

**Hoang Anh Gia Lai Agricultural
Joint Stock Company**

Separate financial statements

For the year ended 31 December 2019

Hoang Anh Gia Lai Agricultural Joint Stock Company

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Hoang Anh Gia Lai Agricultural Joint Stock Company

GENERAL INFORMATION

THE COMPANY

Hoang Anh Gia Lai Agricultural Joint Stock Company (“the Company”) is a joint stock company incorporated under the Law on Enterprises of Vietnam pursuant to Business Registration Certificate (“BRC”) No. 5900712753 issued by the Department of Planning and Investment of Gia Lai Province on 26 May 2010 and eighteenth (18) amended BRCs.

The Company’s shares were listed on the Ho Chi Minh City Stock Exchange (“HOSE”) with stock code “HNG”, in accordance with Decision No. 278/QD-SGDHCM issued by the Ho Chi Minh City Stock Exchange on 10 July 2015.

The registered principal activities of the Company are breeding and trading dairy cows and cows for meat; planting and trading rubber latex; palm oil; fruits; generating and trading seeding; afforesting and related materials; constructing houses; constructing industrial and civil projects.

The Company’s registered head office is located at No. 15, Truong Chinh Street, Phu Dong Ward, Pleiku City, Gia Lai Province, Vietnam.

BOARD OF DIRECTORS

Members of the Board of Directors (“BOD”) during the year and at the date of this report are:

Mr Doan Nguyen Duc	Chairman	
Mr Do Xuan Dien	Deputy Chairman	appointed on 26 April 2019
Mr Vo Truong Son	Member	
Mr Nguyen Quan Anh	Member	
Mrs Vo Thi My Hanh	Member	
Mrs Vo Thi Huyen Lan	Member	
Mr Tran Bao Son	Member	
Mr Nguyen Hung Minh	Member	resigned on 26 April 2019

BOARD OF SUPERVISORS

Members of the Board of Supervisors (“BOS”) during the year and at the date of this report are:

Mr Nguyen Duc Quang	Head
Mr Pham Ngoc Chau	Member
Mr Dang Cong Truc	Member

MANAGEMENT

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

Mrs Vo Thi My Hanh	General Director
Mr Nguyen Quan Anh	Vice General Director
Mr Tran Bao Son	Vice General Director

LEGAL REPRESENTATIVES

The legal representative of the Company during the year and at the date of this report is Mrs Vo Thi My Hanh

AUDITORS

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

Hoang Anh Gia Lai Agricultural Joint Stock Company

REPORT OF MANAGEMENT

Management of Hoang Anh Gia Lai Agricultural Joint Stock Company ("the Company") is pleased to present this report and the separate financial statements of the Company for the year ended 31 December 2019.

MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE SEPARATE FINANCIAL STATEMENTS

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

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

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

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

STATEMENT BY MANAGEMENT

Management does hereby state that, in its opinion, the accompanying separate financial statements give a true and fair view of the separate financial position of the Company as at 31 December 2019 and of the separate results of its operations and its separate cash flows for the year then ended in accordance with the Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the separate financial statements.

The Company has subsidiaries as disclosed in the separate financial statements. The Company prepared these separate financial statements to meet the prevailing requirements in relation to disclosure of information, specifically the Circular 155/2015/TT-BTC on disclosure of information on the securities market. In addition, as required by these regulations, the Company has also prepared the consolidated financial statements of the Company and its subsidiaries ("the Group") for the year ended 31 December 2019 dated 9 April 2020.

Users of the separate financial statements should read them together with the said consolidated financial statements in order to obtain full information on the consolidated financial position, consolidated results of operations and consolidated cash flows of the Group as a whole.

For and on behalf of management:



Võ Thị My Hạnh
General Director

Gia Lai Province, Vietnam

9 April 2020

Reference: 61280353/21443463

INDEPENDENT AUDITORS' REPORT

To: The Shareholders of Hoang Anh Gia Lai Agricultural Joint Stock Company

We have audited the accompanying separate financial statements of Hoang Anh Gia Lai Agricultural Joint Stock Company ("the Company"), as prepared on 9 April 2020 and set out on pages 5 to 51 which comprise the separate balance sheet as at 31 December 2019, the separate income statement and the separate cash flow statement for year then ended and the notes thereto.

Management's responsibility

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

Auditors' responsibility

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

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

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

Basis for qualified opinion

As disclosed in Note 25, during the year, the Company recorded other income from reversal of the provisional Current Income Tax expense (“CIT expense”) as at 31 December 2018 with the total amount of VND’000 102,388,641 which was made in prior years according to Item 3, Article 8 of Decree No. 20/2017/ND-CP, prescribing tax administration for enterprises engaged in transfer pricing, issued by the Government on 24 February 2017 (“Decree 20”). Had the Company not made the reversal of CIT expense accrued in the said prior fiscal years according to Decree 20, the “Other income” would have decreased by VND’000 102,388,641, “Loss before tax” and “Loss after tax” would have increased by VND’000 102,388,641. At the same time, the “Accumulated losses” and “Statutory obligation” as at 31 December 2019 would have increased by the same amount of VND’000 102,388,641.

Qualified opinion

In our opinion, except for the effect of the matter described in the “*Basis for Qualified Opinion*” paragraph, the separate financial statements give a true and fair view, in all material respects, of the separate financial position of the Company as at 31 December 2019, and of the separate results of its operations and its separate cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the separate financial statements.

Ernst & Young Vietnam Limited



Dương Hồ Anthony
Deputy General Director
Audit Practicing Registration Certificate
No. 2223-2018-004-1

Thai Trong Cang
Auditor
Audit Practicing Registration Certificate
No. 4139-2017-004-1

Ho Chi Minh City, Vietnam

9 April 2020

SEPARATE BALANCE SHEET
as at 31 December 2019

VND'000

Code	ASSETS	Notes	Ending balance	Beginning balance
100	A. CURRENT ASSETS		5,400,395,101	4,509,971,413
110	I. Cash	4	43,933,270	7,845,148
111	1. Cash		43,933,270	7,845,148
130	II. Current accounts receivables		5,258,057,445	4,466,086,999
131	1. Short-term trade receivables	5	927,025,562	352,080,983
132	2. Short-term advances to suppliers	6	1,961,222,599	889,187,934
135	3. Short-term loan receivables	7	543,718,680	1,881,871,110
136	4. Other short-term receivables	8	1,841,538,878	1,342,946,972
137	5. Provision for doubtful short-term receivables	5	(15,448,274)	-
140	III. Inventories	9	61,856,457	25,321,339
141	1. Inventories		66,375,143	25,752,653
149	2. Provision for obsolete inventories		(4,518,686)	(431,314)
150	IV. Other current assets		36,547,929	10,717,927
151	1. Short-term prepaid expenses		815,585	190,998
152	2. Value-added tax deductible	18	35,446,513	10,233,707
153	3. Tax and other receivables from the State	18	285,831	293,222
200	B. NON-CURRENT ASSETS		14,533,166,516	18,588,618,997
210	I. Long-term receivables		9,018,820,740	7,148,794,766
215	1. Long-term loan receivables	28	7,003,799,583	5,643,424,324
216	2. Other long-term receivables	8	2,015,021,157	1,505,370,442
220	II. Fixed assets		51,751,813	49,255,369
221	1. Tangible fixed assets	10	51,751,813	30,807,795
222	Cost		61,670,300	52,043,824
223	Accumulated depreciation		(9,918,487)	(21,236,029)
227	2. Intangible assets	11	-	18,447,574
228	Cost		-	48,197,185
229	Accumulated amortisation		-	(29,749,611)
240	III. Long-term assets in progress		18,547,792	-
242	1. Construction in progress	12	18,547,792	-
250	IV. Long-term investments	13	5,438,496,853	11,386,830,002
251	1. Investments in subsidiaries		5,701,201,820	11,371,623,485
252	2. Investment in an associate		286,004,636	286,004,636
253	3. Investment in another entity		2,594,610	7,783,830
254	4. Provision for diminution in value of long-term investments		(551,304,213)	(278,581,949)
260	V. Other long-term asset		5,549,318	3,738,860
261	1. Long-term prepaid expenses		5,549,318	3,738,860
270	TOTAL ASSETS		19,933,561,617	23,098,590,410

SEPARATE BALANCE SHEET (continued)
as at 31 December 2019

VND'000

Code	RESOURCES	Notes	Ending balance	Beginning balance
300	C. LIABILITIES		7,745,411,311	11,950,359,240
310	I. Current liabilities		4,961,672,936	5,779,113,942
311	1. Short-term trade payables	14	529,091,273	126,426,733
312	2. Short-term advances from customers	15	478,164,530	99,512,291
313	3. Statutory obligations	18	189,963	74,248
314	4. Payables to employees		6,980,761	3,701,552
315	5. Short-term accrued expenses	16	302,706,313	417,979,769
319	6. Other short-term payables	17	209,575,929	158,515,837
320	7. Short-term loans	19	3,434,964,167	4,972,903,512
330	II. Non-current liabilities		2,783,738,375	6,171,245,298
333	1. Long-term accrued expenses	16	237,837,713	337,190,031
337	2. Other long-term payables	17	754,133,163	973,804,631
338	3. Long-term loans	19	1,791,767,499	4,860,250,636
400	D. OWNERS' EQUITY		12,188,150,306	11,148,231,170
410	I. Capital	20	12,188,150,306	11,148,231,170
411	1. Share capital		11,085,538,950	8,868,438,950
411a	- Share with voting rights		11,085,538,950	8,868,438,950
412	2. Share premium		1,170,127,000	1,064,550,810
413	3. Convertible bond options		-	105,576,190
421	4. Undistributed earnings		(67,515,644)	1,109,665,220
421a	- Undistributed earnings by the end of prior years		1,108,104,220	1,281,418,195
421b	- Losses of current year		(1,175,619,864)	(171,752,975)
440	TOTAL LIABILITIES AND OWNERS' EQUITY		19,933,561,617	23,098,590,410

Trương Thị Trúc Thiên Trang
Preparer

Phạm Xuân Hòa
Chief Accountant



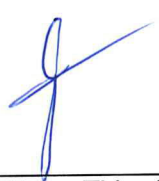
Võ Thị My Hạnh
General Director

9 April 2020


SEPARATE INCOME STATEMENT
for the year ended 31 December 2019

VND'000

Code	ITEMS	Notes	Current year	Previous year
01	1. Revenue from sale of goods and rendering of services	21.1	2,283,717,275	1,660,660,259
02	2. Deductions	21.1	-	-
10	3. Net revenues from sale of goods and rendering of services	21.1	2,283,717,275	1,660,660,259
11	4. Cost of goods sold	22, 26	(2,188,797,705)	(1,477,941,521)
20	5. Gross profit from sale of goods		94,919,570	182,718,738
21	6. Finance income	21.2	711,833,849	607,301,852
22	7. Finance expenses	23	(1,743,604,513)	(770,304,442)
23	<i>In which: Interest expenses</i>		(633,907,437)	(554,862,319)
25	8. Selling expenses	24, 26	(252,800,057)	(73,547,066)
26	9. General and administrative expenses	24, 26	(71,431,459)	(122,182,622)
30	10. Operating loss		(1,261,082,610)	(176,013,540)
31	11. Other income	25	102,975,446	18,878,851
32	12. Other expenses	25	(17,494,704)	(14,618,286)
40	13. Other profit		85,480,742	4,260,565
50	14. Accounting loss before tax		(1,175,601,868)	(171,752,975)
51	15. Current corporate income tax expense	27.1	(17,996)	-
60	16. Net loss after tax		(1,175,619,864)	(171,752,975)



Trương Thị Trúc Thiên Trang
Preparer



Phạm Xuân Hòa
Chief Accountant




Võ Thị Mỹ Hạnh
General Director

9 April 2020

SEPARATE CASH FLOW STATEMENT
for the year ended 31 December 2019

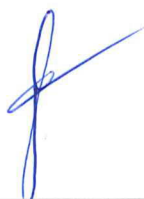
VND'000

Code	ITEMS	Notes	Current year	Previous year
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	Accounting loss before tax		(1,175,601,868)	(171,752,975)
	<i>Adjustments for:</i>			
02	Depreciation and amortisation	10, 11	10,450,881	7,846,366
03	Provisions		292,257,910	214,512,262
04	Foreign exchange (gains)/losses arising from translation of monetary accounts denominated in foreign currencies		(4,353,020)	526,043
05	Losses/(profits) from investing activities		141,590,612	(607,301,852)
06	Interest expenses	23	633,907,437	554,862,319
08	Operating loss before changes in working capital		(101,748,048)	(1,307,837)
09	Increase in receivables		(1,094,876,858)	(740,984,279)
10	Increase in inventories		(40,622,490)	(12,182,052)
11	Decrease in payables		(200,530,506)	(373,157,041)
12	Increase in prepaid expenses		(2,435,045)	(2,464,381)
14	Interest paid		(693,029,425)	(814,890,246)
15	Corporate income tax paid	27.1	(17,996)	-
20	Net cash flows used in operating activities		(2,133,260,368)	(1,944,985,836)
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchase of fixed assets		(19,399,933)	(2,876,583)
22	Proceeds from disposals of fixed assets		1,758,593	113,925
23	Loans to other entities		(602,347,281)	(1,816,332,854)
24	Collections from borrowers		378,196,523	13,200,000
25	Payments for investments in other entities	13.1	(2,158,828,594)	(7,783,830)
26	Proceeds from disposal of investments in subsidiaries	13.1	6,993,691,293	-
26	Proceeds from disposal of investments in another entity	13.3	5,189,220	-
27	Interest and dividends received		24,092,741	107,482,078
30	Net cash flows from (used in) investing activities		4,622,352,562	(1,706,197,264)

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

VND'000

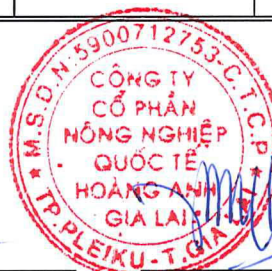
Code	ITEMS	Notes	Current year	Previous year
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
33	Drawdown of loans and borrowings	19	5,130,633,605	5,773,438,123
34	Repayment of loans and borrowings	19	(7,583,636,548)	(2,138,827,463)
40	Net cash flows (used in)/from financing activities		(2,453,002,943)	3,634,610,660
50	Net increase (decrease) in cash for the year		36,089,251	(16,572,440)
60	Cash at beginning of year		7,845,148	24,413,533
61	Impact of exchange rate fluctuation		(1,129)	4,055
70	Cash at end of year	4	43,933,270	7,845,148



Trương Thị Trúc Thiên Trang
Preparer



Phạm Xuân Hòa
Chief Accountant




Võ Thị Mỹ Hạnh
General Director

9 April 2020

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
as at 31 December 2019 and for the year then ended

1. CORPORATE INFORMATION

Hoang Anh Gia Lai Agricultural Joint Stock Company (“the Company”) is a joint stock company incorporated under the Law on Enterprises of Vietnam pursuant to Business Registration Certificate (“BRC”) No. 5900712753 issued by the Department of Planning and Investment (“DPI”) of Gia Lai Province on 26 May 2010 and eighteenth (18) amended BRCs.

The Company’s shares were listed on the Ho Chi Minh City Stock Exchange (“HOSE”) with stock code “HNG” in accordance with Decision No. 278/QD-SGDHCM issued by the Ho Chi Minh City Stock Exchange on 10 July 2015.

As at 31 December 2019, the Company has eight (8) direct subsidiaries; five (5) indirect subsidiaries and one (1) associate. Detailed of subsidiaries as follow:

<i>Name of subsidiaries</i>	<i>Location</i>	<i>Status of operation</i>	<i>Holding and voting (%)</i>
(1) Hoang Anh - Quang Minh Rubber Industrial and Agricultural Co., Ltd.	Sekong, Laos	Operating	97.77
(2) Hoang Anh - Quang Minh Rubber Joint Stock Company	Gia Lai, Vietnam	Operating	97.77
(3) Hoang Anh Dak Lak Joint Stock Company	Dak Lak, Vietnam	Operating	99.53
(4) Hoang Anh Attapeu Agriculture Development Co., Ltd.	Attapeu, Laos	Operating	100.00
(5) Hoang Anh Ratanakiri Co., Ltd.	Ratanakiri, Cambodia	Operating	100.00
(6) Heng Brothers Co., Ltd.	Ratanakiri, Cambodia	Operating	100.00
(7) Hoang Anh Oyadav Co., Ltd.	Ratanakiri, Cambodia	Operating	100.00
(8) CRD Co., Ltd.	Ratanakiri, Cambodia	Pre-operating (i)	100.00
(9) Hoang Anh Andong Meas Co., Ltd.	Ratanakiri, Cambodia	Operating	97.77
(10) Hoang Anh Gia Lai Import - Export Trading One Member Co., Ltd.	Gia Lai, Vietnam	Operating	100.00
(11) Highland Dairy Cattle Joint Stock Company	Gia Lai, Vietnam	Operating	99.00
(12) An Dong Mia Joint Stock Company	Gia Lai, Vietnam	Operating	99.90
(13) Hoang Anh Lumphat Co., Ltd.	Ratanakiri, Cambodia	Operating	99.90

Dependent Branch

(14) Hoang Anh Gia Lai Agricultural Joint Stock Company - Fruits processing Branch	Gia Lai, Vietnam	Operating	
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(i) Pre-operating status represents subsidiary that is in investment phase and had not start its operation as at as at 31 December 2019.

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

1. CORPORATE INFORMATION (continued)

The registered principal activities of the Company are breeding and trading dairy cows and cows for meat; planting and trading rubber latex; palm oil; fruits; generating and trading seeding; afforesting and related materials; constructing houses; constructing industrial and civil projects.

The Company's registered head office is located at No. 15, Truong Chinh Street, Phu Dong Ward, Pleiku City, Gia Lai Province, Vietnam.

The number of the Company's employees as at 31 December 2019 is 265 (31 December 2018 is 196).

2. BASIS OF PREPARATION

2.1 Purpose of preparing the separate financial statements

The Company has subsidiaries as disclosed in the separate financial statements. The Company prepared these separate financial statements to meet the prevailing requirements in relation to disclosure of information, specifically the Circular 155/2015/TT-BTC on disclosure of information on the securities market. In addition, as required by these regulations, the Company has also prepared the consolidated financial statements of the Company and its subsidiaries ("the Group") for the year ended 31 December 2019 dated 9 April 2020.

Users of the separate financial statements should read them together with the said consolidated financial statements in order to obtain full information on the consolidated financial position, consolidated results of operations and consolidated cash flows of the Company and its subsidiaries.

2.2 Applied accounting standards and system

The separate financial statements of the Company expressed in thousands of Vietnam dong ("VND'000") are prepared in accordance with 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 financial statements including their utilisation are not designed for those who are not informed about Vietnam's accounting principles, procedures and practices and furthermore are not intended to present the separate financial position and separate results of operations and separate cash flows in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

2.3 Applied accounting documentation system

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

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended**2. BASIS OF PREPARATION (continued)****2.4 Fiscal year**

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

2.5 Accounting currency

The Company has adopted VND as its accounting currency. The separate financial statements are prepared in VND'000.

2.6 Going concern assumption

The separate financial statements have been prepared on a going concern basis, which presumes that the Company will be able to realise its assets and discharge its liabilities in the normal course of operations for the foreseeable future.

As disclosed in the separate financial statements, the Company incurred a net loss after tax of VND'000 1,175,619,864 and on this date, the accumulated loss was VND'000 67,515,644. In addition, as of that date, the Company was also in violation of loan contract as mentioned in Note 19.5 of the separate financial statements. These factors indicate the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern.

As at the date of these separate financial statements, the Company is still in progress to develop their projects in order to ensure operating cash flows of the Company, restructure debts and negotiate with lenders to amend some breached terms and conditions relating to loan and attached mortgage contracts. In addition, on 3 August 2018, the Company signed the Strategic Investment Cooperation Agreement with Truong Hai Auto Corporation ("THACO"), in which, THACO commits to assist the Company to restructure finance and raise capitals, which shall be used to finance to the Company's agricultural projects. In addition, on 1 June 2019, the Company signed the Sale Agreement with Thadi Agriculture Farming Processing & Distribution Joint Stock Company ("Thadi"), in which, Thadi supports to buy and distribute agricultural products of the Company. On this basis, the Company's management consider it is appropriate to prepare the Company's separate financial statements on the going concern basis.

Accordingly, the separate financial statements do not include any adjustments to assets and liabilities that may be necessary if the Company is unable to continue as a going concern.

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 separate financial statements at the carrying amounts due from customers and other debtors, after provision for doubtful receivables.

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

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.

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.3 *Inventories* (continued)

The perpetual method is used to record inventories, which are valued as follows:

Raw materials, tools and supplies and merchandises - Cost on a weighted average basis

Provision for obsolete inventories

An inventory provision is created for the estimated loss arising due to the impairment of value (through diminution, damage, obsolescence, etc.) of merchandises 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 in the separate income statement.

3.4 *Tangible fixed assets*

Tangible fixed assets are stated at cost less accumulated depreciation.

The cost of a tangible fixed asset comprises its purchase price and any directly attributable costs of bringing the 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 separate income statement as incurred.

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

3.5 *Intangible fixed assets*

Intangible fixed assets are stated at cost less accumulated amortisation.

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

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

3.6 *Depreciation and amortisation*

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

Buildings and structures	4 - 25 years
Machinery and equipment	3 - 15 years
Means of transportation	2 - 10 years
Office equipment	4 - 5 years
Computer software	5 - 8 years

3.7 *Borrowing costs*

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

3.8 *Prepaid expenses*

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

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.9 *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 recognised in the 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.

Investment in an associate

Investment in an associate over which the Company has significant influence are carried at cost.

Distributions from accumulated net profits of the associate arising subsequent to the date of acquisition by the Company are recognised in the 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 another entity

Investment in another entity are stated at their acquisition costs.

Provision for diminution in value of investments

Provision of the investment is made when there are reliable evidences of the diminution in value of those investments at the balance sheet date. Increases or decreases to the provision balance are recorded as finance expense in the separate income statement.

3.10 *Payables and accruals*

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

3.11 *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; and
- Transactions resulting in liabilities are recorded at the selling exchange rates of the transaction of commercial banks designated for payment.

At the end of the year, 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 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 are taken to the separate income statement.

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.12 Appropriation of net profits

Net profit after tax is available for appropriation to shareholders after approval in the Shareholder's Meeting, and after making appropriation to reserve funds in accordance with the Company's Charter and Vietnam's regulatory requirements.

3.13 Revenue recognition

Revenue is recognised 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 recognised:

Sale of goods

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

Interest

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

Dividend

Dividends is recognised when the Company's entitlement as an investor to receive the dividend is established.

3.14 Taxation

Current income tax

Current income tax assets and liabilities for the current 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 those that are enacted as at the balance sheet date.

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

Current income tax assets and liabilities are offset when there is a legally enforceable right for the Company to offset 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 liability method on temporary differences at the balance sheet date between the tax base of assets and liabilities and their carrying amount for separate financial statements purposes.

Deferred tax liabilities are recognised 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 temporarily 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.

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.14 *Taxation* (continued)

Deferred tax (continued)

Deferred tax assets are recognised for all deductible temporary differences, carried forward unused tax credit and unused tax losses, to the extent that it is probable that taxable profit will be available against which deductible temporary differences, carried forward unused tax credit and unused tax losses can be utilised, 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 temporarily differences associated with investments in subsidiaries, associates, and interests in joint ventures, deferred tax assets are recognised 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 utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Previously unrecognised deferred tax assets are re-assessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

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

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

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

3.15 *Convertible bond*

Bonds that are convertible by the holder into a fixed number of ordinary shares of the entity are separated into financial liability (a contractual arrangement to deliver cash or another financial asset) and equity instrument (a call option granting the holder the right, for a specified period of time) based on the terms of the contract.

On issuance of the convertible bond, the fair value of the liability component is determined by discounting the future payment (including principal and interest) to present value at the market rate for an equivalent non-convertible bond less issuance cost.

This component is recorded as financial liabilities and determined at amortised cost (less issuance cost) until it was terminated through conversion or payment.

The remainder of the proceeds is allocated to the conversion option that is recognised and included in shareholders' equity. The carrying amount of the conversion option is not re-measured in subsequent years.

Transaction costs are allocated during the lifetime of the bond following straight line basis. At initial recognition, issuance costs are deducted from the liability component of the bond.

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.16 Related parties

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

4. CASH

	VND'000	
	Ending balance	Beginning balance
Cash on hand	150,171	52,690
Cash in banks	43,783,099	7,792,458
TOTAL	43,933,270	7,845,148

5. SHORT-TERM TRADE RECEIVABLES

	VND'000	
	Ending balance	Beginning balance
Trade receivables from related parties (Note 28)	679,101,562	89,534,110
Trade receivables from third parties	247,924,000	262,546,873
- Tay Nguyen Agricultural Services Co., Ltd.	79,430,610	69,587,741
- Thanh An Trading One Member Co., Ltd.	57,517,134	62,850,287
- Canh Dong Vang Agriculture and Forestry Joint Stock Company	50,342,466	30,370,320
- Others	60,633,790	99,738,525
TOTAL	927,025,562	352,080,983
Provision for doubtful receivables	(15,448,274)	-
NET	911,577,288	352,080,983

6. SHORT-TERM ADVANCE TO SUPPLIERS

	VND'000	
	Ending balance	Beginning balance
Advances to related parties (Note 28)	1,935,692,571	862,491,237
Advances to third parties	25,530,028	26,696,697
- Thanh An Trading One Member Co., Ltd.	4,067,500	-
- Vitad Co., Ltd.	-	2,700,000
- Others	21,462,528	23,996,697
TOTAL	1,961,222,599	889,187,934

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

7. SHORT-TERM LOAN RECEIVABLES

	VND'000	
	<i>Ending balance</i>	<i>Beginning balance</i>
Loan to related parties (Note 28)	543,718,680	1,808,871,110
Loan to an individual	-	73,000,000
TOTAL	<u>543,718,680</u>	<u>1,881,871,110</u>

8. OTHER RECEIVABLES

	VND'000	
	<i>Ending balance</i>	<i>Beginning balance</i>
Short term	1,841,538,878	1,342,946,972
Offsetting receivables from related parties	1,445,930,010	1,160,275,338
Payment on behalf	170,595,337	44,058,960
Interest receivables	94,706,716	17,747,051
Dividend receivables	-	19,507,500
Others	130,306,815	101,358,123
Long term	2,015,021,157	1,505,370,442
Interest receivables	1,856,864,651	1,505,370,442
Offsetting receivables from related parties	158,156,506	-
TOTAL	<u>3,856,560,035</u>	<u>2,848,317,414</u>
<i>In which:</i>		
<i>Other long-term receivables from related parties (Note 28)</i>	<i>2,015,021,158</i>	<i>1,505,370,442</i>
<i>Other short-term receivables from related parties (Note 28)</i>	<i>1,712,100,804</i>	<i>1,242,519,649</i>
<i>Other receivables from third parties</i>	<i>129,438,073</i>	<i>100,427,323</i>

9. INVENTORIES

	VND'000	
	<i>Ending balance</i>	<i>Beginning balance</i>
Merchandises	59,229,053	22,207,201
Work in process	4,102,195	1,690,951
Tools and supplies	2,053,298	1,808,481
Raw materials	990,597	46,020
TOTAL	<u>66,375,143</u>	<u>25,752,653</u>
Provision for obsolete inventories	(4,518,686)	(431,314)
NET	<u>61,856,457</u>	<u>25,321,339</u>

Detail of movements of provision for obsolete inventories:

	VND'000	
	<i>Current year</i>	<i>Previous year</i>
Beginning balance	431,314	376,037
Provision made during the year	4,087,372	55,277
Ending balance	<u>4,518,686</u>	<u>431,314</u>

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

10. TANGIBLE FIXED ASSETS

	VND'000				
	<i>Buildings and structures</i>	<i>Machinery and equipment</i>	<i>Means of transportation</i>	<i>Office equipment</i>	<i>Total</i>
Cost					
Beginning balance	19,425,632	27,246,222	5,049,785	322,185	52,043,824
Newly purchase	459,108	17,503,970	1,433,402	2,607,030	22,003,510
Transfer from construction in progress completed	5,311,010	50,686	-	-	5,361,696
Written off fully depreciated assets	-	(15,781,387)	-	-	(15,781,387)
Disposal	-	(1,957,343)	-	-	(1,957,343)
Ending balance	<u>25,195,750</u>	<u>27,062,148</u>	<u>6,483,187</u>	<u>2,929,215</u>	<u>61,670,300</u>
<i>In which:</i>					
<i>Fully depreciated</i>	-	-	1,137,975	281,274	1,419,249
Accumulated depreciation					
Beginning balance	606,437	16,750,369	3,580,222	299,001	21,236,029
Depreciation for the year	1,865,940	1,791,192	674,693	136,059	4,467,884
Written off fully depreciated assets	-	(15,781,387)	-	-	(15,781,387)
Disposal	-	(4,039)	-	-	(4,039)
Ending balance	<u>2,472,377</u>	<u>2,756,135</u>	<u>4,254,915</u>	<u>435,060</u>	<u>9,918,487</u>
Net carrying amount					
Beginning balance	<u>18,819,195</u>	<u>10,495,853</u>	<u>1,469,563</u>	<u>23,184</u>	<u>30,807,795</u>
Ending balance	<u>22,723,373</u>	<u>24,306,013</u>	<u>2,228,272</u>	<u>2,494,155</u>	<u>51,751,813</u>

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

11. INTANGIBLE FIXED ASSETS

	VND'000
	<i>Computer software</i>
Cost	
Beginning balance	48,197,185
Written off an asset	(47,863,975)
Written off fully amortised assets	(333,210)
Ending balance	-
Accumulated amortisation	
Beginning balance	29,749,611
Amortisation for the year	5,982,997
Written off an asset	(35,399,398)
Written off fully amortised assets	(333,210)
Ending balance	-
Net carrying amount	
Beginning balance	<u>18,447,574</u>
Ending balance	<u>-</u>

12. CONSTRUCTION IN PROGRESS

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Construction expenses of freezer storage	14,167,792	-
Software expenses	4,380,000	-
TOTAL	<u>18,547,792</u>	<u>-</u>

13. LONG-TERM INVESTMENTS

	VND'000	VND'000
	<i>Ending balance</i>	<i>Beginning balance</i>
Investment in subsidiaries (Note 13.1)	5,701,201,820	11,371,623,485
Investment in an associate (Note 13.2)	286,004,636	286,004,636
Investment in another entity (Note 13.3)	2,594,610	7,783,830
TOTAL	<u>5,989,801,066</u>	<u>11,665,411,951</u>
Provision for diminution in value of long-term investments	(551,304,213)	(278,581,949)
NET	<u>5,438,496,853</u>	<u>11,386,830,002</u>

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

13. LONG-TERM INVESTMENTS (continued)

13.1 Investments in subsidiaries

Details of investments in the subsidiaries are as follows:

Name of subsidiaries	Business activities	Ending balance			Beginning balance		
		Holding and voting	Cost	Provision	Holding and voting	Cost	Provision
		%	VND'000	VND'000	%	VND'000	VND'000
Hoang Anh Attapeu Agriculture Development Co., Ltd.	Industrial and agricultural plantation and construction	100.00	2,101,029,560	-	100.00	2,101,029,560	-
Hoang Anh Rattanakiri Co., Ltd. (*)	Industrial plantation	100.00	943,987,719	-	100.00	943,513,645	-
An Dong Mia Joint Stock Company (**)	Industrial plantation	99.90	882,881,000	-	99.50	878,881,001	-
Highland Dairy Cattle Joint Stock Company	Breeding	99.00	615,584,549	(371,226,441)	99.00	615,584,549	(90,195,948)
Hoang Anh - Quang Minh Rubber Joint Stock Company	Industrial and agricultural plantation	97.77	440,512,398	-	97.77	440,512,398	-
Hoang Anh Dak Lak Joint Stock Company	Industrial and agricultural plantation and real estate	99.53	394,313,155	(80,077,772)	99.53	394,313,155	(43,236,413)
Hoang Anh Oyadav Co., Ltd. (***)	Industrial plantation	100.00	222,893,439	-	100.00	171,654,457	-
Hoang Anh Gia Lai Import - Export Trading One Member Co., Ltd.	Trading	100.00	100,000,000	(100,000,000)	100.00	100,000,000	(100,000,000)
Trung Nguyen Rubber Joint Stock Company (****)	Industrial and agricultural plantation	-	-	-	99.91	3,277,737,120	-
Indochina Rubber Investment and Development Co., Ltd. (****)	Industrial plantation	-	-	-	100.00	1,650,000,000	-
Dong Penh Joint Stock Company (****)	Industrial plantation	-	-	-	99.70	798,397,600	(45,149,588)
TOTAL			5,701,201,820	(551,304,213)		11,371,623,485	(278,581,949)

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

13. LONG-TERM INVESTMENTS (continued)

13.1 Investments in subsidiaries (continued)

- (*) On 16 September 2019, the Company increased its investment in Hoang Anh Rattanakiri Co., Ltd by additional capital contribution of VND'000 474,074.
- (**) On 1 March 2019, the Company acquired additional 80,000 shares, equivalent to 0.40% interest ownership in An Dong Mia Joint Stock Company from Highland Dairy Cattle Joint Stock Company, a subsidiary of the Company for a consideration of VND'000 4,000,000. Accordingly, the Company increased its interest ownership in An Dong Mia Joint Stock Company from 99.50% to 99.90% as at that date.
- (***) On 27 December 2019, the Company increased its investment in Hoang Anh Oyadav Co., Ltd by additional capital contribution of VND'000 51,238,982.
- (****) On 9 September 2019, the Company increased its investment in Trung Nguyen Rubber Joint Stock Company ("Trung Nguyen Rubber") by additional capital contribution of VND'000 445,229,648. Accordingly, the Company increased its interest ownership in Trung Nguyen Rubber from 99.91% to 100.00% as at that date.

On 17 May 2019, the Company increased its investment in Indochina Rubber Investment and Development Co., Ltd ("Indochina Rubber") by additional capital contribution of VND'000 533,600,000.

On 19 April 2019, the Company additionally acquired the entire 28,125,000 shares, which were newly issued by Dong Penh Joint Stock Company ("Dong Penh"), for a consideration of VND'000 1,125,000,000. Accordingly, the Company increased its interest ownership in Dong Penh from 99.70% to 99.88% as at that date.

On 24 September 2019, the Company had completed to transfer all contributed share capital in Trung Nguyen Rubber, Indochina Rubber and its subsidiaries and Dong Penh and its subsidiaries to Thadi Agriculture Farming Processing & Distribution Joint Stock Company ("Thadi") in accordance with Promised Sale and Purchase of Share Agreement dated 4 April 2019. Such transactions were approved by the Board of Directors' Resolutions No. 1706/19/NQ-HDQT HAGL Agrico dated 17 June 2019, No. 1908/19/NQ-HDQT HAGL Agrico dated 19 August 2019 and No. 0909/19/NQ-HDQT HAGL Agrico dated 9 September 2019.

13.2 Investment in an associate

Name	Business activity	Ending balance		Beginning balance	
		Holding and voting %	Cost VND'000	Holding and voting %	Cost VND'000
Bidiphar Rubber Joint Stock Company	Planting, exploiting and processing rubber products	49.14	<u>286,004,636</u>	49.14	<u>286,004,636</u>

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

13. LONG-TERM INVESTMENTS (continued)

13.3 Investment in another entity

Name	Business activity	Ending balance		Beginning balance	
		Holding and voting	Cost	Holding and voting	Cost
		%	VND'000	%	VND'000
Canh Dong Vang Agriculture and Forestry Joint Stock Company (*)	Trading Fruits	15.00	<u>2,594,610</u>	45.00	<u>7,783,830</u>

(*) On 25 January 2019, the Company transferred 57,000 shares, equivalent to 30.00% ownership interest in Canh Dong Vang Agriculture and Forestry Joint Stock Company ("Canh Dong Vang") to Tay Nguyen Agricultural Service Company Limited ("Nong Nghiep Tay Nguyen"), a third party, for a consideration of VND'000 5,189,220. Accordingly, the Company's ownership interest in Canh Dong Vang decreased from 45.00% to 15.00% as at that date.

Canh Dong Vang was acquired for the purpose of holding less than 20.00%, in accordance with the Board of Directors' Resolution No. 1510/18/NQ-HDQT HAGL Agrico dated 15 October 2018.

14. SHORT-TERM TRADE PAYABLES

	VND'000	
	Ending balance	Beginning balance
Trade payables to related parties (Note 28)	447,126,156	78,673,343
Trade payables to third parties	81,965,117	47,753,390
- Truong Thinh Co., Ltd.	10,716,416	-
- Minh Binh Gia Lai One Member Co., Ltd.	1,278,350	13,973,835
- Others	69,970,351	33,779,555
TOTAL	<u>529,091,273</u>	<u>126,426,733</u>

15. SHORT-TERM ADVANCES FROM CUSTOMERS

	VND'000	
	Ending balance	Beginning balance
Advance from related parties (Note 28)	446,006,630	90,877,166
Advance from third parties	32,157,900	8,635,125
- Thanh Long Producing Trading Co., Ltd.	27,500,000	945,250
- Lien Anh Producing Rubber Co., Ltd.	-	5,921,550
- Others	4,657,900	1,768,325
TOTAL	<u>478,164,530</u>	<u>99,512,291</u>

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

16. ACCRUED EXPENSES

	VND'000	
	Ending balance	Beginning balance
Short-term	302,706,313	417,979,769
Operating expenses	152,450,400	152,450,400
Interest expenses	98,001,828	139,524,573
Others	52,254,085	126,004,796
Long-term	237,837,713	337,190,031
Interest expenses	237,837,713	337,190,031
TOTAL	540,544,026	755,169,800
<i>In which:</i>		
<i>Other payables to other parties</i>	503,572,507	652,021,130
<i>Other short-term payables to related parties (Note 28)</i>	32,338,512	17,002,411
<i>Other long-term payables to related parties (Note 28)</i>	4,633,007	86,146,259

17. OTHER PAYABLES

	VND'000	
	Ending balance	Beginning balance
Short-term	209,575,929	158,515,837
Offsetting payables to related parties	190,938,404	-
Borrowing payables to related parties	11,823,581	147,685,000
Dividend payables	-	2,698,440
Other payables	6,813,944	8,132,397
Long-term	754,133,163	973,804,631
Offsetting payables to related parties	754,133,163	973,804,631
TOTAL	963,709,092	1,132,320,468
<i>In which:</i>		
<i>Other long-term payables to related parties (Note 28)</i>	754,133,163	973,804,631
<i>Other short-term payables to related parties (Note 28)</i>	202,761,985	147,685,000
<i>Other payables to third parties</i>	6,813,944	10,830,837

18. STATUTORY OBLIGATIONS

	VND'000			
	Beginning balance	Increase for year	Decrease for year	Ending balance
Receivables				
Value added tax	10,233,707	51,316,813	(26,104,007)	35,446,513
Corporate income tax (Note 27)	285,831	17,996	(17,996)	285,831
Other taxes	7,391	-	(7,391)	-
TOTAL	10,526,929	51,334,809	(26,129,394)	35,732,344
Payable				
Personal income tax	74,248	1,628,203	(1,512,488)	189,963
TOTAL	74,248	1,628,203	(1,512,488)	189,963

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

19. LOANS

	VND'000	
	<i>Ending balance</i>	<i>Beginning balance</i>
Short-term		
Short-term loans from related parties (Note 19.1)	2,824,672,082	1,729,600,000
Short-term loan from a bank (Note 19.2)	599,732,981	599,911,828
Current portion of long-term loan from a bank (Note 19.5)	10,559,104	5,281,825
Short-term convertible bond (Note 19.3)	-	2,153,212,703
Current portion of long-term bonds (Note 19.4)	-	484,897,156
	<u>3,434,964,167</u>	<u>4,972,903,512</u>
Long-term		
Long-term loans from banks (Note 19.5)	986,506,665	992,100,178
Long-term loan from a related party (Notes 19.6)	805,260,834	2,314,922,876
Long-term bonds (Note 19.4)	-	1,553,227,582
	<u>1,791,767,499</u>	<u>4,860,250,636</u>
TOTAL	<u>5,226,731,666</u>	<u>9,833,154,148</u>

Movements of loans are as follows:

	VND'000		
	<i>Short-term loans</i>	<i>Long-term loans</i>	<i>Total</i>
Beginning balance	4,972,903,512	4,860,250,636	9,833,154,148
Drawdown from borrowings	3,976,963,806	1,153,669,799	5,130,633,605
Repayment	(3,764,066,196)	(3,819,570,352)	(7,583,636,548)
Conversion of convertible bond to ordinary shares (*)	(2,217,100,000)	-	(2,217,100,000)
Transfer from current portion of long-term loans	401,636,220	(401,636,220)	-
Amortisation of discount value of convertible bonds	63,634,964	-	63,634,964
Foreign exchange difference arising from revaluation of ending balance denominated in foreign currencies	739,528	(1,055,762)	(316,234)
Bond issuance costs	252,333	109,398	361,731
Ending balance	<u>3,434,964,167</u>	<u>1,791,767,499</u>	<u>5,226,731,666</u>

(*) On 9 August 2019, the Company issued additional 221,710,000 ordinary shares to convert 221,710 bonds amounting to VND'000 2,217,100,000 (Note 19.3 and 20.1) to ordinary shares. The issuance was approved by the Shareholders' Resolution No. 0605/18/NQDHDCD-HAGL Agrico dated 6 May 2018, the Board of Directors' Resolution No. 0605-1/18/NQHDQT-HAGL Agrico dated 6 May 2018 and the Board of Directors' Resolution No. 3007/19/NQHDQT-HAGL Agrico dated 30 July 2019.

Accordingly, the Company's registered share capital has been increased from VND'000 8,868,438,950 to VND'000 11,085,538,950. On 26 August 2019, the Department of Planning and Investment of Gia Lai Province approved and issued the new Business Registration Certificate for increasing share capital as mentioned above.

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

19. LOANS (continued)

19.1 Short-term loans from related parties (Note 28)

Details of short-term loans from related parties were presented as follows:

<i>Lenders</i>	<i>Ending balance</i> VND'000	<i>Maturity term</i>	<i>Interest rate</i> % p.a	<i>Purposes</i>	<i>Collateral</i>
<i>Hoang Anh Gia Lai Joint Stock Company, parent company</i>					
Loan facility dated 1 October 2018 (*)	781,218,000	21 June 2020	6.00 - 8.00	To finance working capital needs	Unsecured
Loan facility dated 7 January 2019 (*)	381,080,000	29 January 2020	6.50 - 8.00	To finance working capital needs	Unsecured
Loan facility dated 6 June 2019 (*)	297,000,000	7 June 2020	8.00	Invest in planting 7,000 ha of bananas in Laos and Cambodia	Unsecured
Loan facility dated 26 November 2018 (*)	202,250,000	5 December 2019	6.50 - 8.00	To finance working capital needs	Unsecured
Loan facility dated 18 February 2019 (*)	180,174,000	18 August 2020	7.00 - 8.00	To finance working capital needs	Unsecured
Loan facility dated 19 July 2019	35,485,456	19 July 2020	10.00	To finance working capital needs	Unsecured
<i>Truong Hai Auto Corporation, Company with the same member of BOD</i>					
Loan facility dated 11 December 2019	453,563,958	11 December 2020	9.50	To finance working capital needs	Unsecured
Loan facility dated 6 June 2019	224,000,000	12 July 2020	8.00	Invest in planting 7,000 ha of bananas in Laos and Cambodia	Unsecured
Loan facility dated 17 June 2019	219,900,668	4 December 2020	8.00	Nong Khang Airport Project in Huaphan Province, Laos	Unsecured
<i>Ms Kieu Ngoc Hoa, shareholder</i>					
Loan facility dated 4 November 2019	50,000,000	4 February 2020	14.00	To finance working capital needs	Unsecured
TỔNG CỘNG	2,824,672,082				

(*) Short-term loans from HAG, including principle and related interest as at 31 December 2019, was restructured to be new loan with maturity to 31 January 2023, in according to new Loan Contract No. 0102/2020/HDV/HAGL-NNQT dated 1 February 2020.

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

19. LOANS (continued)

19.2 Short-term loan from a bank

Details of the short-term loan from a bank as at 31 December 2019 are as follows:

<i>Lender</i>	<i>Ending balance</i> VND'000	<i>Maturity term</i>	<i>Interest rate</i> % p.a.	<i>Purposes</i>	<i>Collaterals</i>
Tien Phong Commercial Joint Stock Bank ("TP Bank")					
Loan facility dated 21 April 2017	<u>599,732,981</u>	From 10 March 2020 to 30 September 2020	3-month interest rate of plus with 3.2% p.a (2019: 10.5% p.a)	To finance the working capital needed for operation of fruits (passion, banana and dragon fruit) and rubber latex	Assets owned by Eastern Rubber (Cambodia) Co., Ltd have been forming from 453.7 ha in according to Transferring Certificate of land use right at Cambodia No. Kor Ror 0185; 453.7 ha of fruit plantation at Paksong Town, Champasak Province, Laos owned by Dai Thang Agriculture Development Co., Ltd; and 32,829,686 shares of HNG held owned by HAG.

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

19. LOAN (continued)

19.3 Short-term convertible bond

On 9 August 2019, HNG issued additional 221,710,000 ordinary shares to convert 221,710 bonds to Truong Hai Auto Corporation and others amounting to VND'000 2,217,100,000 to share capital. The issuance was approved by the Shareholders' Resolution No. 0605/18/NQDHDGCD-HAGL Agrico dated 6 May 2018, the Board of Directors' Resolution No. 0605-1/18/NQHDQT-HAGL Agrico dated 6 May 2018 and the Board of Directors' Resolution No. 3007/19/NQHDQT-HAGL Agrico dated 30 July 2019.

Accordingly, share capital of the Company increased from VND'000 8,868,438,950 to VND'000 11,085,538,950. On 26 August 2019, the Department of Planning and Investment of Gia Lai Province approved and issued the new Business Registration Certificate for increasing share capital as mentioned above.

Details of short-term convertible bonds were as follows:

VND'000

For the year ended 31 December 2019

Value of convertible bond	2,217,100,000
Equity component (<i>Note 20.1</i>)	(105,576,190)
Liability component at initial recognition	2,111,523,810
Add: Accumulated amortisation of discount value	105,576,190
Beginning balance	41,941,226
Amortisation for the year	63,634,964
Ending balance	105,576,190
Liability component before conversion	2,217,100,000
Transfer convertible bond to ordinary shares (<i>Note 20.1</i>)	(2,217,100,000)
Value of convertible bond at as year ended	-

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended**19. LOAN** (continued)**19.4 Long-term bonds**

Details of the long-term bonds as at 31 December 2019 were as follows:

<i>Issuance agents</i>	<i>VND'000</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Euro Capital Securities Joint Stock Company ("ECS")	-	1,694,000,000
IB Securities Joint Stock Company ("IB")	-	344,234,136
Bond issuance costs	-	(109,398)
TOTAL	-	2,038,124,738
<i>In which:</i>		
<i>Long-term bonds</i>	-	1,553,227,582
<i>Current portion of long-term bonds</i>	-	484,897,156

19.5 Long-term loans from banks

<i>Name of banks</i>	<i>VND'000</i>		<i>Purposes</i>
	<i>Ending balance</i>	<i>Beginning balance</i>	
Joint Stock Commercial Bank for Investment and Development of Vietnam ("BIDV"), Gia Lai Branch	734,611,164	734,927,398	Finance the rubber plantation development projects and purchase of machineries and equipment for subsidiaries in Laos
Saigon Thuong Tin Commercial Joint Stock Bank ("Sacombank"), Sai Gon Branch	262,454,605	262,454,605	Finance the rubber plantation development projects and purchase of machineries and equipment for subsidiaries in Cambodia
TOTAL	997,065,769	997,382,003	
<i>In which:</i>			
<i>Non-current portion</i>	986,506,665	992,100,178	
<i>Current portion</i>	10,559,104	5,281,825	

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

19. LOANS (continued)

19.5 Long-term loans from banks (continued)

Details of the long-term loans from banks are as follows:

Name of banks	Ending balance VND'000	Original amount USD	Maturity term	Interest rate % p.a.	Collateral
BIDV, Gia Lai Branch					
Loan facility dated 1 April 2010	734,611,164	31,623,382	From 31 December 2019 to 31 December 2026	12-month savings deposit interest rate paid in arrears of BIDV in USD plus 4.7% p.a. (2019: 7.20)	Land use right and rubber plantations of 9,996.9 ha at Saysetha, and Phu Vong Districts, Attapeu Province, Laos owned by the Hoang Anh Attapeu Agriculture Development Co., Ltd., a Company's subsidiary.
Sacombank, Sai Gon Branch (*)					
Loan facility dated 3 January 2014	262,454,605	-	From 24 December 2021 to 24 December 2026	13-month saving deposit interest paid in arrears at Sacombank, plus 2% p.a. and be adjusted each of three-months (2019: 9.80)	23,2 million shares of HAG owned by Mr Doan Nguyen Duc - Chairman and 14,5 million shares of Hoang Anh - Quang Minh Rubber Joint Stock Company owned by HNG.
TOTAL	997,065,769				
<i>In which:</i>					
Non-current portion	986,506,665				
Current portion	10,559,104				

(*) As at 31 December 2019 and up to the date of these separate financial statements, the actual plantation area of the Group was 2,429 ha, which was lower than 9,000 ha as committed in the Loan contract.

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

19. LOANS (continued)

19.6 Long-term loan from a related party

Details of the long-term loan from a related party are as follows:

<i>Lenders</i>	<i>Ending balance</i>	<i>Maturity term</i>	<i>Interest rate</i>	<i>Collateral</i>
	<i>VND'000</i>		<i>% p.a.</i>	

Truong Hai Auto Corporation, Company with the same member of BOD (Note 28)

Loan facility dated 10 December 2019	<u>805,260,834</u>	10 June 2021	10.50	Unsecured
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NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended

20. OWNERS' EQUITY

20.1 Increase and decrease in owners' equity

	VND'000				
	<i>Contributed share capital</i>	<i>Share premium</i>	<i>Convertible bond options</i>	<i>Undistributed earnings</i>	<i>Total</i>
Previous year					
Beginning balance	7,671,438,950	1,064,550,810	-	1,282,228,195	10,018,217,955
Issue ordinary shares (*)	1,197,000,000	-	-	-	1,197,000,000
Issue convertible bonds	-	-	105,576,190	-	105,576,190
Remuneration for BOD, BOS and BOD's Secretaries	-	-	-	(810,000)	(810,000)
Net loss for the year	-	-	-	(171,752,975)	(171,752,975)
Ending balance	<u>8,868,438,950</u>	<u>1,064,550,810</u>	<u>105,576,190</u>	<u>1,109,665,220</u>	<u>11,148,231,170</u>
Current year					
Beginning balance	8,868,438,950	1,064,550,810	105,576,190	1,109,665,220	11,148,231,170
Conversion of convertible bond to ordinary shares (Note 19)	2,217,100,000	105,576,190	(105,576,190)	-	2,217,100,000
Remuneration for BOD, BOS and BOD's Secretaries	-	-	-	(1,561,000)	(1,561,000)
Net loss for the year	-	-	-	(1,175,619,864)	(1,175,619,864)
Ending balance	<u>11,085,538,950</u>	<u>1,170,127,000</u>	<u>-</u>	<u>(67,515,644)</u>	<u>12,188,150,306</u>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended**20. OWNERS' EQUITY** (continued)**20.2 Shares**

	<i>Ending balance</i>	<i>Beginning balance</i>
	<i>Shares</i>	<i>Shares</i>
Shares authorised to be issued	1,108,553,895	886,843,895
Shares issued and fully paid	1,108,553,895	886,843,895
<i>Ordinary shares</i>	<i>1,108,553,895</i>	<i>886,843,895</i>
Shares in circulation	1,108,553,895	886,843,895
<i>Ordinary shares</i>	<i>1,108,553,895</i>	<i>886,843,895</i>

The company's ordinary shares are issued with par value of 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 per share without restriction.

21. REVENUE**21.1 Net revenues from sale of goods and rendering of services**

	<i>VND'000</i>	
	<i>Current year</i>	<i>Previous year</i>
Revenue from sale of fruits	1,170,911,859	838,999,430
Revenue from sale of goods	810,887,146	373,076,632
Revenue from sale of rubber latex	296,830,244	231,458,153
Revenue from sale of chili	1,363,527	205,867,885
Others	3,724,499	11,258,159
TOTAL	<u>2,283,717,275</u>	<u>1,660,660,259</u>
<i>In which:</i>		
<i>Revenue to related parties (Note 28)</i>	<i>1,546,948,265</i>	<i>493,136,350</i>
<i>Revenue to third parties</i>	<i>736,769,010</i>	<i>1,167,523,909</i>

21.2 Finance income

	<i>VND'000</i>	
	<i>Current year</i>	<i>Previous year</i>
Interest income	696,992,261	546,962,182
Dividend income	10,457,823	59,462,823
Bank interest	110,956	876,847
Others	4,272,809	-
TOTAL	<u>711,833,849</u>	<u>607,301,852</u>
<i>In which:</i>		
<i>Revenue to related parties (Note 28)</i>	<i>705,568,314</i>	<i>606,425,005</i>
<i>Revenue to third parties</i>	<i>6,265,535</i>	<i>876,847</i>

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

22. COST OF GOODS SOLD

	<i>Current year</i>	<i>Previous year</i>
	<i>VND'000</i>	
Cost of fruits sold	1,145,321,801	791,073,336
Cost of goods sold	747,185,295	289,738,672
Cost of rubber latex sold	290,547,509	228,868,697
Cost of chili sold	1,037,920	153,987,977
Others	4,705,180	14,272,839
TOTAL	<u>2,188,797,705</u>	<u>1,477,941,521</u>

23. FINANCE EXPENSES

	<i>Current year</i>	<i>Previous year</i>
	<i>VND'000</i>	
Loss from disposal of investments in subsidiaries	836,687,075	-
Interest expenses and bond issuance costs	633,907,437	554,862,319
Provision for diminution in value of long-term investments	272,722,264	214,456,986
Others	287,737	985,137
TOTAL	<u>1,743,604,513</u>	<u>770,304,442</u>

24. SELLING AND GENERAL AND ADMINISTRATIVE EXPENSES

	<i>Current year</i>	<i>Previous year</i>
	<i>VND'000</i>	
Selling expenses	252,800,057	73,547,066
External service expenses	241,452,432	59,804,783
Labour costs	11,333,126	10,044,865
Others	14,499	3,697,418
General and administrative expenses	71,431,459	122,182,622
Labour cost	23,727,950	7,583,793
Provision for doubtful receivables	15,448,274	-
Depreciation and amortisation expenses	5,010,106	6,663,933
Others	27,245,129	107,934,896
TOTAL	<u>324,231,516</u>	<u>195,729,688</u>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended**25. OTHER INCOME AND EXPENSES**

	<i>Current year</i>	<i>Previous year</i>
		<i>VND'000</i>
		<i>Current year</i>
		<i>Previous year</i>
Other income	102,975,446	18,878,851
Reversal of tax accrual under Decree 20 ("Decree 20") (*)	102,388,641	-
Others	586,805	18,878,851
Other expenses	(17,494,704)	(14,618,286)
Penalties	(2,279,883)	(1,466,600)
Others	(15,214,821)	(13,151,686)
OTHER PROFIT	85,480,742	4,260,565

(*) This amount represented CIT expense accrued in prior years' separate financial statements accumulated up to 31 December 2018 which was fully reversed during the year ended 31 December 2019. In prior fiscal year-end, the Company temporarily accrued CIT expense according to Item 3, Article 8, Decree No. 20/2017/ND-CP, prescribing tax administration for enterprises engaged in transfer pricing, issued by the Government on 24 February 2017, and effectively applied from 1 May 2017 ("Decree 20") to determine taxable income including the total loan interest cost arising in tax period not qualified as a deduction from income which exceeded 20% of total net profit generated from business activities plus loan interest costs and amortisation costs during the year. During the year ended 31 December 2019, the Company researched all relevant information and reversed CIT expenses accrued in prior years' separate financial statements.

Given the Company incurred tax loss for the year ended 31 December 2019, the Company did not accrue additional CIT expense in the separate income statement, in accordance with the application of Decree 20.

Based on the management's assessment, the guidance at Item 3, Article 8 of Decree 20 has many ambiguous points, with various ways of interpretation that may cause variations in practical application and this guidance does not reflect the intention of transfer pricing regulations. The management is still in discussions and proposing their view points to the State Audit Office, General Department of Taxation ("GDT"), Office of the Government and Ministry of Finance ("MOF") to ask for their consideration in amending guidance of Decree 20.

As at the date of these separate financial statements, Decree 20 is not amended, and the Company's management is still in the process of discussing with the relevant local authorities.

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

26. PRODUCTION AND OPERATING COSTS

	VND'000	
	Current year	Previous year
Cost of goods sold and raw materials	2,188,797,705	1,478,239,609
External service expenses	268,697,561	59,804,783
Labour costs	35,061,076	17,628,658
Depreciation and amortisation (Note 10 and 11)	10,450,881	7,846,366
Other expenses	10,021,998	110,151,793
TOTAL	<u>2,513,029,221</u>	<u>1,673,671,209</u>

27. CORPORATE INCOME TAX

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

The Company' 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 separate financial statements could change at a later date upon final determination by the tax authorities.

27.1 Current tax

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

A reconciliation between the loss before tax according to separate income statement and taxable income is presented below:

	VND'000	
	Current year	Previous year
Accounting loss before tax	<u>(1,175,601,868)</u>	<u>(171,752,975)</u>
<i>Adjustments</i>		
Difference between actual interest rate and nominal interest rate on convertible bonds	63,634,964	41,941,226
Non-deductible expenses	38,693,315	3,405,843
Dividend income	(10,457,823)	(59,462,823)
Changes in movement of accruals	(102,388,641)	92,189,223
Other adjustments	(5,513,933)	(17,241,133)
Loss before tax and loss carried forward	<u>(1,191,633,986)</u>	<u>(110,920,639)</u>
Tax profit estimated current	-	-
Adjustment for under accrual of tax from prior years	17,996	-
Estimated current CIT expense for the year	17,996	-
CIT over-paid at beginning of year	(285,831)	(285,831)
CIT paid during the year	(17,996)	-
CIT over-paid at end of year	<u>(285,831)</u>	<u>(285,831)</u>

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

27. CORPORATE INCOME TAX (continued)

27.2 *Deferred tax*

Tax losses carried forward

The Company is entitled to carry each individual tax loss forward to offset against taxable profits arising within five (5) consecutive years subsequent to the year in which the loss was incurred. As at the balance sheet date, the Company had aggregated accumulated tax losses of VND'000 1,497,895,453 (31 December 2018: VND'000 306,261,467) available for offset against future taxable profits. Details are as follows:

Originating year	Can be utilized up to	Tax loss amount	Utilized up to		VND'000	
			31 December 2019	Forfeited	Unutilized up to 31 December 2019	
2015	2020	10,097,286 (*)	(6,405,563)	-	-	3,691,723
2016	2021	191,649,105 (*)	-	-	-	191,649,105
2018	2023	110,920,639 (**)	-	-	-	110,920,639
2019	2024	1,191,633,986 (**)	-	-	-	1,191,633,986
TOTAL		1,504,301,016	(6,405,563)	-	-	1,497,895,453

(*) Tax losses as per tax assessment minutes.

(**) Estimated tax losses as per the Company's CIT declarations have not been finalized by the local tax authority as of the date of these separate financial statements.

No deferred tax assets were recognised in respect of the remaining VND'000 1,497,895,453 because future taxable profit cannot be ascertained at this stage.

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

28. TRANSACTIONS WITH RELATED PARTIES

Significant transactions of the Company with related parties during the year were as follows:

Related parties	Relationship	Transactions	VND'000	
			Current year	Previous year
Thadi Agriculture Processing Farming Processing and Distribution Joint Stock Company	Company with the same member of BOD	Transfer shares of subsidiaries Sales of goods Purchase of goods and services	6,993,691,293 808,659,349 72,225,810	- - -
Truong Hai Auto Corporation	Company with the same member of BOD	Loans Interest expenses Bond	2,588,289,459 94,567,711 -	746,132,000 6,259,160 2,217,100,000
Hoang Anh Gia Lai Joint Stock Company	Parent company	Loans and borrowings Interest expenses Lending Sales of goods and rendering of services Purchase of goods and materials Payment on behalf Purchase of tools and supplies Purchase of assets	1,242,148,420 200,398,547 80,404,642 40,900,991 29,775,964 6,675,143 359,015 -	1,564,796,280 122,891,707 - 10,631,809 90,294,671 - - 31,909,878
Hoang Anh - Quang Minh Rubber Joint Stock Company	Subsidiary	Lending Interest income	628,164,138 70,978,210	243,600 87,700,281
Highland Dairy Cattle Joint Stock Company	Subsidiary	Payment on behalf Interest income Purchase of goods Sales of goods and rendering of services Lending Dividend	500,029,652 31,203,388 21,685,778 21,044,678 9,263,955 -	- 1,982,056 8,865,640 12,745,529 389,563,000 49,005,000
Hoang Anh Andong Meas Co., Ltd.	Subsidiary	Purchase of goods Lending Sales of goods Interest income	385,998,939 151,974,002 90,458,345 27,401,490	313,527,999 201,590,298 39,996,482 2,878,055
An Dong Mia Joint Stock Company	Subsidiary	Lending Interest income	361,900,372 4,947,979	2,658,000 81,555
Hoang Anh Attapeu Agriculture Development Co., Ltd.	Subsidiary	Purchase of goods Lending Interest income Sales of goods Payment on behalf	340,736,999 330,390,239 326,865,676 300,970,113 126,747,893	323,312,419 580,863,754 204,424,983 144,033,161 20,322,246
Daun Penh Agrico One Member Co., Ltd.	Subsidiary of company with the same member of BOD	Purchase of goods Sales of goods Payment on behalf Lending Interest income	223,598,114 128,789,572 40,696,022 25,551,800 2,148,652	76,030,169 1,830,653 - 122,809,300 1,856,247
Ms Kieu Ngoc Hoa	Shareholder	Loans	130,000,000	-

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended**28. TRANSACTIONS WITH RELATED PARTIES (continued)**

Significant transactions of the Company with related parties during the year were as follows (continued):

Related parties	Relationship	Transactions	VND'000	
			Current year	Previous year
Binh Phuoc Kratie Rubber 2 Co., Ltd.	Subsidiary of company with the same member of BOD	Purchase of goods	134,609,220	86,637,907
		Lending	39,130,439	58,258,633
		Sales of goods	35,384,265	-
		Interest income	1,357,991	818,461
Hoang Anh Lumphat Co., Ltd.	Subsidiary	Purchase of goods	123,570,560	4,751,383
		Sales of goods	64,307,595	-
		Lending	9,294,800	-
		Payment on behalf	6,733,153	-
		Interest income	700,548	-
Mr Nguyen Anh Hoa	Shareholder	Loans	100,000,000	-
Indochina Rubber Investment and Development Co., Ltd.	Subsidiary of company with the same member of BOD	Lending	97,257,724	10,979,826
		Interest income	447,929	883,346
Hoang Anh - Quang Minh Rubber Industrial and Agricultural Co., Ltd.	Subsidiary	Purchase of goods	91,681,689	95,872,375
		Sales of goods	21,108,431	19,192,912
		Interest income	20,032,127	3,444,551
		Lending	13,709,147	234,617,379
		Payment on behalf	2,720,767	1,489,106
Hoang Anh Rattanakiri Co., Ltd.	Subsidiary	Interest income	91,068,747	98,665,888
Hoang Anh Oyadav Co., Ltd.	Subsidiary	Interest income	89,379,240	101,286,656
		Purchase of goods	9,072,819	-
		Payment on behalf	4,424,136	-
		Lending	-	17,004,029
Thaco Chu Lai Mechanical Complex One Member Co., Ltd.	Subsidiary of company with the same member of BOD	Purchase of goods and services	34,845,917	-
Hoang Anh Dak Lak Joint Stock Company	Subsidiary	Purchase of goods	34,657,540	2,551,938
		Sales of goods	15,559,300	5,924,175
		Interest income	11,756,006	11,400,679
		Lending	2,377,421	35,776,325
Chu Lai - Truong Hai Transportation Co., Ltd.	Subsidiary of company with the same member of BOD	Purchase of goods and services	24,683,368	-

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

28. TRANSACTIONS WITH RELATED PARTIES (continued)

Significant transactions of the Company with related parties during the year were as follows (continued):

<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>VND'000</i>	
			<i>Current year</i>	<i>Previous year</i>
Thaco Agricultural Machinery Manufacturing Co., Ltd.	Subsidiary of company with the same member of BOD	Purchase of goods and services	21,006,127	-
Trung Nguyen Rubber Joint Stock Company	Subsidiary of company with the same member of BOD	Sales of goods	18,051,258	17,013,699
		Interest income	16,822,508	21,039,424
		Purchase of goods	9,678,137	6,316,956
		Lending	8,874,886	89,147,311
Hoang Anh Gia Lai Import - Export Trading One Member Co., Ltd.	Subsidiary	Purchase of fuel and services	16,787,583	21,477,074
		Purchase of goods	16,039,844	12,603,282
		Purchase of assets, tools and supplies	788,911	-
Heng Brothers Co., Ltd.	Subsidiary	Purchase of goods	13,365,245	13,013,825
Bidiphar Rubber Joint Stock Company	Associate	Dividend	10,457,823	10,457,823
Truong Hai Truck Bus - Distribution Limited Liability Company	Subsidiary of company with the same member of BOD	Purchase of goods and assets	1,903,364	-
Hoang Anh Gia Lai Wooden Furniture Joint Stock Company	Related party	Purchase of goods and services	1,588,619	3,576,381
		Sales of goods and rendering of services	583,348	4,763,129
		Borrowings	-	36,600,000
Dai Thang Agriculture Development Co., Ltd.	Affiliate	Sales of goods	1,131,020	34,273,529
		Purchase of goods	-	72,866,328
Mr Doan Nguyen Duc	Chairman	Borrowings	-	1,794,900,000
Canh Dong Vang Agriculture and Forestry Joint Stock Company	Related party	Sales of goods	-	202,731,272
Le Me Joint Stock Company	Related party	Borrowings	-	11,685,000
An Phu Real Estate Investment Joint Stock Company	Related party	Interest income	-	10,500,000

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

28. TRANSACTIONS WITH RELATED PARTIES (continued)

As at balance sheet date, amounts due to and due from related parties were as follows:

<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>VND'000</i>	
			<i>Ending balance</i>	<i>Beginning balance</i>
<i>Short-term trade receivables (Note 5)</i>				
Hoang Anh Attapeu Agriculture Development Co., Ltd.	Subsidiary	Sales of goods	345,984,130	50,105,452
Hoang Anh Andong Meas Co., Ltd.	Subsidiary	Sales of goods	102,189,249	16,866,304
Daun Penh Agrico One Member Co., Ltd.	Subsidiary of company with the same member of BOD	Sales of goods	79,031,577	1,822,368
Hoang Anh Lumphat Co., Ltd.	Subsidiary	Sales of goods	64,315,732	-
Hoang Anh Gia Lai Joint Stock Company	Parent company	Sales of goods	22,887,524	-
Binh Phuoc Kratie Rubber 2 Co., Ltd.	Subsidiary of company with the same member of BOD	Sales of goods	18,707,431	-
Hoang Anh - Quang Minh Rubber Industrial and Agricultural Co., Ltd.	Subsidiary	Sales of goods	16,569,731	-
Hoang Anh Dak Lak Joint Stock Company	Subsidiary	Sales of goods	14,735,425	3,424,466
Trung Nguyen Rubber Joint Stock Company	Subsidiary of company with the same member of BOD	Sales of goods	8,965,806	10,421,131
Eastern Rubber (Cambodia) Co., Ltd.	Subsidiary of company with the same member of BOD	Sales of goods	4,948,622	-
Hoang Anh Gia Lai Wooden Furniture Joint Stock Company	Related party	Sales of goods	580,030	4,854,442
Hoang Anh Gia Lai Sport Joint Stock Company	Affiliate	Sales of goods	186,305	186,299
Highland Dairy Cattle Joint Stock Company	Subsidiary	Sales of goods	-	1,853,648
			679,101,562	89,534,110

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended**28. TRANSACTIONS WITH RELATED PARTIES (continued)**As at balance sheet date, 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>Ending balance</i>	<i>Beginning balance</i>
<i>Short-term advances to suppliers (Note 6)</i>				
Hoang Anh Lumphat Co., Ltd.	Subsidiary	Purchase of goods	694,383,989	108,870,177
Hoang Anh Attapeu Agriculture Development Co., Ltd.	Subsidiary	Purchase of goods	480,182,096	429,696,198
Hoang Anh - Quang Minh Rubber Industrial and Agricultural Co., Ltd	Subsidiary	Purchase of goods	510,484,660	5,034,304
Hoang Anh Dak Lak Joint Stock Company	Subsidiary	Purchase of goods	86,888,838	12,357,199
Hoang Anh Andong Meas Co., Ltd.	Subsidiary	Purchase of goods	54,285,631	-
Highland Dairy Cattle Joint Stock Company	Subsidiary	Purchase of goods	51,704,303	-
Trung Nguyen Rubber Joint Stock Company	Subsidiary of company with the same member of BOD	Purchase of goods	28,257,752	53,568,377
Heng Brothers Co., Ltd.	Subsidiary	Purchase of goods	20,719,486	29,894,388
Dai Thang Agriculture Development Co., Ltd.	Affiliate	Purchase of goods	5,434,295	70,348,150
Eastern Rubber (Cambodia) Co., Ltd.	Subsidiary of company with the same member of BOD	Purchase of goods	3,351,521	-
Daun Penh Agrico One Member Co., Ltd.	Subsidiary of company with the same member of BOD	Purchase of goods	-	120,773,266
Binh Phuoc Kratie Rubber 2 Co., Ltd.	Subsidiary of company with the same member of BOD	Purchase of goods	-	31,086,669
Hoang Anh Gia Lai Joint Stock Company	Parent company	Purchase of goods	-	862,509
			<u>1,935,692,571</u>	<u>862,491,237</u>

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

28. TRANSACTIONS WITH RELATED PARTIES (continued)

As at balance sheet date, 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>Ending balance</i>	<i>Beginning balance</i>
<i>Short-term loan receivables (Note 7) (*)</i>				
Hoang Anh Attapeu Agriculture Development Co., Ltd.	Subsidiary	Lending	351,399,356	596,647,864
Hoang Anh Andong Meas Co., Ltd.	Subsidiary	Lending	151,974,002	201,590,298
Hoang Anh - Quang Minh Rubber Industrial and Agricultural Co., Ltd	Subsidiary	Lending	13,709,147	234,617,379
Hoang Anh Lumphat Co., Ltd.	Subsidiary	Lending	9,294,800	-
Highland Dairy Cattle Joint Stock Company	Subsidiary	Lending	9,263,955	363,487,000
Hoang Anh Dak Lak Joint Stock Company	Subsidiary	Lending	8,077,420	35,776,325
Daun Penh Agrico One Member Co., Ltd.	Subsidiary of company with the same member of BOD	Lending	-	122,809,300
Trung Nguyen Rubber Joint Stock Company	Subsidiary of company with the same member of BOD	Lending	-	89,147,311
Binh Phuoc Kratie Rubber 2 Co., Ltd.	Subsidiary of company with the same member of BOD	Lending	-	58,258,633
Hoang Anh Rattanakiri Co., Ltd.	Subsidiary	Lending	-	57,254,000
Hoang Anh Oyadav Co., Ltd.	Subsidiary	Lending	-	49,283,000
			543,718,680	1,808,871,110

(*) Short-term loan to related parties represented the unsecured lending with maturity term until December 2019 and at average interest rate from 8.00% to 12.00% p.a.

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

28. TRANSACTIONS WITH RELATED PARTIES (continued)

As at balance sheet date, amounts due to and due from related parties were as follows:
(continued)

<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>Ending balance</i>	<i>VND'000 Beginning balance</i>
Other short-term receivables (Note 8)				
Hoang Anh Attapeu Agriculture Development Co., Ltd.	Subsidiary	Offsetting Payment on behalf Interest income	650,642,869 150,845,204 58,734,405	470,735,574 24,097,310 4,481,542
Hoang Anh - Quang Minh Rubber Joint Stock Company	Subsidiary	Offsetting Dividend Payment on behalf	603,251,372 - -	596,859,667 19,507,500 6,391,704
Hoang Anh Andong Meas Co., Ltd.	Subsidiary	Offsetting Payment on behalf Interest income	76,445,328 - -	2,987,911 4,340,438 2,878,055
Hoang Anh Dak Lak Joint Stock Company	Subsidiary	Offsetting Interest income Payment on behalf	65,269,198 2,988,881 5,325	23,404,454 236,003 -
Hoang Anh Lumphat Co., Ltd.	Subsidiary	Offsetting Payment on behalf Interest income	25,244,379 9,537,776 414,192	2,234,965 - -
Hoang Anh - Quang Minh Rubber Industrial and Agricultural Co., Ltd.	Subsidiary	Interest income Offsetting Payment on behalf	20,447,336 9,884,628 3,468,231	3,444,551 - 747,464
Hoang Anh Oyadav Co., Ltd	Subsidiary	Offsetting Payment on behalf Interest income	15,192,236 4,424,136 2,122,671	12,961,939 5,406,430 683,685
Highland Dairy Cattle Joint Stock Company	Subsidiary	Interest income	7,505,153	1,771,999
Hoang Anh Rattanakiri Co., Ltd.	Subsidiary	Interest income Payment on behalf	2,494,078 47,736	1,148,217 -
CRD Co., Ltd.	Subsidiary	Payment on behalf	2,182,352	-
Hoang Anh Gia Lai Joint Stock Company	Parent company	Lending Payment on behalf	680,800 -	680,800 2,065,085
Binh Phuoc Kratie Rubber 2 Co., Ltd.	Subsidiary of company with the same member of BOD	Payment on behalf Interest income	140,205 -	1,010,529 818,461
Dai Thang Agriculture Development One Member Co., Ltd.	Affiliate	Payment on behalf	132,313	-
An Dong Mia Joint Stock Company	Subsidiary	Offsetting	-	38,415,501
Daun Penh Agrico One Member Co., Ltd.	Subsidiary of company with the same member of BOD	Offsetting Interest income	- -	12,675,327 1,856,247

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

28. TRANSACTIONS WITH RELATED PARTIES (continued)

As at balance sheet date, amounts due to and due from related parties were as follows:
(continued)

<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>Ending balance</i>	<i>VND'000 Beginning balance</i>
<i>Other short-term receivables</i> (Note 8) (continue)				
Trung Nguyen Rubber Joint Stock Company	Subsidiary of company with the same member of BOD	Interest income	-	428,291
Hung Thang Loi Joint Stock Company	Affiliate	Other	-	250,000
			<u>1,712,100,804</u>	<u>1,242,519,649</u>
<i>Long-term loan receivables</i> (*)				
Hoang Anh Attapeu Agriculture Development Co., Ltd.	Subsidiary	Lending	3,626,284,434	3,051,928,803
Hoang Anh Oyadav Co., Ltd.	Subsidiary	Lending	848,702,593	799,419,593
Hoang Anh Rattanakiri Co., Ltd.	Subsidiary	Lending	805,908,354	748,654,354
Hoang Anh - Quang Minh Rubber Joint Stock Company	Subsidiary	Lending	735,649,043	735,539,043
Highland Dairy Cattle Joint Stock Company	Subsidiary	Lending	389,563,000	26,076,000
Hoang Anh - Quang Minh Rubber Industrial and Agricultural Co., Ltd.	Subsidiary	Lending	234,617,379	-
Hoang Anh Andong Meas Co., Ltd.	Subsidiary	Lending	201,590,298	-
Hoang Anh Dak Lak Joint Stock Company	Subsidiary	Lending	120,383,980	90,307,655
An Dong Mia Joint Stock Company	Subsidiary	Lending	41,100,502	2,658,000
Trung Nguyen Rubber Joint Stock Company	Subsidiary of company with the same member of BOD	Lending	-	173,395,050
Indochina Rubber Investment and Development Co., Ltd.	Subsidiary of company with the same member of BOD	Lending	-	15,445,826
			<u>7,003,799,583</u>	<u>5,643,424,324</u>

(*) Long-term loan to related parties represented the unsecured lending with maturity term from March 2021 to December 2026 and at average interest rate from 7.20% to 12.00% p.a.

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

27. TRANSACTIONS WITH RELATED PARTIES (continued)

As at balance sheet date, 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>Ending balance</i>	<i>Beginning balance</i>
<i>Other long-term receivables (Note 8)</i>				
Hoang Anh Attapeu Agriculture Development Co., Ltd.	Subsidiary	Interest income	896,056,291	624,113,583
Hoang Anh - Quang Minh Rubber Joint Stock Company	Subsidiary	Interest income	413,033,795	342,055,585
Hoang Anh Rattanakiri Co., Ltd.	Subsidiary	Interest income	340,592,126	259,598,820
Hoang Anh Oyadav Co., Ltd.	Subsidiary	Interest income	169,310,117	250,757,791
Hoang Anh - Quang Minh Rubber Industrial and Agricultural Co., Ltd.	Subsidiary	Offsetting Interest income	158,156,506 3,029,342	- -
Hoang Anh Dak Lak Joint Stock Company	Subsidiary	Interest income	25,621,550	16,618,423
An Dong Mia Joint Stock Company	Subsidiary	Interest income	5,029,534	81,555
Highland Dairy Cattle Joint Stock Company	Subsidiary	Interest income	4,191,897	210,057
Trung Nguyen Rubber Joint Stock Company	Subsidiary of company with the same member of BOD	Interest income	-	10,280,400
Indochina Rubber Investment and Development Co., Ltd.	Subsidiary of company with the same member of BOD	Interest income	-	1,654,228
			2,015,021,158	1,505,370,442

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2019 and for the year then ended**28. TRANSACTIONS WITH RELATED PARTIES** (continued)As at balance sheet date, amounts due to and due from related parties were as follows:
(continued)

<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>Ending balance</i>	<i>VND'000 Beginning balance</i>
Short-term trade payables (Note 14)				
Thadi Agriculture Processing and Distribution Joint Stock Company	Company with the same member of BOD	Purchase of goods and materials	186,130,214	-
Daun Penh Agrico One Member Co., Ltd.	Subsidiary of company with the same member of BOD	Purchase of fruits	91,845,863	-
Binh Phuoc Kratie Rubber 2 Co., Ltd.	Subsidiary of company with the same member of BOD	Purchase of fruits	73,677,590	-
Hoang Anh Gia Lai Joint Stock Company	Parent company	Purchase of goods and services	42,820,770	42,062,001
Thaco Chu Lai Mechanical Complex One Member Company Limited	Subsidiary of company with the same member of BOD	Purchase of materials	18,284,792	-
Chu Lai - Truong Hai Transportation Co., Ltd.	Subsidiary of company with the same member of BOD	Purchase of goods and services	12,439,480	-
Hoang Anh Oyadav Co., Ltd.	Subsidiary	Purchase of goods	9,043,648	-
Thaco Agricultural Machinery Manufacturing Co., Ltd.	Subsidiary of company with the same member of BOD	Purchase of goods and materials	6,080,000	-
Hoang Anh Gia Lai Import - Export Trading One Member Co., Ltd.	Subsidiary	Purchase of goods and services	4,594,071	2,412,876
Truong Hai Truck Bus - Distribution Limited Liability Company	Subsidiary of company with the same member of BOD	Purchase of assets	1,994,000	-

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

28. TRANSACTIONS WITH RELATED PARTIES (continued)

As at balance sheet date, amounts due to and due from related parties were as follows:
(continued)

<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>Ending balance</i>	<i>VND'000 Beginning balance</i>
Short-term trade payables (Note 14) (continued)				
Chu Lai Truong Hai Composite Components Manufacturing Co., Ltd.	Subsidiary of company with the same member of BOD	Purchase of materials	186,340	-
Hoang Anh Gia Lai Wooden Furniture Joint Stock Company	Related party	Purchase of goods	29,388	3,934,019
Trung Nguyen Rubber Joint Stock Company	Subsidiary of company with the same member of BOD	Purchase of goods	-	5,562,560
Hoang Anh Andong Meas Co., Ltd.	Subsidiary	Purchase of goods	-	24,701,887
			447,126,156	78,673,343
Short-term advances from customers (Note 15)				
Highland Dairy Cattle Joint Stock Company	Subsidiary	Advance to purchase goods	407,868,003	49,176,800
Thadi Agriculture Processing Farming Processing and Distribution Joint Stock Company	Company with the same member of BOD	Advance to purchase goods	38,138,627	-
Dai Thang Agriculture Development One Member Co., Ltd.	Affiliate	Advance to purchase materials	-	36,074,952
Hoang Anh - Quang Minh Rubber Industrial and Agricultural Co., Ltd.	Subsidiary	Advance to purchase materials	-	4,446,002
Hoang Anh Attapeu Agriculture Development Co., Ltd.	Subsidiary	Advance to purchase materials	-	1,179,412
			446,006,630	90,877,166

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

28. TRANSACTIONS WITH RELATED PARTIES (continued)

As at balance sheet date, amounts due to and due from related parties were as follows:
(continued)

Related parties	Relationship	Transactions	VND'000	
			Ending balance	Beginning balance
Short-term accrued expenses (Note 16)				
Hoang Anh Gia Lai Joint Stock Company	Parent company	Interest expenses	27,165,722	10,743,251
Truong Hai Auto Corporation	Company with the same member of BOD	Interest expenses	5,172,790	6,259,160
			32,338,512	17,002,411
Long-term accrued expenses (Note 16)				
Hoang Anh Gia Lai Joint Stock Company	Parent company	Interest expenses	-	86,146,259
Truong Hai Auto Corporation	Company with the same member of BOD	Interest expenses	4,633,007	-
			4,633,007	86,146,259
Other short-term payables (Note 17)				
Hoang Anh Andong Meas Co., Ltd.	Subsidiary	Offsetting	170,578,561	-
Hoang Anh Gia Lai Import - Export Trading One Member Co., Ltd.	Subsidiary	Offsetting	20,359,843	-
Le Me Joint Stock Company	Related party	Borrowings	11,685,000	11,685,000
Indochina Rubber Investment and Development Co., Ltd.	Subsidiary of company with the same member of BOD	Borrowings	138,581	-
Mr Doan Nguyen Duc	Chairman	Borrowings	-	136,000,000
			202,761,985	147,685,000
Other long-term payables (Note 17)				
Hoang Anh Gia Lai Import - Export Trading One Member Co., Ltd.	Subsidiary	Offsetting	754,133,163	619,421,352
Highland Dairy Cattle Joint Stock Company	Subsidiary	Offsetting	-	275,450,168
Hoang Anh Gia Lai Joint Stock Company	Parent company	Offsetting	-	78,933,111
			754,133,163	973,804,631

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

28. TRANSACTIONS WITH RELATED PARTIES (continued)

As at balance sheet date, 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>Ending balance</i>	<i>Beginning balance</i>
Short-term loan (Note 19.1)				
Hoang Anh Gia Lai Joint Stock Company	Parent company	Short-term loans	1,877,207,456	983,468,000
Truong Hai Auto Corporation	Company with the same member of BOD	Short-term loans	897,464,626	746,132,000
		Convertible bond	-	2,216,880,000
Ms Kieu Ngoc Hoa	Shareholder	Short-term loans	50,000,000	-
			2,824,672,082	3,946,480,000
Long-term loan (Note 19.6)				
Truong Hai Auto Corporation	Company with the same member of BOD	Long-term loans	805,260,834	-
Hoang Anh Gia Lai Joint Stock Company	Parent company	Long-term loans	-	2,314,922,876
			805,260,834	2,314,922,876

Transactions with other related parties

Remunerations for the members of the Board of Management, the Board of Directors and the Board of Supervisors are as follows:

	<i>VND'000</i>	
	<i>Current year</i>	<i>Previous year</i>
Salaries, remunerations and bonus	3,938,000	3,761,000

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

29. SIGNIFICANT COMMITMENTS

In accordance with capital contributed capital transfer contract dated 22 May 2017, between Hoang Anh Gia Lai Agricultural Joint Stock Company (“HNG”) and Bien Hoa Sugar Joint Stock Company, Thanh Thanh Cong Tay Ninh Joint Stock Company and the agreement dated 15 June 2017, HNG pledged unconditional and irrevocable liability for any debts, fines, indemnities, financial obligations and /or any guarantee commitment, debt, any other type of guarantees (whether existing or not yet reflected or potential) that the Sugar Cane Group is obliged to any third party (including the Government of Laos and/or the Vietnamese Government) arising on or before 31 August 2016 but yet recorded to the consolidated financial statements as of 31 August 2016 of the Sugar Cane Group, included but not limited to payables related to:

- (a) Taxes and fees regarding transfer of profits from the Sugar Cane Group in Laos to the company located in Vietnam in accordance with the laws and regulation of Laos and Vietnam;
- (b) Foreign contractor tax or other similar tax on constructing and land clearance related to the factory and sugar plantation of Sugar Cane Group;
- (c) Social insurance, health insurance and personal income tax of employees currently working at Sugar Cane Group;
- (d) Value added tax related to the transfer of assets regarding planting grass activities and raising cows of Sugar Cane Group; and
- (e) Financial obligations, other tax obligations, liability and legal proceedings relating to the business of Sugar Cane Group before 31 August 2016.

As at 31 December 2019 and up to the date of these separate financial statements, the Company was still in progress to work with local tax authorities to finalise related tax exposures, if any, which may occur in relation to such disposal of the Group of Sugarcane companies.

30. EVENTS AFTER THE BALANCE SHEET DATE

On 5 February 2020, the Company additionally acquired the entire 35,900,000 shares, which were newly issued by Hoang Anh Dak Lak Joint Stock Company (“Hoang Anh Dak Lak”), for a consideration of VND’000 359,000,000 in accordance with the Board of Directors’ Resolutions No. 0901/20/NQ-HDQT HAGL Agrico dated 9 January 2020. Accordingly, the Company increased its interest ownership in Hoang Anh Dak Lak from 99.53% to 99.78% as at that date.

Except for the above event, there have been no other significant events or circumstances occurring after the balance sheet date which would require adjustments or disclosures to be made in the accompanying separate financial statements of the Company.



Trương Thị Trúc Thiên Trang
Preparer



Phạm Xuân Hòa
Chief Accountant




Võ Thị Mỹ Hạnh
General Director

9 April 2020