

# **An Gia Real Estate Investment and Development Corporation**

Interim consolidated financial statements

For the six-month period ended 30 June 2019



# An Gia Real Estate Investment and Development Corporation

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# An Gia Real Estate Investment and Development Corporation

## GENERAL INFORMATION

### THE COMPANY

An Gia Real Estate Investment and Development Corporation ("the Company") is a shareholding incorporated under the Law on Enterprise of Vietnam pursuant to the Business Registration Certificate ("BRC") No. 0311500196 issued by the Department of Planning and Investment ("DPI") of Ho Chi Minh City on 18 January 2012 and the 10<sup>th</sup> amended BRC dated 29 March 2019.

The registered principal activities of the Company are real estate trading; real estate brokerage; real estate management; real estate exchange; management consulting; advertising; marketing research and public opinion polling; organisation of conventions and trading shows; construction of buildings; construction of other civil projects; construction of railways and roads; construction of utility projects; demolition and site preparation.

The Company's head office is located at No. 30, Nguyen Thi Dieu Street, Ward 6, District 3, Ho Chi Minh City, Vietnam.

### BOARD OF DIRECTORS

Members of the Board of Directors ("BOD") during the period and at the date of this report are:

Mr Nguyen Ba Sang	Chairman
Mr Nguyen Trung Tin	Member
Ms Ho Thi Nguyet Anh	Member
Ms Nguyen Quynh Giang	Member
Ms Nguyen Huong Giang	Member
Mr Yamaguchi Masakazu	Member
Ms Vuong Nguyen Ngoc Tram	Member

### MANAGEMENT

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

Mr Nguyen Ba Sang	General Director
Mr Nguyen Trung Tin	Deputy General Director

### LEGAL REPRESENTATIVE

The legal representative of the Company during the period and at the date of this report is Mr Nguyen Ba Sang.

### AUDITORS

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

# An Gia Real Estate Investment and Development Corporation

## REPORT OF MANAGEMENT

Management of An Gia Real Estate Investment and Development Corporation ("the Company") presents this report and the interim consolidated financial statements of the Company and its subsidiaries (collectively referred to as "the Group") for the six-month period ended 30 June 2019.

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

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

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

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

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

### STATEMENT BY THE MANAGEMENT

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

For and on behalf of management:



Nguyễn Ba Sang  
General Director

Ho Chi Minh City, Vietnam

15 August 2019



Ernst & Young Vietnam Limited  
20th Floor, Bitexco Financial Tower  
2 Hai Trieu Street, District 1  
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Reference: 61314331/21094548/LR-HN

## **REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

**To: The Shareholders of An Gia Real Estate Investment and Development Corporation**

We have reviewed the accompanying interim consolidated financial statements of An Gia Real Estate Investment and Development Corporation ("the Company") and its subsidiaries (collectively referred to as "the Group") as prepared on 15 August 2019 and set out on pages 5 to 43, which comprise the interim consolidated balance sheet as at 30 June 2019, the interim consolidated income statement and the interim consolidated cash flow statement for the six-month period then ended and the notes thereto.

### ***Management's responsibility***

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

### ***Auditors' responsibility***

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

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



An Gia Real Estate Investment and Development Corporation B01a-DN/HN

INTERIM CONSOLIDATED BALANCE SHEET  
as at 30 June 2019

VND

Code	ASSETS	Notes	30 June 2019	31 December 2018
<b>100</b>	<b>A. CURRENT ASSETS</b>		<b>1,304,798,439,864</b>	<b>1,810,022,931,066</b>
<b>110</b>	<b>I. Cash and cash equivalents</b>	<b>4</b>	<b>21,155,973,192</b>	<b>331,051,237,351</b>
111	1. Cash		21,155,973,192	274,263,237,351
112	2. Cash equivalents		-	56,788,000,000
<b>120</b>	<b>II. Short-term investments</b>		<b>158,113,701,731</b>	<b>450,509,602,646</b>
121	1. Held-for-trading securities		-	235,000,000,000
123	2. Held-to-maturity investments	5.1	158,113,701,731	215,509,602,646
<b>130</b>	<b>III. Current accounts receivable</b>		<b>1,108,299,948,475</b>	<b>948,435,657,696</b>
131	1. Short-term trade receivables	6	222,268,776,582	94,110,305,534
132	2. Short-term advances to suppliers	7	27,438,866,980	28,720,179,935
135	3. Short-term loan receivables	8	588,494,669,000	649,742,000,000
136	4. Other short-term receivables	9	271,707,635,913	177,473,172,227
137	5. Provision for doubtful short-term receivables	9	(1,610,000,000)	(1,610,000,000)
<b>140</b>	<b>IV. Inventory</b>		<b>12,678,476,925</b>	<b>52,794,843,422</b>
141	1. Inventories	10	12,678,476,925	52,794,843,422
<b>150</b>	<b>V. Other current assets</b>		<b>4,550,339,541</b>	<b>27,231,589,951</b>
151	1. Short-term prepaid expenses	11	3,935,687,328	12,222,120,310
152	2. Value-added tax deductible		526,468,880	14,921,286,308
153	3. Tax and other receivables from the State		88,183,333	88,183,333

An Gia Real Estate Investment and Development Corporation B01a-DN/HN

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

VND

Code	ASSETS	Notes	30 June 2019	31 December 2018
<b>200</b>	<b>B. NON-CURRENT ASSETS</b>		<b>663,513,687,585</b>	<b>481,036,584,899</b>
<b>210</b>	<b>I. Non-current receivables</b>		<b>251,707,498,177</b>	<b>269,015,192,783</b>
215	1. Non-current lending principal receivables	8	228,146,000,000	189,842,228,979
216	2. Other long-term receivables	9	23,561,498,177	79,172,963,804
<b>220</b>	<b>II. Fixed assets</b>		<b>9,362,162,419</b>	<b>6,923,169,549</b>
221	1. Tangible fixed asset	12	9,027,999,930	6,803,848,713
222	Cost		14,639,070,409	12,230,606,773
223	Accumulated depreciation		(5,611,070,479)	(5,426,758,060)
227	2. Intangible fixed asset		334,162,489	119,320,836
228	Cost		1,225,950,000	925,950,000
229	Accumulated amortisation		(891,787,511)	(806,629,164)
<b>230</b>	<b>III. Investment properties</b>	<b>13</b>	<b>44,984,047,881</b>	<b>44,944,097,844</b>
231	1. Cost		45,758,363,074	45,373,128,896
232	2. Accumulated depreciation		(774,315,193)	(429,031,052)
<b>240</b>	<b>IV. Long-term asset in progress</b>		<b>319,418,182</b>	<b>5,800,192,246</b>
242	1. Long-term construction in progress		319,418,182	5,800,192,246
<b>250</b>	<b>V. Long-term investments</b>		<b>334,500,333,809</b>	<b>129,248,500,000</b>
252	1. Investments in associates	14.1	3,402,483,809	-
253	2. Investments in other entities	14.2	141,248,500,000	129,248,500,000
255	3. Held-to-maturity investments	5.2	189,849,350,000	-
<b>260</b>	<b>VI. Other long-term assets</b>		<b>22,640,227,117</b>	<b>25,105,432,477</b>
261	1. Long-term prepaid expenses	11	13,839,153,854	13,746,587,089
262	2. Deferred tax assets	27.3	8,801,073,263	11,358,845,388
<b>270</b>	<b>TOTAL ASSETS</b>		<b>1,968,312,127,449</b>	<b>2,291,059,515,965</b>



An Gia Real Estate Investment and Development Corporation B01a-DN/HN

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

VND

Code	RESOURCES	Notes	30 June 2019	31 December 2018
<b>300</b>	<b>C. LIABILITIES</b>		<b>948,429,913,486</b>	<b>1,451,712,327,107</b>
<b>310</b>	<b>I. Current liabilities</b>		<b>816,340,106,610</b>	<b>1,321,435,965,044</b>
311	1. Short-term trade payables	15	118,667,293,560	169,395,749,533
312	2. Short-term advances from customers	16	199,485,028,133	133,551,668,672
313	3. Statutory obligations	17	18,275,222,165	141,725,532,061
314	4. Payables to employees		5,000,000	15,400,000
315	5. Short-term accrued expenses	18	52,382,594,504	69,318,288,674
318	6. Short-term unearned revenues	19	27,211,488,710	19,852,001,531
319	7. Other short-term payables		2,936,037,287	532,201,567,176
320	8. Short-term loans	20	397,377,442,251	255,375,757,397
<b>330</b>	<b>II. Non-current liabilities</b>		<b>132,089,806,876</b>	<b>130,276,362,063</b>
337	1. Other long-term liabilities		684,407,540	-
338	2. Long-term loans	20	109,362,050,000	107,143,400,000
342	3. Other long-term provisions	21	22,043,349,336	23,132,962,063
<b>400</b>	<b>D. OWNER'S EQUITY</b>		<b>1,019,882,213,963</b>	<b>839,347,188,858</b>
<b>410</b>	<b>I. Capital</b>	<b>22.1</b>	<b>1,019,882,213,963</b>	<b>839,347,188,858</b>
411	1. Share capital		700,000,000,000	450,000,000,000
411a	- Shares with voting rights		700,000,000,000	450,000,000,000
412	2. Share premium		89,620,018,200	71,420,018,200
421	3. Undistributed earnings		109,919,203,828	277,686,315,642
421a	- Undistributed earnings (accumulated losses) by the end of prior period		45,886,315,642	(14,954,237,119)
421b	- Undistributed earnings of current period		64,032,888,186	292,640,552,761
429	4. Non-controlling interests		120,342,991,935	40,240,855,016
<b>440</b>	<b>TOTAL LIABILITIES AND OWNERS' EQUITY</b>		<b>1,968,312,127,449</b>	<b>2,291,059,515,965</b>

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Nguyen Thi Thuy Trang  
Preparer

Pham Thi Tra My  
Chief Accountant

Nguyen Ba Sang  
General Director

15 August 2019

An Gia Real Estate Investment and Development Corporation B02a-DN/HH

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

VND

Code	ITEMS	Notes	For the six-month period ended 30 June 2019	For the six-month period ended 30 June 2018 (Unreviewed)
10	1. Net revenue from sales of goods and rendering of services	23.1	185,439,949,914	964,190,028,032
11	2. Cost of goods sold and services rendered	24	(63,151,062,146)	(592,873,608,577)
20	3. Gross profit from sales of goods and rendering of services		122,288,887,768	371,316,419,455
21	4. Finance income	23.2	37,920,289,111	17,327,913,610
22	5. Finance expenses	25	(19,212,941,733)	(8,589,222,179)
23	In which: Interest expense		(17,482,428,803)	(7,138,793,485)
24	6. Shares of loss of associates	14.1	(258,316,191)	-
25	7. Selling expenses	26	(1,532,707,586)	(42,776,899,483)
26	8. General and administrative expenses	26	(45,651,438,560)	(39,713,987,264)
30	9. Operating profit		93,553,772,809	297,564,224,139
31	10. Other income		32,440,370	397,859,154,209
32	11. Other expenses		(926,515,063)	(2,323,200,441)
40	12. Other (loss) profit		(894,074,693)	395,535,953,768
50	13. Accounting profit before tax		92,659,698,116	693,100,177,907
51	14. Current corporate income tax expense	27.1	(16,471,577,429)	(137,618,359,002)
52	15. Deferred tax (expense) income	27.3	(2,557,772,125)	4,346,637,180
60	16. Net profit after tax		73,630,348,562	559,828,456,085
61	17. Net profit after tax attributable to shareholders of the parent		64,032,888,186	297,507,829,948
62	18. Net profit after tax attributable to non-controlling interests		9,597,460,376	262,320,626,137
70	19. Basic earnings per share	22.5	931	10,833
71	20. Diluted earnings per share	22.5	931	10,833

Nguyen Thi Thuy Trang  
Preparer

Pham Thi Tra My  
Chief Accountant

Nguyen Ba Sang  
General Director

15 August 2019

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

VND

Code	ITEMS	Notes	For the six-month period ended 30 June 2019	For the six-month period ended 30 June 2018 (Unreviewed)
	<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>01</b>	<b>Accounting profit before tax</b>		<b>92,659,698,116</b>	<b>693,100,177,907</b>
	<i>Adjustments for:</i>			
02	Depreciation and amortisation		1,298,502,082	991,928,622
03	(Reversal of provision) provisions		(1,089,612,727)	2,435,943,292
04	Foreign exchange losses (gains) arising from revaluation of monetary accounts denominated in foreign currency		494,769,333	(45,728)
05	Profits from investing activities		(36,607,720,336)	(17,427,913,610)
06	Interest expenses	25	17,482,428,803	7,138,793,485
<b>08</b>	<b>Operating profit before changes in working capital</b>		<b>74,238,065,271</b>	<b>686,238,883,968</b>
09	(Increase) decrease in receivables		(206,169,949,375)	146,045,704,658
10	Decrease in inventories		40,482,911,952	528,454,835,637
11	Decrease in payables		(291,807,136,527)	(1,389,115,253,201)
12	Decrease in prepaid expenses		8,193,866,217	23,307,932,073
13	Decrease in held-for-trading securities		235,000,000,000	-
14	Interest paid		(15,271,639,587)	(5,740,579,344)
15	Corporate income tax paid	17	(141,226,114,053)	(27,509,983,445)
<b>20</b>	<b>Net cash flows used in operating activities</b>		<b>(296,559,996,102)</b>	<b>(38,318,459,654)</b>
	<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
21	Purchase and construction of fixed assets		(5,195,704,178)	(310,900,000)
22	Proceeds from disposal of fixed assets		5,272,727,273	100,000,000
23	Loans to other entities and payments for term bank deposits		(739,304,432,456)	(179,974,304,882)
24	Collections from borrowers and term bank deposits		704,063,258,282	227,664,868,515
25	Payments for investments in other entities		(23,660,800,000)	-
27	Interest received		27,011,692,771	17,327,913,610
<b>30</b>	<b>Net cash flows (used in) from investing activities</b>		<b>(31,813,258,308)</b>	<b>64,807,577,243</b>

An Gia Real Estate Investment and Development Corporation B03a-DN/HN

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

VND

Code	ITEMS	Notes	For the six-month period ended 30 June 2019	For the six-month period ended 30 June 2018 (Unreviewed)
	<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
31	Issuance of shares	22.1	36,400,000,000	-
	Capital contributed by non-controlling interest	22.1	124,800,300,000	40,000,000
33	Drawdown of borrowings	20	590,827,684,854	179,974,304,882
34	Repayment of borrowings	20	(447,102,150,000)	(227,664,868,515)
	Dividends paid to non-controlling interests	22.3	(286,447,875,270)	(20,012,998,000)
40	<b>Net cash flows from (used in) financing activities</b>		<b>18,477,959,584</b>	<b>(67,663,561,633)</b>
50	<b>Net decrease in cash and cash equivalents</b>		<b>(309,895,294,826)</b>	<b>(41,174,444,044)</b>
60	<b>Cash and cash equivalents at beginning of period</b>		<b>331,051,237,351</b>	<b>285,428,351,763</b>
61	Impact of exchange rate fluctuation		30,667	45,728
70	<b>Cash and cash equivalents at end of period</b>	4	<b>21,155,973,192</b>	<b>244,253,953,447</b>

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Nguyen Thi Thuy Trang  
Preparer

Pham Thi Tra My  
Chief Accountant

Nguyen Ba Sang  
General Director

15 August 2019

# An Gia Real Estate Investment and Development Corporation B09a-DN/HN

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

### 1. CORPORATE INFORMATION

An Gia Real Estate Investment and Development Corporation ("the Company") is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to the Business Registration Certificate ("BRC") No. 0311500196 issued by the Department of Planning and Investment ("DPI") of Ho Chi Minh City on 18 January 2012 and the 10<sup>th</sup> amended BRC dated 29 March 2019.

The registered principal activities of the Company and its subsidiaries ("the Group") are real estate trading; real estate brokerage; real estate management; real estate exchange; management consulting; advertising; marketing research and public opinion polling; organisation of conventions and trading shows; construction of buildings; construction of other civil projects; construction of railways and roads; construction of utility projects; demolition and site preparation.

The Company's head office is located at No. 30, Nguyen Thi Dieu Street, Ward 6, District 3, Ho Chi Minh City, Vietnam.

The number of the Group's employees as at 30 June 2019 is 144 (31 December 2018: 135).

#### Corporate structure

As at 30 June 2019, the Company has two (2) direct subsidiaries and one (1) indirect subsidiary as follows:

Name of subsidiaries	Activities	Status	% holding		% voting right	
			30 June 2019	31 December 2018	30 June 2019	31 December 2018
Gia An Consultant Joint Stock Company ("Gia An")	Consult operation and finance management	Operating	51.99	-	51.99	-
CRE & AGI Consultant Joint Stock Company ("CRE & AGI") (i)			49.90	49.90	50	50
An Gia Phu Thuan Real Estate Investment Company Limited ("Phu Thuan") (ii)			49.90	49.90	100	100

(i) The Company has been authorised by Mr Nguyen Ba Sang in relation to authorisation for the Company 0.1% voting right in CRE & AGI's equity in accordance with the Power of Attorney dated 15 July 2015. As a result, in accordance with the Company charter of CRE & AGI, the Company holds over 50% voting rights in CRE & AGI and became the parent company of CRE & AGI.

(ii) Phu Thuan was an indirect subsidiary which owned 100% interest by CRE & AGI.

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

## **2. BASIS OF PREPARATION**

### **2.1 Accounting standards and system**

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

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

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

### **2.2 Applied accounting documentation system**

The applied accounting documentation system is General Journal system.

### **2.3 Fiscal year**

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

### **2.4 Accounting currency**

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

### **2.5 Basis of consolidation**

The interim consolidated financial statements comprise the financial statements of the parent company and its subsidiaries for the six-month period ended 30 June 2019.

Subsidiary is 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 subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies.

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

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

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



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

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### 3.1 *Cash and cash equivalents*

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

#### 3.2 *Held-to-maturity investments*

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

#### 3.3 *Inventories*

##### *Inventory properties*

Inventory properties, comprising mainly real estate properties, 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 and is measured at the lower of cost and net realisable value.

Cost includes:

- Land use rights;
- Interest expense is capitalised;
- Construction and development costs; and
- 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 interim balance sheet 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 recognised in the interim consolidated income statement 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

#### 3.4 *Receivables*

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

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

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

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

**3.5 Tangible fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation.

The cost of a tangible fixed asset comprises its purchase price and any directly attributable costs of bringing the tangible fixed asset to working condition for its intended use. Expenditures for additions, improvements and renewals are added to the carrying amount of the assets and expenditures for maintenance and repairs are charged to the interim consolidated income statement as incurred.

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

**3.6 Intangible fixed assets**

Intangible fixed assets are stated at cost less accumulated amortisation.

The cost of an intangible fixed asset comprises its purchase price and any directly attributable costs of preparing the intangible fixed asset for its intended use. Expenditures for additions, improvements are added to the carrying amount of the assets and other expenditures are charged to the interim consolidated income statement as incurred.

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

**3.7 Depreciation and amortisation**

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

Means of transportation	8 years
Office equipment	3 - 8 years
Other tangible fixed assets	5 years
Computer software	3 years
Other intangible fixed assets	3 years

**3.8 Investment properties**

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

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

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

Apartment for lease	40 years
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Investment properties are derecognised when either they have been disposed of or when the investment properties are permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the assets is recognised in the interim consolidated income statement in the period of retirement or disposal.

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



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

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

**3.9 Borrowing costs**

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds and recorded as expense during the year in which they are incurred.

Borrowing costs are recorded as expense during the period in which they are incurred.

**3.10 Prepaid expenses**

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

The following types of expenses are recorded as prepaid expenses and are amortised from 1 to 3 years or recognised matching with revenue to the interim consolidated income statement.

- Tools and consumables with large value and can be used for more than one year;
- Office rental;
- Sample house expense; and
- Commission fees.

**3.11 Investments**

*Investments in associates*

The Group's investments in its associate are accounted for using the equity method of accounting. An associate is an entity in which the Group has significant influence that is neither subsidiaries nor joint venture. The Group generally deems they have significant influence if they have from and above 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 use the same accounting policies as the Group. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

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

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

*Provision for diminution in value of investments*

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

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**3.11 Investments (continued)**

*Held-to-maturity investments*

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

**3.12 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.

**3.13 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.

Provision for warranty obligation of apartments is estimated at from 1% to 2% on value of construction costs of projects based on different features of projects and the management's actual experience.

**3.14 Foreign currency transactions**

Transactions in currencies other than the Group's reporting currency of VND are recorded at the actual transaction exchange rates at transaction dates which are determined as follows:

- Transaction resulting in receivables are recorded at the buying exchange rates of the commercial banks designated for collection; and
- Transactions resulting in liabilities are recorded at the selling exchange rates of the commercial banks designated for payment

At the end of the period, monetary balances denominated in foreign currencies are translated at the actual exchange rates at the interim balance sheet date which are determined as follows:

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

All foreign exchange differences incurred are taken to the interim consolidated income statement.

**3.15 Appropriation of net profits**

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

**3.16 Earnings per share**

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

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

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

**3.16 Earnings per share (continued)**

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 period plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

**3.17 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 completed property*

A property is regarded as sold when the significant risks and returns have been transferred to the buyer, which is normally on unconditional exchange of contracts. For conditional exchanges, sales are recognised only when all the significant conditions are satisfied.

*Rendering of brokerage service, consultation service and other services*

Revenue is recognised when rendering services is rendered and completed.

*Interest income*

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

*Dividends*

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

**3.18 Taxation**

*Current income tax*

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

Current income tax is charged or credited to the interim consolidated income statement, except when it relates to items recognised directly to equity, in which case the deferred 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 interim balance sheet date between the tax base of assets and liabilities and their carrying amount for interim consolidated financial reporting purposes.

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

**3.18 Taxation (continued)**

*Deferred tax (continued)*

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 interim 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 income tax assets are re-assessed at each interim 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 interim balance sheet date.

Deferred tax is charged or credited to the interim consolidated income statement, except when it relates to items recognised directly to equity, in which case the deferred income 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 on the same taxable entity by the same taxation entity or when the Group intends either settle current tax liabilities and assets on a net basis or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

**3.19 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. As the Group's revenue and profit are derived mainly from real estate business in Vietnam while other sources of revenue are not material as a whole, the management accordingly believed that the Group operates in a sole business segment of real estate. Geographical segment of the Group is in Vietnam only. Accordingly, segment information is not presented.

**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.

# An Gia Real Estate Investment and Development Corporation B09a-DN/HN

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

## 4. CASH AND CASH EQUIVALENTS

	VND	
	30 June 2019	31 December 2018
Cash on hand	1,065,884,759	502,646,706
Cash at banks	20,090,088,433	273,760,590,645
Cash equivalents	-	56,788,000,000
<b>TOTAL</b>	<b><u>21,155,973,192</u></b>	<b><u>331,051,237,351</u></b>

## 5. HELD TO MATURITY INVESTMENTS

	VND	
	30 June 2019	31 December 2018
Short-term - Deposits in commercial banks (Note 5.1)	158,113,701,731	215,509,602,646
Long-term - Investments in the redeemable preference shares ("RPS") (Note 5.2)	189,849,350,000	-
<b>TOTAL</b>	<b><u>347,963,051,731</u></b>	<b><u>215,509,602,646</u></b>

### 5.1 Short-term held-to-maturity investments

This amount represents short-term deposits at commercial banks with original maturity from six (6) to eight (8) months and earn interest at the rate from 4.5% to 5.7% per annum.

The bank deposits at Military Commercial Joint Stock Bank amounting to VND 20,000,000,000 were pledged as collateral for short term loans of the members of the management of the Group, approved by the Decision of Board of Directors No. 15/2018/QD-HDQT-PL dated 25 December 2018.

### 5.2 Long-term held-to-maturity investments

This amount represents the investments in the RPS which were issued by the related parties. Details are as follow:

Company	As at 30 June 2019	
	No. of shares	Value VND
Hoang An Consultant Joint Stock Company ("Hoang An")	6,209,980	62,099,800,000
AGI & DDC Consultant Joint Stock Company ("AGI & DDC")	4,605,684	46,056,840,000
AGI & GLC Consultant Joint Stock Company ("AGI & GLC")	4,585,797	45,857,970,000
AGI & HVC Consultant Joint Stock Company ("AGI & HVC")	3,583,474	35,834,740,000
<b>TOTAL</b>		<b><u>189,849,350,000</u></b>

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

**5. HELD TO MATURITY INVESTMENTS**

**5.2 Long-term held-to-maturity investments (continued)**

The terms and conditions relevant to the RPS which were issued by Hoang An, AGI & DDC, AGI & GLC, AGI & HVC ("the issuers") are as follows:

- The redeemable preference shareholders are not entitled to vote at the Annual General Meeting of the issuers;
- At any time, subject to compliance with the Laws and provided that all the bank loans of the issuers have been repaid or prepaid in full, each redeemable preference shareholders will have the right at its option, to require the issuers to redeem all or part of its RPS on the put redeemable date at the redemption price;
- The issuers upon giving notice as hereinafter provided, may redeem all, or from time to time any part, of the outstanding RPS, at the option of the issuers, without the consent of the redeemable preference shareholders on the put redeemable date which noted in the term of RPS;
- So long as any of the RPS are outstanding, the issuers shall at any time, without the approval of the redeemable preference shareholders holding at least 80% of the outstanding RPS (i) not declare, pay or set apart for the payment any dividend on its ordinary shares; (ii) not redeem or purchase any ordinary shares; and (iii) not issue any new shares at any time;
- For any dividend payment period where the issuers declare and pays dividends to its ordinary shareholders, the redeemable preference shareholders shall also be entitled to receive and the issuers shall pay thereon dividends payable annually as calculated from time to time ("floating dividend"); and
- In the case of liquidation or dissolution of the issuers or any distribution of assets of the issuers for the purpose of winding up its affairs, each redeemable preference shareholders shall be entitled to the highest priority to receive the sum of the par value for such RPS, together with all dividends declared and unpaid to the date of distribution, before any amounts shall be paid or any assets of the issuers shall be distributed to the holders of any outstanding shares of the issuers other than the RPS, subject to any distributions which are ranked in the higher priority by law. The redeemable preference shareholders shall not be entitled to share in any further distribution of the property or assets of the issuers.

**6. SHORT-TERM TRADE RECEIVABLES**

	VND	
	30 June 2019	31 December 2018
Trade receivables from customers	196,715,475,541	59,007,064,140
<i>Thien An Management and Development Ltd.</i>	96,808,506,162	-
( <i>"Thien An"</i> )		
<i>Gia Hung Real Estate Investment and</i>	67,527,450,676	-
<i>Development Company Limited ("Gia Hung")</i>		
<i>Individual customers buying apartments</i>	32,379,518,703	59,007,064,140
Trade receivables from related parties ( <i>Note 28</i> )	25,553,301,041	35,103,241,394
<b>TOTAL</b>	<b><u>222,268,776,582</u></b>	<b><u>94,110,305,534</u></b>

# An Gia Real Estate Investment and Development Corporation B09a-DN/HN

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

## 7. SHORT-TERM ADVANCES TO SUPPLIERS

	VND	
	30 June 2019	31 December 2018
Tan Viet Phat Joint Stock Company	11,283,911,170	11,283,911,170
Redder Advertising Joint Stock Company	5,488,571,899	6,003,956,859
Tan Binh Investment and Construction Corporation	5,000,000,000	5,000,000,000
Redder Advertising Asia Joint Stock Company	4,955,254,878	4,955,254,878
Others	711,129,033	1,477,057,028
<b>TOTAL</b>	<b><u>27,438,866,980</u></b>	<b><u>28,720,179,935</u></b>

## 8. LOAN RECEIVABLES

	VND	
	30 June 2019	31 December 2018
<b>Short-term</b>	<b>588,494,669,000</b>	<b>649,742,000,000</b>
Loan to related parties (Note 28)	420,391,500,000	1,000,000,000
Loans to other parties	168,103,169,000	648,742,000,000
<b>Long-term</b>	<b>228,146,000,000</b>	<b>189,842,228,979</b>
Loan to related parties (Note 28)	228,146,000,000	189,842,228,979
<b>TOTAL</b>	<b><u>816,640,669,000</u></b>	<b><u>839,584,228,979</u></b>

Details of unsecured loans receivables from related parties as follows:

Borrower	30 June 2019 VND	Repayment term of principal	Interest rate % p.a.
<b>Short-term</b>	<b>588,494,669,000</b>		
Loan to related parties	420,391,500,000		
Hoang An	294,640,000,000	16 January 2020	11
Kien Van Consultant Joint Stock Company ("Kien Van")	61,520,000,000	From 15 January 2020 to 13 March 2020	11
Dang Duong Real Estate Development Corporation ("Dang Duong")	50,000,000,000	27 November 2019	6.25
AGI & ACT Consultant Joint Stock Company ("AGI & ACT")	10,200,000,000	From 14 March 2020 to 26 April 2020	6
Other related parties	4,031,500,000	From 12 October 2019 to 1 April 2020	6 - 10
Loans to other parties	168,103,169,000		
Thien An	160,217,169,000	From 26 December 2019 to 27 June 2020	6 - 11
Other companies	7,886,000,000	From 20 November 2019 to 28 November 2019	6 - 11
<b>Long-term – Related parties</b>	<b>228,146,000,000</b>		
AGI & HSR Consultant Joint Stock Company ("AGI & HSR")	174,250,000,000	16 June 2022	5
Hoang An	50,000,000,000	1 July 2021	11
Nam Hung Real Estate Corporation ("Nam Hung")	3,896,000,000	1 January 2021	10
<b>TOTAL</b>	<b><u>816,640,669,000</u></b>		

# An Gia Real Estate Investment and Development Corporation B09a-DN/HH

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

## 9. OTHER RECEIVABLES

	VND	
	30 June 2019	31 December 2018
<b>Short-term</b>	<b>271,707,635,913</b>	<b>177,473,172,227</b>
Advance for investments	138,000,000,000	130,000,000,000
AGI & ACT (i)	130,000,000,000	130,000,000,000
Dinh Truong Real Estate Investment Limited ("Dinh Truong")	8,000,000,000	-
Receivable from transferring of share - Gia Khanh Management and Development Corporation ("Gia Khanh")	104,820,000,000	-
Interest receivables	18,200,272,553	13,883,501,254
Others	10,687,363,360	33,589,670,973
<b>Long-term</b>	<b>23,561,498,177</b>	<b>79,172,963,804</b>
Interest receivables	19,447,813,457	13,349,279,084
Lending	2,000,000,000	63,700,000,000
Deposits	2,113,684,720	2,123,684,720
<b>TOTAL</b>	<b>295,269,134,090</b>	<b>256,646,136,031</b>
Provision for doubtful short-term receivables	(1,610,000,000)	(1,610,000,000)
<b>NET</b>	<b>293,659,134,090</b>	<b>255,036,136,031</b>
<i>In which:</i>		
Short-term receivables from related parties (Note 28)	259,294,268,544	154,740,902,521
Long-term receivables from related parties (Note 28)	20,475,414,553	77,049,279,084
Due from other parties	13,889,450,993	23,245,954,426

- (i) Advance for investment represent the amount that the Group make deposit for AGI & ACT Consultant Joint Stock Company - a related party to purchase shares of Think Phat Management and Development Joint Stock Company ("Think Phat") in accordance with Memo of transferring of shares dated 29 October 2018.

## 10. INVENTORIES

	VND	
	30 June 2019	31 December 2018
Property inventories available for sale (*)	11,792,762,539	51,541,275,248
An Gia Skyline	7,702,146,006	43,192,113,189
An Gia Riverside	4,090,616,533	8,349,162,059
Merchandise	885,714,386	1,253,568,174
<b>TOTAL</b>	<b>12,678,476,925</b>	<b>52,794,843,422</b>

- (\*) Property inventories are pledged as collaterals for the short-term loan from Viet Capital Commercial Bank (Note 20.2).



# An Gia Real Estate Investment and Development Corporation B09a-DN/HN

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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## 11. PREPAID EXPENSES

	VND	
	30 June 2019	31 December 2018
<b>Short-term</b>	<b>3,935,687,328</b>	<b>12,222,120,310</b>
Rental fee of advertising panels	2,932,978,305	11,852,529,303
Tools and supplies	906,346,115	186,841,093
Others	96,362,908	182,749,914
<b>Long-term</b>	<b>13,839,153,854</b>	<b>13,746,587,089</b>
Office rental	10,331,800,913	12,987,678,105
Brand development cost	3,028,779,399	278,763,891
Tools and supplies	294,099,099	292,577,915
Others	184,474,443	187,567,178
<b>TOTAL</b>	<b><u>17,774,841,182</u></b>	<b><u>25,968,707,399</u></b>

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as at 30 June 2019 and for the six-month period then ended

## 12. TANGIBLE FIXED ASSETS

	Means of transportation	Office equipment	Others	VND Total
<b>Cost</b>				
As at 31 December 2018	11,400,527,273	830,079,500	-	12,230,606,773
New purchase	3,688,900,000	77,000,000	160,000,000	3,925,900,000
Disposal	(1,517,436,364)	-	-	(1,517,436,364)
As at 30 June 2019	<u>13,571,990,909</u>	<u>907,079,500</u>	<u>160,000,000</u>	<u>14,639,070,409</u>
<i>In which:</i>				
Fully depreciated	-	556,724,500	-	556,724,500
<b>Accumulated depreciation</b>				
As at 31 December 2018	(4,693,784,742)	(732,973,318)	-	(5,426,758,060)
Depreciation for the period	(814,412,409)	(42,980,517)	(10,666,668)	(868,059,594)
Disposal	683,747,175	-	-	683,747,175
As at 30 June 2019	<u>(4,824,449,976)</u>	<u>(775,953,835)</u>	<u>(10,666,668)</u>	<u>(5,611,070,479)</u>
<b>Net carrying amount</b>				
As at 31 December 2018	6,706,742,531	97,106,182	-	6,803,848,713
As at 30 June 2019	<u>8,747,540,933</u>	<u>131,125,665</u>	<u>149,333,332</u>	<u>9,027,999,930</u>
<i>In which:</i>				
Pledged as loans security (Note 20.4)	3,240,000,000	-	-	3,240,000,000

# An Gia Real Estate Investment and Development Corporation B09a-DN/HN

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

## 13. INVESTMENT PROPERTIES

	VND
	<i>Apartments for lease</i>
<b>Cost</b>	
As at 31 December 2018	45,373,128,896
Increase during the period	<u>385,234,178</u>
As at 30 June 2019	<u>45,758,363,074</u>
<b>Accumulated depreciation</b>	
As at 31 December 2018	(429,031,052)
Depreciation for the period	<u>(345,284,141)</u>
As at 30 June 2019	<u>(774,315,193)</u>
<b>Net carrying amount</b>	
As at 31 December 2018	<u>44,944,097,844</u>
As at 30 June 2019	<u>44,984,047,881</u>

### *Additional disclosures:*

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

	VND	
	<i>For the six-month period ended 30 June 2019</i>	<i>For the six-month period ended 30 June 2018 (Unreviewed)</i>
Rental income from investment properties	499,066,257	458,569,968
Direct operating expenses of investment properties that generated rental income during the period	413,790,151	97,919,432

The future annual rental receivable under the operating leases is disclosed in Note 29.

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

Investment properties are pledged as collaterals for the short-term loan from Viet Capital Commercial Bank (Note 20.2).

## 14. LONG-TERM INVESTMENTS

	VND	
	<i>30 June 2019</i>	<i>31 December 2018</i>
Investments in associates (Note 14.1)	3,402,483,809	-
Investments in other entity (Note 14.2)	141,248,500,000	129,248,500,000
Held-to-maturity investments (Note 5.2)	<u>189,849,350,000</u>	<u>-</u>
<b>TOTAL</b>	<u><b>334,500,333,809</b></u>	<u><b>129,248,500,000</b></u>

# An Gia Real Estate Investment and Development Corporation B09a-DN/HN

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

## 14. LONG-TERM INVESTMENTS (continued)

### 14.1 Investments in associates

Name	Operating	Status	30 June 2019	
			% Voting right (%)	Value (VND)
AGI & GLC	} Consult operation and finance management }	Operation	30.01	987,273,944
AGI & DDC			30.01	879,567,341
AGI & HVC			30.01	860,492,524
Gia Khánh			33.76	675,150,000
AGI & HSR (i)			50.05	-
Kien Van			49	-
Hoang An			45.01	-
<b>TOTAL</b>				<b><u>3,402,483,809</u></b>

(i) In accordance with the Company charter of AGI & HSR, Hoosiers VN-1 Limited ("Hoosiers") has majority voting rights in the Board of Directors of AGI & HSR. Accordingly, AGI & HSR is not subsidiary of the Company.

As at 30 June 2019, 22,500 shares, equivalent to 30% equity interest of AGI & HSR owned by the Company were pledged as collateral for the short-term and long-term loans with Hoosiers (Note 20.3).

Detail of investments in associates are as follows:

	VND
	Total
<b>Cost of investment:</b>	
As at 31 December 2018	750,750,000
Increase during the period	<u>3,660,800,000</u>
As at 30 June 2019	<u>4,411,550,000</u>
<b>Accumulated share in post-acquisition profit of the associates:</b>	
As at 31 December 2018	(750,750,000)
Share loss of the associates for the period	<u>(258,316,191)</u>
As at 30 June 2019	<u>(1,009,066,191)</u>
<b>Net carrying amount:</b>	
As at 31 December 2018	<u>-</u>
As at 30 June 2019	<u><u>3,402,483,809</u></u>

# An Gia Real Estate Investment and Development Corporation B09a-DN/HN

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

## 14. LONG-TERM INVESTMENTS (continued)

### 14.2 Investments in other entities

Name	Business activities	Status	As at 30 June 2019		As at 31 December 2018	
			% Voting right (%)	Cost of investment (VND'000)	% Voting right (%)	Cost of investment (VND'000)
AGI & ACT (*)	Consult operation and investment	Operating	-	129,248,500	-	129,248,500
Dinh Truong	Real estate investment	Operating	10	12,000,000	-	-
<b>TOTAL</b>				<b>141,248,500</b>		<b>129,248,500</b>

(\*) The investment in AGI & ACT in form of RPS with terms and conditions are as follows:

- The redeemable preference shareholders are not entitled to vote at the Annual General Meeting of AGI & ACT;
- At any time, subject to compliance with the Laws and provided that all the bank loans of AGI & ACT have been repaid or prepaid in full, each redeemable preference shareholders will have the right at its option, to require AGI & ACT to redeem all or part of its RPS on the put redeemable date at the redemption price;
- AGI & ACT upon giving notice as hereinafter provided, may redeem all, or from time to time any part, of the outstanding RPS, at the option of AGI & ACT, without the consent of the redeemable preference shareholders, to be stipulated an amount in cash for each such RPS to be redeemed at the redemption price;
- So long as any of the RPS are outstanding, AGI & ACT shall not at any time, without the approval of the redeemable preference shareholders holding at least 80% of the outstanding RPS (i) not declare, pay or set apart for the payment any dividend on its ordinary shares; (ii) not redeem or purchase any ordinary shares; and (iii) not issue any new shares at any time;
- For any dividend payment period where AGI & ACT declares and pays dividends to its ordinary shareholders, the redeemable preference shareholders shall also be entitled to receive and AGI & ACT shall pay thereon dividends payable annually as calculated from time to time ("floating dividend"); and
- In the case of liquidation or dissolution of AGI & ACT or any distribution of assets of AGI & ACT for the purpose of winding up its affairs, each redeemable preference shareholders shall be entitled to the highest priority to receive the sum of the par value for such RPS, together with all dividends declared and unpaid to the date of distribution, before any amounts shall be paid or any assets of AGI & ACT shall be distributed to the holders of any outstanding shares of AGI & ACT other than the RPS, subject to any distributions which are ranked in the higher priority by law. The redeemable preference shareholders shall not be entitled to share in any further distribution of the property or assets of AGI & ACT.

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as at 30 June 2019 and for the six-month period then ended

## 15. SHORT-TERM TRADE PAYABLES

	VND	
	30 June 2019	31 December 2018
Trade payables to suppliers	118,060,434,868	168,241,726,462
- <i>Ricons Construction Investment Joint Stock Company</i>	111,549,537,641	162,851,993,025
- <i>Other suppliers</i>	6,510,897,227	5,389,733,437
Trade payables to a related party (Note 28)	606,858,692	1,154,023,071
<b>TOTAL</b>	<b>118,667,293,560</b>	<b>169,395,749,533</b>

## 16. SHORT-TERM ADVANCES FROM CUSTOMERS

	VND	
	30 June 2019	31 December 2018
Advance from other parties	169,485,028,133	133,551,668,672
- <i>Covestcons Company Limited (i)</i>	130,000,000,000	130,000,000,000
- <i>Thien An (ii)</i>	37,000,000,000	-
- <i>Individual customers purchasing apartments</i>	2,485,028,133	3,551,668,672
Advance from a related party (Note 28)	30,000,000,000	-
<b>TOTAL</b>	<b>199,485,028,133</b>	<b>133,551,668,672</b>

(i) This amount represents the advance for purchasing apartments of An Gia Skyline and An Gia Riverside in accordance to Contract of transfer agreement dated 29 September 2018.

(ii) This amount represents the advance for implementing consultant service in accordance to Contract of Consultant service No. 0101/2019/HDNT/AGI-TA dated 1 January 2019.

## 17. STATUTORY OBLIGATION

	VND			
	31 December 2018	Increase in period	Decrease in period	30 June 2019
Corporate income tax	141,226,114,053	16,471,577,429	(141,226,114,053)	16,471,577,429
Value added tax	132,078,745	16,479,337,159	(15,438,259,544)	1,173,156,360
Personal income tax	367,339,263	4,349,329,560	(4,219,071,386)	497,597,437
Others	-	520,709,360	(387,818,421)	132,890,939
<b>TOTAL</b>	<b>141,725,532,061</b>	<b>37,820,953,508</b>	<b>(161,271,263,404)</b>	<b>18,275,222,165</b>

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

## 18. SHORT-TERM ACCRUED EXPENSES

	VND	
	30 June 2019	31 December 2018
Land use rights expenses	29,260,746,522	29,260,746,522
Interest expenses	9,311,598,853	7,100,809,637
Late payment expenses	3,972,138,800	3,972,138,800
Consulting and commission expenses	3,192,327,358	14,270,151,441
Legal fee	2,840,000,000	2,940,000,000
Bonus to employees	1,785,139,854	8,000,000,000
Payables to constructors	642,393,729	1,012,464,729
Others	1,378,249,388	2,761,977,545
<b>TOTAL</b>	<b><u>52,382,594,504</u></b>	<b><u>69,318,288,674</u></b>
<i>In which:</i>		
<i>Due to other parties</i>	40,305,715,016	55,199,770,069
<i>Due to related parties (Note 28)</i>	12,076,879,488	14,118,518,605

## 19. SHORT-TERM UNEARNED REVENUES

Balance represents the unrealised profit relating to brokerage and consultant services rendered to An Gia Phu Thinh Joint Stock Company ("Phu Thinh"). As at 30 June 2019, the Group's associate was AGI & HSR, which owned 99.998% interest in Phu Thinh. Accordingly, Phu Thinh was an indirect associate of the Group.

## 20. LOANS

	VND	
	30 June 2019	31 December 2018
<b>Short-term</b>	<b>397,377,442,251</b>	<b>255,375,757,397</b>
Short-term loans from related parties (Note 20.1)	306,568,842,251	254,536,957,397
Short-term loans from a bank (Note 20.2)	89,770,000,000	-
Current portion of loans from banks (Note 20.4)	1,038,600,000	838,800,000
<b>Long-term</b>	<b>109,362,050,000</b>	<b>107,143,400,000</b>
Long-term loan from a related party (Note 20.3)	107,262,800,000	106,904,000,000
Long-term loans from banks (Note 20.4)	2,099,250,000	239,400,000
<b>TOTAL</b>	<b><u>506,739,492,251</u></b>	<b><u>362,519,157,397</u></b>

*Movement of loans are as follows:*

	VND	
	For the six-month period ended 30 June 2019	For the six-month period ended 30 June 2018 (Unreviewed)
As at 1 January	362,519,157,397	329,486,700,000
Drawdown of borrowings	590,827,684,854	179,974,304,882
Repayment of borrowings	(447,102,150,000)	(227,664,868,515)
Foreign exchange differences	494,800,000	-
As at 30 June	<u>506,739,492,251</u>	<u>281,796,136,367</u>

# An Gia Real Estate Investment and Development Corporation B09a-DN/HN

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

## 20. LOANS (continued)

### 20.1 Short-term loans from related parties

Lender	30 June 2019	Principal repayment term	Interest	Purpose
	VND		% p.a.	
Phu Thinh - Loan 1	117,000,000,000	4 June 2020	11	Finance working capital
Phu Thinh - Loan 2	103,982,690,679	31 July 2019	11	
Phu Thinh - Loan 3	54,086,151,572	31 May 2020	11	
Phu Thinh - Loan 4	25,000,000,000	10 April 2020	11	
Thinh Phat	5,000,000,000	5 May 20019	11	
Gia Khanh	<u>1,500,000,000</u>	26 June 2020	6	
<b>TOTAL</b>	<b><u>306,568,842,251</u></b>			

### 20.2 Short-term loans from a bank

Bank	30 June 2019	Principal repayment term	Interest	Purpose
	VND		% p.a.	
Viet Capital Commercial Bank (*)	<u>89,770,000,000</u>	From 30 September 2019 to 30 December 2019	11.2 - 11.5	Finance working capital

(\*) This loan is pledged by the inventory properties and investment properties owned by the Group.

### 20.3 Long-term loans from a related party

Lender	30 June 2019		Principal repayment term	Interest	Purpose
	VND	Original currency – US Dollar ("USD")		% p.a.	
Hoosiers (i)	<u>107,262,800,000</u>	<u>4,600,000</u>	5 June 2022	5	Finance working capital

(i) This loan is pledged by 22,500 shares, is equivalent to 30% charter capital of AGI & HSR - Associate (Note 14.2).



# An Gia Real Estate Investment and Development Corporation B09a-DN/HN

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

## 20. LOANS (continued)

### 20.4 Long-term loans from banks

Bank	30 June 2019 VND	Principal repayment term	Interest rate % p.a.	Description of collaterals	Purpose
United Overseas Bank	2,659,050,000	From 5 July 2020 to 5 March 2024	8.25	Means of transportation	Purchase of means of transportation
<i>In which:</i>					
Current portion of long-term loans	559,800,000				
Long-term loans	2,099,250,000				
Vietnam Joint Stock Commercial Bank for Industry and Trade	478,800,000	From 27 July 2019 to 27 June 2020	10.5	Means of transportation	Purchase of means of transportation
<i>In which:</i>					
Current portion of long-term loans	<u>478,800,000</u>				
<b>TOTAL</b>	<b><u>3,137,850,000</u></b>				
<i>In which:</i>					
Current portion of long-term loans	1,038,600,000				
Long-term loans	2,099,250,000				

## 21. LONG-TERM PROVISIONS

The balance represents the provision for apartment warranty for apartments completed and handed over as at the balance sheet date at range from 1% to 2% of construction cost, based on different features of projects and the management's practical experience.

## An Gia Real Estate Investment and Development Corporation

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

### 22. OWNERS' EQUITY

#### 22.1 Increase and decrease in owners' equity

	Share capital	Share premium	Undistributed earnings	Non-controlling interests	Total	VND
<b>For the six-month period ended 30 June 2018 (Unreviewed)</b>						
As at 31 December 2017	105,263,160,000	40,236,858,200	27,545,762,881	15,694,207,225	188,739,988,306	
Issuance of shares	-	-	-	40,000,000	40,000,000	
Dividend for non-controlling interest	-	-	-	(20,053,024,262)	(20,053,024,262)	
Decrease due to disposal of investment	-	-	-	3,749,276,248	3,749,276,248	
Net profit for the period	-	-	297,507,829,948	262,320,626,137	559,828,456,085	
As at 30 June 2018	105,263,160,000	40,236,858,200	325,053,592,829	261,751,085,348	732,304,696,377	
<b>For the six-month period ended 30 June 2019</b>						
As at 31 December 2018	450,000,000,000	71,420,018,200	277,686,315,642	40,240,855,016	839,347,188,858	
Issuance of shares under the Employee Stock Ownership Plan ("ESOP") (i)	18,200,000,000	18,200,000,000	-	-	36,400,000,000	
Dividend shares (ii)	231,800,000,000	-	(231,800,000,000)	-	-	
Capital contribution	-	-	-	124,800,300,000	124,800,300,000	
Dividend	-	-	-	(54,295,623,457)	(54,295,623,457)	
Net profit for the period	-	-	64,032,888,186	9,597,460,376	73,630,348,562	
As at 30 June 2019	700,000,000,000	89,620,018,200	109,919,203,828	120,342,991,935	1,019,882,213,963	

(i) On 20 March 2019, the Group issued additional 1,820,000 ordinary shares at the price of VND 20,000/share to its key executives under ESOP program according to the General Meeting Resolution No. 04/2019/QĐ-AGI-PL dated 20 March 2019. On 21 March 2019, the DPI of Ho Chi Minh City issued the 9<sup>th</sup> amended BRC approving the said increase of VND 18,200,000,000 in share capital.

(ii) On 28 March 2019, the Group issued 23,180,000 ordinary shares at the ratio of 49.5% to pay dividend of the year 2018 according to the General Meeting Resolution No. 05/2019/QĐ-AGI-PL dated 28 March 2019. On 29 March 2019, the DPI of Ho Chi Minh City issued the 10<sup>th</sup> amended BRC approving the said increase up to VND 700,000,000,000 in share capital.

# An Gia Real Estate Investment and Development Corporation B09a-DN/HN

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

## 22. OWNERS' EQUITY (continued)

### 22.2 Contributed charter capital

	30 June 2019			31 December 2018		
	Number of shares	Value VND'000	% Ownership	Number of shares	Value VND'000	% Ownership
Mr Nguyen Ba Sang	26,648,522	266,485,220	38.07	25,992,000	259,920,000	57.76
Creed Investment VN-1 Limited ("Creed")	13,455,788	134,557,880	19.22	9,000,000	90,000,000	20.0
Ms Nguyen Mai Giang	10,782,594	107,825,940	15.4	-	-	-
Mr Nguyen Trung Tin	5,412,212	54,122,120	7.73	3,420,000	34,200,000	7.6
Ms Nguyen Quynh Giang	5,113,212	51,132,120	7.31	3,420,000	34,200,000	7.6
Other shareholders	8,587,672	85,876,720	12.27	3,168,000	31,680,000	7.04
<b>TOTAL</b>	<b>70,000,000</b>	<b>700,000,000</b>	<b>100</b>	<b>45,000,000</b>	<b>450,000,000</b>	<b>100</b>

Par value of share: VND 10,000/share. Shareholders holding common shares of the Company are entitled to receive dividends declared by the Company. Each common stock represents a voting right, without restriction.

### 22.3 Capital transactions with owners

	VND	
	For the six-month period ended 30 June 2019	For the six-month period ended 30 June 2018 (Unreviewed)
<b>Contributed capital</b>		
As at 1 January	450,000,000,000	105,263,160,000
Dividend shares	231,800,000,000	-
Issuance of shares under the ESOP	18,200,000,000	-
As at 30 June	<u>700,000,000,000</u>	<u>105,263,160,000</u>
<b>Dividends declared during the period</b>		
<i>Dividends on ordinary shares</i>		
Dividends by share declared	231,800,000,000	5,263,160,000
Dividends paid to non-controlling interests	286,447,875,270	20,012,998,000

### 22.4 Shares

	Number of shares	
	30 June 2019	31 December 2018
Authorised shares	70,000,000	45,000,000
Issued shares		
<i>Issued and paid-up shares</i>		
Ordinary shares	70,000,000	45,000,000
Shares in circulation		
Ordinary shares	70,000,000	45,000,000

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

## 22. OWNERS' EQUITY (continued)

### 22.5 Earning per shares

Basic and diluted earnings per share are calculated as follows:

	<i>For the six-month period ended 30 June 2019</i>	<i>For the six-month period ended 30 June 2018 (Unreviewed)</i>
<b>Net profit attributable to ordinary shareholders (VND)</b>	<b>64,032,888,186</b>	<b>297,507,829,948</b>
Weighted average number of ordinary shares during the period (i)	<u>68,812,355</u>	<u>27,462,398</u>
<b>Weighted average number of ordinary shares adjusted for the effect of dilution</b>	<b><u>68,812,355</u></b>	<b><u>27,462,398</u></b>
<b>Earnings per share (VND)</b>		
Basic earnings per share	931	10,833
Diluted earnings per share	931	10,833

(i) The weighted average number of shares in circulation for the six-month period ended 30 June 2018 were adjusted to reflect the issuance dividend shares at ratio of 49.5% to the Company's existing shareholders in 2019.

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

## 23. REVENUE

### 23.1 Revenue from sale of goods and rendering of services

	<i>For the six-month period ended 30 June 2019</i>	<i>For the six-month period ended 30 June 2018 (Unreviewed)</i>
		VND
Revenue from sale of apartments	79,299,478,258	952,942,878,068
Rendering of consulting service	78,155,979,952	1,539,273,329
Rendering of brokerage service	26,058,694,386	3,669,441,819
Rendering of other services	1,925,797,318	2,854,218,956
Sale of others	-	3,184,215,860
<b>TOTAL</b>	<b><u>185,439,949,914</u></b>	<b><u>964,190,028,032</u></b>
<i>In which:</i>		
Sales to others	107,200,461,340	925,644,941,918
Sales to related parties	78,239,488,574	38,545,086,114

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## 23. REVENUE (continued)

### 23.2 Finance income

	VND	
	<i>For the six-month period ended 30 June 2019</i>	<i>For the six-month period ended 30 June 2018 (Unreviewed)</i>
Interest income	37,426,998,443	5,973,851,275
Gain from disposal of investments	-	11,354,062,335
Others	493,290,668	-
<b>TOTAL</b>	<b><u>37,920,289,111</u></b>	<b><u>17,327,913,610</u></b>

## 24. COST OF GOODS SOLD AND SERVICES RENDERED

	VND	
	<i>For the six-month period ended 30 June 2019</i>	<i>For the six-month period ended 30 June 2018 (Unreviewed)</i>
Cost of apartments sold	39,777,326,631	582,231,500,963
Cost of consultant service rendered	10,630,621,577	-
Cost of brokerage service rendered	10,160,131,341	4,472,854,740
Cost of other services rendered	2,476,482,597	1,745,926,697
Cost of others	106,500,000	4,423,326,177
<b>TOTAL</b>	<b><u>63,151,062,146</u></b>	<b><u>592,873,608,577</u></b>

## 25. FINANCE EXPENSES

	VND	
	<i>For the six-month period ended 30 June 2019</i>	<i>For the six-month period ended 30 June 2018 (Unreviewed)</i>
Interest expenses	17,482,428,803	7,138,793,485
Foreign exchange losses	494,769,333	39,610,000
Payment discount	-	1,359,810,728
Others	1,235,743,597	51,007,966
<b>TOTAL</b>	<b><u>19,212,941,733</u></b>	<b><u>8,589,222,179</u></b>

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

**26. SELLING EXPENSES AND GENERAL AND ADMINISTRATIVE EXPENSES**

	VND	
	<i>For the six-month period ended 30 June 2019</i>	<i>For the six-month period ended 30 June 2018 (Unreviewed)</i>
<b>Selling expenses</b>	<b>1,532,707,586</b>	<b>42,776,899,483</b>
Advertising and marketing fees	1,451,303,494	985,355,870
Commission and sample house expenses	-	40,722,957,718
Others	81,404,092	1,068,585,895
<b>General and administrative expenses</b>	<b>45,651,438,560</b>	<b>39,713,987,264</b>
External services expenses	23,875,491,823	4,900,320,943
Labor cost	18,352,571,304	25,579,032,759
Depreciation and amortisation expenses	936,134,606	991,928,622
Tools and supplies	348,970,529	532,069,267
Others	2,138,270,298	7,710,635,673
<b>TOTAL</b>	<b><u>47,184,146,146</u></b>	<b><u>82,490,886,747</u></b>

**27. CORPORATE INCOME TAX**

The CIT rate applicable to the Group is 20% of taxable income.

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

**27.1 CIT expense**

	VND	
	<i>For the six-month period ended 30 June 2019</i>	<i>For the six-month period ended 30 June 2018 (Unreviewed)</i>
Current tax expense	16,471,577,429	137,618,359,002
Deferred tax expense (income)	2,557,772,125	(4,346,637,180)
<b>TOTAL</b>	<b><u>19,029,349,554</u></b>	<b><u>133,271,721,822</u></b>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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**27. CORPORATE INCOME TAX (continued)**

**27.1 CIT expense (continued)**

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

	VND	
	<i>For the six-month period ended 30 June 2019</i>	<i>For the six-month period ended 30 June 2018 (Unreviewed)</i>
<b>Accounting profit before tax</b>	<b>92,659,698,116</b>	<b>693,100,177,907</b>
At CIT rate applicable to the Group	18,531,939,623	138,620,035,581
<i>Adjustments:</i>		
Non-deductible expenses	445,746,693	1,302,315,833
Share loss from associate	51,663,238	-
Change in profit/ loss on disposal of investments	-	(2,270,812,467)
Consolidated adjustments	-	(4,379,817,125)
<b>CIT expense</b>	<b>19,029,349,554</b>	<b>133,271,721,822</b>

**27.2 Current tax**

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

**27.3 Deferred tax**

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

	VND			
	<i>Interim consolidated balance sheet</i>		<i>Interim consolidated income statement</i>	
	<i>30 June 2019</i>	<i>31 December 2018</i>	<i>For the six-month period ended 30 June 2019</i>	<i>For the six-month period ended 30 June 2018 (Unreviewed)</i>
Unrealised profit	8,801,073,263	11,358,845,388	(2,557,772,125)	4,346,637,180
<b>Deferred tax assets</b>	<b>8,801,073,263</b>	<b>11,358,845,388</b>		
<b>Net deferred tax (charge) credit to interim consolidate income statement</b>			<b>(2,557,772,125)</b>	<b>4,346,637,180</b>

# An Gia Real Estate Investment and Development Corporation B09a-DN/HN

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

## 28. TRANSACTIONS WITH RELATED PARTIES

Significant transactions with related parties during the current period and previous period were as follows:

Related parties	Relationship	Transactions	VND	
			For the six-month period ended 30 June 2019	For the six-month period ended 30 June 2018 (Unreviewed)
Hoosiers	Shareholder	Loan repayment	186,056,000,000	-
		Dividends paid	8,911,570,000	-
		Interest expenses	5,633,452,934	2,619,268,252
AGI & ACT	Related party	Lending	10,200,000,000	65,932,500,000
Phu Thinh	Associate	Loan received	265,951,884,854	20,214,536,367
		Received on behalf	138,021,884,854	21,260,550,499
		Loan repayment	34,500,000,000	20,000,000,000
		Revenue from brokerage and consulting services	32,478,188,432	8,286,256,146
		Interest expenses	6,866,838,531	-
Creed	Shareholder	Interest expenses	54,187,248,959	4,296,857,459
		Dividend paid	44,557,880,000	20,012,998,000
		Loan repayment	-	38,709,000,000
Hoang An	Associate	Lending	392,640,000,000	-
		Purchasing of RPS	298,000,000,000	-
		Lending collecting	100,000,000,000	-
		Capital contribution	63,000,000,000	-
		Interest income	8,042,338,082	-
Kien Van	Associate	Lending	61,520,000,000	-
		Interest income	3,077,890,412	-
Dang Duong	Associate	Loan received	72,500,000,000	-
		Loan repayment	72,500,000,000	-
		Lending collecting	52,532,589,000	-
		Interest income	1,164,721,783	-
Gia Khanh	Associate	Transfer of shares	104,820,000,000	-
Gia Hung	Common key personnel	Sales of apartment	61,630,130,139	-
Thinh Phat	Related party	Loan received	5,000,000,000	-
Dinh Truong	Related party	Capital contribution	12,000,000,000	-
		Deposit for capital contribution	8,000,000,000	-
Gia Linh Real Estate Corporation ("Gia Linh")	Associate	Lending collecting	148,029,450,000	-
		Capital contribution	127,749,550,000	-
		Loan received	73,000,000,000	-
		Loan repayment	73,000,000,000	-
		Interest income	5,871,761,918	-
Hung Vuong Real estate Investment and Development Joint Stock Company	Associate	Lending	2,860,000,000	-
		Loan received	67,037,650,000	-
		Loan repayment	67,037,650,000	-
		Lending collecting	30,430,000,000	-
		Interest expenses	1,131,345,096	-



# An Gia Real Estate Investment and Development Corporation B09a-DN/HN

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

## 28. TRANSACTIONS WITH RELATED PARTIES (continued)

Significant transactions with related parties during the current period and previous period were as follows: (continued)

Related parties	Relationship	Transactions	VND	
			For the six-month period ended 30 June 2019	For the six-month period ended 30 June 2018 (Unreviewed)
AGI & DDC	Associate	Purchasing of RPS	46,056,840,000	-
		Lending collecting	18,790,000,000	-
AGI & GLC	Associate	Purchasing of RPS	45,857,970,000	-
		Lending collecting	18,790,000,000	-
AGI & HVC	Associate	Purchasing of RPS	35,834,740,000	-
		Lending collecting	18,775,000,000	-
		Loan received	2,000,000,000	-
		Loan repayment	2,000,000,000	-
Nam Hung	Common key personnel	Brokerage fee	15,888,024,649	10,941,110,595
Mr Nguyen Ba Sang	Chairman	Dividend paid	88,353,594,498	-
		Repayment of cash collected on behalf	85,000,000,000	-
		Lending Advance	4,381,922,028	4,941,804,882
			3,194,691,231	122,993,429,932
Ms Nguyen Mai Giang	Member of BOD	Dividend paid	35,705,940,000	-
		Lending	2,076,080,000	-
Mr Nguyen Trung Tin	Member of BOD	Borrowing	64,000,000,000	-
		Repayment of borrowing	64,000,000,000	-
		Repayment of cash collected on behalf	44,700,000,000	-
		Dividend paid	17,922,120,000	-
		Capital contribution received	7,533,772,000	18,206,521,705
		Lending	4,000,000,000	-
Ms Nguyen Quynh Giang	Member of BOD	Dividend paid	16,932,120,000	-
		Lending	1,000,000,000	-
		Sales of apartment	-	11,128,469,651
Ms Nguyen Huong Giang	Member of BOD	Dividend paid	8,713,560,000	-
		Advance	3,014,800,000	-
		Capital contribution received	1,000,000,000	-
Ms Ho Thi Nguyet Anh	Shareholder	Dividend paid	3,633,920,000	-
		Capital contribution received	1,000,000,000	-
Ms Vu Thi Thom	Related party	Sales of apartment	-	13,817,735,438

# An Gia Real Estate Investment and Development Corporation B09a-DN/HN

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

## 28. TRANSACTIONS WITH RELATED PARTIES (continued)

Amounts due from and due to related parties at the balance sheet dates were as follows:

Related parties	Relationship	Transactions	VND	
			30 June 2019	31 December 2018
<b>Short-term trade receivables</b>				
Mr Nguyen Ba Sang	Chairman	Sales of apartment	15,921,381,512	5,809,938,394
Mr Nguyen Trung Tin	Member of BOD	Sales of apartment	8,391,707,165	8,394,067,669
Phu Thinh	Associate	Rendering of services	778,477,950	8,968,302,064
Ms Nguyen Quynh Giang	Member of BOD	Sales of apartment	335,527,433	368,857,274
Ms Vu Thi Thom	Related party	Sales of apartment	126,206,981	11,562,075,993
			<b>25,553,301,041</b>	<b>35,103,241,394</b>
<b>Short-term loan receivable</b>				
Hoang An	Associate	Lending	294,640,000,000	-
Kien Van	Associate	Lending	61,520,000,000	-
Dang Duong	Associate	Lending	50,000,000,000	-
AGI & ACT	Related party	Lending	10,200,000,000	-
Gia Linh	Associate	Lending	2,860,000,000	-
Nam Hung	Common key personnel	Lending	1,000,000,000	1,000,000,000
An Gia Thinh Vuong Real Estate Investment Corporation ("Thinh Vuong")	Related party	Lending	171,500,000	-
			<b>420,391,500,000</b>	<b>1,000,000,000</b>
<b>Long-term loan receivables</b>				
AGI & HSR	Associate	Lending	174,250,000,000	174,250,000,000
Hoang An	Associate	Lending	50,000,000,000	-
Nam Hung	Common key personnel	Lending	3,896,000,000	3,896,000,000
Thinh Vuong	Related party	Lending	-	136,500,000
Mr Nguyen Ba Sang	Chairman	Lending	-	11,559,728,979
			<b>228,146,000,000</b>	<b>189,842,228,979</b>

# An Gia Real Estate Investment and Development Corporation B09a-DN/HN

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

## 28. TRANSACTIONS WITH RELATED PARTIES (continued)

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

Related parties	Relationship	Transactions	VND	
			30 June 2019	31 December 2018
<b>Other short-term receivables</b>				
AGI & ACT	Related party	Deposit	130,000,000,000	130,000,000,000
		Lending	-	10,000,000
Gia Khanh	Associate	Transfer of shares	104,748,000,000	-
		Lending	9,000,000	-
Hoang An	Associate	Interest income	8,042,338,082	-
Dinh Truong	Related party	Deposit	8,000,000,000	-
		Interest income	130,421,918	-
Kien Van	Associate	Interest income	3,077,890,412	-
		Lending	10,000,000	-
Dang Duong	Associate	Interest income	1,592,465,753	-
Ms Nguyen Mai Giang	Member of BOD	Lending	1,092,360,000	1,092,360,000
Nam Hung	Common key personnel	Interest income	1,051,056,438	779,200,000
Mr Nguyen Trung Tin	Member of BOD	Lending	480,000,000	2,000,000,000
		Maintenance fee	50,000,000	153,577,054
		Advance	-	151,500,002
AGI & DDC	Related party	Interest income	456,748,630	-
AGI & GLC	Related party	Interest income	456,748,630	-
Other related parties	Related party	Lending, advance, Interest income	97,238,681	20,554,265,465
			<b>259,294,268,544</b>	<b>154,740,902,521</b>
<b>Other long-term receivables</b>				
AGI & HSR	Associate	Interest income	18,133,354,623	13,349,279,084
Ms Ho Thi Nguyet Anh	Member of BOD	Lending	2,000,000,000	2,000,000,000
Mr Nguyen Ba Sang	Chairman	Interest income	342,059,930	-
		Lending	-	60,000,000,000
Ms Nguyen Huong Giang	Member of BOD	Lending	-	1,700,000,000
			<b>20,475,414,553</b>	<b>77,049,279,084</b>
<b>Short-term trade payable</b>				
Nam Hung	Common key personnel	Brokerage service	606,858,692	1,154,023,071
<b>Short-term advances from customers</b>				
Phu Think	Associate	Consultant service	30,000,000,000	-

# An Gia Real Estate Investment and Development Corporation B09a-DN/HN

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

## 28. TRANSACTIONS WITH RELATED PARTIES (continued)

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

Related parties	Relationship	Transactions	VND	
			30 June 2019	31 December 2018
<b>Short-term accrued expenses</b>				
Phu Thinh	Associate	Interest expenses	9,306,913,921	2,440,075,390
Nam Hung	Common key personnel	Brokerage service	2,765,280,635	7,017,708,968
Gia Khanh	Associate	Interest expenses	4,684,932	-
Hoosiers	Shareholder	Interest expenses	-	4,660,734,247
			<b>12,076,879,488</b>	<b>14,118,518,605</b>
<b>Other short-term payables</b>				
Ms Nguyen Huong Giang	Member of BOD	Borrowing	412,916,700	-
Creed	Shareholder	Dividend	-	231,826,198,627
Mr Nguyen Ba Sang	Chairman	Received on behalf	-	85,000,000,000
		Dividend	-	326,053,186
Mr Nguyen Trung Tin	Member of BOD	Received on behalf	-	44,700,000,000
		Payment on behalf of the Group	-	40,000,000
Phu Thinh	Associate	Deposit	-	3,414,347,911
Ms Nguyen Quynh Giang	Member of BOD	Payment on behalf	-	80,000,000
			<b>412,916,700</b>	<b>365,386,599,724</b>
<b>Short-term loans</b>				
Phu Thinh	Associate	Loan	300,068,842,251	68,616,957,397
Thinh Phat	Related party	Loan	5,000,000,000	-
Gia Khanh	Associate	Loan	1,500,000,000	-
Hoosiers	Shareholder	Loan	-	185,920,000,000
			<b>306,568,842,251</b>	<b>254,536,957,397</b>
<b>Long-term loans</b>				
Hoosiers	Shareholder	Loan	107,262,800,000	106,904,000,000

### Transactions with other related parties

Remuneration to members of the Board of Directors and Management:

	VND	
	For the six-month period ended 30 June 2019	For the six-month period ended 30 June 2018 (Unreviewed)
Salaries and bonus	7,924,314,683	6,413,439,830

# An Gia Real Estate Investment and Development Corporation B09a-DN/HN

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

## 29. COMMITMENTS

### *Operating lease commitment (lessor)*

The Group lets out commercial area under operating lease arrangement. The future minimum rental receivables as at the balance sheet dates under the operating lease agreements are as follows:


	VND	
	30 June 2019	31 December 2018
Less than 1 year	1,749,440,779	1,749,440,779
From 1 - 5 years	10,317,038,969	10,317,038,969
More than 5 years	11,066,884,612	11,066,884,612
<b>TOTAL</b>	<b><u>23,133,364,360</u></b>	<b><u>23,133,364,360</u></b>

### *Capital commitments*


As at 30 June 2019, the Group has a commitment of VND 106,478,700,000 (As at 31 December 2018: VND 5,998,800,000) related to investment to subsidiaries.

## 30. EVENT AFTER THE INTERIM BALANCE SHEET DATE

There is no matter or circumstance that has arisen since the interim balance sheet date that requires adjustment or disclosure in the interim consolidated financial statements of the Group.

  
\_\_\_\_\_  
Nguyen Thi Thuy Trang  
Preparer

  
\_\_\_\_\_  
Pham Thi Tra My  
Chief Accountant

  
\_\_\_\_\_  
Nguyen Ba Sang  
General Director

15 August 2019