

CONSOLIDATED INTERIM FINANCIAL STATEMENTS

PHU TAI JOINT STOCK COMPANY

For the accounting period from 01 January 2018 to 30 June 2018
(reviewed)

Phu Tai Joint Stock Company

Address: No. 278 Nguyen Thi Dinh - Quy Nhon City - Binh Dinh Province

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REPORT OF THE BOARD OF GENERAL DIRECTORS

The Board of General Directors of Phu Tai Joint Stock Company ("the Company") presents its report and the Company's Consolidated Interim Financial Statements for the accounting period from 01 January 2018 to 30 June 2018.

THE COMPANY

Phu Tai Joint Stock Company was established under the Decision No. 150/QD-BQP dated 10 November 2004 by the Ministry of Defence on the transformation of Phu Tai Company under Military Zone 5 into Phu Tai Joint Stock Company.

The Company is operating under the Business Registration Certificate No. 4100259236, firstly issued on 30 December 2014 and amended for the 25th time on 25 July 2018.

The Company's head office is located at No. 278, Nguyen Thi Dinh, Quy Nhon City, Binh Dinh Province.

BOARD OF MANAGEMENT, BOARD OF GENERAL DIRECTORS AND SUPERVISORY BOARD

The members of the Board of Management during the period and to the reporting date are:

Mr. Le Vy	Chairman	
Mr. Le Van Thao	Vice Chairman	
Mr. Tran Thanh Cung	Member	
Mr. Phan Quoc Hoai	Member	
Mr. Nguyen Sy Hoe	Member	
Mr. Le Van Loc	Member	
Mr. Do Xuan Lap	Member	(Appointed on 21 April 2018)
Mr. Tran Huu Duc	Member	(Appointed on 21 April 2018)
Mr. Nguyen Duc Thang	Member	(Resigned on 21 April 2018)

The members of the Board of General Directors during the period and to the reporting date are:

Mr. Le Van Thao	General Director
Mr. Tran Thanh Cung	Deputy General Director
Mr. Phan Quoc Hoai	Deputy General Director
Mr. Nguyen Sy Hoe	Deputy General Director

The members of the Supervisory Board are:

Mr. Bui Thuc Hung	Head of Supervisory Board	(Resigned on 21 April 2018)
Mr. Truong Cong Hoang	Member	(Resigned on 21 April 2018)
Mr. Nguyen Duc Hanh	Member	(Resigned on 21 April 2018)

Under Resolution No.02/NQ-DHDCD dated 21 April 2018 of the Annual General Meeting of Shareholders of Phu Tai Joint Stock Company on approval to change the Company's operation model and management structure without Supervisory Board, additional member appointment, and change the member of the Board of Management and establish the Board of internal Audit under the Board of Management. Under Decision No. 87/QD-HDQT dated 26 June 2018 of the Phu Tai Joint Stock Company's Board of Management on approval to establish the Board of internal Audit including:

Mr. Bui Thuc Hung	Head	(Appointed on 21 April 2018)
Mr. Truong Cong Hoang	Member	(Appointed on 21 April 2018)
Mr. Nguyen Duc Hanh	Member	(Appointed on 21 April 2018)

AUDITORS

The auditors of the AASC Auditing Firm Company Limited have taken the audit of Consolidated Interim Financial statements for the Company.

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

- The Board of General Directors is responsible for the Consolidated Interim 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 period. In preparing those Consolidated Interim 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 Consolidated Interim 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 Consolidated Interim Financial Statements;
- Prepare the Consolidated Interim Financial Statements on the basis of compliance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of Consolidated Financial Statements;
- Prepare the Consolidated Interim Financial Statements on 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 accounting records are kept to reflect the financial position of the Company, with reasonable accuracy at any time and to ensure that the Consolidated Interim 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 Consolidated Interim Financial Statements give a true and fair view of the financial position at 30 June 2018, its operation results and cash flows in the period from 01 January 2018 to 30 June 2018 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 Consolidated Interim Financial Statements.

Other commitments

The Board of General Directors commit to comply with Decree 71/2017/ND-CP dated 06/06/2017 management guidelines applicable to public companies and the company does not violate the obligation of information disclosure in accordance with the regulation of the Circular No. 155/2015/TT-BTC dated 06 October 2015 issued by Ministry of Finance guiding the disclosure of information on Securities Market.

Binh Dinh, 28 August 2018
On behalf of the Board of General Directors
General Director



LE VAN THAO

REVIEW REPORTS ON INTERIM FINANCIAL INFORMATION

**To: Shareholders, Board of Management and Board of General Directors
Phu Tai Joint Stock Company**

We have reviewed the accompanying Consolidated Interim Financial Statements of Phu Tai Joint Stock Company prepared on 28 August 2018, as set out on pages 05 to 52, including: Consolidated Interim Statement of Financial Position as at 30 June 2018, Consolidated Interim Statement of Income, Consolidated Interim Statement of Cash Flows and Notes to Consolidated Interim Financial Statements for the period then ended.

Board of General Directors' Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated interim financial statements based on our review. We conducted our review in accordance with Vietnamese Standards on Engagement Contract No. 2410 - Review Interim Financial Information performed by the Independent Auditor of the Entity.

A review of consolidated interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Vietnamese Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Auditor's Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Consolidated Interim Financial statements do not give a true and fair view, in all material respects, of the financial position of Phu Tai Joint Stock Company Company as at 30 June 2017, and of its operating results and its cash flows for the period then ended in accordance with the Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to the preparation and presentation of Consolidated Interim Financial Statements.



AASC Audit Firm Company Limited

Do Thi Ngoc Dung
Deputy General Director
Registered Auditor No.: 0659-2018-002-1
Hanoi, 28 August 2018

CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

As at 30 June 2018

Code	ASSETS	Note	30/06/2018 VND	01/01/2018 VND
100	A. CURRENT ASSETS		1,725,975,240,406	1,415,409,633,734
110	I. Cash and cash equivalents	3	138,297,212,295	55,423,331,747
111	1. Cash		138,297,212,295	55,423,331,747
120	II. Short-term investments	4	177,811,796,287	49,298,438,162
121	1. Trading securities		12,061,200,000	12,061,200,000
123	2. Held- to- maturiry investments		165,750,596,287	37,237,238,162
130	III. Short-term receivables		557,479,265,617	517,896,124,552
131	1. Short-term trade receivables	5	451,665,424,970	451,617,305,651
132	2. Short-term prepayments to suppliers	6	94,983,160,235	70,164,989,001
135	3. Short-term loan receivable	7	9,782,085,000	-
136	4. Other short-term receivables	8	14,129,541,781	9,494,317,181
137	5. Provision for short-term doubtful debts		(13,869,569,449)	(14,169,110,361)
139	6. Shortage of assets awaiting resolution	9	788,623,080	788,623,080
140	IV. Inventories	11	772,616,837,345	720,510,086,276
141	1. Inventories		772,616,837,345	720,536,459,276
149	2. Provision for devaluation of inventories		-	(26,373,000)
150	V. Other short-term assets		79,770,128,862	72,281,652,997
151	1. Short-term prepaid expenses	12	26,689,786,543	21,251,620,785
152	2. Deductible VAT		52,981,193,005	50,610,144,238
153	3. Taxes and other receivables from State budget	18	99,149,314	419,887,974

CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

As at 30 June 2018

(continued)

Code	ASSETS	Note	30/06/2018	01/01/2018
			VND	VND
200	B. NON-CURRENT ASSETS		1,229,604,629,620	1,166,019,200,480
210	I. Long-term receivables		10,460,275,995	9,273,630,348
216	1. Other long-term receivables	8	10,460,275,995	9,273,630,348
220	II. Fixed assets		1,059,957,110,249	994,500,851,772
221	1. Tangible fixed assets	13	1,030,733,547,892	963,955,605,983
222	- Historical cost		1,787,142,247,287	1,644,877,304,039
223	- Accumulated depreciation		(756,408,699,395)	(680,921,698,056)
227	2. Intangible fixed assets	14	29,223,562,357	30,545,245,789
228	- Historical cost		44,762,338,823	44,762,338,823
229	- Accumulated depreciation		(15,538,776,466)	(14,217,093,034)
240	III. Long-term assets in progress		60,287,478,183	66,279,289,775
242	1. Construction in progress	15	60,287,478,183	66,279,289,775
250	IV. Long-term financial investments		-	10,000,000
253	1. Investments in equity of other entities		-	10,000,000
260	V. Other long-term assets		98,899,765,193	95,955,428,585
261	1. Long-term prepaid expenses	12	81,480,995,162	77,706,512,931
262	2. Deferred income tax assets	35	853,891,280	676,485,942
269	3. Goodwill		16,564,878,751	17,572,429,712
270	TOTAL ASSETS		<u>2,955,579,870,026</u>	<u>2,581,428,834,214</u>

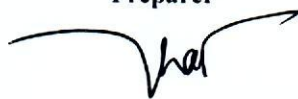
CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

As at 30 June 2018

(continued)

Code	CAPITAL	Note	30/06/2018 VND	01/01/2018 VND
300	C. LIABILITIES		1,517,826,476,822	1,484,944,391,750
310	I. Current liabilities		1,429,101,677,920	1,379,856,445,651
311	1. Short-term trade payables	17	228,716,182,982	234,599,149,956
312	2. Short-term prepayments from customers	16	18,079,198,261	19,227,273,527
313	3. Taxes and other payables to State budget	18	35,544,730,607	25,617,110,128
314	4. Payables to employees		35,513,764,658	34,685,004,596
315	5. Short-term accrued expenses	19	18,026,978,872	17,946,389,460
318	6. Short-term unearned revenue	20	62,727,271	190,206,817
319	7. Other short-term payables	21	54,991,758,175	16,146,193,785
320	8. Short-term borrowings and finance lease liability	22	987,816,151,987	975,972,434,752
321	9. Provisions for short-term payables	23	13,098,290,185	11,352,515,543
322	10. Bonus and welfare fund		37,251,894,922	44,120,167,087
330	II. Non-current liabilities		88,724,798,902	105,087,946,099
337	1. Other long-term payables	21	4,037,424,339	555,526,534
338	2. Long-term borrowings and finance lease liabilities	22	81,068,307,560	102,206,556,023
341	3. Deferred income tax liabilities	35	75,838,020	-
342	4. Provisions for long-term payables	23	3,543,228,983	2,325,863,542
400	D. OWNER'S EQUITY		1,437,753,393,204	1,096,484,442,464
410	I. Owner's equity	24	1,437,753,393,204	1,096,484,442,464
411	1. Contributed capital		485,994,410,000	259,201,940,000
411a	Ordinary shares with voting rights		485,994,410,000	259,201,940,000
412	2. Share Premium		162,128,986,832	309,636,832
414	3. Other capital		566,683,450,272	446,041,089,732
418	4. Development and investment funds		5,266,263,893	4,172,748,443
421	5. Retained earnings		168,381,676,825	337,738,624,660
421a	Retained earnings accumulated to prior year end		2,778,814,500	-
421b	Retained earnings of the current period		165,602,862,325	337,738,624,660
429	6. Non - Controlling Interest		49,298,605,382	49,020,402,797
440	TOTAL CAPITAL		2,955,579,870,026	2,581,428,834,214

Preparer



Vo Phuong Thao

Chief Accountant



Nguyen Thi My Loan



Binh Dinh, 28 August 2018

General Director

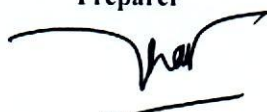
LE VAN THAO

CONSOLIDATED INTERIM STATEMENT OF INCOME

For the accounting period from 01 January 2018 to 30 June 2018

Code	ITEMS	Note	First 6 months of	First 6 months of
			2018	2017
			VND	VND
01	1. Revenues from sales of goods and rendering of services	26	1,941,785,252,287	1,942,354,969,600
10	2. Net revenues from sales of goods and rendering of services		1,941,785,252,287	1,942,354,969,600
11	3. Cost of goods sold	27	1,560,768,052,722	1,637,218,803,917
20	4. Gross profit from sales of goods and rendering of services		381,017,199,565	305,136,165,683
21	5. Financial income	28	5,438,691,797	5,846,075,167
22	6. Financial expense	29	29,072,311,814	18,602,144,388
23	<i>In which : Interest expense</i>		26,254,433,477	16,057,590,677
25	7. Selling expense	30	82,026,951,408	82,727,265,692
26	8. General and administrative expense	31	74,425,114,381	38,812,193,229
30	9. Net profit from operating activities		200,931,513,759	170,840,637,541
31	10. Other income	32	4,767,842,510	7,130,310,843
32	11. Other expense	33	2,690,770,892	2,314,965,493
40	12. Other profit		2,077,071,618	4,815,345,350
50	13. Total net profit before tax		203,008,585,377	175,655,982,891
51	14. Current corporate income tax expense	34	31,949,025,893	27,169,508,572
52	15. Deferred corporate income tax expense	35	(101,567,318)	(762,867,118)
60	16. Profit after corporate income tax		<u>171,161,126,802</u>	<u>149,249,341,437</u>
61	17. Profit after corporate income tax of		165,602,862,325	142,661,784,618
62	18. Profit after corporate income tax of the non-controlling shareholders		5,558,264,477	6,587,556,819
70	19. Basic earnings per share	36	3,846	3,387
71	20. Diluted earnings per share	37	3,846	2,935

Preparer



Vo Phuong Thao

Chief Accountant



Nguyen Thi My Loan

Binh Dinh, 28 August 2018

General Director



LE VAN THAO

CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

For the accounting period from 01 January 2018 to 30 June 2018
(Indirect method)

Code	ITEMS	Note	First 6 months of 2018 VND	First 6 months of 2017 VND
I. CASH FLOWS FROM OPERATING ACTIVITIES				
01	1. Profit before tax		203,008,585,377	175,655,982,891
	2. Adjustment for:		108,116,786,967	84,323,493,820
02	- Depreciation of fixed assets and amortization investment properties		83,354,145,386	73,087,858,626
03	- Provisions		2,637,226,171	814,815,459
04	- Exchange gains / losses from retranslation of monetary items denominated in foreign currencies		(347,087,059)	(84,992,054)
05	- Gains / losses from investment		(3,781,931,008)	(5,551,778,888)
06	- Interest expense		26,254,433,477	16,057,590,677
08	3. Operating profit before changes in working capital		311,125,372,344	259,979,476,711
09	- Increase or decrease in receivables		(36,171,547,751)	(29,623,973,946)
10	- Increase or decrease in inventories		(52,080,378,069)	(9,327,517,091)
11	- Increase or decrease in payables (excluding interest payable, corporate income tax payable)		18,463,176,575	(18,413,465,934)
12	- Increase or decrease in prepaid expenses		(8,186,386,747)	(5,903,809,401)
14	- Interest paid		(25,785,986,775)	(16,093,659,327)
15	- Corporate income tax paid		(21,799,223,551)	(34,506,916,739)
16	- Other receipts from operating activities		-	33,000,000
17	- Other payments on operating activities		(26,175,877,296)	(22,605,856,392)
20	Net cash flow from operating activities		159,389,148,730	123,537,277,880
II. CASH FLOWS FROM INVESTING ACTIVITIES				
21	1. Purchase or construction of fixed assets and other long-term assets		(153,944,641,988)	(165,222,534,235)
22	2. Proceeds from disposals of fixed assets and other long-term assets		912,117,354	3,402,486,362
23	3. Loans and purchase of debt instruments from other entities		(141,295,443,125)	(36,649,366,480)
24	4. Collection of loans and resale of debt instrument of other entities		3,000,000,000	-
26	5. Equity investments in other entities		10,000,000	-
27	6. Interest and dividend received		2,497,841,580	2,571,983,017
30	Net cash flow from investing activities		(288,820,126,179)	(195,897,431,336)

CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

For the accounting period from 01 January 2018 to 30 June 2018

(Indirect method)

(continued)

Code	ITEMS	Note	First 6 months of	First 6 months of
			2018	2017
			VND	VND
III. CASH FLOWS FROM FINANCING ACTIVITIES				
31	1. Proceeds from issuance of shares and receipt of contributed capital		226.614.890.000	-
33	2. Proceeds from borrowings		1.339.803.615.213	1.171.334.564.056
34	3. Repayment of principal		(1.349.785.481.461)	(1.050.171.693.486)
36	4. Dividends or profits paid to owners		(4.585.579.133)	(24.025.285.000)
40	<i>Net cash flow from financing activities</i>		<i>212.047.444.619</i>	<i>97.137.585.570</i>
50	Net cash flows in the period		82.616.467.170	24.777.432.114
60	Cash and cash equivalents at the beginning of the period		55.423.331.747	33.769.815.934
61	Effect of exchange rate fluctuations		257.413.378	130.652.491
70	Cash and cash equivalents at the end of the period	3	138.297.212.295	58.677.900.539

Preparer



Vo Phuong Thao

Chief accountant



Nguyen Thi My Loan

Binh Dinh, 28 August 2018

General Director



LE VAN THAO

NOTES TO CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the accounting period from 01 January 2018 to 30 June 2018

1. BACKGROUND

Forms of Ownership

Phu Tai Joint Stock Company was established under the Decision No. 150/QD-BQP dated 10 November 2004 by the Ministry of Defence on the transformation of Phu Tai Company under Military Zone 5 into Phu Tai Joint Stock Company.

The Company is operating under the Business Registration Certificate No. 4100259236, firstly issued on 30 December 2014 and amended for the 25th time on 25 July 2018.

The Company's charter capital is VND 485,994,410,000; equivalent to 48,599,441 shares, with the par value of VND 10,000.

Business field: Industrial manufacturing, trading and services.

Business activities

- Cutting, shaping and finishing granite, basalt, marble;
- Exploiting granite, basalt; exploiting stone, sand and gravel for use as construction materials;
- Manufacturing beds, wardrobes, tables, chairs and other products of wood;
- Purchasing and selling cars and spare parts; maintaining and repairing cars and other motor vehicles;
- Producing crushed stone, lime and similar products;
- Office leasing;
- Purchasing and selling products from granite, basalt, marble.
- Wholesaling automobiles and other motor vehicles;
- Maintenance and repair of cars and other motor vehicles;
- Sale of spare parts and accessories of cars and other motor vehicles.

The Company's operation in the period that affects the consolidated interim financial statements

During the period, import cars must meet the requirements of the Government's Decree No. 116/2017/ND-CP dated 17/10/2017 stipulating the conditions for production, assembly, import and trading of car warranty and repair services and Circular No. 03/2018/TT-BGTVT of the Ministry of Transport on the quality inspection of technical safety and environmental protection of imported cars, therefore the number of Toyota cars fell sharply. This is the reason leading to sales revenue and cost of sales in this period decreased sharply over the same period last year. However, the Company's revenue level is similar to the previous period because of strong growth in sale from wood and stone products and these two industries generated high gross profit margin leading to high profit growth rate compared to previous period.

Corporate structure:

The Company's subsidiaries consolidated in Consolidated Interim Financial Statements as at 30/06/2018, include:

Name of subsidiary	Address	Proportion of ownership interest	Proportion of voting rights	Principal activities
Phu Yen Construction Materials JSC	Tuy Hoa - Phu Yen	50.65%	50.65%	Mining and processing paving stones, construction stone, construction sand
Tuan Dat Minerals One-member Company Limited	Quy Nhon - Binh Dinh	100%	100%	Exploiting and processing stone

Name of subsidiary	Address	Proportion of ownership interest	Proportion of voting rights	Principal activities
Vina G7 Joint Stock Company	Bien Hoa - Dong Nai	75%	75%	Exploiting, trading processing wood
Universal Stone Joint Stock Company	Ho Chi Minh City	60%	60%	Exploiting and processing stone
Toyota Binh Dinh One-member Company Limited	Quy Nhon - Binh Dinh	100%	100%	Trading and repairing cars
Toyota Da Nang One-member Company Limited	Da Nang City	100%	100%	Trading and repairing cars
Phu Tai Dong Nai One-member Company Limited	Bien Hoa - Dong Nai	100%	100%	Manufacturing and trading wood products
Granit Manufacturing Company Limited	Ho Chi Minh city	70%	70%	Exploiting and processing stone
Phu Tai Real Estate One-member Company Limited	Quy Nhon - Binh Dinh	100%	100%	Trading in real estate

Information on Group Restructuring: Pursuance to the Decision No. 56/QD-HDQT dated 20/04/2018 of the Board of Management, the Company has completed the procedures to establish Phu Tai Real Estate One-Member Limited Company with chartered capital of VND 100,000,000,000. On 30 June 2018, the Company has contributed VND 60,000,000,000 to its subsidiary.

The Company's member entities are as follows:

Name of member entities	Address	Principal activities
Basalt and Granite Processing Plant in Dak Nong 380 Enterprise	Dak R'Lap District, Dak Nong Province Quy Nhon City	Exploiting and processing stone Manufacturing and trading stone products
Thang Loi Enterprise	Tuy Phuoc District, Binh Dinh Province	Manufacturing and trading wood products
Nhon Hoa Construction Material Production Enterprise Branch in Ho Chi Minh City Branch in Gia Lai Province ^[1]	An Nhon District, Binh Dinh Province Ho Chi Minh City Kong Chro District, Gia Lai Province	Exploiting and processing stone Trading wood products Exploiting and processing stone
Granite Processing Plant in Khanh Hoa Province ^[2] Branch in Binh Duong Province	Van Ninh District, Khanh Hoa Province Di An Town, Binh Duong Province	Exploiting and processing stone Trading stone products
Granite Processing Plant in Dong Nai Province	Nhon Trach District, Dong Nai Province	Processing and trading stone
Granite Processing Plant in Hung Yen Province	Van Lam District, Hung Yen Province	Processing and trading stone
Granite Processing Plant in Binh Dinh Province	Phu Cat District, Binh Dinh Province	Processing and trading stone

In which:

^[1] Branch in Gia Lai Province has closed its tax code in the period.

^[2] Granite Processing Plant in Dien Tan, Khanh Hoa Province has completed and put into operation from January 2018.

2. ACCOUNTING SYSTEM AND ACCOUNTING POLICY

2.1. Accounting period and accounting currency

Annual accounting period commences from 01 January and ends as at 31 December.
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, which was amended and supplemented by Circular No. 53/2016/TT-BTC dated 21 March 2016 by the Ministry of Finance and Circular No. 202/2014/TT-BTC guideline for the preparation and presentation of the consolidated financial statements.

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 in accordance with regulations of each standard and supplementary documents as well as with current Accounting Standards and Accounting System.

2.3. Basis for preparation of consolidated interim financial statements

Consolidated Interim Financial Statements are prepared based on incorporating Separate Interim Financial Statements of the parent company and Interim Financial Statements of the subsidiaries controlled by the company (the Subsidiaries) prepared for the accounting period from 01 January 2018 to 30 June 2018. Control is achieved where the company has power to govern the financial and operating policies of invested companies to obtain benefits from their activities.

Financial statements of subsidiaries are applied with consistent accounting policies of the Company. If necessary, adjustments are made to the Interim financial statements of subsidiaries to ensure the consistence between accounting policies applied by the Company and its subsidiaries.

The operating results of subsidiaries are incorporated in the Consolidated financial statements from the effective date of acquisition or until the effective date of disposal.

All intra company, balances, incomes and expenses, including unrealized gains and losses from intra-group transactions are eliminated in full from Consolidated financial statements.

Non-controlling interest is the benefits in profits or losses, and in the net assets of subsidiaries not held by the Company.

2.4. Financial Instruments

Initial recognition

Financial assets

Financial assets of the Company include cash and cash equivalents, trade receivables and other receivables, lending loans, long-term and short-term investments. At initial recognition, financial assets are identified by purchasing price/issuing cost 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 expenses 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.

2.5. 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 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;
- When purchasing assets or paying immediately in foreign currency, applying the bid rate of the commercial bank where the Company make payments;
- If the Company applies the approximate exchange rate as real exchange rate, its disparity does not exceed +/- 1% compared to the average transfer exchange rate.

Real exchange rate when retranslating monetary items denominated in foreign currencies at the date of the Consolidated Interim 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 offer rate of the commercial bank where the Company regularly conducts transaction.

2.6. Cash

Cash includes cash on hand and demand deposits.

2.7. Business integration and goodwill

Business combinations are accounted for using the purchase method. The cost of a business combination comprises its fair value at the date of exchange of the acquiree's assets, liabilities incurred or assumed and capital instruments issued by the purchaser for conversion. Take control of the acquired party and expenses directly related to the business combination. Tangible assets and liabilities and contingent liabilities incurred in the business combination of the acquiree are recorded at fair value at the date of the business combination.

Goodwill arising from business combination is initially recognized at cost, which is the difference between the cost of a business combination and that of the acquirer in the fair value of the asset or liability. determinable payments and potential liabilities. If the cost of a business combination is less than the fair value of the net worth of the acquiree, the difference will be recognized in the consolidated income statement. After initial recognition, goodwill is measured at cost less accumulated amortization. Goodwill is amortized on a straight-line basis over the estimated useful life of 10 years. The parent company must assess the goodwill impairment at the subsidiary if there is evidence that the goodwill is greater than the annual allocation, Losses incurred in the arising year.

2.8. Financial investments

Trading securities are initially recognized at original cost, which includes purchase prices plus any directly attributable transaction costs such as brokerage, transaction fee, cost of information provision, taxes, bank's fees and

charges. After initial recognition, trading securities are measured at original cost less provision for diminution in value of trading securities.

Investments held to maturity comprise term deposits (including treasury bills and promissory notes), bonds, preference shares which the issuer is required to repurchase at a certain time in the future and loans, etc... held to maturity to earn profits periodically and other held to maturity investments.

Provision for the devaluation of investments is made at the end of the period as follows:

- With regard to investments in trading securities, the provision shall be made on the basis of the excess of original cost of the investments recorded in the accounting book over their market value at the provision date;
- With regard to investments held to maturity, the provisions for doubtful debts shall be made based on the recovery capacity in accordance with statutory regulations.

2.9. Receivables

The receivables shall be recorded in details in terms of maturity 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 a getaway.

2.10. 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 time the financial statements are prepared if the net realizable value is lower than cost, inventories should be measured at the net realizable value.

The cost of inventory is calculated using weighted average method.

Inventory is recorded by perpetual method.

Work in process at the end of the period is based on incurred expenses of each incompleted product.

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

2.11. Fixed assets

Fixed assets (tangible and intangible) are stated at the historical cost. During the using time, fixed assets (tangible and intangible) are recorded at cost, accumulated depreciation and net carrying amount. Depreciation is computed on a straight-line basis method.

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

- | | |
|--------------------------------------|---------------|
| - Buildings and structures | 06 - 30 years |
| - Machinery, equipment | 04 - 10 years |
| - Vehicles, transportation equipment | 06 - 12 years |
| - Office equipment | 03 - 08 years |
| - Others tangible fixed assets | 05 - 08 years |
| - Site preparation expenses | 10 - 25 years |

- Land use rights	50 years
- Exploited use rights	20 years
- Accounting software	05 years
- Others intangible fixed assets	02 - 20 years

2.12. Construction in progress

Assets under construction are served for production purposes. Accrued expenses include expenses for professionals and for qualifying assets, borrowing costs are recognized in accordance with the Company's accounting policy. Depreciation of these assets, as other fixed assets, shall be made when the asset is ready for use.

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 method and criteria. Prepaid expenses are allocated gradually into operating expenses on a straight-line basis.

2.14. Payables

The payables shall be recorded in details in terms of maturity date, entities payable, types of currency and other factors according to 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 or liabilities 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 period in which it is incurred unless those which are directly attributable to the construction or production of a qualifying asset and capitalized as part of the cost of that asset in accordance with VAS No. 16 "Borrowing costs". Besides, regarding borrowing 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 and other payables such as interest expenses, land rental, transportation expense etc. which are recorded as operating expenses of the reporting period.

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

2.18. Provision for payables

Provision for payables is only recognized when meeting all of the following conditions:

- The Company have a present debt obligation (legal obligation or joint obligation) as a result of past events;
- It is probable that the decrease in economic benefits may lead to the requirement for delot settlement;

- Debt obligation can be estimated reliably.

Value recorded as a provision for payable is the most reasonably estimated amount required to settle the present debt obligation at the end of the period.

Cost of environmental restoration for the mines is recorded based on total estimated cost of environmental restoration which has been approved by the authorized authorities. This method is aimed to ensure the accrual basis of accounting and to avoid a large fluctuation in expenses for the period when the environmental restoration is carried out.

2.19. Unearned revenues

Unearned revenues include prepayment 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.

2.20. Owner's equity

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

Share premium is recorded at the difference between the par value with costs directly attributable to the issuance of shares and issue price of shares (including the case of re-issuing treasury shares) and can be a positive premium (if the issue price is higher than par value and costs directly attributable to the issuance of shares) or negative premium (if the issue price is lower than par value and costs directly attributable to the issuance of shares).

Other capital is the operating capital formed from the operating results or from gifts, presents, financing and asset revaluation (if these items are allowed to be recorded as a decrease or increase in the owner's equity).

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 appropriation 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. Net profit can be appropriated 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.

The Company appropriates the following funds from its net profit after tax at the proposal of the Board of Management and is approved by the shareholders at the Annual General Meeting of Shareholders:

- Investment and development fund: This fund is set aside for the purpose of expanding the operation or in-depth investment of the Company.
- Bonus and welfare funds: This fund is set aside for the purpose of rewarding, encouraging material goods, bringing about common benefits and improving the welfare of employees and presented as a liability in the balance sheet.

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 the announcement of closing date for receiving dividends from Securities Depository Centre of Vietnam.

2.21. Revenues

Sales of goods

Revenue from the sale of goods shall be recognised 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.

Services rendered

Revenue from the rendering of services shall be recognised when all of 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 entity;
- 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 surveys of works performed.

Financial income

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

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

Dividend income shall be recognised when the company's right to receive dividend is established.

2.22. Cost of goods sold

The recognition of cost of goods sold is matched against the sale revenue in the period and comply with the prudence principle. In case loss of materials and goods exceeds the acceptable/normal level, the excess after deducting the responsibility of collective and individuals concerned, etc. are recognized fully and promptly into cost of goods sold in the period.

2.23. Financial expenses

Items recorded into financial expenses consist of:

- Expenses or losses relating to financial investment activities;
- Borrowing costs;
- Losses from the disposal and transfer of short-term securities, transaction cost of selling securities;
- Provision for diminution in value of trading securities price; provision for losses from investment in other entities, losses from sale of foreign currency, exchange loss, etc.
- The above items are recorded by the total amount arising in the period without offsetting against financial income.

2.24. Corporate income tax

a) Deferred income tax asset and Deferred income tax liability

Deferred income tax asset is recognized for deductible temporary differences and the carrying forward of unused tax losses and unused tax credits. Deferred income tax liability is recognized for taxable temporary differences.

Deferred income tax asset and Deferred income tax liability are determined based on prevailing corporate income tax rate, tax rates and tax laws enacted at the end of the reporting period.

b) Current corporate income tax expenses and Deferred corporate income tax expenses

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

Deferred corporate income tax expenses are determined based on deductible temporary difference, the taxable temporary differences and corporate income tax rate.

Current corporate income tax expenses cannot be offset against deferred corporate income tax expenses.

c) Tax incentives

According to the Investment Certificates No. 47221001231 dated 05 May 2015 of Department of Planning and Investment of Dong Nai Province, No. 0421432406 dated 25 April 2016 of Department of Planning and Investment of Binh Dinh province and No. 4766305247 dated 29 August 2016 of Department of Planning and Investment of Hung Yen province, the Company is exempt from corporate income tax in 2 years since there is taxable income and is subject to 50% reduction of tax payable in the next 4 years for the taxable income of Granite Processing Plant in Dong Nai province, Binh Dinh province and Hung Yen province. 2016 was the first year when Granite Processing Plant in Dong Nai province is exempt from corporate income tax. 2017 was the first year when Granite Processing Plant in Binh Dinh province and Hung Yen province are exempt from corporate income tax.

d) Current corporate income tax rate

The Company is currently applying the corporate income tax rate of 20% for the accounting period from 01 January 2018 to 30 June 2018.

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 and subsidiaries;
- 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 of these individuals;
- Enterprises that the above-mentioned individuals directly or indirectly hold an important part of the voting power or have significant influence over the Company.

In considering the relationship of related parties to serve for the preparation and presentation of Separate financial statements, the Company should consider the nature of the relationship rather than the legal form of the relationship.

2.26. Partial information

A part is a separate identifiable component of the Company that engages in the provision of related products or services (business divisions), or provides products or services in a specific economic environment (geographic divisions). Each of these departments is subject to risks and benefits distinct from other parts.

Segment information is presented in accordance with the accounting policy applied to the preparation and presentation of the financial statements of the Company for the purpose of helping the financial statements to be properly understood and appreciated the operation of the Company in a comprehensive.

3. CASH AND CASH EQUIVALENTS

	<u>30/06/2018</u>	<u>01/01/2018</u>
	VND	VND
Cash on hand	10,248,164,383	6,066,442,573
Demand deposits	128,049,047,912	49,356,889,174
	<u><u>138,297,212,295</u></u>	<u><u>55,423,331,747</u></u>

4. SHORT TERM FINANCIAL INVESTMENTS

a) Held-to-maturity investments

	<u>30/06/2018</u>		<u>01/01/2018</u>	
	Original cost	Carrying amount	Original cost	Carrying amount
	VND	VND	VND	VND
Short-term investments				
- Term-deposits ^[1]	165,750,596,287	165,750,596,287	37,237,238,162	37,237,238,162
	<u><u>165,750,596,287</u></u>	<u><u>165,750,596,287</u></u>	<u><u>37,237,238,162</u></u>	<u><u>37,237,238,162</u></u>

^[1] As at 30 June 2018, deposit with term of 06 months with the amount of VND 165.750.596.287 VND at Viet Nam Prosperity Joint Stock Commercial Bank of Vietnam and Saigon Joint Stock Commercial Bank - Binh Dinh Branch at the interest rate of from 8.0% to 8.5% per year.

4. SHORT TERM FINANCIAL INVESTMENTS

b) Trading securities

	30/06/2018			01/01/2018		
	Original cost	Fair value	Provision	Original cost	Fair value	Provision
	VND	VND	VND	VND	VND	VND
Investment in stock	12,061,200,000	20,319,600,000	-	12,061,200,000	26,367,100,000	-
- MB Property Joint Stock Company ^[1]	450,000,000		-	450,000,000		-
- Binh Dinh Pharmaceutical and Medical equipment Joint stock Company ^[2] (DBD)	11,611,200,000	20,319,600,000	-	11,611,200,000	26,367,100,000	-
	<u>12,061,200,000</u>	<u>20,319,600,000</u>	<u>-</u>	<u>12,061,200,000</u>	<u>26,367,100,000</u>	<u>-</u>

^[1] The Company has not determined the fair value of financial investments because Vietnam Accounting Standards and Vietnam Corporate Accounting System have not had any detailed guidance on the determination of the fair value.

^[2] The fair value of shares of Binh Dinh Pharmaceutical Medical Equipment Joint Stock Company (Code: DBD) as at 01/01/2018 is determined at its closing prices on UPCOM on 29 December 2017 and as at 30/06/2018 the share value is determined at its closing prices on HOSE on 29 June 2018.

5. SHORT-TERM TRADE RECEIVABLES

	30/06/2018		01/01/2018	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
- The Anh Trading Service Transport Co., Ltd	14,901,075,394	-	8,746,150,405	-
- Anavil Company Ltd	-	-	7,459,382,182	-
- Carrefour Imports SAS	3,231,956,534	-	29,374,535,816	-
- Castorama	24,307,455,324	-	32,454,296,133	-
- Anh Kim Co.,Ltd	10,745,554,606	-	7,565,183,815	-
- Sra Dis Tic Ltd Sti	9,035,530,746	-	7,440,178,798	-
- Yaraghi LLC	12,600,175,570	-	16,802,006,468	-
- Thanh Hoa Co., Ltd	22,377,806,638	-	14,181,419,493	-
- Granitas Granit	-	-	3,078,888,268	-
- Axxess Inc Pte Ltd-Mco	5,427,153,685	-	6,283,665,905	-
- B and Q PLC	16,836,647,632	-	10,511,214,006	-
- FLC Faros Construction Joint Stock Company	16,983,299,767	-	19,483,299,767	-
- IP Construction and Consultant Co., Ltd	3,529,004,000	-	8,439,249,000	-
- Licogi 13 Joint Stock Company	6,787,361,354	(5,251,152,948)	7,287,361,354	(5,251,152,948)
- Vinh Thai Timber Import and Export Co., Ltd	68,749,687	-	9,136,025,961	-
- Ba Sanh Duong Co., Ltd	10,045,894,960	-	-	-
- Noble House Home Furnishings LLC	18,155,559,779	-	-	-
- Pacific Trends Far East PTE.LTD	10,043,201,575	-	4,702,746,571	-
- Thien Son Natural Marble & Granite Joint Stock Company	8,518,880,610	-	-	-
- Advance Furniture (VIC) PTY	10,193,957,997	-	5,177,819,811	-
- Others	247,876,159,112	(6,779,985,028)	253,493,881,898	(7,079,525,940)
	451,665,424,970	(12,031,137,976)	451,617,305,651	(12,330,678,888)

6. SHORT-TERM PREPAYMENTS TO SUPPLIERS

	30/06/2018		01/01/2018	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
- Chinh Truong Stone Quarry Co., Ltd	586,717,023	(586,717,023)	586,717,023	(586,717,023)
- Muradir	4,293,367,346	-	2,683,082,879	-
- Nha Lam Services and Trade Joint Stock Company	1,800,000,000	-	-	-
- Chamundi Natural Stones	9,303,427,290	-	4,506,584,224	-
- Vinh Thai Timber Import and Export Co., Ltd	11,000,000,000	-	-	-
- Gement	-	-	4,259,255,000	-
- Jaf Globle	-	-	28,897,574,797	-
- Sudima International PTE Ltd	3,092,964,747	-	1,506,785,113	-
- Toyota Motor Vietnam Co., Ltd	645,510,970	-	79,750,970	-
- Sao Dat Viet Investment and Consultant JSC	160,000,000	-	2,590,000,000	-
- Bach Viet Co., Lmt	3,000,000,000	-	-	-
- Hoang Anh Gia Lai JSC- Quy Nhon Branch- Hoang Anh Gia Lai Wood Works	30,000,000,000	-	-	-
- Others	31,101,172,859	(1,033,614,450)	25,055,238,995	(1,033,614,450)
	94,983,160,235	(1,620,331,473)	70,164,989,001	(1,620,331,473)

7. SHORT- TERM LOAN RECEIVABLE

	30/06/2018		01/01/2018	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
a) Loan receivable details for the large loan's balance				
- Nguyen Thi Kiem Oanh ⁽¹⁾	9,782,085,000	-	-	-
	9,782,085,000	-	-	-
b) Loan recievables from related parties	9,782,085,000	-	-	-

(See details in Note 43)

Short-term loan receivable regarding loan from Mrs. Nguyen Thi Kiem Oanh (the Company's related party) with outstanding balance on 30/06/2018 is VND 9.782.085.000; loan term is 12 months; interest rate is 7.5% per year.

8. OTHER RECEIVABLES

	30/06/2018		01/01/2018	
	Value VND	Provision VND	Value VND	Provision VND
a) Short-term				
Collateral, deposits	413,823,366	-	380,453,661	-
Advances to employees	10,568,244,392	-	7,890,303,211	-
Other receivables	3,147,474,023	(218,100,000)	1,223,560,309	(218,100,000)
- <i>Receivables from social insurance, health</i>	401,150,630	-	267,095,161	-
- <i>Deposit interest receivable</i>	1,529,674,916	-	511,800,149	-
- <i>Insurance compensation receivable</i>	705,554,076	-	-	-
- <i>Purchase of property Advance receivable</i>	218,100,000	(218,100,000)	218,100,000	(218,100,000)
- <i>Others</i>	292,994,401	-	226,564,999	-
	14,129,541,781	(218,100,000)	9,494,317,181	(218,100,000)
b) Long-term				
Collateral, deposits	8,601,974,412	-	7,415,328,765	-
- <i>Environmental restoration deposits¹¹⁾</i>	8,538,974,412	-	7,362,328,765	-
- <i>Contract deposits</i>	63,000,000	-	53,000,000	-
Other receivables	1,858,301,583	-	1,858,301,583	-
- <i>Receivables from site clearance which are offset against land rental at Thang Loi Enterprise¹²⁾</i>	1,858,301,583	-	1,858,301,583	-
	10,460,275,995	-	9,273,630,348	-

¹¹⁾ This is the deposit for environmental restoration after mining, which the company paid according to the Decision No. 18/2013/QD-TTg by the government dated 29 March 2013 on environmental improvement and remediation in mineral extraction.

¹²⁾ The Company has not recognized the land rental and site clearance for this period because the land rental notification of 2018 has not yet been received.

9. SHORTAGE OF ASSETS-AWAITING RESOLUTION

	30/06/2018	01/01/2018
	Value VND	Value VND
Shortage of raw material in accordance with stock taking records	299,503,201	299,503,201
Burning materials	467,103,617	467,103,617
Burning fixed assets	22,016,262	22,016,262
	788,623,080	788,623,080

10. DOUBTFUL DEBTS

Total value of receivables and debts that are overdue or not due but difficult to be recovered:

	30/06/2018		01/01/2018	
	Original cost	Recoverable value	Original cost	Recoverable value
	VND	VND	VND	VND
Cattie Europa S.L	839,879,767	-	839,879,767	-
Trung Nam Construction Investment JSC	548,937,136	-	548,937,136	-
Chinh Trung Stone Quarry Co., Ltd	586,717,023	-	586,717,023	-
Ha Binh Co., Ltd	668,552,930	-	668,552,930	-
Binh Dinh Granite Co., Ltd	507,015,869	-	507,015,869	-
Tan Cuong Co., Ltd	1,175,007,342	587,503,798	1,175,007,342	587,503,798
Global Home Sro	1,071,012,417	-	1,071,012,417	-
Dong Gia Viet Service Trade Manufacturing Co., Ltd	108,089,204	-	108,089,204	-
SAVI Furniture JSC	242,998,562	-	242,998,562	-
13 Licogi JSC	6,787,361,354	1,536,208,406	7,287,361,354	2,186,208,406
Lam Dong Stone Company	730,286,290	365,143,145	730,286,290	365,143,145
Others	5,037,704,089	354,730,826	5,517,175,406	384,661,231
	18,303,561,983	2,843,586,175	19,283,033,300	3,523,516,580

The above-mentioned receivables are overdue debts which the company has made provision for. The above-mentioned recoverable value is determined based on the difference between original value of debts and provision for doubtful debts made for each entity. In the accounting period, the company has recovered a part of these debts and is trying to collect these receivables in the next period.

11. INVENTORIES

	30/06/2018		01/01/2018	
	Original Cost	Provision	Original Cost	Provision
	VND	VND	VND	VND
Goods in transit	6,160,291,238	-	10,066,339,813	-
Raw materials	367,150,461,269	-	371,643,646,508	-
Tools, supplies	2,768,582,534	-	2,693,999,428	-
Work in process	313,032,243,478	-	272,056,396,816	-
Finished goods	29,824,432,764	-	27,210,588,956	-
Goods	53,680,826,062	-	36,865,487,755	(26,373,000)
	772,616,837,345	-	720,536,459,276	(26,373,000)

12. PREPAID EXPENSES

	30/06/2018	01/01/2018
	VND	VND
a) Short-term		
- Expenditure on fixing machinery, equipment, factories	1,423,201,750	1,113,991,815
- Tools and supplies awaiting for allocation	7,797,286,716	6,091,606,892
- Insurance expenses	1,258,000,820	1,140,960,187
- Mining expenses	6,449,637,882	8,251,642,102
- Land rental expense	1,598,886,401	-
- Other short-term prepaid expenses	8,162,772,974	4,653,419,789
	26,689,786,543	21,251,620,785
b) Long-term		
- Expenditure on overhaul of machinery, equipment, factories	4,652,489,624	2,066,489,696
- Tools and supplies awaiting for allocation	7,244,914,544	6,190,526,261
- Mining expenses	9,991,070,000	7,375,328,967
- Other long-term prepaid expenses	1,963,757,253	5,491,072,508
- Land and infrastructure rental expenses of Granite Processing Plant in Hung Yen Province ^[1]	31,532,541,974	31,975,622,189
- Land and infrastructure rental expenses of Phu Cat Wood Processing Plant in Binh Dinh Province ^[2]	17,232,004,762	17,392,674,946
- Land and infrastructure rental expenses of Granite Processing Plant in Binh Dinh Province ^[3]	6,839,762,290	5,122,103,603
- Land and infrastructure rental expenses of Tuan Dat factory	2,024,454,715	2,092,694,761
	81,480,995,162	77,706,512,931

^[1] This is the rental of land use right accompanying with infrastructure in Pho Noi A Industrial Zone, Yen My District, Hung Yen Province with the total area of 21,062 m², until 15 January 2054 for the construction of Granite Processing Plant in Hung Yen Province.

^[2] This is 50% of infrastructure rental in Cat Nhon industrial zone, Phu Cat District, Binh Dinh Province with the total area of 91,375.5 m², until 11 July 2057 for the construction of Phu Cat Wood Processing Plant.

^[3] This is the rental of land and infrastructure in Cat Nhon Industrial Zone, Phu Cat District, Binh Dinh Province with the total area of 39,426.5 m², and lease term of 41 years for the construction of Granite Processing Plant in Binh Dinh Province.

13. TANGIBLE FIXED ASSETS

	Buildings, structures	Machinery, equipment	Vehicles, transportation	Office equipment	Other tangibles fixed assets	Total
	VND	VND	VND	VND	VND	VND
Original cost						
Opening balance	641,719,028,281	771,282,364,839	226,473,711,208	5,245,197,647	157,002,064	1,644,877,304,039
- Purchase in the period	-	94,022,114,721	15,373,760,236	-	-	109,395,874,957
- Completed construction investment	38,273,930,581	-	-	-	-	38,273,930,581
- Liquidation, disposal	-	(2,290,981,458)	(3,113,880,832)	-	-	(5,404,862,290)
Ending balance of the period	679,992,958,862	863,013,498,102	238,733,590,612	5,245,197,647	157,002,064	1,787,142,247,287
Accumulated depreciation						
Opening balance	201,014,193,981	379,352,640,904	95,733,300,542	4,664,560,565	157,002,064	680,921,698,056
- Depreciation for the period	27,253,402,851	38,733,362,322	14,142,202,235	136,400,528	-	80,265,367,936
- Liquidation, disposal	-	(2,290,981,458)	(2,487,385,139)	-	-	(4,778,366,597)
Ending balance of the period	228,267,596,832	415,795,021,768	107,388,117,638	4,800,961,093	157,002,064	756,408,699,395
Net carrying amount						
Opening balance	440,704,834,300	391,929,723,935	130,740,410,666	580,637,082	-	963,955,605,983
Ending balance of the period	451,725,362,030	447,218,476,334	131,345,472,974	444,236,554	-	1,030,733,547,892

- In the period, the Company used the reducing balance depreciation method (the depreciation rate does not exceed twice as much as straight line basis) with some equipment and machineries at 380 Enterprise). Compared with the depreciation charges using straight line basis, the depreciation charges using the reducing balance method are VND: 984,924,635;
- At the end of period, the carrying amount of tangible assets used as mortgages and collateral for loans is VND 331,876,145,948;
- Original cost of fully depreciated tangible fixed assets at the end of the period but still in use is VND 267,920,865,716.

14. INTANGIBLE FIXED ASSETS

	Compensation of site clearance	Land use right	Exploitation right	Accounting software	Other intangible fixed assets	Total
	VND	VND	VND	VND	VND	VND
Original cost						
Opening balance	18,408,889,373	16,403,892,946	9,131,614,586	86,416,000	731,525,918	44,762,338,823
Ending balance of the period	18,408,889,373	16,403,892,946	9,131,614,586	86,416,000	731,525,918	44,762,338,823
Accumulated depreciation						
Opening balance	7,700,059,172	2,384,027,208	3,315,064,736	86,416,000	731,525,918	14,217,093,034
- Depreciation for the period	797,915,652	286,672,580	237,095,200	-	-	1,321,683,432
Ending balance of the period	8,497,974,824	2,670,699,788	3,552,159,936	86,416,000	731,525,918	15,538,776,466
Net carrying amount						
Opening balance	10,708,830,201	14,019,865,738	5,816,549,850	-	-	30,545,245,789
Ending balance of the period	9,910,914,549	13,733,193,158	5,579,454,650	-	-	29,223,562,357

- Original cost of fully depreciated tangible fixed assets at the end of the period but still in use is VND 817,941,918.

15. CONSTRUCTION IN PROGRESS

	30/06/2018	01/01/2018
	VND	VND
Construction in progress	32,304,318,108	51,055,693,395
- Construction expense of Dien Tan quarry	10,229,432,935	2,983,076,206
- Construction expense of Cat Nhon quarry	-	30,155,526
- Construction expense of Tan Dan quarry	2,500,000,000	-
- Construction expense of Song Hinh quarry	2,766,999,999	-
- Construction expense of Da Du quarry	1,305,497,131	-
- Project of Dien Tan Stone factory	3,667,446,155	-
- Project of Phu Cat Wood Processing Plant in Binh Dinh Province - the second phase	-	26,197,336,003
- Project in Stone Processing Plant Phuoc My village, Quy Nhon City, Binh Dinh Province	9,312,683,827	8,794,716,000
- Project of constructing Granite Processing Plant in Khanh Hoa Province	-	6,599,716,255
- Project of Vina G7 JSC constructing office	-	5,361,602,496
- Others	2,522,258,061	1,089,090,909
Purchase of fixed assets	27,544,134,646	14,876,681,380
- Machinery and equipment for stone	25,509,479,731	14,876,681,380
- Machinery and equipment for wood	2,034,654,915	-
Major repairs of fixed assets	439,025,429	346,915,000
- Repairing factory	439,025,429	346,915,000
	<u>60,287,478,183</u>	<u>66,279,289,775</u>

16. PREPAYMENTS FROM CUSTOMERS

	30/06/2018	01/01/2018
	VND	VND
- Hau Nhan Trading Co., Lmt	100,000,000	3,190,717,552
- Analiz Naden	-	3,335,439,290
- Nam Ninh Services and Trading Co., Lmt	1,694,300,000	-
- Unique Furniture S/A	1,256,612,689	-
- Others	15,028,285,572	12,701,116,685
	<u>18,079,198,261</u>	<u>19,227,273,527</u>



17. SHORT-TERM TRADE PAYABLES

	30/06/2018		01/01/2018	
	Outstanding balance	Amount can be paid	Outstanding balance	Amount can be paid
	VND	VND	VND	VND
- Vu Tin International Trading Co., Ltd	25,912,618,030	25,912,618,030	17,369,829,115	17,369,829,115
- HK Binh Thach Manufacturing and Trading Co., Ltd	3,103,846,550	3,103,846,550	3,017,853,120	3,017,853,120
- ECO Company	-	-	6,048,735,000	6,048,735,000
- Hoang Giang Co., Ltd	16,428,984,676	16,428,984,676	6,534,495,976	6,534,495,976
- Phuoc Long Import Export Trading Co., Ltd	4,557,385,481	4,557,385,481	2,240,329,727	2,240,329,727
- Lundhs Labrador A/S	-	-	8,517,222,457	8,517,222,457
- Quang Trung Engineering and Construction JSC	235,376,591	235,376,591	6,823,928,031	6,823,928,031
- Kim Hung Thinh Consultant Designt Building Construction Co., Lmt	-	-	7,617,320,969	7,617,320,969
- Thanh Danh Co., Lmt	2,666,708,100	2,666,708,100	5,258,222,358	5,258,222,358
- Mr. Huynh Ba Thang	3,650,000,000	3,650,000,000	7,650,000,000	7,650,000,000
- Olam International	-	-	6,156,800,727	6,156,800,727
- Dimer Mermer	6,045,045,174	6,045,045,174	-	-
- Others	166,116,218,380	166,116,218,380	157,364,412,476	157,364,412,476
	228,716,182,982	228,716,182,982	234,599,149,956	234,599,149,956

18. TAX AND OTHER PAYABLES TO THE STATE BUDGET

	Tax receivable at the beginning of year	Tax payable at the beginning of year	Tax payable in the period	Tax paid in the period	Tax receivable at the end of peirod	Tax payable at the end of period
	VND	VND	VND	VND	VND	VND
Value-added tax	320,738,660	5,023,688,904	40,248,619,148	41,136,845,254	-	3,814,724,138
Export, import duties	-	-	2,727,250,499	2,727,250,499	-	-
Corporate income tax	99,149,314	15,598,856,445	32,195,983,691	21,799,223,551	99,149,314	25,995,616,585
Personal income tax	-	375,471,739	1,408,057,209	1,343,447,445	-	440,081,503
Natural resource tax	-	1,897,783,552	11,739,459,072	11,870,467,879	-	1,766,774,745
Land tax and land rental	-	-	1,239,357,350	1,228,385,987	-	10,971,363
Other taxes	-	393,652,017	3,740,153,430	3,749,224,601	-	384,580,846
Fees, charges and other payables	-	2,327,657,471	4,425,634,923	3,621,310,967	-	3,131,981,427
	<u>419,887,974</u>	<u>25,617,110,128</u>	<u>97,724,515,322</u>	<u>87,476,156,183</u>	<u>99,149,314</u>	<u>35,544,730,607</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 consolidated interim financial statements could be changed at a later date upon final determination by the tax authorities.

19. SHORT-TERM ACCRUED EXPENSES

	30/06/2018	01/01/2018
	VND	VND
- Accrued expenses of Dien Tan factory building	784,404,129	279,657,427
- Accrued interest expenses	980,071,664	377,629,916
- Accrued transportation expenses	679,913,249	680,880,896
- Accrued electricity expenses	7,283,196,142	6,104,309,924
- Accrued design and material expenses	2,180,063,073	1,142,932,101
- Accrued expenses of import and export processing	200,012,587	314,369,238
- Temporarily uninvoiced goods awaiting for settlement	-	1,243,252,000
- Accrued expenses of Dien Tan factory building	-	5,276,685,868
- Accrued land rental	3,449,284,383	705,600,000
- Others	2,470,033,645	1,821,072,090
	18,026,978,872	17,946,389,460

20. SHORT-TERM UNEARNED REVENUES

	30/06/2018	01/01/2018
	VND	VND
- Revenues from Office for lease	62,727,271	190,206,817
	62,727,271	190,206,817

21. OTHER PAYABLES

	30/06/2018	01/01/2018
	VND	VND
a) Short-term		
Trade union fee	2,999,427,889	3,095,971,514
Social insurance	2,061,511,561	46,595,895
Health insurance	144,193,816	13,067,691
Unemployment insurance	57,038,665	6,856,400
Other payables	49,729,586,244	12,983,702,285
- Interest of Vinacam Joint Stock Company ^[1]	7,328,455,998	7,328,455,998
- Interest of personal loans	-	36,300,000
- Payables to Military zone No. 05	122,000,000	122,000,000
- Donation funds	504,505,885	562,645,885
- Labour Union, Communist membership fee	33,696,729	33,775,629
- Allowances payable to employees	609,650,304	425,944,693
- Dividends payable to Owners	32,431,094,000	64,170,000
- Advances payable to employees	1,374,147,358	604,936,978
- Labor protection payables	156,774,450	165,200,775
- Insurance compensation	-	827,955,470
- Mr. Nguyen Quoc Trieu	5,825,000,000	1,530,000,000
- Others	1,344,261,520	1,282,316,857
	54,991,758,175	16,146,193,785
b) Long- term		
Long-term deposits, collateral received	4,037,424,339	555,526,534
	4,037,424,339	555,526,534

[1] This is the interest payable on loan of Vina G7 Joint Stock Company from Vinacam JSC till the end of January 2016 and interest shall not be calculated after this date. During the period, Vina G7 Joint Stock Company has paid all principal amount of VND 9.5 billion (See Note 21). Vina G7 Joint Stock Company will continue to work with Vinacam JSC on plan to repay this interest in the future.

22. BORROWINGS AND FINANCE LEASE LIABILITIES

	01/01/2018		During the period		30/06/2018	
	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	945,262,034,752	945,262,034,752	1,337,515,950,233	1,312,441,382,998	970,336,601,987	970,336,601,987
Current portion of long-term debts and borrowings	30,710,400,000	30,710,400,000	3,422,350,000	16,653,200,000	17,479,550,000	17,479,550,000
	<u>975,972,434,752</u>	<u>975,972,434,752</u>	<u>1,340,938,300,233</u>	<u>1,329,094,582,998</u>	<u>987,816,151,987</u>	<u>987,816,151,987</u>
b) Long-term borrowings						
Long-term borrowings	132,916,956,023	132,916,956,023	2,975,000,000	37,344,098,463	98,547,857,560	98,547,857,560
	<u>132,916,956,023</u>	<u>132,916,956,023</u>	<u>2,975,000,000</u>	<u>37,344,098,463</u>	<u>98,547,857,560</u>	<u>98,547,857,560</u>
Amount due for settlement within 12 months	(30,710,400,000)	(30,710,400,000)	(3,422,350,000)	(16,653,200,000)	(17,479,550,000)	(17,479,550,000)
Amount due for settlement after 12 months:	<u>102,206,556,023</u>	<u>102,206,556,023</u>			<u>81,068,307,560</u>	<u>81,068,307,560</u>

Detailed information on short-term borrowings

Detailed information on short-term borrowings from banks and other credit institutions is as follows:

	Currency	Interest rate/ year	Loan guarantee	30/06/2018		'01/01/2018	
				Original currency	VND	Original currency	VND
Short-term loans							
- Joint Stock Commercial Bank for Investment and Development of Vietnam - Phu Tai Branch	VND	Floating rate	[*]Collateral asset		970,336,601,987		945,262,034,752
- Joint Stock Commercial Bank for Investment and Development of Vietnam - Phu Tai Branch	USD	Floating rate	[*]Collateral asset	3,093,150.82	247,997,905,900	5,723,557.03	190,578,214,193
- Joint Stock Commercial Bank for Foreign Trade of Vietnam - Quy Nhon Branch	VND	Floating rate	[*]Collateral asset		71,127,003,106		130,125,069,077
- Joint Stock Commercial Bank for Foreign Trade of Vietnam - Quy Nhon Branch	USD	Floating rate	[*]Collateral asset	216,400,142,467	216,400,142,467	1,393,027.04	183,852,160,919
- Military Commercial Joint Stock Bank - Binh Dinh Branch	VND	Floating rate	[*]Collateral asset		1,556,512.81		31,670,469,754
- Military Commercial Joint Stock Bank - Binh Dinh Branch	USD	Floating rate	[*]Collateral asset	1,556,512.81	35,784,229,502	1,393,027.04	31,670,469,754
- Joint Stock Commercial Bank for Foreign Trade of Vietnam - Binh Dinh Branch	VND	Floating rate	[*]Collateral asset		-		118,228,346,227
- Joint Stock Commercial Bank for Foreign Trade of Vietnam - Binh Dinh Branch	USD	Floating rate	[*]Collateral asset	3,461,809.46	79,618,155,771	1,765,032.85	40,207,448,323
- Joint Stock Commercial Bank for Industry and Trade of Vietnam - Phu Tai Industrial Zone	VND	Floating rate	[*]Collateral asset		24,600,000,000		19,840,000,000
- Ho Chi Minh City Development Joint Stock Commercial Bank - Binh Dinh Branch	USD	Floating rate	[*]Collateral asset	960,793.18	22,088,635,208	1,783,629.86	40,550,824,867
- Viet Nam Technological and Commercial Joint Stock Company- Quy Nhon Branch	VND	Floating rate	[*]Collateral asset		24,984,381,249		4,361,960,000
- Viet Nam Technological and Commercial Joint Stock Company- Quy Nhon Branch	USD	Floating rate	[*]Collateral asset	2,625,749.17	60,379,102,164	1,149,234.17	26,133,585,026
- Viet Nam Technological and Commercial Joint Stock Company- Quy Nhon Branch	VND	Floating rate	[*]Collateral asset		-		11,536,684,236
- Viet Nam Technological and Commercial Joint Stock Company- Quy Nhon Branch	USD	Floating rate	[*]Collateral asset		-	1,754,977.00	39,934,501,635
- Joint Stock Commercial Bank for Foreign Trade of Vietnam - Phu Yen Branch	VND	Floating rate	[*]Collateral asset		14,999,322,115		9,996,700,607
- Viet Nam Prosperity Joint Stock Commercial Bank - Ho Chi Minh Branch	VND	Floating rate	[*]Collateral asset		80,000,000,000		-

	Currency	Interest rate/ year	Loan guarantee	30/06/2018		01/01/2018	
				Original currency	VND	Original currency	VND
- The Viet Nam Bank for Agriculture Rural Development - Tam Phuoc Dong Nai Branch	VND	Floating rate	[*]Collateral asset		-		5,426,571,505
- The Viet Nam Bank for Agriculture Rural Development - Tam Phuoc Dong Nai Branch	USD	Floating rate	[*]Collateral asset	2,568,592.98	59,026,266,680	2,161,080.77	49,140,815,629
- Military Commercial Joint Stock Bank - Binh Dinh Branch	USD	Floating rate	[*]Collateral asset	1,117,835.00	25,704,615,825	1,214,359.00	27,638,810,840
- The Viet Nam Bank for Agriculture Rural Development - No. 9 Branch	VND	Floating rate	[*]Collateral asset		-		4,382,579,914
- Short-term Personal loans	VND	Specified in each loan agreement	Unsecured loan		7,626,842,000		11,657,292,000
Current portion of Long-term liabilities and borrowings					17,479,550,000		30,710,400,000
- Joint Stock Commercial Bank for Investment and Development of Vietnam - Phu Tai Branch	VND	Floating rate	[*]Collateral asset		-		8,796,000,000
- Joint Stock Commercial Bank for Foreign Trade of Vietnam - Quy Nhon Branch	VND	Floating rate	[*]Collateral asset		14,700,000,000		19,200,000,000
- Joint Stock Commercial Bank for Industry and Trade of Vietnam - Phu Yen Branch	VND	Floating rate	[*]Collateral asset		2,779,550,000		2,714,400,000
					<u>987,816,151,987</u>		<u>975,972,434,752</u>

Detailed information on long-term borrowings

Terms and conditions of long-term borrowings are as follows:

	<u>Currency</u>	<u>Interest rate/ year</u>	<u>Year of maturity</u>	<u>Loan guarantee</u>	<u>30/06/2018 VND</u>	<u>01/01/2018 VND</u>
Long-term borrowings						
- Joint Stock Commercial Bank for Investment and Development of Vietnam - Phu Tai Branch	VND	Floating rate	2020	⁽¹⁾ Collateral asset	-	19,800,960,963
- Joint Stock Commercial Bank for Foreign Trade of Vietnam - Quy Nhon Branch	VND	Floating rate	2023	⁽¹⁾ Collateral asset	93,490,395,060	99,990,395,060
- Joint Stock Commercial Bank for Industry and Trade of Vietnam - Phu Yen Branch	VND	Floating rate	2019	⁽¹⁾ Collateral asset	4,824,862,500	3,393,000,000
- Vinacam Joint Stock Company	VND		2018	⁽¹⁾ Collateral asset	-	9,500,000,000
- Joint Stock Commercial Bank for Investment and Development of Vietnam - Phu Yen Branch	VND	Floating rate			232,600,000	232,600,000
					98,547,857,560	132,916,956,023
Amount due for settlement within 12 months					(17,479,550,000)	(30,710,400,000)
Amount due for settlement after 12 months					81,068,307,560	102,206,556,023

⁽¹⁾Collateral asset: The loans are secured by assets under mortgage contracts which were fully registered as secured transactions.

23. PROVISIONS FOR PAYABLES

	<u>30/06/2018</u>	<u>01/01/2018</u>
	VND	VND
a) Short-term		
- Cost of mineral mining right ^[1]	13,098,290,185	11,352,515,543
	<u>13,098,290,185</u>	<u>11,352,515,543</u>
b) Long-term		
- Cost of environmental restoration ^[2]	3,543,228,983	2,325,863,542
	<u>3,543,228,983</u>	<u>2,325,863,542</u>

^[1] Regarding the cost of Mineral mining rights of stone mines in Binh Dinh, there is no notification from Binh Dinh Department of Tax so the Company has temporarily recognized it as accrued expenses in accordance with the regulations of the Decree No. 203/2013/ND-CP dated 28 November 2013 of the Government and the document No. 1014/DCKS - KTDCKS dated 09 July 2014 of the General Department of Geology and Minerals of Vietnam.

^[2] The cost of environmental restoration is recorded annually and determined by dividing the total estimated costs of environmental restoration under the mining permit by the exploitation duration under the permit.

24. OWNERS' EQUITY

a) Changes in owners' equity

	Contributed capital	Share premium	Other capital	Development and investment funds	Retained earnings	Non – Controlling Interest	Total
	VND	VND	VND	VND	VND	VND	VND
Beginning balance of previous period	216,005,310,000	309,636,832	285,066,457,930	2,717,251,970	260,526,941,961	31,636,238,901	796,261,837,594
Increase in contributed capital in previous period	-	-	-	-	142,661,784,618	6,587,556,819	149,249,341,437
Dividends distributed in form of cash	-	-	-	-	(21,600,531,000)	(2,529,308,408)	(24,129,839,408)
Dividends distributed in form of share	43,196,630,000	-	4,432,000	-	(43,201,062,000)	-	-
Transfer to other capital	-	-	159,471,763,709	1,455,496,473	(160,927,260,182)	-	-
Bonus and welfare fund	-	-	-	-	(39,997,002,693)	(1,363,078,487)	(41,360,081,180)
Other increase	-	-	-	-	230,906	-	230,906
Ending balance of previous period	259,201,940,000	309,636,832	444,542,653,639	4,172,748,443	137,463,101,610	34,331,408,825	880,021,489,349
Beginning balance of this year	259,201,940,000	309,636,832	446,041,089,732	4,172,748,443	337,738,624,660	49,020,402,797	1,096,484,442,464
Issuance of shares to shareholder ^[1]	51,835,540,000	129,588,850,000	-	-	-	-	181,424,390,000
Issuance of shares under the option program for employees ^[1]	12,960,000,000	32,400,000,000	-	-	-	-	45,360,000,000
Profit of this period	-	-	-	-	165,602,862,325	5,558,264,477	171,161,126,802
Dividends distributed in form of cash ^[2]	-	-	-	-	(32,399,748,000)	(4,552,755,133)	(36,952,503,133)
Dividends distributed in form of share ^[2]	161,996,930,000	-	1,810,000	-	(161,998,740,000)	-	-
Transfer to other capital	-	-	120,640,550,540	1,093,515,450	(121,734,065,990)	-	-
Bonus and welfare fund	-	-	-	-	(18,580,714,005)	(727,306,759)	(19,308,020,764)
Consulting cost of share issuance	-	(169,500,000)	-	-	-	-	(169,500,000)
Other decrease	-	-	-	-	(246,542,165)	-	(246,542,165)
Ending balance of this period	485,994,410,000	162,128,986,832	566,683,450,272	5,266,263,893	168,381,676,825	49,298,605,382	1,437,753,393,204

^[1] During the period, under the Resolution No. 35/NQ-DHDCD dated 19 March 2017 of the Annual General Meeting of Shareholders in 2017 and the Resolution No. 126/NQ-DHDCD dated 11 August 2017 of the Extraordinary General Meeting in 2017, the Company has completed the two issuance of shares to increase the charter capital as follows:

- Offering 5, 183,554 shares to shareholders at the price of VND 35,000/ share.
- Issuance of shares under the selected program to employees with total number of 1,296,000 shares at the price of 35,000 VND/ share.

^[2] During the period, the Company has completed the dividend payment in the form of cash in accordance with the Resolution No. 02/NQ-DHDCD dated 21 April 2018 of the Annual General Meeting of Shareholders in 2018 with pay-out ratio of 10%. Concurrently, the Company has completed the dividend payment in the form of share in accordance with the above Resolution with 16,199,693 shares distributed, total value of VND 161,996,930,000.

The company's profit distribution is as follows:

	At the parent Company ^[1]	At the Subsidiaries ^[2]	Total
	VND	VND	VND
Appropriation to Bonus and welfare fund	16,163,364,770	2,417,349,235	18,580,714,005
Transfer to the other capital	112,705,446,596	7,935,103,944	120,640,550,540
Appropriation to Development and Investment fund	-	1,093,515,450	1,093,515,450
Dividends distributed in form of cash	32,399,748,000	-	32,399,748,000
Dividends distributed in form of shares	161,998,740,000	-	161,998,740,000

^[1] At the Parent Company: Under the Resolution No. 02/NQQ/DHDCD dated 21 April 2018 of the General Meeting of Shareholder, the Company announced the distribution of profit for 2017.

^[2] At the Subsidiaries: it is corresponding to the Parent Company's interest in subsidiaries.

b) Details of contributed capital

	30/06/2018	Rate	01/01/2018	Rate
	VND	%	VND	%
Mr. Le Vy	56,124,580,000	11.55%	29,023,670,000	11.20%
Mr. Le Van Thao	35,063,330,000	7.21%	19,292,148,000	7.44%
Mr. Nguyen Sy Hoe	24,996,980,000	5.14%	13,735,572,000	5.30%
Mr. Le Van Loc	27,986,020,000	5.76%	14,195,304,000	5.48%
Others	341,823,500,000	70.34%	182,955,246,000	70.58%
Total	485,994,410,000	100%	259,201,940,000	100%

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

	First 6 months of 2018	First 6 months of 2017
	VND	VND
Owners' contributed capital		
- At the beginning of the year	259,201,940,000	216,005,310,000
- Increase in the period	226,792,470,000	43,196,630,000
- At the end of the period	<u>485,994,410,000</u>	<u>259,201,940,000</u>
Distributed dividends and profits		
- Dividends, profit payable at the beginning of the year	64,170,000	17,918,000
- Dividends, profit payable in the period	194,398,488,000	64,801,593,000
+ Dividends, profits distributed from the previous year profit	194,398,488,000	64,801,593,000
- Dividends, profits paid in money	32,824,000	21,496,207,500
+ Dividends, profits distributed from the previous year profit	32,824,000	21,496,207,500
- Dividends, profits paid in stock	161,998,740,000	43,201,062,000
+ Dividends, profits distributed from the previous year profit	161,998,740,000	43,201,062,000
- Ending balance	<u>32,431,094,000</u>	<u>122,241,500</u>

d) Shares

	30/06/2018	01/01/2018
Quantity of Authorized issuing shares	48,599,441	25,920,194
Quantity of issued shares and fully contributed	48,599,441	25,920,194
- <i>Common shares</i>	48,599,441	25,920,194
Quantity of outstanding shares in circulation	48,599,441	25,920,194
- <i>Common shares</i>	48,599,441	25,920,194
Par value per share: VND 10,000		

25. OFF STATEMENT OF FINANCIAL POSITION ITEMS

a) Assets held under trust

The Company and its subsidiaries have entered into land lease agreements with the State for the purpose of serving the production and business activities in the localities where the Company and its subsidiaries have production and business establishments. Under these contracts, the Company and its subsidiaries must pay annual land rental until maturity date in accordance with the current regulations of the State.

b) Foreign currencies

	30/06/2018	01/01/2018
USD	401,733.21	286,988.27
EUR	45,498.68	165.13

c) Doubtful debts written-off

	30/06/2018	01/01/2018
	VND	VND
	2,387,287,401	2,387,287,401

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

	First 6 months of 2018	First 6 months of 2017
	VND	VND
Revenue from sale of goods	1,877,138,091,572	1,886,265,191,454
- <i>Stone products</i>	619,013,369,782	534,117,121,147
- <i>Wood products</i>	762,984,271,091	638,715,708,214
- <i>Toyota Car</i>	481,887,351,934	706,819,327,796
- <i>Others</i>	13,253,098,765	6,613,034,297
Revenue from rendering of services	64,647,160,715	56,089,778,146
- <i>Car repair service</i>	63,832,316,026	55,469,128,931
- <i>Office for lease service</i>	547,068,163	333,342,865
- <i>Others</i>	267,776,526	287,306,350
	<u>1,941,785,252,287</u>	<u>1,942,354,969,600</u>

27. COST OF GOODS SOLD

	First 6 months of 2018	First 6 months of 2017
	VND	VND
Cost of goods sold	1,510,491,116,336	1,593,613,016,383
- <i>Stone products</i>	398,991,607,646	366,648,720,571
- <i>Wood products</i>	637,192,466,250	534,042,514,647
- <i>Toyota Car</i>	466,305,519,195	687,275,332,935
- <i>Others</i>	8,001,523,245	5,646,448,230
Cost of services rendered	50,303,309,386	43,605,787,534
- <i>Car repair service</i>	50,246,806,966	43,544,518,791
- <i>Others</i>	56,502,420	61,268,743
Provision for devaluation of inventories	(26,373,000)	-
	<u>1,560,768,052,722</u>	<u>1,637,218,803,917</u>

28. FINANCIAL INCOME

	First 6 months of 2018	First 6 months of 2017
	VND	VND
Interest income	2,790,016,347	1,837,906,730
Dividends or profits received	725,700,000	768,630,000
Realised exchange gain	913,646,880	2,275,135,498
Unrealised exchange gain	661,727,812	123,092,413
Interest from deferred payment sale or payment discounts	347,600,758	841,310,526
	<u>5,438,691,797</u>	<u>5,846,075,167</u>

29. FINANCIAL EXPENSES

	First 6 months of 2018	First 6 months of 2017
	VND	VND
Interest expenses	26,254,433,477	16,057,590,677
Realised exchange losses	2,503,237,584	2,506,453,352
Unrealised exchange losses	314,640,753	38,100,359
	<u>29,072,311,814</u>	<u>18,602,144,388</u>

30. SELLING EXPENSES

	First 6 months of 2018	First 6 months of 2017
	VND	VND
Raw materials	21,296,974,917	36,288,840,705
Labour expenses	5,869,270,370	2,756,191,802
Tools and supplies	66,394,145	68,833,298
Depreciation expenses	1,031,839,596	1,004,407,230
Tax, Charge, Fee	9,288,737,221	6,059,692,724
Expenses of outsourcing services	40,998,945,270	33,906,013,518
Other expenses in cash	3,474,789,889	2,643,286,415
	82,026,951,408	82,727,265,692

31. GENERAL AND ADMINISTRATIVE EXPENSES

	First 6 months of 2018	First 6 months of 2017
	VND	VND
Raw materials	561,290,886	214,616,136
Labour expenses	39,589,949,326	13,623,609,053
Tools and supplies	2,088,875,320	1,731,447,501
Depreciation expenses	4,556,105,339	3,946,079,630
Tax, Charge, Fee	2,726,752,989	2,055,843,201
Provision expenses	(299,540,912)	(207,051,663)
Expenses of outsourcing services	12,478,980,192	8,584,854,190
Other expenses in cash	11,715,150,280	8,395,371,529
Goodwill	1,007,550,961	467,423,652
	74,425,114,381	38,812,193,229

32. OTHER INCOME

	First 6 months of 2018	First 6 months of 2017
	VND	VND
Gain from liquidating, disposing fixed assets	266,214,661	2,945,242,158
Gain from Toyota car sale promotion ⁽¹⁾	3,617,428,830	3,444,090,000
Gain from compensation	53,473,405	216,161,156
Gain from import duty refund	-	113,541,396
Gain from debt collection	155,789,808	43,867,511
Gain from customer supports	327,905,854	189,458,546
Others income	347,029,952	177,950,076
	4,767,842,510	7,130,310,843

⁽¹⁾ This is the allowance or bonus that Toyota Da Nang One-member Company Limited and Toyota Binh Dinh One-member Company Limited earned from sale and consumption promotion in each period of the Toyota Viet Nam.

33. OTHER EXPENSES

	First 6 months of 2018	First 6 months of 2017
	VND	VND
Fine for administrative violations, contract violations	2,567,701,657	2,224,591,478
Debt settlement	-	10,767
Other expenses	123,069,235	90,363,248
	2,690,770,892	2,314,965,493

34. CURRENT CORPORATE INCOME TAX EXPENSES

	First 6 months of 2018	First 6 months of 2017
	VND	VND
Phu Tai Joint Stock Company (Parent Company)	25,170,763,685	20,984,363,028
Phu Yen Construction materials Joint Stock Company (Subsidiaries)	2,428,729,100	2,635,244,714
Tuan Dat Minerals Company Limited (Subsidiaries)	524,209,990	114,737,921
Universal Stone Joint Stock Company (Subsidiaries)	6,704,100	-
Toyota Binh Dinh One- member Company Limited (Subsidiaries)	676,377,191	726,946,165
Toyota Da Nang One- member Company Limited (Subsidiaries)	3,000,586,645	2,639,800,049
Phu Tai Dong Nai One- member Company Limited (Subsidiaries)	140,674,382	68,416,695
Phu Tai Real Estate Co., Ltd (Subsidiaries)	980,800	-
	31,949,025,893	27,169,508,572

35. DEFERRED INCOME TAX

a) Deferred income tax assets

	30/06/2018	01/01/2018
	VND	VND
Deferred income tax assets related to deductible temporary differences	853,891,280	676,485,942
Deferred income tax assets	853,891,280	676,485,942

b) Deferred income tax liabilities

	30/06/2018	01/01/2018
	VND	VND
Deferred income tax liabilities arising from taxable temporary difference	75,838,020	-
Deferred income tax assets	75,838,020	-

c) Deferred corporate income tax expense

	First 6 months of 2018	First 6 months of 2017
	VND	VND
Deferred income tax liabilities related to taxable temporary differences	75,838,020	85,965,377
Offsetting against deferred income tax liabilities	-	(767,999,734)
Deferred income tax liabilities related to deductible temporary differences	(853,891,280)	(523,023,512)
Offsetting against deferred income tax assets	676,485,942	442,190,751
	<u>(101,567,318)</u>	<u>(762,867,118)</u>

36. BASIC EARNINGS PER SHARE

Basic earnings per share distributed to common shareholders of the company is calculated as follows:

	First 6 months of 2018	First 6 months of 2017 (Adjusted)
	VND	VND
Net profit after tax	165,602,862,325	142,661,784,618
Profit distributed for common shares	165,602,862,325	142,661,784,618
Average number of outstanding common shares in circulation in the period	43,057,829	42,119,887
Basic earnings per share	<u><u>3,846</u></u>	<u><u>3,387</u></u>

The Company has not planned to appropriate the net profit after tax of parent company and subsidiaries to the bonus and welfare funds at the reporting date.

Basic earnings per share have been adjusted retrospectively in accordance with Vietnamese Accounting Standard No. 30 - Basic Earnings per share.

37. DILUTED EARNINGS PER SHARE

Diluted earnings per share distributed to common shareholders of the Company are:

	First 6 months of 2018	First 6 months of 2017 (Adjusted)
	VND	VND
Net profit after tax	165,602,862,325	142,661,784,618
Profit distributed for common shares	165,602,862,325	142,661,784,618
Average number of outstanding common shares in circulation in the period	43,057,829	42,119,887
The number of common shares expected to be additionally issued	-	6,479,554
Diluted earnings per share	<u><u>3,846</u></u>	<u><u>2,935</u></u>

38. BUSINESS AND PRODUCTIONS COST BY ITEMS

	First 6 months of 2018	First 6 months of 2017
	VND	VND
Raw materials	418,245,899,019	385,212,103,009
Labour expenses	154,850,287,744	116,507,594,514
Tools and supplies	15,508,959,411	10,944,660,071
Depreciation expenses	81,587,051,368	71,908,154,355
Tax, Charge, Fee	25,246,031,345	16,794,159,645
Provision expenses/ Reversal of provision expenses	(299,540,912)	(207,051,663)
Expenses from outsourcing services	103,911,330,951	84,123,022,140
Other expenses in cash	29,070,653,368	14,113,458,018
	828,120,672,294	699,396,100,089

39. FINANCIAL INSTRUMENTS

The types of financial instruments of the Company:

	Carrying amount			
	30/06/2018		01/01/2018	
	Original Cost VND	Provision VND	Original Cost VND	Provision VND
Financial Assets				
Cash and cash equivalents	138,297,212,295	-	55,423,331,747	-
Trade and other receivables	476,255,242,746	(12,249,237,976)	470,385,253,180	(12,548,778,888)
Loans	175,532,681,287	-	37,237,238,162	-
Short-term financial investments	11,611,200,000	-	11,611,200,000	-
	801,696,336,328	(12,249,237,976)	574,657,023,089	(12,548,778,888)

	Carrying amount	
	30/06/2018 VND	01/01/2018 VND
Financial Liabilities		
Borrowings and debts	1,068,884,459,547	1,078,178,990,775
Trade and other payables	287,745,365,496	251,300,870,275
Accrued expenses	18,026,978,872	17,946,389,460
	1,374,656,803,915	1,347,426,250,510

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 for 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 General 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.

Price Risk

The Company bears price risk of equity instruments from short-term investments in securities due to the uncertainty of future prices of the securities.

	Under 1 year	From 1 to 5 years	From more than 5 years	Total
	VND	VND	VND	VND
As at 30/06/2018				
Short-term investments	11,611,200,000	-	-	11,611,200,000
Total	11,611,200,000	-	-	11,611,200,000
	Từ 1 năm trở xuống	Trên 1 năm đến 5 năm	Trên 5 năm	Cộng
	VND	VND	VND	VND
As at 01/01/2018				
Short term investments	11,611,200,000	-	-	11,611,200,000
Total	11,611,200,000	-	-	11,611,200,000

Exchange rates risk

The Company bears the risk of exchange rate due to 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 rates risk

The Company bears the risk of interest rates due to 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 any interest beneficial for its operation purpose.

Credit Risk

Credit risk is the risk of financial loss to the Company if a counterpart 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:

	Under 1 year	From 1 to 5 years	From more than 5 years	Total
	VND	VND	VND	VND
As at 30/06/2018				
Cash and cash	138,297,212,295	-	-	138,297,212,295
Trade and other	453,545,728,775	10,460,275,995	-	464,006,004,770
Loans	175,532,681,287	-	-	175,532,681,287
	767,375,622,357	10,460,275,995	-	777,835,898,352
As at 01/01/2018				
Cash and cash	55,423,331,747	-	-	55,423,331,747
Trade and other	448,562,843,944	9,273,630,348	-	457,836,474,292
Loans	37,237,238,162	-	-	37,237,238,162
	541,223,413,853	9,273,630,348	-	550,497,044,201

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) as follows:

	Under 1 year	From 1 to 5 years	From more than 5 years	Total
	VND	VND	VND	VND
As at 30/06/2018				
Borrowings and debts	987,816,151,987	81,068,307,560	-	1,068,884,459,547
Trade and other	283,707,941,157	4,037,424,339	-	287,745,365,496
Accrued expenses	18,026,978,872	-	-	18,026,978,872
	1,289,551,072,016	85,105,731,899	-	1,374,656,803,915
As at 01/01/2018				
Borrowings and debts	975,972,434,752	102,206,556,023	-	1,078,178,990,775
Trade and other	250,745,343,741	555,526,534	-	251,300,870,275
Accrued expenses	17,946,389,460	-	-	17,946,389,460
	1,244,664,167,953	102,762,082,557	-	1,347,426,250,510

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.

40. ADDITIONAL INFORMATION FOR THE ITEMS OF THE CONSOLIDATED STATEMENT OF CAS

a) Proceeds from borrowings during the period

	First 6 months of 2018	First 6 months of 2017
	VND	VND
Proceeds from ordinary contracts	1,339,803,615,213	1,171,334,564,056
Unrealised Exchange gain difference	687,335,020	-

b) Actual repayment on principal during the period

	First 6 months of 2018	First 6 months of 2017
	VND	VND
Repayment on principal from ordinary contracts	1,349,785,481,461	1,050,171,693,486

41. SUBSEQUENT EVENTS AFTER THE REPORTING PERIOD

On 02 July 2018, the Board of Management issued the Decision 111/QD-HDQT on receiving transfer of 100% of contributed capital equivalent to VND 10,000,000,000 at Thanh Chau Phu Yen Granite Company Limited with the transfer value of VND 10,000,000,000. Thanh Chau Phu Yen Granite Company Limited with headquarter located in Xuan Lanh Commune, Dong Xuan District, Phu Yen Province is operating in the field of producing and trading stone products. At present, the Company has completed the transfer of this capital contribution.

On 16 July 2018, Phu Tai Real Estate One-Member Limited Company signed a contract with Branch of Hoang Anh Gia Lai Joint Stock Company - Hoang Anh Quy Nhon Wood Processing to receive the transfer of part of the Dong Da Apartment Building ecological lake project, specifically:

- The area of construction land transferred is related to the part of the transfer project: 2,332 m². The project is located in the planning area of 10,800 m², in zone D of the residential lagoon of Dong Da ecological lake, Quy Nhon city;
- Location of project: Hai Cang ward, Quy Nhon city, Binh Dinh province;
- The transfer project includes three blocks of the same apartment, total floor area of 42,867 m², each block includes
 - + Construction area: 924 m², floor area: 14,289 m²;
 - + Number of floors: 16 floors, construction height: 55,2 m;
- The total value of the transferred project is VND 30,000,000,000, in which:
 - + Land value : VND 10,700,000,000 ;
 - + Investment on land: VND 19,300,000,000.

The Company has advanced to Hoang Anh Quy Nhon Wood Processing – branch of Hoang Anh Gia Lai Joint Stock Company with the amount of VND 30,000,000,000 in order to prepare for this assignment. (See Note 06).

In addition, there have been no significant events occurring after the reporting period, which would require adjustments or disclosures to be made in the consolidated interim financial statements.

42. SEGMENT REPORTING

Under business fields

	Stone business	Wood business	Real estate	Trading and Other Services	Total from all segments	Elimination	Grand Total
	VND	VND	VND	VND	VND	VND	VND
Net revenue from sales to external customers	619,013,369,782	762,984,271,091	-	559,787,611,414	1,941,785,252,287	-	1,941,785,252,287
- Domestic	468,507,625,022	207,380,265,629	-	559,787,611,414	1,235,675,502,065	-	1,235,675,502,065
- Export	150,505,744,760	555,604,005,462	-	-	706,109,750,222	-	706,109,750,222
Cost of goods sold	398,991,607,646	637,192,466,250	-	524,583,978,826	1,560,768,052,722	-	1,560,768,052,722
Net profit from business activities	220,021,762,136	125,791,804,841	-	35,203,632,588	381,017,199,565	-	381,017,199,565
Total cost of acquisition of fixed assets	103,024,985,411	36,329,868,106	-	2,231,030,000	141,585,883,517	-	141,585,883,517
Segment assets	1,442,653,399,204	2,808,482,799,083	90,019,804,001	140,425,598,901	4,481,581,601,189	(1,526,855,622,443)	2,954,725,978,746
Total assets	1,442,653,399,204	2,808,482,799,083	90,019,804,001	140,425,598,901	4,481,581,601,189	(1,526,855,622,443)	2,954,725,978,746
Segment liabilities	919,808,414,788	1,783,951,738,687	30,015,880,800	23,998,204,611	2,757,774,238,886	(1,240,023,600,084)	1,517,750,638,802
Total liabilities	919,808,414,788	1,783,951,738,687	30,015,880,800	23,998,204,611	2,757,774,238,886	(1,240,023,600,084)	1,517,750,638,802

Under geographical areas

	Phu Yen	Binh Dinh	Dong Nai	Ho Chi Minh City	Da Nang	Exclusion	Grand Total
	VND	VND	VND	VND	VND	VND	VND
Net revenue from sales to external customers	46,432,089,133	1,174,757,283,956	181,150,518,272	107,399,320,477	432,046,040,449	-	1,941,785,252,287
- Domestic	46,432,089,133	633,120,776,072	16,677,275,934	107,399,320,477	432,046,040,449	-	1,235,675,502,065
- Export	-	541,636,507,884	164,473,242,338	-	-	-	706,109,750,222
Total cost of acquisition of fixed assets	11,274,720,329	113,176,776,963	11,509,551,695	3,944,084,530	1,680,750,000		141,585,883,517
Segment assets	72,198,515,794	3,724,300,570,860	303,454,131,515	274,793,329,279	106,835,053,741	(1,526,855,622,443)	2,954,725,978,746
Total assets	72,198,515,794	3,724,300,570,860	303,454,131,515	274,793,329,279	106,835,053,741	(1,526,855,622,443)	2,954,725,978,746
Segment liabilities	31,737,029,143	2,281,662,358,602	199,905,065,653	224,520,266,475	19,949,519,013	(1,240,023,600,084)	1,517,750,638,802
Total liabilities	31,737,029,143	2,281,662,358,602	199,905,065,653	224,520,266,475	19,949,519,013	(1,240,023,600,084)	1,517,750,638,802

The above geographical areas are determined based on the decentralization of management of enterprises and branches (dependent accounting units) of the Company.



43. TRANSACTION AND BALANCES WITH RELATED PARTIES

During the period, the Company has the transactions and balances with related parties as follows:

Transactions with other related parties:

Relation	First 6 months of 2018 VND	First 6 months of 2017 VND
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Loans

Nguyen Thi Kiem Oanh	Stakeholders	9,782,085,000	-
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The balance in the end of this period

Relation	30/06/2018 VND	01/01/2018 VND
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Short-term loans collection

Nguyen Thi Kiem Oanh	Stakeholders	9,782,085,000	-
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Transactions with other related parties:

	First 6 months of 2018 VND	First 6 months of 2017 VND
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Income of the General Director	404,514,630	519,705,361
Remuneration to members of Board of Management and Board of General Directors	2,117,810,481	1,738,035,000

44. COMPARATIVE FIGURES

The comparative figures on the Consolidated Interim Statement of Financial Position and corresponding notes are figures of Consolidated Financial Statements for the fiscal year ended 31 December 2017, which was audited by AASC Auditing Firm. The comparative figures in the Consolidated Interim Statements of Comprehensive Income, Consolidated Interim Cash Flows and corresponding notes are figures of Consolidated Interim Financial Statements for the period from 01 January 2017 to 30 June 2017 was reviewed.

Those figures were reclassified in order to compare with figures of this period:

	Code	Reclassified VND	Presented in the financial statements of previous period VND
Consolidated statement of income			
- Basic earnings per share	36	3,387	5,504
- Diluted earnings per share	37	2,935	4,403

Preparer



Vo Phuong Thao

Chief Accountant



Nguyen Thi My Loan

Binh Dinh, 28 August 2018

General Director



LE VAN THAO