

An Gia Real Estate Investment and Development Corporation

Consolidated financial statements

For the year ended 31 December 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 12th amended BRC dated 26 September 2019.

The Company's shares were listed on the Ho Chi Minh Stock Exchange ("HOSE") with ticker symbol of AGG in accordance with the License No. 554/QD-SGDCK issued by HOSE on 17 December 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

The members of the Board of Directors ("BOD") during the year and at the date of this report are:

Mr Nguyen Ba Sang	Chairman	appointed on 9 September 2019
Mr Nguyen Trung Tin	Vice Chairman	appointed on 9 September 2019
Mr Masakazu Yamaguchi	Member	appointed on 9 September 2019
Mr Do Le Hung	Member	appointed on 9 September 2019
Mr Vu Quang Thinh	Member	appointed on 9 September 2019
Ms Vuong Nguyen Ngoc Tram	Member	resigned on 9 September 2019
Ms Nguyen Huong Giang	Member	resigned on 9 September 2019
Ms Nguyen Quynh Giang	Member	resigned on 9 September 2019
Ms Ho Thi Nguyet Anh	Member	resigned on 9 September 2019

MANAGEMENT

The members of the management during the year 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 year 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 consolidated financial statements of the Company and its subsidiaries ("the Group") for the year ended 31 December 2019.

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 THE 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 2019 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:



Nguyễn Bá Sang
General Director

Ho Chi Minh City, Vietnam

23 March 2020

Reference: 61314331/21586028-HN

INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying consolidated financial statements of An Gia Real Estate Investment and Development Corporation ("the Company") and its subsidiaries ("the Group") as prepared on 23 March 2020 and set out on pages 5 to 44, which comprise the consolidated balance sheet as at 31 December 2019, the consolidated income statement and the consolidated cash flow statement for the year then ended and the notes thereto.

Management's responsibility

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

Auditors' responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the 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 auditor considers internal control relevant to the Group's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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 2019, 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.

Ernst & Young Vietnam Limited



Phạm Thị Cẩm Tú
Deputy General Director
Audit Practicing Registration Certificate
No. 2266-2018-004-1

Nguyen Thuy Trang
Auditor
Audit Practicing Registration Certificate
No. 3213-2020-004-1

Ho Chi Minh City, Vietnam

23 March 2020

CONSOLIDATED BALANCE SHEET
as at 31 December 2019

VND

Code	ASSETS	Notes	Ending balance	Beginning balance
100	A. CURRENT ASSETS		4,684,824,193,068	1,810,022,931,066
110	I. Cash and cash equivalents	5	138,166,033,448	331,051,237,351
111	1. Cash		88,001,249,132	274,263,237,351
112	2. Cash equivalents		50,164,784,316	56,788,000,000
120	II. Short-term investments		140,252,607,068	450,509,602,646
121	1. Held-for-trading securities		-	235,000,000,000
123	2. Held-to-maturity investments	6.1	140,252,607,068	215,509,602,646
130	III. Current accounts receivable		1,306,926,141,077	948,435,657,696
131	1. Short-term trade receivables	7	132,895,880,834	94,110,305,534
132	2. Short-term advances to suppliers	8	108,138,498,921	28,720,179,935
135	3. Short-term loan receivables	9	476,969,032,877	649,742,000,000
136	4. Other short-term receivables	10	590,532,728,445	177,473,172,227
137	5. Provision for doubtful short-term receivables	10	(1,610,000,000)	(1,610,000,000)
140	IV. Inventory		2,611,316,273,160	52,794,843,422
141	1. Inventories	11	2,611,316,273,160	52,794,843,422
150	V. Other current assets		488,163,138,315	27,231,589,951
151	1. Short-term prepaid expenses	12	455,121,070,636	12,222,120,310
152	2. Value-added tax deductible		32,953,884,346	14,921,286,308
153	3. Tax and other receivables from the State		88,183,333	88,183,333

CONSOLIDATED BALANCE SHEET (continued)
as at 31 December 2019

VND

Code	ASSETS	Notes	Ending balance	Beginning balance
200	B. NON-CURRENT ASSETS		714,088,690,934	481,036,584,899
210	I. Non-current receivables		37,381,857,255	269,015,192,783
215	1. Non-current lending principal receivables	9	-	189,842,228,979
216	2. Other long-term receivables	10	37,381,857,255	79,172,963,804
220	II. Fixed assets		10,975,812,911	6,923,169,549
221	1. Tangible fixed asset	13	10,724,812,919	6,803,848,713
222	Cost		17,263,970,409	12,230,606,773
223	Accumulated depreciation		(6,539,157,490)	(5,426,758,060)
227	2. Intangible fixed asset		250,999,992	119,320,836
228	Cost		1,299,450,000	925,950,000
229	Accumulated amortisation		(1,048,450,008)	(806,629,164)
230	III. Investment properties	14	44,625,595,769	44,944,097,844
231	1. Cost		45,758,363,074	45,373,128,896
232	2. Accumulated depreciation		(1,132,767,305)	(429,031,052)
240	IV. Long-term asset in progress		3,172,876,588	5,800,192,246
242	1. Long-term construction in progress		3,172,876,588	5,800,192,246
250	V. Long-term investments		583,976,327,241	129,248,500,000
252	1. Investments in associates	15.1	57,388,677,241	-
253	2. Investments in other entities	15.2	247,638,500,000	129,248,500,000
255	3. Held-to-maturity investments	6	278,949,150,000	-
260	VI. Other long-term assets		33,956,221,170	25,105,432,477
261	1. Long-term prepaid expenses	12	11,905,281,944	13,746,587,089
262	2. Deferred tax assets	29.3	22,050,939,226	11,358,845,388
270	TOTAL ASSETS		5,398,912,884,002	2,291,059,515,965

CONSOLIDATED BALANCE SHEET (continued)
as at 31 December 2019

VND

Code	RESOURCES	Notes	Ending balance	Beginning balance
300	C. LIABILITIES		3,945,462,938,108	1,451,712,327,107
310	I. Current liabilities		2,989,776,572,922	1,321,435,965,044
311	1. Short-term trade payables	16	466,075,575,533	169,395,749,533
312	2. Short-term advances from customers	17	1,271,714,156,715	133,551,668,672
313	3. Statutory obligations	18	32,868,461,489	141,725,532,061
314	4. Payables to employees		9,000,000	15,400,000
315	5. Short-term accrued expenses	19	127,407,836,301	69,318,288,674
318	6. Short-term unearned revenues		647,727,273	19,852,001,531
319	7. Other short-term payables	20	828,690,063,863	532,201,567,176
320	8. Short-term loans	21	262,363,751,748	255,375,757,397
330	II. Non-current liabilities		955,686,365,186	130,276,362,063
333	1. Long-term accrued expenses	19	24,457,645,798	-
337	2. Other long-term liabilities		545,309,885	-
338	3. Long-term loans	21	808,088,662,042	107,143,400,000
341	4. Deferred tax liabilities	29.3	102,016,704,490	-
342	5. Long-term provisions	22	20,578,042,971	23,132,962,063
400	D. OWNER'S EQUITY		1,453,449,945,894	839,347,188,858
410	I. Capital	23.1	1,453,449,945,894	839,347,188,858
411	1. Share capital		750,000,000,000	450,000,000,000
411a	- Shares with voting rights		750,000,000,000	450,000,000,000
412	2. Share premium		179,620,018,200	71,420,018,200
421	3. Undistributed earnings		364,334,165,655	277,686,315,642
421a	- Undistributed earnings by the end of prior year		45,886,315,642	-
421b	- Undistributed earnings of the year		318,447,850,013	277,686,315,642
429	4. Non-controlling interests		159,495,762,039	40,240,855,016
440	TOTAL LIABILITIES AND OWNERS' EQUITY		5,398,912,884,002	2,291,059,515,965



 Nguyen Thi My Nhung
Preparer



 Nguyen Thanh Chau
Chief Accountant




 Nguyen Ba Sang
General Director


23 March 2020

CONSOLIDATED INCOME STATEMENT
for the year ended 31 December 2019

VND

Code	ITEMS	Notes	Current year	Previous year
01	1. Revenue from sale of goods and rendering of services	24.1	384,626,718,133	1,126,585,482,301
02	2. Deductions	24.1	-	(1,173,653,331)
10	3. Net revenue from sales of goods and rendering of services	24.1	384,626,718,133	1,125,411,828,970
11	4. Cost of goods sold and services rendered	25	(103,708,085,761)	(724,016,231,591)
20	5. Gross profit from sales of goods and rendering of services		280,918,632,372	401,395,597,379
21	6. Finance income	24.2	212,650,573,762	53,743,371,458
22	7. Finance expenses	26	(39,977,263,275)	(27,334,453,188)
23	In which: Interest expense		(38,468,986,456)	(18,035,740,217)
24	8. Shares of profit (loss) of associates	15.1	54,237,827,241	(750,000)
25	9. Selling expenses	27	(6,188,087,324)	(49,073,551,748)
26	10. General and administrative expenses	27	(127,781,581,226)	(64,281,876,902)
30	11. Operating profit		373,860,101,550	314,448,336,999
31	12. Other income		41,429,156	398,157,084,352
32	13. Other expenses		(7,038,569,437)	(10,428,704,111)
40	14. Other (loss) profit		(6,997,140,281)	387,728,380,241
50	15. Accounting profit before tax		366,862,961,269	702,176,717,240
51	16. Current corporate income tax expense	29.1	(30,368,626,946)	(147,733,647,956)
52	17. Deferred tax (expense) income	29.1	(3,266,776,879)	11,358,845,388
60	18. Net profit after tax		333,227,557,444	565,801,914,672
61	19. Net profit after tax attributable to shareholders of the parent		326,497,011,845	292,640,552,761
62	20. Net profit after tax attributable to non-controlling interests		6,730,545,599	273,161,361,911
70	21. Basic earnings per share	23.4	4,602	10,108
71	22. Diluted earnings per share	23.4	4,602	10,108


Nguyen Thi My Nhung
Preparer


Nguyen Thanh Chau
Chief Accountant


Nguyen Ba Sang
General Director



23 March 2020

CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 December 2019

VND

Code	ITEMS	Notes	Current year	Previous year
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	Accounting profit before tax		366,862,961,269	702,176,717,240
	<i>Adjustments for:</i>			
02	Depreciation and amortisation		2,677,537,025	2,296,289,810
03	(Reversal of provisions) provisions		(2,554,919,092)	17,388,875,628
04	Foreign exchange (gains) losses arising from revaluation of monetary accounts denominated in foreign currency		(59,760,101)	4,299,644,751
05	Profits from investing activities		(264,305,137,226)	(52,240,681,808)
06	Interest expenses	26	38,468,986,456	18,035,740,217
08	Operating profit before changes in working capital		141,089,668,331	691,956,585,838
09	Decrease in receivables		82,027,476,399	42,524,902,201
10	Decrease in inventories		48,831,852,947	592,690,116,400
11	Decrease in payables		(366,542,134,632)	(336,817,014,012)
12	Decrease in prepaid expenses		20,811,479,345	19,464,265,388
13	Decrease (increase) in held-for-trading securities		235,000,000,000	(235,000,000,000)
14	Interest paid		(30,630,636,240)	(13,104,792,750)
15	Corporate income tax paid	18	(146,226,114,053)	(22,822,558,989)
20	Net cash flows (used in) from operating activities		(15,638,407,903)	738,891,504,076
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchase and construction of fixed assets		(10,696,130,311)	(210,000,000)
22	Proceeds from disposal of fixed assets		272,727,273	181,818,182
23	Loans to other entities and payments for term bank deposits		(1,148,152,509,158)	(1,072,320,287,451)
24	Collections from borrowers and term bank deposits		1,152,498,118,863	297,285,113,699
25	Payments for investments in other entities		(149,567,337,919)	(329,990,000,000)
26	Proceeds from sale of investments in other entities		-	51,109,673,839
27	Interest received		69,137,702,635	21,172,874,070
30	Net cash flows used in investing activities		(86,507,428,617)	(1,032,770,807,661)

CONSOLIDATED CASH FLOW STATEMENT (continued)
for the year ended 31 December 2019

VND

Code	ITEMS	Notes	Current year	Previous year
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
31	Issuance of shares	23.1	176,400,000,000	240,000,000,000
33	Drawdown of borrowings		758,702,843,465	328,196,957,397
34	Repayment of borrowings		(739,394,295,679)	(208,504,500,000)
36	Dividends paid to non-controlling interests	23.5	(286,447,875,270)	(20,190,623,473)
40	Net cash flows (used in) from financing activities		(90,739,327,484)	339,501,833,924
50	Net (decrease) increase in cash and cash equivalents		(192,885,164,004)	45,622,530,339
60	Cash and cash equivalents at beginning of year		331,051,237,351	285,428,351,763
61	Impact of exchange rate fluctuation		(39,899)	355,249
70	Cash and cash equivalents at end of year	5	138,166,033,448	331,051,237,351



Nguyen Thi My Nhung
Preparer



Nguyen Thanh Chau
Chief Accountant



Nguyen Ba Sang
General Director

23 March 2020

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
as at 31 December 2019 and for the year 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 12th amended BRC dated 26 September 2019.

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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' employees as at 31 December 2019 is 184 (31 December 2018: 135).

Corporate structure

As at 31 December 2019, the Company has three (3) direct subsidiaries and two (2) indirect subsidiaries as follows:

Name of subsidiaries	Activities	Status	% holding		% voting right		
			Ending balance	Beginning balance	Ending balance	Beginning balance	
Direct subsidiaries							
AGI & HSR Consultant Joint Stock Company ("AGI & HSR")	Operational and finance management consultancy	Operating	50.09	50.05	50.09	25	
CRE & AGI Consultant Joint Stock Company ("CRE & AGI")			99.80	49.90	99.80	50.00	
Viet Address Office Housing Development JSC ("Viet Address")			Leasing of offices	99.98	-	99.98	-
Indirect subsidiaries							
An Gia Phu Thuan Real Estate Investment Company Limited ("Phu Thuan")	Trade real estate		99.80	49.90	100	100	
An Gia Phu Thinh Joint Stock Company ("Phu Thinh")			50.09	-	99.98	-	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

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 Vietnamese Enterprise Accounting System, 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 its operations and its 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 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 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 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 consolidated income statement and within equity in the 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 CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Cash and cash equivalents

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

3.2 Inventories

Inventory properties

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 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 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
Service in progress	- actual cost as incurred

3.3 Receivables

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.4 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation.

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

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

3.5 Intangible fixed assets

Intangible fixed assets are stated at cost less accumulated amortisation.

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

When intangible 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.

3.6 Depreciation and amortisation

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

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

3.7 Investment properties

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

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

Depreciation of investment properties are calculated on a straight-line basis over the estimated useful life of each asset. Apartments for lease are depreciated over 40 years.

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 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 CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.8 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.

3.9 Prepaid expenses

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

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

- Tools and consumables with large value and can be used for more than one year;
- Office rental;
- Brand development expenses;
- Gallery house; and
- Commission fees.

3.10 Business combination and goodwill

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

Goodwill is initially measured at cost being the excess of the cost of the business combination over the Group's share in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognized directly in the consolidated income statement. After initial recognition, goodwill is measured at cost less accumulated amortization. Amortization of goodwill is calculated on a straight-line basis over ten (10) years during which the source embodying economic benefits are recovered by the Group. The 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

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.11 Investments (continued)

Investments in associates (continued)

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 of the investment is made when there are reliable evidences of the diminution in value of those investments at the balance sheet date.

Increases or decreases to the provision balance are recorded as finance expense in the consolidated income statement.

Held-to-maturity investments

Held-to-maturity investments are stated at their acquisition costs. After initial recognition, held-to-maturity investments are measured at recoverable amount. Any impairment loss incurred is recognised as expense in the 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.

Warranty obligation of apartments is provided from 1% to 2% of construction costs.

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.14 Foreign currency transactions (continued)

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

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

All foreign exchange differences incurred are taken to the 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.

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 properties

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 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 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 balance sheet date between the tax base of assets and liabilities and their carrying amount for consolidated 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 income 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 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended**4. BUSINESS COMBINATION****4.1 Acquisition AGI & HSR and Phu Thinh ("AGI & HSR Sub-Group")**

On 30 December 2019, the Group has completed the acquisition of additional 0.04% shares in AGI & HSR and the legal procedures to obtain control over AGI & HSR (the Group's formerly associate). Accordingly, the Group increased its ownership in AGI & HSR from 50.05% to 50.09% and AGI & HSR became a subsidiary of the Group since 30 December 2019. Consequently, the Group also gained control over Phu Thinh due to AGI & HSR's owing of 99.98% voting right in this company.

The fair value of the identifiable assets and liabilities of AGI & HSR Sub-Group as at the acquisition date are as follows:

	<i>Fair value recognized on acquisition</i>
	<i>VND</i>
Assets	3,864,362,841,770
Inventories	2,606,785,079,958
Short-term receivables	670,141,221,129
Short-term prepaid expenses	462,138,714,071
Cash and cash equivalents	89,694,554,547
Other current assets	21,644,401,348
Deferred tax assets (Note 29.3)	13,958,870,717
Liabilities	3,544,764,909,078
Advances from customers	1,141,714,156,715
Short-term liabilities	1,136,452,133,878
Loans	1,049,675,112,042
Other short-term liabilities	67,264,752,093
Other long-term liabilities	47,638,049,860
Deferred tax liabilities (Note 29.3)	102,016,704,490
Non-controlling interest	4,000,000
Total net assets	319,597,932,692
Total net assets acquired (50.09%)	160,086,604,485
Gains from a bargain purchase	(125,237,173)
Consideration paid	159,961,367,312

Trong đó:

Fair value of the 50.05% investment in AGI & HSR Sub-Group at the acquisition date to obtain control ()*

159,960,767,312

Additional consideration (0.04%)

600,000

(*) The difference of VND 159,960,767,312 between the fair value of the 50.05% investment in AGI & HSR Sub-Group at the acquisition date and the carrying amount using the equity method of accounting has been recognised to finance income in the consolidated income statement (Note 24.2).

4.2 Additional acquisition of interest in CRE & AGI and Phu Thuan ("CRE & AGI Sub-Group")

On 3 September 2019, the Group has completed the acquisition of additional 49.9% shares in CRE & AGI Sub-Group (the Group's formerly subsidiaries), at the consideration of VND 748,500,000. Accordingly, the Group's ownership in CRE & AGI Sub-Group increased from 49.9% to 99.80% at this date. The difference of VND 8,049,161,832 between the consideration paid and the value of acquired assets in CRE & AGI Sub-Group as at the transaction date has been recognised directly to undistributed earnings in the consolidated balance sheet (Note 23.1).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended**5. CASH AND CASH EQUIVALENTS**

	VND	
	Ending balance	Beginning balance
Cash on hand	803,713,762	502,646,706
Cash at banks	87,197,535,370	273,760,590,645
Cash equivalents (*)	50,164,784,316	56,788,000,000
TOTAL	138,166,033,448	331,051,237,351

(*) Cash equivalents represent short-term bank deposits with original maturities of less than three (3) months, not restricted and earn applicable interest for the Group.

6. HELD TO MATURITY INVESTMENTS

	VND	
	Ending balance	Beginning balance
Short-term deposits in commercial banks (Note 6.1)	140,252,607,068	215,509,602,646
Long-term investments in redeemable preference shares ("RPS") (Note 6.2)	258,949,150,000	-
Long-term investments in bonds (*)	20,000,000,000	-
TOTAL	419,201,757,068	215,509,602,646

(*) The long-term bonds represented Bond Notes issued by Vietnam Joint Stock Commercial Bank for Industry and Trade. The bonds term is 7 years, and will be matured from 27 September 2026 to 27 October 2026.

6.1 Short-term held-to-maturity investments

This amount represents short-term deposits in commercial banks with original maturity from six (6) to eight (8) months and earn interest at the applicable rates for the Group.

6.2 Long-term held-to-maturity investments

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

Issuers of RPS	Ending balance		Redemption date
	No. of shares	Value VND	
Gia Khanh Management and Development Joint Stock Company ("Gia Khanh")	6,909,980	69,099,800,000	Not later than August 2024
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	Not later than April 2023
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	
TOTAL		258,949,150,000	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended**6. HELD TO MATURITY INVESTMENTS****6.2 Long-term held-to-maturity investments** (continued)

The terms and conditions relevant to the RPS which were issued by the issuers are as follows:

- The redeemable preference shareholders do not carry voting rights;
- At any time, on condition 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 may redeem all or a portion 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, 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;
- 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.

7. SHORT-TERM TRADE RECEIVABLES

	VND	
	Ending balance	Beginning balance
Trade receivables from customers	132,895,880,834	59,007,064,140
Thien An Management and Development Ltd. ("Thien An")	80,137,900,566	-
Gia Hung Real Estate Investment and Development Company Limited ("Gia Hung")	20,535,019,910	-
Individual customers buying apartments	31,741,433,446	59,007,064,140
Others	481,526,912	-
Trade receivables from related parties	-	35,103,241,394
TOTAL	132,895,880,834	94,110,305,534

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

8. SHORT-TERM ADVANCES TO SUPPLIERS

		VND
	Ending balance	Beginning balance
Ricons Investment and Construction Joint Stock Company	86,900,000,000	-
Tan Viet Phat Joint Stock Company	11,283,911,170	11,283,911,170
Tan Binh Investment and Construction Corporation	5,000,000,000	5,000,000,000
Others	4,954,587,751	12,436,268,765
TOTAL	108,138,498,921	28,720,179,935

9. LOAN RECEIVABLES

		VND
	Ending balance	Beginning balance
Short-term	476,969,032,877	649,742,000,000
Loan to related parties (Note 30)	367,744,500,000	1,000,000,000
Loans to other parties	109,224,532,877	648,742,000,000
Long-term	-	189,842,228,979
Loan to related parties	-	189,842,228,979
TOTAL	476,969,032,877	839,584,228,979

Details of unsecured loans receivables and earn negotiable market-based interest rate ranging from 6% - 15%, are as follows:

Borrower	Ending balance	Repayment term of principal
	VND	
Loan to related parties	367,744,500,000	
Tan Loc Management and Development Company Limited ("Tan Loc")	240,000,000,000	20 December 2020
Kien Van Consultant Joint Stock Company ("Kien Van")	97,540,000,000	From 15 January 2020 to 29 August 2020
Gia Khanh (*)	16,200,000,000	14 October 2020
AGI & ACT Consultant Joint Stock Company ("AGI & ACT")	10,973,000,000	From 14 March 2020 to 26 April 2020
Gia Linh Real Estate Corporation ("Gia Linh")	2,860,000,000	1 April 2020
An Gia Thinh Vuong Real Estate Investment Corporation ("Thinh Vuong")	171,500,000	8 February 2020
Loans to other parties	109,224,532,877	
Thien An	56,304,532,877	From 19 March 2020 to 7 August 2020
Hung An Development Company Limited	46,200,000,000	26 July 2020
An Gia Housing Development Joint Stock Company	6,720,000,000	From 4 November 2020 to 29 December 2020
TOTAL	476,969,032,877	

(*) This lending is pledged by the right to transfer the lending principal into ordinary shares of borrowers.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

10. OTHER RECEIVABLES

	VND	
	Ending balance	Beginning balance
Short-term	590,532,728,445	177,473,172,227
Advance for transferring of charter capital/shares in:	226,975,342,466	130,000,000,000
<i>Thin Phat Management and Development Joint Stock Company ("Thin Phat")</i>	130,000,000,000	130,000,000,000
Others	96,975,342,466	-
Deposit for developing of real estate projects	322,588,873,537	-
<i>Van Phat Hung Joint Stock Company</i>	268,678,873,537	-
Others	53,910,000,000	-
Corporate income tax provision	16,755,390,450	-
Interest receivables	10,219,552,584	13,883,501,254
Lending	9,043,320,000	22,058,708,410
Others	4,950,249,408	11,530,962,563
Long-term	37,381,857,255	79,172,963,804
Deposits	37,001,564,720	2,123,684,720
Interest receivables	380,292,535	13,349,279,084
Lending	-	63,700,000,000
TOTAL	627,914,585,700	256,646,136,031
Provision for doubtful short-term receivables	(1,610,000,000)	(1,610,000,000)
NET	626,304,585,700	255,036,136,031
<i>In which:</i>		
<i>Due from other parties</i>	484,229,480,642	24,855,954,426
<i>Short-term receivables from related parties (Note 30)</i>	143,655,442,659	154,740,902,521
<i>Long-term receivables from related parties (Note 30)</i>	29,662,399	77,049,279,084

11. INVENTORIES

	VND	
	Ending balance	Beginning balance
Inventories properties in progress	2,582,731,275,190	-
<i>River Panorama 1 project (*)</i>	829,783,521,737	-
<i>River Panorama 2 project (*)</i>	823,933,700,447	-
<i>Sky 89 project (*)</i>	678,505,750,462	-
<i>Signal project</i>	250,508,302,544	-
Real estate inventories available for sales	18,098,606,975	51,541,275,248
Cost of service in progress	9,932,027,973	774,283,187
Merchandise	554,363,022	479,284,987
TOTAL	2,611,316,273,160	52,794,843,422

(*) Land use rights, along with the rights and benefits associated with or arising from the projects, were being pledged as collateral for the Group's long-term loan at Vietnam Joint Stock Commercial Bank for Industry and Trade - Branch 11 Ho Chi Minh City (Note 21.2).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

12. PREPAID EXPENSES

		VND
	Ending balance	Beginning balance
Short-term	455,121,070,636	12,222,120,310
Commission fee	411,891,764,715	-
Gift for customers	19,261,205,781	-
Rental fee of advertising panels	10,444,485,456	11,852,529,303
Gallery house expense	7,728,601,196	-
Others	5,795,013,488	369,591,007
Long-term	11,905,281,944	13,746,587,089
Office rental	7,588,843,335	12,987,678,105
Brand development cost and consultancy fee	2,128,855,577	278,763,891
Others	2,187,583,032	480,145,093
TOTAL	467,026,352,580	25,968,707,399

An Gia Real Estate Investment and Development Corporation

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

13. TANGIBLE FIXED ASSETS

	Means of transportation	Office equipment	Others tangible assets	VND Total
Cost				
Beginning balance	11,400,527,273	830,079,500	-	12,230,606,773
New purchase	6,313,800,000	77,000,000	160,000,000	6,550,800,000
Disposal	(1,517,436,364)	-	-	(1,517,436,364)
Ending balance	16,196,890,909	907,079,500	160,000,000	17,263,970,409
<i>In which:</i>				
Fully depreciated	-	743,724,500	-	743,724,500
Accumulated depreciation				
Beginning balance	(4,693,784,742)	(732,973,318)	-	(5,426,758,060)
Depreciation for the period	(1,690,004,547)	(79,475,388)	(26,666,670)	(1,796,146,605)
Disposal	683,747,175	-	-	683,747,175
Ending balance	(5,700,042,114)	(812,448,706)	(26,666,670)	(6,539,157,490)
Net carrying amount				
Beginning balance	6,706,742,531	97,106,182	-	6,803,848,713
Ending balance	10,496,848,795	94,630,794	133,333,330	10,724,812,919
<i>In which:</i>				
Pledged as loans security (Note 21.2)	7,449,545,029	-	-	7,449,545,029

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

14. INVESTMENT PROPERTIES

			VND
	<i>Apartments for lease</i>	<i>Apartments held for capital appreciation</i>	<i>Total</i>
Cost			
Beginning balance	28,411,997,141	16,961,131,755	45,373,128,896
Increase during the year	220,660,745	164,573,433	385,234,178
Ending balance	28,632,657,886	17,125,705,188	45,758,363,074
Accumulated depreciation			
Beginning balance	(429,031,052)	-	(429,031,052)
Depreciation for the year	(703,736,253)	-	(703,736,253)
Ending balance	(1,132,767,305)	-	(1,132,767,305)
Net carrying amount			
Beginning balance	27,982,966,089	16,961,131,755	44,944,097,844
Ending balance	27,499,890,581	17,125,705,188	44,625,595,769

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	1,078,390,691	660,132,446
Direct operating expenses of investment properties that generated rental income during the year	(703,736,253)	(375,604,010)

The future annual rental receivable under the operating leases is disclosed in Note 31.

The fair value of the investment properties had not yet been formally assessed and determined as at 31 December 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.

15. LONG-TERM INVESTMENTS

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Investments in associates (Note 15.1)	57,388,677,241	-
Investments in other entities (Note 15.2)	247,638,500,000	129,248,500,000
Held-to-maturity investments (Note 6)	278,949,150,000	-
TOTAL	583,976,327,241	129,248,500,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended**15. LONG-TERM INVESTMENTS (continued)****15.1 Investments in associates**

Name	Operating	Status	31 December 2019	
			% Voting right (%)	Value (VND)
Hoang An	Operational and finance management consultancy	Operating	45.01	56,038,227,241
AGI & GLC			30.01	450,150,000
AGI & HVC			30.01	450,150,000
AGI & DDC			30.01	450,150,000
Gia Khanh			45.01	-
TOTAL				57,388,677,241

Detail of investments in associates are as follows:

VND

Total

Cost of investment:

Beginning balance	750,750,000
Increase during the year	3,150,850,000
Decrease due to business combination	(750,750,000)
Ending balance	3,150,850,000

Accumulated share in post-acquisition (loss) profit of the associates:

Beginning balance	(750,750,000)
Share profit of the associates for the year	54,237,827,241
Reversal of losses recognized previously due to business combination	750,750,000
Ending balance	54,237,827,241

Net carrying amount:

Beginning balance	-
Ending balance	57,388,677,241

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended**15. LONG-TERM INVESTMENTS (continued)****15.2 Investments in other entities**

Name	Business activities	Status	Ending balance		Beginning balance	
			%		%	
			Voting right	Cost of investment	Voting right	Cost of investment
			(%)	(VND'000)	(%)	(VND'000)
AGI & ACT	Operational and finance management consultancy	Operating	-	129,248,500	-	129,248,500
An Tuong Investment Trading and Development Joint Stock Company ("An Tuong")			-	118,000,000	-	-
			19.5	390,000	-	-
TOTAL			247,638,500		129,248,500	

(*) The investment in AGI & ACT and An Tuong in form of RPS.

Terms and conditions of those RPS are as the same with terms and conditions of those which are disclosed in Note 6.2, except that these RPS's redemption date are not pre-determined.

16. SHORT-TERM TRADE PAYABLES

	VND	
	Ending balance	Beginning balance
Trade payables to suppliers	461,794,471,729	168,241,726,462
- Ricons Construction Investment Joint Stock Company	452,792,640,623	162,851,993,025
- Other suppliers	9,001,831,106	5,389,733,437
Trade payables to a related party (Note 30)	4,281,103,804	1,154,023,071
TOTAL	466,075,575,533	169,395,749,533

17. SHORT-TERM ADVANCES FROM CUSTOMERS

	VND	
	Ending balance	Beginning balance
Individual customers - purchasing apartments	1,141,714,156,715	3,551,668,672
Covestcons Company Limited - purchasing apartments	130,000,000,000	130,000,000,000
TOTAL	1,271,714,156,715	133,551,668,672

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

18. STATUTORY OBLIGATION

				VND	
	<i>Beginning balance</i>	<i>Increase in year</i>	<i>Decrease in year</i>	<i>Increase due to business acquisition</i>	<i>Ending balance</i>
Corporate income tax	141,226,114,053	30,368,626,946	(146,226,114,053)	4,736,337,090	30,104,964,036
Personal income tax	367,339,263	8,087,932,614	(7,154,284,857)	94,500,000	1,395,487,020
Value added tax	132,078,745	19,726,857,786	(19,755,215,668)	-	103,720,863
Others	-	1,562,410,759	(575,466,008)	277,344,819	1,264,289,570
TOTAL	141,725,532,061	59,745,828,105	(173,711,080,586)	5,108,181,909	32,868,461,489

19. SHORT-TERM ACCRUED EXPENSES

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Short-term	127,407,836,301	69,318,288,674
Consultancy and commission fee	50,634,633,829	14,199,831,441
Project transferring expenses	29,260,746,522	29,260,746,522
Interest expenses	14,939,159,853	7,100,809,637
Bonus to employees	11,892,246,972	8,000,000,000
Expense for project development	5,462,672,927	-
Others	15,218,376,198	10,756,901,074
Long-term	24,457,645,798	-
Interest expenses	24,457,645,798	-
TOTAL	151,865,482,099	69,318,288,674
<i>In which:</i>		
Due to other parties - short term	124,025,610,453	55,199,770,069
Due to related parties - short-term (Note 30)	3,382,225,848	14,118,518,605
Due to a related party - long-term (Note 30)	24,457,645,798	-

20. OTHER SHORT-TERM PAYABLES

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Deposits received from customers purchasing apartments	751,554,708,938	-
Borrowing	60,000,000,000	-
Payables to customers terminated contracts	11,334,574,518	2,095,422,707
Dividend payable to non-controlling interest	-	232,152,251,813
Advance received for selling trading bonds	-	149,000,000,000
Receipt on behalf	-	129,700,000,000
Others	5,800,780,407	19,253,892,656
TOTAL	828,690,063,863	532,201,567,176
<i>In which:</i>		
Due to other parties	768,690,063,863	166,814,967,452
Due to a related party (Note 30)	60,000,000,000	365,386,599,724

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

21. LOANS

	VND	
	Ending balance	Beginning balance
Short-term	262,363,751,748	255,375,757,397
Current portion of loans from banks (Note 21.2)	178,799,200,000	838,800,000
Short-term loans from related parties (Note 30)	75,200,000,000	254,536,957,397
Short-term loans from a bank (Note 21.1)	8,364,551,748	-
Long-term	808,088,662,042	107,143,400,000
Long-term loans from banks (Note 21.2)	522,396,562,042	239,400,000
Long-term loan from a related party (Note 30)	285,692,100,000	106,904,000,000
TOTAL	1,070,452,413,790	362,519,157,397

Movement of loans are as follows:

	VND	
	Current year	Previous year
Beginning balance	362,519,157,397	329,486,700,000
Drawdown of borrowings	1,016,940,493,465	328,196,957,397
Increase due to business combination	688,684,508,607	-
Repayment of borrowings	(997,631,945,679)	(208,504,500,000)
Foreign exchange differences due to revaluation	(59,800,000)	4,300,000,000
Conversion to share capital	-	(93,420,000,000)
Foreign exchange differences due to conversion	-	2,460,000,000
Ending balance	1,070,452,413,790	362,519,157,397

21.1 Short-term loans from a bank

The short-term loan from a bank is for financing working capital and bearing a negotiate market-based interest. Details are as follows:

Bank	Ending balance	Principal repayment term
	VND	
Joint Stock Commercial Bank for Foreign Trade of Vietnam - Ky Dong Branch	8,364,551,748	30 September 2020

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued) as at 31 December 2019 and for the year then ended

21. LOANS (continued)

21.2 Long-term loans from banks

Details of long-term loans from banks bearing a negotiable market-based interest, are as follow:

Banks	Ending balance	Principal repayment term	Purpose	Description of collaterals	Interest
	VND				
Vietnam Joint Stock Commercial Bank for Industry and Trade					
Loan 1	696,577,212,042	From January 2020 to August 2023	Payment for the development cost of Phu Thuan Ward's Residential Compound project	Property rights and benefits associated with or arising from the Phu Thuan Ward Residential Compound project	Negotiable market- based interest
Loan 2	239,400,000	From 27 January 2020 to 27 June 2020	Purchase of means of transportation	Means of transportation	
In which: Current portion	177,839,400,000				
United Overseas Bank	4,379,150,000	From 5 January 2020 to 20 December 2024	Purchase of means of transportation	Means of transportation	
In which: Current portion	959,800,000				
TOTAL	701,195,762,042				
In which: Current portion	178,799,200,000				
Long-term portion	522,396,562,042				

22. LONG-TERM PROVISIONS

The balance represents the provision for warranty of apartments completed and handed-over as at the balance sheet date, which is provided from 1% to 2% of construction costs, depending on particular projects and management's expertise.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

23. OWNERS' EQUITY

23.1 Increase and decrease in owners' equity

	Share capital	Share premium	Undistributed earnings	Non-controlling interests	VND Total
Previous year					
Beginning balance	105,263,160,000	40,236,858,200	27,545,762,881	15,694,207,225	188,739,988,306
Issuance of shares for convertible bonds	26,315,790,000	67,104,210,000	-	-	93,420,000,000
Issuance of shares from share premium	35,921,050,000	(35,921,050,000)	-	-	-
Issuance of dividend shares	42,500,000,000	-	(42,500,000,000)	-	-
Issuance of shares	240,000,000,000	-	-	-	240,000,000,000
Increase due to disposal of investments	-	-	-	3,728,161,166	3,728,161,166
Dividend for non-controlling interests	-	-	-	(252,342,875,286)	(252,342,875,286)
Net profit for the year	-	-	292,640,552,761	273,161,361,911	565,801,914,672
Ending balance	450,000,000,000	71,420,018,200	277,686,315,642	40,240,855,016	839,347,188,858
Current year					
Beginning balance	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")	18,200,000,000	18,200,000,000	-	-	36,400,000,000
Issuance of shares from undistributed earnings	231,800,000,000	-	(231,800,000,000)	-	-
Issuance of shares to strategic investors	50,000,000,000	90,000,000,000	-	-	140,000,000,000
Increase due to business acquisition	-	-	-	159,519,323,049	159,519,323,049
Change of equity interest in subsidiaries (Note 4.2)	-	-	(8,049,161,832)	7,300,661,832	(748,500,000)
Dividend for non-controlling interest	-	-	-	(54,295,623,457)	(54,295,623,457)
Net profit for the year	-	-	326,497,011,845	6,730,545,599	333,227,557,444
Ending balance	750,000,000,000	179,620,018,200	364,334,165,655	159,495,762,039	1,453,449,945,894

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended**23. OWNERS' EQUITY (continued)****23.2 Share capital**

	Ending balance			Beginning balance		
	Number of shares	Amount VND'000	% owner -ship	Number of shares	Amount VND'000	% owner -ship
Truong Giang Management and Investment Joint Stock Company	27,000,000	270,000,000	36.00	-	-	-
Creed Investment VN- 1 Limited ("Creed")	9,082,999	90,829,990	12.11	9,000,000	90,000,000	20.00
Others (each under 5% of shares)	38,917,001	389,170,010	51.89	36,000,000	360,000,000	80.00
TOTAL	75,000,000	750,000,000	100	45,000,000	450,000,000	100

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.

23.3 Capital transactions with owners

	VND	
	Current year	Previous year
Contributed capital		
Beginning balance	450,000,000,000	105,263,160,000
Insurance of share under ESOP (i)	18,200,000,000	-
Issuance of shares from undistributed earnings (ii)	231,800,000,000	-
Insurance of shares (iii)	50,000,000,000	240,000,000,000
Dividends shares	-	42,500,000,000
Issuance of shares from share premium	-	35,921,050,000
Issuance of shares for convertible bonds	-	26,315,790,000
Ending balance	<u>750,000,000,000</u>	<u>450,000,000,000</u>
Dividends declared during the year		
Dividends on ordinary shares		
Dividends by share declared	-	42,500,000,000
Dividends paid during the year		
Dividend paid to non-controlling interests	286,447,875,270	20,190,623,473

(i) On 20 March 2019, the Company issued additional 1,820,000 ordinary shares at the price of VND 20,000/share to its key executives under ESOP program in accordance with the General Meeting Resolution No. 04/2019/QD-AGI-PL dated 20 March 2019. On 21 March 2019, the DPI of Ho Chi Minh City issued the 9th amended ERC approving the said increase up to VND 468,200,000,000 in share capital.

(ii) On 28 March 2019, the Company issued 23,180,000 ordinary shares at the ratio of 49.5% (1000:495) to increase share capital from the undistributed earnings in accordance with the General Meeting Resolution No. 05/2019/QD-AGI-PL date 28 March 2019. On 29 March 2019, the DPI of Ho Chi Minh City issued the 10th amended ERC approving the said increase up to VND 700,000,000,000 in share capital.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended**23. OWNERS' EQUITY (continued)****23.3 Capital transactions with owners (continued)**

- (iii) On 28 August 2019, the Company's shareholders approved and issued the General Meeting Resolution No. 12/2019/QD-AGI-PL regarding the issuance of 5,000,000 ordinary shares to strategic investors at the price of VND 28,000/share. The aforementioned transaction was completed on 25 September 2019. On 26 September 2019, DPI of Ho Chi Minh City issued the 12th amended ERC approving the said increase up to VND 750,000,000,000 in share capital.

23.4 Shares

	<i>Number of shares</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Authorised shares	75,000,000	45,000,000
Issued shares		
Issued and paid-up shares		
Ordinary shares	75,000,000	45,000,000
Shares in circulation		
Ordinary shares	75,000,000	45,000,000

23.5 Earning per shares

Basic and diluted earnings per share are calculated as follows:

	<i>Current year</i>	<i>Previous year</i>
Net profit attributable to ordinary shareholders (VND)	326,497,011,845	292,640,552,761
Weighted average number of ordinary shares adjusted during the year (i)	70,948,548	28,952,124
Earnings per share (VND)		
Basic earnings per share	4,602	10,108
Diluted earnings per share	4,602	10,108

- (i) The weighted average number of shares in circulation for the year ended 31 December 2018 were adjusted to reflect the issuance of shares from undistributed earnings at ratio of 49.5% (1000:495) to the Company's existing shareholders in 2019.

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 31 December 2019 and for the year then ended**24. REVENUE****24.1 Revenue from sale of goods and rendering of services**

	VND	
	Current year	Previous year
Gross revenue	384,626,718,133	1,126,585,482,301
<i>In which:</i>		
<i>Rendering of consulting service</i>	155,457,870,857	53,438,698,978
<i>Rendering of brokerage and marketing services</i>	120,764,215,334	11,244,501,728
<i>Revenue from sale of apartments</i>	104,821,258,462	1,048,633,252,819
<i>Rendering of other services</i>	3,583,373,480	13,269,028,776
Deduction	-	(1,173,653,331)
TOTAL	384,626,718,133	1,125,411,828,970
<i>In which:</i>		
<i>Sales to others</i>	364,229,605,226	1,020,163,074,690
<i>Sales to related parties</i>	20,397,112,907	105,248,754,280

24.2 Finance income

	VND	
	Current year	Previous year
Gains from increase in fair value of the investment (Note 4.1)	159,960,767,312	-
Interest income from term deposits and loan receivables	52,504,767,416	41,821,984,539
Gain from disposal of investments	-	11,576,167,335
Others	185,039,034	345,219,584
TOTAL	212,650,573,762	53,743,371,458

25. COST OF GOODS SOLD AND SERVICES RENDERED

	VND	
	Current year	Previous year
Cost of apartments sold	51,308,597,235	655,766,019,205
Cost of consulting service rendered	24,887,606,822	10,894,936,391
Cost of brokerage and marketing services rendered	18,147,287,532	42,308,544,014
Cost of other services rendered	9,364,594,172	15,046,731,981
TOTAL	103,708,085,761	724,016,231,591

26. FINANCE EXPENSES

	VND	
	Current year	Previous year
Interest expenses	38,468,986,456	18,035,740,217
Foreign exchange losses	136,000,000	6,850,433,106
Others	1,372,276,819	2,448,279,865
TOTAL	39,977,263,275	27,334,453,188

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

27. SELLING EXPENSES AND GENERAL AND ADMINISTRATIVE EXPENSES

	VND	
	Current year	Previous year
Selling expenses	6,188,087,324	49,073,551,748
Commission and gallery house expenses	4,907,280,472	47,270,051,708
Others	1,280,806,852	1,803,500,040
General and administrative expenses	127,781,581,226	64,281,876,902
External services expenses	71,136,297,518	26,120,317,049
Labor cost	50,443,069,509	32,018,291,420
Depreciation and amortisation expenses	1,927,884,101	1,883,203,658
Others	4,274,330,098	4,260,064,775
TOTAL	133,969,668,550	113,355,428,650

28. OPERATING COST

	VND	
	Current year	Previous year
External services expenses	94,190,865,522	115,698,912,771
Labor cost	75,330,676,331	34,257,884,426
Cost of apartments sold	51,308,597,235	655,766,019,205
Depreciation and amortisation expenses	2,677,537,025	2,296,289,810
Others	14,170,078,198	29,352,554,029
TOTAL	237,677,754,311	837,371,660,241

29. CORPORATE INCOME TAX

The CIT rate applicable to the Company and its subsidiaries is 20% of taxable income.

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

29.1 CIT expense

	VND	
	Current year	Previous year
Current tax expense	30,368,626,946	146,902,396,947
Adjustment for under accrual of tax from prior years	-	831,251,009
Deferred tax expense (income)	3,266,776,879	(11,358,845,388)
TOTAL	33,635,403,825	136,374,802,568

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended**29. CORPORATE INCOME TAX (continued)****29.1 CIT expense (continued)**

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

	VND	
	Current year	Previous year
Accounting profit before tax	367,790,234,043	702,176,717,240
At CIT rate applicable to the Company and its subsidiaries	73,558,046,808	140,435,343,448
<i>Adjustments:</i>		
Non-deductible expenses	886,043,264	5,735,453,365
Adjustments for under accrual from prior years	-	831,251,009
(Profit) loss from associates	(11,033,020,003)	150,000
Gain from increase in fair value of the investment	(32,017,200,897)	(2,315,233,467)
Unrecognised deferred tax assets	1,273,636,283	(5,195,264,425)
Unrecognised deferred tax asset for tax loss	967,898,370	61,425,045
Tax loss carried forward	-	(3,178,322,407)
CIT expense	33,635,403,825	136,374,802,568

29.2 Current tax

The current tax payable is based on taxable income for the current year. The taxable income of the Company 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 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 balance sheet date.

29.3 Deferred tax

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

	VND			
	Consolidated balance sheet		Consolidated income statement	
	Ending balance	Beginning balance	Current year	Previous year
Deferred tax assets				
Temporarily nondeductible operating expenses (Note 4.1)	13,958,870,717	-	-	-
Unrealised profit	8,092,068,509	11,358,845,388	(3,266,776,879)	11,358,845,388
	22,050,939,226	11,358,845,388	(3,266,776,879)	11,358,845,388
Deferred tax liability				
Difference in fair value of net assets on business combination (Note 4.1)	(102,016,704,490)	-	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

30. TRANSACTIONS WITH RELATED PARTIES

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

Related parties	Relationship	Transactions	Current year	VND	
				Previous year	
Hoang An	Associate	Lending	630,540,200,000	-	
		Lending collection	444,640,000,000	-	
		Purchase of RPS	62,099,800,000	-	
		Interest expenses	9,847,881,095	-	
		Capital contribution	900,200,000	-	
Gia Khanh	Associate	Lending	168,815,800,000	-	
		Lending collection	152,615,800,000	-	
		Purchase of RPS	69,099,800,000	-	
		Interest income	3,062,457,123	-	
		Loan received	1,500,000,000	-	
		Capital contribution	900,200,000	-	
Gia Linh	Related party	Lending collection	148,029,450,000	-	
		Loan received	73,000,000,000	-	
		Loan repayment	73,000,000,000	-	
		Interest income	6,015,937,260	-	
		Lending	2,860,000,000	-	
An Tuong	Related party	Lending	180,000,000,000	-	
		Lending collection	180,000,000,000	-	
		Purchase of RPS	118,000,000,000	-	
		Borrowing received	60,000,000,000	-	
		Payment on behalf	7,057,120,000	-	
Dang Duong Real Estate Development Corporation ("Dang Duong")	Related party	Lending collection	102,523,000,000	-	
		Loan received	79,500,000,000	-	
		Loan repayment	79,500,000,000	-	
		Lending	52,000,000,000	-	
Hoosiers	Shareholder	Loan repayment	186,056,000,000	-	
		Interest expenses	8,280,715,066	9,975,148,912	
Hung Vuong Real Estate Management and Development Corporation ("Hung Vuong")	Related party	Loan received	67,037,650,000	-	
		Loan repayment	67,037,650,000	-	
		Lending collection	30,430,000,000	-	
		Lending	30,000,000,000	-	
Tan Loc	Related party	Lending	240,000,000,000	-	
AGI & DDC	Associate	Purchase of RPS	46,056,840,000	-	
		Lending collection	19,290,000,000	-	
AGI & GLC	Associate	Purchase of RPS	45,857,970,000	-	
		Lending collection	19,290,000,000	-	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended**30. TRANSACTIONS WITH RELATED PARTIES (continued)**

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

Related parties	Relationship	Transactions	VND	
			Current year	Previous year
AGI & HVC	Associate	Purchase of RPS	35,834,740,000	-
		Lending collection	18,775,000,000	-
		Loan received	2,000,000,000	-
		Loan repayment	2,000,000,000	-
Creed	Shareholder	Service fee	4,676,094,696	-
Gia Hung (until May 2019)	Common key personnel	Revenue from selling real estates	61,630,130,139	-
Nam Hung Real Estate Corporation ("Nam Hung")	Common key personnel	Brokerage fee	20,094,000,813	41,800,243,869
Phuoc Loc Investment Construction Tourism Corporation ("Phuoc Loc")	Related party	Loan received	103,700,000,000	-
		Loan repayment	30,000,000,000	-
		Lending	12,739,793,404	-
		Lending collection	12,739,793,404	-
AGI & ACT	Related party	Lending	10,973,000,000	65,932,500,000
Thinh Phat	Related party	Loan received	5,000,000,000	-
		Loan repayment	5,000,000,000	-
AGI & HSR (until 30 December 2019)	Associate	Interest income	9,851,124,978	9,038,090,536
Kien Van	Related party	Lending	97,540,000,000	-
		Interest income	4,435,850,959	-
Mr Nguyen Ba Sang	Chairman	Advance	4,196,652,086	101,685,347,917
		Contract		
		termination fee	3,592,328,767	-
Mr Nguyen Trung Tin	Vice chairman	Lending	3,413,007,096	6,016,671,106
		Lending, advance	7,573,772,000	36,695,080,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

30. TRANSACTIONS WITH RELATED PARTIES (continued)

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

				VND	
Related parties	Relationship	Transactions	Ending balance	Beginning balance	
Short-term loan receivables					
Tan Loc	Related party	Lending	240,000,000,000	-	
Kien Van	Related party	Lending	97,540,000,000	-	
Gia Khanh	Associate	Lending	16,200,000,000	-	
AGI & ACT	Related party	Lending	10,973,000,000	-	
Gia Linh	Related party	Lending	2,860,000,000	-	
Thinh Vuong	Related party	Lending	171,500,000	-	
Nam Hung	Common key personnel	Lending	-	1,000,000,000	
			367,744,500,000	1,000,000,000	
Other short-term receivables					
AGI & ACT	Related party	Advance	130,000,000,000	130,000,000,000	
		Interest receivable	451,992,822	-	
		Lending	-	10,000,000	
An Tuong	Related party	Payment on behalf	7,065,120,000	-	
		Interest receivable	17,753,425	-	
Kien Van	Related party	Interest receivable	4,435,850,959	-	
		Lending	10,000,000	-	
Tan Loc	Related party	Interest receivable	789,041,096	-	
Gia Khanh	Associate	Interest receivable	269,958,904	-	
Gia Linh	Related party	Interest receivable	170,378,081	-	
Dang Duong	Related party	Interest receivable	100,923,890	-	
Mr Nguyen Trung Tin	Vice chairman	Lending, advance	-	2,151,500,002	
Other related parties	Related party	Lending, advance, interest receivable	344,423,482	22,579,402,519	
			143,655,442,659	154,740,902,521	
Other long-term receivables					
Nam Hung	Common key personnel	Interest receivable	29,662,399	-	
Mr Nguyen Ba Sang	Chairman	Lending	-	60,000,000,000	
AGI & HSR	Associate	Interest receivable	-	13,349,279,084	
Ms Ho Thi Nguyet Anh	Related party	Lending	-	2,000,000,000	
Ms Nguyen Huong Giang	Related party	Lending	-	1,700,000,000	
			29,662,399	77,049,279,084	
Short-term trade payable					
Nam Hung	Common key personnel	Brokerage fee	(4,281,103,804)	(1,154,023,071)	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended**30. TRANSACTIONS WITH RELATED PARTIES (continued)**

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

				VND	
<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>Ending balance</i>	<i>Beginning balance</i>	
Short-term accrued expenses					
Creed	Shareholder	Consulting service	(2,824,910,779)	-	
Phuoc Loc	Related party	Interest expenses	(507,260,273)	-	
Gia Khanh	Associate	Interest expenses	(50,054,796)	-	
Nam Hung	Common key personnel	Brokerage service	-	(7,017,708,968)	
Phu Thinh (until 30 December 2019)	Related party	Interest expenses	-	(2,440,075,390)	
Hoosiers	Shareholder	Interest expenses	-	(4,660,734,247)	
			(3,382,225,848)	(14,118,518,605)	
Other short-term payables					
An Tuong	Related party	Borrowing	(60,000,000,000)	-	
Creed	Shareholder	Dividend	-	(231,826,198,627)	
Mr Nguyen Ba Sang	Chairman	Receipt on behalf	-	(85,000,000,000)	
		Dividend	-	(326,053,186)	
Mr Nguyen Trung Tin	Vice chairman	Received on behalf	-	(44,700,000,000)	
		Payment on behalf	-	(40,000,000)	
Phu Thinh	Related party	Deposits received	-	(3,414,347,911)	
Ms Nguyen Huong Giang	Related party	Payment on behalf	-	(80,000,000)	
			(60,000,000,000)	(365,386,599,724)	
Long-term accrued expense					
Hoosiers	Shareholder	Loan interest	(24,457,645,798)	-	
Short-term loan					
Phuoc Loc	Related party	Unsecured loan	(73,700,000,000)	-	
Gia Khanh	Associate	Unsecured loan	(1,500,000,000)	-	
Phu Thinh	Related party	Loan	-	(68,616,957,397)	
Hoosiers	Shareholder	Loan	-	(185,920,000,000)	
			(75,200,000,000)	(254,536,957,397)	

Details are as follows:

<i>Lender</i>	<i>Ending balance</i>	<i>Principal repayment term</i>	<i>Purpose</i>	<i>Interest %</i>
	VND			
Phuoc Loc	73,700,000,000	From 14 November 2020 to 30 December 2020	Financing working capital	Negotiate market-based interest
Gia Khanh	1,500,000,000	12 June 2020		
TOTAL	75,200,000,000			

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

30. TRANSACTIONS WITH RELATED PARTIES (continued)

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

				VND
Related parties	Relationship	Transactions	Ending balance	Beginning balance

Long-term loan

Hoosiers	Shareholder	Loan	(285,692,100,000)	(106,904,000,000)
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Details of the long-term loans from a related party for financing working capital to develop real estate projects and bearing negotiate market-based interest, are as follows:

Lender	Ending balance		Principal repayment term	Description of collaterals
	VND	Original currency US Dollar		
Hoosiers - Loan 1	178,847,900,000	7,700,000	5 June 2022	Unsecured loan
Hoosiers - Loan 2	106,844,200,000	4,600,000	5 June 2022	22,500 shares of AGI & HSR owned by the Company
TOTAL	285,692,100,000	12,300,000		

Transactions with other related parties

Remuneration to members of the Board of Directors and Management:

		VND
	Current year	Previous year
Remuneration of Board of Directors	444,444,448	-
Management's allowance	6,389,672,806	5,225,388,520
TOTAL	6,834,117,254	5,225,388,520

31. 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
Ending balance	Beginning balance
Less than 1 year	2,048,589,490
From 1 - 5 years	6,018,312,536
More than 5 years	-
TOTAL	8,066,902,026

Capital commitments

As at 31 December 2019, the Group has a commitment of VND 2,498,700,00 (As at 31 December 2018: VND 5,998,800,000) relating to investment in subsidiaries.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

32. EVENT AFTER THE BALANCE SHEET DATE

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



Nguyen Thi My Nhung
Preparer



Nguyen Thanh Chau
Chief Accountant



Nguyen Ba Sang
General Director

23 March 2020