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SEPARATE FINANCIAL STATEMENTS

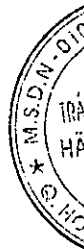
**HOANG HUY INVESTMENT FINANCIAL SERVICES
JOINT STOCK COMPANY**

For the fiscal year ended 31 March 2019

(Audited)

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REPORT OF THE BOARD OF GENERAL DIRECTORS

The Board of General Directors of Hoang Huy Investment Financial Services Joint Stock Company ("The Company") presents its report and the Company's Separate Financial Statements for the fiscal year ended as at 31 March 2019.

THE COMPANY

Hoang Huy Investment Financial Services Joint Stock Company was established and operates under the Business Registration Certificate No. 0200117929, firstly issued by Hai Phong Department of Planning and Investment on 25 December 2007 and amended for the 11th time on 18 January 2017.

The Company's head office is located at No. 116 Nguyen Duc Canh Street, Le Chan District, Hai Phong City.

BOARD OF MANAGEMENT, BOARD OF GENERAL DIRECTORS AND SUPERVISORY BOARD

The members of the Board of Management during the year and to the reporting date include:

Mr. Do Huu Ha	Chairman
Mr. Vu Trong Long	Member
Mr. Do Huu Hung	Member
Mrs. Nguyen Thi Ha	Member
Mrs. Pham Hong Dung	Member

The members of the Board of General Directors during the year and to the reporting date include:

Mr. Do Huu Ha	General Director
Mrs. Tran Thi Hoang Ha	Deputy General Director
Mr. Do Huu Hau	Deputy General Director
Mr. Do Huu Hung	Deputy General Director
Mrs. Ho Thi Xuan Hoa	Deputy General Director

The members of the Supervisory Board are:

Mrs. Nguyen Thi Tuoi	Head	
Mrs. Phan Thi Thu Huong	Member	
Mr. Nguyen Hoang Tung	Member	(Appointed on 15 June 2018)
Mrs. Nguyen Thi Thuy Nga	Member	(Resigned on 15 June 2018)

AUDITORS

The auditors of AASC Auditing Firm Company Limited have taken the audit of Separate Financial Statements for the Company.

STATEMENT OF THE BOARD OF GENERAL DIRECTORS' RESPONSIBILITY IN RESPECT OF THE SEPARATE FINANCIAL STATEMENTS

The Board of General Directors is responsible for the Separate Financial Statements which give a true and fair view of the financial position of the Company, its operating results and its cash flows for the year. In preparing those Separate Financial Statements, the Board of General Directors is required to:

- Establish and maintain an internal control system which is determined necessary by the Board of General Directors and Board of Management to ensure the preparation and presentation of Separate Financial Statements do not contain any material misstatement caused by errors or frauds;
- Select suitable accounting policies and then apply them consistently;

- Make judgments 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;
- Prepare the Separate Financial Statements on the basis of compliance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the current requirements relevant to preparation and presentation of financial statements;
- Prepare the Separate Financial Statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Board of General Directors is responsible for ensuring that proper accounting records are kept to reflect the financial position of the Company, with reasonable accuracy at any time and to ensure that the Separate Financial Statements comply with the registered accounting system. It is responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

We, The Board of General Directors, confirm that the Separate Financial Statements give a true and fair view of the financial position at 31 March 2019, its operation results and cash flows in the year then ended of the Company in accordance with the Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to the preparation and presentation of Financial Statements.

Other commitments

The Board of General Directors pledges that the Company complies with the Decree No. 71/2017/ND-CP dated 6 June 2017 on corporate governance applicable to public companies and the Company does not violate the obligation of information disclosure under the regulation of Circular No. 155/2015/TT-BTC dated 06 October 2015 issued by Ministry of Finance guiding the disclosure of information on Securities Market.

On behalf of the Board of General Directors



Do Huu Ha

General Director

Hai Phong, 27 May 2019

INDEPENDENT AUDITORS' REPORT

**To: Shareholders, Board of Management and Board of General Directors
Hoang Huy Investment Financial Services Joint Stock Company**

We have audited the accompanying Separate Financial Statements of Hoang Huy Investment Financial Services Joint Stock Company prepared on 27 May 2019, as set out on pages 06 to 41, including: Separate Statement of financial position as at 31 March 2019, Separate Statement of income, Separate Statement of cash flows and Notes to separate financial statements for the year ended as at 31 March 2019.

Board of General Directors' Responsibility

The Board of General Directors is responsible for the preparation and presentation of Separate Financial Statements that give a true and fair view in accordance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to the preparation and presentation of Financial Statements and for such internal control as the Board of General Directors determines necessary to enable the preparation and presentation of Separate Financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's 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 standards and ethical requirements; 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 auditor's 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 auditor considers internal control relevant to the entity's preparation and presentation of Separate Financial Statements that give a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of General Directors, 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 audit opinion.

Auditor's Opinion

In our opinion, the Separate Financial Statements give a true and fair view, in all material respects, of the financial position of Hoang Huy Investment Financial Services Joint Stock Company as at 31 March 2019, its operating results and its cash flows for the year then ended in accordance with the Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to the preparation and presentation of Separate Financial Statements.



AASC Auditing Firm Company Limited

Cat Thi Ha

Deputy General Director

Registered Auditor No. 0725-2018-002-1

Hanoi, 28 May 2019

Nguyen Ngoc Lan

Auditor

Registered Auditor No. 1427-2018-002-1

SEPARATE STATEMENT OF FINANCIAL POSITION

As at 31 March 2019

Code	ASSETS	Note	31/03/2019 VND	01/04/2018 VND
100	A. CURRENT ASSETS		1,034,532,782,857	461,817,072,077
110	I. Cash and cash equivalents	03	194,948,804,389	42,258,301,290
111	1. Cash		194,948,804,389	42,258,301,290
120	II. Short-term investments	04	299,000,000,000	38,000,000,000
123	1. Held-to-maturity investments		299,000,000,000	38,000,000,000
130	III. Short-term receivable		342,954,330,570	48,169,821,803
131	1. Short-term trade receivables	05	52,141,182,625	21,506,135,859
132	2. Short-term prepayments to suppliers	06	90,102,873,083	19,985,694,123
136	3. Other short-term receivables	07	200,710,274,862	6,677,991,821
140	IV. Inventories	08	186,792,250,338	332,818,466,702
141	1. Inventories		186,792,250,338	332,818,466,702
150	V. Other short-term assets		10,837,397,560	570,482,282
151	1. Short-term prepaid expenses		-	565,718,945
152	2. Deductible VAT		10,832,397,560	1,763,337
153	3. Taxes and other receivables from State budget	16	5,000,000	3,000,000

SEPARATE STATEMENT OF FINANCIAL POSITION

As at 31 March 2019

(Continued)

Code	ASSETS	Note	31/03/2019 VND	01/04/2018 VND
200	B. NON- CURRENT ASSETS		4,357,963,052,002	3,938,119,515,583
220	I. Fixed assets		76,815,216,050	74,526,520,945
221	1. Tangible fixed assets	10	23,903,380,225	21,415,848,797
222	- Historical costs		56,643,313,604	51,245,753,241
223	- Accumulated depreciation		(32,739,933,379)	(29,829,904,444)
227	2. Intangible fixed assets	11	52,911,835,825	53,110,672,148
228	- Historical costs		56,329,385,890	56,329,385,890
229	- Accumulated amortization		(3,417,550,065)	(3,218,713,742)
230	II. Investment properties	12	252,509,071,462	254,322,175,740
231	- Historical costs		271,141,197,992	271,141,197,992
232	- Accumulated depreciation		(18,632,126,530)	(16,819,022,252)
240	III. Long-term assets in progress		789,697,303,429	176,310,266,928
242	1. Construction in progress	09	789,697,303,429	176,310,266,928
250	IV. Long-term investments	04	3,238,260,551,970	3,432,960,551,970
251	1. Investments in subsidiaries		1,499,409,650,000	1,469,409,650,000
252	2. Investments in joint-ventures and associates		1,738,850,901,970	1,962,050,901,970
255	3. Held-to-maturity investments		-	1,500,000,000
260	V. Other long-term assets		680,909,091	-
261	1. Long-term prepaid expenses		680,909,091	-
270	TOTAL ASSETS		5,392,495,834,859	4,399,936,587,660

SEPARATE STATEMENT OF FINANCIAL POSITION

As at 31 March 2019

(Continued)

Code	RESOURCES	Note	31/03/2019 VND	01/04/2018 VND
300	C. LIABILITIES		1,546,448,559,783	461,176,801,493
310	I. Current liabilities		491,819,388,532	120,322,001,843
311	1. Short-term trade payables	14	13,952,622,689	7,875,184,058
312	2. Short-term prepayment from customers	15	210,439,884,837	92,183,819,557
313	3. Taxes and other payables to State budget	16	3,413,965,163	14,422,698,951
314	4. Payables to employees		57,000,000	-
315	5. Short-term accrued expenses		3,063,194,929	3,679,097,980
318	6. Short-term unearned revenue	18	1,821,386,253	2,023,605,234
319	7. Other short-term payments	17	194,406,945,000	-
320	8. Short-term borrowings and finance lease liabilities	13	64,526,793,598	-
322	9. Bonus and welfare fund		137,596,063	137,596,063
330	II. Non-current liabilities		1,054,629,171,251	340,854,799,650
337	1. Other long-term payables	17	500,563,822,249	298,249,160,450
338	2. Long-term borrowings and finance lease liabilities	13	-	42,605,639,200
339	3. Convertible bonds	19	554,065,349,002	-
400	D. EQUITY		3,846,047,275,076	3,938,759,786,167
410	I. Owner's equity	20	3,846,047,275,076	3,938,759,786,167
411	1. Contributed capital		3,629,940,140,000	3,629,940,140,000
411a	Ordinary shares with voting rights		3,629,940,140,000	3,629,940,140,000
413	2. Conversion options on convertible bonds		44,370,685,998	-
415	3. Treasury shares		(219,996,488,178)	(219,996,488,178)
421	4. Retained earnings		391,732,937,256	528,816,134,345
421a	Retained earnings accumulated till the end of the previous year		228,584,446,591	15,744,380,888
421b	Retained earnings of the current year		163,148,490,665	513,071,753,457
440	TOTAL RESOURCES		5,392,495,834,859	4,399,936,587,660

Preparer

Bui Thi Tra

Chief Accountant

Phung Thi Thu Huong

Hai Phong, 27 May 2019

General Director



Do Huu Ha

SEPARATE STATEMENT OF INCOME

From 01/04/2018 to 31/03/2019

Code	ITEMS	Note	From 01/04/2018 to 31/03/2019 VND	From 01/04/2017 to 31/03/2018 VND
01	1. Revenue from sales of goods and rendering of services	22	764,857,145,334	1,682,024,961,765
02	2. Revenue deductions	23	822,921,000	4,173,245,091
10	3. Net revenue from sales of goods and rendering of services		764,034,224,334	1,677,851,716,674
11	4. Cost of goods sold	24	543,765,816,529	1,252,801,169,107
20	5. Gross revenue from sales of goods and rendering of services		220,268,407,805	425,050,547,567
21	6. Financial income	25	9,201,733,955	193,682,800,663
22	7. Financial expenses	26	7,360,255,111	3,242,464,627
23	<i>In which : Interest expenses</i>		7,312,276,531	3,231,856,257
25	8. Selling expense	27	8,732,527,180	5,693,234,105
26	9. General and administrative expense	28	16,850,863,656	11,390,997,587
30	10. Net profit from operating activities		196,526,495,813	598,406,651,911
31	11. Other income	29	8,968,927,745	5,069,519,123
32	12. Other expense	30	1,247,848,377	6,739,326,569
40	13. Other profit (loss)		7,721,079,368	(1,669,807,446)
50	14. Total net profit before tax		204,247,575,181	596,736,844,465
51	15. Current corporate income tax expenses	31	41,099,084,516	83,665,091,008
60	17. Profit after tax		<u>163,148,490,665</u>	<u>513,071,753,457</u>

Preparer

Bui Thi Tra

Chief Accountant

Phung Thi Thu Huong

Hai Phong, 27 May 2019

General Director



Do Hưu Hà

SEPARATE STATEMENT OF CASH FLOWS

From 01/04/2018 to 31/03/2019

(Indirect method)

Code	ITEMS	Note	From 01/04/2018 to 31/03/2019 VND	From 01/04/2017 to 31/03/2018 VND
I. CASH FLOWS FROM OPERATING ACTIVITIES				
01	1. Profit before tax		204,247,575,181	596,736,844,465
	2. Adjustment for:		4,940,507,841	(184,822,338,110)
02	- Depreciation of fixed assets and investment properties		5,903,303,710	5,629,779,270
04	- Exchange gains/losses from retranslation of monetary items denominated in foreign currencies		18,466	3,462,218
05	- Gain/loss from investment		(8,275,090,866)	(193,687,435,855)
06	- Interest expense		7,312,276,531	3,231,856,257
08	3. Operating profit before changes in working capital		209,188,083,022	411,914,506,355
09	- Increase/Decrease in receivables		(225,268,892,100)	37,629,852,946
10	- Increase/Decrease in inventories		148,023,419,239	(95,258,754,118)
11	- Increase/Decrease in payables (excluding interest payable/ corporate income tax payable)		505,734,520,265	382,974,951,556
12	- Increase/Decrease in prepaid expenses		(115,190,146)	(392,606,145)
14	- Interest paid		(7,312,276,531)	(3,231,856,257)
15	- Corporate income tax paid		(46,723,038,381)	(87,038,697,196)
17	- Other payments on operating activities		(814,654,422)	-
20	Net cash flows from operating activities		582,711,970,946	646,597,397,141
II. CASH FLOWS FROM INVESTING ACTIVITIES				
21	1. Purchase or construction of fixed assets and other long-term assets		(692,419,222,204)	(175,970,506,701)
22	2. Proceeds from liquidation and disposals of fixed assets and other long-term assets		-	180,000,000
23	3. Loan and purchase of debt instruments from other entities		(752,760,000,000)	(171,800,000,000)
24	4. Collection of loans and resale of debt instrument of other entities		493,260,000,000	171,500,000,000
25	5. Equity investments in other entities		(30,000,000,000)	(460,000,000,000)
26	6. Proceeds from equity investment in other entities		225,432,000,000	-
27	7. Interest, dividends and profit received		6,389,412,825	194,015,782,643
30	Net cash flows from investing activities		(750,097,809,379)	(442,074,724,058)

SEPARATE STATEMENT OF CASH FLOWS

From 01/04/2018 to 31/03/2019

(Indirect method)

Code	ITEMS	Note	From 01/04/2018 to 31/03/2019 VND	From 01/04/2017 to 31/03/2018 VND
III. CASH FLOWS FROM FINANCING ACTIVITIES				
31	1. Proceeds from issuance of shares and receipt of contributed capital		44,370,685,998	-
32	2. Repayment of capital contributions and repurchase of stock issued		-	(219,996,488,178)
33	3. Proceeds from borrowings		1,173,169,318,288	269,442,633,424
34	4. Repayment of principal		(597,182,814,888)	(226,836,994,224)
36	5. Dividends or profits paid to owners		(300,280,829,400)	(290,395,211,200)
40	Net cash flows from financing activities		320,076,359,998	(467,786,060,178)
50	Net cash flows in the year		152,690,521,565	(263,263,387,095)
60	Cash and cash equivalents at the beginning of the year		42,258,301,290	305,525,150,603
61	Effect of exchange rate fluctuations		(18,466)	(3,462,218)
70	Cash and cash equivalents at the end of the year	03	194,948,804,389	42,258,301,290

Hai Phong, 27 May 2019

Preparer

Chief Accountant

General Director



Bui Thi Tra

Phung Thi Thu Huong

Do Huu Ha

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

From 01/04/2018 to 31/03/2019

1. BACKGROUND

Forms of ownership

Hoang Huy Investment Financial Services Joint Stock Company was established and operates under the Business Registration Certificate No. 0200117929, firstly issued by Hai Phong Department of Planning and Investment on 25 December 2007 and amended for the 11th time on 18 January 2017.

The Company's head office is located at No. 116 Nguyen Duc Canh Street, Le Chan District, Hai Phong City.

The Company's charter capital is VND 3,629,940,140,000; equivalent to 362,994,014 shares with the par value of VND 10,000 per share.

Business field

The Company operates in the field of commercial business and real estate.

Business activities

Main business activities of the Company:

- Construction of railways and roads; Details: Construction and repair of traffic works;
- Construction of other civil works; Details: Wholesale of bamboo, wood and processed wood; Wholesale of cement; Wholesale of bricks, tiles, stones, sand and gravel; Wholesale of building glass; Wholesale of paint and varnish; Wholesale of ceramic tiles and sanitary ware; Wholesale of hardware; Wholesale of concrete;
- Production of body of motor vehicle; Trailers and semi-trailers;
- Production of spare parts and auxiliary parts for motor vehicles and engine.
- Production of motor vehicles; Details: Production of motor vehicles, trailers and semi-trailers;
- Production of motorcycles;
- Wholesale of cars and other motor vehicles;
- Maintenance and repairment of cars and other motor vehicles;
- Site preparation; Details: Levelling of ground;
- Wholesale of machinery, equipment and other machine parts; Details: Wholesale of electrical machinery, equipment, electrical materials (generators, electric motors, wires and other equipment used in the circuit);
- Retail of car (up to 12 seats);
- Cars and other motor vehicles dealership;
- Road passenger transport; Details: Provincial and inter- provincial passenger transport by bus; Fixed - route and flexible passenger transport by cars;
- Construction of all kinds; Details: Construction and repair of buildings of all kinds;
- Installation of electrical systems; Details: Installation of electrical systems, lighting systems, fire alarm systems and anti-theft system; Installation of communication lines, computer networks and TV cable (including optical cables);
- Construction finishing;
- Management consulting; Details: Project Management Consulting (Group C);
- Maintenance and repair of motorcycles;
- Brokerage of Contract of commodity and security; (Exclusive of brokerage in the field of securities, insurance, finance, real estate);

The Company's operation in the year that affects the Separate Financial Statements

- During the year, due to the interruption of the import process, the stability of automobile consumption market after a period of strong growth, automobile sales decreased sharply over the same period. Real estate projects have not been recorded into real estate revenue since those projects have not been accepted and handed over which leads to decrease in sales revenue and cost of goods sold in 2018 of the Company by 54.46% and 56.60% respectively over the same period of last year;

- The company is cooperating with Hoang Huy Investment Services Joint Stock Company (HHS - Associate) to implement the Hoang Huy Riverside Project in Thuong Ly Ward, Hong Bang District, Hai Phong City. The project has accepted some items, therefore, the construction in progress and liabilities relating to business cooperation on 31 March 2019 increased significantly compared to the same period of last year;
- In 2018, the General Meeting of Shareholders of Thinh Hiep Construction Joint Stock Company approved the plan to partial divide the Company. Part of shares of shareholders together with the assets corresponding to the value of the shares were transferred to the transferee company (Thinh Phat Real Estate Construction Joint Stock Company). The total capital and assets divided at the time of partial division is VND 220,000,000,000;
- During the year, the Company issued convertible bonds to foreign investors under Resolution No. 01/2019/NQ-DHDCD dated 23 February 2019 to increase its capital to fund its business activities and investment projects. The total proceeds from the first issuance of convertible bonds is VND 598,808,000,000 (as details in Note 20).

Corporate's structure

The Company's member entities	Address	Principal activities
Hoang Huy Investment Financial Services Joint Stock Company - Hanoi Branch	No. 275 Nguyen Trai Str., Thanh Xuan Ward, Thanh Xuan Dist., Hanoi.	Real Estate Business
Business Location No. 01	Km 09 New National Road 05, Nam Son Ward, An Duong Dist., Hai Phong City.	Truck container production
Business Location No. 02	No. 183 Ba Trieu Str., Le Dai Hanh Ward, Hai Ba Trung Dist., Hanoi.	Real Estate and commercial business

Information on subsidiaries, joint ventures and associates of the Company: As details in Note 04.

2. ACCOUNTING SYSTEM AND ACCOUNTING POLICY

2.1. Accounting period and accounting currency

Annual accounting period commences from 1st April and ends as at 31st March.
The Company maintains its accounting records in VND.

2.2. Standards and Applicable Accounting Policies

Applicable Accounting Policies

The Company applies Corporate Accounting System issued under the Circular No. 200/2014/TT-BTC dated 22 December 2014 by the Ministry of Finance and the Circular No. 53/2016/TT-BTC dated 21 March 2016 issued by Ministry of Finance amending and supplementing some articles of the Circular No. 200/2014/TT-BTC.

Declaration of compliance with Accounting Standards and Accounting System

The Company applies Vietnamese Accounting Standards and supplementary documents issued by the State. Financial Statements are prepared and presented in accordance with regulations of each standard and supplementary document as well as with current Accounting Standards and Accounting System.

2.3. Financial Instruments

Initial recognition

Financial assets

Financial assets of the Company include cash and cash equivalents, trade receivables, other receivables, lending loans, short-term and long-term investments. At initial recognition, financial assets are identified by purchasing price plus other expenses directly related to the purchase and issuance of those assets.

Financial liabilities

Financial liabilities of the Company include borrowings, trade payables, other payables and accrued expenses. At initial recognition, financial liabilities are determined by issuing price plus other expense directly related to the issuance of those liabilities.

Subsequent measurement after initial recognition

There are currently no regulations on revaluation of financial instruments after initial recognition.

2.4. Foreign currency transactions

The foreign currency transactions during the year are translated into Vietnam Dong using the real exchange rate ruling at the transaction date. Real exchange rates are determined under the following principles:

- When buying or selling foreign currency, applying the exchange rates specified in the contracts of foreign exchange sale between Company and commercial banks;
- When recording receivables, applying the bid rate of the commercial bank stipulated by the Company for customers to make payment at the transaction time;
- When recording payables, applying the offer rate of the commercial bank where the Company expects to conduct transactions at the transaction time;

Real exchange rate when revaluating monetary items denominated in foreign currencies at the reporting date of Consolidated Financial Statements is determined under the following principles:

- For asset accounts, applying the bid rate of the commercial bank where the Company regularly conducts transaction;
- For foreign currency deposited in bank, applying the bid rate of the bank where the Company opens its foreign currency accounts;
- For liability accounts, applying the offer rate of the commercial bank where the Company regularly conducts transaction.

All exchange differences arising from foreign currency transactions in the year and from revaluation of remaining foreign currency monetary items at the end of the year are recorded immediately to operating results of the accounting year.

2.5. Cash and cash equivalents

Cash comprises cash on hand, demand deposit.

2.6. Financial investments

Held-to-maturity Investments comprise term deposits held to maturity to earn profits periodically and other held to maturity investments.

Investments in subsidiaries, joint ventures or associates are initially recognized at original cost. After initial recognition, the value of these investments is measured at original cost less provision for devaluation of investments.

Provisions for devaluation of investments are made at the end of the year as follows:

- With regard to investments in subsidiaries, joint ventures or associates: The provision shall be made based on the Financial Statements of subsidiaries, joint ventures or associates at the provision date. The provisions shall be made when the investees incur losses, except for that loss that was planned in the investment decision;
- With regard to held to maturity investments: The provision for doubtful debts shall be made based on the recovery capacity in accordance with statutory regulations.

2.7. Receivables

The receivables shall be recorded in details in terms of due date, entities receivable, types of currency and other factors according to requirements for management of the Company.

The provision for doubtful debts is made for receivables that are overdue under an economic contract, a loan agreement, a contractual commitment or a promissory note and for receivables that are not due but difficult to be recovered. Accordingly, the provisions for overdue debts shall be based on the due date stipulated in the initial sale contract, exclusive of the debt rescheduling between contracting parties and the case where the debts are not due but the debtor is in bankruptcy, in dissolution, or missing and making fleeing.

2.8. Inventories

Inventories are initially recognized at original cost including purchase price, processing cost and other costs incurred in bringing the inventories to their location and condition at the time of initial recognition. After initial recognition, at the reporting date, inventories are stated at the lower of cost and net realizable value.

The cost of inventory is calculated using weighted average method.

Inventories are recorded by perpetual method.

Provision for devaluation of inventories made at the end of the period is based on the excess of original cost of inventory over their net realizable value.

2.9. Fixed assets

Fixed assets (tangible and intangible) are initially stated at the historical cost. During the using time, fixed assets (tangible and intangible) are recorded at cost, accumulated depreciation and carrying amount.

Fixed assets are depreciated (amortised) using the straight-line method over their estimated useful lives as follows:

- Buildings, structures	10 - 26 years
- Machinery, equipment	05 - 15 years
- Transportation equipment	06 - 10 years
- Office equipment and furniture	03 - 05 years
- Definite land use rights	30 years
- Permanent land use rights	not be amortised
- Management software	08 years

2.10. Investment property

Investment property are initially recognized at original cost.

Investment properties for operating lease are recorded at cost, accumulated depreciation and carrying amount.

Investment properties are depreciated using the straight-line method over their estimated useful life as follows:

- Buildings, structures	10 - 26 years
- Permanent land use rights	not be amortised

2.11. Construction in progress

Construction in progress includes fixed assets which are being purchased and constructed at the reporting date and is recognised at historical cost. This includes costs of construction, installation of equipment and other direct costs. Construction in progress is not depreciated until the relevant assets are completed and put into use.

2.12. Business Cooperation Contract (BCC)

Business Cooperation Contract (BCC) is a contractual agreement between two or more venturers with the objectives of cooperating to carry out specific business activities without constitution of a new legal entity. This operation may be jointly controlled by venturers under BCC or controlled by one of them.

In case of receiving money or assets from other entities in the BCC, they should be recorded as payables. According to the terms of BCC, profit and loss shall be shared among venturers according to the operating results of BCC. The venturer shall record its share of revenues, expenses and profits in accordance with BCC's agreement in their own Statement of Income. The venturer in charge of accounting for BCC shall, on behalf of other venturers, fulfil obligations of BCC to the State's budget, complete tax declaration and then allocate these obligations to other venturers in accordance with BCC's agreement.

2.13. Prepaid expenses

The expenses incurred but related to operating results of several accounting periods are recorded as prepaid expenses and are allocated to the operating results in the following accounting periods.

The calculation and allocation of long-term prepaid expenses to operating expenses in each accounting period should be based on the nature of those expenses to select a reasonable allocation method and criteria. Prepaid expenses are allocated gradually into operating expenses on the straight-line basis.

2.14. Payables

The payables shall be recorded in details in terms of due date, entities payable, types of currency and other factors according to the requirements for management of the Company.

2.15. Borrowings

Borrowings shall be recorded in details in terms of lending entities, loan agreement and terms of borrowings. In case of borrowings denominated in foreign currency, they shall be recorded in details in terms of types of currency.

2.16. Borrowing costs

Borrowing costs are recognized as operating expenses in the year, in which it is incurred unless those which are directly attributable to the construction or production of a qualifying asset are capitalized as part of the cost of that asset in accordance with VAS No. 16 "Borrowing costs". Besides, regarding borrowings serving the construction of fixed assets and investment properties, the interests shall be capitalized even when the construction duration is under 12 months.

2.17. Accrued expenses

Accrued expenses include payables to goods or services received from the suppliers or provided for the customers during the reporting period, but the payments for such goods or services have not been made which are recorded as operating expenses of the reporting period.

The recording of accrued expenses as operating expenses during the year shall be carried out under the matching principle between revenues and expenses during the year. Accrued expenses are settled with actual expenses incurred. The difference between accrued and actual expenses is reverted.

2.18. Unearned revenues

Unearned revenues include prepayments from customers for one or many accounting periods relating to asset leasing.

Unearned revenues are transferred to revenue from sale of goods and rendering of services with the amount corresponding to each accounting period.

2.19. Convertible bonds

Convertible bonds are the bonds that may be converted into common shares of the same issuer under the conditions specified in the issuance plan.

At initial recognition, when issuing convertible bonds, the Company must calculate and determine separately the value of debt component (debt principal) and capital component of convertible bonds. The debt component of convertible bonds is recorded as the liabilities; the capital component (stock options) of convertible bonds is recorded as the owner's equity.

At initial recognition, the value of the debt component of convertible bonds is determined by discounting the nominal value of future payments (including principal and interest of bonds) to the present value at the interest rate of similar bonds in the market without conversion option (or at the common borrowing interest rate in the market at the time of issuing bonds) and subtracting the cost of issuing convertible bonds.

2.20. Owner's equity

Owner's equity is stated at actually contributed capital of owners.

Treasury shares are shares issued and bought-back by the issuing company itself. Treasury shares are uncanceled and shall be re-issued within the period as regulated by the law on securities. Treasury shares shall be recorded at the actual buyback price and presented on the Statement of Financial position as a decrease in owner's equity. Cost of Treasury shares when being re-issued or used to pay dividend, bonus, etc. shall be calculated using the weighted average method.

Retained earnings are used to present the Company's operating results (profit, loss) after corporate income tax and profit appropriation or loss handling of the Company. The distribution of net profits is made when the net profit of the company does not exceed the net profit presented on Consolidated Financial Statements after eliminating the profits from cheap purchase. In case dividend payment or profit distribution for the owners exceeds the net profit, the difference shall be recorded as a decrease in contributed capital. Retained earnings can be distributed to investors based on capital contribution rate after being approved by General Meeting of Shareholders and after being appropriated to funds in accordance with the Company's Articles of Incorporation and Vietnamese statutory requirements.

Dividends to be paid to shareholders are recognised as a payable in Statement of Financial position after the announcement of dividend payment from the Board of Management and announcement of cut-off date for dividend payment of Vietnam Securities Depository Center.

2.21. Revenues

Sale of goods

Revenue from the sale of goods shall be recognized when all of the following conditions have been satisfied:

- The Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;

- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Company; and
- The cost incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from rendering of services shall be recognized when all the following conditions have been satisfied:

- The amount of the revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Company;
- The stage of the completion of the transaction at the end of the reporting period can be measured reliably;
- The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

The stage of the completion of the transaction may be determined by evaluating the volume of work performed.

Revenue from operating lease

Revenue from operating lease mainly includes revenue from rental of factories and other fixed assets recorded in the statement of income on a straight-line basis over the term of the lease in accordance with the provisions of the contract lease.

Financial income

Revenue arising from the use by the others of the Company's assets yielding interest, royalties and dividends and other financial income shall be recognised when:

- It is probable that the economic benefits associated with the transaction will flow to the Company; and
- The amount of the revenue can be measured reliably.

2.22. Revenue deductions

Revenue deductions from sales and service provisions arising in the year include: Sales discounts.

Sales discount incurred in the same period of sale of goods and rendering of services are recorded as a decrease in revenue in the incurring period. In case goods and services are sold in the previous periods, but until the next period they are incurred as deductible items, the Company records the decrease in revenue under the following principles: If it is incurred prior to the issuance of Financial Statements, it is then recorded as a decrease in revenue on the Financial Statements of the reporting period (the previous period); and if it is incurred after the issuance of Financial Statements, it is recorded as a decrease in revenue of incurring period (the next period).

2.23. Financial expenses

Items recorded into financial expenses comprise:

- Borrowing costs;
- Losses from sale of foreign currency, exchange loss, etc.

The above items are recorded by the total amount arising in the year without offsetting against financial income.

2.24. Corporate income tax

a) Current corporate income tax expenses

Current corporate income tax expenses are determined based on taxable income during the year and current corporate income tax rate.

b) Tax incentives

The Company is subject to the corporate income tax of 20% for the fiscal year ended 31 March 2019.

2.25. Related parties

The parties are regarded as related parties if that party has the ability to control or significantly influence the other party in making decisions about the financial policies and activities. The Company's related parties include:

- Companies, directly or indirectly through one or more intermediaries, having control over the Company or being under the control of the Company, or being under common control with the Company, including the Company's parent, subsidiaries and associates;
- Individuals, directly or indirectly, holding voting power of the Company that have a significant influence on the Company, key management personnel including directors and employees of the Company, the close family members
- Companies that the above-mentioned individuals directly or indirectly hold an important part of the voting power or have significant influence on.

In considering the relationship of related parties to serve for the preparation and presentation of Consolidated Financial Statements, the Company should consider the nature of the relationship rather than the legal form of the relationship.

2.26. Segment Reporting

The Company's main activities is trading of trailer trucks that is mainly implemented in Vietnam; Therefore, the Company does not present Segment report under business fields and geographical areas.

3. CASH AND CASH EQUIVALENTS

	31/03/2019	01/04/2018
	VND	VND
Cash on hand	10,066,603,779	624,301,101
Demand deposits	184,882,200,610	41,634,000,189
	<u>194,948,804,389</u>	<u>42,258,301,290</u>

4. FINANCIAL INVESTMENTS

a) Held to maturity investments

	31/03/2019		01/04/2018	
	Original cost	Provision	Original cost	Provision
	VND	VND	VND	VND
Short-term investments	299,000,000,000	-	38,000,000,000	-
- Term deposits (*)	299,000,000,000	-	38,000,000,000	-
Long-term investments	-	-	1,500,000,000	-
- Term deposits	-	-	1,500,000,000	-
	<u>299,000,000,000</u>	<u>-</u>	<u>39,500,000,000</u>	<u>-</u>

(*) At 31 March 2019, the held-to-maturity investments are 6-month and 12-month term deposits at commercial banks at the interest rate of from 6.8%/year to 7.5%/year.

b) Investments in other entities

	31/03/2019		01/04/2018	
	Original cost	Provision	Original cost	Provision
	VND	VND	VND	VND
Investments in subsidiaries	1,499,409,650,000		1,469,409,650,000	
- Hung Viet Trading., JSC	1,009,409,650,000	-	1,009,409,650,000	-
- Thinh Hiep Construction., JSC (*)	249,184,000,000	-	460,000,000,000	-
- Thinh Phat Real Estate Construction., JSC (*)	240,816,000,000	-	-	-
Investments in joint ventures and associates	1,738,850,901,970		1,962,050,901,970	
- Lam Hau Trading Services., JSC	266,000,000,000	-	266,000,000,000	-
- Truong Giang Service Development., JSC	134,400,000,000	-	134,400,000,000	-
- Hoang Ha Service Investment., JSC	312,000,000,000	-	312,000,000,000	-
- Vinh Quang International Trading Investments., JSC	252,000,000,000	-	252,000,000,000	-
- Viet Dung Development Trading., JSC (**)	-	-	223,200,000,000	-
- Hoang Huy Investment Services., JSC	774,450,901,970	-	774,450,901,970	-
	3,238,260,551,970	-	3,431,460,551,970	-

(*) In 2018, Thinh Phat Real Estate Construction., JSC was established after being partially divided from Thinh Hiep Construction., JSC. The partial division of the Company was completed on 19 June 2018. The charter capital of these two companies is VND 250 billion and VND 260 billion respectively. The total capital and assets separated at the time of partial division was VND 220 billion, of which the capital and assets separated respectively by Hoang Huy Financial Services Investment Joint Stock Company were VND 210.816 billion. At the same time, the Company contributed VND 30 billion to Thinh Phat Real Estate Construction., JSC. Accordingly, the investment capital of Hoang Huy Financial Services Investment Joint Stock Company at Thinh Phat Real Estate Construction., JSC and Thinh Hiep Construction., JSC as at 31 March 2019 are VND 240.816 billion and VND 249.184 billion respectively.

(**) Implementing Resolution No. 07/2018/NQ-HĐQT dated 08 August 2018, Hoang Huy Financial Services Investment Joint Stock Company has transferred the entire capital contribution in Viet Dung Development Trading., JSC for the buyer with the selling price of VND 10,100/share.

The Company has not determined the fair value of financial investments since Vietnam Accounting Standards and Vietnam Corporate Accounting System has not had any detailed guidance on the determination of the fair value.

Investments in subsidiaries

Detailed information on the Company's subsidiaries as at 31 March 2019 as follows:

Name of subsidiaries	Place of establishment and operation	Rate of interest	Rate of voting rights	Principal activities
Hung Viet Trading., JSC	Hanoi City	99.997%	99.997%	Investment in real estate
Thinh Phat Real Estate Construction., JSC	Hai Phong City	96.33%	96.33%	Investment in construction
Thinh Hiep Construction., JSC	Hai Phong City	95.84%	95.84%	Investment in construction

Investments in joint-ventures, associates

Detailed information on the Company's joint-ventures, associates as at 31 March 2019 as follows:

Name of joint-ventures, associates	Place of establishment and operation	Rate of interest	Rate of voting rights	Principal activities
Lam Hau Trading Services., JSC	Le Chan District, Hai Phong City	47.50%	47.50%	Automotive business, production and sales of spare parts, real estate business
Truong Giang Service Development., JSC	An Duong Dist., Hai Phong City	48.00%	48.00%	Maintenance and repair of automobiles and other motor vehicles, real estate business
Hoang Ha Service Investment., JSC	An Duong Dist., Hai Phong City	48.00%	48.00%	Automotive business, production and sales of spare parts, real estate business
Vinh Quang International Trade Investments., JSC (Vinh Quang Intradinco)	Le Chan District, Hai Phong City	45.00%	45.00%	Automotive business, production and sales of spare parts, real estate business
Hoang Huy Investment Services., JSC	Le Chan District, Hai Phong City	40.24%	40.24%	Automotive business, production and sales of spare parts

Major transactions between the Company and its subsidiaries, associates during the year: As detailed in Note 36.

5. SHORT-TERM TRADE RECEIVABLES

	31/03/2019		01/04/2018	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
a) Trade receivables detailed by customers with large account balances				
- Hong Son Star Trading Co., Ltd	670,000,000	-	3,657,000,000	-
- Hoang Hiep Investment Construction Corporation	-	-	3,603,800,000	-
- Navistar, Inc	-	-	9,947,121,275	-
- Lam Hau Trading Services., JSC	8,670,715,000	-	-	-
- Hoang Ha Service Investment., JSC	33,945,500,000	-	-	-
- Thanh Nam Investment Services., JSC	6,318,000,000	-	-	-
- Others	2,536,967,625	-	4,298,214,584	-
	52,141,182,625	-	21,506,135,859	-
b) Trade receivables from related parties	48,958,032,500	-	3,663,800,000	-
<i>(As detailed in Note 36)</i>				

6. SHORT-TERM PREPAYMENTS TO SUPPLIERS

	31/03/2019		01/04/2018	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
- Vietnam Investment Consulting and Construction Designing., JSC (CDC)	-	-	2,097,813,050	-
- Nam Phong Electrical Construction., JSC	964,246,730	-	4,196,063,000	-
- Navistar, Inc	-	-	11,325,257,849	-
- CDC Hanoi., JSC	28,172,212,016	-	-	-
- Nam Hoang Viet., JSC	23,407,736,928	-	-	-
- Nam Son Construction and Trading Co., Ltd	14,658,641,220	-	-	-
- Bach Dang 234 Construction., JSC	4,778,402,010	-	-	-
- HD International Investment., JSC	8,753,857,605	-	-	-
- Thanh Trung Co., Ltd	4,857,526,221	-	-	-
- Others	4,510,250,353	-	2,366,560,224	-
	90,102,873,083	-	19,985,694,123	-

7. OTHER SHORT-TERM RECEIVABLES

	31/03/2019		01/04/2018	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
- Accrued interest	331,669,862	-	677,991,821	-
- Receivable from Land Development Center of Ngo Quyen District, Hai Phong City (1)	6,000,000,000	-	6,000,000,000	-
- Receivables from Thinh Hiep Construction., JSC to pay for the implementation of Project HH3-HH4 (2)	194,378,605,000	-	-	-
	200,710,274,862	-	6,677,991,821	-

(1) Hoang Huy Investment Financial Services Joint Stock Company advanced the expenses of compensation, relocation assistance relating to the project of investment in renovation and rebuilding of old apartments U1, U2, U3 Le Loi and Dong Quoc Binh project to the Land Development Center of Ngo Quyen District, Hai Phong City. This amount will be reimbursed by the Land Development Center to the Company after the State Treasury disburses funds to the Land Development Center according to the approved plan.

(2) As details in Note 17.

8. INVENTORIES

	31/03/2019		01/04/2018	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
- Raw material	765,947,200	-	775,827,200	-
- Finished goods	47,122,328,225	-	152,885,041,243	-
- Goods	31,485,993,879	-	25,974,450,715	-
- Consignments	107,417,981,034	-	153,183,147,544	-
	186,792,250,338	-	332,818,466,702	-

9. CONSTRUCTION IN PROGRESS

	31/03/2019	01/04/2018
	VND	VND
- Real estate project in progress	789,697,303,429	175,817,338,565
+ Renovation and rebuilding of U1, U2, U3 Le Loi old apartment building (1)	95,522,872,791	77,636,378,344
+ Hoang Huy Riverside Project in Thuong Ly Ward, Hong Bang District (2)	629,118,957,635	82,267,089,978
+ Renovation of HH3, HH4 Dong Quoc Binh old apartments (3)	17,876,291,441	4,906,910,572
+ Hoang Huy Mall residential and commercial area project in Kenh Duong Ward and Vinh Niem Ward, Hai Phong City (4)	38,623,001,614	8,095,640,368
+ Renovation of HH1, HH2 Dong Quoc Binh old apartments (5)	2,552,817,120	640,124,273
+ Other investment projects	6,003,362,828	2,271,195,030
- Construction in progress	-	492,928,363
+ Car repair, maintenance and showroom	-	492,928,363
	789,697,303,429	176,310,266,928

(1) The project of renovating and rebuilding U1, U2, U3 Le Loi old apartments in May To Ward, Ngo Quyen District, Hai Phong City under the form of Build-Transfer (BT) Contract No. 01/2017/HĐBT dated 05 April 2017 with the following details:

- Owner: Hai Phong City People's Committee (represented by Hai Phong City Department of Construction);
- Total investment value: VND 109,627,000,000;
- Implementation time: The project started from April 2017 and currently completed;
- BT land fund expected for payment:
The land is located in the area of Kenh Duong and Vinh Niem wards, Le Chan district with an area of 30,062 m2 which has been handed over to the Company to build the Hoang Huy Mall residential and commercial area project;
- Status of the project as at 31 March 2019: The project handed over two 6-floor buildings and 126 apartments to the Department of Construction to put into use and resettle households in January and February 2018. The Company is now waiting for approval of the final settlement from Hai Phong City People's Committee.

(2) Hoang Huy Riverside Project in Thuong Ly Ward, Hong Bang District was approved by Hai Phong City People's Committee under the Decision No. 557/QĐ-UBND dated 16 March 2018 with the following details:

- Owner: Hoang Huy Investment Financial Services Joint Stock Company;
- Total investment value: VND 1,064,000,000,000;
- Land use rights: The project was built on reciprocal land fund of the project of renovating the old apartment HH3, HH4 Dong Quoc Binh at 1 and 8 Chi Lang Street, Thuong Ly Ward, Hong Bang District, Hai Phong City. The value of land use rights recorded in the project is VND 194,378,605,000;
- Project implementation method: Business cooperation with Hoang Huy Investment Services Joint Stock Company (As detailed in Note 17);
- Implementation time: The project has been implemented since the 1st quarter of 2018 and is expected to be completed by the 1st quarter of 2023;
- Status of the project as at 31 March 2019: The project has completed the civil works and is in the stage of finishing works.

(3) The project of renovating HH3, HH4 Dong Quoc Binh old apartments, properly known as the project of renovating degraded apartments in danger in Hai Phong City - Golden Land 5 Construction, constructing HH3-HH4 apartment building in Dong Quoc Binh Ward, Ngo Quyen District, Hai Phong City under the form of Build-Transfer (BT) Contract with the following details:

- Owner: Hai Phong City People's Committee (represented by Hai Phong City Department of Construction);
- Total investment value: VND 1,712,263,286,000;
- Project management enterprise: Thinh Hiep Construction Joint Stock Company;
- Implementation time: The project has been implemented since 5 March 2018 and is expected to be completed in 24 months from the date when the site were compensated, cleared and handed over to the owner;
- Status of the project as at 31 March 2019: The project has completed the foundation, the frame and is in progress of building the superstructure. HH3 - HH4 is underway to the 26th floor. A part of the project has been implemented and recorded as a receivable at Thinh Hiep Construction Joint Stock Company with the amount of VND 305,085,434,678.

(4) Hoang Huy Mall residential and commercial area project in Kenh Duong ward, Vinh Niem ward, Hai Phong city was approved by Hai Phong City People's Committee under the Decision No. 558/QĐ-UBND dated 16 March 2018 with the following details:

- Owner: Hoang Huy Investment Financial Services Joint Stock Company;
- Total investment value: VND 605,045,863,000;
- Land use rights: The project is built on the reciprocal BT land fund of the project of renovating and rebuilding the old apartment U1, U2, U3 Le Loi. As at 31 March 2019, since Hai Phong City People's Committee's did not provide the decision on detailed allocation of land use fee estimates, the Company has not recorded the value of land use rights into the value of Hoang Huy Mall residential and commercial area project;
- Implementation time: The project has been implemented since the 1st quarter of 2018 and is expected to be completed by the 1st quarter of 2024;
- Status of the project as at 31 March 2019: The project has implemented compensation, leveling, site clearance and incurred costs such as making permit documents, cost of leveling, making corrugated iron, etc.

(5) The project of renovating HH1, HH2 Dong Quoc Binh old apartments, properly known as the project of renovating degraded apartments in danger in Hai Phong City - Golden Land 5 Construction, constructing HH1-HH2 apartment building in Dong Quoc Binh Ward, Ngo Quyen District, Hai Phong City under the form of Build-Transfer (BT) Contract with the following details:

- Owner: Hai Phong City People's Committee (represented by Hai Phong City Department of Construction);
- Total investment value: VND 1,200,649,000,000;
- Implementation time: The project has been implemented since 20 February 2019 and is expected to be completed after 24 months from the date when the site has been compensated, cleared and handed over to investors;
- Status of the project as at 31 March 2019: The current project has been leveled and is being carried out.

10 . TANGIBLE FIXED ASSETS

	Buildings, structures	Machinery, equipment	Transportation equipment	Management equipment	Others	Total
	VND	VND	VND	VND	VND	VND
Original cost						
Beginning balance	40,136,565,238	2,210,114,096	7,868,278,636	954,885,771	75,909,500	51,245,753,241
- Purchase in the year	-	-	4,904,632,000	-	-	4,904,632,000
- Internally generated assets	492,928,363	-	-	-	-	492,928,363
Ending balance	40,629,493,601	2,210,114,096	12,772,910,636	954,885,771	75,909,500	56,643,313,604
Accumulated depreciation						
Beginning balance	20,812,085,644	2,195,182,134	6,212,153,428	534,573,738	75,909,500	29,829,904,444
- Depreciation for the year	1,541,621,821	14,931,962	1,109,573,648	243,901,504	-	2,910,028,935
Ending balance	22,353,707,465	2,210,114,096	7,321,727,076	778,475,242	75,909,500	32,739,933,379
Net carrying amount						
Beginning balance	19,324,479,594	14,931,962	1,656,125,208	420,312,033	-	21,415,848,797
Ending balance	18,275,786,136	-	5,451,183,560	176,410,529	-	23,903,380,225

- Cost of fully depreciated tangible fixed assets but still in use at the end of the year: VND 10,268,293,626.

11. INTANGIBLE FIXED ASSETS

	Land use right (*)	Computer software	Total
	VND	VND	VND
Original cost			
Beginning balance	56,217,489,700	111,896,190	56,329,385,890
Ending balance	<u>56,217,489,700</u>	<u>111,896,190</u>	<u>56,329,385,890</u>
Accumulated amortisation			
Beginning balance	3,106,817,552	111,896,190	3,218,713,742
- Amortisation for the year	198,836,323	-	198,836,323
Ending balance	<u>3,305,653,875</u>	<u>111,896,190</u>	<u>3,417,550,065</u>
Net carrying amount			
Beginning balance	53,110,672,148	-	53,110,672,148
Ending balance	<u>52,911,835,825</u>	<u>-</u>	<u>52,911,835,825</u>

- Cost of fully amortised intangible fixed assets but still in use at the end of the year: VND 111,896,190.

(*) The Company's land use rights include definite land use rights at Km9, National Road 5 Nam Son Commune, An Duong District, Hai Phong City that will be allocated within 360 months and long-term land use rights at 116 Nguyen Duc Canh Street, Le Chan District, Hai Phong City.

12. INVESTMENT PROPERTIES FOR LEASE

	Land use right (1)	Buildings, Structures (1)	Total
	VND	VND	VND
Original cost			
Beginning balance	195,000,000,000	76,141,197,992	271,141,197,992
Ending balance	<u>195,000,000,000</u>	<u>76,141,197,992</u>	<u>271,141,197,992</u>
Accumulated depreciation			
Beginning balance	-	16,819,022,252	16,819,022,252
- Depreciation for the year	-	2,794,438,452	2,794,438,452
- Adjusted according to the tax inspection conclusion of Hai Phong City Tax Department	-	(981,334,174)	(981,334,174)
Ending balance	<u>-</u>	<u>18,632,126,530</u>	<u>18,632,126,530</u>
Net carrying amount			
Beginning balance	195,000,000,000	59,322,175,740	254,322,175,740
Ending balance	<u>195,000,000,000</u>	<u>57,509,071,462</u>	<u>252,509,071,462</u>

- Cost of fully depreciated investment properties but still held for lease: VND 3,910,164,842.

(1) Investment properties includes land use rights and assets attached to the land at 183 Ba Trieu Street, Hoan Kiem District, Hanoi and a part of buildings and factory for lease in Hai Phong City with annual rental payment.

13. BORROWINGS

	01/04/2018		During the year		31/03/2019	
	Outstanding balance	Amount can be paid	Increase	Decrease	Outstanding balance	Amount can be paid
	VND	VND	VND	VND	VND	VND
a) Short-term borrowings						
- Short-term borrowings	-	-	616,893,969,286	597,182,814,888	19,711,154,398	19,711,154,398
+ <i>Tien Phong Commercial Joint Stock Bank - Thang Long Branch (1)</i>	-	-	19,711,154,398	-	19,711,154,398	19,711,154,398
+ <i>Vietnam Technology and Commercial Joint Stock Bank - Hai Phong Branch</i>	-	-	279,182,814,888	279,182,814,888	-	-
+ <i>Thinh Phat Real Estate Construction JSC</i>	-	-	220,000,000,000	220,000,000,000	-	-
+ <i>Hung Viet Trading JSC</i>	-	-	98,000,000,000	98,000,000,000	-	-
- Current portion of long-term debts	-	-	44,815,639,200	-	44,815,639,200	44,815,639,200
+ <i>Tien Phong Commercial Joint Stock Bank - Thang Long Branch (1)</i>	-	-	44,815,639,200	-	44,815,639,200	44,815,639,200
	-	-	661,709,608,486	597,182,814,888	64,526,793,598	64,526,793,598
b) Long-term borrowings						
- Long-term borrowings	42,605,639,200	42,605,639,200	2,210,000,000	-	44,815,639,200	44,815,639,200
+ <i>Tien Phong Commercial Joint Stock Bank - Thang Long Branch (1)</i>	42,605,639,200	42,605,639,200	2,210,000,000	-	44,815,639,200	44,815,639,200
	42,605,639,200	42,605,639,200	2,210,000,000	-	44,815,639,200	44,815,639,200
Amount due for settlement within 12 months	-	-	(44,815,639,200)	-	(44,815,639,200)	(44,815,639,200)
Amount due for settlement after 12 months	42,605,639,200	42,605,639,200			-	-

Detailed information on Long-term borrowings is as follows:

Loan Agreement No. 371/2017/HDTD/PHG/01 dated 07 August 2017 with the terms as follows:

- + Credit limit: VND 93,000,000,000;
- + Purpose of loan: Payment for expenses of the project of renovating and rebuilding old apartment U1, U2, U3 Le Loi, Ngo Quyen District, Hai Phong City under the Build - Transfer Contract between Hai Phong City Department of Construction and Hoang Huy Investment Financial Services., JSC;
- + Loan period: From the disbursement date to 30 June 2019;
- + Loan interest: Floating rate;
- + Loan guarantee: Secured by property rights formed in the future from the Build - Transfer project of renovating and rebuilding old apartment U1, U2, U3 Le Loi, Ngo Quyen District Act No. 01/2017/HDBT between Hai Phong City Department of Construction and Hoang Huy Investment Financial Services., JSC dated 05 April 2017.
- + The principal balance of the credit contract as at 31 March 2019 is VND 64,526,793,598. In particular, the loan balance of short-term loans is VND 19,711,154,398 and long-term loans due in the next 12 months is VND 44,815,639,200.

14. SHORT-TERM TRADE PAYABLES

	31/03/2019		01/04/2018	
	Value	Amount can be paid	Value	Amount can be paid
	VND	VND	VND	VND
Trade payables detailed by suppliers with large account balances				
- Le Quan Construction Co., Ltd	348,537,620	348,537,620	348,537,620	348,537,620
- Nam Son Construction and Trading Co., Ltd	3,215,200	3,215,200	1,136,723,200	1,136,723,200
- Bach Dang 234 Construction., JSC	-	-	6,253,341,600	6,253,341,600
- Minh Long Construction and Industry Co., Ltd	710,509,800	710,509,800	-	-
- Truong Phat International Construction Investment Consultant., JSC	12,278,884,117	12,278,884,117	-	-
- Others	611,475,952	611,475,952	136,581,638	136,581,638
	13,952,622,689	13,952,622,689	7,875,184,058	7,875,184,058

15. SHORT-TERM PREPAYMENT FROM CUSTOMERS

	31/03/2019	01/04/2018
	VND	VND
- Hoang Giang Service Development., JSC	-	38,642,500,000
- Thanh Nam Investment Services., JSC	-	14,934,500,000
- Viet Dung Development Trading., JSC	780,000,000	9,056,499,999
- Hoang Ha Service Investment., JSC	-	6,314,500,000
- Lam Hau Trading Services., JSC	-	5,957,785,000
- Vinh Quang International Trading Investments., JSC	5,785,000,000	1,264,000,000
- International Truck and Trading Co., Ltd	5,149,139,800	-
- Customers advance money to buy real estate according to schedule	191,935,130,471	-
- Others	6,790,614,566	16,014,034,558
	210,439,884,837	92,183,819,557

16. TAX PAYABLES AND STATUTORY OBLIGATIONS

	Tax receivable at the beginning of year	Tax payable at the beginning of year	Tax payable in the year	Tax paid in the year	Tax receivable at the end of the year	Tax payable at the end of the year
	VND	VND	VND	VND	VND	VND
- Value-added tax	-	7,454,923,306	54,219,529,882	61,674,453,188	-	-
- Export, import duties	-	-	18,985,024,039	18,985,024,039	-	-
- Corporate income tax	-	6,943,698,084	43,160,727,553	46,723,038,381	-	3,381,387,256
- Personal income tax	-	24,077,561	14,714,160,240	14,705,659,894	-	32,577,907
- Land tax and land rental	-	-	1,341,048,243	1,341,048,243	-	-
- Other taxes	3,000,000	-	6,000,000	8,000,000	5,000,000	-
	<u>3,000,000</u>	<u>14,422,698,951</u>	<u>132,426,489,957</u>	<u>143,437,223,745</u>	<u>5,000,000</u>	<u>3,413,965,163</u>

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

17. OTHER PAYABLES

	31/03/2019	01/04/2018
	VND	VND
a) Short-term payables		
- Social insurance	28,340,000	-
- Receive payment for the first time of Project HH3, HH4 (1)	194,378,605,000	-
	<u>194,406,945,000</u>	<u>-</u>
b) Long-term payables		
- Long-term deposits and collateral received	670,788,246	1,008,477,246
- Other payables	499,893,034,003	297,240,683,204
+ Capital contribution received from Hoang Huy Investment Services Joint Stock Company (2)	499,706,000,000	297,150,000,000
+ Other payables	187,034,003	90,683,204
	<u>500,563,822,249</u>	<u>298,249,160,450</u>

(1) According to the Decision No. 306/QD-UBND dated 01 February 2019, Hai Phong City People's Committee allocates detailed cost estimates for land use fees of Hoang Huy Riverside project and records the 1st payment for the Goldenland 5 project and building apartment HH3, HH4 in 2019 which is amounted to VND 194,378,605,000. Accordingly, Hoang Huy Financial Services Investment Joint Stock Company received the 1st payment for the HH3, HH4 project with the amount of VND 194,378,605,000 (reciprocal with payables of the Company for land use fees at Hoang Huy Riverside Project). (As detailed in Note 7).

(2): Capital contributed received under Business Cooperation Contract No. 168 /HTKD dated 16 August 2017 between Hoang Huy Investment Services Joint Stock Company (HHS) and Hoang Huy Investment Financial Services Joint Stock Company (TCH) with the following terms:

- Purpose of business cooperation: Implement the project of renovating and rebuilding U1, U2, U3 Le Loi old apartments, the investment project to renovate HH3, HH4 Dong Quoc Binh old apartment building and Hoang Huy Riverside Construction and Investment Project;
- Parties involved and capital contribution ratio:
- + Total estimated investment value of the projects is more than 2.800 billion dong;
- + Hoang Huy Investment Services Joint Stock Company (HHS) has contributed 500 billion dong in cash;
- + Hoang Huy Investment Financial Services Joint Stock Company (TCH) has contributed the remaining amount in the form of cash, the right to exploit the project, the land use rights in the projects. At the same time, TCH is responsible for the bookkeeping relating to the Business Cooperation Contract;
- Obligations of the parties:
- + Hoang Huy Investment Services Joint Stock Company (HHS) is responsible for fully contributing capital as committed in accordance with the schedule announced by Hoang Huy Investment Financial Services Joint Stock Company (TCH), giving opinion on administration, project management, consumption;
- + Hoang Huy Investment Financial Services Joint Stock Company (TCH) is responsible for completing all legal procedures to implement the project, managing all activities of the project, deciding the selling price, distributing profit and returning contributed capital to Hoang Huy Investment Services Joint Stock Company (HHS) in accordance with the contract.
- Dividing results: Hoang Huy Investment Services Joint Stock Company (HHS) receives 25% of Hoang Huy Riverside's after-tax profit annually, the rest Hoang Hoang Financial Services Investment Joint Stock Company Huy (TCH) is entitled;
- Benefit sharing: Hoang Huy Investment Services Joint Stock Company is entitled to 25% of Hoang Huy Riverside project's profit after tax annually, Hoang Huy Investment Financial Services Joint Stock Company is entitled to the rest.

(As detailed in Note 9).

18. SHORT-TERM UNEARNED REVENUE

	31/03/2019	01/04/2018
	VND	VND
- Unearned revenue from asset leasing	1,821,386,253	2,023,605,234
	<u>1,821,386,253</u>	<u>2,023,605,234</u>

19. CONVERTIBLE BONDS

- Name of bonds: Convertible bond_ Type A_ 2019_ Hoang Huy Financial Services Investment Joint Stock Company;
- Bond code: TCH_TPCD2019_A;
- Purpose: Increase the Company's capital to fund its business activities and investment projects;
- Issue date: 22 March 2019;
- Bond type: Convertible, secured bond, without warrants;
- Face value : 1,000,000 VND/bond. Total issuance value is VND 598,808,000,000;
- Maturity period of bond: 03 years from the issue date;
- Interest payment term: Bond interest is paid later. Payment period: every 3 months, on the last day of each interest payment period;
- Coupon rate: 5% / year;
- Yield to maturity: In addition to paying interest arising from coupon interest, the Company will pay the interest amount calculated on the maturity amount ("YTM") at maturity of the bond. For this purpose, YTM will be equal to 2% per year on bonds accumulated until the date of YTM payment. YTM will not be paid for the Converted Bonds according to terms and conditions;
- Conversion price: VND 16,550 /share for the first issuance;
- Conversion ratio: = M/P
Inside:
M is the par value of a bond and is VND 1,000,000;
P is the conversion price effective at the time of conversion;
- Conversion term: Number of convertible bonds for the 1st phase is greater than or equal to (\geq) 33.3 percent of total convertible bonds circulated within 03 consecutive months from the working day in 12 months from the issuance date. These ones for second phase is greater than or equal to (\geq) 66.7 percent of the total convertible bonds circulated to shares within 09 consecutive months from the last day of the first phase, and third phase will be from the last day of second phase to the last day of conversion term; Bondholders can only convert once in each phase;
- The Company has applied an interest rate of 9% per year to discount the nominal value of future payments (including bond principal and interest) to the present value to determine the capital component value of bonds (stock options under the owner's equity). This interest rate is determined by the Company based on the medium-term average lending interest rate of Tien Phong Commercial Joint Stock Bank - Thang Long Branch where the Company regularly conducts transactions. Whereby:

	Initial recognition	31/03/2019	01/04/2018
		VND	VND
Convertible bonds TCH_TPCD2019_A			
- Principal value of the convertible bonds	554,437,314,002	554,065,349,002	-
- Bond issuance costs have been reduced to the original debt bonds	(371,965,000)	-	-
- Conversion options on convertible bonds	44,370,685,998	44,370,685,998	-

20. OWNER'S EQUITY

a) Changes in owner's equity

	Contributed Capital	Conversion options on convertible bonds	Treasury shares	Retained earnings	Total
	VND	VND	VND	VND	VND
Beginning balance of previous year	3,629,940,140,000	-	-	306,139,592,088	3,936,079,732,088
Increase in treasury shares	-	-	(219,996,488,178)	-	(219,996,488,178)
Profit of current year	-	-	-	513,071,753,457	513,071,753,457
Profit distribution	-	-	-	(290,395,211,200)	(290,395,211,200)
Ending balance of previous year	3,629,940,140,000	-	(219,996,488,178)	528,816,134,345	3,938,759,786,167
Beginning balance of current year	3,629,940,140,000	-	(219,996,488,178)	528,816,134,345	3,938,759,786,167
Determine the capital component of convertible bonds	-	44,370,685,998	-	-	44,370,685,998
Profit for this year	-	-	-	163,148,490,665	163,148,490,665
Other increase (*)	-	-	-	49,141,646	49,141,646
Profit distribution (**)	-	-	-	(300,280,829,400)	(300,280,829,400)
Ending balance of this year	3,629,940,140,000	44,370,685,998	(219,996,488,178)	391,732,937,256	3,846,047,275,076

(*) Adjusting business results from 01/01/2013 to 31/12/2014 and the period from 01/01/2016 to 31/03/2018, according to the tax inspection conclusion of Hai Phong City Tax Department.

(**) According to the resolution of the Annual General Meeting of Shareholders No. 02/2018/NQ-ĐHĐCĐ dated 15 June 2018, the Company announces the distribution of profit in 2017 as follows:

	Rate %	Amount VND
Net Profit after tax		513,071,753,457
Dividend payment (each share receives VND 850)		300,280,829,400

b) Details of contributed capital

	Ending VND	Rate %	Beginning VND	Rate %
Mr. Do Huu Ha	1,510,836,250,000	41.62%	1,510,836,250,000	41.62%
Mr. Do Huu Hau	181,500,000,000	5.00%	181,500,000,000	5.00%
Other shareholders	1,840,379,390,000	50.70%	1,840,379,390,000	50.70%
Treasury shares acquired by the shareholders	97,224,500,000	2.68%	97,224,500,000	2.68%
	3,629,940,140,000	100.00%	3,629,940,140,000	100.00%

c) Capital transactions with owners and distribution of dividends and profits

	From 01/04/2018 to 31/03/2019	From 01/04/2017 to 31/03/2018
	VND	VND
Owner's contributed capital		
- At the beginning of year	3,629,940,140,000	3,629,940,140,000
- At the end of the year	3,629,940,140,000	3,629,940,140,000

d) Share

	31/03/2019	01/04/2018
Quantity of Authorized issuing shares	362,994,014	362,994,014
Quantity of issued shares	362,994,014	362,994,014
- Common shares	362,994,014	362,994,014
Quantity of shares repurchased	9,722,450	9,722,450
- Common shares	9,722,450	9,722,450
Quantity of outstanding shares in circulation	353,271,564	353,271,564
- Common shares	353,271,564	353,271,564
Par value per share (VND):	10,000	10,000

21. OFF STATEMENT OF FINANCIAL POSITION ITEMS

a) Operating assets for lease

The Company is the lessor under operating lease contracts. As at 31/03/2019, the minimum rental payment under operating lease contracts are as follows:

	31/03/2019	01/04/2018
	VND	VND
- Up to 1 year	5,818,721,799	9,774,097,981
- Over 1 year to 5 years	5,880,409,834	9,993,531,633
- Over 5 years	3,201,545,455	4,095,000,000

b) Operating leased assets

The Company signed land lease contracts in Hai Phong to serve production and business as follows:

Land	Purpose	Acreage	Lease term
Plot in Nam Son Commune, An Duong District, Hai Phong City	Building an engine factory, frame, spare parts and assembly factory	25,828.2 m2	From 2003 to 2033
Plot in Nam Son Commune, An Duong District, Hai Phong City	Building operating offices and product introduction shops	19,875.3 m2	From 2002 to 2032

Under these contracts, the Company must pay land rental until maturity date of contracts in accordance with the current legal regulations.

c) Foreign currencies

	Unit	31/03/2019	01/04/2018
- US Dollar	USD	225,644.72	1,653.99
- Euro	EUR	8.95	8.95

22. TOTAL REVENUE FROM SALES OF GOODS AND RENDERING OF SERVICES

	From 01/04/2018 to 31/03/2019	From 01/04/2017 to 31/03/2018
	VND	VND
Revenue from sale of goods	4,965,034,639	2,721,756,456
Revenue from sale of finished goods of automobile factories	-	32,964,818,180
Revenue from sale of US trailer trucks and spare parts	742,521,656,707	1,629,266,952,196
Revenue from rendering of services	17,370,453,988	17,071,434,933
	764,857,145,334	1,682,024,961,765
In which: Revenue from related parties (As detailed in Note 36)	659,998,654,164	1,491,293,096,096

23. REVENUE DEDUCTIONS

	From 01/04/2018 to 31/03/2019	From 01/04/2017 to 31/03/2018
	VND	VND
- Sale discounts	822,921,000	3,682,336,000
- Sale returns	-	490,909,091
	822,921,000	4,173,245,091

24. COST OF GOODS SOLD

	From 01/04/2018 to 31/03/2019	From 01/04/2017 to 31/03/2018
	VND	VND
Cost of goods sold	3,594,247,796	2,189,076,677
Cost of finished goods of automobile factories sold	-	25,830,350,865
Cost of US trailer trucks sold and spare parts collected	531,528,651,009	1,217,770,084,072
Cost of services rendered	8,642,917,724	7,011,657,493
	543,765,816,529	1,252,801,169,107

25. FINANCIAL INCOME

	From 01/04/2018 to 31/03/2019	From 01/04/2017 to 31/03/2018
	VND	VND
Interest income	6,043,090,866	8,666,236,408
Gain from disposal of financial investments	2,232,000,000	-
Dividends and profits received	-	184,994,450,000
Realised exchange gain	926,643,089	22,011,399
Unrealised exchange gain	-	102,856
	9,201,733,955	193,682,800,663

26. FINANCIAL EXPENSES

	From 01/04/2018 to 31/03/2019	From 01/04/2017 to 31/03/2018
	VND	VND
Interest expenses	7,312,276,531	3,231,856,257
Realised exchange loss	47,960,114	7,043,296
Unrealised exchange loss	18,466	3,565,074
	7,360,255,111	3,242,464,627

27. SELLING EXPENSES

	From 01/04/2018 to 31/03/2019	From 01/04/2017 to 31/03/2018
	VND	VND
Raw materials	-	98,000,000
Labour expenses	3,301,320,164	1,911,699,552
Depreciation expenses	228,396,327	134,577,714
Expenses of outsourcing services	3,802,173,228	3,074,151,656
Other expenses in cash	1,400,637,461	474,805,183
	8,732,527,180	5,693,234,105

28. GENERAL AND ADMINISTRATIVE EXPENSES

	From 01/04/2018 to 31/03/2019	From 01/04/2017 to 31/03/2018
	VND	VND
Labour expenses	4,440,362,686	2,046,916,807
Depreciation expenses	2,003,759,217	2,752,689,239
Expenses of outsourcing services	8,479,033,872	4,903,329,875
Other expenses in cash	1,927,707,881	1,688,061,666
	16,850,863,656	11,390,997,587

29. OTHER INCOME

	From 01/04/2018 to 31/03/2019	From 01/04/2017 to 31/03/2018
	VND	VND
Gain from liquidation, disposal of fixed assets	-	180,000,000
Free-of-charge goods received	8,962,096,569	4,889,519,123
Others	6,831,176	-
	8,968,927,745	5,069,519,123

30. OTHER EXPENSES

	From 01/04/2018 to 31/03/2019	From 01/04/2017 to 31/03/2018
	VND	VND
Loss from liquidation, disposal of fixed assets	-	153,250,553
Donation to the local	1,000,000,000	6,500,000,000
Depreciation expenses	247,847,400	-
Others	977	86,076,016
	1,247,848,377	6,739,326,569

31. CURRENT CORPORATE INCOME TAX EXPENSES

	From 01/04/2018 to 31/03/2019	From 01/04/2017 to 31/03/2018
	VND	VND
<i>Corporate income tax from business activities</i>		
Total profit before Corporate income tax	204,247,575,181	596,736,844,465
Increase	1,247,847,400	6,583,060,575
- <i>Ineligible expenses</i>	1,247,847,400	6,583,060,575
Decrease	-	(184,994,450,000)
- <i>Dividend, profit distributed</i>	-	(184,994,450,000)
Taxable income	205,495,422,581	418,325,455,040
Current corporate income tax expense (tax rate 20%)	41,099,084,516	83,665,091,008
Adjustment of tax expenses from previous years to current year (*)	2,061,643,037	
Tax payable at the beginning of the year	6,943,698,084	10,317,304,272
Tax paid in the year	(46,723,038,381)	(87,038,697,196)
Corporate income tax payable at the end of the year from business activities	3,381,387,256	6,943,698,084

(*) In 2018, according to the Tax Inspection Conclusion of Hai Phong City Tax Department, the Company must pay an additional amount for Corporate Income Tax for the period from 01/01/2013 to 31/12/2014 and from 01/01/2016 to 31/03/2018 with the total amount of VND 2,061,643,037.

32. BUSINESS AND PRODUCTIONS COST BY ITEMS

	From 01/04/2018 to 31/03/2019	From 01/04/2017 to 31/03/2018
	VND	VND
Raw materials	379,037,899,582	1,411,554,088,032
Labour expenses	9,645,097,989	8,607,797,812
Depreciation expenses	5,655,456,310	5,629,779,270
Expenses of outsourcing services	16,750,610,829	8,209,451,958
Other expenses in cash	3,138,015,331	2,162,866,849
	414,227,080,041	1,436,163,983,921

33. FINANCIAL INSTRUMENTS

The types of financial instruments of the Company

	Carrying amount			
	31/03/2019		01/04/2018	
	Original cost	Provision	Original cost	Provision
	VND	VND	VND	VND
Financial Assets				
Cash and cash equivalent	194,948,804,389	-	42,258,301,290	-
Trade and other receivables	252,851,457,487	-	28,184,127,680	-
Held-to-maturity Investments	299,000,000,000	-	39,500,000,000	-
	746,800,261,876	-	109,942,428,970	-

	Carrying amount	
	31/03/2019	01/04/2018
	VND	VND
Financial Liabilities		
Borrowings and debts	64,526,793,598	42,605,639,200
Trade and other payables	708,923,389,938	306,124,344,508
Accrued expenses	3,063,194,929	3,679,097,980
	776,513,378,465	352,409,081,688

Financial assets and financial liabilities are not revalued according to fair value at the end of the year because the Circular No. 210/2009/TT-BTC and prevailing statutory regulations require to present Financial Statements and Notes to financial instruments but do not provide any relevant instruction for assessment and recognition of fair value of financial assets and liabilities, excluding provision for doubtful debts and provision for diminution in value of trading securities which are presented in relevant notes.

Financial risk management

The Company's financial risks include market risk, credit risk and liquidity risk. The Company has developed its control system to ensure the reasonable balance between cost of incurred risks and cost of risk management. The Board of Directors of the Company is responsible for monitoring the risk management process to ensure the appropriate balance between risk and risk control

Market risk

The Company's business operations will bear the risks of changes in exchange rates and interest rates.

Exchange rate risk:

The Company bears the risk of exchange rate due to the fluctuation in fair value of future cash flows of a financial instrument in line with changes in exchange rates if loans, revenues and expenses of the Company are denominated in foreign currencies other than VND.

Interest rate risk

The Company bears the risk of interest rates due to the fluctuation in fair value of future cash flow of a financial instrument in line with changes in market interest rates if the Company has time or demand deposits, borrowings and debts subject to floating interest rates. The Company manages interest rate risk by analyzing the market competition situation to obtain interest beneficial for its operation purpose.

Credit Risk

Credit risk is the risk of financial loss to the Company if a counterparty fails to perform its contractual obligations. The Company has credit risk from operating activities (mainly to trade receivables) and financial activities (including deposits, loans and other financial instruments), detailed as follows:

	Up to 1 year	In 1 to 5 years	In more than 5 years	Total
	VND	VND	VND	VND
As at 31/03/2019				
Cash and cash equivalent	194,948,804,389	-	-	194,948,804,389
Trade and other receivables	252,851,457,487	-	-	252,851,457,487
Held-to-maturity Investments	299,000,000,000	-	-	299,000,000,000
	746,800,261,876	-	-	746,800,261,876
As at 01/04/2018				
Cash and cash equivalent	42,258,301,290	-	-	42,258,301,290
Trade and other receivables	28,184,127,680	-	-	28,184,127,680
Held-to-maturity Investments	38,000,000,000	1,500,000,000	-	39,500,000,000
	108,442,428,970	1,500,000,000	-	109,942,428,970

Liquidity Risk

Liquidity risk is the risk that the Company has trouble in settlement of its financial obligations due to the lack of funds. Liquidity risk of the Company is mainly from different maturity of its financial assets and liabilities.

Due date for payment of financial liabilities based on expected payment under the contracts (based on cash flow of the original debts) are as follows:

	Under 1 year	From 1 to 5 years	From more than 5 years	Total
	VND	VND	VND	VND
As at 31/03/2019				
Borrowings and debts	64,526,793,598	-	-	64,526,793,598
Trade and other payables	208,359,567,689	500,563,822,249	-	708,923,389,938
Accrued expenses	3,063,194,929	-	-	3,063,194,929
	275,949,556,216	500,563,822,249	-	776,513,378,465
As at 01/04/2018				
Borrowings and debts	-	42,605,639,200	-	42,605,639,200
Trade and other payables	7,875,184,058	298,249,160,450	-	306,124,344,508
Accrued expenses	3,679,097,980	-	-	3,679,097,980
	11,554,282,038	340,854,799,650	-	352,409,081,688

The Company believes that risk level of loan repayment is controllable. The Company has the ability to pay due debts from cash flows from its operating activities and cash received from mature financial assets.

34. ADDITIONAL INFORMATION FOR THE ITEMS OF THE STATEMENT OF CASH FLOWS

	From 01/04/2018 to 31/03/2019	From 01/04/2017 to 31/03/2018
	VND	VND
a) Proceeds from borrowings during the year		
Proceeds from ordinary contracts;	619,103,969,286	269,442,633,424
Proceeds from issuance of convertible bonds;	554,065,349,002	-
b) Actual repayments on principal during the year		
Repayment on principal from ordinary contracts;	597,182,814,888	226,836,994,224

35. SUBSEQUENT EVENTS AFTER THE REPORTING PERIOD

On May 7, 2019, the Board of Directors issued Resolution No. 06/2019/NQ-HDQT on restructuring some of the Company's investments in subsidiaries and associates. Details are as follows:

- + Withdrawing contributed capital of Hung Viet Trading Joint Stock Company from Hoang Hiep Investment Construction Corporation;
 - + Receiving transfer of shares at Thinh Hiep Construction Joint Stock Company and Thinh Phat Real Estate Construction Joint Stock Company from Ms. Nguyen Thi Ha and Mr. Do Huu Hung. The maximum shares received is 1,081,600 shares and 918,400 shares respectively;
- Time for structure implementation is expected in May - June 2019.

Apart from these events, there have been no significant events occurring after the reporting period, which would require adjustments or disclosures to be made in the Consolidated Financial Statements.

36. TRANSACTION AND BALANCES WITH RELATED PARTIES

During the fiscal year, the Company has the transactions and balances with related parties as follows:
Transactions during the year:

	Relation	From 01/04/2018 to 31/03/2019	From 01/04/2017 to 31/03/2018
		VND	VND
Revenue from sale of goods and rendering of services		659,998,654,164	1,491,293,096,096
Lam Hau Trading Services., JSC	Associate	120,989,545,445	248,382,727,296
Hoang Ha Service Investment., JSC	Associate	192,646,363,646	227,209,090,921
Truong Giang Service Development., JSC	Associate	35,537,099,633	56,148,459,640
Vinh Quang International Trading Investments., JSC	Associate	43,212,727,272	73,212,727,276
Viet Dung Development Trading., JSC (from 01/04/2018 to 08/08/2018)	Associate	29,472,727,268	93,200,909,093
Hoang Giang Service Development., JSC	Subsidiary of Associate	91,431,818,181	524,487,727,306
Hoang Huy Investment Services., JSC	Associate	6,784,545,454	33,014,818,180
Thanh Nam Investment Service., JSC	Associate of Associate	78,155,454,546	114,349,545,473
Hoang Hiep Investment Construction Corporation	Investee of Subsidiary	61,213,827,269	121,232,545,457
Thinh Hiep Construction., JSC	Subsidiary	472,727,268	54,545,454
Thinh Phat Real Estate Construction., JSC	Subsidiary	81,818,182	-
Dividend and profits received		-	184,994,450,000
Hung Viet Trading., JSC	Subsidiary	-	184,994,450,000

Outstanding balances with related parties up to the reporting date are as follows:

	Relation	31/03/2019	01/04/2018
		VND	VND
Short-term trade receivables		48,958,032,500	3,663,800,000
Lam Hau Trading Services., JSC	Associate	8,670,715,000	-
Hoang Ha Service Investment., JSC	Associate	33,945,500,000	-
Truong Giang Service Development., JSC	Associate	23,817,500	-
Hoang Hiep Investment Construction Corporation	Investee of Subsidiary	-	3,603,800,000
Thanh Nam Investment Service., JSC	Associate of Associate	6,318,000,000	-
Thinh Hiep Construction., JSC	Subsidiary	-	60,000,000

	Relation	31/03/2019	01/04/2018
		VND	VND
Other short-term receivables		194,378,605,000	-
Thinh Hiep Construction., JSC	Subsidiary	194,378,605,000	-
Short-term prepayment from customers		7,223,720,000	73,840,230,345
Lam Hau Trading Services., JSC	Associate	-	5,957,785,000
Hoang Ha Service Investment., JSC	Associate	-	6,314,500,000
Truong Giang Service Development., JSC	Associate	-	4,145,045,344
Vinh Quang International Trading Investments., JSC	Associate	5,785,000,000	1,264,000,000
Hoang Giang Service Development., JSC	Subsidiary of Associate	-	38,642,500,000
Hoang Huy Investment Services., JSC	Associate	-	2,581,900,001
Thanh Nam Investment Service., JSC	Associate of Associate	-	14,934,500,000
Hoang Hiep Investment Construction Corporation	Investee of Subsidiary	1,438,720,000	-
Other payables - Capital contributions to investment cooperation		499,706,000,000	297,150,000,000
Hoang Huy Investment Services., JSC	Associate	499,706,000,000	297,150,000,000
Transactions with other related parties:		From 01/04/2018 to 31/03/2019	From 01/04/2017 to 31/03/2018
		VND	VND
Remuneration to Directors		397,560,000	351,120,000
Remuneration to other members of Board of Management and Board of Directors		711,480,624	604,821,144

37. EXPLANATION OF DIFFERENCE IN PROFIT

In the fiscal year 2018, due to the decrease in sales of the Company and no extraordinary increase in financial income as year of 2017, the profit after tax of the parent company in the period was only VND 163.1 billion, dropping by 68.2% compared to the same period in the previous year.

38. COMPARATIVE FIGURES

The comparative figures are figures in the Separate Financial Statements for the fiscal year ended as at 31 March 2018, which were audited by AASC Auditing Company Limited.

Preparer

Chief Accountant

Hai Phong, 27 May 2019

General Director

Bui Thi Tra

Phung Thi Thu Huong



