



Hoang Anh Gia Lai Joint Stock Company

Separate Financial Statements
(Financial statements of the parent company)

Quarter II/2020

Hoang Anh Gia Lai Joint Stock Company

Page

SEPARATE FINANCIAL STATEMENTS

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SEPARATE BALANCE SHEET
30 June 2020

VND'000

Code	ASSETS	Notes	30/6/2020	31/12/2019
100	A. CURRENT ASSETS		3,803,545,121	5,739,809,646
110	I. Cash	4	18,389,707	116,834,469
111	1. Cash		18,389,707	116,834,469
130	II. Short-term receivables		3,768,691,249	5,600,276,574
131	1. Short-term trade receivables	5	347,657,774	416,053,861
132	2. Short-term advances to suppliers	6	364,083,311	276,537,115
135	3. Short-term loans receivables	7	2,360,543,865	4,087,575,874
136	4. Other short-term receivables	8	745,988,716	977,915,535
137	5. Provision for short-term doubtful receivables		(49,582,417)	(157,805,811)
140	III. Inventories	9	12,370,113	16,769,564
141	1. Inventories		12,370,113	17,043,882
149	2. Provision for obsolete inventories		-	(274,318)
150	IV. Other current assets		4,094,052	5,929,039
151	1. Short-term prepaid expenses		252,220	429,859
152	2. Value-added tax deductible		407,068	1,776,848
153	3. Tax and other receivables from the State		3,434,764	3,722,332
200	B. NON-CURRENT ASSETS		18,332,127,973	16,360,096,625
210	I. Long-term receivables		11,443,047,517	9,465,153,743
215	1. Long-term loan receivables	7	10,593,008,565	8,838,255,230
216	2. Other long-term receivables	8	850,038,952	903,779,309
219	3. Provision for long-term doubtful receivables		-	(276,880,796)
220	II. Fixed assets		191,874,284	197,156,679
221	1. Tangible fixed assets	10	164,672,999	169,314,359
222	Cost		288,765,258	290,309,443
223	Accumulated depreciation		(124,092,259)	(120,995,084)
227	2. Intangible fixed assets	11	27,201,285	27,842,320
228	Cost		40,450,152	40,450,152
229	Accumulated amortization		(13,248,867)	(12,607,832)
230	III. Investment properties	12	66,552,573	67,867,999
231	1. Cost		74,075,831	74,075,831
232	2. Accumulated depreciation		(7,523,258)	(6,207,832)
240	IV. Long-term assets in progress		10,525,630	9,752,230
242	1. Construction in progress		10,525,630	9,752,230
250	V. Long-term financial investments		6,609,511,112	6,609,511,112
251	1. Investments in subsidiaries	13.1	6,656,151,071	6,656,151,071
252	2. Investments in associates	13.2	5,000,000	5,000,000
253	3. Investments in other entities	13.3	7,360,041	7,360,041
254	4. Provision for long-term financial investments	13.1	(59,000,000)	(59,000,000)
260	VI. Other long-term assets		10,616,857	10,654,862
261	1. Long-term prepaid assets	14	10,616,857	10,654,862
270	TOTAL ASSETS		22,135,673,094	22,099,906,271

SEPARATE BALANCE SHEET (continued)
30 June 2020

VND'000

Code	RESOURCES	Notes	30/6/2020	31/12/2019
300	C. LIABILITIES		10,033,814,246	10,019,370,294
310	I. Current liabilities		1,862,290,072	1,536,353,671
311	1. Short-term trade payables	15	85,936,436	58,205,395
312	2. Short-term advances from customers	16	17,994,547	2,604,811
313	3. Tax and other receivables from the State	17	6,034,843	4,998,774
314	4. Payables to employees	18	10,766,902	11,983,333
315	5. Short-term accrued expenses	18	1,059,355,588	823,460,958
318	6. Short-term unearned revenues		163,636	60,667
319	7. Other short-term payables	19	283,233,220	188,305,098
320	8. Short-term loans	20	387,043,209	446,631,125
322	9. Bonus and welfare fund		11,761,691	103,510
330	II. Non-current liabilities		8,171,524,174	8,483,016,623
333	1. Long-term accrued expenses	18	978,380,742	1,139,729,876
337	2. Other long-term liabilities	19	292,666,626	292,666,626
338	3. Long-term loans	20	6,894,515,245	7,044,687,161
341	4. Long-term provisions		351,540	322,939
342	5. Provision for long-term liabilities		5,610,021	5,610,021
400	D. OWNER'S EQUITY		12,101,858,848	12,080,535,977
410	I. Owner's equity	21.1	12,101,858,848	12,080,535,977
411	1. Share capital		9,274,679,470	9,274,679,470
411a	- Shares with voting rights		9,274,679,470	9,274,679,470
412	2. Share premium		3,263,858,784	3,263,858,784
415	3. Treasury shares		(686,640)	(686,640)
418	4. Investment and development fund		279,895,303	279,895,303
421	5. Undistributed earnings (accumulated losses)		(715,888,069)	(737,210,940)
421a	- Undistributed earnings (accumulated losses) up to the prior period		(737,210,940)	(23,715,240)
421b	- Undistributed losses after tax of the current period		21,322,871	(713,495,700)
440	TOTAL LIABILITIES AND OWNERS' EQUITY		22,135,673,094	22,099,906,271

Tran Thi Thanh Hieu
PreparerLe Truong Y Tram
Chief AccountantVo Truong Son
General Director

30 July 2020

SEPARATE INCOME STATEMENTS
Quarter II/2020

VND'000

Code	ITEM	Note	Quarter II		Accumulated from the beginning of the year	
			Current year	Previous year	Current year	Previous year
01	1. Revenues from sale of goods and rendering of services	22.1	99,824,789	24,164,122	247,132,524	48.408.407
02	2. Deductions	22.1	(9,779,235)	-	(11,932,239)	-
10	3. Net revenues from sale of goods and rendering of services	22.1	90,045,554	24,164,122	235,200,285	48.408.407
11	4. Costs of goods sold	23	(92,628,810)	(20,228,696)	(222,882,022)	(44.429.598)
20	5. Gross profit from sale of goods and rendering of services		(2,583,256)	3,935,426	12,318,263	3.978.809
21	6. Financial income	22.2	257,820,129	284,507,832	488,099,301	580.153.236
22	7. Financial expenses	24	(199,791,745)	(253,607,673)	(403,007,555)	(538.896.315)
23	<i>In which: interest expenses</i>		(199,503,289)	(250,961,261)	(401,139,567)	(512.457.154)
25	8. Selling expenses	25	(12,235,075)	(1,661,688)	(24,274,565)	(2.571.439)
26	9. General and administrative expenses	26	(14,654,814)	(62,250,648)	(28,846,684)	(444.667.649)
30	10. Operating profit (loss)		28,555,239	(29,076,751)	44,288,760	(402.003.358)
31	11. Other income	27	178,452	2,329,342	1,036,862	145.468.907
32	12. Other expenses	27	(21,390,283)	(9,754,487)	(23,974,150)	(21.361.177)
40	13. Other profit (loss)	27	(21,211,831)	(7,425,145)	(22,937,288)	124.107.730

SEPARATE INCOME STATEMENTS (continued)
Quarter II/2020

VND'000

Code	ITEM	Note	Quarter II		Lũy kế từ đầu năm đến cuối Quarter này	
			Current year	Previous year	Current year	Previous year
50	14. Accounting loss before tax		7,343,408	(36,501,896)	21,351,472	(277,895,628)
52	15. Deferred income tax benefits	28	1,830,761	(865,241)	(28,601)	(869,500)
60	16. (Loss) profit after corporate income tax		9,174,169	(37,367,137)	21,322,871	(278,765,128)

 Tran Thi Thanh Hieu
Preparer

 Le Truong Y Tram
Chief Accountant

 Vo Truong Son
General Director

30 July 2020

SEPARATE CASH FLOW STATEMENT
Quarter II/2020

VND'000

Code	ITEM	Notes	Accumulated from the beginning of the year	
			Current year	Current year
	I. CASH FLOW FROM OPERATING ACTIVITIES			
01	Accounting (loss) profit before tax		21,351,472	(277,895,628)
	<i>Adjustments for:</i>			
02	Depreciation of fixed assets and Investment properties	10,11,12	7,196,576	7,359,733
03	Provisions		16,460,301	438,022,546
04	(Profit) Loss on foreign exchange difference		1,187,355	(270,398)
05	Profit from investing activities		(486,215,760)	(574,084,840)
06	Interest expenses	24	401,139,567	512,457,154
07			11,658,181	-
	Operating profit (loss) before changes in working capital			
08	Increase (decrease) in receivables		(27,222,308)	105,588,567
09	Decrease (increase) in inventories		349,107,315	163,400,284
10	Increase in payables		4,673,769	(1,979,357)
11	Increase in prepaid expenses		130,224,649	1,078,029,253
12	Interest paid		215,644	70,071
14	Other cash outflows for operating activities		(314,615,909)	(521,680,906)
15			-	(1,927,750)
17	Net cash flows used in operating activities		-	(618,000)
	II. CASH FLOW FROM INVESTING ACTIVITIES			
20	Purchases and construction of fixed assets		142,383,160	820,882,162
	Proceeds from disposals of fixed assets and other long-term assets			
21	Loans to other entities		(809,900)	(168,841)
22	Collections from borrowers		-	21,449,084
23	Proceeds from sale of investments in other entities		(912,048,275)	(2,269,165,504)
24	Interest and dividends received		406,371,203	3,097,180,335
26			84,938,000	-
27	Net cash flows from investing activities		395,305,009	223,064,058
	I. CASH FLOW FROM OPERATING ACTIVITIES			
30	Accounting (loss) profit before tax		(26,243,963)	1,072,359,132

SEPARATE CASH FLOW STATEMENT (continued)
Quarter II/2020

VND'000

Code	ITEM	Note	Accumulated from the beginning of the year	
			Current year	Current year
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
33	Borrowings received		35,084,263	-
34	Borrowings repaid		(249,668,222)	(2,033,698,573)
40	Net cash flows (used in) from financing activities		(214,583,959)	(2,033,698,573)
50	Net cash flows		(98,444,762)	(140,457,279)
60	Cash at beginning of the year	4	116,834,469	212,718,119
70	Cash at the end of the year	4	18,389,707	72,260,840

 Tran Thi Thanh Hieu
Preparer

 Le Truong Y Tram
Chief Accountant

 Vo Truong Son
General Director

30 July 2020

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS
Quarter II/2020**1. THE COMPANY**

Hoang Anh Gia Lai Joint Stock Company (“the Company”) is a joint stock company incorporated under the Law on Enterprise of Vietnam pursuant to Business Registration Certificate (“BRC”) No. 3903000083 issued by the Department of Planning and Investment of Gia Lai Province on 1 June 2006, and as amended.

The Company's shares were listed on the Ho Chi Minh City Stock Exchange (“HOSE”) with stock symbol of HAG in accordance with Decision No. 124/QD-SGDHCM issued by HOSE on 15 December 2008

At 30/6/2020, the Company has five (5) direct subsidiaries, sixteen (16) indirect subsidiaries, one (1) associate and five (5) branches.

The current principal activities of the Company are investment management; trading variety of fruits trading machinery and tools for cultivation and livestock; agricultural services; mechanics; and hotel operation;

The Company's head office is located at 15 Truong Chinh Street, Phu Dong Ward, Pleiku City, Gia Lai Province, Vietnam.

2. BASIS OF PREPARATION**2.1 Accounting standards and system**

The Interim separate financial statements of the Company expressed in thousands of Vietnam dong (“VND’000”) are prepared in accordance with the Vietnamese Enterprise Accounting System and Vietnamese Accounting Standards issued by the Ministry of Finance as per:

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

Accordingly, the Interim separate financial statements including their utilization 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 separate financial position and interim separate results of operations and interim separate cash flows in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

2.2 Applied accounting documentation

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

2.3 Fiscal year

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

The Interim separate financial statements of Quarter I/2020 are prepared for the period from 1 January 2020 to 31/3/2020.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
Quarter II/2020**2. BASIS OF PREPARATION** (continued)**2.4 Accounting currency**

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**3.1 Cash**

Cash comprises cash on hand and cash in banks.

3.2 Receivables

Receivables are presented in the Interim separate 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 which are doubtful of being recovered at the balance sheet date, in accordance with the guidance under Circular No. 228/2009/TT-BTC issued by Department of Finance on 7 March, 2009 ("Circular 228"). Increases or decreases to the provision balance are recorded as general and administrative expenses in the interim separate income statement.

3.3 Inventories

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

Net realizable 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:

Raw and construction materials, tools and supplies and merchandise goods	- Actual cost on a weighted average basis.
Finished goods and work-in-process	- Cost of direct materials and labor plus attributable overheads based on the normal level of activities.

Provision for obsolete inventories

An inventory provision is created for the estimated loss arising due to the impairment (through diminution, damage, obsolescence, etc.) of raw materials, finished goods, and other inventories owned by the Company, based on appropriate evidence of impairment available at the balance sheet date.

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

3.4 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation.

The costs of tangible fixed assets consist of their purchase prices and any directly attributable costs of bringing the tangible fixed assets to the working condition for their intended use.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
Quarter II/2020

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.4 Tangible fixed assets (continued)

Expenditures for additions, improvements and renewals are capitalized; and expenditures for maintenance and repairs are charged to the interim separate income statement when 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 separate income statement.

3.5 Intangible fixed assets

Intangible fixed assets are stated at cost less accumulated amortization.

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 separate income statement as incurred.

When intangible 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 separate income statement.

Land use rights

The advance payment for land rental, of which the land lease contracts have effectiveness prior to 2003 and Land use right certificate being issued, are recorded as an intangible asset according to Circular No. 45/2013/TT-BTC issued by the Ministry of Finance on 25 April 2013 guiding the management, use and depreciation of fixed assets ("Circular 45"). The costs of land use rights comprise all directly attributable costs of bringing the land to the condition available for use.

Computer software

Computer software which is not an integral part of hardware is recorded as an intangible asset and amortized over the term of benefits.

3.6 Depreciation and amortization

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

Buildings and structures	5 - 50 years
Machinery and equipment	5 - 15 years
Means of transportation	6 - 10 years
Office equipment	3 - 10 years
Perennial trees	7 years
Computer software	8 years
Other assets	6 years

Land use rights with indefinite useful life will not be amortized.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
Quarter II/2020**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)**3.7 Investment properties**

Investment properties are stated at cost including transaction costs less accumulated depreciation.

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

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

Buildings and structures	23 - 43 years
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Investment properties are derecognized when either they have been disposed of or the investment properties are permanently withdrawn from use and no future economic benefit is expected from their disposals.

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

3.8 Construction in progress

Construction in progress represents costs attributable directly to the construction of the Company's buildings and offices that have not yet been completed as at the date of the Interim separate financial statements.

3.9 Leased assets

The determination of whether an arrangement is, or contains a lease is based on the nature of the arrangement at inception date and requires an assessment of whether the fulfillment of the arrangement is dependent on the use of a specific asset and the arrangement conveys a right to use the asset.

Where the Company is the lessee

Rentals under operating leases are charged to the interim separate income statement on a straight-line basis over the term of the lease.

Where the Company is the lessor

Assets subject to operating leases are included as the Company's investment properties in the interim separate balance sheet. Initial direct costs incurred in negotiating an operating lease are recognized in the interim separate income statement as incurred.

Lease income is recognized in the interim separate income statement on a straight-line basis over the lease term.

Where long-term leased assets meet conditions, one-time revenues for all rentals received in advance are recognized in accordance with Circular 200/2014/TT-BTC.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
Quarter II/2020**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****3.10 Borrowing costs**

Borrowing costs consist of interests and other costs incurred in direct connection with the borrowing of fund.

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

Borrowing costs that are directly attributable to the acquisition, construction or production of a particular asset are capitalized as parts of the cost of the asset. Capitalization of borrowing costs is suspended during periods in which active development of the asset is interrupted unless such interruption is considered necessary. Capitalization of borrowing costs is ceased when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

3.11 Prepaid expenses

Prepaid expenses are reported as short-term and long-term prepaid expenses on the interim separate balance sheet which mainly include costs of tools and supplies and land rentals. They are amortized over the period for which the amounts are paid and which relates to economic benefits generated from these expenses.

The following expenses are charged in long-term prepaid expenses and to be gradually amortized in the interim separate income statement.

- ▶ Prepaid land rentals are amortized over the years of land lease; and
- ▶ Tools and supplies are amortized to the interim separate income statement in a maximum period of three (3) years.

3.12 Investments*Investments in subsidiaries*

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

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

Investments in associates

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

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

Investments in other entities

Investments in other entities are stated at their acquisition costs.

Provision for diminution in value of investments

Provision is made for any diminution in the value of investments at the balance sheet date in accordance with the guidance under Circular No. 228/2009/TT-BTC dated 7 March 2009 and Circular No. 89/2013/TT-BTC dated 26 June 2013 issued by the Ministry of Finance. Increases and decreases to the provision balance are recorded as financial expenses in the interim separate income statement.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
Quarter II/2020**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)**3.13 Payables and accruals**

Payables and accruals are recognized for amounts to be paid in the future for goods and services received, whether or not billed by suppliers to the Company.

3.14 Accrual for severance pay

The severance pay to employees is accrued at the end of each reporting period for all employees who have more than 12 months in service up to 31 December 2008 at the rate of one-half of the average monthly salary for each year of service up to 31 December 2008 in accordance with the Labor Code, the Law on Social Insurance and related implementing guidance. The average monthly salary used in this calculation will be revised at the end of each reporting period following the average monthly salary of the 6-month period up to the balance sheet date. Any increases and decreases to the accrued amount shall be taken to the interim separate income statement.

This accrued severance pay is used to settle the termination allowance to be paid to employees upon termination of their labor contracts following Article 48 of the Labor Code.

3.15 Foreign currency transactions

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

- ▶ Transactions resulting in receivables are recorded at the buying exchange rates of the commercial banks designated for collection;
- ▶ Transactions resulting in liabilities are recorded at the selling exchange rates of the transactions of commercial banks designated for payment; and;
- ▶ Payments for assets or expenses without liabilities initially being recognized are recorded at the buying exchange rates of the commercial banks that process these payments.

At the balance sheet date, monetary balances denominated in foreign currencies are translated at the actual transaction exchange rates as follows:

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

All foreign exchange differences incurred during the period and arising from the revaluation of monetary accounts denominated in foreign currency at period-end are taken to the interim separate income statement.

3.16 Treasury shares

Own equity instruments which are reacquired (treasury shares) are recognized at cost and deducted from equity. No gain or loss is recognized in profit or loss upon purchase, sale, issue or cancellation of the Company's own equity instruments.

3.17 Appropriation of net profit

Net profit after tax is available for appropriation to shareholders upon the proposal by the Board of Directors and after approval by the shareholders at the annual general meeting, and after making appropriation to reserve funds in accordance with the Company's Charter and Vietnam's regulatory requirements.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
Quarter II/2020**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)**3.17 Appropriation of net profit** (continued)

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

▶ *Investment and development fund*

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

▶ *Welfare fund*

This fund is set aside for the purpose of common benefits, improvement of the employees' benefits, social activities and presented as a liability on the interim separate balance sheet.

3.18 Revenue recognition

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

Sale of goods

Revenue is recognized when the significant risks and rewards of the ownership of the goods have passed to the buyer, usually upon the delivery of the goods.

Rendering of services

Revenue from the rendering of services is recognized when the services are rendered.

Interest

Revenue is recognized as the interest accrues (taking into account the return on assets) unless collectability is in doubt.

Rental income

Rental income arising from operating leases is accounted for on a straight-line basis in the interim separate income statement over the lease terms on ongoing leases.

Dividend income

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

Income from disposal of investments

Income from disposal of investments is recognized when the investment transfer procedures are completed; and the involving parties have fulfilled their respective contractual obligations.

Construction contracts

Where the outcome of a construction contract can be estimated reliably and certified by customers, related revenue and costs are recognized by reference to the amount of work completed at the balance sheet date. Variations in contract work, claims and incentive payments are included to the extent that they have been agreed with the customers.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
Quarter II/2020**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)**3.18 Revenue recognition** (continued)*Construction contracts* (continued)

Where the outcome of a construction contract can not be estimated reliably, contract revenue is recognized to the extent of contract costs incurred which is probably recoverable. Contract costs are recognized as expenses in the period in which they are incurred.

3.19 Taxation*Current income tax*

Current income tax assets and liabilities for the current year and prior years 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 enacted as at the interim separate balance sheet date.

Current income tax is charged or credited to the interim separate income statement, except when it relates to a item recognized directly to equity, in which case the current income tax is also dealt with in equity.

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

Deferred tax

Deferred tax is provided using the balance sheet liability method on temporary differences at the balance sheet date between the tax base of assets and liabilities and their carrying amount for the purpose of preparing the Interim separate financial statements .

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- ▶ Deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the transaction affects neither the accounting profit nor taxable profit or loss; and
- ▶ Taxable temporary differences associated with investments in subsidiaries and associates, and joint venture capitals where timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax losses and the carry forward of unused tax credit, to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, the carry forward of unused tax losses and the carry forward of unused tax credit can be utilized, except:

- ▶ Where the deferred tax asset in respect of deductible temporary difference which arises from the initial recognition of an asset or liability which at the time of the related transaction, affects neither the accounting profit nor taxable profit or loss; and
- ▶ In respect of deductible temporary differences associated with investments in subsidiaries and associates, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
Quarter II/2020**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)**3.19 Taxation** (continued)*Deferred tax* (continued)

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is probable that sufficient taxable profits will be available to allow all or part of the deferred income tax asset to be utilized. Previously unrecognized deferred income tax assets are reassessed at each balance sheet date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

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

Deferred tax is credited to the interim separate income statement, except when it relates to items recognized directly to equity, in which the deferred tax is also dealt with in the equity account.

Deferred tax assets and liabilities are offset when there is a legally enforceable right for the Company to off-set current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority on either the same taxable entity; or when the Company intends either to settle current tax liabilities and assets on a net basis or to realize 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.

3.20 Related parties

Parties that directly, or indirectly control, or are controlled by, or have remarkable influences over decisions on finance and operation of, or are subject to significant joint control or general influence together with, the Group, are related parties of the Group. Related parties can be companies or individuals including close members of the families of these individuals considered to be related.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
Quarter II/2020**4. CASH**

	VND'000	
	30/6/2020	31/12/2019
Cash on hand	414,773	748,796
Cash in banks	17,974,934	116,085,673
TOTAL	<u>18,389,707</u>	<u>116,834,469</u>

5. SHORT-TERM TRADE RECEIVABLES

	VND'000	
	30/6/2020	31/12/2019
Receivables from the disposal of Investment	190,127,000	275,065,000
Receivables from trading and services	74,043,083	76,717,582
Receivables from construction services	55,611,913	34,140,817
Receivables from the disposal of fixed assets and investment properties	26,333,627	26,323,777
Receivables from sale of apartments	1,542,151	3,806,685
TOTAL	<u>347,657,774</u>	<u>416,053,861</u>

Short-term trade receivables were amounts due from related parties aggregating to 129,151,081 VND'000 at 30/6/2020 (Note 29).

6. TRẢ TRƯỚC CHO NGƯỜI BÁN NGẮN HẠN

	VND'000	
	30/6/2020	31/12/2019
Advances to suppliers of goods and services	<u>364,083,311</u>	<u>276,537,115</u>

Included in advances to suppliers were amounts due to related parties aggregating to là 356,384,877 VND'000 at 30/6/2020 (Note 29).

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
Quarter II/2020**7. LOAN RECEIVABLES**

	VND'000	
	30/6/2020	31/12/2019
Short-term		
Short-term loans to related parties (Note 29)	2,274,203,592	3,930,680,511
<i>In which:</i>		
Other related parties (ii)	2,174,800,472	2,052,173,055
Subsidiaries (i)	99,403,120	1,878,507,456
Short-term loans to other companies (iii)	86,340,273	156,895,363
	<u>2,360,543,865</u>	<u>4,087,575,874</u>
Long-term		
Long-term loans to related parties (Note 29)	10,575,199,463	8,777,568,963
<i>In which:</i>		
Other related parties (ii)	7,600,524,730	7,444,257,203
Subsidiaries (i)	2,974,674,733	1,333,311,760
Long-term loans to Laos Government for the Attapeu Airport (iv)	17,309,102	17,305,360
Long-term loans to other companies (iii)	500,000	43,380,907
	<u>10,593,008,565</u>	<u>8,838,255,230</u>
TOTAL	<u>12,953,552,430</u>	<u>12,925,831,104</u>

- (i) They represent unsecured loans to subsidiaries with maturity from July 2020 to February 2023.
- (ii) They represent unsecured loans to other related parties with maturity dates from July 2020 to December 2024.
- (iii) They represent unsecured loans to other companies with maturity from July 2020 to December 2022.
- (iv) Loan to Laos Government - Attapeu International Airport project represents the interest-free loan in accordance with the Credit Contract signed with the government of Laos on 23 May 2013 to finance the construction of Attapeu International Airport in Laos. This loan will be off-set with tax payables and other obligations to the government of Laos in the future.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
Quarter II/2020**8. OTHER RECEIVABLES**

	<i>VND'000</i>	
	<i>30/6/2020</i>	<i>31/12/2019</i>
Short-term		
Receivables from related parties (<i>Note 29</i>)	680,131,927	914,171,184
Receivables from companies	48,041,349	48,024,618
Receivables from employees	14,149,941	4,658,568
Interest receivables from companies	605,290	11,061,165
Others	3,060,209	-
	<u>745,988,716</u>	<u>977,915,535</u>
Long-term		
Receivables from related parties (<i>Note 29</i>)	847,518,945	901,001,458
Long-term deposit	514,680	514,680
Others	2,005,327	2,263,171
	<u>850,038,952</u>	<u>903,779,309</u>
TOTAL	<u>1,596,027,668</u>	<u>1,881,694,844</u>

9. INVENTORIES

	<i>VND'000</i>	
	<i>30/6/2020</i>	<i>31/12/2019</i>
Construction materials	5,375,386	7,957,278
Merchandise goods	4,364,783	1,622,476
Work in process	2,205,444	5,620,728
<i>In which:</i>		
<i>Construction contracts</i>	2,205,444	4,590,042
<i>Manufacturing activities</i>	-	1,030,686
<i>Tools and supplies</i>	366,164	1,785,064
<i>Finished goods</i>	58,336	58,336
TOTAL	<u>12,370,113</u>	<u>17,043,882</u>
Provision for obsolete inventories	-	(274,318)
NET VALUE	<u>12,370,113</u>	<u>16,769,564</u>

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
Quarter II/2020**10. TANGIBLE FIXED ASSETS**

	<i>VND'000</i>						
	<i>Buildings, structures</i>	<i>Machinery and equipment</i>	<i>Means of transportation</i>	<i>Office equipment</i>	<i>Perennial trees</i>	<i>Other assets</i>	<i>TOTAL</i>
Cost							
31/12/2019	227,116,932	19,211,624	34,119,845	3,063,542	6,689,440	108,060	290,309,443
New purchase during the period	562,255	-	-	36,500	-	-	598,755
Disposal during the period	-	-	(2,142,940)	-	-	-	(2,142,940)
30/6/2020	<u>227,679,187</u>	<u>19,211,624</u>	<u>31,976,905</u>	<u>3,100,042</u>	<u>6,689,440</u>	<u>108,060</u>	<u>288,765,258</u>
Accumulated depreciation							
31/12/2019	(67,983,116)	(16,938,310)	(26,366,546)	(2,923,119)	(6,689,440)	(94,553)	(120,995,084)
Depreciation	(3,504,511)	(656,597)	(1,024,983)	(45,019)	-	(9,005)	(5,240,115)
Disposal during the period	-	-	2,142,940	-	-	-	2,142,940
30/6/2020	<u>(71,487,627)</u>	<u>(17,594,907)</u>	<u>(25,248,589)</u>	<u>(2,968,138)</u>	<u>(6,689,440)</u>	<u>(103,558)</u>	<u>(124,092,259)</u>
Net carrying amount							
31/12/2019	<u>159,133,816</u>	<u>2,273,314</u>	<u>7,753,299</u>	<u>140,423</u>	<u>-</u>	<u>13,507</u>	<u>169,314,359</u>
30/6/2020	<u>156,191,560</u>	<u>1,616,717</u>	<u>6,728,316</u>	<u>131,904</u>	<u>-</u>	<u>4,502</u>	<u>164,672,999</u>

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
Quarter II/2020**11. INTANGIBLE FIXED ASSETS**

	VND'000		
	<i>Land use right</i>	<i>Computer software</i>	<i>TOTAL</i>
Nguyên giá			
31/12/2019 and 30/6/2020	<u>25,278,179</u>	<u>15,171,973</u>	<u>40,450,152</u>
Accumulated depreciation			
31/12/2019	-	(12,607,832)	(12,607,832)
Depreciation in the period	-	(641,035)	(641,035)
30/6/2020	<u>-</u>	<u>(13,248,867)</u>	<u>(13,248,867)</u>
Net carrying amount			
31/12/2019	<u>25,278,179</u>	<u>2,564,141</u>	<u>27,842,320</u>
30/6/2020	<u>25,278,179</u>	<u>1,923,106</u>	<u>27,201,285</u>

12. INVESTMENT PROPERTIES

	VND'000		
	<i>Quyền sử dụng đất</i>	<i>Nhà cửa, vật kiến trúc</i>	<i>TOTAL</i>
Cost			
31/12/2019 and 30/6/2020	<u>27,072,022</u>	<u>47,003,809</u>	<u>74,075,831</u>
Accumulated depreciation			
31/12/2019	(2,957,577)	(3,250,255)	(6,207,832)
Depreciation in the period	(369,696)	(945,730)	(1,315,426)
30/6/2020	<u>(3,327,273)</u>	<u>(4,195,985)</u>	<u>(7,523,258)</u>
Net carrying amount			
31/12/2019	<u>24,114,445</u>	<u>43,753,554</u>	<u>67,867,999</u>
30/6/2020	<u>23,744,749</u>	<u>42,807,824</u>	<u>66,552,573</u>

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
Quarter II/2020**13. LONG-TERM FINANCIAL INVESTMENTS**

	<i>VND'000</i>			
	<u>30/6/2020</u>		<u>31/12/2019</u>	
	<i>Cost</i>	<i>Provision</i>	<i>Cost</i>	<i>Provision</i>
Investment in subsidiaries <i>(Note 13.1)</i>	6,656,151,071	(59,000,000)	6,656,151,071	(59,000,000)
Investment in associates <i>(Note 13.2)</i>	5,000,000	-	5,000,000	-
Investment in other entities <i>(Note 13.3)</i>	7,360,041	-	7,360,041	-
TOTAL	<u>6,668,511,112</u>	<u>(59,000,000)</u>	<u>6,668,511,112</u>	<u>(59,000,000)</u>

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
Quarter II/2020**13. LONG-TERM FINANCIAL INVESTMENTS** (continued)**13.1 Investment in subsidiaries**

Details of the Company's direct investments in subsidiaries are presented as follows:

Names of the subsidiaries	Business activity	Status of operation	30/6/2020			31/12/2019		
			% holding	Cost VND'000	Provision VND'000	% holding	Cost VND'000	Provision VND'000
Hoang Anh Gia Lai Agricultural JSC	Industrial and agricultural farming, and cattle breeding	Operating	40,83	4,503,226,081	-	40,83	4,503,226,081	-
Hung Thang Loi Gia Lai JSC	Farming and livestock farming	Operating	78,22	1,977,146,000	-	78,22	1,977,146,000	-
Hoang Anh Gia Lai Hospital JSC	Hospital	Operating	99,00	99,000,000	-	99,00	99,000,000	-
Hoang Anh Gia Lai Sports JSC	Football club	Operating	51,00	59,000,000	(59,000,000)	51,00	59,000,000	(59,000,000)
Hoang Anh Gia Lai Vientiane Co., Ltd.	Real estate and hotel management	Pre-operating	100,00	17,778,990	-	100,00	17,778,990	-
TOTAL				6,656,151,071	(59,000,000)		6,656,151,071	(59,000,000)

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
Quarter II/2020**13. LONG-TERM FINANCIAL INVESTMENTS** (continued)**13.2 Đầu tư vào công ty liên kết**

<i>Names of the associates</i>	<i>Business activity</i>	<i>30/6/2020</i>			<i>31/12/2019</i>		
		<i>The number of shares</i>	<i>% holding</i>	<i>Cost VND'000</i>	<i>number of shares</i>	<i>% holding</i>	<i>Cost VND'000</i>
East Asia Investment and Construction Consultant JSC	Consultancy	500,000	25,00	<u>5,000,000</u>	500,000	25,00	<u>5,000,000</u>

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
Quarter II/2020**13. LONG-TERM FINANCIAL INVESTMENTS** (continued)**13.3 Investments in other entities**

	VND'000	
	30/6/2020	31/12/2019
Thanh Nien Media Corporation	6,200,000	6,200,000
Far East Aviation JSC	1,160,041	1,160,041
TOTAL	<u>7,360,041</u>	<u>7,360,041</u>

14. LONG-TERM PREPAID ASSETS

	VND'000	
	30/6/2020	31/12/2019
Pre-paid land rental	8,744,803	8,880,515
Tools and supplies	920,879	679,080
Other long-term prepaid assets	951,175	1,095,267
TOTAL	<u>10,616,857</u>	<u>10,654,862</u>

15. SHORT-TERM TRADE PAYABLES

	VND'000	
	30/6/2020	31/12/2019
Payable for purchase of goods and services	85,289,319	57,448,358
Payable to construction contractors	610,000	610,000
Others	37,117	147,037
TOTAL	<u>85,936,436</u>	<u>58,205,395</u>

Included in the trade payables were amounts due to related parties aggregating 42,024,255 VND'000 at 30/6/2020 (Note 29).

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
Quarter II/2020**16. SHORT-TERM ADVANCES FROM CUSTOMERS**

	VND'000	
	30/6/2020	31/12/2019
Advances from customers buying goods and services	17,584,346	1,676,726
Advances from construction customers	410,201	410,201
Advances from customers buying apartments	-	517,884
TOTAL	<u>17,994,547</u>	<u>2,604,811</u>

Included in the advances from customers were amounts due to related parties aggregating to 16,792,503 VND'000 at 30/6/2020 (Note 29).

17. STATUTORY OBLIGATIONS

	VND'000	
	30/6/2020	31/12/2019
Personal income tax	2,326,593	2,304,647
Value-added tax	1,036,884	517,691
Corporate income tax (Note 28)	65,230	65,230
Others	2,606,136	2,111,206
TOTAL	<u>6,034,843</u>	<u>4,998,774</u>

18. ACCRUED EXPENSES

	VND'000	
	30/6/2020	31/12/2019
Short-term		
Interest expenses	1,030,872,521	794,816,138
<i>In which:</i>		
<i>Interest expenses from banks</i>	1,030,583,658	794,816,138
<i>Interest expenses from organizations, individuals</i>	288,863	-
Operating costs	25,625,453	25,787,209
Others	2,857,614	2,857,611
	<u>1,059,355,588</u>	<u>823,460,958</u>
Long-term		
Interest expenses	978,380,742	1,139,729,876
<i>In which:</i>		
<i>Interest expenses from banks</i>	978,075,760	1,139,424,894
<i>Interest expenses from organizations</i>	304,982	304,982
	<u>978,380,742</u>	<u>1,139,729,876</u>
TOTAL	<u>2,037,736,330</u>	<u>1,963,190,834</u>

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
Quarter II/2020**19. OTHER PAYABLES**

	VND'000	
	30/6/2020	31/12/2019
Short-term		
Payables to related parties (Note 29)	229,100,061	123,209,705
Others	54,133,159	65,095,393
	<u>283,233,220</u>	<u>188,305,098</u>
Long-term		
Payables to related parties (Note 29)	285,000,000	285,000,000
Others	7,666,626	7,666,626
	<u>292,666,626</u>	<u>292,666,626</u>
TOTAL	<u>575,899,846</u>	<u>480,971,724</u>

20. LOAN

	VND'000	
	30/6/2020	31/12/2019
Vay ngắn hạn		
Current portion of domestic straight bonds (Note 20.1)	275,000,000	120,000,000
Current portion of long-term bank loans (Note 20.2)	77,000,000	326,631,125
Current portion of loans from organizations, individuals	35,043,209	-
	<u>387,043,209</u>	<u>446,631,125</u>
Long term loans		
Domestic straight bonds (Note 20.1)	6,894,515,245	7,044,687,161
	<u>6,894,515,245</u>	<u>7,044,687,161</u>
TOTAL	<u>7,281,558,454</u>	<u>7,491,318,286</u>

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
Quarter II/2020**20. LOAN** (continued)**20.1 Domestic straight bonds**

		VND'000
<i>Arrangement organization</i>	<i>30/6/2020</i>	<i>31/12/2019</i>
BIDV and BIDV Securities Company ("BSC")	5,876,000,000	5,876,000,000
HDB Securities JSC ("HDBS")	930,000,000	930,000,000
ACB Securities Limited Company ("ACBS")	300,000,000	300,000,000
Viet Capital Commercial Joint Stock Bank ("BV")	120,000,000	120,000,000
Costs of bond issuance	(56,484,755)	(61,312,839)
TOTAL	<u>7,169,515,245</u>	<u>7,164,687,161</u>

In which:

<i>Non-current portion of bonds</i>	6,894,515,245	7,044,687,161
<i>1-year current portion of long-term bonds</i>	275,000,000	120,000,000

As at the balance sheet date of 30/6/2020, domestic straight bonds comprise details as below:

<i>Arrangement organization</i>	<i>Bond holder</i>	<i>Amount VND'000</i>	<i>Issuance date</i>	<i>Maturity date</i>
BSC	Joint Stock Commercial Bank for Investment and Development of Vietnam	5,876,000,000	30/3/2016	30/3/2026
HDBS	HD Bank – Branch of Dong Nai Trading Office	930,000,000	29/3/2016	31/3/2023
ACBS	Golden Farm JSC	300,000,000	25/4/2012	18/6/2023
BV	Viet Capital Joint Stock Commercial Bank	120,000,000	30/3/2016	30/12/2020

20.2 Long-term loans from banks

		VND'000
	<i>30/6/2020</i>	<i>31/12/2019</i>
Joint Stock Commercial Bank for Investment and Development of Vietnam	77,000,000	77,000,000
Ho Chi Minh City Development Joint Stock Commercial Bank	-	249,631,125
TOTAL	<u>77,000,000</u>	<u>326,631,125</u>

In which:

<i>1-year current portion of long-term bank loans</i>	77,000,000	326,631,125
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NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
Quarter II/2020**21. OWNER'S EQUITY****21.1 Increases and decreases in owner's equity**

						VND'000
	<i>Share capital</i>	<i>Share premium</i>	<i>Treasury shares</i>	<i>Investment and development fund</i>	<i>Undistributed earnings</i>	<i>TOTAL</i>
6 months of 2019						
31/12/2018	9,274,679,470	3,263,858,784	(686,640)	279,895,303	(22,479,240)	12,795,267,677
Loss after tax in the year					(278,765,128)	(278,765,128)
Remuneration to the BOD, BOS members, and secretary	-	-	-	-	(618,000)	(618,000)
30/6/2019	<u>9,274,679,470</u>	<u>3,263,858,784</u>	<u>(686,640)</u>	<u>279,895,303</u>	<u>(301,862,368)</u>	<u>12,515,884,549</u>

						VND'000
	<i>Share capital</i>	<i>Share premium</i>	<i>Treasury shares</i>	<i>Investment and development fund</i>	<i>Undistributed earnings</i>	<i>TOTAL</i>
6 months of 2020						
31/12/2019	9,274,679,470	3,263,858,784	(686,640)	279,895,303	(737,210,940)	12,080,535,977
Profit after tax in the period	-	-	-	-	21,322,871	21,322,871
30/6/2020	<u>9,274,679,470</u>	<u>3,263,858,784</u>	<u>(686,640)</u>	<u>279,895,303</u>	<u>(715,888,069)</u>	<u>12,101,858,848</u>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
Quarter IV/2019**21. OWNER'S EQUITY** (continued)**21.2 Shares**

	<i>30/6/2020</i>	<i>31/12/2019</i>
	<i>Share</i>	<i>Share</i>
Shares authorized to be issued	927,467,947	927,467,947
Shares issued and fully paid	927,467,947	927,467,947
<i>Ordinary shares</i>	<i>927,467,947</i>	<i>927,467,947</i>
Treasury shares	68,664	68,664
<i>Ordinary shares</i>	<i>68,664</i>	<i>68,664</i>
Outstanding shares	927,399,283	927,399,283
<i>Ordinary shares</i>	<i>927,399,283</i>	<i>927,399,283</i>

The par value of the Company's ordinary shares is VND 10,000 per share. The holders of the ordinary shares are entitled to receive dividends as and when declared by the Company. Each ordinary share carries one vote without restriction

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
Quarter II/2020**22. REVENUE****22.1 Revenues from sale of goods and rendering of services**

	VND'000			
	Quarter II		Accumulated from the beginning of the year	
	Current year	Previous year	Current year	Previous year
Gross revenue	99,824,789	24,164,122	247,132,524	48,408,407
<i>In which:</i>				
<i>Sale of goods, commodities</i>	87,473,925	4,871,046	218,575,686	22,211,260
<i>Rendering of services</i>	12,350,864	19,293,076	28,556,838	26,197,147
Deductions	(9,779,235)	-	(11,932,239)	-
<i>Rebate</i>	(9,779,235)	-	(11,932,239)	-
Net revenue	90,045,554	24,164,122	235,200,285	48,408,407
<i>In which:</i>				
<i>Sale of goods, commodities</i>	77,694,690	4,871,046	206,643,447	22,211,260
<i>Rendering of services</i>	12,350,864	19,293,076	28,556,838	26,197,147

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
Quarter IV/2019**22. REVENUE** (continued)**22.2 Financial income**

	VND'000			
	<i>Quarter II</i>		<i>Accumulated from the beginning of the year</i>	
	<i>Current year</i>	<i>Previous year</i>	<i>Current year</i>	<i>Previous year</i>
Interest income	262,545,027	283,739,840	485,872,896	567,374,840
Foreign exchange gains	(4,893,606)	615,984	1,928,996	637,295
Dividend income	-	-	-	11,880,000
Others	168,708	152,008	297,409	261,101
TOTAL	<u>257,820,129</u>	<u>284,507,832</u>	<u>488,099,301</u>	<u>580,153,236</u>

23. COSTS OF GOODS SOLD AND RENDERING OF SERVICES

	VND'000			
	<i>Quarter II</i>		<i>Accumulated from the beginning of the year</i>	
	<i>Current year</i>	<i>Previous year</i>	<i>Current year</i>	<i>Previous year</i>
Cost of goods, commodities sold	81,906,067	3,524,636	196,734,934	22,683,973
Cost of rendering of services	10,722,743	16,704,060	26,147,088	21,745,625
TOTAL	<u>92,628,810</u>	<u>20,228,696</u>	<u>222,882,022</u>	<u>44,429,598</u>

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
Quarter II/2020**24. FINANCIAL EXPENSES**

	VND'000			
	<i>Quarter II</i>		<i>Accumulated from the beginning of the year</i>	
	<i>Current year</i>	<i>Previous year</i>	<i>Current year</i>	<i>Previous year</i>
Interest expense	199,503,289	250,961,261	401,139,567	512,457,154
Loss on foreign exchange difference	288,456	570,884	1,867,988	611,029
Provision for diminution in value of investments in subsidiaries	-	2,075,528	-	25,828,132
TOTAL	199,791,745	253,607,673	403,007,555	538,896,315

25. SELLING EXPENSES

	VND'000			
	<i>Quarter II</i>		<i>Accumulated from the beginning of the year</i>	
	<i>Current year</i>	<i>Previous year</i>	<i>Current year</i>	<i>Previous year</i>
Transportation and external service expenses	12,027,798	1,148,406	23,860,065	1,855,109
Costs of labor	207,277	204,575	414,500	407,623
Others	-	308,707	-	308,707
TOTAL	12,235,075	1,661,688	24,274,565	2,571,439

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
Quarter IV/2019

26. GENERAL AND ADMINISTRATIVE EXPENSES

	VND'000			
	<i>Quarter II</i>		<i>Accumulated from the beginning of the year</i>	
	<i>Current year</i>	<i>Previous year</i>	<i>Current year</i>	<i>Previous year</i>
Costs of labor	7,717,752	8,440,806	15,830,415	17,167,331
External services	4,677,482	1,608,105	8,140,530	8,020,028
Depreciation and amortization	1,768,295	1,817,250	3,551,305	3,686,713
(Reversal) Provision	(135,939)	49,404,493	(135,939)	412,334,415
Others	627,224	979,994	1,460,373	3,459,162
TOTAL	14,654,814	62,250,648	28,846,684	444,667,649

27. OTHER INCOMES AND EXPENSES

	VND'000			
	<i>Quarter II</i>		<i>Accumulated from the beginning of the year</i>	
	<i>Current year</i>	<i>Previous year</i>	<i>Current year</i>	<i>Previous year</i>
Other incomes	178.452	2.329.342	1.036.862	145.468.907
Gain from disposal of fixed assets	-	-	45,455	-
Others	178,452	2,329,342	991,407	145,468,907
Other expenses	21,390,283	9,754,487	23,974,150	21,361,177
Reassessment of non-performing assets	16,596,240	-	16,596,240	-
Penalty expenses	4,234,481	3,602,913	6,088,976	14,647,389
Depreciation of idle assets	479,896	-	479,896	-
Loss on disposal of fixed assets	-	5,431,101	-	5,431,101
Others	79,666	720,473	809,038	1,282,687
OTHER LOSS/GAIN	(21,211,831)	(7,425,145)	(22,937,288)	124,107,730

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
Quarter IV/2019**28. CORPORATE INCOME TAX**

The Company has the obligation to pay corporate income tax ("CIT") at the rate of 20% of taxable profits.

The Company's tax returns are subject to examination of 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 separate financial statements could be changed at a later date upon final determination by the tax authorities.

Current CIT

The current tax payable is based on taxable profit for the period. Taxable profit differs from profit as reported in the interim separate financial statements because it excludes items of income or expense that are taxable or deductible in other period and it further excludes items that are never taxable or deductible. The Group's current income tax payable for current tax is calculated using applicable tax rates that have been enacted by the balance sheet date

The current CIT expense for the period is computed as follows:

	<i>VND'000</i>	
	<i>6 months of 2020</i>	<i>6 months of 2019</i>
Accounting profit (loss) before tax	21,351,472	(277,895,628)
Non-deductible expenses	5,850,120	285,262,605
Foreign exchange differences from the re-assessment of monetary accounts denominated in foreign currency	1,277,297	-
Penalty expenses	(7,066)	(519,710)
Dividend income	-	(11,880,000)
Others	16,460,300	-
Estimated taxable profit (loss) not off-set with losses in previous year	44,932,123	(5,032,733)
Part of loss from previous years carried forward to off set	(44,932,123)	-
Estimated current taxable loss	-	(5,032,733)
Estimated current CIT expense for the period	-	-
CIT payable at the beginning of the period	65,230	65,230
CIT from the previous period carried to the expense this period	-	1,927,750
CIT paid during the period	-	(1,927,750)
CIT payable at the end of the period (Note 17)	65,230	65,230

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
Quarter IV/2019**29. TRANSACTIONS WITH RELATED PARTIES**

Significant transactions with related parties during the period are presented as follows:

			<i>VND'000</i>
<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>Amount</i>
Gia Lai Livestock JSC	Related Party	Interest income	176,020,273
		Sale of goods and rendering of services	83,041,373
Le Me JSC	Related Party	Interest income	144,202,563
Hoang Anh Gia Lai Agricultural JSC	Subsidiary	Interest income	106,649,790
		Sale of goods and rendering of services	14,990,741
		Purchase of goods	2,185,228
Hoang Anh - Quang Minh Rubber JSC	Subsidiary	Interest income	33,093,350
Dai Thang Agriculture Development Co., Ltd.	Subsidiary	Purchase of goods	33,001,732
		Interest income	21,797,570
		Sale of goods and rendering of services	9,433,316
Hoang Anh Gia Lai Wooden Furniture JSC	Related Party	Interest income	7,390,284
Hoang Anh Attapeu Agriculture Development Co., Ltd.	Subsidiary	Interest income	5,768,340
		Sale of goods and rendering of services	172,447
Hoang Anh Gia Lai Agricultural - Fruit processing branch	Subsidiary	Sale of goods and rendering of services	4,730,832
Hoang Anh Gia Lai Import - Export Trading One Member Co., Ltd	Subsidiary	Bán hàng hóa và cung cấp dịch vụ	4,066,500
		Purchase of goods	5,292
Hoang Anh Lum Phat One Member Co., Ltd.	Subsidiary	Sale of goods and rendering of services	3,985,607
Ms. Vo Thi My Hanh	BOD member	Business cooperation	3,888,000
Mr. Doan Nguyen Duc	BOD Chairman	Business cooperation	3,600,000
Hoang Anh Oyadav Co., Ltd.	Subsidiary	Sale of goods and rendering of services	2,238,968
Ms. Ho Thi Kim Chi	Deputy General Director	Business cooperation	2,100,000
Other Related Parties	Related Party	Interest income	1,376,270
		Sale of goods and rendering of services	845,803

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
Quarter IV/2019**29. TRANSACTIONS WITH RELATED PARTIES** (continued)

Receivables from and payables to related parties at 30/6/2020 as follows:

<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>VND'000</i> <i>Balance</i>
Short-term trade receivables (Note 5)			
Thanh Binh Construction Investment & Consultant Co., Ltd.	Related Party	Construction contract	27,595,944
Hoang Anh Gia Lai Agricultural - Fruit processing branch	Subsidiary	Disposal of assets	26,283,627
		Construction contract	13,023,541
		Sale of goods and rendering of services	7,043,830
Dai Thang Agriculture Development Co., Ltd.	Subsidiary	Sale of goods and rendering of services	17,033,313
Hoang Anh Attapeu Agriculture Development Co., Ltd.	Subsidiary	Sale of goods and rendering of services	9,180,899
		Construction contract	3,810,122
Minh Tuan Trading and Services Co., Ltd.	Related Party	Construction contract	5,501,714
Hoang Anh Lum Phat One Member Co., Ltd.	Subsidiary	Sale of goods and rendering of services	4,019,360
Hoang Anh Andong Meas Co., Ltd.	Subsidiary	Sale of goods and rendering of services	3,603,801
		Hợp đồng xây dựng	3,461,702
Hoang Anh Oyadav Co., Ltd.	Subsidiary	Sale of goods and rendering of services	2,238,968
Hoang Anh Gia Lai Sports JSC	Subsidiary	Sale of goods and rendering of services	1,678,557
Gia Lai Livestock JSC	Related Party	Construction contract	1,263,554
		Sale of goods and rendering of services	1,113,241
Other related parties	Related Party	Sale of goods and rendering of services	2,298,908
TOTAL			<u>129,151,081</u>
Short-term advances to suppliers (Note 6)			
Dai Thang Agriculture Development Co., Ltd.	Subsidiary	Advances for purchase of goods	<u>356,384,877</u>
Short-term loan receivables (Note 7)			
Gia Lai Livestock JSC	Related Party	Short term loan receivable	1,099,920,232
Le Me JSC	Related Party	Short term loan receivable	949,445,388
Hoang Anh Gia Lai Wooden Furniture JSC	Related Party	Short term loan receivable	86,936,725

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
Quarter IV/2019**29. TRANSACTIONS WITH RELATED PARTIES (continued)**

Receivables from and payables to related parties at 30/6/2020 as follows (continued):

<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>VND'000</i> <i>Balance</i>
Short-term loan receivables ((Note 7) (continued)			
Dai Thang Agriculture Development Co., Ltd.	Subsidiary	Short term loan receivable	49,900,701
Hoang Anh Gia Lai Agricultural JSC	Subsidiary	Short term loan receivable	35,485,456
Mr. Doan Nguyen Duc	Chủ tịch HĐQT	Short term loan receivable	20,120,000
Ms. Ho Thi Kim Chi	Phó Tổng Giám đốc	Short term loan receivable	16,742,127
Hung Thang Loii Gia Lai Co., Ltd.	Subsidiary	Short term loan receivable	12,716,963
Ms Vo Thi My Hanh	Thành viên HĐQT	Short term loan receivable	1,636,000
An Dong Mia JSC	Subsidiary	Short term loan receivable	1,300,000
TOTAL			2,274,203,592
Long-term loan receivables (Note 7)			
Gia Lai Livestock JSC	Related Party	Long-term loan	4,169,412,374
Le Me JSC	Related Party	Long-term loan	3,315,505,997
Hoang Anh Gia Lai Agricultural	Subsidiary	Long-term loan	1,995,823,500
Hung Thang Loi Gia Lai JSC	Subsidiary	Long-term loan	704,719,725
Hoang Anh - Quang Minh Rubber JSC	Subsidiary	Long-term loan	150,127,929
Hoang Anh Attapeu Agriculture Development Co., Ltd.	Subsidiary	Long-term loan	107,950,350
Hoang Anh Gia Lai Wooden Furniture JSC	Related Party	Long-term loan	100,000,000
Hoang Anh - Quang Minh Rubber Industrial and Agricultural Co., Ltd	Subsidiary	Long-term loan	16,053,228
Ban Me Rubber One Member Co., Ltd.	Subsidiary	Long-term loan	15,606,360
TOTAL			10,575,199,463

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
Quarter IV/2019**29. TRANSACTIONS WITH RELATED PARTIES (continued)**

As at 30/6/2020, amounts due to and due from related parties were as follows (continued):

<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>VND'000</i> <i>Balance</i>
<i>Other short-term payables (Note 8)</i>			
Dai Thang Agriculture Development Co., Ltd.	Subsidiary	Chi trả hộ	535,308,642
		Interest income	13,107,251
Ông Đoàn Nguyên Đức	Chủ tịch HĐQT	Cho mượn tạm	65,646,278
Le Me JSC	Related Party	Interest income	18,909,770
Gia Lai Livestock JSC	Related Party	Interest income	16,866,475
		Chi trả hộ	9,574,136
Hoang Anh Gia Lai Wooden Furniture JSC	Related Party	Interest income	16,126,378
		Chi trả hộ	2,192,000
Other related parties	Related Party	Chi trả hộ	2,400,997
TOTAL			<u>680,131,927</u>
<i>Other long-term receivables (Note 8)</i>			
Gia Lai Livestock JSC	Related Party	Interest income	560,429,190
Le Me JSC	Related Party	Interest income	135,523,362
Hoang Anh Gia Lai Agricultural JSC	Subsidiary	Interest income	86,695,292
Hoang Anh Gia Lai Wooden Furniture JSC	Related Party	Interest income	21,698,521
Hung Thang Loi Gia Lai JSC	Subsidiary	Interest income	19,779,364
Hoang Anh - Quang Minh Rubber JSC	Subsidiary	Interest income	16,810,688
Hoang Anh Attapeu Agriculture Development Co., Ltd.	Subsidiary	Interest income	5,730,370
Other related parties	Related Party	Interest income	852,158
TOTAL			<u>847,518,945</u>
<i>Short-term payables to suppliers (Note 15)</i>			
Hoang Anh Gia Lai Agricultural JSC	Subsidiary	Purchase of goods	18,306,008
Dai Thang Agriculture Development Co., Ltd.	Subsidiary	Purchase of goods	16,830,824
Gia Lai Livestock JSC	Related Party	Purchase of goods	3,977,291
Other related parties	Related Party	Purchase of goods	2,910,132
TOTAL			<u>42,024,255</u>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
Quarter IV/2019**29. TRANSACTIONS WITH RELATED PARTIES (continued)**

As at the balance sheet date of 30/6/2020 amounts due to and due from related parties are presented as follows (continued):

<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>VND'000</i> <i>Balance</i>
Short-term advances from customers (Note 16)			
Gia Lai Livestock JSC	Related Party	Advances received for purchase of goods	15,853,437
Other related parties	Related Party	Advances received for purchase of goods	939,066
TOTAL			16,792,503
Other short-term payables (Note 19)			
Hoang Anh Gia Lai Agricultural JSC	Subsidiary	Temporary borrowing	131,117,000
Ms Vo Thi My Hanh	Thành viên HĐQT	Business cooperation	36,000,000
		Gain from business cooperation	3,151,890
Hoang Anh Gia Lai Vientiane Co., Ltd.	Subsidiary	Collection on behalf	22,769,750
Ms Doan Thi Nguyen Nguyen	Related Party	Temporary borrowing	10,000,000
Hoang Anh Gia Lai Import - Export Trading Co., Ltd	Subsidiary	Collection on behalf	9,408,242
Hoang Anh Gia Lai Wooden Furniture JSC	Related Party	Temporary borrowing	7,422,950
Mr. Doan Nguyen Duc	BOD chairman	Business cooperation	2,376,091
Ms. Ho Thi Kim Chi	Deputy General Director	Business cooperation	2,107,164
Other related parties	Related Party	Collection on behalf	4,746,974
TOTAL			229,100,061
Other long-term payables (Note 19)			
Mr. Doan Nguyen Duc	BOD chairman	Business cooperation	180,000,000
Ms. Ho Thi Kim Chi	Deputy General Director	Business cooperation	105,000,000
TOTAL			285,000,000

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
Quarter IV/2019

30. EVENTS OCCURRING AFTER THE SEPARATE BALANCE SHEET DATE

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

Tran Thi Thanh Hieu
Preparer

Le Truong Y Tram
Chief Accountant

Vo Truong Son
General Director

30 July 2020