

Dat Xanh Group Joint Stock Company

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

Consolidated 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)

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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 consolidated financial statements of the Company and its subsidiaries (collectively referred to as "the Group") for the year ended 31 December 2018.

MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

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

STATEMENT BY MANAGEMENT

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

For and on behalf of Management:



Luong Tri Thin
General Director

Ho Chi Minh City, Vietnam

18 February 2019

Reference: 61281235/20264248/HN

INDEPENDENT AUDITORS' REPORT

To: The Shareholders of Dat Xanh Group Joint Stock Company

We have audited the accompanying consolidated financial statements of Dat Xanh Group Joint Stock Company (formerly Dat Xanh Real Estate Service and Construction Joint Stock Company) ("the Company") and its subsidiaries (collectively referred to as "the Group"), as prepared on 18 February 2019, as set out on pages 5 to 58 which comprise the consolidated balance sheet as at 31 December 2018, the consolidated income statement and the consolidated cash flow statement for the year then ended and the notes thereto.

Management's responsibility

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

Auditors' responsibility

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

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

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

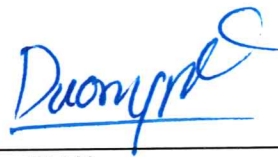
Opinion

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

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

CONSOLIDATED BALANCE SHEET
as at 31 December 2018

VND

Code	ASSETS	Notes	Ending balance	Beginning balance
100	A. CURRENT ASSETS		11,815,774,324,512	8,840,186,196,460
110	I. Cash and cash equivalents	5	1,158,571,308,567	1,687,437,308,464
111	1. Cash		412,350,866,927	423,469,898,464
112	2. Cash equivalents		746,220,441,640	1,263,967,410,000
120	II. Short-term investments		382,498,994,785	226,023,309,085
121	1. Held-for-trading securities	4.5	330,019,350,000	-
123	2. Held-to-maturity investments	6	52,479,644,785	226,023,309,085
130	III. Current accounts receivable		5,566,773,833,623	3,440,572,245,217
131	1. Short-term trade receivables	7	1,255,542,716,619	738,601,114,502
132	2. Short-term advances to suppliers	8	778,666,564,341	255,708,665,501
135	3. Short-term loan receivables	9	756,370,320	172,300,000,000
136	4. Other short-term receivables	10	3,557,808,940,778	2,293,375,325,070
137	5. Provision for doubtful short-term receivables	11	(26,000,758,435)	(19,412,859,856)
140	IV. Inventories	12	4,605,151,086,817	3,400,583,217,941
141	1. Inventories		4,621,285,822,757	3,414,218,894,947
149	2. Provision for obsolete inventories		(16,134,735,940)	(13,635,677,006)
150	V. Other current assets		102,779,100,720	85,570,115,753
151	1. Short-term prepaid expenses	13	50,509,017,436	34,428,978,635
152	2. Value-added tax deductible		52,243,223,265	51,075,190,488
153	3. Tax and other receivables from the State		26,860,019	65,946,630

CONSOLIDATED BALANCE SHEET (continued)
as at 31 December 2018


VND

Code	ASSETS	Notes	Ending balance	Beginning balance
200	B. NON-CURRENT ASSETS		1,912,940,416,029	1,424,216,369,652
210	I. Long-term receivables		145,378,783,345	3,257,333,012
211	1. Long-term trade receivables		42,866,462	402,905,118
216	2. Other long-term receivables	10	145,335,916,883	2,854,427,894
220	II. Fixed assets		75,783,235,810	63,944,977,213
221	1. Tangible fixed assets	14	53,539,168,844	42,143,941,339
222	Cost		82,239,419,005	63,390,093,350
223	Accumulated depreciation		(28,700,250,161)	(21,246,152,011)
227	2. Intangible fixed assets	15	22,244,066,966	21,801,035,874
228	Cost		26,192,368,283	24,301,505,268
229	Accumulated amortisation		(3,948,301,317)	(2,500,469,394)
230	III. Investment properties	16	47,027,879,233	28,645,758,818
231	1. Cost		49,782,198,221	30,583,450,171
232	2. Accumulated depreciation		(2,754,318,988)	(1,937,691,353)
240	IV. Long-term asset in progress		199,512,917,437	90,232,206,067
242	1. Construction in progress	17	199,512,917,437	90,232,206,067
250	V. Long-term investments	18	1,176,366,004,321	962,083,211,367
252	1. Investments in associates		1,100,366,004,321	962,083,211,367
253	2. Investments in another entity		76,000,000,000	-
260	VI. Other long-term assets		268,871,595,883	276,052,883,175
261	1. Long-term prepaid expenses	13	136,347,820,285	143,186,368,379
262	2. Deferred tax assets	33.3	30,656,774,141	27,873,261,783
268	3. Other long-term assets		1,390,000,000	1,390,000,000
269	4. Goodwill	19	100,477,001,457	103,603,253,013
270	TOTAL ASSETS		13,728,714,740,541	10,264,402,566,112


CONSOLIDATED BALANCE SHEET (continued)
as at 31 December 2018

VND

Code	RESOURCES	Notes	Ending balance	Beginning balance
300	C. LIABILITIES		7,529,620,654,558	5,610,557,388,547
310	I. Current liabilities		5,117,630,826,276	3,726,609,085,491
311	1. Short-term trade payables	20	580,973,842,865	315,689,857,194
312	2. Short-term advances from customers	21	1,029,005,405,207	1,396,383,701,852
313	3. Statutory obligations	22	465,584,800,083	272,628,162,229
314	4. Payables to employees		83,334,564,108	68,309,329,648
315	5. Short-term accrued expenses	23	435,598,701,994	211,531,450,834
318	6. Short-term unearned revenues	24	19,338,862,336	12,103,692,885
319	7. Other short-term payables	25	1,989,989,640,969	753,085,073,805
320	8. Short-term loans	26	471,425,076,235	658,181,022,456
321	9. Short-term provision		381,395,323	1,393,447,186
322	10. Bonus and welfare fund		41,998,537,156	37,303,347,402
330	II. Non-current liabilities		2,411,989,828,282	1,883,948,303,056
336	1. Long-term unearned revenues	24	-	1,607,604,898
337	2. Other long-term liabilities		8,741,045,131	8,701,662,484
338	3. Long-term loans	26	2,394,395,462,491	1,871,223,631,512
342	4. Long-term provision		8,853,320,660	2,415,404,162
400	D. OWNERS' EQUITY		6,199,094,085,983	4,653,845,177,565
410	I. Capital	27.1	6,199,094,085,983	4,653,845,177,565
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		35,018,748,857	27,527,428,669
421	5. Undistributed earnings		1,455,564,086,735	745,716,430,895
421a	- Undistributed earnings by the end of prior year		277,367,297,157	-
421b	- Undistributed earnings of current year		1,178,196,789,578	745,716,430,895
429	6. Non-controlling interests		1,199,429,709,585	840,307,037,195
440	TOTAL LIABILITIES AND OWNERS' EQUITY		13,728,714,740,541	10,264,402,566,112


Nguyen Huynh Quang Tuan
Preparer


Tran Thi Thuy Trang
Chief Accountant


Luong Tri Thin
General Director



18 February 2019

CONSOLIDATED INCOME STATEMENT
for the year ended 31 December 2018

VND

Code	ITEMS	Notes	Current year	Previous year
01	1. Gross revenue from sale of goods and rendering of services	28.1	4,645,499,698,895	2,882,249,195,439
02	2. Sales deduction	28.1	(181,136,363)	(3,007,805,492)
10	3. Net revenue from sale of goods and rendering of services	28.1	4,645,318,562,532	2,879,241,389,947
11	4. Cost of goods sold and services rendered	29	(2,030,544,378,590)	(1,149,440,021,123)
20	5. Gross profit from sale of goods and rendering of services		2,614,774,183,942	1,729,801,368,824
21	6. Finance income	28.2	206,731,318,326	66,074,831,666
22	7. Finance expenses	30	(190,754,523,920)	(62,664,889,037)
23	In which: Interest expense		(162,515,347,183)	(60,951,429,011)
24	8. Share of profit of associates		256,266,984,265	128,011,407,685
25	9. Selling expenses	31	(433,804,796,676)	(294,965,620,501)
26	10. General and administrative expenses	31	(345,927,634,999)	(248,557,710,590)
30	11. Operating profit		2,107,285,530,938	1,317,699,388,047
31	12. Other income	32	21,208,505,992	29,231,916,495
32	13. Other expenses	32	(26,709,544,872)	(11,611,208,906)
40	14. Other (loss) profit	32	(5,501,038,880)	17,620,707,589
50	15. Accounting profit before tax		2,101,784,492,058	1,335,320,095,636
51	16. Current corporate income tax expense	33.1	(381,773,261,869)	(274,878,315,250)
52	17. Deferred tax income	33.3	2,783,512,358	24,978,471,969
60	18. Net profit after tax		1,722,794,742,547	1,085,420,252,355
61	19. Net profit after tax attributable to shareholder of the parent		1,178,426,985,263	750,890,745,509
62	20. Net profit after tax attributable to non-controlling interests		544,367,757,284	334,529,506,846
70	21. Basic earnings per share	27.4	3,427	2,127
71	22. Diluted earnings per share	27.4	3,427	2,127



Nguyen Huynh Quang Tuan
Preparer



Tran Thi Thuy Trang
Chief Accountant



Luong Tri Thin
General Director 

18 February 2019

CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 December 2018

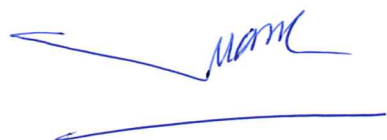
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Code	ITEMS	Notes	Current year	Previous year
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	Accounting profit before tax		2,101,784,492,058	1,335,320,095,636
	<i>Adjustments for:</i>			
02	Depreciation and amortisation of fixed assets and investment properties	14, 15, 16, 19	24,427,015,127	15,340,615,103
03	Provisions		14,512,822,148	17,306,665,819
05	Profits from investing activities		(462,362,952,283)	(188,710,596,526)
06	Borrowing costs	30	190,754,523,920	62,213,929,011
08	Operating profit before changes in working capital		1,869,115,900,970	1,241,470,709,043
09	Increase in receivables		(2,001,325,583,053)	(1,476,378,127,481)
10	Increase in inventories		(1,263,972,207,881)	(1,967,825,440,684)
11	Increase in payables		1,336,300,188,260	1,592,151,205,715
12	Increase in prepaid expenses		(9,181,690,966)	(90,583,731,491)
13	Increase in held-for-trading securities		(300,767,700,000)	-
14	Interest paid		(195,872,458,354)	(141,197,321,044)
15	Corporate income tax paid		(260,950,055,077)	(165,199,785,232)
17	Other cash outflows for operating activities		(105,100,577,193)	(46,547,317,542)
20	Net cash flows used in operating activities		(931,754,183,294)	(1,054,109,808,716)
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchases and construction of fixed assets		(136,585,529,548)	(92,930,450,053)
22	Proceeds from disposals of fixed assets		1,801,231,282	1,234,456,170
23	Loans to other entities		(42,167,106,020)	(398,323,309,085)
24	Collections from borrowers		239,654,400,000	18,238,874,721
25	Payments for investments in other entities		(382,297,910,551)	(652,809,689,371)
26	Proceeds from sale of investments in other entities		267,012,362,757	-
27	Interest received		52,461,008,107	77,791,166,472
30	Net cash flows used in investing activities		(121,543,973)	(1,046,798,951,146)

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

VND

Code	ITEMS	Notes	Current year	Previous year
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
31.1	Capital contribution from non-controlling interests		466,575,587,000	403,163,000,000
31.2	Capital contribution from owner		75,000,000,000	-
33	Drawdown of borrowings	26	2,789,276,887,627	2,800,782,740,645
34	Repayment of borrowings	26	(2,451,889,813,557)	(934,198,469,204)
36	Dividends paid	27.2	(475,952,933,700)	(299,618,092,816)
40	Net cash flows from financing activities		403,009,727,370	1,970,129,178,625
50	Net decrease in cash and cash equivalents		(528,865,999,897)	(130,779,581,237)
60	Cash and cash equivalents at beginning of year		1,687,437,308,464	1,818,216,889,701
70	Cash and cash equivalents at end of year	5	1,158,571,308,567	1,687,437,308,464



Nguyen Huynh Quang Tuan
Preparer



Tran Thi Thuy Trang
Chief Accountant



Luong Tri Thin
General Director

18 February 2019

NOTES TO THE CONSOLIDATED 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 ("DPI") 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.

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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. 27 Dinh Bo Linh Street, Ward 24, Binh Thanh District, Ho Chi Minh City, Vietnam.

The number of the Group's employees as at 31 December 2018 was 3,287 (31 December 2017: 2,674).

Corporate structure

The Company's corporate structure includes 13 direct subsidiaries and 18 indirect subsidiaries, in which:

Name of subsidiaries	Business activities	Status of operation	% Voting	
			31 December 2018 (%)	31 December 2017 (%)
(1) Dat Xanh Hoi An One Member Company Limited ("Dat Xanh Hoi An")	Trade real estate	Operating	100	100
(2) Saigon Riverside Investment Company Limited ("Saigon Riverside")	Trade real estate	Operating	75	75
(3) Thang Long Investment Petrol Joint Stock Company ("Thang Long Petrol")	Trade real estate	Operating	99.9	99.9
(4) Ha Thuan Hung Construction Trade Services Company Limited ("Ha Thuan Hung")	Trade real estate	Operating	99.91	99.89
(5) Vien Dong Land Investment Corporation ("Vidoland")	Trade real estate	Operating	99.99	99.99
(6) Saigon Riverview Joint Stock Company ("Saigon Riverview")	Trade real estate	Operating	99.9	99.9

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

1. CORPORATE INFORMATION (continued)

Corporate structure (continued)

Name of subsidiaries	Business activities	Status of operation	% Voting	
			31 December 2018 (%)	31 December 2017 (%)
(7) Xuan Dinh Investment Construction Trade Company Limited ("Xuan Dinh")	Trade real estate	Operating	99.99	99.99
(8) Vicco Saigon Joint Stock Company ("Vicco Saigon")	Trade real estate	Operating	99.99	99.99
(9) Nong Nghiep Printing Joint Stock Company ("Nong Nghiep Printing")	Trade real estate	Operating	99.99	99.98
(10) Dat Xanh Real Estate Service Joint Stock Company ("DXS") (formerly Long Kim Phat Real Estate Construction Joint Stock Company)	Trade real estate and services	Operating	99.99	100
(11) FBV Construction Joint Stock Company ("FBV Construction")	Construction services	Operating	89.26	89.26
(12) Sai Dong Real Estate Joint Stock Company ("Sai Dong")	Trade real estate	Operating	-	70.99
(13) Dat Xanh Mien Trung Joint Stock Company ("Dat Xanh Mien Trung")	Trade real estate and services	Operating	55	55
(14) Northern Green Land Real Estate and Services Joint Stock Company ("Dat Xanh Mien Bac")	Trade real estate and services	Operating	51	51
(15) Dat Xanh Mien Nam Investment and Services Joint Stock Company ("Dat Xanh Mien Nam")	Trade real estate and services	Operating	51	51
(16) Dat Xanh Dong Nam Bo Investment and Services Joint Stock Company ("Dat Xanh Dong Nam Bo")	Trade real estate and services	Operating	51	51
(17) Dat Xanh Tay Nam Bo Construction and Services Joint Stock Company ("Dat Xanh Tay Nam Bo")	Trade real estate and services	Operating	51	-
(18) Viethomes Real Estate Joint Stock Company ("Viethomes")	Trade real estate and services	Operating	51	51
(19) Vinahomes Real Estate and Service Joint Stock Company ("Vinahomes")	Trade real estate and services	Operating	51	51
(20) Dat Xanh Nha Trang Joint Stock Company ("Dat Xanh Nha Trang")	Trade real estate and services	Operating	51	51

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

1. CORPORATE INFORMATION (continued)

Corporate structure (continued)

Name of subsidiaries	Business activities	Status of operation	% Voting	
			31 December 2018 (%)	31 December 2017 (%)
(21) Dat Xanh Nghe An Joint Stock Company ("Dat Xanh Nghe An")	Trade real estate and services	Operating	51	51
(22) Dat Xanh Bac Mien Trung Joint Stock Company ("Dat Xanh Bac Mien Trung")	Trade real estate and services	Operating	51	51
(23) Dat Xanh Da Nang Joint Stock Company ("Dat Xanh Da Nang")	Trade real estate and services	Operating	51	51
(24) Dat Xanh Nam Mien Trung Joint Stock Company ("Dat Xanh Nam Mien Trung")	Trade real estate and services	Operating	51	-
(25) Smart City One Member Company Limited ("Smart City")	Trade real estate	Operating	100	-
(26) Dat Xanh Real Estate Investment Company Limited ("DXI")	Trade real estate and service	Operating	100	-
(27) Quang Ninh Green Land Real Estate and Service Joint Stock Company ("Dat Xanh Quang Ninh")	Trade real estate and service	Operating	53.38	-
(28) Ha An Real Estate Investment Joint Stock Company ("Ha An")	Trade real estate	Operating	99.99	-
(29) Dat Xanh Long An Joint Stock Company ("Dat Xanh Long An")	Trade real estate and service	Operating	51	-
(30) Dat Xanh City Joint Stock Company ("Dat Xanh Thanh Pho")	Trade real estate and service	Operating	60	-
(31) Dat Xanh Sai Gon Joint Stock Company ("Dat Xanh Sai Gon")	Trade real estate and service	Operating	60	-
(32) Vietnam Real Estate Technology Joint Stock Company ("Real Estate Tech")	Technology development	Operating	50.99	-

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

2. BASIS OF PREPARATION

2.1 Accounting standards and system

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

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

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

2.2 Applied accounting documentation system

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

2.3 Fiscal year

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

2.4 Accounting currency

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

2.5 Basis of consolidation

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

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 consolidated income statement and within equity in the 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 CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2018

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.

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 consolidated income statement.

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.3 Receivables

Receivables are presented in the 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 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 consolidated income statement as incurred.

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

3.5 Intangible fixed assets

Intangible fixed assets are stated at cost less accumulated amortisation.

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

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

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

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

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	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 consolidated income statement in the year of retirement or disposal.

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

3.8 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 year in which they are incurred, except to the extent that they are capitalised as explained in the following paragraph.

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

3.9 Prepaid expenses

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

The following types of expenses are recorded as long-term prepaid expense and are amortised to the 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 CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2018

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 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 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 consolidated balance sheet at cost plus post acquisition changes in the Group's share of net assets of the associates. Goodwill arising on acquisition of the associate is included in the carrying amount of the investment. Goodwill is not amortised and subject to annual review for impairment. The consolidated income statement reflects the share of the post-acquisition results of operation of the associate.

The share of post-acquisition profit (loss) of the associates is presented on face of the consolidated income statement and its share of post-acquisition movements in reserves is 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 CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2018

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.

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 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 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.

3.15 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.

3.16 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:

▶ *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 consolidated balance sheet.

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.17 Earnings per share

Basic earnings per share amounts are calculated by dividing net profit after tax or loss for the year 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 year.

Diluted earnings per share amounts are calculated by dividing the net profit after tax attributable to ordinary equity holders of the Company (after adjusting for interest on the convertible preference shares) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

3.18 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 year in which they are incurred.

Interest

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

Rental income

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

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right for the Group to offset current tax assets against current tax liabilities and when they relate to income taxes levied 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 year in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.20 Related parties

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

3.21 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 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
Provisional fair value
recognised on acquisition

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 (Note 19)	8,331,798,555
Purchase consideration	14,328,270,000

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

4. BUSINESS COMBINATION, ASSET ACQUISITIONS AND DISPOSAL OF INVESTMENT
(continued)

4.2 Acquisition of Ha An Investment Trade Real Estate Joint Stock Company (“Ha An”)

On 28 August 2018, the Group acquired 99.99% of share capital in Ha An at total consideration of VND 368,980,781,250 according to Decision No. 18/2018/NQ-HDQT dated 13 August 2018. Accordingly, Ha An became a subsidiary of the Group since at date.

The Group's management assessed that the cost of acquisition represents the fair value of the project owned by Ha An. Management treated this acquisition as asset acquisition rather than as business combination since Ha An has yet been commercially operating and only owns projects for future development.

4.3 Transfer entire shares owned in Sai Dong Real Estate Joint Stock Company (“Sai Dong”)

On 29 March 2018, the Group transferred of its 70.99% shares in 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. Accordingly, a gain of VND 150,696,904,917 from this disposal was recognized into the financial income account in the consolidated income statement. Up to 31 December 2018, the Group received fully from this disposal.

4.4 Restructuring the real estate service

As at 30 June 2018, the Group completely implemented the restructuring plan on real estate services by transferring the entire shares of its subsidiaries including Dat Xanh Mien Trung, Dat Xanh Mien Bac, Dat Xanh Mien Nam, Dat Xanh Dong Nam Bo and Dat Xanh Tay Nam Bo in accordance with Decision No. 13/2018/NQ-HDQT dated 31 May 2018. Accordingly, these companies became indirect subsidiaries of the Group. The difference of VND 230,195,685 from those transactions has been recognised in undistributed earnings in the consolidated balance sheet (Note 27.1).

4.5 Acquisition of Nha Trang Investment Petrol Joint Stock Company (“Nha Trang Petrol”)

On 31 May 2018, the Group acquired 90.83% of share capital in Nha Trang Petroleum 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 plans to transfer all share capital in Nha Trang Petrol to other investors in accordance with Decision No. 03/2019/NQ-HDQT dated 22 January 2019. Therefore, the investment in Nha Trang Petrol was recognised as held-for-trading securities.

4.6 Partial disposal of interest in Phu Lac Phu Quoc Tourism Real Estate Limited Company (“Phu Lac Phu Quoc”)

The Group has transferred 10.5% ownership at Phu Lac Phu Quoc at a total consideration of VND 42,000,000,000 in accordance with the Decision of Member of Council No. 07/2018/NQ-HDTV dated 27 December 2018, thereby decreased its ownership interest in this company to 19% and this investment was reclassified as investments in other entity (Note 18.2). Up to 31 December 2018, the Group received fully from this partial disposal.

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

5. CASH AND CASH EQUIVALENTS

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Cash on hand	10,786,056,182	4,151,563,318
Cash in banks	401,564,810,745	419,318,335,146
Cash equivalents (*)	<u>746,220,441,640</u>	<u>1,263,967,410,000</u>
TOTAL	<u>1,158,571,308,567</u>	<u>1,687,437,308,464</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 - 5% per annum.

Cash equivalents amounting to VND 40,191,371,307 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 of 6 - 7% per annum.

Bank deposits amounting to VND 45,100,085,425 were pledged as collateral for short-term bank loans and issued bonds (Note 26.1 and 26.3).

7. SHORT-TERM TRADE RECEIVABLES

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Due from other parties	1,243,288,295,468	724,241,821,523
- Hiep Phu Land Corporation	462,969,979,465	236,584,518,328
- Minh Binh Real Estate Service and Investment Company Limited	179,402,487,531	-
- IDE Vietnam Company Limited	71,886,015,215	101,086,015,215
- Hanoi Infrastructure and Architecture Investment Joint Stock Company	42,994,532,893	47,548,310,941
- Bac Phuoc Kien Joint Stock Company	29,905,949,680	-
- Da Nang Marina Company Limited	23,264,007,712	23,264,007,712
- Phu Dien Company Limited	20,268,180,922	-
- Thang Long Group Investment and Commercial Joint Stock Company	9,211,492,960	60,841,666,328
- Individual customers purchase apartment	146,875,675,707	76,156,550,155
- Other customers	256,509,973,383	178,760,752,844
Due from related parties (Note 34)	<u>12,254,421,151</u>	<u>14,359,292,979</u>
TOTAL	<u>1,255,542,716,619</u>	<u>738,601,114,502</u>
Provision for short-term receivables (Note 11)	<u>(13,554,211,172)</u>	<u>(6,966,312,593)</u>
NET	<u>1,241,988,505,447</u>	<u>731,634,801,909</u>

Receivable from Hiep Phu Land Corporation amounting to VND 63,339,498,778 were pledged as collateral for short-term bank loans (Note 26.1).

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

8. SHORT-TERM ADVANCES TO SUPPLIERS

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Advances to suppliers	748,666,564,341	255,708,665,501
- Saigon Real Estate Joint Stock Company	435,562,260,000	100,000,000,000
- Hydraulics Construction Corporation No. 4 Joint Stock Company	89,675,944,433	24,000,000,000
- Nha Tan Construction One Member Company Limited	31,094,321,928	-
- C.T - Phuong Nam Joint Stock Company	8,300,598,355	9,000,000,000
- Khang Hung Investment Company Limited	-	25,843,043,632
- An Thien Phu Construction Trading Service Company Limited	-	9,816,978,311
- Other suppliers	184,033,439,625	87,048,643,558
Advances to related parties (Note 34)	<u>30,000,000,000</u>	<u>-</u>
TOTAL	<u>778,666,564,341</u>	<u>255,708,665,501</u>
Provision for short-term advances to suppliers (Note 11)	<u>(3,321,660,940)</u>	<u>(3,321,660,940)</u>
NET	<u>775,344,903,401</u>	<u>252,387,004,561</u>

9. SHORT-TERM LOAN RECEIVABLES

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Loan receivables from a related party (Note 34) (i)	756,370,320	34,800,000,000
Loan receivables from other parties	<u>-</u>	<u>137,500,000,000</u>
TOTAL	<u>756,370,320</u>	<u>172,300,000,000</u>

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

<i>Borrower</i>	<i>Ending balance</i>	<i>Description of collateral</i>
	VND	
Nha Trang Petrol		
Lending 1	<u>756,370,320</u>	Unsecured

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

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

10. OTHER RECEIVABLES

	VND	
	Ending balance	Beginning balance
Short-term		
Deposits for marketing and distribution service contract of real estate projects	3,050,215,726,566	1,788,795,605,909
- <i>Dat Quang Riverside</i>	602,000,000,000	-
- <i>Saigon Gateway</i>	341,014,300,000	281,014,300,000
- <i>Imperial Plaza Apartment</i>	285,818,246,491	333,096,722,852
- <i>Hateco 6</i>	166,333,537,615	98,730,315,255
- <i>Lakeside Bau Tram</i>	141,473,700,206	41,553,660,652
- <i>Saigon Riverside City</i>	127,615,855,500	127,615,855,500
- <i>Roman Plaza</i>	118,528,387,190	142,851,322,101
- <i>Ngoc Duong Town</i>	112,000,000,000	-
- <i>Tac Riverside</i>	87,826,256,000	87,826,256,000
- <i>Phu My An Town</i>	78,137,333,683	69,968,126,533
- <i>Yen Thanh Residences</i>	70,000,000,000	-
- <i>Bau Mac Residences</i>	65,424,710,618	27,275,882,233
- <i>Tam Hiep Residences</i>	60,000,000,000	19,000,000,000
- <i>Nguyen Cuu Van - Phan Huy Ich</i>		
- <i>No Trang Long</i>	59,100,000,000	-
- <i>Tran Thu Do</i>	57,879,412,500	-
- <i>Others</i>	677,063,986,763	559,863,164,783
Capital contributed in Business Cooperation Contracts ("BCC") (i)	253,622,881,511	298,025,188,000
- <i>Saigon Real Estate Joint Stock Company</i>	129,302,585,685	100,000,000,000
- <i>Vina Holdings Joint Stock Company</i>	71,000,000,000	175,000,000,000
- <i>LinkGroup Real Estate Joint Stock Company</i>	23,025,188,000	23,025,188,000
- <i>Others</i>	30,295,107,826	-
Advances to employees	118,855,596,011	78,676,355,323
Advances to investment	59,635,959,480	105,163,564,000
- <i>Viet Trust Investment - Trading Corporation</i>	48,600,000,000	48,600,000,000
- <i>PetroVietnam Construction Joint Stock Corporation</i>	-	29,251,650,000
- <i>Others</i>	11,035,959,480	27,311,914,000
Interest income receivables	5,562,810,804	2,005,214,191
Others	69,915,966,406	20,709,397,647
	<u>3,557,808,940,778</u>	<u>2,293,375,325,070</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
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10. OTHER RECEIVABLES (continued)

	VND	
	Ending balance	Beginning balance
Long-term		
Capital contributed in BCC to related parties (ii) (Note 34)	141,540,118,870	-
Deposits	3,374,570,550	2,854,427,894
Others	421,227,463	-
	<u>145,335,916,883</u>	<u>2,854,427,894</u>
TOTAL	3,703,144,857,661	2,296,229,752,964
Provision for other short-term receivables (Note 11)	<u>(9,124,886,323)</u>	<u>(9,124,886,323)</u>
NET	<u>3,694,019,971,338</u>	<u>2,287,104,866,641</u>
<i>In which:</i>		
<i>Due from other parties</i>	3,537,643,083,297	2,286,220,103,498
<i>Due from related parties (Note 34)</i>	165,501,774,364	10,009,649,466

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

(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	
	Ending balance	Beginning balance
Provision for trade receivables	13,554,211,172	6,966,312,593
Provision for deposits	9,124,886,323	9,124,886,323
Provision for advance to suppliers	3,321,660,940	3,321,660,940
TOTAL	<u>26,000,758,435</u>	<u>19,412,859,856</u>

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

	VND	
	Current year	Previous year
Beginning balance	19,412,859,856	16,994,066,476
Add: Provision created during the year	8,071,541,955	6,805,478,151
Less: Reversal of provision during the year	<u>(1,483,643,376)</u>	<u>(4,386,684,771)</u>
Ending balance	<u>26,000,758,435</u>	<u>19,412,859,856</u>

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

12. INVENTORIES

		Ending balance	Beginning balance
		VND	
Inventory properties in progress	(i)	3,800,536,462,426	2,965,209,292,615
Completed inventory properties		634,996,194,531	301,369,764,206
- Opal Garden		508,245,868,666	-
- Lux Garden		67,782,980,530	-
- Luxcity		33,305,610,202	-
- Pho Duc Chinh and Ngo Quyen Intersection Residences		11,948,084,902	7,658,084,902
- An Vien		4,235,209,583	4,106,363,572
- Opal Riverside		4,096,883,822	285,550,251,829
- Sunview 1, 2		2,916,521,279	4,055,063,903
- One River - Phu My An		2,465,035,547	-
Inventory on-going construction projects		102,064,640,440	90,341,649,278
Property available for sale	(ii)	75,653,410,844	48,047,081,160
Raw material for construction		4,616,960,917	7,521,663,279
Merchandises		2,470,075,150	993,228,160
Tools and supplies		948,078,449	736,216,249
TOTAL		4,621,285,822,757	3,414,218,894,947
Provision for obsolete inventories		(16,134,735,940)	(13,635,677,006)
NET		4,605,151,086,817	3,400,583,217,941

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

	Ending balance	Beginning balance
	VND	
Gem Riverside	1,427,246,028,060	1,098,991,356,286
Opal Oceanview	381,007,976,880	187,184,552,749
Opal Boulevard	369,306,184,101	-
Opal City	347,640,121,189	328,514,979,385
Tuyen Son	308,575,184,627	303,530,003,920
Sunshine Residences	194,891,178,345	-
Sunview Sky	183,518,338,952	-
Luxstar	118,101,677,405	116,550,245,073
One River - Phu My An	116,952,389,392	81,214,000,000
Hiep Binh Phuoc - Thu Duc	110,955,308,074	110,767,366,381
Opal Skyview	98,363,876,512	86,202,258,536
C1 Project	45,962,759,558	-
Lakeside Project	42,473,019,249	-
C2 Project	41,101,724,063	-
Gold Hill Residences	1,682,557,035	3,709,703,388
Lux Garden	-	264,828,437,402
Opal Garden	-	246,243,340,818
Luxcity	-	72,187,671,780
Sai Dong Project	-	60,681,447,741
Others	12,758,138,984	4,603,929,156
TOTAL	3,800,536,462,426	2,965,209,292,615

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

12. INVENTORIES (continue)

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

Capitalised borrowing costs

During the year, the Group capitalised borrowing costs amounting to VND 99,362,495,317 (previous year: VND 80,705,367,760). 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	
	Ending balance	Beginning balance
Short-term		
Brokerage fees	36,823,583,566	28,247,411,188
Tools and supplies	7,817,443,573	4,091,930,319
Office rental	2,092,773,835	278,124,482
Others	3,775,216,462	1,811,512,646
	<u>50,509,017,436</u>	<u>34,428,978,635</u>
Long-term		
Brokerage fees, show houses	104,536,599,794	121,261,564,888
Tools and supplies	25,700,854,427	17,952,280,231
Office renovation	3,125,440,472	2,967,387,615
Others	2,984,925,592	1,005,135,645
	<u>136,347,820,285</u>	<u>143,186,368,379</u>
TOTAL	<u>186,856,837,721</u>	<u>177,615,347,014</u>

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

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14. TANGIBLE FIXED ASSETS

	Buildings and structures	Machinery and equipment	Means of transportation	Office equipment	Others	Total
Cost:						
Beginning balance	220,279,818	13,048,940,903	44,408,260,731	4,756,375,716	956,236,182	63,390,093,350
New purchases	62,000,000	7,332,539,986	12,607,785,266	2,858,911,995	965,416,547	23,826,653,794
Disposal	-	(2,770,819,957)	(1,957,744,546)	(88,763,636)	-	(4,817,328,139)
Other decreases	-	-	(160,000,000)	-	-	(160,000,000)
Ending balance	282,279,818	17,610,660,932	54,898,301,451	7,526,524,075	1,921,652,729	82,239,419,005
<i>In which:</i>						
Fully depreciated	50,000,000	769,063,636	6,711,255,024	976,157,990	-	8,506,476,650
Accumulated depreciation:						
Beginning balance	(117,173,128)	(2,443,589,802)	(16,128,577,015)	(2,402,420,477)	(154,391,589)	(21,246,152,011)
Depreciation for the year	(33,130,311)	(1,678,917,863)	(6,516,855,297)	(1,187,795,549)	(392,611,357)	(9,809,310,377)
Disposal	-	1,263,757,700	1,078,661,707	12,792,820	-	2,355,212,227
Ending balance	(150,303,439)	(2,858,749,965)	(21,566,770,605)	(3,577,423,206)	(547,002,946)	(28,700,250,161)
Net carrying amount:						
Beginning balance	103,106,690	10,605,351,101	28,279,683,716	2,353,955,239	801,844,593	42,143,941,339
Ending balance	131,976,379	14,751,910,967	33,331,530,846	3,949,100,869	1,374,649,783	53,539,168,844
<i>In which:</i>						
Mortgaged as loans' security (Notes 26.1 and 26.2)	-	3,215,249,743	3,232,594,684	-	-	6,447,844,427

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
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15. INTANGIBLE FIXED ASSETS

	Land use rights	Computer software	Website	Others	VND Total
Cost:					
Beginning balance	17,808,786,946	5,352,818,717	657,166,005	482,733,600	24,301,505,268
New purchases	-	4,129,369,018	-	-	4,129,369,018
Transfer from construction in progress	-	1,965,853,182	-	-	1,965,853,182
Transfer to construction in progress	(2,514,726,885)	-	-	-	(2,514,726,885)
Transfer to investment properties	(1,689,632,300)	-	-	-	(1,689,632,300)
Ending balance	13,604,427,761	11,448,040,917	657,166,005	482,733,600	26,192,368,283
<i>In which:</i>					
Fully amortised	-	735,341,309	442,166,005	107,434,600	1,284,941,914
Accumulated amortisation:					
Beginning balance	(340,743,969)	(1,423,799,840)	(498,561,847)	(237,363,738)	(2,500,469,394)
Amortisation for the year	-	(1,620,996,920)	(82,354,168)	(85,224,804)	(1,788,575,892)
Transfer to construction in progress	340,743,969	-	-	-	340,743,969
Ending balance	-	(3,044,796,760)	(580,916,015)	(322,588,542)	(3,948,301,317)
Net carrying amount:					
Beginning balance	17,468,042,977	3,929,018,877	158,604,158	245,369,862	21,801,035,874
Ending balance	13,604,427,761	8,403,244,157	76,249,990	160,145,058	22,244,066,966

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

16. INVESTMENT PROPERTIES

	VND
	<i>Buildings and structures</i>
Cost:	
Beginning balance	30,583,450,171
Transfer from intangible fixed assets	1,689,632,300
Transfer from construction in progress	5,765,287,119
Transfer from inventory	14,605,848,068
New purchase	64,945,600
Disposal	<u>(2,926,965,037)</u>
Ending balance	<u>49,782,198,221</u>
Accumulated depreciation:	
Beginning balance	(1,937,691,353)
Depreciation for the year	(1,371,078,747)
Disposal	<u>554,451,112</u>
Ending balance	<u>(2,754,318,988)</u>
Net carrying amount:	
Beginning balance	<u>28,645,758,818</u>
Ending balance	<u>47,027,879,233</u>

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	1,999,208,072
Direct operating expenses of investment properties that generated rental income during the year	1,351,988,647	823,044,582

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 31 December 2018. 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 CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2018

17. CONSTRUCTION IN PROGRESS

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Vicco Office Building	132,939,571,829	54,726,035,006
Vo Van Kiet Office Building	28,336,280,030	-
Opal Tower project	27,683,053,969	24,940,220,532
Other project costs	10,554,011,609	10,565,950,529
TOTAL	<u>199,512,917,437</u>	<u>90,232,206,067</u>

18. LONG-TERM INVESTMENTS

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Investments in associates (Note 18.1)	1,100,366,004,321	962,083,211,367
Investments in another entity (Note 18.2)	76,000,000,000	-
TOTAL	<u>1,176,366,004,321</u>	<u>962,083,211,367</u>

18.1 Investments in associates

Details of investments in associates at as 31 December 2018 are as follows :

	<i>Business</i>	<i>Ending balance</i>		<i>Beginning balance</i>	
		%	<i>Carrying</i>	%	<i>Carrying</i>
		<i>voting</i>	<i>value</i>	<i>voting</i>	<i>value</i>
		%	VND	%	VND
LDG	Trade real estate	42.96	1,100,366,004,321	43.38	844,099,020,056
Phu Lac Phu Quoc (Note 4.6)	Tourism service		-	29.50	117,984,191,311
TOTAL			<u>1,100,366,004,321</u>		<u>962,083,211,367</u>

As at 31 December 2018, all of ordinary shares of LDG being owned by the Group were pledged as collateral for the bonds (Note 26.3).

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

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:

Beginning balance	682,988,410,000
Decrease due to the transfer of investment	(42,000,000,000)
Decrease due to the transfer to other investment	(76,000,000,000)
Ending balance	<u>564,988,410,000</u>

Accumulated share in post-acquisition profit of the associates:

Beginning balance	279,094,801,367
Disposal	15,808,689
Share profit of the associates for the year	256,266,984,265
Ending balance	<u>535,377,594,321</u>

Net carrying amount:

Beginning balance	<u>962,083,211,367</u>
Ending balance	<u>1,100,366,004,321</u>

18.2 Investments in another entity

Details of investments in another entity are as follows:

	Business	Ending balance		Beginning balance	
		% voting	Carrying value VND	% voting	Carrying value VND
Phu Lac Phu Quoc (Note 4.6)	Tourism service	19	<u>76,000,000,000</u>		<u>-</u>

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

19. GOODWILL

	VND
Cost:	
Beginning balance	113,886,184,559
Addition during the year (Note 4.1)	<u>8,331,798,555</u>
Ending balance	<u>122,217,983,114</u>
Accumulated amortisation:	
Beginning balance	(10,282,931,546)
Amortisation for the year	<u>(11,458,050,111)</u>
Ending balance	<u>(21,740,981,657)</u>
Net carrying amount:	
Beginning balance	<u>103,603,253,013</u>
Ending balance	<u>100,477,001,457</u>

20. SHORT-TERM TRADE PAYABLES

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Due to other parties	580,824,242,993	315,689,857,194
- 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
- The Gioi Nha Joint Stock Company	31,306,072,348	-
- Vinaconex 25 Joint Stock Company	27,106,705,859	-
- The Minh Electric Construction and Building Company Limited	25,127,016,790	11,320,733,598
- An Phong Construction Company Limited	13,048,844,223	80,234,306,078
- M.E.I Construction Joint Stock Company	12,346,593,929	-
- Vung Ben Construction Company Limited	11,242,916,728	11,242,916,728
- Others	334,206,624,798	205,532,189,814
Due to related parties (Note 34)	<u>149,599,872</u>	-
TOTAL	<u>580,973,842,865</u>	<u>315,689,857,194</u>

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

21. SHORT-TERM ADVANCES FROM CUSTOMERS

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Advances from individual customers to purchase apartments and land lots	906,385,679,742	1,377,715,977,189
Advances from other customers	31,314,918,182	18,667,724,663
Advances from related parties (Note 34)	91,304,807,283	-
TOTAL	<u>1,029,005,405,207</u>	<u>1,396,383,701,852</u>

22. STATUTORY OBLIGATIONS

	VND				
	<i>Beginning balance</i>	<i>Increase in year</i>	<i>Paid in year</i>	<i>Decrease from disposal of investment</i>	<i>Ending balance</i>
Value-added tax	38,945,440,760	227,880,705,108	(181,520,800,754)	-	85,305,345,114
Corporate income tax	226,041,105,232	381,773,261,869	(260,950,055,077)	-	346,864,312,024
Personal income tax	7,627,695,661	98,444,341,425	(72,660,438,007)	(13,392,500)	33,398,206,579
Others	13,920,576	1,139,474,598	(1,136,458,808)	-	16,936,366
TOTAL	<u>272,628,162,229</u>	<u>709,237,783,000</u>	<u>(516,267,752,646)</u>	<u>(13,392,500)</u>	<u>465,584,800,083</u>

23. SHORT-TERM ACCRUED EXPENSES

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Cost of construction projects	340,572,757,459	147,109,832,727
Brokerage fees	35,081,791,153	10,719,654,049
Loan interests	32,311,611,625	19,875,943,426
Advertising fee	12,785,677,131	8,803,277,234
Bonus salary	5,925,126,475	4,126,052,878
Bond issuance fee	-	12,350,000,000
Others	8,921,738,151	8,546,690,520
TOTAL	<u>435,598,701,994</u>	<u>211,531,450,834</u>

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

24. UNEARNED REVENUE

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Revenue from real estate services	11,726,656,113	8,189,803,060
Revenue from management services	7,612,206,223	3,607,694,981
Revenue from office leasing	-	1,913,799,742
TOTAL	<u>19,338,862,336</u>	<u>13,711,297,783</u>
<i>In which:</i>		
<i>Short-term</i>	19,338,862,336	12,103,692,885
<i>Long-term</i>	-	1,607,604,898

25. OTHER SHORT-TERM PAYABLES

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Received on behalf for project developers	1,196,045,090,689	614,431,918,057
Received capital contribution of business co-operation contracts ("BCC")	375,916,635,455	-
- <i>Khang Hung Invest Company Limited</i>	368,500,000,000	-
- <i>Others</i>	7,416,635,455	-
Dividend	94,486,049,253	1,188,155,009
Deposits received from individuals for apartment purchasing	86,506,284,108	4,410,687,336
Maintenance fees received	62,298,278,210	40,583,131,172
Short-term deposits received	56,727,972,816	14,190,688,950
Payable for investments	52,358,786,778	56,525,106,105
- <i>Petro Capital and Infrastructure Investment Joint Stock Company</i>	46,726,595,200	46,726,595,200
- <i>Others</i>	5,632,191,578	9,798,510,905
Others	65,650,543,660	21,755,387,176
TOTAL	<u>1,989,989,640,969</u>	<u>753,085,073,805</u>
<i>In which:</i>		
<i>Due to other parties</i>	1,988,703,750,289	750,758,083,125
<i>Due to related parties (Note 34)</i>		2,326,990,680

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
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26. LOANS

	Ending balance	Beginning balance
		VND
Short-term	471,425,076,235	658,181,022,456
Bank loans (Note 26.1)	470,721,457,975	547,468,869,260
Loans from individuals	-	5,000,000,000
Current portion (Note 26.2)	703,618,260	105,712,153,196
Long-term	2,394,395,462,491	1,871,223,631,512
Bank loans (Note 26.2)	116,608,697,257	592,465,676,966
Bonds (Note 26.3)	2,277,786,765,234	1,278,757,954,546
TOTAL	<u>2,865,820,538,726</u>	<u>2,529,404,653,968</u>

Details of movement of loans are as follows:

	Current year	Previous year
		VND
Beginning balance	2,529,404,653,968	684,062,427,981
Drawdown	2,789,276,887,627	2,800,782,740,645
Repayment	(2,451,889,813,557)	(934,198,469,204)
Bond issuance cost	(14,306,881,720)	(22,504,545,454)
Allocation of bond issuance cost	13,335,692,408	1,262,500,000
Ending balance	<u>2,865,820,538,726</u>	<u>2,529,404,653,968</u>

26.1 Short-term bank loans

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

Bank	Ending balance	Principal repayment term	Purpose	Description of collateral
	(VND)			
Vietnam Joint Stock Commercial Bank for Industry and Trade - Thu Thiem Branch				
Loan 1	146,439,279,600	From 14 January 2019 to 16 May 2019	To finance working capital	Unsecured
Loan 2	73,924,734,394	From 9 April 2019 to 22 June 2019	To finance working capital	Term-deposits of amounting to VND 26,191,317,307; Receivables from Hai Au Project, Marina Project and machinery equipment with net carrying value of VND 3,215,249,743
Loan 3	19,021,777,906	From 13 February 2019 to 14 June 2019	To finance working capital	Receivables from brokerage contract of Eco Green Project and others amounting to VND 12,988,000,000; Term-deposits amounting to VND 4,000,000,000

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

26. LOANS (continued)

26.1 Short-term bank loans (continued)

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

Bank	Ending balance (VND)	Principal repayment term	Purpose	Description of collateral
Vietnam Prosperity Joint Stock Commercial Bank				
Loan 1	119,293,600,584	From 9 February 2019 to 28 September 2019	To finance working capital	Term-deposits amounting to VND 23,050,000,000
Vietnam Joint Stock Commercial Bank for Industry and Trade - Thang Long Branch				
Loan 1	37,502,580,653	From 24 June 2019 to 1 July 2019	To finance working capital	Term-deposits amounting to VND 13,253,086,425
Tien Phong Commercial Joint Stock Bank				
Loan 1	26,497,000,000	From 29 May 2019 to 14 September 2019	To finance working capital	Term-deposits amounting to VND 8,797,000,000
Joint Stock Commercial Bank for Investment and Development of Vietnam				
Loan 1	19,300,999,309	From 13 May 2019 to 17 June 2019	To finance working capital	Unsecured
Technology and Commercial Joint Stock Bank - Thang Loi Branch				
Loan 1	12,583,402,198	From 23 May 2019 to 28 June 2019	To finance working capital	The merchandise, rights of claim receivables and receivable
Ho Chi Minh City Development Joint Stock Commercial Bank - Nguyen Dinh Chieu Branch				
Loan 1	9,500,000,000	27 February 2019	To finance working capital	Term-deposits amounting to VND 10,000,000,000
Vietnam Joint Stock Commercial Bank for Industry and Trade - Bien Hoa Industrial Zone Branch				
Loan 1	6,000,000,000	From 28 February 2019 to 24 March 2019	To finance working capital	Unsecured
Tien Phong Commercial Joint Stock Bank - Nghe An Branch				
Loan 1	658,083,331	5 June 2019	To finance for purchase of vehicle	The vehicle with net book value amounting to VND 862,325,000
TOTAL	<u>470,721,457,975</u>			

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
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26. LOANS (continued)

26.2 Long-term bank loans

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

<i>Bank</i>	<i>Ending balance (VND)</i>	<i>Principal repayment term</i>	<i>Purpose</i>	<i>Description of collateral</i>
<i>Vietnam Prosperity Joint Stock Commercial Bank</i>				
Loan 1	115,650,000,000	From 9 July 2020 to 9 July 2021	To finance on-going project	Land use rights, associated infrastructure incurred from Sunview Sky
<i>In which: Current portion</i>	-			
<i>Tien Phong Commercial Joint Stock Bank - Hoan Kiem Branch</i>				
Loan 1	689,940,990	From 26 January 2019 to 12 December 2020	To finance for purchase of vehicle	The vehicle with net book value amounting to VND 1,162,881,847
<i>In which: Current portion</i>	344,970,499			
Loan 2	405,333,326	From 26 January 2019 to 21 February 2022	To finance for purchase of vehicle	The vehicle with net book value amounting to VND 642,026,720
<i>In which: Current portion</i>	128,000,004			

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

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>Ending balance</i> (VND)	<i>Principal repayment term</i>	<i>Purpose</i>	<i>Description of collateral</i>
<i>Shinhan Bank (Vietnam) Limited - Ha Noi Branch</i>				
Loan 1	437,311,476	From 25 January 2019 to 31 December 2020	To purchase vehicles	The vehicles with net carrying value of VND 122,916,667
<i>In which:</i>				
<i>Current portion</i>	100,918,032			
<i>Tien Phong Commercial Joint Stock Bank - Western Ha Noi Branch</i>				
Loan 1	129,729,725	30 November 2019	To purchase vehicles	The vehicle with net carrying value amounting to VND 442,444,450
<i>In which:</i>				
<i>Current portion</i>	<u>129,729,725</u>			
TOTAL	<u>117,312,315,517</u>			
<i>In which:</i>				
<i>Current portion</i>	116,608,697,257			
<i>Long-term loan</i>	703,618,260			

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

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

26. LOANS (continued)

26.3 Bonds

Details of bonds are as follows:

<i>Arrangement organization</i>	<i>Ending balance (VND)</i>	<i>Term</i>	<i>Purpose</i>	<i>Description of collateral</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	<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 CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2018

26. LOANS (continued)

26.3 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>
<i>Tien Phong Joint Stock Commercial Bank</i>				
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
<i>Vietnam Prosperity Joint Stock Commercial Bank</i>				
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
TOTAL	<u>2,277,786,765,234</u>			

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

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

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
Previous year							VND
Beginning balance	2,530,490,680,000	10,867,980,806	(580,000,000)	27,151,657,159	676,747,251,369	292,677,503,760	3,537,355,073,094
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	-	-	-	-	750,890,745,509	334,529,506,846	1,085,420,252,355
Withdrawal issued shares under the Employee Stock Ownership Plan	-	-	(1,920,560,000)	-	1,920,560,000	-	-
Transfer to investment and development fund	-	-	-	375,771,510	(375,771,510)	-	-
Transfer to bonus and welfare fund	-	-	-	-	(36,229,978,314)	(9,037,525,469)	(45,267,503,783)
Capital contribution from non-controlling interests	-	-	-	-	-	403,163,000,000	403,163,000,000
Dividends shared to non-controlling interests	-	-	-	-	-	(172,325,750,000)	(172,325,750,000)
Newly acquired subsidiary	-	-	-	-	-	492,268,925	492,268,925
Disposal of investments	-	-	-	-	-	(818,609,170)	(818,609,170)
Decrease due to change in ownership interest of subsidiary	-	-	-	-	(19,400,690,159)	(8,373,357,697)	(27,774,047,856)
Ending balance	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

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
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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
Current year							VND
Beginning balance	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 year	-	-	-	-	1,178,426,985,263	544,367,757,284	1,722,794,742,547
Transfer to investment and development fund	-	-	-	7,496,904,740	(7,496,904,740)	-	-
Transfer to bonus and welfare fund	-	-	-	-	(67,064,968,998)	(42,730,797,949)	(109,795,766,947)
Capital contribution from non-controlling interests	-	-	-	-	-	434,001,500,000	434,001,500,000
Dividends shared to non-controlling interests	-	-	-	-	-	(569,250,827,944)	(569,250,827,944)
Newly acquired subsidiary	-	-	-	-	-	5,783,550,148	5,783,550,148
Disposal of investments	-	-	-	-	-	(13,284,289,386)	(13,284,289,386)
Issuance of shares under the Employee Stock Ownership Plan (**)	75,000,000,000	-	-	-	-	-	75,000,000,000
Change from restructure	-	-	-	(5,584,552)	(230,195,685)	235,780,237	-
Ending balance	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

(*) 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 No. 6/2018/NQ-HDQT dated 19 April 2018.

(**) On 17 September 2018, the Company issued 7,500,000 ordinary shares to pay to key employees under the Company's Employee Stock Ownership Plan with issue price equal to par value according to Resolution of Shareholders 01/2018/NQ-DHDCD dated 1 March 2018 and Decision 19/2018/NQ-HDQT dated 22 August 2018.

On 15 October 2018, the Company received the twenty 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
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27 OWNERS' EQUITY (continued)

27.2 Capital transactions with owners

	VND	
	Current year	Previous year
Contributed share capital		
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 Option 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>
Dividends declared during the year		
<i>Dividends on ordinary shares</i>		
Dividend shares declared	393,787,260,000	471,436,180,000
Dividends declared	-	126,399,506,000
Dividends paid to owners	48,675,625	126,265,182,175
Dividends paid to non-controlling interests	475,904,258,075	173,352,910,641

27.3 Ordinary shares

	Ending balance	Beginning balance
	Number of shares	Number of shares
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 CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2018

27 OWNERS' EQUITY (continued)

27.4 Earnings per share

Basic and diluted earnings per share are calculated as follows:

	<i>Current year</i>	<i>Previous year</i>
Net profit after tax (VND)	1,178,426,985,263	750,890,745,509
Less: Bonus and welfare fund (VND) (i)	-	(22,526,722,365)
Net profit after tax attributable to ordinary shareholders (VND)	<u>1,178,426,985,263</u>	<u>728,364,023,144</u>
Weighted average number of ordinary shares (ii)	<u>343,903,548</u>	<u>342,359,241</u>
Basic and diluted earnings per share (VND/share)	<u>3,427</u>	<u>2,127</u>

- (i) Net profit used to compute earnings per share for the year ended 31 December 2017 was restated reflecting the actual appropriation to Bonus and welfare funds from 2017 retained earnings following the Resolution of 2018's Annual General Meeting dated 1 March 2018.

Net profit used to compute earnings per share for the year ended 31 December 2018 was not adjusted for the provisional allocation to Bonus and welfare fund from 2018 profit after tax due to without approval from the Shareholder General Meeting.

- (ii) The weighted average number of ordinary shares for the year ended 31 December 2018 was adjusted to reflect the additional issuance of 39,378,726 dividend shares in 2018.

There have been no dilutive potential ordinary shares during the year and up to the date of these consolidated financial statements.

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

28. REVENUES

28.1 Revenue from sale of goods and rendering of services

	VND	
	Current year	Previous year
Gross revenue	4,645,499,698,895	2,882,249,195,439
<i>Of which:</i>		
<i>Revenue from real estate services</i>	2,335,810,226,589	1,609,965,757,284
<i>Revenue from sale of apartments, town houses and land lots</i>	1,663,701,592,522	1,104,879,269,000
<i>Revenue from construction services</i>	627,651,138,414	158,617,309,794
<i>Revenue from management services, leasing</i>	15,599,704,475	8,786,859,361
<i>Revenue from sale of investment properties</i>	2,737,036,895	-
Less sale deduction	(181,136,363)	(3,007,805,492)
NET	<u>4,645,318,562,532</u>	<u>2,879,241,389,947</u>
<i>In which:</i>		
<i>Sales to other parties</i>	4,365,068,264,474	2,822,142,284,111
<i>Sales to related parties (Note 34)</i>	280,250,298,058	57,099,105,836

28.2 Finance income

	VND	
	Current year	Previous year
Gain from disposal of investments	150,712,713,606	100,676,111
Interest income	56,018,604,720	65,974,155,555
TOTAL	<u>206,731,318,326</u>	<u>66,074,831,666</u>

29. COSTS OF GOODS SOLD AND SERVICES RENDERED

	VND	
	Current year	Previous year
Cost of real estate services	377,593,532,084	304,940,639,569
Cost of apartments, town houses and land lots sold	1,040,307,520,308	661,598,924,171
Cost of construction services	590,463,082,339	172,124,494,436
Cost of management services, leasing	19,905,668,575	10,775,962,947
Cost of investment properties sold	2,274,575,284	-
TOTAL	<u>2,030,544,378,590</u>	<u>1,149,440,021,123</u>

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

30. FINANCE EXPENSES

	VND	
	<i>Current year</i>	<i>Previous year</i>
Interest expenses	177,418,831,512	60,951,429,011
Bond issuance costs	13,335,692,408	1,262,500,000
Others	-	450,960,026
TOTAL	<u>190,754,523,920</u>	<u>62,664,889,037</u>

31. SELLING EXPENSES AND GENERAL AND ADMINISTRATIVE EXPENSES

	VND	
	<i>Current year</i>	<i>Previous year</i>
Selling expenses	433,804,796,676	294,965,620,501
- Labour cost	206,508,964,685	151,070,985,763
- Advertising fees	144,108,582,624	75,892,800,125
- Brokerage fees	34,723,108,049	18,833,841,220
- Depreciation and amortisation	1,885,061,595	817,787,710
- Others	46,579,079,723	48,350,205,683
General and administrative expenses	345,927,634,999	248,557,710,590
- Labour cost	191,820,189,632	145,237,375,908
- Expense for external services	65,532,558,948	45,240,350,306
- Goodwill	11,458,050,111	7,313,668,965
- Depreciation and amortisation	7,957,907,863	5,633,856,686
- Provision (reversal of provision) expenses	6,925,458,579	(242,054,119)
- Others	62,233,469,866	45,374,512,844
TOTAL	<u>779,732,431,675</u>	<u>543,523,331,091</u>

32. OTHER INCOME AND OTHER EXPENSES

	VND	
	<i>Current year</i>	<i>Previous year</i>
Other income	21,208,505,992	29,231,916,495
- Income from penalties	14,663,727,746	25,755,981,138
- Gain from fixed asset disposal	-	952,234,393
- Others	6,544,778,246	2,523,700,964
Other expenses	26,709,544,872	11,611,208,906
- Lately payment	19,494,180,301	-
- Penalties of contract liquidation	1,205,665,459	4,190,471,689
- Loss from fixed asset disposal	999,873,278	-
- Penalties	234,639,363	2,301,281,856
- Others	4,775,186,471	5,119,455,361
NET OTHER (LOSS) PROFIT	<u>(5,501,038,880)</u>	<u>17,620,707,589</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
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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 consolidated financial statements could be changed at a later date upon final determination by the tax authorities.

33.1 CIT expenses

	VND	
	<i>Current year</i>	<i>Previous year</i>
Current CIT expense	381,026,275,446	274,427,058,215
Adjustment for under accrual of tax from prior years	746,986,423	451,257,035
Deferred tax income	<u>(2,783,512,358)</u>	<u>(24,978,471,969)</u>
TOTAL	<u>378,989,749,511</u>	<u>249,899,843,281</u>

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

	VND	
	<i>Current year</i>	<i>Previous year</i>
Accounting profit before tax	<u>2,101,784,492,058</u>	<u>1,335,320,095,636</u>
At CIT rate of 20% applicable to the Group	420,356,898,412	267,064,019,127
<i>Adjustments:</i>		
Non-deductible expenses	10,168,707,589	4,002,766,313
Loss in subsidiaries and branch	2,430,954,415	3,223,895,245
Amortisation of goodwill	2,291,610,022	1,462,733,793
Adjustment for under accrual of tax from prior year	746,986,423	451,257,035
Change in provision for doubtful receivables	-	46,811,979
Tax loss carried forward	(860,151,954)	(248,261,852)
Consolidated adjustment	(3,905,990,554)	32,111,581
Share profit from associates	(51,253,396,853)	(25,602,281,537)
Others	<u>(985,867,989)</u>	<u>(533,208,403)</u>
CIT expenses	<u>378,989,749,511</u>	<u>249,899,843,281</u>

33.2 Current CIT expense

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
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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 year:

	<i>Consolidated balance sheet</i>		<i>Consolidated income statement</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>	<i>Current year</i>	<i>Previous year</i>
Unrealised profit	8,286,131,667	7,798,176,682	487,954,985	7,137,054,510
Accruals	7,768,086,135	6,039,627,340	1,728,458,795	5,831,627,340
Provision for doubtful receivables	299,200,797	299,200,797	-	299,200,797
CIT paid on progress payments from customers (*)	14,303,355,542	13,736,256,964	567,098,578	11,710,589,322
Net deferred tax assets	30,656,774,141	27,873,261,783		
Deferred tax credit to consolidated income statement			2,783,512,358	24,978,471,969

(*) 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:

	<i>VND</i>
Temporary differences	
Tax losses carried forward of subsidiaries	28,132,103,929
Provision for doubtful short-term receivables	1,979,066,323
TOTAL	30,111,170,252

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

34. TRANSACTIONS WITH RELATED PARTIES

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

Related parties	Relationship	Nature of transaction	VND	
			Current year	Previous year
LDG	Associate	Capital contribution for long-term BCC	141,540,118,870	-
		Revenue from real estate service	37,219,010,037	3,258,739,266
		Revenue from construction service	35,683,142,803	16,000,906,871
		Received loan payments	34,800,000,000	-
		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
Dai Thinh Phat Investment Construction Joint Stock Company ("Dai Thinh Phat")	Related party	Revenue from construction service	182,436,263,854	37,839,459,699
Nam Saigon Real Estate Development and Investment Corporation ("Nam Sai Gon")	Related party	Revenue from construction service	24,911,881,364	-
		Advance	-	100,000,000,000
		Lending interest	-	430,521,893
		Payment on behalf	-	20,000,000
Nha Trang Petrol	Related party	Lending	756,370,320	-
		Interest income	12,144,139	-
Queen Land Real Estate Trading and Services	Associate	Service fee	-	3,722,177,594
		Capital contribution	-	648,000,000
Mr Nguyen Khanh Hung	Board of Director ("BOD")'s Deputy Chairman	Revenue from sales of apartment	-	2,178,628,216
		Advance	-	1,000,000,000
Mr Luong Tri Thao	BOD's member	Revenue from sales of land lot	-	1,070,000,000
Mr Luong Tri Tu	Shareholder	Revenue from sales of apartment	-	404,725,202
Mr Nguyen Truong Son	Deputy General Director ("GD")	Revenue from sales of land lot	-	319,758,227

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
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34. 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>
Short-term trade receivables				
LDG	Associate	Revenue from real estate services	10,940,817,461	3,139,913,414
		Revenue from construction services	1,240,097,200	3,623,952,600
Dai Thinh Phat	Related party	Revenue from construction services	-	7,521,920,475
Mr Luong Tri Tu	Shareholder	Revenue from sales of apartment	73,506,490	73,506,490
			12,254,421,151	14,359,292,979
Short-term advance to supplier				
Mr Nguyen Truong Son	Deputy GD	Advance to implement project	30,000,000,000	-
Short-term loan receivables				
Nha Trang Petrol	Related party	Lending	756,370,320	-
LDG	Associate	Lending	-	34,800,000,000
			756,370,320	34,800,000,000
Other receivables				
LDG	Associate	Capital contribution for long-term BCC	141,540,118,870	-
		Deposit	9,481,796,659	940,000,000
		Lending interest	5,550,666,665	1,415,000,000
		Payment on behalf	5,096,885,041	60,000,000
Mr Luong Tri Tu	Shareholder	Advance	2,316,920,390	3,011,726,866
Mr Tran Cong Luan	Deputy GD	Advance	1,469,000,000	3,154,000,000
Dat Xanh Premium Joint Stock Company ("Dat Xanh Premium")	Related party	Other	31,320,000	-
Nha Trang Petrol	Related party	Lending interest	12,144,139	-
Mr Nguyen Khanh Hung	Deputy Chairman of BOD	Advance	2,922,600	1,428,922,600
			165,501,774,364	10,009,649,466

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
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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					
Dat Xanh Premium	Related party	Trade payable	89,599,872	-	
LDG	Associate	Fixed asset disposal	60,000,000	-	
			149,599,872	-	
Short-term advance from customers					
Dai Thinh Phat	Related party	Advance of construction contract	82,910,114,233	-	
Nam Sai Gon	Related party	Advance of construction contract	8,394,693,050	-	
			91,304,807,283	-	
Other short-term payables					
Dat Xanh Premium	Related party	Others	400,000,000	-	
LDG	Related party	Advance	264,450,000	1,464,500,000	
Mr Luong Tri Thao	BOD's member	Others	552,459,000	552,459,000	
Mr Luong Tri Thin	Chairman of BOD	Others	42,000,000	42,000,000	
Mr Luong Tri Tu	Shareholder	Others	26,981,680	68,031,680	
Mr Nguyen Khanh Hung	Deputy Chairman of BOD	Others	-	200,000,000	
			1,285,890,680	2,326,990,680	

Other transactions with related parties

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

			VND	
			<i>Current year</i>	<i>Previous year</i>
Salaries and bonus			<u>14,193,488,500</u>	<u>10,509,878,682</u>

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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	4,722,487,350	2,743,734,865
From 1 to 5 years	19,652,649,235	11,108,499,611
Over 5 years	<u>112,685,415,087</u>	<u>84,754,000,863</u>
TOTAL	<u>137,060,551,672</u>	<u>98,606,235,339</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	12,551,980,956	19,509,119,356
From 1 to 5 years	15,129,818,555	20,221,635,451
Over 5 years	<u>-</u>	<u>3,385,085,417</u>
TOTAL	<u>27,681,799,511</u>	<u>43,115,840,224</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 consolidated financial statements.

Dat Xanh Group Joint Stock Company

B09-DN/HN

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

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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 year ended 31 December 2018					
Net revenues					
Sales to customers	2,630,856,419,983	1,678,082,829,667	627,651,138,414	(291,271,825,532)	4,645,318,562,532
Results					
Segment gross profit	1,967,984,350,776	633,371,322,940	37,188,056,075	(23,769,545,849)	2,614,774,183,942
Unallocated expense					(779,732,431,675)
Operating profit					1,835,041,752,267
Share of loss of associates					256,266,984,265
Finance income					206,731,318,326
Finance expenses					(190,754,523,920)
Other loss					(5,501,038,880)
Net profit before tax					2,101,784,492,058
Current CIT expense					(381,773,261,869)
Deferred tax income					2,783,512,358
Net profit after tax					1,722,794,742,547
Net profit after tax attributable to non-controlling interests					544,367,757,284
Net profit after tax attributable to shareholder of the parent					1,178,426,985,263
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

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
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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)

	Real estate services	Real estate investment and development	Construction services	Elimination	Total
For the year ended 31 December 2017					
Net revenues					
Sales to external customers	1,935,689,365,721	1,101,871,463,508	212,329,469,445	(370,648,908,727)	2,879,241,389,947
Results					
Segment gross profit	1,307,438,087,488	450,587,392,618	(10,990,610,143)	(17,233,501,139)	1,729,801,368,824
Unallocated expenses					(543,523,331,091)
Operating profit					1,186,278,037,733
Share of profit of associates					128,011,407,685
Finance income					66,074,831,666
Finance expenses					(62,664,889,037)
Other profit					17,620,707,589
Net profit before tax					1,335,320,095,636
Current CIT expense					(274,878,315,250)
Deferred tax income					24,978,471,969
Net profit after tax					1,085,420,252,355
Net profit after tax attributable to non-controlling interests					334,529,506,846
Net profit after tax attributable to shareholder of the parent					750,890,745,509
As at 31 December 2017					
Assets and liabilities					
Segment assets	2,942,767,949,058	6,279,592,277,662	184,367,790,520	(2,171,682,822,990)	7,235,045,194,250
Unallocated assets					3,029,357,371,862
Total assets					10,264,402,566,112
Segment liabilities	1,394,034,551,250	4,837,331,222,026	142,855,274,484	(1,831,917,846,990)	4,542,303,200,770
Unallocated liabilities					1,068,294,187,777
Total liabilities					5,610,557,388,547

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
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37. 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 consolidated financial statements of the Group.

Nguyen Huynh Quang Tuan
Preparer




Tran Thi Thuy Trang
Chief Accountant





Luong Tri Thin
General Director

18 February 2019