



HAGL Group

Hoang Anh Gia Lai Joint Stock Company

Consolidated Financial Statements

Quarter I/2020

Hoang Anh Gia Lai Joint Stock Company

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CONSOLIDATED BALANCE SHEET
As at 31 March 2020

VND'000

Code	ASSETS	Notes	31/3/2020	31/12/2019
100	A. CURRENT ASSETS		6,504,078,906	7,073,675,026
110	I. Cash	4	61,138,981	254,431,616
111	1. Cash		61,138,981	254,431,616
130	II. Current accounts receivable		4,060,812,391	4,569,330,218
131	1. Short-term trade receivables	5	1,294,647,201	1,551,364,334
132	2. Short-term advances to suppliers	6	102,613,166	374,650,728
135	3. Short-term loan receivables	7	2,424,537,222	2,267,368,418
136	4. Other short-term receivables	8	326,371,974	467,023,910
137	5. Provision for doubtful debts		(87,357,172)	(91,077,172)
140	III. Inventories	9	2,325,508,945	2,201,556,690
141	1. Inventories		2,344,119,008	2,223,128,790
149	2. Provision for obsolete inventories		(18,610,063)	(21,572,100)
150	IV. Other current assets		56,618,589	48,356,502
151	1. Short-term prepaid expenses		7,327,571	5,242,656
152	2. Value-added tax deductible		44,205,730	38,898,934
153	3. Tax and other receivables from the State		5,085,288	4,214,912
200	B. NON-CURRENT ASSETS		32,861,798,165	31,558,812,063
210	I. Long-term receivables		8,472,897,909	8,261,530,824
215	1. Long-term loan receivables	7	7,612,396,492	7,513,945,466
216	2. Other long-term receivables	8	860,755,020	747,838,961
219	3. Provision for doubtful debts		(253,603)	(253,603)
220	II. Fixed assets		10,237,345,218	10,280,435,755
221	1. Tangible fixed assets	10	10,198,051,646	10,247,239,903
222	Cost		12,790,408,617	12,614,467,250
223	Accumulated depreciation		(2,592,356,971)	(2,367,227,347)
227	2. Intangible fixed assets	11	39,293,572	33,195,852
228	Cost		54,978,193	48,444,043
229	Accumulated amortization		(15,684,621)	(15,248,191)
230	III. Investment properties	12	67,210,286	67,867,999
231	1. Cost		74,075,831	74,075,831
232	2. Accumulated amortization		(6,865,545)	(6,207,832)
240	IV. Long-term assets in progress		12,038,160,028	11,229,762,864
242	1. Construction in progress	13	12,038,160,028	11,229,762,864
250	V. Long-term investments		286,440,988	284,237,784
252	1. Investments in associates	14.2	275,316,337	273,113,133
253	2. Investment in other entities	15	11,124,651	11,124,651
260	VI. Other long-term assets		1,759,743,736	1,434,976,837
261	1. Long-term prepaid expenses		369,255,318	381,576,859
262	2. Deferred tax assets	16	74,519,754	74,528,409
269	3. Goodwill	29.2	1,315,968,664	978,871,569
270	TOTAL ASSETS		39,365,877,071	38,632,487,089

CONSOLIDATED BALANCE SHEET
As at 31 March 2020

VND'000

Code	ASSETS	Notes	31/3/2020	31/12/2019
300	C. LIABILITIES		22,952,334,908	21,823,683,301
310	I. Current liabilities		8,606,539,076	8,089,793,475
311	1. Short-term trade payables	17	1,057,853,717	1,014,993,762
312	2. Short-term advances from customers	18	1,105,412,203	239,268,824
313	3. Statutory obligations	19	32,887,547	32,597,878
314	4. Payables to employees		113,242,245	109,501,022
315	5. Short-term accrued expenses	20	2,573,079,521	2,020,469,752
318	6. Short-term unearned revenues		278,848	60,667
319	7. Other short-term payables	21	673,162,218	920,339,356
320	8. Short-term loans	22	3,050,519,267	3,752,458,704
322	9. Bonus and welfare funds		103,510	103,510
330	II. Non-current liabilities		14,345,795,832	13,733,889,826
333	1. Long-term accrued expenses	20	1,565,220,950	1,990,123,829
337	2. Other long-term liabilities	21	519,789,322	570,972,657
338	3. Long-term loans	22	12,034,726,459	10,945,607,569
341	4. Deferred tax liabilities	29.2	220,345,734	221,472,405
342	5. Other long-term provisions		5,713,367	5,713,366
400	D. OWNERS' EQUITY		16,413,542,163	16,808,803,788
410	I. Equity		16,413,542,163	16,808,803,788
411	1. Share capital	23.1	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	23.1	3,263,858,784	3,263,858,784
415	3. Treasury shares	23.1	(686,640)	(686,640)
417	4. Foreign exchange differences	23.1	(737,135,400)	(424,458,674)
418	5. Investment and development fund	23.1	282,410,699	281,668,774
421	6. Undistributed earnings	23.1	216,531,377	290,839,236
421a	- Undistributed earnings up to prior year-end		285,727,374	74,321,521
421b	- Undistributed earnings this period		(69,195,997)	216,517,715
429	7. Non-controlling interests		4,113,883,873	4,122,902,838
440	TOTAL LIABILITIES AND OWNERS' EQUITY		39,365,877,071	38,632,487,089

Tran Thi Thanh Hieu
Preparer

Le Truong Y Tram
Chief Accountant

Vo Truong Son
General Director

27 April 2020

Hoang Anh Gia Lai Joint Stock Company

CONSOLIDATED FINANCIAL STATEMENTS
Quarter I/2020

B02a-DN/HN

VND'000

Co de	ITEM	Note	Quarter III		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	24.1	835,995,736	410,223,705	835,995,736	410,223,705
02	2. Deductions	24.1	(2,381,736)	-	(2,381,736)	-
10	3. Net revenues from sale of goods and rendering of services	24.1	833,614,000	410,223,705	833,614,000	410,223,705
11	4. Costs of goods sold	25	(550,944,912)	(324,847,356)	(550,944,912)	(324,847,356)
20	5. Gross profit from sale of goods and rendering of services		282,669,088	85,376,349	282,669,088	85,376,349
21	6. Financial income	24.2	157,128,481	198,501,484	157,128,481	198,501,484
22	7. Financial expenses	26	(323,656,015)	(360,171,807)	(323,656,015)	(360,171,807)
23	<i>In which: Interest expenses</i>		(267,384,264)	(328,353,118)	(267,384,264)	(328,353,118)
24	8. Shares of profit (loss) in associates		2,203,204	28,994,861	2,203,204	28,994,861
25	9. Selling expenses	27	(84,378,084)	(38,489,276)	(84,378,084)	(38,489,276)
26	10. General and administrative expenses	27	(98,617,119)	(166,214,564)	(98,617,119)	(166,214,564)
30	11. Net operating profit		(64,650,445)	(252,002,953)	(64,650,445)	(252,002,953)
31	12. Other income	28	18,424,943	6,473,272	18,424,943	6,473,272
32	13. Other expenses	28	(32,967,484)	265,849,159	(32,967,484)	265,849,159

CONSOLIDATED INCOME STATEMENT (continue)
Quarter I/2020

VND'000

Co de	ITEM	Note	Quarter I		Accumulated from the beginning of the year	
			Current year	Previous year)	Current year	Previous year)
40	14. Other losses	28	(14,542,541)	272,322,431	(14,542,541)	272,322,431
50	15. Accounting (loss) profit before tax		(79,192,986)	20,319,478	(79,192,986)	20,319,478
51	16. Current corporate income tax expense	29.1	(139,992)	(529,412)	(139,992)	(529,412)
52	17. Deferred CIT expense	29.2	1,118,016	1,711,070	1,118,016	1,711,070
60	18. Net profit (loss) after CIT		(78,214,962)	21,501,136	(78,214,962)	21,501,136
61	19. Net profit after tax of the parent		(69,195,997)	36,169,614	(69,195,997)	36,169,614
62	20. Net (loss) profit after tax attributable to the non-controlling interest		(9,018,965)	(14,668,478)	(9,018,965)	(14,668,478)
70	21. Basic profit (loss) earnings per share (VND)		(75)	39	(75)	39
71	21. Diluted earnings per share (VND)		(75)	39	(75)	39

 Tran Thi Thanh Hieu
Preparer

 Le Truong Y Tram
Chief Accountant

 Vo Truong Son
General Director

27 April 2020

CONSOLIDATED CASH FLOW STATEMENTS
Quarter I/2020

VND'000

Code	ITEM	Note	Accumulated from the beginning of the year	
			Current year	Previous year
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	Profit before tax		(79,192,986)	20,319,478
	<i>Adjustments for:</i>			
02	Depreciation of fixed assets and investment properties and amortisation of intangible fixed assets (including amortization of goodwill)	10,11,12	294,160,860	246,189,774
03	Provisions		(6,682,037)	(1,947,311)
04	Unrealised foreign exchange (gains) loss		42,751,934	294,203
05	Profits from investing activities		(157,639,463)	(203,757,792)
06	Interest expenses	26	267,384,264	328,353,118
08	Operating profit before changes in working capital		360,782,572	389,451,470
09	Decrease (increase) in receivables		(119,094,683)	370,989,078
10	Decrease (increase) in inventories		(118,646,161)	(332,691,313)
11	Increase (decrease) in payables		769,491,236	578,903,418
12	Increase in prepaid expenses		(214,594,924)	(151,564,535)
14	Interest paid		(203,934,566)	(180,972,422)
15	Corporate income tax paid	29.1	(159,661)	(418,658)
17	Other cash outflows from operating activities		(4,369,937)	(588,034)
20	Net cash flows from operating activities		469,473,876	673,109,004
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchase and construction of fixed assets		(663,723,570)	(962,808,546)
22	Proceeds from disposals of fixed assets		4,849,639	557,935,419
23	Loans to other entities		(403,222,516)	(607,014,886)
24	Collections from borrowers		107,834,322	74,090,000
27	Interest and dividends received		34,458,903	6,312,489
30	Net cash flows used in investing activities		(919,803,222)	(931,485,524)

CONSOLIDATED CASH FLOW STATEMENTS
Quarter I/2020

VND'000

Code	Item	Note	Accumulated from the beginning of the year	
			Current year	Previous year
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
33	Borrowings received		1,544,281,179	816,026,663
34	Borrowings repaid		(1,287,244,468)	(633,959,315)
40	Net cash flows (used in) from financing activities		257,036,711	182,067,348
50	Net cash flows		(193,292,635)	(76,309,172)
60	Cash at the beginning	4	254,431,616	337,736,719
70	Cash at the end	4	61,138,981	261,427,547

Tran Thi Thanh Hieu
Preparer

Le Truong Y Tram
Chief Accountant

Vo Truong Son
General Director

27 April 2020

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Quarter I/2020**1. CORPORATE INFORMATION**

Hoang Anh Gia Lai Joint Stock Company (“the Company”) is incorporated under the Law on Enterprise of Vietnam pursuant to Business Registration Certificate No. 3903000083 issued by the Department of Planning and Investment of Gia Lai Province on 1 September 2006 and thirty (30) subsequent Amended Business Registration Certificates.

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

As at 31/3/2020, the Company has six (6) direct subsidiaries, twenty (20) indirect subsidiaries and two (2) associates as disclosed in Note 14 to the consolidated financial statements of the Company and its subsidiaries (“the Group”) for the period ended 30 September 2019.

The current principal activities of the Group and its subsidiaries are planting and trading rubber, oil palm and variety of fruits; developing apartments, trade centres for sale and lease; construction and operating hydropower plants; mechanics; manufacturing and trading cattle foods, fertilizers; warehouse services, processing of agricultural products and services; operating hotels and resorts; and sport and entertainment activities.

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

Accordingly, the accompanying separate balance sheet, separate income statement, separate cash flow statement and related notes, 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 financial position and results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

2.2 Applied accounting documentation system

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Quarter I/2020**2. BASIS OF PREPARATION** (continued)**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.

The interim consolidated financial statements Quarter III/2019 are prepared for the period from 1 July 2019 to 30 September 2019.

2.4 Accounting currency

The separate financial statements are prepared in Vietnam dong ("VND") which is also the Company's accounting currency.

2.5 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries for the Quarter II/2018.

The financial statements of subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. Adjustments are made for any differences in accounting policies that may exist to ensure consistency between the subsidiaries and the Company.

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

Non-controlling interests represent the portion of profit or loss and net assets not held by the Group and are presented separately in the interim consolidated financial statements and within equity in the interim consolidated balance sheet, separately from parent shareholders' equity.

The subsidiaries are consolidated from the date on which the Group obtains control and cease to be consolidated from the date on which the Group ceases to control. Where there is a loss of control over the subsidiaries, the interim consolidated financial statements still include results for the period of the reporting period during which the Group has control. Where there is a loss of control over the subsidiaries, and the subsidiaries are still in transfer progress at the balance sheet date, the Group consolidates the financial statements at the control losing date for this subsidiary's balance sheet date ended the same year into the interim consolidated financial statements.

Except for subsidiaries acquired under common control which are accounted for under the pooling of interest method, other subsidiaries have been included in the consolidated financial statements using the purchase method of accounting that measures the subsidiaries' assets and liabilities at their fair value at the acquisition date.⁷⁷⁷

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

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

Cash comprises cash on hand and cash in banks.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Quarter I/2020

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.2 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, in accordance with the guidance under Circular No. 228/2009/TT-BTC date 7 December 2009 (Circular 228). Increases or decreases to the provision balance are recorded as general and administrative expense in the consolidated financial statements.

3.3 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:

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 labour plus attributable overheads based on the normal level of activities

Apartments for sale under construction are carried at the lower of cost and net realisable value. Costs include all expenditures including borrowing costs, directly attributable to the development and construction of the apartments. Net realisable value represents current selling price less estimated cost to complete and estimated selling and marketing expenses.

Apartments for sale

Apartments for sale under construction acquired or being constructed for sale in the ordinary course of business, rather than to be held for rental or capital appreciation, is held as inventory property and is measured at the lower of cost and net realisable value.

Cost includes:

- ▶ Freehold and leasehold rights for land;
- ▶ Amounts paid to contractors for construction; and
- ▶ Borrowing costs, planning and design costs, costs of site preparation, professional fees for legal services, property transfer taxes, construction overheads and other related costs.

Net realizable value is the estimated selling price in the ordinary course of the business, based on market prices at the reporting date and discounted for the time value of money if material, less costs to completion and the estimated costs of sale.

The cost of inventory property recognized in profit or loss on disposal is determined with reference to the specific costs incurred on the property sold and an allocation of any non-specific costs based on the relative size of the property sold.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Quarter I/2020**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)**3.3 Inventories** (continued)*Provision for obsolete inventories*

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

Increases or decreases to the provision balance are recorded into the cost of goods sold in the interim consolidated financial statements Dự phòng giảm giá hàng tồn kho

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 financial statements 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 financial statements.

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 financial statements 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 consolidated financial statements.

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 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. 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 intangible asset and amortized over the term of benefits.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Quarter I/2020

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.6 Depreciation and amortization

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

Buildings and structures	4 - 50 years
Machinery and equipment	3 - 25 years
Means of transport and transmission	2 - 30 years
Office equipment	2 - 10 years
Livestock	6 - 8 years
Land use rights	20 - 50 years
Computer software	5- 8 years

Land use right with indefinite useful life is not amortized.

Plantation depreciation

Details are as follows:

Year	Tỷ lệ khấu hao (%)			
	Rubber plantations	Dragon fruit plantations	Jack fruit plantations	Mango plantations
First year	(i)	(ii)	(iii)	(iv)
Second year	2.50	1.00	0.82	0.30
Third year	2.80	3.40	1.75	1.00
Fourth year	3.50	5.00	4.08	2.20
Fifth year	4.40	6.70	5.83	4.30
Sixth year	4.80	8.40	5.83	5.80
Seventh year	5.40	8.40	5.83	5.80
Eighth year	5.40	8.40	5.83	5.80
Ninth year	5.10	8.40	5.83	5.80
Tenth year	5.10	8.40	5.83	5.80
Eleventh year	5.00	8.40	5.83	5.80
Twelfth year	7.00	6.70	5.83	5.80
Thirteenth year	6.60	6.70	5.83	5.80
Fourteenth year	6.20	6.70	5.83	5.80
Fifteenth year	5.90	6.70	5.83	5.80
Sixteenth year	5.50	Carrying amount	5.83	5.80
Seventeenth year	5.40		4.67	5.80
Eighteenth year	5.00		4.67	5.80
Nineteenth year	5.50		4.67	5.80
Twentieth year	5.20		4.67	5.80
Year	Carrying amount		Carrying amount	Carrying amount

Rubber plantations

Management estimated to start harvesting the rubber to be added to the assets and depreciation when over 70% of the trees alive in the lot are suitable for tapping (circumference at 1 m from the ground is at least 45cm and bark is at least 6mm at 1 m from the ground).

Fruit plantations

Management estimated to start harvesting the rubber to be added to the assets and depreciation when over 50% of the trees bear fruit successfully from the fruiting treatment time

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Quarter I/2020**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)**3.6 Depreciation and amortization** (continued)*Plantation depreciation* (continued)*Oil palm plantations*

In accordance with the results of the assessment on the Group's oil palm plantations conducted by the Academy of Forest Sciences (Central South and Tay Nguyen province) in August 2017, the management estimated that the initial development period of the oil palm is 6 years, which conform to the characteristics of the Group's current oil palm plantations in Cambodia and Laos.

As a result, the Group will convert the oil palm plantations into fixed assets and start depreciating after the end of the basic development period.

- (i) Depreciation rate of rubber plantations is based on Official Letter No. 1937/BTC-TCDN dated 9 February 2010 of Corporate Finance Department - Ministry of Finance guiding the depreciation of rubber plantations and the Decision No. 221/QĐ-CSVN on 27 April 2010 of Vietnam Rubber Group guiding the depreciation rate of rubber plantations over the 20 years cycle.
- (ii) Depreciation of dragon fruit, pepper and mango plantations is calculated in accordance with Decision No.115/17/QĐ-HAGL Agrico dated 8 August 2017 và Quyết định số 0101/18/QĐ-HAGL Agrico dated 2 January 2018 by the Management providing guidance on depreciation of dragon fruit, pepper and mango plantations for exploitation cycle.
- (iii) Depreciation of jack fruit plantations is based on Decision No. 0111/17/QĐ-HAGL Agrico dated 1 November 2018 by the Board of Management guiding depreciation rate of jack fruit plantations over the exploitation cycle.
- (iv) Depreciation of mango plantations is based on Decision No. 0101/18/QĐ-HAGL Agrico dated 2 January 2018 by the Board of Management guiding depreciation rate of mango plantations over the exploitation cycle..
- (v) Depreciation of banana plantations is based on Notice No. 0205/19/TB-HAGL Agrico dated 2 May 2019 guiding depreciation rate of banana plantations on a straight line basis.

3.7 Investment properties

Investment properties are stated at cost including transaction costs less accumulated depreciation and/or amortization.

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 Group.

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

Buildings 25 - 30 years

Investment properties are derecognized in the consolidated balance sheet 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 recognized in the consolidated financial statements in the year of retirement or disposal.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Quarter I/2020**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)**3.7 Investment properties** (continued)

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

3.8 Construction in progress

Construction in progress represents costs directly attributable to the construction of the Group's buildings, plantations which have not yet been completed as at the date of these consolidated financial statements.

Buildings and structures

Building costs include costs directly attributable to the construction of the Group's building, plants and structures such as construction, survey and other related costs.

Plantations

Plantation costs include costs directly attributable to the rubber, palm oil, pepper and other fruit plantations such as survey, land compensation, land clearance, nursery, fertilizer, transportation costs of seeds and other materials, workers' wages, building roads and fences, fire prevention and security guards, and other related costs.

3.9 Leased assets

The determination of whether an arrangement is, or contains a lease is based on the substance 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 Group is the lessee

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

Where the Group is the lessor

Assets subject to operating leases are included as the Group's investment properties in the consolidated balance sheet. Initial direct costs incurred in negotiating an operating lease are recognised in the consolidated financial statements as incurred. Lease income is recognised in the consolidated financial statements on a straight-line basis over the lease term.

In case of long-term lease, lease income is recognised in the consolidated financial statements on a one-time recognition of the entire amount received in advance when the conditions are met in accordance with Circular 200/2014/TT-BTC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Quarter I/2020**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)**3.10 Borrowing costs**

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

Borrowing costs are recorded as expense 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 part of the cost of that asset. Capitalization of borrowing costs is suspended during the period 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 consolidated balance sheet which mainly includes cost of tools and supplies, prepaid office rentals and land rentals, sugarcane plantation, corn plantation, fruit plantation, land reclamation; and costs of training footballers, and other costs. They are amortized over the year for which the amounts are paid or the year in which economic benefits are generated in relation to these expenses.

- ▶ Prepaid land and office rentals are amortized over the lease year;
- ▶ Tools and consumables with large value issued into production and can be used for more than one year, amortised no more than three (3) years and recognised in the consolidated financial statements;
- ▶ Fruit trees and other plantations development, land clearance expenses include: seedlings, land preparation, planting and care. These costs are amortized over the lifetime of these trees. Land preparation, planting and care costs are amortized over the year, in which economic benefits are generated in connection to the costs incurred; and
- ▶ Footballer development costs include the costs of training and developing the footballers that belong to Hoang Anh Gia Lai - Arsenal JMG football Academy ("HAGL-JMG"). The footballer development costs are amortized from 7 to 10 years according to the contract signed between HAGL-JMG and the footballers.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Quarter I/2020**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)**3.12 Business combinations and goodwill**

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

Goodwill arising from a business combination is initially measured at cost being the excess of the cost the business combination over the Group's interest in the net fair value of the acquirer's identifiable assets, liabilities and contingent liabilities. If the cost of a business combination is less than the fair value of the net assets of the subsidiary acquired, the difference is recognized directly in the consolidated financial statements. After initial recognition, goodwill is measured at cost less any accumulated amortization. Goodwill is amortized over ten (10) year period on a straight-line basis. The parent company conducts the periodical review for impairment of goodwill of investment in subsidiaries. If there are indicators of impairment loss incurred is higher than the yearly allocated amount of goodwill on the straight-line basis, the higher amount will be recorded in the consolidated financial statements.

Where the Company acquires the non-controlling interests of a subsidiary, the difference between the cost of acquisition and the carrying amount of the non-controlling interest is reflected as undistributed earnings in the consolidated balance sheet.

Where the acquisition of subsidiary which is not a business enterprise, instead of an asset acquisition, the individual identifiable assets acquired and liabilities assumed are identified and recognized. The cost of the acquisition shall be allocated to the individual identifiable assets and liabilities on the basis of their relative fair values at the date of purchase. Such transactions or events do not give rise to goodwill.

Where the business combinations involving entities or businesses under common control, the pooling of interest method is applied as follows:

- ▶ The assets and liabilities of the combining entities are reflected at their carrying amounts;
- ▶ No new goodwill is recognized as a result of the combination;
- ▶ The consolidated financial statements reflects the results of the combining entities for the full period, irrespective of when the combination took place; and
- ▶ Comparatives are presented as if the entities had always been combined.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Quarter I/2020**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****3.13 Investments***Investments in associates*

The Group's investment in associates is accounted for using the equity method of accounting. An associate is an entity in which the Group has a significant influence, but neither a subsidiary nor a joint venture of the Group. Generally, the Group is deemed to have a significant influence if they have over 20% of the voting rights.

Under the equity method, the investment is carried in the interim consolidated balance sheet at cost plus post acquisition changes in the Group's share of net assets of the associates. Goodwill arising upon acquisition of associates is included in the amount of investment, and is not amortized until the associate becomes the subsidiary. The interim consolidated financial statements reflects the share of the post-acquisition results of operation of the associate.

The share of post-acquisition profit/(loss) of the associates is presented on face of the interim consolidated financial statements and its share of post-acquisition movements in reserves is recognized in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Dividends receivable from associates reduce the carrying amount of the investment.

The financial statements of subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. Adjustments are made for any differences in accounting policies that may exist to ensure consistency between the subsidiaries and the Company.

Investments in other entities

Investments in other entities are stated at their acquisition costs.

Provision for investments

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

3.14 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 to the Group.

3.15 Accrual for severance allowance

The severance pay to employee 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 period of service up to 31 December 2008 in accordance with the Labor Code, the Law on Social Insurance and related implementing guidance. From 1 January 2009, 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 will be taken to the separate income statement.

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Quarter I/2020**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)**3.16 Earnings per share**

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

Diluted earnings (loss) per share amounts are calculated by dividing the net profit after tax attributable to ordinary equity holders of the Group after appropriation to bonus and welfare fund (if any) and 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 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;
- Transactions resulting in liabilities are recorded at the selling exchange rates of the transaction of commercial banks designated for payment;
- Capital contributions are recorded at the buying exchange rates of the banks designated for capital contribution; 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 end of the period, monetary balances denominated in foreign currencies are translated at the actual transaction 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 conduct 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 during the year are **included in** the interim consolidated financial statements

Conversion of the financial statements of a subsidiary of the Group which maintains its accounting records in other currency rather than the Group's accounting currency of VND for the consolidation purpose is as follows:

- Assets and liabilities are converted into VND by using the average buying and selling exchange rate, respectively, as announced by the commercial banks where the Group maintains bank accounts at the balance sheet date;
- Revenues, other income and expenses are converted into VND by using the average exchange rate for the period;
- All foreign exchange differences resulting from conversion of financial statements of the subsidiary for the consolidation purpose are taken to the "foreign exchange reserve" on the consolidated balance sheet and charged to the consolidated financial statements upon the disposal of the investment.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Quarter I/2020**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)**3.18 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 Group's own equity instruments

3.19 Appropriation of net profit

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

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

▶ *Investment and development fund*

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

▶ *Welfare fund*

This fund is set aside for the purpose of common benefits and improvement of the employees' material benefits and well-being and presented as a liability on consolidated balance sheet.

3.20 Revenue recognition

Revenue is recognized when 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 recognized:

Sale of goods

Revenue is recognized when the significant risks and rewards of ownership of the goods have been passed to the buyer, usually concurring with the transfer of goods.

Revenue from rendering of services

Revenue from rendering of services is recognized when service has been 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 charged to the consolidated financial statements on a straight line basis over the lease terms on ongoing leases.

Dividend income

Dividend income is recognized when the Group'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 investments transfer procedures are completed and the involved parties have fulfilled their respective contractual obligations.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Quarter I/2020**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)**3.21 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 consolidated balance sheet date.

Current income tax is charged or credited to the interim consolidated financial statements, except when it relates to items 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 Group to set off 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 income tax

Deferred tax is provided using the liability method on temporary differences at the interim consolidated balance sheet date between the tax base of assets and liabilities and their carrying amount for financial reporting purposes.

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

- where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the related transaction affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures 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, carried forward of unused tax credit and unused tax losses, to the extent that it is probable that taxable profit will be available against those deductible temporary differences, carried forward unused tax credit and unused tax losses which 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 when 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.

The carrying amount of deferred income tax assets is reviewed at the consolidated balance sheet date and reduced to the extent that it is probable that sufficient taxable profit 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 the consolidated 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 year when the asset is realized or the liability is settled based on tax rates and tax laws that have been enacted at the consolidated balance sheet date.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Quarter I/2020

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.21 Taxation (continued)

Deferred income tax (continued)

Deferred tax is credited to the consolidated financial statements, except when it relates to items recognized directly to equity, in which case the deferred tax is also dealt with in the equity account.

Deferred tax assets and liabilities are offset when there is a legally enforceable right for the Group to 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 Group intends either 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.

3.22 Provisions

The Group recorded provisions when there are debt obligations (legal or associated obligations) as result of an event occurring in the past. Settlement of debt obligations may result in decline in economic benefits and the Group can give a reliable estimate of the value of these debt obligations.

3.23 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.

4. CASH

	31/3/2020	31/12/2019
		<i>VND'000</i>
Cash in banks	51,724,712	227,060,804
Cash on hand	6,028,734	8,826,812
Cash in transit	3,385,535	18,544,000
TOTAL	61,138,981	254,431,616

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Quarter I/2020**5. SHORT-TERM TRADE RECEIVABLES**

	31/3/2020	VND'000 31/12/2019
Receivables from construction services	758,707,394	777,223,573
Receivables from sales of goods and rendering of services	297,753,462	493,726,186
Receivables from disposal of fixed assets and investment properties	235,077,000	275,065,000
Receivables from sale of apartments	3,109,345	5,349,575
TOTAL	<u>1,294,647,201</u>	<u>1,551,364,334</u>

Included in trade receivables were amounts due from related parties aggregating to 52,209,682 VND'000 at 31/3/2020 (*Note 30*).

6. SHORT-TERM ADVANCES TO SUPPLIERS

	31/3/2020	VND'000 31/12/2019
Advances to suppliers of goods and services	94,924,477	108,160,565
Advances to contractors for construction projects of the Group and purchase of machinery and equipment	6,754,160	25,671,177
Advances for project acquisition	-	240,311,324
Advances to other sellers	934,529	507,662
TOTAL	<u>102,613,166</u>	<u>374,650,728</u>

Included in advances to suppliers were amounts due to related parties aggregating to 2,299,803 VND'000 at 31/3/2020 (*Note 30*).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Quarter I/2020**7. LOAN RECEIVABLES**

	31/3/2020	VND'000 31/12/2019
Short-term		
Short-term loans to related parties (Note 30) (i)	2,296,899,055	2,052,173,055
Short-term loans to other parties (ii)	127,638,167	215,195,363
	<u>2,424,537,222</u>	<u>2,267,368,418</u>
Long-term		
Long-term loans to related parties (Note 30) (i)	7,587,758,587	7,453,259,203
Long-term loans to Laos Government for the Attapeu International Airport project (iii)	17,597,402	17,305,361
Long-term loans to other parties (ii)	7,040,503	43,380,902
	<u>7,612,396,492</u>	<u>7,513,945,466</u>
TOTAL	<u>10,036,933,714</u>	<u>9,781,313,884</u>

(i) This represents unsecured loans to related parties with a repayment term from April 2020 to 2023 and the average interest rate from 4,80% to 13,00%/năm.

(ii) Long-term and short-term loans to other parties represents unsecured loans to companies with a repayment term from April 2020 to 2023 and the average interest rate from 8,00% to 12,50%/năm.

(iii) The loan to Laos Government – Attapeu International Airport project represents the interest-free loan in accordance with the Credit Contract signed with Laos Government on 23 May 2013 to finance the construction of Attapeu International Airport. This loan will be off-set against tax payables and other obligations to Laos Government in the future. Details are as follows:

	31/3/ 2020	31/12/2019
Beginning balance (USD)	748,826	648,826
Increased (USD)	-	100,000
Ending balance (USD)	<u>748,826</u>	<u>748,826</u>
Ending balance (VND'000)	<u>17,597,402</u>	<u>17,305,361</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Quarter I/2020**8. OTHER RECEIVABLES**

	<i>VND'000</i>	
	<i>31/3/2020</i>	<i>31/12/2019</i>
Short term		
Interest from loans to other companies and individuals	189,173,186	320,503,405
Receivables from employees	62,356,054	55,608,929
Lending to companies	61,998,203	54,427,339
Others	12,844,531	36,484,237
	<u>326,371,974</u>	<u>467,023,910</u>
Long term		
Interest from loans to other companies and individuals	847,936,660	735,099,245
Other long-term receivables	12,818,360	12,739,716
	<u>860,755,020</u>	<u>747,838,961</u>
TOTAL	<u>1,187,126,994</u>	<u>1,214,862,871</u>

Included in other short-term receivables was amount due from related parties aggregating to 162,696,509 and long-term receivables from related parties aggregating to 847,798,660 VND'000 at 31/3/2020 (*Note 30*).

9. INVENTORIES

	<i>VND'000</i>	
	<i>31/3/ 2020</i>	<i>31/12/2019</i>
Work in progress	1,840,294,198	1,711,671,121
<i>of which:</i>		
<i>Manufacturing activities</i>	968,147,717	856,080,345
<i>Construction contracts</i>	872,146,481	855,590,776
Raw materials	299,019,077	282,336,032
Finished goods	126,347,647	156,551,372
Merchandise goods	60,951,319	42,046,510
Tools and supplies	17,506,767	30,523,755
TOTAL	<u>2,344,119,008</u>	<u>2,223,128,790</u>
Provision for obsolete inventories	<u>(18,610,063)</u>	<u>(21,572,100)</u>
NET	<u>2,325,508,945</u>	<u>2,201,556,690</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT (continued)
Quarter I/2020**10. TANGIBLE FIXED ASSETS**

							VND'000
	<i>Buildings and structures</i>	<i>Machinery and equipment</i>	<i>Means of transport and transmission</i>	<i>Office equipment</i>	<i>Livestock and perennial trees</i>	<i>Other assets</i>	<i>TOTAL</i>
Cost							
Balance at 31/12/2019	2,211,805,251	591,798,639	2,153,540,303	6,794,049	7,591,762,569	58,766,439	12,614,467,250
New purchases	10,424,614	4,060,253	6,964,282	39,500	2,647,065	-	24,135,714
Acquisition of subsidiaries	303,704	133,000	-	-	70,893,526	50,000	71,380,230
Transfer from construction in progress	65,486,461	1,935,372	72,166,904	-	275,003,527	-	414,592,264
Reclassification	(2,495,291)	2,867,486	142,368	-	(133,969,151)	(514,564)	(133,969,152)
Disposals	-	(9,178,952)	(2,142,940)	-	-	-	(11,321,892)
Foreign exchange differences	(36,229,235)	(3,521,899)	(21,683,073)	(24,231)	(127,183,697)	(233,662)	(188,875,797)
31/3/2020	<u>2,249,295,504</u>	<u>588,093,899</u>	<u>2,208,987,844</u>	<u>6,809,318</u>	<u>7,679,153,839</u>	<u>58,068,213</u>	<u>12,790,408,617</u>
Accumulated depreciation							
31/12/2019	(496,053,425)	(312,063,621)	(689,178,533)	(4,698,392)	(828,947,263)	(36,286,113)	(2,367,227,347)
Depreciation for the year	(39,569,889)	(16,279,245)	(45,391,865)	(208,548)	(163,376,490)	(1,401,198)	(266,227,235)
Acquisition of subsidiaries	(50,617)	(41,254)	-	-	(1,666,580)	(15,476)	(1,773,927)
Reclassification	551,556	(585,422)	(84,055)	-	-	117,921	-
Disposal	-	4,967,831	2,142,940	-	-	-	7,110,771
Foreign exchange differences	7,840,221	2,331,155	8,517,921	17,522	16,901,174	152,774	35,760,767
31/3/2020	<u>(527,282,154)</u>	<u>(321,670,556)</u>	<u>(723,993,592)</u>	<u>(4,889,418)</u>	<u>(977,089,159)</u>	<u>(37,432,092)</u>	<u>(2,592,356,971)</u>
Net carrying amount							
31/12/2019	<u>1,715,751,826</u>	<u>279,735,018</u>	<u>1,464,361,770</u>	<u>2,095,657</u>	<u>6,762,815,306</u>	<u>22,480,326</u>	<u>10,247,239,903</u>
31/3/2020	<u>1,722,013,350</u>	<u>266,423,343</u>	<u>1,484,994,252</u>	<u>1,919,900</u>	<u>6,702,064,680</u>	<u>20,636,121</u>	<u>10,198,051,646</u>

11. INTANGIBLE FIXED ASSETS

			VND'000
	<i>Land use right</i>	<i>Computer software</i>	<i>TOTAL</i>
Cost			
31/12/2019	31,926,254	16,517,789	48,444,043
New purchases	<u>6,534,150</u>	-	<u>6,534,150</u>
31/3/2020	<u>38,460,404</u>	<u>16,517,789</u>	<u>54,978,193</u>
Accumulated depreciation			
31/12/2019	(1,578,918)	(13,669,273)	(15,248,191)
Amortisation for the year	<u>(83,101)</u>	<u>(353,329)</u>	<u>(436,430)</u>
31/3/2020	<u>(1,662,019)</u>	<u>(14,022,602)</u>	<u>(15,684,621)</u>
Carrying amount			
31/12/2019	<u>30,347,336</u>	<u>2,848,516</u>	<u>33,195,852</u>
31/3/2020	<u>36,798,385</u>	<u>2,495,187</u>	<u>39,293,572</u>

12. INVESTMENT PROPERTIES

			VND'000
	<i>Buildings and structures</i>	<i>Land use right</i>	<i>TOTAL</i>
Cost			
31/12/2019 and 31/3/2020	<u>47,003,809</u>	<u>27,072,022</u>	<u>74,075,831</u>
Accumulated depreciation			
31/12/2019	(3,250,255)	(2,957,577)	(6,207,832)
Accumulated depreciation	<u>(472,864)</u>	<u>(184,849)</u>	<u>(657,713)</u>
31/3/2020	<u>(3,723,119)</u>	<u>(3,142,426)</u>	<u>(6,865,545)</u>
Carrying amount			
31/12/2019	<u>43,753,554</u>	<u>24,114,445</u>	<u>67,867,999</u>
31/3/2020	<u>43,280,690</u>	<u>23,929,596</u>	<u>67,210,286</u>

13. CONSTRUCTION IN PROGRESS

	<i>VND'000</i>	
	<i>31/3/2020</i>	<i>31/12/2019</i>
Fruit plantations	5,165,427,276	4,672,843,963
Rubber plantations	3,390,018,783	3,168,482,172
Oil palm plantations	2,618,999,276	2,554,744,875
Buildings, plants and factories	673,856,692	647,942,539
HAGL-JMG Academy	44,602,808	41,937,787
Other construction works	145,255,193	143,811,528
TOTAL	<u>12,038,160,028</u>	<u>11,229,762,864</u>

14. INVESTMENT IN SUBSIDIARIES AND ASSOCIATES**14.1. Investment in subsidiaries**

Details of the Company's subsidiaries as at 31/3/2020 as follows:

<i>Name of subsidiaries</i>	<i>Location</i>	<i>Status of operation</i>	<i>Date of establishment / acquisition</i>	<i>(%) interest</i>
Agribusiness				
(1) Hoang Anh Gia Lai Agriculture JSC ("HNG")	Gia Lai, Vietnam	Operating	26/5/2010	47.41
(2) Hoang Anh Gia Lai Import - Export Trading One Member Co., Ltd.	Gia Lai, Vietnam	Operating	5/2/2013	47.41
(3) Hoang Anh - Quang Minh Rubber JSC	Gia Lai, Vietnam	Operating	1/2/2007	46.35
(4) Hoang Anh - Quang Minh Rubber Industrial and Agricultural Co., Ltd	Attapeu, Laos	Operating	12/1/2007	46.35
(5) Hoang Anh Dak Lak JSC	Đắk Lắk, Vietnam	Operating	12/9/2007	47.30
(6) Ban Me Rubber One Member Co., Ltd.	Đắk Lắk, Vietnam	Operating	17/1/2020	47.30
(7) Hoang Anh Attapeu Agriculture Development Co., Ltd.	Attapeu, Laos	Operating	22/5/2008	47.41
(8) Hoang Anh Andong Meas	Ratanakiri, Cambodia	Operating	17/2/2011	46.35
(9) Hoang Anh Oyadav Co., Ltd.	Ratanakiri, Cambodia	Operating	16/7/2010	47.41
(10) Heng Brothers Co., Ltd.	Ratanakiri, Cambodia	Operating	25/1/2010	47.41
(11) CRD Co., Ltd.	Ratanakiri, Cambodia	Pre-operating	15/12/2010	47.41
(12) Hoang Anh Rattanakiri Co., Ltd.	Ratanakiri, Cambodia	Pre-operating	18/11/2009	47.41

14. INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES (continued)**14.1. Investments in associates** (continued)

<i>Name of subsidiaries</i>	<i>Location</i>	<i>Status of operation</i>	<i>Date of establishment / acquisition</i>	<i>(%) interest</i>
(13) Highland Dairy Cattle JSC	Gia Lai, Vietnam	Operating	26/4/2015	46,93
(14) An Dong Mia JSC	Gia Lai, Vietnam	Operating	15/10/2015	47,36
(15) Hoang Anh Lumphat Co., Ltd.	Ratanakiri, Cambodia	Operating	15/10/2015	47,36
(16) Hung Thang Loi Gia Lai JSC	Gia Lai, Vietnam	Operating	31/1/2018	78,22
(17) Dai Thang Agricultural Development Co., Ltd.	Sekong, Laos	Operating	31/1/2018	78,22
(18) Khan Xay Agriculture Development Co., Ltd.	Sekong, Laos	Pre-operating	31/1/2019	78,22
Construction, trading and services				
(19) Hoang Anh Gia Lai Sport JSC	Gia Lai, Vietnam	Operating	12/1/2009	60,41
(20) Hoang Anh Gia Lai Hospital JSC ("HAGL Hospital")	Gia Lai, Vietnam	Operating	7/5/2008	99,50
(21) Hoang Anh Gia Lai Vientiane Co., Ltd.	Viêng chăn, Laos	Pre-operating	6/5/2010	100,00

Pre-operating status means the subsidiary is still under investment stage and has not yet started its business operations as at 31/3/2020.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT (continued)
Quarter I/2020**14. INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES** (continued)**14.2. Investments in associates**

<i>Name of associates</i>	<i>Business activity</i>	<i>31/3/2020</i>		<i>31/12/2019</i>	
		<i>(%) interest</i>	<i>Carrying value VND'000</i>	<i>(%) interest</i>	<i>Carrying value VND'000</i>
Bidiphar Rubber JSC (*)	Rubber plantation	49.14	267,706,816	49.14	265,503,612
East Asia Investment and Construction Consultant JSC	Electric design and consultancy	25.00	7,609,521	25.00	7,609,521
TOTAL			<u>275,316,337</u>		<u>273,113,133</u>

(*) Based on the direct ownership of the Group's subsidiaries in these companies

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT (continued)
Quarter I/2020**15. INVESTMENT IN OTHER ENTITIES**

	<i>VND'000</i>	
	<i>31/3/2020</i>	<i>31/12/2019</i>
Thanh nien Media Corporation	6,200,000	6,200,000
Other investments	4,924,651	4,924,651
TOTAL	<u>11,124,651</u>	<u>11,124,651</u>

16. LONG-TERM PREPAID EXPENSES

	<i>VND'000</i>	
	<i>31/3/2020</i>	<i>31/12/2019</i>
Land reclamation	231,636,583	240,352,484
Land rentals	68,415,511	69,091,972
Training costs of HAGL-JMG	37,618,241	39,802,957
Tools and supplies	15,732,312	15,677,456
Office rentals	5,117,435	5,102,262
Others	10,735,236	11,549,728
TOTAL	<u>369,255,318</u>	<u>381,576,859</u>

17. SHORT-TERM TRADE PAYABLES

	<i>VND'000</i>	
	<i>31/3/2020</i>	<i>31/12/2019</i>
Payable for purchase of goods and services	1,020,724,234	991,975,634
Payable to construction contractors	30,332,885	19,491,735
Others	6,796,598	3,526,393
TOTAL	<u>1,057,853,717</u>	<u>1,014,993,762</u>

Included in trade payables were amounts due to related parties aggregating to 102,952,850 VND'000 at 31/3/2020 (Note 30).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT (continued)
Quarter I/2020**18. SHORT TERM ADVANCES FROM CUSTOMERS**

	VND'000	
	31/3/2020	31/12/2019
Advances from trade customers	1,105,412,203	238,750,940
Others	-	517,884
TOTAL	<u>1,105,412,203</u>	<u>239,268,824</u>

Included in advances from trade customers were amounts due to related parties aggregating to 83,967,679 ngàn VND at 31/3/2020 (Note 30).

18. STATUTORY OBLIGATIONS

	VND'000	
	31/3/2020	31/12/2019
Corporate income tax (Note 29.1)	19,751,429	19,970,633
Personal income tax	9,792,949	9,170,521
Value-added tax payable	357,645	1,229,085
Others	2,985,524	2,227,639
TOTAL	<u>32,887,547</u>	<u>32,597,878</u>

19. ACCRUED EXPENSES

	VND'000	
	31/3/2020	31/12/2019
Interest expenses	3,229,006,957	3,133,743,647
<i>In which:</i>		
<i>Interest expenses on bank loans and bonds</i>	3,184,210,918	3,119,484,610
<i>Interest expenses on other organizations</i>	44,796,039	14,259,037
Operating costs	865,878,854	833,435,274
Bond issuance expenses	43,414,660	43,414,660
TOTAL	<u>4,138,300,471</u>	<u>4,010,593,581</u>
<i>In which:</i>		
Short term	2,573,079,521	2,020,469,752
Long term	1,565,220,950	1,990,123,829

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT (continued)
Quarter I/2020**20. OTHER PAYABLES**

	VND'000	
	31/3/2020	31/12/2019
Short term		
Payables to other companies and individuals (i)	523,663,486	556,542,089
Payables for land lease	65,254,454	69,533,695
Business Cooperation Contracts (ii)	36,000,000	36,000,000
Gains from Business Cooperation Contracts	5,281,255	17,989,667
Others	42,963,023	240,273,905
	<u>673,162,218</u>	<u>920,339,356</u>
Long term		
Business Cooperation Contracts (BBC) (ii)	285,000,000	285,000,000
Payables for land lease	121,999,854	112,751,757
Payables to other companies and individuals (i)	112,789,468	173,220,900
	<u>519,789,322</u>	<u>570,972,657</u>
TOTAL	<u>1,192,951,540</u>	<u>1,491,312,013</u>

Included in other payables were short-term amounts due to related parties aggregating to 71,883,693 VND'000 and long-term amounts 285,000,000 VND'000 at 31/3/2020 (Note 30).

- (i) This balance represents non-bearing interest and non-mortgage advances with a repayment term in 2020, from other companies and other individuals outside the Group for the purpose of supplementing working capital.
- (ii) Payables for business cooperation contracts ("BBC") included:
- Representing the capital contribution received from BCC signed on 23 October 2019 with related individuals in the Group on the investment cooperation in the Group's fruit tree projects with amounting to VND'000 36,000,000. BCCs do not require the establishment of a new legal entity and profit will be divided based on the income statement of the project with a cooperation term of six (6) years from the contract date; and
 - Representing the capital contribution received from BCC signed on 24 September 2018 with related individuals in the Group on the investment cooperation in the Group's fruit tree projects with amounting to VND'000 285,000,000. BCCs do not require the establishment of a new legal entity and profit will be divided based on the business results of the project with a cooperation term of three (3) years from the contract date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT (continued)
Quarter I/2020**22. LOAN**

	31/3/2020	31/12/2019
		<i>VND'000</i>
Short term		
Current portion of long-term bank loans (Note 22.3)	1,578,070,033	1,536,534,626
Short-term loans from organizations and individuals	461,245,591	1,198,419,199
Short-term bank loans (Note 22.1)	891,203,643	897,504,879
Current portion of domestic straight bonds (Note 22.2)	120,000,000	120,000,000
	<u>3,050,519,267</u>	<u>3,752,458,704</u>
Long term		
Domestic straight bonds (Note 22.2)	7,047,101,204	7,044,687,161
Long-term bank loans (Note 22.3)	3,038,543,034	3,095,659,574
Long-term loans from companies and individuals	1,949,082,221	805,260,834
	<u>12,034,726,459</u>	<u>10,945,607,569</u>
TOTAL	<u>15,085,245,726</u>	<u>14,698,066,273</u>

22.1 Short-term bank loans

	31/3/2020	31/12/2019
		<i>VND'000</i>
Tien Phong Commercial Joint Stock Bank	599,728,635	599,732,982
Laos - Viet Bank	268,129,075	273,664,995
Saigon Thuong Tin Commercial Joint Stock Bank	19,702,256	18,962,528
Commercial Joint Stock Bank for Investment and Development of Vietnam	3,643,677	5,144,374
TOTAL	<u>891,203,643</u>	<u>897,504,879</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT (continued)
Quarter I/2020**22.2 Domestic straight bonds**

As at the balance sheet date, outstanding domestic straight bonds are detailed as below:

<i>Arrangement organizations</i>	<i>Date of issuance</i>	<i>Amount VND'000</i>	<i>Maturity date</i>
BIDV and BIDV Securities Joint Stock Company	31/3/ 2017	5,876,000,000	30/12/2026
HDB Securities Corporation	29/12/2016	930,000,000	31/12/2023
ACB Securities Limited Company	25/4/2012	300,000,000	18/6/2023
Viet Capital Bank Commercial Joint Stock Bank	30/12/2016	120,000,000	30/12/2020
Issuance expense		<u>(58,898,796)</u>	
TOTAL		<u>7,167,101,204</u>	
<i>In which:</i>			
<i>Non-current portion</i>		7,047,101,204	
<i>Current portion</i>		120,000,000	

22.3 Long-term bank loan

	<i>31/3/2020</i>	<i>VND'000 31/12/2019</i>
Bank for Investment and Development of Vietnam Ho Chi Minh City Development Joint Stock Commercial Bank	2,135,191,737	2,126,870,427
Laos - Viet Bank - Attapeu Branch	1,021,198,547	1,029,352,918
Saigon Thuong Tin Commercial Joint Stock Bank	805,549,058	822,882,260
Tien Phong Commercial Joint Stock Bank	554,673,725	553,088,595
	100,000,000	100,000,000
TOTAL	<u>4,616,613,067</u>	<u>4,632,194,200</u>
<i>In which:</i>		
<i>Non-current portion</i>	3,038,543,034	3,095,659,574
<i>Current portion</i>	1,578,070,033	1,536,534,626

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT (continued)
Quarter I/2020**23. OWNER'S EQUITY****23.1 Increase and decrease in owners' equity**

VND'000

	Share capital	Share premium	Treasury shares	Foreign exchange difference	Investment and development fund	Undistributed earnings	TOTAL
Quarter I/2019							
Balance at 31 December 2018	9,274,679,470	3,263,858,784	(686,640)	485,237,344	280,644,763	(36,434,976)	13,267,298,745
Net profit for the period	-	-	-	-	-	36,169,614	36,169,614
Remuneration for the BOD and the BOS	-	-	-	-	-	(618,000)	(618,000)
Investment & development and bonus & welfare funds	-	-	-	-	1,024,011	(1,024,011)	-
Foreign exchange differences	-	-	-	(64,818,164)	-	-	(64,818,164)
Equity transactions inside Group with non-controlling interests	-	-	-	-	-	1,127,077	1,127,077
31/3/2019	9,274,679,470	3,263,858,784	(686,640)	420,419,180	281,668,774	(780,296)	13,239,159,272
Quarter I/2020							
Balance 31/12/2019	9,274,679,470	3,263,858,784	(686,640)	(424,458,674)	281,668,774	290,839,236	12,685,900,950
Net profit for the period	-	-	-	-	-	(69,195,997)	(69,195,997)
Investment & development and bonus & welfare funds	-	-	-	-	741,925	(741,925)	-
Foreign exchange differences	-	-	-	(312,676,726)	-	-	(312,676,726)
Others	-	-	-	-	-	(4,369,937)	(4,369,937)
31/3/2020	9,274,679,470	3,263,858,784	(686,640)	(737,135,400)	282,410,699	216,531,377	12,299,658,290

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT (continued)
Quarter I/2020**23. OWNER'S EQUITY** (continued)**23.2 Shares**

	31/3/2020	31/12/2019
	<i>Cổ phiếu</i>	<i>Cổ phiếu</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>

Par value of the Company's 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 CONSOLIDATED FINANCIAL STATEMENT (continued)
Quarter I/2020

24. DOANH THU

24.1 Revenues from sale of goods and rendering of services

	VND'000			
	Quarter I		Accumulated from the beginning of the year	
	Current year	Previous year	Current year	Previous year
Gross revenues	835,995,736	410,223,705	835,995,736	410,223,705
<i>Of which:</i>				
<i>Sale of fruits</i>	694,802,976	199,169,419	694,802,976	199,169,419
<i>Sale of latex</i>	67,987,529	101,488,841	67,987,529	101,488,841
<i>Rendering of other services</i>	42,321,688	50,050,341	42,321,688	50,050,341
<i>Sale of goods, commodities, by-products</i>	30,883,543	20,553,567	30,883,543	20,553,567
<i>Sale of chillies</i>	-	38,961,537	-	38,961,537
Deductions	(2,381,736)	-	(2,381,736)	-
<i>Rebate</i>	(2,381,736)	-	(2,381,736)	-
Net revenues	833,614,000	410,223,705	833,614,000	410,223,705
<i>Of which:</i>				
<i>Sale of fruits</i>	692,453,661	199,169,419	692,453,661	199,169,419
<i>Sale of latex</i>	67,987,529	101,488,841	67,987,529	101,488,841
<i>Rendering of other services</i>	42,289,267	50,050,341	42,289,267	50,050,341
<i>Sale of goods and commodities</i>	30,883,543	20,553,567	30,883,543	20,553,567
Net revenues	-	38,961,537	-	38,961,537

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT (continued)
Quarter I/2020**24.2 Financial income**

	VND'000			
	Quarter IV		Accumulated from the beginning of the year	
	Current year	Previous year	Current year	Previous year
Interest income from loans to other companies	154.532.617	177.054.812	154.532.617	177.054.812
Foreign exchange gains	2.261.298	21.100.939	2.261.298	21.100.939
Interest income from bank deposits	334.566	345.733	334.566	345.733
TOTAL	157.128.481	198.501.484	157.128.481	198.501.484

25. COST OF GOODS SOLD

	VND'000			
	Quarter I		Accumulated from the beginning of the year	
	Current year	Previous year	Current year	Previous year
Cost of fruits	392,444,204	139,823,858	392,444,204	139,823,858
Cost of latex	91,347,299	90,364,743	91,347,299	90,364,743
Cost of other services rendered	47,512,540	41,874,249	47,512,540	41,874,249
Cost of goods sold and commodities	19,640,869	13,443,118	19,640,869	13,443,118
Cost of chilies	-	39,341,388	-	39,341,388
TOTAL	550,944,912	324,847,356	550,944,912	324,847,356

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT (continued)
Quarter I/2020**26. FINANCE EXPENSES**

	VND'000			
	<i>Quarter I</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 on bank loans and bonds	267,384,264	328,353,118	267,384,264	328,353,118
Foreign exchange differences	44,771,997	24,187,090	44,771,997	24,187,090
Others	11,499,754	7,631,599	11,499,754	7,631,599
TOTAL	323,656,015	360,171,807	323,656,015	360,171,807

27. SELLING EXPENSES AND GENERAL AND ADMINISTRATIVE EXPENSES

	VND'000			
	<i>Quarter I</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>
Selling expenses	84,378,084	38,489,276	84,378,084	38,489,276
Transportation expenses and external services	76,566,773	33,215,178	76,566,773	33,215,178
Labor costs	2,843,238	2,933,508	2,843,238	2,933,508
Depreciation and amortization	615,462	474,989	615,462	474,989
Others	4,352,611	1,865,601	4,352,611	1,865,601
General and administrative expenses	98,617,119	166,214,564	98,617,119	166,214,564
Allocation of goodwill	49,138,131	102,049,629	49,138,131	102,049,629
Labor costs	31,336,827	35,025,221	31,336,827	35,025,221
External services	5,221,348	5,872,859	5,221,348	5,872,859
Depreciation and amortization	4,947,475	6,803,342	4,947,475	6,803,342
Reversal of Provisions	(3,720,000)	-	(3,720,000)	-
Others	11,693,338	16,463,513	11,693,338	16,463,513
TOTAL	182,995,203	204,703,840	182,995,203	204,703,840

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT (continued)
Quarter I/2020**28. OTHER INCOME AND EXPENSES**

	VND'000			
	<i>Quarter I</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 income	18,424,943	6,473,272	18,424,943	6,473,272
Gain from disposal of long-term assets	3,813,346	14,674	3,813,346	14,674
Others	14,611,597	6,458,598	14,611,597	6,458,598
Other expense	32,967,484	(265,849,159)	32,967,484	(265,849,159)
Depreciation of idle assets	11,854,452	15,752,100	11,854,452	15,752,100
Penalty expenses	3,655,449	11,189,877	3,655,449	11,189,877
Reversal of Provisions	-	(335,292,885)	-	(335,292,885)
Others	17,457,583	42,501,749	17,457,583	42,501,749
OTHER LOSS (PROFIT)	(14,542,541)	272,322,431	(14,542,541)	272,322,431

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT (continued)
Quarter I/2020**29. CORPORATE INCOME TAX**

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

The Group's subsidiaries in Laos and Cambodia, have the obligations to pay CIT at the rates respectively, of their taxable profits. They are also entitled to CIT exemption and reduction in accordance with their respective business registration certificates, investment licenses and applicable tax regulations.

The Group's tax returns 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.

The current tax payable is based on taxable profit for the period. Taxable profit differs from profit as reported in the interim consolidated 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 CIT expense for the year comprised of:

	<i>VND'000</i>	
	<i>Quarter I/2020</i>	<i>Quarter I/2019</i>
Current tax expense	139,992	529,412
Expense (income) tax deferred	<u>(1,118,016)</u>	<u>(1,711,070)</u>
TOTAL	<u>(978,024)</u>	<u>(1,181,658)</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT (continued)
Quarter I/2020**29. CORPORATE INCOME TAX (continued)****29.1 Current CIT**

	Quarter I/2020	VND'000 Quarter I/2019
Accounting profit (loss) before tax	(79,192,986)	20,319,478
Adjustments to increase (decrease) in accounting profit		
Losses of subsidiaries	180,035,762	386,072,293
Amortisation of goodwill	49,138,131	102,049,629
Movement of intra-group unrealized profit	(43,275)	2,244,073
Foreign exchange differences	42,751,929	294,183
Share of profit (loss) from associates	(2,203,204)	(28,994,861)
Expenses without adequate supporting documents	-	11,795,482
Deductible interest expenses at entities level but capitalized on consolidated financial statements	49,249,928	(18,692,707)
Provision for investments	-	(23,752,604)
Profit from activities which are tax exempted	(170,763,268)	(54,407,190)
Others	10,535,186	(328,101,071)
Adjusted net profit before loss carried forward	79,508,203	68,826,705
Losses carried forward	(79,508,203)	(64,715,916)
Estimated taxable income	-	4,110,789
Estimated current CIT	138,881	374,574
Current CIT of Real Estate industry	-	140,996
Adjustments under accrual of CIT from previous years	1,111	13,842
Estimated current CIT	139,992	529,412
CIT payable at beginning of the period	19,970,633	30,664,436
Adjustments under accrual of CIT from previous periods	-	1,927,750
CIT paid during the period	(159,661)	(418,658)
Other adjustments	(199,535)	(28,863)
CIT payable at end of the period	19,751,429	32,674,077

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT (continued)
Quarter I/2020**29. CORPORATE INCOME TAX (continued)****29.2 Deferred CIT**

The following comprises the Group's deferred tax assets and liabilities recognized by the Group and the movements thereon during the period:

	<i>Consolidated balance sheet</i>		<i>VND'000</i>
	<i>31/3/2020</i>	<i>31/13/2019</i>	<i>Consolidated financial statements</i>
<i>Deferred tax assets</i>			
Unrealized intra-group profit	74,519,754	74,528,409	8,655
	<u>74,519,754</u>	<u>74,528,409</u>	
<i>Deferred tax liabilities</i>			
Interest expenses capitalized on consolidated financial statements	110,084,891	111,211,562	(1,126,671)
Provision for investments in associates, subsidiaries	110,260,843	110,260,843	-
	<u>220,345,734</u>	<u>221,472,405</u>	
<i>Deferred income tax expenses</i>			<u>(1,118,016)</u>

30. TRANSACTIONS WITH RELATED PARTIES

Significant transactions with related parties were as follows:

<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>VND'000</i>
			<i>Amounts</i>
Gia Lai Livestock JSC	Related Company	Interest income Sales of goods and Rendering of services	87,578,295 501,303
Le Me JSC	Related Company	Interest income	71,682,946
Hoang Anh Gia Lai Wooden Furniture JSC	Related Company	Interest income	3,695,142
Mr. Doan Nguyen Duc	BOD chairman	Business Cooperation profit	1,800,000
Ms. Ho Thi Kim Chi	Deputy general director	Business Cooperation profit	1,050,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT (continued)
Quarter I/2020**30. TRANSACTIONS WITH RELATED PARTIES (continued)**

Receivables and payables to related parties at 31/3/2020 as follows:

<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>VND'000</i> <i>Amounts</i>
Short term receivables (Note 5)			
Thanh Binh Investment & Construction Consultant Co., Ltd	Related Company	Construction contract receivable	27,595,944
Gia Lai Livestock JSC	Related Company	Sales of goods	17,091,299
Minh Tuan Trading and Services Co., Ltd.	Related Company	Constructor contract receivable	5,501,714
Others	Related party	Others	2,020,725
TOTAL			<u>52,209,682</u>
Short-term advances to suppliers (Note 6)			
Gia Lai Livestock JSC	Related company	Advances for purchase of goods	<u>2,299,803</u>
Short term loan receivables (Note 7)			
Gia Lai Livestock JSC	Related company	Loan	1,252,704,232
Le Me JSC	Related company	Loan	918,759,971
Hoang Anh Gia Lai Wooden Furniture JSC	Related company	Loan	86,936,725
Mr. Doan Nguyen Duc	BOD chairman	Loan	20,120,000
Ms. Ho Thi Kim Chi	Deputy general director	Loan	16,742,127
Ms Vo Thi My Hanh	BOD member	Loan	1,636,000
TOTAL			<u>2,296,899,055</u>
Long term loan receivables (Note 7)			
Gia Lai Livestock JSC	Related company	Loan	4,163,250,590
Le Me JSC	Related company	Loan	3,324,507,997
Hoang Anh Gia Lai Wooden Furniture JSC	Related company	Loan	100,000,000
TOTAL			<u>7,587,758,587</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT (continued)
Quarter I/2020**30. TRANSACTIONS WITH RELATED PARTIES** (continued)

Receivables from and payables to related parties at 31/3/2020 as follows (continued):

<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>VND'000</i> <i>Amounts</i>
<i>Other Short term receivable</i> (Note 8)			
Mr. Doan Nguyen Duc	BOD chairman	Temporary Lending	65,637,865
Gia Lai Livestock JSC	Related company	Interest income	26,255,182
		Temporary Lending	9,806,294
		Payment on behalf	2,630,603
Thang Long Agricultural Development One Member Co., Ltd.	Related company	Temporary Lending	21,972,555
Le Me JSC	Related company	Interest income	18,148,552
Hoang Anh Gia Lai Wooden furniture JSC	Related company	Interest income	14,453,458
		Payment on behalf	2,192,000
Other parties	Related party	Others	1,600,000
TOTAL			<u>162,696,509</u>
<i>Other long term receivables</i> (Note 8)			
Gia Lai Livestock JSC	Related company	Interest income	564,069,221
Le Me JSC	Related company	Interest income	263,764,962
Hoang Anh Gia Lai Wooden Furniture JSC	Related company	Interest income	19,676,299
Viet May Investment JSC	Related company	Interest income	288,178
TOTAL			<u>847,798,660</u>
<i>Short-term payable</i> (Note 17)			
Hoang Anh Gia Lai Wooden Furniture JSC - Hoang Anh Gia Lai Plastic Factory branch	Related company	Purchase of goods	71,236,363
Gia Lai Livestock JSC	Related company	Purchase of goods	30,430,558
Other related parties	Related party	Others	1,285,929
TOTAL			<u>102,952,850</u>
<i>Short-term advances from customers</i> (Note 18)			
Gia Lai Livestock JSC	Related company	Advances for purchase of goods	83,967,679

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT (continued)
Quarter I/2020**30. TRANSACTIONS WITH RELATED PARTIES** (continued)

Receivables from and payables to related parties at 31/3/2020 as follows (continued):

			VND'000
<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>Amounts</i>
Other Short term payables (Note 21)			
Ms Vo Thi My Hanh	BOD member	Business Cooperation	36,000,000
		Business Cooperation profit	3,648,000
		Temporary borrowing	1,000,000
Le Me JSC	Related party	Temporary borrowing	11,685,000
Ms Doan Thi Nguyen Nguyen	Related party	Temporary borrowing	10,000,000
Hoang Anh Gia Lai Wooden Furniture JSC	Related company	Temporary borrowing	7,422,950
Others	Related party	Others	<u>2,127,743</u>
TOTAL			<u>71,883,693</u>
Other long term payables (Note 21)		Related party	
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			<u>285.000.000</u>

31. EVENTS AFTER THE BALANCE SHEET DATE

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

Tran Thi Thanh Hieu
Preparer

27 April 2020

Le Truong Y Tram
Chief accountant_____
Vo Truong Son
General Director