

Dat Xanh Group Joint Stock Company

Interim consolidated financial statements

For the six-month period ended 30 June 2019



Dat Xanh Group Joint Stock Company

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Dat Xanh Group Joint Stock Company

GENERAL INFORMATION

THE COMPANY

Dat Xanh Group Joint Stock Company ("the Company") is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to the Business Registration Certificate No. 0303104343 issued by the Department of Planning and Investment of Ho Chi Minh City on 23 November 2007, as subsequently amended.

The Company's shares were listed on the Ho Chi Minh City Stock Exchange ("HOSE") in accordance with Decision No. 161/QD-SGDHCM on 14 December 2009.

The current principal activities of the Company are to provide construction services, trade real estate properties, real estate brokerage and other services.

The Company's registered head office is located at No. 2W Ung Van Khiem Street, Ward 25, Binh Thanh District, Ho Chi Minh City, Vietnam

BOARD OF DIRECTORS

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

Mr Luong Tri Thin	Chairman
Mr Nguyen Khanh Hung	Deputy Chairman
Mr Tran Viet Anh	Member
Mr Luong Tri Thao	Member
Mr Bui Ngoc Duc	Member

BOARD OF SUPERVISION

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

Mr Nguyen Van Bang	Head
Ms Trinh Thi Ngoc Ha	Member
Mr Nguyen Quoc Vy Liem	Member

MANAGEMENT

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

Mr Luong Tri Thin	General Director	
Mr Nguyen Khanh Hung	Deputy General Director	
Mr Bui Ngoc Duc	Deputy General Director	
Ms Do Thi Thai	Deputy General Director	
Mr Nguyen Truong Son	Deputy General Director	
Mr Tran Cong Luan	Deputy General Director	resigned at 26 July 2019
Ms Tran Thi Thuy Trang	Chief Accountant	

LEGAL REPRESENTATIVE

The legal representative of the Company during the period and at the date of this report is Mr Luong Tri Thin.

AUDITORS

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

Dat Xanh Group Joint Stock Company

REPORT OF MANAGEMENT

Management of Dat Xanh Group Joint Stock Company ("the Company") is pleased to present this report and the interim consolidated financial statements of the Company and its subsidiaries (collectively referred to as "the Group") for the six-month period ended 30 June 2019.

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

Management is responsible for the interim consolidated financial statements of each financial period 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 period. In preparing those interim consolidated financial statements, management is required to:

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

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


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

STATEMENT BY MANAGEMENT

Management does hereby state that, in its opinion, the accompanying interim consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 30 June 2019 and of the consolidated results of its operations and its consolidated cash flows for the period then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the interim consolidated financial statements.

For and on behalf of Management:



 Luong Tri Thin
General Director

Ho Chi Minh City, Vietnam

12 August 2019

Reference: 61281235/21164353/LR-HN

REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL STATEMENTS

To: The Shareholders of Dat Xanh Group Joint Stock Company

We have reviewed the accompanying interim consolidated financial statements of Dat Xanh Group Joint Stock Company and its subsidiaries (collectively referred to as “the Group”), as prepared on 12 August 2019, as set out on pages 5 to 58 which comprise the interim consolidated balance sheet as at 30 June 2019, the interim consolidated income statement and the interim consolidated cash flow statement for the six-month period then ended and the notes thereto.

Management's responsibility

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

Auditors' responsibility

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

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim consolidated financial statements do not give a true and fair view, in all material respects, of the interim consolidated financial position of the Group as at 30 June 2019, and of the interim consolidated results of its operations and its interim consolidated cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the interim consolidated financial statements.

Ernst & Young Vietnam Limited



Trần Nam Dũng
Deputy General Director
Audit Practicing Registration Certificate
No. 3021-2019-004-1

Ho Chi Minh City, Vietnam

12 August 2019

INTERIM CONSOLIDATED BALANCE SHEET
as at 30 June 2019

VND

Code	ASSETS	Notes	30 June 2019	31 December 2018
100	A. CURRENT ASSETS		13,731,175,643,059	11,815,774,324,512
110	I. Cash and cash equivalents	5	863,101,578,562	1,158,571,308,567
111	1. Cash		337,253,856,340	412,350,866,927
112	2. Cash equivalents		525,847,722,222	746,220,441,640
120	II. Short-term investments		89,056,583,003	382,498,994,785
121	1. Held-for-trading securities		-	330,019,350,000
123	2. Held-to-maturity investments	6	89,056,583,003	52,479,644,785
130	III. Current accounts receivable		7,963,964,927,605	5,566,773,833,623
131	1. Short-term trade receivables	7	1,357,391,103,446	1,255,542,716,619
132	2. Short-term advances to suppliers	8	987,600,779,806	778,666,564,341
135	3. Short-term loan receivables	9	1,134,934,820	756,370,320
136	4. Other short-term receivables	10	5,644,352,499,099	3,557,808,940,778
137	5. Provision for doubtful short-term receivables	11	(26,514,389,566)	(26,000,758,435)
140	IV. Inventories	12	4,621,513,747,974	4,605,151,086,817
141	1. Inventories		4,621,513,747,974	4,621,285,822,757
149	2. Provision for obsolete inventories		-	(16,134,735,940)
150	V. Other current assets		193,538,805,915	102,779,100,720
151	1. Short-term prepaid expenses	13	83,929,679,442	50,509,017,436
152	2. Value-added tax deductible		109,071,890,657	52,243,223,265
153	3. Tax and other receivables from the State		35,778,652	26,860,019
155	4. Other current assets		501,457,164	-

INTERIM CONSOLIDATED BALANCE SHEET (continued)
as at 30 June 2019

VND

Code	ASSETS	Notes	30 June 2019	31 December 2018
200	B. NON-CURRENT ASSETS		2,217,386,852,268	1,912,940,416,029
210	I. Long-term receivables		189,200,583,431	145,378,783,345
211	1. Long-term trade receivables		-	42,866,462
216	2. Other long-term receivables	10	189,200,583,431	145,335,916,883
220	II. Fixed assets		93,718,122,147	75,783,235,810
221	1. Tangible fixed assets	14	71,427,552,116	53,539,168,844
222	Cost		107,143,629,598	82,239,419,005
223	Accumulated depreciation		(35,716,077,482)	(28,700,250,161)
227	2. Intangible fixed assets	15	22,290,570,031	22,244,066,966
228	Cost		27,552,278,283	26,192,368,283
229	Accumulated amortisation		(5,261,708,252)	(3,948,301,317)
230	III. Investment properties	16	284,422,142,876	47,027,879,233
231	1. Cost		290,037,056,856	49,782,198,221
232	2. Accumulated depreciation		(5,614,913,980)	(2,754,318,988)
240	IV. Long-term asset in progress		101,984,938,244	199,512,917,437
242	1. Construction in progress	17	101,984,938,244	199,512,917,437
250	V. Long-term investments	18	1,285,299,277,073	1,176,366,004,321
252	1. Investments in associates		1,158,299,277,073	1,100,366,004,321
253	2. Investments in other entities		127,000,000,000	76,000,000,000
260	VI. Other long-term assets		262,761,788,497	268,871,595,883
261	1. Long-term prepaid expenses	13	135,601,952,449	136,347,820,285
262	2. Deferred tax assets	33.3	31,403,733,743	30,656,774,141
268	3. Other long-term assets		1,390,000,000	1,390,000,000
269	4. Goodwill	19	94,366,102,305	100,477,001,457
270	TOTAL ASSETS		15,948,562,495,327	13,728,714,740,541

INTERIM CONSOLIDATED BALANCE SHEET (continued)
as at 30 June 2019

VND

Code	RESOURCES	Notes	30 June 2019	31 December 2018
300	C. LIABILITIES		8,658,521,689,423	7,529,620,654,558
310	I. Current liabilities		6,425,037,400,386	5,117,630,826,276
311	1. Short-term trade payables	20	456,474,244,707	580,973,842,865
312	2. Short-term advances from customers	21	557,278,567,401	1,029,005,405,207
313	3. Statutory obligations	22	318,706,631,255	465,584,800,083
314	4. Payables to employees		104,571,971,729	83,334,564,108
315	5. Short-term accrued expenses	23	427,219,524,450	435,598,701,994
318	6. Short-term unearned revenues	24	25,222,204,380	19,338,862,336
319	7. Other short-term payables	25	3,574,303,018,349	1,989,989,640,969
320	8. Short-term loans	26	845,215,863,821	471,425,076,235
321	9. Short-term provision		911,553,612	381,395,323
322	10. Bonus and welfare fund		115,133,820,682	41,998,537,156
330	II. Non-current liabilities		2,233,484,289,037	2,411,989,828,282
337	1. Other long-term liabilities		22,141,045,131	8,741,045,131
338	2. Long-term loans	26	2,200,437,921,270	2,394,395,462,491
342	3. Long-term provision		10,905,322,636	8,853,320,660
400	D. OWNERS' EQUITY		7,290,040,805,904	6,199,094,085,983
410	I. Capital	27.1	7,290,040,805,904	6,199,094,085,983
411	1. Share capital		3,500,714,120,000	3,500,714,120,000
411a	- Shares with voting rights		3,500,714,120,000	3,500,714,120,000
412	2. Share premium		10,867,980,806	10,867,980,806
415	3. Treasury shares		(2,500,560,000)	(2,500,560,000)
418	4. Investment and development fund		58,104,879,339	35,018,748,857
421	5. Undistributed earnings		1,892,665,258,972	1,455,564,086,735
421a	- Undistributed earnings by the end of prior period		1,336,278,661,511	277,367,297,157
421b	- Undistributed earnings of current period		556,386,597,461	1,178,196,789,578
429	6. Non-controlling interests		1,830,189,126,787	1,199,429,709,585
440	TOTAL LIABILITIES AND OWNERS' EQUITY		15,948,562,495,327	13,728,714,740,541

 Nguyen Huynh Quang Tuan
 Preparer

 Tran Thi Thuy Trang
 Chief Accountant

 Luong Tri Thinh
 General Director




12 August 2019

INTERIM CONSOLIDATED INCOME STATEMENT
for the six-month period ended 30 June 2019

VND

Code	ITEMS	Notes	For the six-month period ended 30 June 2019	For the six-month period ended 30 June 2018
10	1. Net revenues from sale of goods and rendering of services	28.1	2,340,703,509,655	1,947,399,392,408
11	2. Cost of goods sold and services rendered	29	(1,163,981,331,094)	(911,233,573,742)
20	3. Gross profits from sale of goods and rendering of services		1,176,722,178,561	1,036,165,818,666
21	4. Finance income	28.2	238,731,845,071	173,578,670,228
22	5. Finance expenses	30	(99,061,036,116)	(71,494,793,622)
23	In which: Interest expense		(94,476,231,843)	(68,490,342,359)
24	6. Share of profit (loss) of associates		57,933,272,752	(2,697,329,589)
25	7. Selling expenses	31	(233,734,740,244)	(179,503,819,512)
26	8. General and administrative expenses	31	(218,506,694,160)	(150,348,873,701)
30	9. Operating profit		922,084,825,864	805,699,672,470
31	10. Other income	32	56,253,705,440	9,205,454,405
32	11. Other expenses	32	(7,197,462,753)	(1,813,961,815)
40	12. Other profit	32	49,056,242,687	7,391,492,590
50	13. Accounting profit before tax		971,141,068,551	813,091,165,060
51	14. Current corporate income tax expense	33.1	(182,479,887,766)	(161,972,804,628)
52	15. Deferred tax income (expense)	33.3	746,959,602	(854,423,224)
60	16. Net profit after tax		789,408,140,387	650,263,937,208
61	17. Net profit after tax attributable to shareholder of the parent		556,386,597,461	432,152,536,831
62	18. Net profit after tax attributable to non-controlling interests		233,021,542,926	218,111,400,377
70	19. Basic earnings per share	27.4	1,590	1,262
71	20. Diluted earnings per share	27.4	1,587	1,262


Nguyen Huynh Quang Tuan
Preparer


Tran Thi Thuy Trang
Chief Accountant


Luong Tri Thinh
General Director



12 August 2019

INTERIM CONSOLIDATED CASH FLOW STATEMENT
for the six-month period ended 30 June 2019

VND

Code	ITEMS	Notes	For the six-month period ended 30 June 2019	For the six-month period ended 30 June 2018
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	Accounting profit before tax		971,141,068,551	813,091,165,060
	<i>Adjustments for:</i>			
02	Depreciation and amortisation of fixed assets and investment properties	14, 15, 16, 19	17,342,312,367	11,596,828,402
03	(Reversal) provisions		(13,038,944,544)	7,711,941,117
05	Profits from investing activities		(76,623,686,790)	(170,846,803,163)
06	Borrowing costs	30	99,061,036,116	71,303,410,541
08	Operating profit before changes in working capital		997,881,785,700	732,856,541,957
09	Increase in receivables		(2,498,051,092,699)	(1,902,834,645,989)
10	Increase in inventories		(8,667,968,990)	(841,230,767,045)
11	Increase in payables		992,115,575,372	1,454,964,081,482
12	Increase in prepaid expenses		(32,674,794,170)	(31,161,523,467)
13	Decrease in held-for-trading securities		330,019,350,000	-
14	Interest paid		(104,299,981,025)	(140,547,335,554)
15	Corporate income tax paid		(282,795,740,226)	(216,465,698,658)
17	Other cash outflows for operating activities		(47,058,467,389)	(51,805,654,346)
20	Net cash flows used in operating activities		(653,531,333,427)	(996,225,001,620)
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchases and construction of fixed assets		(160,653,321,262)	(50,895,670,842)
22	Proceeds from disposals of fixed assets		-	933,141,282
23	Loans to other entities, term deposits		(36,955,502,718)	(25,950,735,700)
24	Collections from borrowers		-	10,100,000,000
25	Payments for investments in other entities		(51,000,000,000)	(301,880,089,849)
26	Proceeds from sale of investments in other entities		91,345,735,000	225,012,362,757
27	Interest received		18,315,283,882	21,538,979,501
30	Net cash flows used in investing activities		(138,947,805,098)	(121,142,012,851)

INTERIM CONSOLIDATED CASH FLOW STATEMENT (continued)
for the six-month period ended 30 June 2019

VND

Code	ITEMS	Notes	For the six-month period ended 30 June 2019	For the six-month period ended 30 June 2018
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
31	Capital contribution from non-controlling interests		638,122,000,000	227,861,500,000
33	Drawdown of borrowings	27.1	1,134,490,981,551	759,571,553,036
34	Repayment of borrowings	26	(953,705,236,153)	(593,309,836,880)
36	Dividends paid	26	(321,898,336,878)	(242,185,145,575)
40	Net cash flows from financing activities		497,009,408,520	151,938,070,581
50	Net decrease in cash and cash equivalents		(295,469,730,005)	(965,428,943,890)
60	Cash and cash equivalents at beginning of period		1,158,571,308,567	1,687,437,308,464
70	Cash and cash equivalents at end of period	5	863,101,578,562	722,008,364,574



Nguyen Huynh Quang Tuan
Preparer



Tran Thi Thuy Trang
Chief Accountant



Luong Tri Thin
General Director

12 August 2019

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
as at 30 June 2019 and for the six-month period then ended

1. CORPORATE INFORMATION

Dat Xanh Group Joint Stock Company ("the Company") is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to Business Registration Certificate No. 0303104343 issued by the Department of Planning and Investment of Ho Chi Minh City ("DPI") on 23 November 2007, as subsequently amended.

The Company was listed on the Ho Chi Minh City Stock Exchange ("HOSE") in accordance with Decision No. 161/QD-SGDHCM on 14 December 2009.

The current principal activities of the Company and its subsidiaries ("the Group") are to provide construction services, trade real estate properties, real estate brokerage and other services.

The Group's registered head office is located at No. 2W Ung Van Khiem Street, Ward 25, Binh Thanh District, Ho Chi Minh City, Vietnam.

The number of the Group's employees as at 30 June 2019 was 3,980 (31 December 2018: 3,287).

Corporate structure

The Company's corporate structure includes 8 direct subsidiaries and 28 indirect subsidiaries, in which:

Name of subsidiaries	Business activities	Status of operation	% Voting	
			30 June 2019	31 December 2018
			(%)	(%)
(1) Dat Xanh Hoi An One Member Company Limited ("Dat Xanh Hoi An")	Real estate trading	Operating	100	100
(2) Saigon Riverside Investment Company Limited ("Saigon Riverside")	Real estate trading	Operating	75	75
(3) Thang Long Investment Petrol Joint Stock Company ("Thang Long Petrol")	Real estate trading	Operating	99.9	99.9
(4) Ha Thuan Hung Construction Trade Services Company Limited ("Ha Thuan Hung")	Real estate trading	Operating	99.91	99.91
(5) Vien Dong Land Investment Corporation ("Vidoland")	Real estate trading	Operating	99.99	99.99
(6) Saigon Riverview Joint Stock Company ("Saigon Riverview")	Real estate trading	Operating	99.9	99.9

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

1. CORPORATE INFORMATION (continued)

Corporate structure (continued)

Name of subsidiaries	Business activities	Status of operation	% Voting	
			30 June 2019	31 December 2018
			(%)	(%)
(7) Xuan Dinh Investment Construction Trade Company Limited ("Xuan Dinh")	Real estate trading	Operating	99.99	99.99
(8) Vicco Saigon Joint Stock Company ("Vicco Saigon")	Real estate trading	Operating	99.99	99.99
(9) Nong Nghiep Printing Joint Stock Company ("Nong Nghiep Printing")	Real estate trading	Operating	99.99	99.99
(10) Dat Xanh Real Estate Service Joint Stock Company ("DXS")	Real estate trading and brokers	Operating	90.50	99.99
(11) FBV Construction Joint Stock Company ("FBV Construction")	Construction services	Operating	51	89.26
(12) Dat Xanh Mien Trung Joint Stock Company ("Dat Xanh Mien Trung")	Real estate trading and brokers	Operating	55	55
(13) Northern Green Land Real Estate and Services Joint Stock Company ("Dat Xanh Mien Bac")	Real estate trading and brokers	Operating	51	51
(14) Dat Xanh Mien Nam Investment and Services Joint Stock Company ("Dat Xanh Mien Nam")	Real estate trading and brokers	Operating	51	51
(15) Dat Xanh Dong Nam Bo Investment and Services Joint Stock Company ("Dat Xanh Dong Nam Bo")	Real estate trading and brokers	Operating	51	51
(16) Dat Xanh Tay Nam Bo Construction and Services Joint Stock Company ("Dat Xanh Tay Nam Bo")	Real estate trading and brokers	Operating	51	51
(17) Viethomes Real Estate Joint Stock Company ("Viethomes")	Real estate trading and brokers	Operating	51	51
(18) Vinahomes Real Estate and Service Joint Stock Company ("Vinahomes")	Real estate trading and brokers	Operating	51	51
(19) Dat Xanh Nam Trung Bo Real Estate Service Joint Stock Company ("Dat Xanh Nam Trung Bo") (formerly Dat Xanh Nha Trang Joint Stock Company)	Real estate trading and brokers	Operating	51	51
(20) Dat Xanh Nghe An Joint Stock Company ("Dat Xanh Nghe An")	Real estate trading and brokers	Operating	51	51
(21) Dat Xanh Bac Mien Trung Joint Stock Company ("Dat Xanh Bac Mien Trung")	Real estate trading and brokers	Operating	51	51

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

1. **CORPORATE INFORMATION** (continued)

Corporate structure (continued)

Name of subsidiaries	Business activities	Status of operation	% Voting	
			30 June 2019	31 December 2018
			(%)	(%)
(22) Dat Xanh Da Nang Joint Stock Company ("Dat Xanh Da Nang")	Real estate trading and brokers	Operating	51	51
(23) Dat Xanh Nam Mien Trung Joint Stock Company ("Dat Xanh Nam Mien Trung")	Real estate trading and brokers	Operating	51	51
(24) Smart City One Member Company Limited ("Smart City")	Real estate trading	Operating	100	100
(25) Dat Xanh Real Estate Investment Company Limited ("DXI")	Real estate trading and brokers	Operating	100	100
(26) Duyen Hai Green Land Real Estate and Service Joint Stock Company ("Dat Xanh Duyen Hai") (formerly Quang Ninh Green Land Real Estate and Service Joint Stock Company)	Real estate trading and brokers	Operating	51	53.38
(27) Ha An Real Estate Investment Joint Stock Company ("Ha An")	Real estate trading	Operating	99.99	99.99
(28) Dat Xanh Nam Bo Joint Stock Company ("Dat Xanh Nam Bo") (formerly Dat Xanh Long An Joint Stock Company)	Real estate trading and brokers	Operating	51	51
(29) Dat Xanh City Joint Stock Company ("Dat Xanh Thanh Pho")	Real estate trading and brokers	Operating	60	60
(30) Dat Xanh Sai Gon Joint Stock Company ("Dat Xanh Sai Gon")	Real estate trading and brokers	Operating	60	60
(31) Vietnam Real Estate Technology Joint Stock Company ("Real Estate Tech")	Technology development	Operating	50.99	50.99
(32) Dat Xanh Mien Trung Emerald Joint Stock Company ("Dat Xanh Mien Trung Emerald")	Real estate trading and brokers	Operating	51	-
(33) Dat Xanh Quang Ngai One Member Limited Liability Company ("Dat Xanh Quang Ngai")	Real estate trading and brokers	Operating	100	-
(34) Dat Xanh Central Real Estate Investment and Service Joint Stock Company ("Dat Xanh Central")	Real estate trading and brokers	Operating	51	-
(35) Dat Xanh Can Tho Service Joint Stock Company ("Dat Xanh Can Tho")	Real estate trading and brokers	Operating	51	-
(36) Dat Xanh An Giang Real Estate Joint Stock Company ("Dat Xanh An Giang")	Real estate trading and brokers	Operating	51	-

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

2. BASIS OF PREPARATION

2.1 Accounting standards and system

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

- Decision No. 149/2001/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 interim 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.

2.2 Applied accounting documentation system

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

2.3 Fiscal year

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

2.4 Accounting currency

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

2.5 Basis of consolidation

The interim consolidated financial statements comprise the financial statements of the Company and its subsidiaries for the period ended 30 June 2019.

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

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

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

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

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

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 *Cash and cash equivalents*

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

3.2 *Inventories*

Inventory properties

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

Cost includes:

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

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

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

Other inventories

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

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

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

Merchandise	- cost of purchase on a specific identification basis
Tools and supplies	- cost of purchase on a weighted average basis
Raw materials for construction contract	- cost of purchase on a weighted average basis
Construction work-in-process	- cost of direct materials and labour plus attributable construction overheads on a weighted average basis

Provision for obsolete inventories

An inventory provision is created for the estimated loss arising due to the impairment of value (through diminution, damage, obsolescence, etc) of inventory based on appropriate evidence of impairment available at the balance sheet date.

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

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.3 *Receivables*

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

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

3.4 *Tangible fixed assets*

Tangible fixed assets are stated at cost less accumulated depreciation.

The cost of a tangible fixed asset comprises its purchase price and any directly attributable costs of bringing the 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 interim consolidated income statement as incurred.

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

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 interim consolidated income statement as incurred.

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

Land use rights

Land use rights are recorded as intangible fixed assets representing the value of the right to use the lands acquired by the Group.

3.6 *Depreciation and amortisation*

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

Buildings and structures	5 – 30 years
Machinery and equipment	3 – 11 years
Means of transportation	5 – 10 years
Office equipment	3 – 6 years
Computer software, website	3 – 6 years

Land use rights with indefinite useful life are not amortised.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.7 *Investment property*

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

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

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

Buildings and structures	25 – 30 years
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Investment properties are derecognised when either they have been disposed of or when the investment properties are permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the assets is recognised in the interim consolidated income statement in the period of retirement or disposal.

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

3.8 *Borrowing costs*

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

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

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

3.9 *Prepaid expenses*

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

The following types of expenses are recorded as long-term prepaid expense and are amortised to the interim consolidated income statement over 2 to 5 years or recognised consistently with revenue:

- ▶ Tools and consumables with large value issued into construction and can be used for more than one year;
- ▶ Show houses; and
- ▶ Brokerage fee.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.10 Business combinations, assets acquisitions and goodwill

The Group acquires subsidiaries that own assets and production activities. At the date of acquisition, the Group considers whether the acquisition represents the acquisition of a business. The Group accounts for an acquisition as a business combination where an integrated set of activities is acquired in addition to the assets.

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

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.

Goodwill acquired in a business combination is initially measured at cost being the excess of the cost the business combination over the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities. If the cost of a business combination is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the interim consolidated income statement. After initial recognition, goodwill is measured at cost less any accumulated amortisation. Goodwill is amortised over 10-year 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 interim consolidated income statement.

3.11 Investments in associates

The Group's investment in its 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 interim 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 interim 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 interim consolidated income statement and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Dividend receivable from associates reduces the carrying amount of the investment.

The financial statements of the associates are prepared for the same reporting period and accounting policies as the Group. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.12 Investments in other entities and held-to-maturity investments

Investments in other entities

Investments in other entities are stated at their acquisition costs.

Provision for held-for-trading securities and investments in entities

Provision is made for any diminution in value of the held-for-trading securities and 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. *[amend as appropriate]*. Increases or decreases to the provision balance are recorded as finance expense in the interim consolidated income statement.

Held-to-maturity investments

Held-to-maturity investments are stated at their acquisition costs. After initial recognition, held-to-maturity investments are measured at recoverable amount. Any impairment loss incurred is recognised as expense in the interim consolidated financial statements and deducted against the value of such investments

3.13 Payables and accruals

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

3.14 Bonds

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

Bonds that may be converted into an undetermined number of shares at maturity (depending on the market value of the shares at maturity) are accounted for as straight bonds.

3.15 Provisions

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.

3.16 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.

3.17 Appropriation of net profit

Net profit after tax (excluding negative goodwill arising from a bargain purchase) is available for appropriation to shareholders after approval 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 as proposed by the Board of Directors and subject to approval by shareholders at the annual general meeting:

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.17 *Appropriation of net profit* (continued)

▶ *Investment and development fund*

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

▶ *Bonus and welfare fund*

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

3.18 *Earnings per share*

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

Diluted earnings per share amounts are calculated by dividing the net profit after tax attributable to ordinary equity holders of the Group (after adjusting for interest or income 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.

3.19 *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 town houses and apartments

For town houses and apartments sold after completion of construction, the revenue and associated costs are recognised when the significant risks and rewards of ownership of the town houses and apartments have passed to the buyers.

Sale of residential plots and related infrastructure

Revenue from the sale of residential plots and related infrastructure are recorded based on contract when residential plots and related infrastructure are transferred to the customers.

Rendering of real estate brokerage and other services

Revenue is recognised when services have been rendered and completed.

Construction contracts

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

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

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

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.19 Revenue recognition (continued)

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 leases is accounted for on a straight line basis over the lease term.

3.20 Taxation

Current income tax

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

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

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

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.

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

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

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

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

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

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.21 Related parties

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

3.22 Segment information

A segment is a component determined separately by the Group which is engaged in providing products or related services (business segment), or providing products or services in a particular economic environment (geographical segment), that is subject to risks and returns that are different from those of other segments. The Group's business segment is derived mainly from real estate brokerage services, real estate investment and development and construction services.

4. BUSINESS COMBINATION, ASSET ACQUISITIONS AND DISPOSAL OF INVESTMENT

4.1 Transfer shares owned in Nha Trang Petrol Investment Joint Stock Company ("Nha Trang Petrol")

On 12 June 2019, the Group transferred its entire shares in Nha Trang Petrol to a third party with a total proceed of VND 550,000,000,000 in accordance with the Resolution of the Board of Directors No. 03/2019/NQ-HDQT dated 22 January 2019.

4.2 Acquisition of Vietnam Real Estate Technology Joint Stock Company ("Real Estate Tech")

On 20 November 2018, the Group acquired 390,206 shares, equivalent to 50.99% of the voting shares in Real Estate Tech at total consideration of VND 14,328,270,000. Accordingly, Real Estate Tech became a subsidiary of the Group since at date.

As at 31 December 2018, the Group is still in process to determine the fair values of the identifiable assets, liabilities, and contingent liabilities of Real Estate Tech at the acquisition date. Accordingly, the Group applied provisional fair values for consolidation purpose of this subsidiary.

	VND
	<i>Provisional fair value recognised on acquisition</i>
Assets	
Cash	7,041,797,263
Construction in progress	6,273,307,619
Short-term trade receivables	445,289,794
Other current assets	282,859,700
Liabilities	
Short-term trade payables	358,625,204
Statutory obligation	100,887,824
Payable for employees	514,331,667
Other payables	1,308,607,500
Total identifiable net assets	11,760,802,181
Non-controlling interests	(5,764,330,736)
Goodwill arising on acquisition	8,331,798,555
Purchase consideration	14,328,270,000

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.21 Related parties

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

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A segment is a component determined separately by the Group which is engaged in providing products or related services (business segment), or providing products or services in a particular economic environment (geographical segment), that is subject to risks and returns that are different from those of other segments. The Group's business segment is derived mainly from real estate brokerage services, real estate investment and development and construction services.

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Cash	7,041,797,263
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Statutory obligation	100,887,824
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Other payables	1,308,607,500
Total identifiable net assets	11,760,802,181
Non-controlling interests	(5,764,330,736)
Goodwill arising on acquisition	8,331,798,555
Purchase consideration	14,328,270,000

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

5. CASH AND CASH EQUIVALENTS

	VND	
	30 June 2019	31 December 2018
Cash on hand	9,879,992,503	10,786,056,182
Cash in banks	327,373,863,837	401,564,810,745
Cash equivalents (*)	<u>525,847,722,222</u>	<u>746,220,441,640</u>
TOTAL	<u>863,101,578,562</u>	<u>1,158,571,308,567</u>

(*) Cash equivalents represent bank deposits with the original maturity of less than three (3) months and earn interest at the applicable rates of 4.1 - 6% per annum.

Cash equivalents amounting to VND 57,191,317,307 were pledged as collateral for short-term bank loans (Notes 26.1).

6 HELD-TO-MATURITY INVESTMENTS

Held-to-maturity investments represent bank deposits with the principle maturity from three (3) months to twelve (12) months in commercial banks and earn interest at the applicable rates.

Bank deposits amounting to VND 56,598,583,003 were pledged as collateral for short-term bank loans and issued bonds (Note 26.1 and 26.3).

7. SHORT-TERM TRADE RECEIVABLES

	VND	
	30 June 2019	31 December 2018
Due from other parties	1,303,359,468,466	1,243,288,295,468
- Hiep Phu Land Corporation	419,291,416,850	462,969,979,465
- Minh Binh Real Estate Service and Investment Company Limited	179,402,487,531	179,402,487,531
- Bac Phuoc Kien Joint Stock Company	76,505,857,846	29,905,949,680
- IDE Vietnam Company Limited	71,886,015,215	71,886,015,215
- Gotec Vietnam Company Limited	29,674,541,333	-
- Thang Long Group Investment and Commercial Joint Stock Company	13,669,010,159	9,211,492,960
- Hanoi Infrastructure and Architecture Investment Joint Stock Company	9,645,693,712	42,994,532,893
- Phuc Phuc Yen Investment Company Limited	8,941,717,448	8,941,717,448
- Individual customers for purchase of apartments	187,213,323,408	146,875,675,707
- Other customers	307,129,404,964	291,100,444,569
Due from related parties (Note 34)	<u>54,031,634,980</u>	<u>12,254,421,151</u>
TOTAL	<u>1,357,391,103,446</u>	<u>1,255,542,716,619</u>
Provision for short-term receivables (Note 11)	<u>(12,560,138,670)</u>	<u>(13,554,211,172)</u>
NET	<u>1,344,830,964,776</u>	<u>1,241,988,505,447</u>

Receivable from Hiep Phu Land Corporation amounting to VND 34,431,985,826 were pledged as collateral for short-term bank loans (Note 26.1).

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

8. SHORT-TERM ADVANCES TO SUPPLIERS

	VND	
	30 June 2019	31 December 2018
Advances to suppliers	987,469,644,056	748,666,564,341
- Saigon Real Estate Joint Stock Company	435,562,260,000	435,562,260,000
- Thang Long Group Investment and Commercial Joint Stock Company	226,003,741,549	18,936,753,516
- Hydraulics Construction Corporation No. 4 Joint Stock Company	90,589,578,444	89,675,944,433
- Nha Tan Construction One Member Company Limited	51,094,321,928	31,094,321,928
- HUD 3.3 Joint Stock Company	21,225,888,169	-
- VT Construction and Trading Joint Stock Company	19,493,772,529	18,878,108,631
- Dong Nai Long Chau Company Limited	15,070,000,000	15,070,000,000
- Tan Thanh Construction and Trading One Member Company Limited	2,822,972,616	28,058,713,000
- Other suppliers	125,607,108,821	111,390,462,833
Advances to related parties (Note 34)	<u>131,135,750</u>	<u>30,000,000,000</u>
TOTAL	<u>987,600,779,806</u>	<u>778,666,564,341</u>
Provision for short-term advances to suppliers (Note 11)	<u>(3,116,155,260)</u>	<u>(3,321,660,940)</u>
NET	<u>984,484,624,546</u>	<u>775,344,903,401</u>

9. SHORT-TERM LOAN RECEIVABLES

	VND	
	30 June 2019	31 December 2018
Loan receivables from other parties (i)	1,134,934,820	-
Loan receivables from a related party (Note 34)	<u>-</u>	<u>756,370,320</u>
TOTAL	<u>1,134,934,820</u>	<u>756,370,320</u>

(i) Details of short-term loan receivables from a related party are as follows:

Borrower	30 June 2019	Description of collateral
	VND	
Nha Trang Petrol		
3110/2018/HĐCVV/DXG-DKNT	<u>1,134,934,820</u>	Unsecured

Short-term lending earns interest at applicable market rate to each loan.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

10. OTHER RECEIVABLES

	VND	
	30 June 2019	31 December 2018
Short-term		
Deposits for marketing and distribution service contract of real estate projects	3,810,410,179,801	3,050,215,726,566
- <i>Loc Phat</i>	786,159,300,000	-
- <i>Dat Quang Riverside</i>	677,000,000,000	602,000,000,000
- <i>Saigon Gateway</i>	341,014,300,000	341,014,300,000
- <i>Ngoc Duong Town</i>	202,500,000,000	112,000,000,000
- <i>Tac Riverside</i>	187,826,256,000	87,826,256,000
- <i>Tran Thu Do</i>	146,680,697,000	57,879,412,500
- <i>Lakeside Bau Tram</i>	146,049,750,765	141,473,700,206
- <i>Phu My An Town</i>	137,295,626,533	78,137,333,683
- <i>Roman Plaza</i>	98,453,848,431	118,528,387,190
- <i>Nguyen Cuu Van - Phan Huy Ich</i>		
- <i>No Trang Long</i>	94,500,000,000	59,100,000,000
- <i>Tuyen Son</i>	65,448,731,113	-
- <i>Project at Dong Hoi, Quang Binh</i>	62,438,558,128	-
- <i>Tam Hiep Residences</i>	60,000,000,000	60,000,000,000
- <i>Imperial Plaza Apartment</i>	49,753,980,592	285,818,246,491
- <i>Hateco 6</i>	-	166,333,537,615
- <i>Saigon Riverside City</i>	-	127,615,855,500
- <i>Yen Thanh Residences</i>	70,000,000,000	70,000,000,000
- <i>Bau Mac Residences</i>	-	65,424,710,618
- <i>Others</i>	685,289,131,239	677,063,986,763
Capital contributed in Business Cooperation Contracts ("BCC") (i)	845,330,470,099	253,622,881,511
- <i>Link Group Real Estate Joint Stock Company</i>	579,360,000,000	23,025,188,000
- <i>Saigon Real Estate Joint Stock Company</i>	129,302,585,685	129,302,585,685
- <i>Vina Holdings Joint Stock Company</i>	71,000,000,000	71,000,000,000
- <i>Others</i>	65,667,884,414	30,295,107,826
Deposits for land use rights transfer	356,213,516,080	-
Advances to employees	264,605,105,746	118,855,596,011
Advance for profit of BCC	90,909,090,909	-
Advances to investment and project acquiring	86,922,830,791	59,635,959,480
- <i>Viet Trust Investment - Trading Corporation</i>	48,600,000,000	48,600,000,000
- <i>Ham Rong One Member Limited Liability</i>	30,000,000,000	-
- <i>Others</i>	8,322,830,791	11,035,959,480
Interest income receivables	5,998,721,993	5,562,810,804
Others	183,962,583,680	69,915,966,406
	<u>5,644,352,499,099</u>	<u>3,557,808,940,778</u>

(i) These amounts represented the capital contribution in BCC regarding to the cooperation to implement the exclusive distribution contracts and develop real estate projects.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

10. OTHER RECEIVABLES (continued)

	VND	
	30 June 2019	31 December 2018
Long-term		
Capital contributed in BCC to related parties (ii)	177,470,596,928	141,540,118,870
Deposits	2,824,463,000	3,374,570,550
Others	8,905,523,503	421,227,463
	<u>189,200,583,431</u>	<u>145,335,916,883</u>
TOTAL	5,833,553,082,530	3,703,144,857,661
Provision for other short-term receivables (Note 11)	<u>(10,838,095,636)</u>	<u>(9,124,886,323)</u>
NET	5,822,714,986,894	3,694,019,971,338
<i>In which:</i>		
<i>Due from other parties</i>	5,453,791,043,910	3,530,629,083,297
<i>Due from related parties (Note 34)</i>	379,762,038,620	172,515,774,364

(ii) This amount represented a capital contribution in BCC with LDG Investment Joint Stock Company ("LDG") at the rate of 40% to develop the Tan Thinh Residential Area Project in Ward 61, Trang Bom District, Dong Nai Province, Vietnam. Accordingly, the Group will be shared the project's pre-tax income at the said proportion.

11. PROVISION FOR DOUBTFUL SHORT-TERM RECEIVABLES

	VND	
	30 June 2019	31 December 2018
Provision for trade receivables	12,560,138,670	13,554,211,172
Provision for deposits	10,838,095,636	9,124,886,323
Provision for advance to suppliers	3,116,155,260	3,321,660,940
TOTAL	26,514,389,566	26,000,758,435

Details of movements of provision for doubtful short-term receivables are as follows:

	VND	
	<i>For the six-month period ended 30 June 2019</i>	<i>For the six-month period ended 30 June 2018</i>
Beginning balance	26,000,758,435	19,412,859,856
Add: Provision created during the period	2,382,777,107	5,117,835,775
Add: Provision from new subsidiary	-	1,936,758,065
Less: Reversal of provision during the period	<u>(1,869,145,976)</u>	<u>(174,860,000)</u>
Ending balance	<u>26,514,389,566</u>	<u>26,292,593,696</u>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

12. INVENTORIES

		30 June 2019	31 December 2018
			VND
Inventory properties in progress	(i)	4,139,138,995,003	3,800,536,462,426
Completed inventory properties		63,761,716,454	634,996,194,531
- Lux Garden		31,473,442,818	67,782,980,530
- Luxcity		11,977,088,287	33,305,610,202
- Pho Duc Chinh and Ngo Quyen Intersection Residences		11,948,084,902	11,948,084,902
- An Vien		4,235,209,583	4,235,209,583
- Sunview 1, 2		2,079,448,953	2,916,521,279
- Opal Riverside		2,048,441,911	4,096,883,822
- Opal Garden		-	508,245,868,666
- One River - Phu My An		-	2,465,035,547
Properties available for sale	(ii)	234,019,489,910	75,653,410,844
Inventory on-going construction projects		169,884,095,507	102,064,640,440
Raw material for construction		11,345,840,292	4,616,960,917
Tools and supplies		2,071,082,886	948,078,449
Merchandises		1,292,527,922	2,470,075,150
TOTAL		4,621,513,747,974	4,621,285,822,757
Provision for obsolete inventories		-	(16,134,735,940)
NET		4,621,513,747,974	4,605,151,086,817

(i) Details of inventory properties in progress are as follows:

	Ending balance	Beginning balance
		VND
Gem Riverside	1,502,107,285,816	1,427,246,028,060
Opal Boulevard	389,503,265,398	369,306,184,101
Opal City	365,637,259,280	347,640,121,189
Tuyen Son	309,163,894,382	308,575,184,627
Pho Mo	247,875,205,499	381,007,976,880
Sunshine Residences	194,891,178,345	194,891,178,345
Sunview Sky	189,511,049,556	183,518,338,952
Opal Skyline	176,294,059,424	-
Yen Thanh Residence	120,604,939,499	-
Luxstar	118,296,868,164	118,101,677,405
One River - Phu My An	117,406,711,000	116,952,389,392
Hiep Binh Phuoc - Thu Duc	111,486,780,835	110,955,308,074
Opal Skyview	103,800,020,500	98,363,876,512
Lakeside Project	91,138,657,550	42,473,019,249
C1 Project	51,150,854,600	45,962,759,558
C2 Project	44,817,000,000	41,101,724,063
Gold Hill Residences	1,274,487,950	1,682,557,035
Others	4,179,477,205	12,758,138,984
TOTAL	4,139,138,995,003	3,800,536,462,426

Land use rights, associated infrastructure and assets incurred from some projects were pledged as collateral for long-term bank loans and issued bonds (Notes 26.2 and 26.3).

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

12. INVENTORIES (continue)

(ii) This amount represented value of certain land lots bought to resell in the future.

Capitalised borrowing costs

During the period, the Group capitalised borrowing costs amounting to VND 47,731,957,789 (previous period: VND 49,949,402,302). These costs related to borrowings taken to finance development and construction cost of on-going real estate projects of the Group.

13. PREPAID EXPENSES

	VND	
	30 June 2019	31 December 2018
Short-term		
Brokerage fees	70,846,440,360	36,823,583,566
Tools and supplies	6,141,954,016	7,817,443,573
Office rental	1,694,588,129	2,092,773,835
Others	5,246,696,937	3,775,216,462
	<u>83,929,679,442</u>	<u>50,509,017,436</u>
Long-term		
Brokerage fees, show houses	83,202,130,635	104,536,599,794
Tools and supplies	19,436,765,552	25,700,854,427
Land rental	15,205,330,799	-
Office renovation	9,605,313,029	3,125,440,472
Others	8,152,412,434	2,984,925,592
	<u>135,601,952,449</u>	<u>136,347,820,285</u>
TOTAL	<u>219,531,631,891</u>	<u>186,856,837,721</u>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

14. TANGIBLE FIXED ASSETS

	Buildings and structures	Machinery and equipment	Means of transportation	Office equipment	Others	Total
Cost:						
As at 31 December 2018	282,279,818	17,610,660,932	54,898,301,451	7,526,524,075	1,921,652,729	82,239,419,005
New purchases	1,732,008,500	681,260,003	17,641,648,999	3,038,149,000	337,363,636	23,430,430,138
Transfer from construction in progress	-	-	1,576,145,455	-	-	1,576,145,455
Disposal	-	-	-	(102,365,000)	-	-
As at 30 June 2019	2,014,288,318	18,291,920,935	74,116,095,905	10,462,308,075	2,259,016,365	107,143,629,598
<i>In which:</i>						
Fully depreciated	-	132,700,000	7,489,710,298	1,185,769,172	-	8,808,179,470
Accumulated depreciation:						
As at 31 December 2018	(150,303,439)	(2,858,749,965)	(21,566,770,605)	(3,577,423,206)	(547,002,946)	(28,700,250,161)
Depreciation for the period	(23,194,320)	(999,017,692)	(4,584,144,373)	(1,214,133,041)	(236,921,862)	(7,057,411,288)
Disposal	-	-	-	41,583,967	-	41,583,967
As at 30 June 2019	(173,497,759)	(3,857,767,657)	(26,150,914,978)	(4,749,972,280)	(783,924,808)	(35,716,077,482)
Net carrying amount:						
As at 31 December 2018	131,976,379	14,751,910,967	33,331,530,846	3,949,100,869	1,374,649,783	53,539,168,844
As at 30 June 2019	1,840,790,559	14,434,153,278	47,965,180,927	5,712,335,795	1,475,091,557	71,427,552,116
<i>In which:</i>						
Mortgaged as loans' security (Notes 26.1 and 26.2)	-	3,007,665,475	9,639,775,030	-	-	12,647,440,505

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

15. INTANGIBLE FIXED ASSETS

	Land use rights	Computer software	Website	Others	VND Total
Cost:					
As at 31 December 2018	13,604,427,761	11,448,040,917	657,166,005	482,733,600	26,192,368,283
New purchases	-	1,327,410,000	-	-	1,327,410,000
Transfer from construction in progress	-	32,500,000	-	-	32,500,000
Ending balance	13,604,427,761	12,807,950,917	657,166,005	482,733,600	27,552,278,283
<i>In which:</i>					
Fully amortised	-	735,341,309	442,166,005	310,734,600	1,488,241,914
Accumulated amortisation:					
As at 31 December 2018	-	(3,044,796,760)	(580,916,015)	(322,588,542)	(3,948,301,317)
Amortisation for the period	-	(1,234,961,198)	(35,833,335)	(42,612,402)	(1,313,406,935)
As at 30 June 2019	-	(4,279,757,958)	(616,749,350)	(365,200,944)	(5,261,708,252)
Net carrying amount:					
As at 31 December 2018	13,604,427,761	8,403,244,157	76,249,990	160,145,058	22,244,066,966
As at 30 June 2019	13,604,427,761	8,528,192,959	40,416,655	117,532,656	22,290,570,031

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended**16. INVESTMENT PROPERTIES**

	VND
	<i>Buildings and structures</i>
Cost:	
As at 31 December 2018	49,782,198,221
Transfer from construction in progress	200,360,269,407
New purchase	31,454,545,455
Transfer from inventory	<u>8,440,043,773</u>
As at 30 June 2019	<u>290,037,056,856</u>
Accumulated depreciation:	
As at 31 December 2018	(2,754,318,988)
Depreciation for the period	<u>(2,860,594,992)</u>
As at 30 June 2019	<u>(5,614,913,980)</u>
Net carrying amount:	
As at 31 December 2018	<u>47,027,879,233</u>
As at 30 June 2019	<u>284,422,142,876</u>

Additional disclosures:

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

	VND	
	<i>For the six-month period ended 30 June 2019</i>	<i>For the six-month period ended 30 June 2018</i>
Rental income from investment properties	2,520,507,117	2,262,099,596
Direct operating expenses of investment properties that generated rental income during the period	836,028,116	641,511,862

The future annual rental receivable under the operating leases is disclosed in Note 35.

The fair value of the investment properties was not formally assessed and determined as at 30 June 2019. However, based on the current occupancy rate and the market value of these properties, management believed that these properties' fair values was higher than their carrying values at the balance sheet date.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

17. CONSTRUCTION IN PROGRESS

	VND	
	30 June 2019	31 December 2018
Vo Van Kiet Office Building	55,631,851,565	28,336,280,030
Opal Tower project	27,877,311,935	27,683,053,969
Vicco Office Building	-	132,939,571,829
Other project costs	18,475,774,744	10,554,011,609
TOTAL	<u>101,984,938,244</u>	<u>199,512,917,437</u>

18. LONG-TERM INVESTMENTS

	VND	
	30 June 2019	31 December 2018
Investments in associates (Note 18.1)	1,158,299,277,073	1,100,366,004,321
Investments in other entities (Note 18.2)	127,000,000,000	76,000,000,000
TOTAL	<u>1,285,299,277,073</u>	<u>1,176,366,004,321</u>

18.1 Investments in associates

Details of investments in associates are as follows :

		30 June 2019		31 December 2018	
		%	Carrying	%	Carrying
		Business voting	value	Business voting	value
		%	VND	%	VND
LDG	Real estate trading	42.63	<u>1,158,299,277,073</u>	42.96	<u>1,100,366,004,321</u>

As at 30 June 2019, all of ordinary shares of LDG being owned by the Group were pledged as collateral for the bonds (Note 26.3).

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

18. LONG-TERM INVESTMENTS (continued)

18.1 Investments in associates (continued)

Details of the movement in investments in associates are as follows:

VND

Cost of investment:

As at 31 December 2018 and as at 30 June 2019 564,988,410,000

Accumulated share in post-acquisition profit of the associates:

As at 31 December 2018 535,377,594,321

Share profit of the associates for the period 57,933,272,752

As at 30 June 2019 593,310,867,073

Net carrying amount:

As at 31 December 2018 1,100,366,004,321

As at 30 June 2019 1,158,299,277,073

18.2 Investments in another entity

Details of investments in another entity are as follows:

Business	30 June 2019		31 December 2018		
	%	Carrying value	%	Carrying value	
	%	VND	%	VND	
Phu Lac Phu Quoc	Tourism service	19	76,000,000,000	19	76,000,000,000
Green I-Park Joint Stock Company (*)	Investment in infrastructure of industrial parks	17	51,000,000,000	-	-
TOTAL			<u>127,000,000,000</u>		<u>76,000,000,000</u>

(*) This amount represents the Company's interest in Green I-Park Joint Stock Company ("Green I-Park") in accordance with the Resolution of Board of Directors No. 04/2019/NQ-HDQT dated 21 February 2019 approving the investment into Green I-Park at 17%.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended**19. GOODWILL**

VND

Cost:As at 31 December 2018 and as at 30 June 2019 122,217,983,114**Accumulated amortisation:**

As at 31 December 2018 (21,740,981,657)

Amortisation for the period (6,110,899,152)As at 30 June 2019 (27,851,880,809)**Net carrying amount:**As at 31 December 2018 100,477,001,457As at 30 June 2019 94,366,102,305**20. SHORT-TERM TRADE PAYABLES**

VND

30 June 2019 31 December 2018

Due to other parties	456,106,269,394	580,824,242,993
- Mien Nam Waterway Transport Trading Business Company Limited	34,107,226,334	-
- An Thien Phu Construction Trading Service Company Limited	28,944,971,378	37,407,113,956
- Kim Hung Phat Company Limited	27,723,443,686	15,480,104,875
- Binh Dinh Construction Company Limited	24,088,977,635	52,257,990,064
- Hung Long Phat Investment and Construction Joint Stock Company	19,528,857,883	36,774,364,298
- The Minh Electric Construction and Building Company Limited	15,916,152,974	25,127,016,790
- The Gioi Nha Joint Stock Company	14,375,045,150	31,306,072,348
- Vinaconex 25 Joint Stock Company	9,841,228,300	27,106,705,859
- Others	281,580,366,054	355,364,874,803
Due to related parties (Note 34)	<u>367,975,313</u>	<u>149,599,872</u>
TOTAL	<u>456,474,244,707</u>	<u>580,973,842,865</u>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

21. SHORT-TERM ADVANCES FROM CUSTOMERS

	VND	
	30 June 2019	31 December 2018
Advances from individual customers for purchase of apartments and land lots	422,573,981,153	906,385,679,742
Advances from other customers	9,375,353,463	31,314,918,182
Advances from related parties (Note 34)	125,329,232,785	91,304,807,283
TOTAL	<u>557,278,567,401</u>	<u>1,029,005,405,207</u>

22. STATUTORY OBLIGATIONS

	VND			
	31 December 2018	Increase in period	Paid in period	30 June 2019
Value-added tax	85,305,345,114	87,250,970,767	(120,486,612,963)	52,069,702,918
Corporate income tax	346,864,312,024	182,479,887,766	(282,795,740,226)	246,548,459,564
Personal income tax	33,398,206,579	54,479,291,982	(67,821,846,364)	20,055,652,197
Others	16,936,366	1,432,015,134	(1,416,134,924)	32,816,576
TOTAL	<u>465,584,800,083</u>	<u>325,642,165,649</u>	<u>(472,520,334,477)</u>	<u>318,706,631,255</u>

23. SHORT-TERM ACCRUED EXPENSES

	VND	
	30 June 2019	31 December 2018
Cost of construction projects	333,985,315,509	340,572,757,459
Brokerage fees	42,242,598,591	35,081,791,153
Loan interests	25,993,381,227	32,311,611,625
Others	24,998,229,123	27,632,541,757
TOTAL	<u>427,219,524,450</u>	<u>435,598,701,994</u>

24. SHORT-TERM UNEARNED REVENUE

	VND	
	30 June 2019	31 December 2018
Revenue from real estate services	21,657,831,819	11,726,656,113
Revenue from management services	3,564,372,561	7,612,206,223
TOTAL	<u>25,222,204,380</u>	<u>19,338,862,336</u>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

25. OTHER SHORT-TERM PAYABLES

	VND	
	30 June 2019	31 December 2018
Received on behalf for project developers	2,595,148,495,917	1,196,045,090,689
Received capital contribution of business co-operation contracts ("BCC")	634,650,841,255	375,916,635,455
- Khang Hung Invest Company Limited	407,555,099,500	368,500,000,000
- LDG	190,866,645,000	
- Others	36,229,096,755	7,416,635,455
Short-term deposits received	122,952,231,744	56,727,972,816
Deposits received from individuals for purchasing apartments	65,039,758,345	86,506,284,108
Payable for investments	52,270,631,143	52,358,786,778
- Petro Capital and Infrastructure Investment Joint Stock Company	46,726,595,200	46,726,595,200
- Others	5,544,035,943	5,632,191,578
Maintenance fees received	40,493,227,400	62,298,278,210
Dividend	10,323,116,926	94,486,049,253
Others	53,424,715,619	65,650,543,660
TOTAL	<u>3,574,303,018,349</u>	<u>1,989,989,640,969</u>
<i>In which:</i>		
Due to other parties	3,309,293,641,286	1,988,703,750,289
Due to related parties (Note 34)	265,009,377,063	1,285,890,680

26. LOANS AND BORROWINGS

	VND	
	30 June 2019	31 December 2018
Short-term	845,215,863,821	471,425,076,235
Bank loans (Note 26.1)	724,231,754,309	470,721,457,975
Current portion (Note 26.2)	120,984,109,512	703,618,260
Long-term	2,200,437,921,270	2,394,395,462,491
Bank loans (Note 26.2)	169,603,655,069	116,608,697,257
Bonds (Note 26.3)	2,030,834,266,201	2,277,786,765,234
TOTAL	<u>3,045,653,785,091</u>	<u>2,865,820,538,726</u>

Details of movement of loans are as follows:

	VND	
	For the six-month period ended 30 June 2019	For the six-month period ended 30 June 2018
Beginning balance	2,865,820,538,726	2,529,404,653,968
Drawdown	1,134,490,981,551	759,571,553,036
Repayment	(953,705,236,153)	(593,309,836,880)
Bond issuance cost	(5,537,303,306)	-
Allocation of bond issuance cost	4,584,804,273	2,813,068,182
Ending balance	<u>3,045,653,785,091</u>	<u>2,698,479,438,306</u>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

26. LOANS (continued)

26.1 Short-term bank loans

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

<i>Bank</i>	<i>30 June 2019</i> <i>(VND)</i>	<i>Principal repayment term</i>	<i>Purpose</i>	<i>Description of collateral</i>
<i>Vietnam Joint Stock Commercial Bank for Industry and Trade – Quang Nam Branch</i>				
Loan 1	150,000,000,000	From 14 June 2019 to 12 June 2020	To finance working capital	Land use rights of 20 land lots at Phu My An of VND 203,746,000,000.
<i>Vietnam Prosperity Joint Stock Commercial Bank</i>				
Loan 1	145,698,488,283	From 9 July 2019 to 9 March 2020	To finance working capital	Term-deposits of VND 33,641,798,028
<i>Saigon Commercial Joint Stock Bank – Sai Gon Branch</i>				
Loan 1	91,104,292,355	From 18 November 2019 to 10 December 2020	To finance working capital	The merchandise, rights of claim receivables and receivable

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended**26. LOANS (continued)****26.1 Short-term bank loans (continued)**

Details of the short-term bank loans are as follows: (continued)

<i>Bank</i>	<i>30 June 2019</i> <i>(VND)</i>	<i>Principal</i> <i>repayment term</i>	<i>Purpose</i>	<i>Description of</i> <i>collateral</i>
<i>Vietnam Joint Stock Commercial Bank for Industry and Trade - Thu Thiem Branch</i>				
Loan 1	78,339,228,800	12 April 2020	To finance working capital	Unsecured
Loan 2	52,904,539,120	From 29 March 2019 to 29 March 2020	To finance working capital	Term-deposits of VND 26,191,317,307; Receivables from Hai Au Project, Marina Project and machinery equipment with net carrying value of VND 3,007,665,475
Loan 3	31,674,894,055	From 4 July 2019 to 5 December 2019	To finance working capital	Receivables from brokerage contract of Eco Green Project and others amounting to VND 12,988,000,000; Term-deposits of VND 4,000,000,000
Loan 4	30,000,000,000	18 January 2020	To finance working capital	Term-deposit of VND 27,000,000,000
<i>Joint Stock Commercial Bank for Investment and Development of Vietnam</i>				
Loan 1	53,809,822,647	From 29 July 2019 to 30 December 2019	To finance working capital	Unsecured
<i>Vietnam Joint Stock Commercial Bank for Industry and Trade - Thang Long Branch</i>				
Loan 1	39,911,905,000	From 4 December 2019 to 24 January 2020	To finance working capital	Term-deposits of VND 14,060,715,893
<i>Technology and Commercial Joint Stock Bank - Thang Loi Branch</i>				
Loan 1	25,381,217,620	From 6 September 2019 to 28 December 2019	To finance working capital	The merchandise, rights of claim receivables and receivable
<i>Tien Phong Commercial Joint Stock Bank</i>				
Loan 1	16,797,000,000	From 28 August 2019 to 14 September 2019	To finance working capital	Term-deposits of VND 8,896,069,082

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

26. LOANS (continued)

26.1 Short-term bank loans (continued)

Details of the short-term bank loans are as follows: (continued)

<i>Bank</i>	<i>30 June 2019</i> <i>(VND)</i>	<i>Principal</i> <i>repayment term</i>	<i>Purpose</i>	<i>Description of</i> <i>collateral</i>
Vietnam Joint Stock Commercial Bank for Industry and Trade - Bien Hoa Industrial Zone Branch				
Loan 1	5,950,533,100	From 3 September 2019 to 22 October 2019	To finance working capital	Unsecured
Tien Phong Commercial Joint Stock Bank – Can Tho Branch				
Loan 1	1,194,750,000	From 24 May 2019 to 23 May 2024	To finance working capital	The vehicle with net book value amounting to VND 1,696,684,617
Tien Phong Commercial Joint Stock Bank – Hai Ba Trung Branch				
Loan 1	881,500,000	From 27 April 2019 to 26 April 2020	To finance working capital	The vehicle with net book value amounting to VND 1,154,672,908
Tien Phong Commercial Joint Stock Bank - Nghe An Branch				
Loan 1	583,583,329	5 June 2019	To finance for purchase of vehicle	The vehicle with net book value amounting to VND 862,325,000
TOTAL	<u>724,231,754,309</u>			

Short-term bank loans bear interest at market rates applicable to each commercial banks.

26.2 Long-term bank loans

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

<i>Bank</i>	<i>30 June 2019</i> <i>(VND)</i>	<i>Principal</i> <i>repayment term</i>	<i>Purpose</i>	<i>Description of</i> <i>collateral</i>
Vietnam Prosperity Joint Stock Commercial Bank				
Loan 1	115,650,000,000	From 9 April 2020 to 9 July 2021	To finance on-going project	Land use rights, associated infrastructure incurred from Sunview Sky
<i>In which:</i>				
	<i>Current portion</i>			
	20,000,000,000			
Tien Phong Commercial Joint Stock Bank				
Loan 1	70,660,073,060	To 25 March 2021	To finance working capital	Land use rights of 91 land lots at Yen Thanh Residence

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

26. LOANS (continued)

26.2 Long-term bank loans (continued)

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

<i>Bank</i>	<i>30 June 2019</i> <i>(VND)</i>	<i>Principal repayment term</i>	<i>Purpose</i>	<i>Description of collateral</i>
<i>Vietnam Joint Stock Commercial Bank for Industry and Trade - Thu Thiem Branch</i>				
Loan 1	3,032,050,000	From 25 July 2019 to 11 January 2022	To finance on-going projects	The vehicle with net book value of VND 4,237,942,600
<i>In which:</i>				
<i>Current portion</i>	460,680,000			
<i>Tien Phong Commercial Joint Stock Bank - Hoan Kiem Branch</i>				
Loan 1	517,455,737	From 26 July 2019 to 12 December 2020	To finance for purchase of vehicle	The vehicle with net book value of VND 973,234,572
<i>In which:</i>				
<i>Current portion</i>	344,970,499			
Loan 2	341,333,324	From 26 July 2019 to 21 February 2022	To finance for purchase of vehicle	The vehicle with net book value of VND 591,998,666
<i>In which:</i>				
<i>Current portion</i>	128,000,004			
<i>Shinhan Bank (Vietnam) Limited - Ha Noi Branch</i>				
Loan 1	386,852,460	From 25 January 2019 to 31 December 2020	To finance for purchase of vehicle	The vehicles with net carrying value of VND 122,916,667
<i>Current portion</i>	50,459,016			
TOTAL	<u>190,587,764,581</u>			
<i>In which:</i>				
<i>Current portion</i>	20,984,109,512			
<i>Long- term loan</i>	169,603,655,069			

Long-term bank loans bear interest at market rate applicable to each commercial bank.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended**26. LOANS** (continued)**26.3 Bonds**

Details of bonds are as follows:

<i>Arrangement organization</i>	<i>30 June 2019</i>	<i>Term</i>	<i>Purpose</i>	<i>Description of collateral</i>
	<i>(VND)</i>			

Vietnam International Commercial Joint Stock Bank - Ho Chi Minh City Branch

Date of issuance 31 July 2018	680,000,000,000	4 years	To finance on-going projects	Land use rights, associated infrastructure incurred from the financed project
Date of issuance 23 October 2018	470,000,000,000	2 years	To finance working capital	Two (2) land use rights at An Phu Ward, District 2, Ho Chi Minh City
Un-allocated bond issuance cost	(7,053,030,304)			
Date of issuance 24 August 2018	250,000,000,000	2 years	To finance working capital	Two (2) land use rights at An Phu Ward, District 2, Ho Chi Minh City
Un-allocated bond issuance cost	(2,914,847,670)			
	<u>1,390,032,122,026</u>			

Tien Phong Joint Stock Commercial Bank

Date of issuance 22 December 2017	420,000,000,000	4 years	To finance working capital	Four (4) land use rights at Hiep Binh Chanh Ward, Thu Duc District, Ho Chi Minh City owned by Saigon Riverview;
Un-allocated bond issuance cost	(7,752,840,907)			Land use rights, associated infrastructure belong to project of Vicco Saigon;
	<u>412,247,159,093</u>			All of LDG's ordinary shares owned by the Company and its subsidiaries

Vietnam Prosperity Joint Stock Commercial Bank

Date of issuance 24 April 2017	100,000,000,000	3 years	To finance on-going projects	Land use rights, associated infrastructure incurred from the financed project
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NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

26. LOANS (continued)

26.3 Bonds

<i>Arrangement organization</i>	<i>30 June 2019</i> <i>(VND)</i>	<i>Term</i>	<i>Purpose</i>	<i>Description of collateral</i>
<i>Viet Capital Securities Joint Stock Company</i>				
Date of issuance 28 May 2019 (*)	234,000,000,000	5 years	To finance working capital	Unsecured
Un-allocated bond issuance cost	(5,445,014,918)			
	228,554,985,082			
TOTAL	2,130,834,266,201			
<i>In which:</i>				
<i>Current portion</i>	<i>100,000,000,000</i>			
<i>Non-current portion</i>	<i>2,030,834,266,201</i>			

Bonds are charged at market interest rates according to Bond Order Contract.

(*) It represents the bonds with total proceed of VND 234 billion at par value of VND 1 billion/per bond issued to Korea Investment & Security Co., Ltd with the following terms as approved by the Resolution of Annual General Meeting No. 02/2018/NQ-DHDCD dated 11 December 2019 and No. 01/2019/NQ-DHDCD dated 16 March 2019 and the Resolution of Board of Director No. 07/2019/NQ-HDQT dated 10 April 2019:

- Maturity date: 5 years from issuance date.
- Conversion: Partially or fully converted into the Company's shares after 1 year from issuance date.
- Interest: 7%/per annum
- Conversion price: 29,228 VND/share and will be adjusted upon Adjusted Events.
- Callable bonds: Upon 37th to 48th month of bond term, the Company has the call option with total proceed not exceeding 20% of total bond value. Callable bonds are subject to interest rate of 10.5%/per annum.
- Purpose: Develop land areas, finance the Company's working capital and restructure its capital.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

27. OWNERS' EQUITY

27.1 Movements in owners' equity

	Share capital	Share premium	Treasury shares	Investment and development fund	Undistributed earnings	Non-controlling interests	Total	VND
For the six-month period ended 30 June 2018								
As at 31 December 2017	3,031,926,860,000	10,867,980,806	(2,500,560,000)	27,527,428,669	745,716,430,895	840,307,037,195	4,653,845,177,565	
Dividend shares	393,787,260,000	-	-	-	(393,787,260,000)	-	-	
Net profit for the period	-	-	-	-	432,152,536,831	218,111,400,377	650,263,937,208	
Transfer to investment and development fund	-	-	-	7,496,904,740	(7,496,904,740)	-	-	
Transfer to bonus and welfare fund	-	-	-	-	(54,891,825,556)	(29,689,816,234)	(84,581,641,790)	
Capital contribution from non-controlling interests	-	-	-	-	-	227,861,500,000	227,861,500,000	
Dividends shared to non-controlling interests	-	-	-	-	-	(250,500,877,944)	(250,500,877,944)	
Newly acquired subsidiary	-	-	-	-	-	33,318,707,500	33,318,707,500	
Disposal of investments	-	-	-	-	-	(13,284,289,386)	(13,284,289,386)	
Change from restructure	-	-	-	(5,584,552)	(230,195,685)	235,780,237	-	
As at 30 June 2018	3,425,714,120,000	10,867,980,806	(2,500,560,000)	35,018,748,857	721,462,781,745	1,026,359,441,745	5,216,922,513,153	

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

27. OWNERS' EQUITY (continued)

27.1 Movements in owners' equity (continued)

	Share capital	Share premium	Treasury shares	Investment and development fund	Undistributed earnings	Non-controlling interest	Total	VND
For the six-month period ended 30 June 2019								
As at 31 December 2018	3,500,714,120,000	10,867,980,806	(2,500,560,000)	35,018,748,857	1,455,564,086,735	1,199,429,709,585	6,199,094,085,983	
Issuance shares	-	-	-	-	-	638,122,000,000	638,122,000,000	
Net profit for the period	-	-	-	-	556,386,597,461	233,021,542,926	789,408,140,387	
Transfer to investment and development fund	-	-	-	23,568,539,705	(23,568,539,705)	-	-	
Transfer to bonus and welfare fund	-	-	-	-	(77,828,003,331)	(42,365,747,584)	(120,193,750,915)	
Dividends shared to non-controlling interests	-	-	-	-	-	(237,735,404,551)	(237,735,404,551)	
Transfer of shares	-	-	-	-	948,459,799	20,397,275,201	21,345,735,000	
Change from restructuring	-	-	-	(482,409,223)	(18,837,341,987)	19,319,751,210	-	
As at 30 June 2019	3,500,714,120,000	10,867,980,806	(2,500,560,000)	58,104,879,339	1,892,665,258,972	1,830,189,126,787	7,290,040,805,904	

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

27 OWNERS' EQUITY (continued)

27.2 Capital transactions with owners

	<i>For the six-month period ended 30 June 2019</i>	<i>VND For the six-month period ended 30 June 2018</i>
Contributed share capital		
Beginning balance	3,500,714,120,000	3,031,926,860,000
Dividend shares	-	393,787,260,000
Ending balance	<u>3,500,714,120,000</u>	<u>3,425,714,120,000</u>
Dividends declared during the year		
<i>Dividends on ordinary shares</i>		
Dividend shares declared	-	393,787,260,000
Dividends paid to owners	-	42,275,000
Dividends paid to non-controlling interests	321,898,336,878	242,142,870,575

27.3 Ordinary shares

	<i>30 June 2019</i>	<i>31 December 2018</i>
	<i>Number of shares</i>	<i>Number of shares</i>
Shares authorised to be issued	350,071,412	350,071,412
Shares issued and fully paid <i>Ordinary shares</i>	350,071,412	350,071,412
Treasury shares <i>Ordinary shares</i>	(250,056)	(250,056)
Shares in circulation <i>Ordinary shares</i>	349,821,356	349,821,356

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended**27 OWNERS' EQUITY** (continued)**27.4 Earnings per share**

Basic and diluted earnings per share are calculated as follows:

	<i>For the six-month period ended 30 June 2019</i>	<i>For the six-month period ended 30 June 2018</i>
Net profit after tax (VND)	556,386,597,461	432,152,536,831
Less: Bonus and welfare fund (VND) (i)	-	-
Net profit after tax attributable to ordinary shareholders (VND)	556,386,597,461	432,152,536,831
Dilution resulting from interest expenses of convertible bonds	1,220,646,575	-
Net profit attributable to ordinary shareholders adjusted for the effect of dilution	557,607,244,036	432,152,536,831
Weighted average number of ordinary shares	349,821,356	342,321,356
<i>Effect of dilution due to:</i>		
Convertible bonds	8,006,022	-
Weighted average number of ordinary shares adjusted for the effect of dilution	351,325,250	342,321,356
Basic earnings per share (VND/share)	1,590	1,262
Diluted earnings per share (VND/share)	1,587	1,262

- (i) Net profit used to compute earnings per share for the period ended 30 June 2019 was not adjusted for the provisional allocation to Bonus and welfare fund from 2019 profit after tax due to pending approval from the Shareholder General Meeting.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

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

	VND	
	<i>For the six-month period ended 30 June 2019</i>	<i>For the six-month period ended 30 June 2018</i>
Revenue from sale of apartments, town houses and land lots	1,015,486,699,235	806,133,231,261
Revenue from real estate services	1,038,133,107,248	931,828,597,580
Revenue from construction services	269,520,096,588	199,866,886,084
Revenue from management services, leasing	17,563,606,584	6,833,640,588
Revenue from sale of investment properties	-	2,737,036,895
TOTAL	<u>2,340,703,509,655</u>	<u>1,947,399,392,408</u>
<i>In which:</i>		
<i>Sales to other parties</i>	<i>2,227,491,601,274</i>	<i>1,836,510,669,300</i>
<i>Sales to related parties (Note 34)</i>	<i>113,211,908,381</i>	<i>110,888,723,108</i>

28.2 Finance income

	VND	
	<i>For the six-month period ended 30 June 2019</i>	<i>For the six-month period ended 30 June 2018</i>
Gain from disposal of investments	219,980,650,000	150,696,904,917
Interest income	18,751,195,071	22,881,765,311
TOTAL	<u>238,731,845,071</u>	<u>173,578,670,228</u>

29. COSTS OF GOODS SOLD AND SERVICES RENDERED

	VND	
	<i>For the six-month period ended 30 June 2019</i>	<i>For the six-month period ended 30 June 2018</i>
Cost of apartments, town houses and land lots sold	673,902,158,102	516,836,279,027
Cost of real estate services	229,154,486,594	202,860,414,992
Cost of construction services	250,809,414,628	183,671,863,323
Cost of management services, leasing	10,115,271,770	5,492,502,475
Cost of investment properties sold	-	2,372,513,925
TOTAL	<u>1,163,981,331,094</u>	<u>911,233,573,742</u>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

30. FINANCE EXPENSES

	VND	
	<i>For the six-month period ended 30 June 2019</i>	<i>For the six-month period ended 30 June 2018</i>
Interest expenses	94,476,231,843	68,490,342,359
Bond issuance costs	4,584,804,273	2,813,068,182
Others	-	191,383,081
TOTAL	<u>99,061,036,116</u>	<u>71,494,793,622</u>

31. SELLING EXPENSES AND GENERAL AND ADMINISTRATIVE EXPENSES

	VND	
	<i>For the six-month period ended 30 June 2019</i>	<i>For the six-month period ended 30 June 2018</i>
Selling expenses	233,734,740,244	179,503,819,512
- Labour cost	112,258,526,430	88,469,004,756
- Brokerage fees	82,307,825,011	67,703,136,844
- Depreciation and amortisation	7,169,451,222	512,053,070
- Others	31,998,937,581	22,819,624,842
General and administrative expenses	218,506,694,160	150,348,873,701
- Labour cost	124,632,830,222	82,529,152,051
- Expense for external services	41,673,922,989	28,047,786,152
- Depreciation and amortisation	8,047,630,123	3,421,132,550
- Goodwill	6,110,899,152	5,694,309,229
- Provision expenses	696,872,811	4,942,975,775
- Others	37,344,538,863	25,713,517,944
TOTAL	<u>452,241,434,404</u>	<u>329,852,693,213</u>

32. OTHER INCOME AND OTHER EXPENSES

	VND	
	<i>For the six-month period ended 30 June 2019</i>	<i>For the six-month period ended 30 June 2018</i>
Other income	56,015,130,967	9,205,454,405
- Income from penalties	50,961,092,480	6,424,270,192
- Others	5,292,612,960	2,781,184,213
Other expenses	7,197,462,753	1,813,961,815
- Penalties	5,080,738,612	344,071,505
- Loss from fixed asset disposal	-	399,060,446
- Others	2,116,724,141	1,070,829,864
NET OTHER PROFIT	<u>49,056,242,687</u>	<u>7,391,492,590</u>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

33. CORPORATE INCOME TAX

The statutory corporate income tax ("CIT") rate applicable to the Group is 20% of taxable profits.

The Group's tax returns are subject to examination by the tax authorities. As the application of tax laws and regulations are susceptible to varying interpretations, amounts reported in the interim consolidated financial statements could be changed at a later date upon final determination by the tax authorities.

33.1 CIT expenses

	VND	
	<i>For the six-month period ended 30 June 2019</i>	<i>For the six-month period ended 30 June 2018</i>
Current CIT expense	184,264,792,932	161,232,167,048
Adjustment for (over) under accrual of tax from prior periods	(1,784,905,166)	740,637,580
Deferred tax (income) expenses	<u>(746,959,602)</u>	<u>854,423,224</u>
TOTAL	<u>181,732,928,164</u>	<u>162,827,227,852</u>

The reconciliation between CIT expense and the accounting profit multiplied by CIT rate is presented below:

	VND	
	<i>For the six-month period ended 30 June 2019</i>	<i>For the six-month period ended 30 June 2018</i>
Accounting profit before tax	<u>971,141,068,551</u>	<u>813,091,165,060</u>
At CIT rate of 20% applicable to the Group	194,228,213,710	162,618,233,012
<i>Adjustments:</i>		
Non-deductible expenses	1,078,649,649	1,105,038,444
Taxable loss not yet recognised deferred tax during the period	1,791,112,991	590,981,606
Amortisation of goodwill	1,222,179,830	1,138,861,846
Income has been taxed in previous periods	(2,721,324,500)	-
Adjustment for (over) under accrual of tax from prior period	(1,784,905,166)	740,637,580
Consolidated adjustment	-	(3,905,990,554)
Share (profit) loss from associates	(11,586,654,550)	539,465,918
Others	<u>(494,343,800)</u>	<u>-</u>
CIT expenses	<u>181,732,928,164</u>	<u>162,827,227,852</u>

33.2 Current CIT expense

The current CIT payable is based on taxable profit for the current period. The taxable profit of the Group for the period differs from the profit as reported in the interim consolidated income statement because it excludes items of income or expense that are taxable or deductible in other periods 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 at the balance sheet date.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

33. CORPORATE INCOME TAX (continued)

33.3 *Deferred tax*

The following are the major deferred tax assets recognised by the Group, and the movements thereon, during the current and previous period:

	<i>Consolidated balance sheet</i>		<i>Consolidated income statement</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>	<i>For the six-month period ended 30 June 2019</i>	<i>For the six-month period ended 30 June 2018</i>
	VND			
Unrealised profit	22,045,610,335	8,286,131,667	13,759,478,668	1,022,272,271
Accruals	7,558,442,651	7,768,086,135	(209,643,484)	(173,539,648)
Provision for doubtful receivables	299,200,797	299,200,797	-	-
CIT paid on progress payments from customers (*)	<u>1,500,479,960</u>	<u>14,303,355,542</u>	(12,802,875,582)	(1,703,155,847)
<i>Net deferred tax assets</i>	<u>31,403,733,743</u>	<u>30,656,774,141</u>		
<i>Deferred tax credit to interim consolidated income statement</i>			<u>746,959,602</u>	<u>(854,423,224)</u>

(*) This represents CIT payable computed of cash advances received from customers in connection with sales of apartments in accordance with Circular No. 78/2014/TT-BTC dated 18 June 2014 issued by the Ministry of Finance effective since 2 August 2014.

33.4 *Unrecognised deferred tax assets*

Deferred tax assets have not been recognised in respect of the following items due to uncertainty of future taxable profits:

	VND
<i>Temporary differences</i>	
Tax losses carried forward of subsidiaries	37,087,537,153
Provision for doubtful short-term receivables	<u>1,979,066,323</u>
TOTAL	<u>39,066,603,476</u>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

34. TRANSACTIONS WITH RELATED PARTIES

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

Related parties	Relationship	Nature of transaction	VND	
			For the six-month period ended 30 June 2019	For the six-month period ended 30 June 2018
LDG	Associate	Received capital contribution for long-term BCC	190,866,645,000	
		Advance for BCC	100,000,000,000	
		Capital contribution for long-term BCC	74,930,478,058	
		Revenue from real estate service	35,663,045,552	13,972,872,720
		Revenue from construction service	-	30,654,452,442
		Lending interest	-	1,933,000,001
Dai Think Phat Investment Construction Joint Stock Company ("Dai Think Phat")	Related party	Revenue from construction service	61,209,425,334	51,667,698,400
Nam Saigon Real Estate Development and Investment Corporation ("Nam Sai Gon")	Related party	Revenue from construction service	16,339,437,495	14,593,699,546

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

Related party	Relationship	Nature of transaction	VND	
			Ending balance	Beginning balance
Short-term trade receivables				
LDG	Associate	Revenue from real estate services	41,159,631,657	10,940,817,461
		Revenue from construction services	1,240,097,200	1,240,097,200
Nam Sai Gon	Related party	Revenue from construction services	9,578,688,195	-
Mr Luong Tri Thao	Member of BOD	Revenue from sales of apartment	1,844,871,879	
Dat Xanh Premium	Related party	Revenue from sale real estate	134,839,559	-
Mr Luong Tri Tu	Shareholder	Revenue from sales of apartment	73,506,490	73,506,490
			54,031,634,980	12,254,421,151

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

34. TRANSACTIONS WITH RELATED PARTIES (continued)

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

			VND	
<i>Related party</i>	<i>Relationship</i>	<i>Nature of transaction</i>	<i>Ending balance</i>	<i>Beginning balance</i>
Short-term advance to supplier				
Dat Xanh Premium	Related party	Revenue from sale real estate	131,135,750	-
Mr Nguyen Truong Son	Deputy GD	Advance to implement project	-	30,000,000,000
			131,135,750	30,000,000,000
Short-term loan receivables				
Nha Trang Petrol	Related party	Lending	-	756,370,320
Other receivables				
LDG	Associate	Capital contribution for long-term BCC	177,470,596,928	141,540,118,870
		Advance fo BCC	90,909,090,909	-
		Deposit	11,076,950,000	9,481,796,659
		Lending interest	5,550,666,665	5,550,666,665
		Payment on behalf	2,239,212,041	5,096,885,041
Mr Luong Tri Tu	Shareholder	Advance to purchase land lots	81,700,285,577	-
		Advance	2,243,413,900	2,316,920,390
Mr Nguyen Truong Son	Deputy GD	Advance	7,014,000,000	7,014,000,000
Mr Tran Cong Luan	Deputy GD	Advance	1,159,000,000	1,469,000,000
Mr Nguyen Khanh Hung	Deputy Chairman of BOD	Advance	398,822,600	2,922,600
Dat Xanh Premium	Related party	Other	-	31,320,000
Nha Trang Petrol	Related party	Lending interest	-	12,144,139
			379,762,038,620	172,515,774,364

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

34. TRANSACTIONS WITH RELATED PARTIES (continued)

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

			VND	
<i>Related party</i>	<i>Relationship</i>	<i>Nature of transaction</i>	<i>Ending balance</i>	<i>Beginning balance</i>
Short-term trade payables				
Dai Thinh Phat	Related party	Trade payable	222,260,500	89,599,872
LDG	Associate	Service fee	85,714,813	-
		Asset disposal	60,000,000	60,000,000
Dat Xanh Premium	Related party	Trade payable	-	89,599,872
			367,975,313	149,599,872
Short-term advance from customers				
Dai Thinh Phat	Related party	Advance of construction contract	123,677,077,446	82,910,114,233
Mr Luong Tri Tu	Share holder	Advance of apartment	1,652,155,339	-
Nam Sai Gon	Related party	Advance of construction contract	-	8,394,693,050
			125,329,232,785	91,304,807,283
Other short-term payables				
LDG	Associate	Received capital contribution for BCC	190,866,645,000	-
		Deposit received for transferring shares	70,000,000,000	-
		Received on behalf	1,166,000,000	-
LDG	Related party	Advance	210,000,000	264,450,000
Dat Xanh Premium	Related party	Deposit Others	2,000,000,000	-
			-	400,000,000
Mr Luong Tri Thao	BOD's member	Others	639,151,342	552,459,000
Mr Luong Tri Thin	Chairman of BOD	Others	42,000,000	42,000,000
Mr Luong Tri Tu	Shareholder	Others	66,033,121	26,981,680
Mr Nguyen Khanh Hung	Deputy Chairman of BOD	Others	19,547,600	-
			265,009,377,063	1,285,890,680

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

34. TRANSACTIONS WITH RELATED PARTIES (continued)

Other transactions with related parties

Remuneration to members of the Board of Directors, Board of Supervision and Management:

	VND	
	<i>For the six-month period ended 30 June 2019</i>	<i>For the six-month period ended 30 June 2018</i>
Salaries and bonus	<u>10,314,834,161</u>	<u>6,894,008,222</u>

35. OPERATING LEASE COMMITMENTS

Operating lease out commitments

The Group leases out assets under operating lease arrangements. The future minimum rental receivable as at balance sheet dates under the operating lease out agreements are as follows:

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Less than 1 year	33,951,283,254	4,722,487,350
From 1 to 5 years	70,415,814,896	19,652,649,235
Over 5 years	<u>146,598,084,237</u>	<u>112,685,415,087</u>
TOTAL	<u>250,965,182,387</u>	<u>137,060,551,672</u>

Operating lease commitments

The Group leases office premises under an operating lease arrangement. Future minimum lease payables as at balance sheet dates are as follows:

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Less than 1 year	15,644,008,753	12,551,980,956
From 1 to 5 years	<u>14,700,562,629</u>	<u>15,129,818,555</u>
TOTAL	<u>30,344,571,382</u>	<u>27,681,799,511</u>

36. 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 produced. Secondary information is reported geographically. The operating businesses are organized and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

The Group is principally engaged in the real estate brokerage services, real estate investment and development and construction services.

Transfer prices between business segments are set on an arm's length basis in a manner similar to transactions with third parties. Segment revenue, segment expense and segment results include transfers between business segments. Those transfers are eliminated in preparation of interim consolidated financial statements.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

36. SEGMENT INFORMATION (continued)

Business segment

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

	Real estate brokerage services	Real estate investment and development	Construction services	Eliminate	Total
For the period ended 30 June 2019					
Net revenues					VND
Sales to customers	1,290,965,207,999	1,015,486,699,235	269,520,096,588	(235,268,494,167)	2,340,703,509,655
Results					
Segment gross profit	881,379,693,810	341,584,541,133	18,710,681,960	(64,952,738,342)	1,176,722,178,561
Unallocated expense					(452,241,434,404)
Operating profit					724,480,744,157
Share of loss of associates					57,933,272,752
Finance income					238,731,845,071
Finance expenses					(99,061,036,116)
Other profit					49,056,242,687
Net profit before tax					971,141,068,551
Current CIT expense					(182,479,887,766)
Deferred tax income					746,959,602
Net profit after tax					789,408,140,387
Net profit after tax attributable to non-controlling interests					233,021,542,926
Net profit after tax attributable to shareholder of the parent					556,386,597,461
As at 30 June 2019					
Assets and liabilities					
Segment assets	6,341,195,341,622	10,766,645,375,646	525,040,793,900	(4,132,031,027,434)	13,500,850,483,734
Unallocated assets					2,447,712,011,593
Total assets					15,948,562,495,327
Segment liabilities					
Unallocated liabilities	4,363,145,476,444	4,765,739,969,694	528,079,667,584	(1,570,813,769,344)	8,086,151,344,378
Total liabilities					8,658,521,689,423

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

36. SEGMENT INFORMATION (continued)

Business segment (continued)

The following tables present revenue and profit and certain assets and liabilities information regarding the Group's business segment: (continued)

VND

	Real estate services	Real estate investment and development	Construction services	Elimination	Total
For the six-month period ended 30 June 2018					
Net revenues					
Sales to external customers	1,102,498,692,403	820,695,604,769	199,936,762,903	(175,731,667,667)	1,947,399,392,408
Results					
Segment gross profit	752,580,052,245	293,859,034,214	16,264,899,580	(26,538,167,373)	1,036,165,818,666
Unallocated expenses					(329,852,693,213)
Operating profit					706,313,125,453
Share of profit of associates					(2,697,329,589)
Finance income					173,578,670,228
Finance expenses					(71,494,793,622)
Other profit					7,391,492,590
Net profit before tax					813,091,165,060
Current CIT expense					(161,972,804,628)
Deferred tax income					(854,423,224)
Net profit after tax					650,263,937,208
Net profit after tax attributable to non-controlling interests					218,111,400,377
Net profit after tax attributable to shareholder of the parent					432,152,536,831
As at 31 December 2018					
Assets and liabilities					
Segment assets	4,639,316,087,714	9,504,012,104,527	390,715,652,226	(3,665,423,776,106)	10,868,620,068,361
Unallocated assets					2,860,094,672,180
Total assets					13,728,714,740,541
Segment liabilities	1,939,870,082,831	5,253,321,250,047	371,701,546,614	(1,975,471,397,187)	5,589,421,482,305
Unallocated liabilities					1,940,199,172,253
Total liabilities					7,529,620,654,558

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 30 June 2019 and for the six-month period then ended

37. EVENT AFTER THE INTERIM BALANCE SHEET DATE

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



Nguyen Huynh Quang Tuan
Preparer



Tran Thi Thuy Trang
Chief Accountant



Luong Tri Thin
General Director

12 August 2019



