

**Dat Xanh Group Joint Stock Company**  
(formerly Dat Xanh Real Estate Service and Construction Joint Stock Company)

Separate financial statements

For the year ended 31 December 2018

**Dat Xanh Group Joint Stock Company**  
(formerly Dat Xanh Real Estate Service and Construction Joint Stock Company)

**CONTENTS**

	<i>Pages</i>
General information	1
Report of management	2
Independent auditors' report	3 - 4
Separate balance sheet	5 - 7
Separate income statement	8
Separate cash flow statement	9 - 10
Notes to the separate financial statements	11 - 46

# Dat Xanh Group Joint Stock Company

(formerly Dat Xanh Real Estate Service and Construction Joint Stock Company)

## GENERAL INFORMATION

### THE COMPANY

Dat Xanh Group Joint Stock Company (formerly Dat Xanh Real Estate Service and Construction 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.

On 24 April 2018, the Company was approved the renaming to Dat Xanh Group Joint Stock Company by the Department of Planning and Investment of Ho Chi Minh City through the eighteenth amended Business Registration Certificate.

The Company was listed on the Ho Chi Minh City Stock Exchange ("HOSE") in accordance with Decision No. 161/QD-SGDHCM approved by the General Director of HOSE 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. 27, Dinh Bo Linh Street, Ward 24, Binh Thanh District, Ho Chi Minh City, Vietnam.

### BOARD OF DIRECTORS

Members of the Board of Directors during the year 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	appointed on 1 March 2018
Mr Pham Linh	Member	resigned on 4 January 2018

### BOARD OF SUPERVISION

Members of the Board of Supervision during the year 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 year 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
Mr Tran Cong Luan	Deputy General Director
Ms Do Thi Thai	Deputy General Director
Mr Nguyen Truong Son	Deputy General Director
Ms Tran Thi Thuy Trang	Chief accountant

### LEGAL REPRESENTATIVE

The legal representative of the Company during the year 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

(formerly Dat Xanh Real Estate Service and Construction Joint Stock Company)

## REPORT OF MANAGEMENT

Management of Dat Xanh Group Joint Stock Company (formerly Dat Xanh Real Estate Service and Construction Joint Stock Company) ("the Company") is pleased to present this report and the separate financial statements of the Company for the year ended 31 December 2018.

### MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE SEPARATE FINANCIAL STATEMENTS

Management is responsible for the separate financial statements of each financial year which give a true and fair view of the separate financial position of the Company and of the separate results of its operations and its separate cash flows for the year. In preparing those separate 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 separate financial statements; and
- prepare the separate financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

Management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the separate financial position of the Company and to ensure that the accounting records comply with the applied accounting system. It is also responsible for safeguarding the assets of the Company 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 separate financial statements.

### STATEMENT BY MANAGEMENT

Management does hereby state that, in its opinion, the accompanying separate financial statements give a true and fair view of the separate financial position of the Company as at 31 December 2018 and of the separate results of its operations and its separate cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the separate financial statements.

The Company has subsidiaries as disclosed in the separate financial statements. The Company prepared these separate financial statements to meet the prevailing requirements in relation to disclosure of information, specifically the Circular 155/2015/TT-BTC on disclosure of information on the securities market. In addition, as required by these regulations, the Company has also prepared the consolidated financial statements of the Company and its subsidiaries ("the Group") for the year ended 31 December 2018 dated 18 February 2019.

Users of the separate financial statements should read them together with the said consolidated financial statements in order to obtain full information on the consolidated financial position, consolidated results of operations and consolidated cash flows of the Group.

For and on behalf of Management:



Luong Tri Thin  
General Director

Ho Chi Minh City, Vietnam

18 February 2019

Reference: 61281235/20264248

## INDEPENDENT AUDITORS' REPORT

**To: The Shareholders of Dat Xanh Group Joint Stock Company**

We have audited the accompanying separate financial statements of Dat Xanh Group Joint Stock Company (formerly Dat Xanh Real Estate Service and Construction Joint Stock Company) ("the Company"), as prepared on 18 February 2019 and as set out on pages 5 to 46 which comprise the separate balance sheet as at 31 December 2018, the separate income statement and the separate cash flow statement for the year then ended and the notes thereto.

### *Management's responsibility*

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

### *Auditors' responsibility*

Our responsibility is to express an opinion on these separate financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the separate financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the separate financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the separate financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the separate financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the separate financial statements.

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

### **Opinion**

In our opinion, the separate financial statements give a true and fair view, in all material respects, of the separate financial position of the Company as at 31 December 2018, and of the results of its separate operations and its separate cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of the separate financial statements.

### **Emphasis of matter**

We draw attention to Note 2.1 of the separate financial statements. The Company prepared the consolidated financial statements of the Company and its subsidiaries ("the Group") for the year ended 31 December 2018 in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the consolidated financial statements. We have audited these consolidated financial statements and our auditors' report dated 18 February 2019 expressed an unmodified opinion. Users of the separate financial statements should read them together with the said consolidated financial statements in order to obtain full information on the consolidated financial position, consolidated results of operations and consolidated cash flows of the Group.

Our opinion is not modified in respect of this matter.

### **Ernst & Young Vietnam Limited**



Le Quang Minh  
Deputy General Director  
Audit Practicing Registration Certificate  
No. 0426-2018-004-1



Duong Thi Nu  
Auditor  
Audit Practicing Registration Certificate  
No. 3796-2016-004-1

Ho Chi Minh City, Vietnam

18 February 2019

Dat Xanh Group Joint Stock Company  
(formerly Dat Xanh Real Estate Service and Construction Joint Stock Company)

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SEPARATE BALANCE SHEET  
as at 31 December 2018

VND

Code	ASSETS	Notes	31 December 2018	31 December 2017
<b>100</b>	<b>A. CURRENT ASSETS</b>		<b>4,799,789,732,916</b>	<b>5,143,040,477,049</b>
<b>110</b>	<b>I. Cash and cash equivalents</b>	<b>4</b>	<b>751,318,022,375</b>	<b>1,479,121,518,213</b>
111	1. Cash		176,318,022,375	280,121,518,213
112	2. Cash equivalents		575,000,000,000	1,199,000,000,000
<b>120</b>	<b>II. Short-term investment</b>		<b>334,969,350,000</b>	<b>66,600,000,000</b>
121	1. Held-for-trading securities	5.1	330,019,350,000	-
123	2. Held-to-maturity investments	5.2	4,950,000,000	66,600,000,000
<b>130</b>	<b>III. Current accounts receivable</b>		<b>1,560,538,050,286</b>	<b>1,526,904,292,052</b>
131	1. Short-term trade receivables	6	266,878,175,982	242,495,988,959
132	2. Short-term advances to suppliers	7	112,110,477,422	106,188,159,971
135	3. Short-term loan receivables	8	6,797,800,320	34,800,000,000
136	4. Other short-term receivables	9	1,184,824,275,662	1,153,492,822,222
137	5. Provision for doubtful short-term receivables	10	(10,072,679,100)	(10,072,679,100)
<b>140</b>	<b>IV. Inventory</b>	<b>11</b>	<b>2,145,875,953,023</b>	<b>2,059,600,881,724</b>
141	1. Inventories		2,145,875,953,023	2,059,600,881,724
<b>150</b>	<b>V. Other current assets</b>		<b>7,088,357,232</b>	<b>10,813,785,060</b>
151	1. Short-term prepaid expenses		6,798,290,050	6,334,841,120
152	2. Value-added tax deductible		290,067,182	4,478,943,940

SEPARATE BALANCE SHEET (continued)  
as at 31 December 2018

VND


Code	ASSETS	Notes	31 December 2018	31 December 2017
<b>200</b>	<b>B. NON-CURRENT ASSETS</b>		<b>5,760,047,972,647</b>	<b>4,552,003,103,849</b>
<b>210</b>	<b>I. Long-term receivables</b>		<b>1,573,329,462</b>	<b>2,293,368,118</b>
211	1. Long-term trade receivables		42,866,462	402,905,118
216	2. Other long-term receivables	9	1,530,463,000	1,890,463,000
<b>220</b>	<b>II. Fixed assets</b>		<b>11,176,356,006</b>	<b>11,621,823,338</b>
221	1. Tangible fixed assets	12	8,043,491,320	8,633,556,690
222	Cost		19,204,947,214	17,727,763,995
223	Accumulated depreciation		(11,161,455,894)	(9,094,207,305)
227	2. Intangible fixed assets	13	3,132,864,686	2,988,266,648
228	Cost		6,166,845,522	4,940,150,322
229	Accumulated amortisation		(3,033,980,836)	(1,951,883,674)
<b>230</b>	<b>III. Investment properties</b>	<b>14</b>	<b>37,668,585,252</b>	<b>28,645,758,818</b>
231	1. Cost		39,573,619,596	30,583,450,171
232	2. Accumulated depreciation		(1,905,034,344)	(1,937,691,353)
<b>240</b>	<b>IV. Long-term asset in progress</b>		<b>2,067,000,223</b>	<b>458,427,495</b>
242	1. Construction in progress		2,067,000,223	458,427,495
<b>250</b>	<b>V. Long-term investments</b>	<b>15</b>	<b>5,583,360,217,379</b>	<b>4,370,450,686,185</b>
251	1. Investments in subsidiaries		5,206,844,007,379	3,993,934,476,185
252	2. Investments in an associate		376,516,210,000	376,516,210,000
<b>260</b>	<b>VI. Other long-term assets</b>		<b>124,202,484,325</b>	<b>138,533,039,895</b>
261	1. Long-term prepaid expenses	16	108,509,678,163	122,961,944,516
262	2. Deferred tax assets	30.3	14,302,806,162	14,181,095,379
268	3. Other long-term assets		1,390,000,000	1,390,000,000
<b>270</b>	<b>TOTAL ASSETS</b>		<b>10,559,837,705,563</b>	<b>9,695,043,580,898</b>



SEPARATE BALANCE SHEET (continued)  
as at 31 December 2018

VND

Code	RESOURCES	Notes	31 December 2018	31 December 2017
<b>300</b>	<b>C. LIABILITIES</b>		<b>6,318,492,009,026</b>	<b>6,427,434,413,193</b>
<b>310</b>	<b>I. Current liabilities</b>		<b>2,372,550,142,138</b>	<b>3,203,599,231,313</b>
311	1. Short-term trade payables	17	264,576,625,686	184,458,389,485
312	2. Short-term advances from customers	18	746,739,527,144	1,373,635,526,194
313	3. Statutory obligations	19	93,255,099,156	80,694,037,479
314	4. Payables to employees		7,653,674,542	13,241,540,875
315	5. Short-term accrued expenses	20	175,208,693,608	162,404,822,963
318	6. Short-term unearned revenues	21	7,612,206,223	3,913,889,825
319	7. Other short-term payables	22	917,470,327,575	989,773,710,262
320	8. Short-term loans	23	146,439,279,600	377,142,139,818
322	9. Bonus and welfare fund		13,594,708,604	18,335,174,412
<b>330</b>	<b>II. Non-current liabilities</b>		<b>3,945,941,866,888</b>	<b>3,223,835,181,880</b>
336	1. Long-term unearned revenues	21	-	13,634,891,918
337	2. Other long-term liabilities	22	1,668,155,101,654	1,340,201,662,484
338	3. Long-term loans	23	2,277,786,765,234	1,869,998,627,478
<b>400</b>	<b>D. OWNERS' EQUITY</b>		<b>4,241,345,696,537</b>	<b>3,267,609,167,705</b>
<b>410</b>	<b>I. Capital</b>	<b>24.1</b>	<b>4,241,345,696,537</b>	<b>3,267,609,167,705</b>
411	1. Share capital		3,500,714,120,000	3,031,926,860,000
411a	- Shares with voting rights		3,500,714,120,000	3,031,926,860,000
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		29,047,617,008	21,538,709,553
421	5. Undistributed earnings		703,216,538,723	205,776,177,346
421a	- Undistributed earnings by the end of prior year		-	-
421b	- Undistributed earnings of current year		703,216,538,723	205,776,177,346
<b>440</b>	<b>TOTAL LIABILITIES AND OWNERS' EQUITY</b>		<b>10,559,837,705,563</b>	<b>9,695,043,580,898</b>

  
Tran Thi Phuong Loan  
Preparer

  
Tran Thi Thuy Trang  
Chief Accountant



  
Luong Tri Thinh  
General Director

18 February 2019

SEPARATE INCOME STATEMENT  
for the year ended 31 December 2018

VND

Code	ITEMS	Notes	Current year	Previous year
10	1. Net revenue from sale of goods and rendering of services	25.1	1,685,876,617,922	1,183,316,240,033
11	2. Cost of goods sold and services rendered	26	(972,514,979,670)	(619,339,789,157)
20	3. Gross profit from sale of goods and rendering of services		713,361,638,252	563,976,450,876
21	4. Finance income	25.2	701,636,641,568	278,778,277,374
22	5. Finance expenses	27	(168,278,487,797)	(48,854,144,705)
23	<i>In which: Interest expenses</i>		(140,039,311,060)	(47,403,558,021)
25	6. Selling expenses	28	(102,721,136,983)	(75,011,928,463)
26	7. General and administrative expenses	28	(123,916,746,513)	(111,539,790,453)
30	8. Operating profit		1,020,081,908,527	607,348,864,629
31	9. Other income	29	9,014,251,125	19,179,191,884
32	10. Other expenses	29	(2,452,703,706)	(6,913,521,710)
40	11. Other profit	29	6,561,547,419	12,265,670,174
50	12. Accounting profit before tax		1,026,643,455,946	619,614,534,803
51	13. Current corporate income tax expense	30.1	(95,323,766,430)	(94,347,345,016)
52	14. Deferred tax income	30.3	121,710,783	12,193,265,928
60	15. Net profit after tax		931,441,400,299	537,460,455,715



Tran Thi Phuong Loan  
Preparer



Tran Thi Thuy Trang  
Chief Accountant



Luong Tri Thinh  
General Director

18 February 2019

SEPARATE CASH FLOW STATEMENT  
for the year ended 31 December 2018


VND

Code	ITEMS	Notes	Current year	Previous year
	<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>			
01	<b>Accounting profit before tax</b>		<b>1,026,643,455,946</b>	<b>619,614,534,803</b>
	<i>Adjustments for:</i>			
02	Depreciation and amortisation of fixed assets and investment properties	12, 13, 14	4,658,486,409	3,730,942,538
03	Reversal of provisions		-	(5,070,346,019)
05	Profits from investing activities		(711,312,566,827)	(273,811,508,991)
06	Borrowing costs	27	166,513,685,089	48,666,058,021
08	<b>Operating profit before changes in working capital</b>		<b>486,503,060,617</b>	<b>393,129,680,352</b>
09	Increase in receivables		(80,696,501,226)	(785,179,635,478)
10	Increase in inventories		(100,880,919,367)	(1,332,786,024,861)
11	(Decrease) increase in payables		(271,156,313,441)	3,158,933,540,908
12	Decrease (increase) in prepaid expenses		13,988,817,423	(73,059,281,125)
13	Increase in held-for-trading securities		(300,767,700,000)	-
14	Interest paid		(167,585,937,421)	(122,730,366,687)
15	Corporate income tax paid		(83,781,545,381)	(68,488,007,863)
17	Other cash outflows for operating activities		(37,445,337,275)	(21,256,914,314)
20	<b>Net cash flows (used in) from operating activities</b>		<b>(541,822,376,071)</b>	<b>1,148,562,990,932</b>
	<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
21	Purchase and construction of fixed assets		(5,125,018,420)	(5,075,422,473)
22	Proceeds from disposals of fixed assets		338,988,648	854,545,454
23	Loans to other entities		(29,375,456,869)	(101,531,700,000)
24	Collections from borrowers		119,027,656,549	19,015,085,055
25	Payments for investments in other entities		(1,887,797,161,953)	(2,916,521,609,532)
26	Proceeds from sale of investments in other entities		777,358,960,000	18,897,000,000
27	Interest and dividends received		586,583,121,053	291,155,490,978
30	<b>Net cash flows used in investing activities</b>		<b>(438,988,910,992)</b>	<b>(2,693,206,610,518)</b>

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

VND

Code	ITEMS	Notes	Current year	Previous year
	<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
31	Share issuance	24.1	75,000,000,000	-
33	Drawdown of borrowings	23	1,770,707,653,787	2,308,382,812,750
34	Repayment of borrowings	23	(1,592,651,186,937)	(687,830,456,825)
36	Dividends paid	24.2	(48,675,625)	(126,265,182,175)
<b>40</b>	<b>Net cash flows from financing activities</b>		<b>253,007,791,225</b>	<b>1,494,287,173,750</b>
<b>50</b>	<b>Net decrease in cash and cash equivalents for the year</b>		<b>(727,803,495,838)</b>	<b>(50,356,445,836)</b>
<b>60</b>	<b>Cash and cash equivalents at beginning of year</b>		<b>1,479,121,518,213</b>	<b>1,529,477,964,049</b>
<b>70</b>	<b>Cash and cash equivalents at end of year</b>	<b>4</b>	<b>751,318,022,375</b>	<b>1,479,121,518,213</b>



Tran Thi Phuong Loan  
Preparer



Tran Thi Thuy Trang  
Chief Accountant



Luong Tri Thin  
General Director

18 February 2019

**NOTES TO THE SEPARATE FINANCIAL STATEMENTS**  
as at and for the year ended 31 December 2018

**1. CORPORATE INFORMATION**

Dat Xanh Group Joint Stock Company (formerly Dat Xanh Real Estate Service and Construction 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 on 23 November 2007, as subsequently amended.

On 24 April 2018, the Company was approved the renaming to Dat Xanh Group Joint Stock Company by the Department of Planning and Investment of Ho Chi Minh City through the eighteenth amended Business Registration Certificate.

The Company was listed on the Ho Chi Minh City Stock Exchange ("HOSE") in accordance with Decision No. 161/QD-SGDHCM approved by the General Director of HOSE 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. 27, Dinh Bo Linh Street, Ward 24, Binh Thanh District, Ho Chi Minh City, Vietnam.

The number of the Company's employees as at 31 December 2018 is 418 (31 December 2017: 443).

**2. BASIS OF PREPARATION**

**2.1 Purpose of preparing the separate financial statements**

The Company has subsidiaries as disclosed in Note 15.1. The Company prepared these separate financial statements to meet the prevailing requirements in relation to disclosure of information, specifically the Circular 155/2015/TT-BTC on disclosure of information on the securities market. In addition, as required by these regulations, the Company has also prepared the consolidated financial statements of the Company and its subsidiaries ("the Group") for the year ended 31 December 2018 dated 18 February 2019.

Users of the separate financial statements should read them together with the said consolidated financial statements in order to obtain full information on the consolidated financial position, consolidated results of operations and consolidated cash flows of the Group.

**2.2 Accounting standards and system**

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

- Decision No. 149/2001/QD-BTC dated 31 December 2001 on the Issuance and Promulgation of Four Vietnamese Accounting Standards (Series 1);
- Decision No. 165/2002/QD-BTC dated 31 December 2002 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 2);
- Decision No. 234/2003/QD-BTC dated 30 December 2003 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 3);
- Decision No. 12/2005/QD-BTC dated 15 February 2005 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 4); and
- Decision No. 100/2005/QD-BTC dated 28 December 2005 on the Issuance and Promulgation of Four Vietnamese Accounting Standards (Series 5).

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

**2. BASIS OF PREPARATION** (continued)

**2.2 Accounting standards and system** (continued)

Accordingly, the accompanying separate 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 separate financial position and separate results of operations and separate cash flows in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

**2.3 Applied accounting documentation system**

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

**2.4 Fiscal year**

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

**2.5 Accounting currency**

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

**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 completion 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.

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

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**3.2 Inventories (continued)**

*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

*Provision for obsolete inventories*

An inventory provision is created for the estimated loss arising due to the impairment of value (through diminution, damage, obsolescence, etc.) of inventories 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 separate income statement.

**3.3 Receivables**

Receivables are presented in the separate 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 separate income statement.

**3.4 Tangible fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation.

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

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

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

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**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:

Means of transportation	5 – 10 years
Office equipment	3 – 6 years
Computer software, website	3 – 6 years

**3.7 Investment properties**

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 Company.

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

Buildings and structures	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 separate income statement in the year of retirement or disposal.

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

**3.8 Borrowing costs**

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

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

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



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

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**3.9 Prepaid expenses**

Prepaid expenses are reported as short-term or long-term prepaid expenses on the separate balance sheet and amortised over the year for which the amounts are paid or the year 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 separate 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.

**3.10 Investments**

*Investments in subsidiaries*

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

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

*Investments in associates*

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

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

*Held-for-trading securities and investments in other entities*

Held-for-trading securities and investments in other entities are stated at their acquisition costs.

*Provision for diminution in value of investments in entities*

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

**3.11 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 Company.

**3.12 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 Company's own equity instruments.

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

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**3.13 Appropriation of net profits**

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

▶ *Investment and development fund*

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

▶ *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 separate balance sheet.

**3.14 Revenue recognition**

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

*Sale of apartments*

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

*Sale of residential plots and infrastructure-constructed residential plots*

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

*Rendering of real estate brokerage and other services*

Revenue is recognised when services have been rendered and completed.

*Interest*

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

*Dividends*

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

*Rental income*

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

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

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**3.15 Taxation**

*Current income tax*

Current income tax assets and liabilities for the current and prior year 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 separate 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 Company to offset current tax assets against current tax liabilities and when the Company intends to settle its current tax assets and liabilities on a net basis.

*Deferred tax*

Deferred tax is provided using the 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 year when the asset is realised or the liability is settled based on tax rates and tax laws that have been enacted at the balance sheet date.

Deferred tax is charged or credited to the separate 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 Company 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 Company 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 year in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

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

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**3.16 Related parties**

Parties are considered to be related parties of the Company 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 Company 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.

**4. CASH AND CASH EQUIVALENTS**

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Cash on hand	4,919,386,695	859,132,401
Cash in banks	171,398,635,680	279,262,385,812
Cash equivalents (*)	<u>575,000,000,000</u>	<u>1,199,000,000,000</u>
<b>TOTAL</b>	<b><u>751,318,022,375</u></b>	<b><u>1,479,121,518,213</u></b>

(\*) Cash equivalents represent bank deposits with the original maturity of less than three (3) months and earn interest at the applicable rates of 5 – 5.5% per annum.

**5. SHORT-TERM INVESTMENTS**

**5.1 Held-for-trading securities**

On 31 May 2018, the Company acquired 90.83% of share capital in Nha Trang Investment Petrol Joint Stock Company ("Nha Trang Petrol") at total consideration of VND 330,019,350,000 in accordance with Decision No. 39/2017/NQ-HDQT dated 20 December 2017. The Company planned to sell entire shares in Nha Trang Petrol for third party, as at the date of this report, the Company is in process to complete all necessary procedures of share transfer.

**5.2 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 of 6 - 7% per annum.

**6. SHORT-TERM TRADE RECEIVABLES**

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Due from other parties	149,429,130,494	90,791,003,678
- Customers buying apartments	146,875,675,707	76,156,550,155
- Dat Gia Consultant and House Trading Company Limited	1,513,187,677	8,013,187,677
- Other customers	1,033,667,110	6,621,265,846
Due from related parties (Note 31)	<u>117,455,645,488</u>	<u>151,704,985,281</u>
<b>TOTAL</b>	<b><u>266,878,175,982</u></b>	<b><u>242,495,988,959</u></b>

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

**7. SHORT-TERM ADVANCES TO SUPPLIERS**

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Hydraulics Construction Corporation No.4 Joint Stock Company	89,675,944,433	24,000,000,000
C.T - Phuong Nam Joint Stock Company	8,300,598,355	9,000,000,000
International Construction and Investment Consultancy Company Limited	3,343,832,758	3,343,832,758
Khang Hung Investment Company Limited	-	25,843,043,632
An Thien Phu Construction Trading Service Company Limited	-	9,816,978,311
Binh Dinh Construction Company Limited	-	1,592,347,328
Other suppliers	<u>10,790,101,876</u>	<u>32,591,957,942</u>
<b>TOTAL</b>	<b>112,110,477,422</b>	<b>106,188,159,971</b>
Provision for short-term advances to suppliers (Note 10)	<u>(947,792,777)</u>	<u>(947,792,777)</u>
<b>NET</b>	<b><u>111,162,684,645</u></b>	<b><u>105,240,367,194</u></b>

**8. SHORT-TERM LOAN RECEIVABLES**

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Loan receivables from related parties (Note 31)	<u>6,797,800,320</u>	<u>34,800,000,000</u>

*Details of short-term loan receivables from related parties are as follows:*

<i>Borrower</i>	<i>Ending balance</i>	<i>Description of collateral</i>
	VND	
<b><i>Ha Thuan Hung Construction Trade Services Company Limited</i></b>		
Lending 1	6,041,430,000	Unsecured
<b><i>Nha Trang Investment Petrol Joint Stock Company</i></b>		
Lending 1	244,694,934	Unsecured
Lending 2	<u>511,675,386</u>	Unsecured
<b>TOTAL</b>	<b><u>6,797,800,320</u></b>	

Loan receivables bear interest at market rates upon loan drawdown.

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

9. OTHER SHORT-TERM RECEIVABLES

	VND	
	Ending balance	Beginning balance
Capital contributed in Business Cooperation Contracts ("BCC") (i)	780,967,875,024	995,146,493,163
- Vina Holdings Joint Stock Company	71,000,000,000	175,000,000,000
- LinkGroup Corporation	23,025,188,000	23,025,188,000
- Saigon Real Estate Joint Stock Company	-	100,000,000,000
- Others	6,283,419,826	-
- Related parties	680,659,267,198	697,121,305,163
Advances for capital contribution (ii)	303,594,480,000	-
Advances to investment	54,683,618,750	105,163,564,000
- Viet Trust Investment - Trading Corporation	48,600,000,000	48,600,000,000
- PetroVietnam Construction Joint Stock Company	-	29,251,650,000
- Others	6,083,618,750	27,311,914,000
Advances to employees	18,261,038,083	30,174,016,311
Deposits	14,642,035,232	12,882,867,492
Interest incomes	5,843,029,492	1,545,625,150
Dividend	2,125,818,182	1,160,250,000
Others	4,706,380,899	7,420,006,106
<b>TOTAL</b>	<b>1,184,824,275,662</b>	<b>1,153,492,822,222</b>
Provision for other short-term receivables (Note 10)	(9,124,886,323)	(9,124,886,323)
<b>NET</b>	<b>1,175,699,389,339</b>	<b>1,144,367,935,899</b>
<i>In which:</i>		
Due from related parties (Note 31)	970,687,349,862	706,342,204,629
Due from other parties	214,136,925,800	447,150,617,593

(i) This amount represented the capital contribution in BCC related to the cooperation to implement the exclusive distribution contracts and develop real estate projects with the projects' investors

Included in capital contribution in BCC, the receivables amounting to VND 244,150,000,000 were pledged as collateral for bank loans (Notes 23.1).

(ii) Advances for capital contribution represented the capital contribution to Dat Xanh Real Estate Service Joint Stock Company ("DXS"). As at 31 December 2018, DXS is in process to complete required legal procedures for capital injection.

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

**10. PROVISION FOR DOUBTFUL SHORT-TERM RECEIVABLES**

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Provision for deposits	9,124,886,323	9,124,886,323
Provision for advance to suppliers	947,792,777	947,792,777
<b>TOTAL</b>	<b><u>10,072,679,100</u></b>	<b><u>10,072,679,100</u></b>

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

	VND	
	<i>Current year</i>	<i>Previous year</i>
Beginning balance	10,072,679,100	13,893,803,974
Add: Provision created during the year	-	534,059,897
Less: Reversal of provision during the year	-	(4,355,184,771)
Ending balance	<u>10,072,679,100</u>	<u>10,072,679,100</u>

**11. INVENTORIES**

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Inventory properties in progress	1,526,723,439,566	1,768,958,785,689
- Gem Riverside	1,427,307,573,651	1,098,991,356,286
- Opal Skyview	98,363,876,512	86,202,258,536
- Lux Garden	-	264,828,437,402
- Opal Garden	-	246,243,340,818
- Luxcity	-	72,187,671,780
- Others	1,051,989,403	505,720,867
Completed inventory properties	616,347,864,499	289,605,315,732
- Opal Garden	508,245,868,666	-
- Luxgarden	67,782,980,530	-
- Luxcity Block C	33,305,610,202	-
- Opal Riverside	4,096,883,822	285,550,251,829
- Sunview 1, 2	2,916,521,279	4,055,063,903
Merchandise	2,470,075,150	962,191,780
Tools and supplies	334,573,808	74,588,523
<b>TOTAL</b>	<b><u>2,145,875,953,023</u></b>	<b><u>2,059,600,881,724</u></b>

Land use rights, associated infrastructure and assets incurred from some projects were pledged as collateral for the issued bonds (Notes 23.2).

**Capitalised borrowing costs**

During the year, the Company capitalised borrowing costs amounting to VND 90,395,407,067 (previous year: VND 75,762,201,093). These costs relate to the borrowings taken to finance the development and construction of on-going real estate projects of the Company.

# Dat Xanh Group Joint Stock Company

(formerly Dat Xanh Real Estate Service and Construction Joint Stock Company)

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

## 12. TANGIBLE FIXED ASSETS

	Means of transportation	Office equipment	Others	Total
<b>Cost:</b>				
Beginning balance	13,272,585,934	3,857,087,152	598,090,909	17,727,763,995
New purchases	-	2,199,210,817	90,539,675	2,289,750,492
Sold, disposed	(812,567,273)	-	-	(812,567,273)
Ending balance	12,460,018,661	6,056,297,969	688,630,584	19,204,947,214
<i>In which:</i>				
Fully depreciated	5,014,936,842	587,126,770	-	5,602,063,612
<b>Accumulated depreciation:</b>				
Beginning balance	(7,176,446,955)	(1,793,553,791)	(124,206,559)	(9,094,207,305)
Depreciation for the year	(1,187,439,386)	(1,004,812,740)	(205,101,906)	(2,397,354,032)
Sold, disposed	330,105,443	-	-	330,105,443
Ending balance	(8,033,780,898)	(2,798,366,531)	(329,308,465)	(11,161,455,894)
<b>Net carrying amount:</b>				
Beginning balance	6,096,138,979	2,063,533,361	473,884,350	8,633,556,690
Ending balance	4,426,237,763	3,257,931,438	359,322,119	8,043,491,320



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

**13. INTANGIBLE FIXED ASSETS**

				VND
	<i>Computer software</i>	<i>Website</i>	<i>Others</i>	<i>Total</i>
<b>Cost:</b>				
Beginning balance	3,972,249,717	657,166,005	310,734,600	4,940,150,322
New purchases	<u>1,226,695,200</u>	-	-	1,226,695,200
Ending balance	<u>5,198,944,917</u>	<u>657,166,005</u>	<u>310,734,600</u>	<u>6,166,845,522</u>
<i>In which:</i>				
Fully amortised	701,917,309	442,166,005	107,434,600	1,251,517,914
<b>Accumulated amortisation:</b>				
Beginning balance	(1,218,824,739)	(498,561,847)	(234,497,088)	(1,951,883,674)
Amortisation for the year	<u>(948,917,996)</u>	<u>(82,354,156)</u>	<u>(50,825,010)</u>	<u>(1,082,097,162)</u>
Ending balance	<u>(2,167,742,735)</u>	<u>(580,916,003)</u>	<u>(285,322,098)</u>	<u>(3,033,980,836)</u>
<b>Net carrying amount:</b>				
Beginning balance	<u>2,753,424,978</u>	<u>158,604,158</u>	<u>76,237,512</u>	<u>2,988,266,648</u>
Ending balance	<u>3,031,202,182</u>	<u>76,250,002</u>	<u>25,412,502</u>	<u>3,132,864,686</u>

**14. INVESTMENT PROPERTIES**

	VND
	<i>Buildings and structures</i>
<b>Cost:</b>	
Beginning balance	30,583,450,171
Transfer from inventories	14,605,848,068
Disposal	<u>(5,615,678,643)</u>
Ending balance	<u>39,573,619,596</u>
<b>Accumulated depreciation:</b>	
Beginning balance	(1,937,691,353)
Depreciation for the year	(1,179,035,215)
Disposal	<u>1,211,692,224</u>
Ending balance	<u>(1,905,034,344)</u>
<b>Net carrying amount:</b>	
Beginning balance	<u>28,645,758,818</u>
Ending balance	<u>37,668,585,252</u>

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

**14. INVESTMENT PROPERTIES (continued)**

*Additional disclosures:*

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

	VND	
	<i>Current year</i>	<i>Previous year</i>
Rental income from investment properties	3,623,465,106	2,262,099,596
Direct operating expenses of investment properties that generated rental income during the year	1,179,035,215	823,044,582

The future annual rental receivable under the operating leases is disclosed in Note 32.

The fair value of the investment property had not yet been formally assessed and determined as at 31 December 2018. However, based on the current occupancy rate and the market value of these properties, management believes that these properties' fair values are higher than their carrying values at the balance sheet date.

**15. LONG-TERM INVESTMENTS**

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Investments in subsidiaries (Note 15.1)	5,206,844,007,379	3,993,934,476,185
Investments in an associate (Note 15.2)	376,516,210,000	376,516,210,000
<b>TOTAL</b>	<b><u>5,583,360,217,379</u></b>	<b><u>4,370,450,686,185</u></b>

**Dat Xanh Group Joint Stock Company**  
(formerly Dat Xanh Real Estate Service and Construction Joint Stock Company)

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

**15. LONG-TERM INVESTMENTS (continued)**

**15.1 Investments in subsidiaries**

Details of investments in subsidiaries are as follows:

Name	Business	Status	Ending balance		Beginning balance	
			% of interest	Cost of investment VND	% of interest	Cost of investment VND
Dat Xanh Real Estate Service Joint Stock Company ("DXS") (formerly known as Long Kim Phat Real Estate Construction Joint Stock Company) (i)	Trade real estate	Operating	99.99	1,099,890,140,000	100	99,839,000,000
Dat Xanh Hoi An One Member Company Limited ("Dat Xanh Hoi An")	Trade real estate	Operating	100	1,000,000,000,000	100	1,000,000,000,000
Saigon Riverside Investment Company Limited ("Saigon Riverside")	Trade real estate	Operating	75	712,500,000,000	75	712,500,000,000
Thang Long Investment Petrol Joint Stock Company ("Thang Long Petrol")	Trade real estate	Operating	99.9	573,275,645,890	99.9	573,275,645,890
Ha An Investment Trade Real Estate Joint Stock Company (ii)	Trade real estate and service	Operating	99.99	372,908,259,936	-	-
Saigon Riverview Corporation ("Saigon Riverview")	Trade real estate	Operating	99.9	319,725,595,985	99.9	187,448,297,795
Ha Thuan Hung Construction Trade Services Company Limited ("Ha Thuan Hung")	Trade real estate	Operating	99.91	295,740,000,000	99.89	235,740,000,000
Vien Dong Land Investment Corporation ("Vidoland")	Trade real estate	Operating	99.99	237,998,968,240	99.99	237,998,968,240
Xuan Dinh Investment Construction Trade Company Limited ("Xuan Dinh")	Trade real estate	Operating	99.99	205,000,000,000	99.99	205,000,000,000
Vicco Saigon Joint Stock Company ("Vicco Saigon")	Trade real estate	Operating	99.99	198,367,355,752	99.99	125,102,377,251
Nong Nghiep Printing Joint Stock Company ("Nong Nghiep Printing")	Trade real estate	Operating	99.99	132,985,600,000	99.98	132,985,600,000
FBV Construction Corporation ("FBV Construction")	Construction	Operating	89.26	31,914,675,000	89.26	31,914,675,000
Dat Xanh Real Estate Investment Company Limited	Trade real estate and service	Operating	100	26,537,766,576	-	-
Dat Xanh Mien Trung Joint Stock Company ("Dat Xanh Mien Trung") (iii)	Trade real estate	Operating	-	-	55	155,210,000,000

**Dat Xanh Group Joint Stock Company**  
(formerly Dat Xanh Real Estate Service and Construction Joint Stock Company)

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

**15. LONG-TERM INVESTMENTS (continued)**

**15.1 Investments in subsidiaries (continued)**

Details of investments in subsidiaries are as follows (continued):

Name	Business	Status	Ending balance		Beginning balance	
			% of interest	Cost of investment VND	% of interest	Cost of investment VND
Northern Green Land Real Estate and Services Joint Stock Company ("Dat Xanh Mien Bac") (iii)	Trade real estate	Operating	-	-	51	133,029,100,009
Dat Xanh Mien Nam Investment and Services Joint Stock Company ("Dat Xanh Mien Nam") (iii)	Trade real estate	Operating	-	-	51	26,520,000,000
Dat Xanh Dong Nam Bo Services and Investment Joint Stock Company ("Dat Xanh Dong Nam Bo") (iii)	Trade real estate	Operating	-	-	51	11,220,000,000
Sai Dong Real Estate Joint Stock Company ("Sai Dong") (iv)	Trade real estate	Operating	-	-	70.99	126,150,812,000
<b>TOTAL</b>				<b>5,206,844,007,379</b>		<b>3,993,934,476,185</b>

(i) The Company contributed additional capital to DXS amounting to VND 1,000,000,000 in accordance with Decision No. 13/2018/NQ-HDQT on 31 May 2018. On 24 July 2018, DXS received the seventh amended Business Registration Certificates issued by the Department of Planning and Investment of Dong Nai Province, approving the increase in the DXS's charter capital to VND 1,100,000,000,000.

(ii) The Company received entire shares of Ha An Investment Trade Real Estate Joint Stock Company in accordance with Decision No. 18/2018/NQ-HDQT dated 13 August 2018.

(iii) In accordance with Decision No. 13/2018/NQ-HDQT dated 31 May 2018 implementing the Group's the restructuring plan on real estate services, the Company has transferred the entire shares of its subsidiaries in Dat Xanh Mien Trung, Dat Xanh Mien Bac, Dat Xanh Mien Nam, Dat Xanh Dong Nam Bo and Dat Xanh Tay Nam Bo Service and Construction Joint Stock Company ("Dat Xanh Tay Nam Bo"), a new subsidiary which was established on 26 February 2018 according to Decision No. 3/2018/NQ-HDQT dated 25 January 2018 to DXS.

(iv) On 29 March 2018, the Company transferred entire shares of Sai Dong with a total proceed of VND 226,000,000,000 in accordance with Decision No. 5/2018/NQ-HDQT dated 19 March 2018.

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

**15. LONG-TERM INVESTMENTS (continued)**

**15.2 Investments in an associate**

Detail of investments in an associate is as follows:

	<i>Business</i>	<i>Ending balance</i>		<i>Beginning balance</i>	
		<i>% of interest</i>	<i>Cost of investment VND</i>	<i>% of interest</i>	<i>Cost of investment VND</i>
LDG Investment Joint Stock Company ("LDG") (*)	Trade real estate	42.96	<u>376,516,210,000</u>	43.38	<u>376,516,210,000</u>

(\*) As at 31 December 2018, the Company owned 42.96% of interest at LDG including 26.44% direct interests and 16.52% indirect interests owned by its subsidiaries (Ha Thuan Hung and DXS).

As at 31 December 2018, all of ordinary shares of LDG owned by the Company were pledged as collateral for the bonds (Note 23.2).

**16. LONG-TERM PREPAID EXPENSES**

	<i>VND</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Brokerage fee, show houses	105,673,694,615	119,597,740,396
Tools and supplies	2,580,989,989	2,128,747,429
Office renovation	180,911,675	689,236,330
Others	74,081,884	546,220,361
<b>TOTAL</b>	<b><u>108,509,678,163</u></b>	<b><u>122,961,944,516</u></b>

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

**17. SHORT-TERM TRADE PAYABLES**

	VND	
	Ending balance	Beginning balance
Due to other parties	254,375,674,246	172,907,977,113
- Binh Dinh Construction Company Limited	52,257,990,064	-
- An Thien Phu Construction Trading Service Company Limited	37,407,113,956	-
- Hung Long Phat Investment and Construction Joint Stock Company	36,774,364,298	7,359,710,976
- An Phong Construction Company Limited	13,048,844,223	80,234,306,078
- Vung Ben Construction Company Limited	11,242,916,728	11,242,916,728
- Construction and Building Materials Joint Stock Company	10,988,895,277	4,328,472,539
- Dong Nang Company Limited	8,080,396,345	-
- An Phu Vinh Company Limited	6,464,794,915	2,377,027,026
- Tran Long Trading Service Construction Company Limited	6,447,961,918	8,032,054,121
- Kien Phu Gia Company Limited	4,678,087,137	-
- Descon Construction Corporation	3,892,425,337	-
- VNPT Property and Management Joint Stock Company (PMC)	3,260,330,838	-
- Tan Long Hai Company Limited	3,020,206,538	-
- The Minh Electric Construction and Building Company Limited	2,512,7016,790	11,320,733,598
- Unihomes Real Estate Joint Stock Company	1,513,187,676	16,360,298,590
- Other suppliers	30,171,142,206	31,652,457,457
Due to related parties (Note 31)	10,200,951,440	11,550,412,372
<b>TOTAL</b>	<b><u>264,576,625,686</u></b>	<b><u>184,458,389,485</u></b>

**18. SHORT-TERM ADVANCES FROM CUSTOMERS**

This amount represented progress advances from individual customers to purchase apartments.

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

**19. STATUTORY OBLIGATIONS**

	VND			
	<i>Beginning balance</i>	<i>Increase in year</i>	<i>Paid in year</i>	<i>Ending balance</i>
Value-added tax	2,964,309,823	5,182,484	(2,893,980)	2,966,598,327
Corporate income tax	76,485,365,254	95,323,766,430	(83,781,545,381)	88,027,586,303
Personal income tax	1,244,362,402	17,209,481,800	(16,192,929,676)	2,260,914,526
<b>TOTAL</b>	<b><u>80,694,037,479</u></b>	<b><u>112,538,430,714</u></b>	<b><u>(99,977,369,037)</u></b>	<b><u>93,255,099,156</u></b>

**20. SHORT-TERM ACCRUED EXPENSES**

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Cost of construction projects	140,513,655,571	127,828,603,493
Loan interests	32,100,797,106	19,851,860,126
Bond issuance fee	-	12,350,000,000
Others	2,594,240,931	2,374,359,344
<b>TOTAL</b>	<b><u>175,208,693,608</u></b>	<b><u>162,404,822,963</u></b>

**21. UNEARNED REVENUE**

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Revenue from management fees	7,612,206,223	3,607,694,981
Revenue from office leasing	-	13,941,086,762
<b>TOTAL</b>	<b><u>7,612,206,223</u></b>	<b><u>17,548,781,743</u></b>
<i>In which:</i>		
<i>Short-term</i>	7,612,206,223	3,913,889,825
<i>Long-term</i>	-	13,634,891,918

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

**22. OTHER PAYABLES**

	VND	
	Ending balance	Beginning balance
<b>Short-term</b>		
Received capital contribution of BCC (i)	759,259,871,913	711,500,000,000
- Saigon Riverside Investment Company Limited	383,393,275,000	711,500,000,000
- Khang Hung Tourism Investment and Development Company Limited	368,500,000,000	-
- Others	7,366,596,913	-
Payable for investment	50,446,114,777	176,675,918,105
- Petro Capital and Infrastructure Investment Joint Stock Company	46,726,595,200	46,726,595,200
- Dat Xanh Mien Bac (Note 31)	-	126,150,812,000
- Others	3,719,519,577	3,798,510,905
Maintenance fee received	62,298,278,210	40,525,962,586
Short-term deposits received	33,372,818,200	22,818,200
Received on behalf for project developers	5,078,257,178	53,254,117,871
Deposits received from individuals for apartment purchasing	1,760,687,336	4,410,687,336
Dividend	107,443,200	156,118,825
Others	5,367,214,667	3,228,087,339
	<u>917,470,327,575</u>	<u>989,773,710,262</u>
<b>Long-term</b>		
Received capital contribution of BCC from related parties (i)	1,659,414,056,523	1,331,500,000,000
- Dat Xanh Hoi An One Member Company Limited	997,000,000,000	997,000,000,000
- Others	662,414,056,523	334,500,000,000
Long-term deposits received	8,741,045,131	8,701,662,484
	<u>1,668,155,101,654</u>	<u>1,340,201,662,484</u>
<b>TOTAL</b>	<b><u>2,585,625,429,229</u></b>	<b><u>2,329,975,372,746</u></b>
<i>In which:</i>		
Due to related parties (Note 31)	2,056,020,257,803	2,222,156,154,280
Due to other parties	529,605,171,426	107,819,218,466

- (i) This amount represented the received capital contribution of BCC regarding to the cooperation in researching, negotiating and implementing the real estate's business plan in the form of exclusive distribution, product consumption. Accordingly, the Company will be distributed at rate of 50% profit after tax.



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

**23. LOANS**

	<i>Ending balance</i>	<i>Beginning balance</i>
		VND
<b>Short-term</b>	<b>146,439,279,600</b>	<b>377,142,139,818</b>
Bank loans (Note 23.1)	146,439,279,600	272,032,686,850
Current portion	-	105,109,452,968
<b>Long-term</b>	<b>2,277,786,765,234</b>	<b>1,869,998,627,478</b>
Bank loans	-	591,240,672,932
Bonds (Note 23.2)	2,277,786,765,234	1,278,757,954,546
<b>TOTAL</b>	<b><u>2,424,226,044,834</u></b>	<b><u>2,247,140,767,296</u></b>

Details of movement of loans are as follows:

	<i>Current year</i>	<i>Previous year</i>
		VND
Beginning balance	2,247,140,767,296	647,830,456,825
Drawdown	1,770,707,653,787	2,308,382,812,750
Repayment	(1,592,651,186,937)	(687,830,456,825)
Bond issuance cost	(14,306,881,720)	(22,504,545,454)
Allocation of bond issuance cost	13,335,692,408	1,262,500,000
<b>Ending balance</b>	<b><u>2,424,226,044,834</u></b>	<b><u>2,247,140,767,296</u></b>

**23.1 Short-term bank loans**

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

<i>Bank</i>	<i>Ending balance</i>	<i>Principal repayment term</i>	<i>Purpose</i>	<i>Description of collateral</i>
	(VND)			
<b>Vietnam Joint Stock Commercial Bank for Industry and Trade - Thu Thiem Branch</b>				
Loan 1	<u>146,439,279,600</u>	16 May 2019	To finance working capital	Receivables from BCC dated 9 March 2018 amounting to VND 109,155,000,000; Receivables from BCC dated 14 May 2018 amounting to VND 135,000,000,000

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

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

**23. LOANS (continued)**

**23.2 Bonds**

Details of bonds are as follows:

<i>Arrangement organization</i>	<i>Ending balance</i> (VND)	<i>Term</i>	<i>Purpose</i>	<i>Description of collateral</i>
<b>Vietnam International Commercial Joint Stock Bank - Ho Chi Minh City Branch</b>				
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	<u>(8,745,757,576)</u>			
	<u>1,141,254,242,424</u>			
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	<u>(4,164,068,100)</u>			
	<u>245,835,931,900</u>			

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

**23. LOANS (continued)**

**23.2 Bonds (continued)**

Details of bonds are as follows:

<i>Arrangement organization</i>	<i>Ending balance</i> (VND)	<i>Term</i>	<i>Purpose</i>	<i>Description of collateral</i>
<b><i>Tien Phong Joint Stock Commercial Bank</i></b>				
Date of issuance 22 December 2017	500,000,000,000	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	<u>(9,303,409,090)</u>			Land use rights, associated infrastructure belong to project of Vicco Saigon;
	<u>490,696,590,910</u>			All of LDG's ordinary shares owned by the Company and its subsidiaries
<b><i>Vietnam Prosperity Joint Stock Commercial Bank</i></b>				
Date of issuance 24 April 2017	400,000,000,000	3 years	To finance on-going projects	Land use rights, associated infrastructure incurred from the financed project
<b>TOTAL</b>	<b><u>2,277,786,765,234</u></b>			

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

# Dat Xanh Group Joint Stock Company

(formerly Dat Xanh Real Estate Service and Construction Joint Stock Company)

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

## 24. OWNERS' EQUITY

### 24.1 Movements in owners' equity

	Share capital	Share premium	Treasury shares	Investment and development fund	Undistributed earnings	Total
<b>Previous year</b>						VND
Beginning balance	2,530,490,680,000	10,867,980,806	(580,000,000)	21,538,709,553	321,959,695,083	2,884,277,065,442
Dividend shares	471,436,180,000	-	-	-	(471,436,180,000)	-
Dividend declared	-	-	-	-	(126,399,506,000)	(126,399,506,000)
Issuance of shares under the Employee Stock Ownership Plan	30,000,000,000	-	-	-	(30,000,000,000)	-
Net profit for the year	-	-	-	-	537,460,455,715	537,460,455,715
Withdrawal issued shares under the Employee Stock Ownership Plan	-	-	(1,920,560,000)	-	1,920,560,000	-
Bonus and welfare fund	-	-	-	-	(27,728,847,452)	(27,728,847,452)
Ending balance	3,031,926,860,000	10,867,980,806	(2,500,560,000)	21,538,709,553	205,776,177,346	3,267,609,167,705
<b>Current year</b>						
Beginning balance	3,031,926,860,000	10,867,980,806	(2,500,560,000)	21,538,709,553	205,776,177,346	3,267,609,167,705
Issuance of shares under the Employee Stock Ownership Plan (*)	75,000,000,000	-	-	-	-	75,000,000,000
Dividend shares (**)	393,787,260,000	-	-	-	(393,787,260,000)	-
Net profit for the year	-	-	-	-	931,441,400,299	931,441,400,299
Transfer to investment and development fund	-	-	-	7,508,907,455	(7,508,907,455)	-
Transfer to bonus and welfare fund	-	-	-	-	(32,704,871,467)	(32,704,871,467)
Ending balance	3,500,714,120,000	10,867,980,806	(2,500,560,000)	29,047,617,008	703,216,538,723	4,241,345,696,537

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

**24. OWNERS' EQUITY** (continued)

**24.1 Movements in owners' equity** (continued)

(\*) On 15 October 2018, the Company issued 7,500,000 ordinary shares at par value under the Employee Stock Ownership Plan in accordance with Resolution of Shareholders No. 20/2018/NQ-DHDCD dated 17 September 2018.

(\*\*) On 31 May 2018, the Company issued 39,378,726 ordinary shares to pay dividend of 2017 in accordance with Resolution of Shareholders No. 01/2018/NQ-DHDCD dated 1 March 2018 and Decision of Board of Directors No. 6/2018/NQ-HDQT dated 19 April 2018.

On 15 October 2018, the Company received the twentieth amended Business Registration Certificates issued by the Department of Planning and Investment of Ho Chi Minh City, approving the increase in the Company's charter capital to VND 3,500,714,120,000.

**24.2 Capital transactions with owners**

	<i>Current year</i>	<i>Previous year</i>
	<i>VND</i>	
<b>Contributed share capital</b>		
Beginning balance	3,031,926,860,000	2,530,490,680,000
Dividend shares	393,787,260,000	471,436,180,000
Issuance of shares under the Employee Stock Ownership Plan	<u>75,000,000,000</u>	<u>30,000,000,000</u>
Ending balance	<u>3,500,714,120,000</u>	<u>3,031,926,860,000</u>
<b>Dividends declared and paid during the year</b>		
<i>Dividends on ordinary shares</i>		
Dividend shares	393,787,260,000	471,436,180,000
Dividends declared	-	126,399,506,000
Dividends paid	48,675,625	126,265,182,175

**24.3 Ordinary shares**

	<i>Ending balance</i>	<i>Beginning balance</i>
	<i>Number of shares</i>	<i>Number of shares</i>
Shares authorised to be issued	350,071,412	303,192,686
Shares issued and fully paid <i>Ordinary shares</i>	350,071,412	303,192,686
Treasury shares <i>Ordinary shares</i>	(250,056)	(250,056)
Shares in circulation <i>Ordinary shares</i>	349,821,356	302,942,630

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

**25. REVENUES**

**25.1 Net revenue from sale of goods and rendering of services**

	VND	
	Current year	Previous year
Revenue from sale of apartments and land lots	1,545,323,821,056	1,012,318,836,439
Revenue from real estate services	110,975,324,163	161,810,743,091
Revenue from management services, leasing	15,015,099,195	9,186,660,503
Revenue from sale of investment properties	14,562,373,508	-
<b>TOTAL</b>	<b><u>1,685,876,617,922</u></b>	<b><u>1,183,316,240,033</u></b>
<i>In which:</i>		
<i>Sales to other parties</i>	1,565,102,680,970	1,017,121,593,546
<i>Sales to related parties (Note 31)</i>	120,773,936,952	166,194,646,487

**25.2 Finance income**

	VND	
	Current year	Previous year
Dividend income	555,750,000,000	223,543,250,000
Interest income	36,096,093,577	55,235,027,374
Gain from disposal of investments	109,790,547,991	-
<b>TOTAL</b>	<b><u>701,636,641,568</u></b>	<b><u>278,778,277,374</u></b>

**26. COSTS OF GOODS SOLD AND SERVICES RENDERED**

	VND	
	Current year	Previous year
Cost of apartments and land lots sold	946,998,979,960	604,349,229,445
Cost of real estate services	1,999,869,457	4,124,972,977
Cost of management services, leasing	19,112,143,834	10,865,586,735
Cost of investment properties sold	4,403,986,419	-
<b>TOTAL</b>	<b><u>972,514,979,670</u></b>	<b><u>619,339,789,157</u></b>

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

**27. FINANCE EXPENSES**

	VND	
	<i>Current year</i>	<i>Previous year</i>
Interest expenses	166,513,685,089	48,666,058,021
Others	1,764,802,708	188,086,684
<b>TOTAL</b>	<b><u>168,278,487,797</u></b>	<b><u>48,854,144,705</u></b>

**28. SELLING EXPENSES AND GENERAL AND ADMINISTRATIVE EXPENSES**

	VND	
	<i>Current year</i>	<i>Previous year</i>
<b>Selling expenses</b>	<b>102,721,136,983</b>	<b>75,011,928,463</b>
- Brokerage fees	33,257,136,643	18,038,157,834
- Labour cost	32,513,150,673	37,675,569,136
- Advertising fees	32,352,334,481	14,418,406,252
- Depreciation and amortisation	740,633,140	667,296,526
- Others	3,857,882,046	4,212,498,715
<b>General and administrative expenses</b>	<b>123,916,746,513</b>	<b>111,539,790,453</b>
- Labour cost	74,437,822,535	71,992,879,851
- Expense for external services	27,893,675,046	23,508,303,102
- Depreciation and amortisation	2,738,818,054	2,239,928,703
- Provision expense	-	(3,821,124,874)
- Others	18,800,032,463	17,619,803,671
<b>TOTAL</b>	<b><u>226,637,883,496</u></b>	<b><u>186,551,718,916</u></b>

**29. OTHER INCOME AND OTHER EXPENSES**

	VND	
	<i>Current year</i>	<i>Previous year</i>
<b>Other income</b>	<b>9,014,251,125</b>	<b>19,179,191,884</b>
- Income from penalties	6,961,219,820	17,962,280,029
- Gain from disposal of fixed assets	37,411,370	691,187,314
- Others	2,015,619,935	525,724,541
<b>Other expenses</b>	<b>2,452,703,706</b>	<b>6,913,521,710</b>
- Penalties of contract liquidation	1,140,443,429	3,793,316,700
- Penalty	517,637,897	-
- Disposal expense	36,142,583	40,000,000
- Lately payment fine	-	142,561,058
- Others	758,479,797	2,937,643,952
<b>NET OTHER PROFIT</b>	<b><u>6,561,547,419</u></b>	<b><u>12,265,670,174</u></b>

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

**30. CORPORATE INCOME TAX**

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

The Company'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 separate financial statements could be changed at a later date upon final determination by the tax authorities.

**30.1 CIT expenses**

	<i>Current year</i>	<i>Previous year</i>
		<i>VND</i>
Current CIT expenses	95,323,766,430	93,904,104,163
Adjustment for under accrual of tax from prior years	-	443,240,853
Deferred tax income	<u>(121,710,783)</u>	<u>(12,193,265,928)</u>
<b>TOTAL</b>	<b><u>95,202,055,647</u></b>	<b><u>82,154,079,088</u></b>

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

	<i>Current year</i>	<i>Previous year</i>
		<i>VND</i>
<b>Accounting profit before tax</b>	<b><u>1,026,643,455,946</u></b>	<b><u>619,614,534,803</u></b>
At CIT rate of 20% applicable to the Company	205,328,691,189	123,922,906,960
<i>Adjustments:</i>		
Dividend received	(111,150,000,000)	(44,708,650,000)
Non-deductible expenses	681,865,570	1,765,611,177
Taxable loss of its branch not yet recognised deferred tax during the year	341,498,888	684,158,119
Adjustment for under accrual of tax from prior years	-	443,240,853
Others	-	46,811,979
<b>CIT expenses</b>	<b><u>95,202,055,647</u></b>	<b><u>82,154,079,088</u></b>

**30.2 Current CIT expense**

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



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

**30. CORPORATE INCOME TAX (continued)**

**30.3 Deferred tax**

The followings are the major deferred tax assets recognised by the Company, and the movements thereon, during the current and previous year:

	<i>Separate balance sheet</i>		<i>Separate income statement</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>	<i>Current year</i>	<i>Previous year</i>
CIT paid on progress payments from customers (*)	13,769,291,309	13,704,277,610	65,013,699	11,924,448,159
Accruals	533,514,853	476,817,769	56,697,084	268,817,769
<b>Deferred tax assets</b>	<b>14,302,806,162</b>	<b>14,181,095,379</b>		
<b>Deferred tax credit to separate income statement</b>			<b>121,710,783</b>	<b>12,193,265,928</b>

(\*) This represents CIT payable 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.

**30.4 Unrecognised deferred tax assets**

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

	<i>VND</i>
<b>Temporary differences</b>	
Tax losses carried forward of Ha Noi branch	7,660,368,024
Provision for doubtful short-term receivables	1,979,066,323
<b>TOTAL</b>	<b>9,639,434,347</b>

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

**31. TRANSACTIONS WITH RELATED PARTIES**

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

Related party	Relationship	Nature of transaction	VND			
			Current year	Previous year		
DXS	Subsidiary	Capital contribution	1,303,594,480,000	-		
		Dividend	299,000,000,000	33,500,000,000		
		Received capital contribution from BCC	282,196,000,246	-		
		Revenue from transferring Dat Xanh Mien Trung	231,495,000,000	-		
		Revenue from transferring Dat Xanh Mien Bac	196,014,100,009	-		
		Lending	99,118,276,154	-		
		Revenue from transferring Dat Xanh Mien Nam	78,846,000,000	-		
		Revenue from transferring Dat Xanh Dong Nam Bo	33,022,500,000	-		
		Revenue from transferring Dat Xanh Tay Nam Bo	11,981,359,991	-		
		Lending interest	262,011,639	-		
		Revenue from real estate services	55,610,021	2,164,717,457		
		Nha Trang Petrol	Related party	Purchase of shares	330,019,350,000	-
		Dat Xanh Mien Trung	Subsidiary	Dividend	80,580,000,000	108,405,000,000
				Capital contribution	76,285,000,000	102,960,000,000
Revenue from real estate services	17,427,417,583			29,716,847,528		
Dat Xanh Mien Bac	Subsidiary	Capital contribution for BCC	112,390,736,000	239,777,929,000		
		Dividend	90,870,000,000	74,651,250,000		
		Revenue from real estate services	65,751,377,029	82,816,739,186		
		Capital contribution	62,985,000,000	70,890,000,000		
		Received Sai Dong's shares	-	126,150,812,000		

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

**31. TRANSACTIONS WITH RELATED PARTIES (continued)**

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

Related party	Relationship	Nature of transaction	VND	
			Current year	Previous year
Dat Xanh Mien Nam	Subsidiary	Dividend	59,240,000,000	-
		Capital contribution	52,326,000,000	-
		Revenue from real estate services	23,347,699,725	27,842,041,688
		Received capital contribution from BCC	7,366,596,913	133,489,376,549
		Deposits	5,360,000,000	552,584,013
		Service fee	-	16,026,950,128
Saigon Riverview	Subsidiary	Capital contribution	132,277,298,190	187,448,297,795
Vicco Saigon	Subsidiary	Capital contribution	73,264,978,501	56,942,759,547
Ha Thuan Hung	Subsidiary	Capital contribution	60,000,000,000	-
Dat Xanh Dong Nam Bo	Subsidiary	Dividend	26,060,000,000	6,987,000,000
		Capital contribution	21,802,500,000	6,630,000,000
		Capital contribution for BCC	15,343,364,000	21,000,000,000
		Revenue from real estate services	-	11,008,894,005
Dat Xanh Nha Trang	Subsidiary	Capital contribution for BCC	26,347,910,400	11,438,323,000
		Revenue from real estate services	300,281,819	8,490,335,829
Dat Xanh Real Estate Investment	Subsidiary	Capital contribution	26,537,766,576	-
Thang Long Petrol	Subsidiary	Lending	21,127,656,549	-
		Lending interest	944,001,687	-
FBV Construction	Subsidiary	Sales of investment properties	11,825,336,613	-
		Construction service fees	-	43,165,306,037
		Advance to supplier	-	8,300,000,000

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

**31. TRANSACTIONS WITH RELATED PARTIES (continued)**

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

Related party	Relationship	Nature of transaction	VND	
			Current year	Previous year
Dat Xanh Premium Joint Stock Company	Subsidiary	Deposits	5,360,000,000	-
		Revenue from sales of apartment	1,497,631,838	-
LDG	Associate	Lending interest	4,135,666,665	1,431,875,000
		Lending	-	34,800,000,000
		Purchase 25,500,000 shares for strategic shareholders of LDG	-	255,000,000,000
Ha An	Subsidiary	Capital contribution	3,914,775,310	-
Dat Xanh Tay Nam Bo	Subsidiary	Capital contribution	2,040,000,000	-
Ms Tran Thuy Trang	Chief accountant	Revenue from sales of apartment	455,880,603	-
Mr Luong Tri Tu	Shareholder	Revenue from sales of apartment	-	404,725,202
Dat Xanh Hoi An	Subsidiary	Capital contribution	-	1,000,000,000,000
		BCC capital received	-	997,000,000,000
Xuan Dinh	Subsidiary	BCC capital received	-	132,000,000,000
Vidoland	Subsidiary	Received capital contribution from BCC	-	127,000,000,000
		Lending	-	131,700,000
Nam Sai Gon	Related party	Advance	-	100,000,000,000
		Lending interest	-	430,521,893
Nong Nghiep Printing	Subsidiary	BCC capital received	-	75,500,000,000
Mr Luong Tri Thao	Board of Director's member	Revenue from sales of land	-	1,070,000,000

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

**31. TRANSACTIONS WITH RELATED PARTIES (continued)**

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

				VND	
<i>Related party</i>	<i>Relationship</i>	<i>Nature of transaction</i>	<i>Ending balance</i>	<i>Beginning balance</i>	
<b>Short-term trade receivables</b>					
Dat Xanh Mien Nam	Subsidiary	Revenue from real estate services	54,969,481,926	29,276,834,102	
Dat Xanh Mien Bac	Subsidiary	Revenue from real estate services	31,762,112,977	97,557,890,740	
Dat Xanh Mien Trung	Subsidiary	Revenue from real estate services	19,170,159,340	12,484,691,998	
Dat Xanh Dong Nam Bo	Subsidiary	Revenue from real estate services	11,306,027,352	11,402,554,086	
Dat Xanh Nha Trang	Subsidiary	Revenue from real estate services	106,586,380	402,402,333	
Mr. Luong Tri Tu	Shareholder	Receivables from sales of apartment	73,506,490	73,506,490	
DXS	Subsidiary	Revenue from real estate services	61,171,023	507,105,532	
Dat Xanh Long An	Subsidiary	Revenue from real estate services	6,600,000	-	
			<b>117,455,645,488</b>	<b>151,704,985,281</b>	
<b>Loan receivables</b>					
Ha Thuan Hung	Subsidiary	Lending	6,041,430,000	-	
Nha Trang Petrol	Related party	Lending	756,370,320	-	
LDG	Associate	Lending	-	34,800,000,000	
			<b>6,797,800,320</b>	<b>34,800,000,000</b>	

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

**31. 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>
<b><i>Other short-term receivables</i></b>				
DXS	Subsidiary	Capital contribution	303,594,480,000	-
		Dividend	2,125,818,182	-
		Lending interest	262,011,639	-
Dat Xanh Mien Bac	Subsidiary	Capital contribution for BCC	304,868,533,970	400,550,323,000
		Dividend	-	1,160,250,000
Dat Xanh Mien Trung	Subsidiary	Capital contribution for BCC	161,604,386,400	152,087,597,735
Dat Xanh Mien Nam	Subsidiary	Capital contribution for BCC	123,483,384,428	123,483,384,428
Dat Xanh Dong Nam Bo	Subsidiary	Capital contribution for BCC	36,343,364,000	21,000,000,000
Dat Xanh Nha Trang	Subsidiary	Capital contribution for BCC	26,347,910,400	-
LDG	Associate	Lending interest	5,550,666,665	1,415,000,000
		Others	-	60,000,000
Dat Xanh Tay Nam Bo	Subsidiary	Capital contribution for BCC	4,000,000,000	-
Mr Luong Tri Tu	Shareholder	Advance	2,316,920,390	3,011,726,866
Mr Tran Cong Luan	Deputy General Director	Advance	150,000,000	2,145,000,000
Others			39,873,788	1,428,922,600
			<b>970,687,349,862</b>	<b>706,342,204,629</b>
<b><i>Short-term trade payables</i></b>				
FBV	Subsidiary	Construction service	8,927,629,724	10,277,090,656
Dat Xanh Dong Nam Bo	Subsidiary	Service	1,273,321,716	1,273,321,716
			<b>10,200,951,440</b>	<b>11,550,412,372</b>

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

**31. TRANSACTIONS WITH RELATED PARTIES (continued)**

Amounts due to 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>
<b><i>Other payables</i></b>				
Dat Xanh Hoi An	Subsidiary	Capital received from BCC	997,000,000,000	997,000,000,000
Saigon Riverside	Subsidiary	Capital received from BCC	383,393,275,000	711,500,000,000
DXS	Subsidiary	Capital received from BCC	191,911,150,246	-
		Received on behalf	2,608,841,696	51,117,576,503
Xuan Dinh	Subsidiary	Capital received from BCC	132,000,000,000	132,000,000,000
Thang Long Petrol	Subsidiary	Capital received in BCC	138,500,000,000	-
Vidoland	Subsidiary	Capital received from BCC	124,502,906,277	127,000,000,000
Nong Nghiep Printing	Subsidiary	Capital received from BCC	75,500,000,000	75,500,000,000
Dat Xanh Mien Nam	Subsidiary	Capital received from BCC	7,783,744,458	-
		Received on behalf	-	417,147,545
Ha Thuan Hung	Subsidiary	Received on behalf	2,163,899,446	808,127,552
Dat Xanh Mien Bac	Subsidiary	Payable for share acquisition	-	126,150,812,000
Others			656,440,680	662,490,680
			<b><u>2,056,020,257,803</u></b>	<b><u>2,222,156,154,280</u></b>

***Other transactions with related parties***

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

			VND	
			<i>Ending balance</i>	<i>Beginning balance</i>
Salaries and bonus			<u>14,193,488,500</u>	<u>10,509,878,682</u>

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

**32. OPERATING LEASE COMMITMENTS**

***Operating lease out commitments***

The Company 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	4,518,487,350	2,743,734,865
From 1 to 5 years	19,482,649,235	11,108,499,611
Over 5 years	<u>112,685,415,087</u>	<u>84,754,000,863</u>
<b>TOTAL</b>	<b><u>136,686,551,672</u></b>	<b><u>98,606,235,339</u></b>

***Operating lease commitments***

The Company 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	342,000,000	3,698,106,000
From 1 to 5 years	-	684,000,000
<b>TOTAL</b>	<b><u>342,000,000</u></b>	<b><u>4,382,106,000</u></b>

**33. EVENT AFTER THE BALANCE SHEET DATE**

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



Tran Thi Phuong Loan  
Preparer



Tran Thi Thuy Trang  
Chief Accountant



Luong Tri Thin  
General Director

18 February 2019