addition, certain corresponding figures on the Group's consolidated balance sheet as at 31 December 2017 have been reclassified to reflect the presentation of the current year's consolidated financial statements accordance with guidance in Circular 200/2014/TT-BTC Guidance on Enterprise accounting regime issued by the Ministry of Finance on 22 December 2014. Details are as follows:

	<i>Beginning balance (previously stated)</i>	<i>Reclassification</i>	<i>Beginning balance (restated)</i>
CONSOLIDATED BALANCE SHEET			
Short-term advance from customers	3,595,954,762	(431,809,106)	3,164,145,656
Short-term accrued expense	1,231,386,531	397,103,920	1,628,490,451
Short-term unearned revenue	13,984,482	300,140,104	314,124,586
Other short-term payable	3,755,607,293	(397,103,920)	3,358,503,373
Long-term accrued expense	987,071,192	332,106,423	1,319,177,615
Long-term unearned revenue	-	131,669,002	131,669,002
Other long-term payable	1,269,645,155	(332,106,423)	937,538,732

39. EVENTS AFTER THE BALANCE SHEET DATE

No significant events after the balance sheet date are required to be adjusted or presented in the consolidated financial statements of the Company.



Tran Thi Thanh Hieu
Preparer



Le Truong Y Tram
Chief Accountant



Vo Truong Son
General Director

30 March 2019