

SEPARATE FINANCIAL STATEMENTS

PHU TAI JOINT STOCK COMPANY

For the fiscal year ended as at 31 December 2018

(Audited)

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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 Separate Financial Statements for the fiscal year ended as at 31 December 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 operates under the Business Registration Certificate and Tax Registration Certificate No. 4100259236, firstly issued on 30 December 2004 and amended for the 25th time on 25 July 2018.

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

BOARD OF MANAGEMENT, BOARD OF GENERAL DIRECTORS AND BOARD OF SUPERVISION

The members of the Board of Management during the fiscal year 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 21/04/2018)
Mr. Tran Huu Duc	Member	(Appointed on 21/04/2018)
Mr. Nguyen Duc Thang	Member	(Resigned on 21/04/2018)

The members of the Board of General Directors during the fiscal year 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 Board of Supervision are:

Mr. Bui Thuc Hung	Head	(Resigned on 21/04/2018)
Mr. Truong Cong Hoang	Member	(Resigned on 21/04/2018)
Mr. Nguyen Duc Hanh	Member	(Resigned on 21/04/2018)

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 the Board of Supervision, 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 26/06/2018)
Mr. Truong Cong Hoang	Member	(Appointed on 26/06/2018)
Mrs. Dang Thi Tu Oanh	Member	(Appointed on 26/06/2018)

AUDITORS

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

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

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

- Establish and maintain an internal control system which is determined necessary by the Board of General Directors and Board of Management to ensure the preparation and presentation of Separate Financial Statements do not contain any material misstatement caused by errors or frauds;
- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the Separate Financial Statements;
- Prepare the Separate Financial Statements on the basis of compliance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to preparation and presentation of Financial Statements;
- Prepare the Separate Financial Statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

We, The Board of General Directors, confirm that the Separate Financial Statements give a true and fair view of the financial position at 31 December 2018, its operation results and cash flows in the year 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 Financial Statements.

Other commitments

The Board of Directors pledges that the company complies with Decree No. 71/2017/ND-CP dated 06 June 2017 guiding on corporate governance of public companies and the company does not violate the obligations of information disclosure in accordance with the regulations 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, 01 March 2019

On behalf of the Board of General Directors
General Director



LE VAN THAO

No.: 010319.009/BCTC.KT5

INDEPENDENT AUDITORS' REPORT

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

We have audited the accompanying Separate Financial Statements of Phu Tai Joint Stock Company prepared on 01 March 2019, as set out on pages 06 to 53, including: Separate Statement of Financial position as at 31 December 2018, Separate Statement of Income, Separate Statement of Cash flows and Notes to Separate Financial Statements for the fiscal year ended as at 31 December 2018.

Board of General Directors' Responsibility

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Separate Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Separate Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and presentation of Separate Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Board of General Directors, as well as evaluating the overall presentation of the Separate Financial Statements.

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

Auditor's Opinion

In our opinion, the Separate Financial Statements give a true and fair view, in all material respects, of the financial position of Phu Tai Joint Stock Company as at 31 December 2018, its operating results and its cash flows for the year then ended in accordance with the Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to the preparation and presentation of Financial Statements.

AASC Auditing Firm Company Limited



Đỗ Thị Ngọc Dung

Deputy General Director

Registered Auditor No.: 0659-2018-002-1

Ha Noi, 01 March 2019

Hoang Thuy Nga

Auditor

Registered Auditor No.: 0762-2018-002-1

SEPARATE STATEMENT OF FINANCIAL POSITION

As at 31 December 2018

Code	ASSETS	Note	31/12/2018	01/01/2018
			VND	VND
100	A. CURRENT ASSETS		1,843,737,056,613	1,229,884,754,316
110	I. Cash and cash equivalents	3	38,190,697,548	34,310,836,719
111	1. Cash		38,190,697,548	34,310,836,719
120	II. Short-term investments	4	157,549,278,166	46,298,438,162
121	1. Trading securities		450,000,000	12,061,200,000
123	2. Held-to-maturity investments		157,099,278,166	34,237,238,162
130	III. Short-term receivables		887,149,866,598	609,946,145,429
131	1. Short-term trade receivables	5	501,719,662,595	349,863,901,134
132	2. Short-term prepayments to suppliers	6	44,713,406,776	59,537,658,777
135	3. Short-term loan receivable	7	330,028,225,166	198,845,868,907
136	4. Other short-term receivables	8	14,986,090,866	6,270,494,754
137	5. Provision for short-term doubtful debts		(4,297,518,805)	(5,060,898,022)
139	6. Shortage of assets awaiting resolution		-	489,119,879
140	IV. Inventories	10	671,394,938,859	497,495,640,613
141	1. Inventories		671,394,938,859	497,495,640,613
150	V. Other short-term assets		89,452,275,442	41,833,693,393
151	1. Short-term prepaid expenses	11	25,241,351,927	12,897,255,970
152	2. Deductible VAT		63,588,953,552	28,936,437,423
153	3. Taxes and other receivables from State budget	16	621,969,963	-

SEPARATE STATEMENT OF FINANCIAL POSITION

As at 31 December 2018
(Continued)

Code	ASSETS	Note	31/12/2018	01/01/2018
			VND	VND
200	B. NON-CURRENT ASSETS		1,259,053,183,515	1,051,519,407,427
210	I. Long-term receivables		5,092,785,203	4,847,597,803
216	1. Other long-term receivables	8	5,092,785,203	4,847,597,803
220	II. Fixed assets		731,930,391,686	685,781,965,666
221	1. Tangible fixed assets	12	716,618,793,655	670,973,135,465
222	- Historical cost		1,217,172,613,046	1,066,590,535,650
223	- Accumulated depreciation		(500,553,819,391)	(395,617,400,185)
227	2. Intangible fixed assets	13	15,311,598,031	14,808,830,201
228	- Historical cost		24,649,066,803	22,508,889,373
229	- Accumulated amortization		(9,337,468,772)	(7,700,059,172)
240	III. Long-term assets in progress		70,231,066,669	48,770,508,128
242	1. Construction in progress	14	70,231,066,669	48,770,508,128
250	IV. Long-term investments		367,257,309,766	243,157,475,243
251	1. Investments in subsidiaries		363,157,475,243	243,157,475,243
253	2. Equity investments in other entities		4,200,000,000	-
254	3. Provision for devaluation of long-term		(100,165,477)	-
260	V. Other long-term assets		84,541,630,191	68,961,860,587
261	1. Long-term prepaid expenses	11	83,869,237,187	68,468,381,850
262	2. Deferred income tax assets	33	672,393,004	493,478,737
270	TOTAL ASSETS		3,102,790,240,128	2,281,404,161,743

SEPARATE STATEMENT OF FINANCIAL POSITION

As at 31 December 2018
(Continued)

Code CAPITAL	Note	31/12/2018	01/01/2018
		VND	VND
300 C. LIABILITIES		1,535,279,129,068	1,261,513,963,443
310 I. Current liabilities		1,456,767,793,047	1,167,113,217,344
311 1. Short-term trade payables	15	259,993,880,985	181,138,149,473
312 2. Short-term prepayments from customers	18	9,125,523,509	10,119,413,321
313 3. Taxes and other payables to State budget	16	34,919,223,784	14,512,148,718
314 4. Payables to employees		32,323,702,841	20,182,744,541
315 5. Short-term accrued expenses	19	6,791,900,789	14,571,734,034
318 6. Short-term unearned revenue		-	2,025,000
319 7. Other short-term payables	20	7,036,771,068	4,400,908,553
320 8. Short-term borrowings and finance lease liabilities	17	1,068,378,216,727	869,045,714,257
321 9. Provisions for short-term payables	21	4,647,971,217	11,299,198,123
322 10. Bonus and welfare fund		33,550,602,127	41,841,181,324
330 II. Non-current liabilities		78,511,336,021	94,400,746,099
337 1. Other long-term payables	20	3,972,039,330	279,526,534
338 2. Long-term borrowings and finance lease liabilities	17	70,590,395,060	91,795,356,023
342 3. Provisions for long-term payables	21	3,948,901,631	2,325,863,542
400 D. EQUITY		1,567,511,111,060	1,019,890,198,300
410 I. Owner's equity	22	1,567,511,111,060	1,019,890,198,300
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		161,624,725,852	(194,624,148)
414 3. Other capital		550,322,839,480	437,615,583,082
421 4. Retained earnings		369,569,135,728	323,267,299,366
421b Retained earnings of the current year		369,569,135,728	323,267,299,366
440 TOTAL CAPITAL		3,102,790,240,128	2,281,404,161,743

Preparer



Vo Phuong Thao

Chief Accountant



Nguyen Thi My Loan



Binh Dinh, 01 March 2019
General Director

LE VAN THAO

SEPARATE STATEMENT OF INCOME

Year 2018

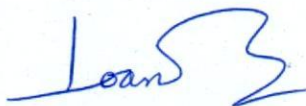
Code	ITEMS	Note	Year 2018	Year 2017
			VND	VND
01	1. Revenues from sales of goods and rendering of	24	2,609,065,473,834	2,051,676,414,121
10	2. Net revenues from sales of goods and		2,609,065,473,834	2,051,676,414,121
11	3. Cost of goods sold	25	2,015,982,465,212	1,526,108,392,101
20	4. Gross profit from sales of goods and rendering of services		593,083,008,622	525,568,022,020
21	5. Financial income	26	98,766,164,573	52,086,168,867
22	6. Financial expense	27	59,582,359,523	28,518,087,809
23	<i>In which : Interest expense</i>		52,209,496,249	29,482,019,585
25	7. Selling expense	28	109,346,321,087	128,233,783,384
26	8. General and administrative expense	29	96,938,379,169	48,767,441,729
30	9. Net profit from operating activities		425,982,113,416	372,134,877,965
31	10. Other income	30	3,344,349,269	4,283,406,990
32	11. Other expense	31	4,935,459,659	4,810,238,610
40	12. Other profit		(1,591,110,390)	(526,831,620)
50	13. Total net profit before tax		424,391,003,026	371,608,046,345
51	14. Current corporate income tax expense	32	55,000,781,565	48,436,761,711
52	15. Deferred corporate income tax expense	33	(178,914,267)	(96,014,732)
60	16. Profit after corporate income tax		<u>369,569,135,728</u>	<u>323,267,299,366</u>

Preparer



Vo Phuong Thao

Chief Accountant



Nguyen Thi My Loan



Binh Dinh, 01 March 2019
General Director

LE VAN THAO

SEPARATE STATEMENT OF CASH FLOWS

Year 2018
(Indirect method)

Code	ITEMS	Note	Year 2018	Year 2017
			VND	VND
I. CASH FLOWS FROM OPERATING ACTIVITIES				
01	1. Profit before tax		424,391,003,026	371,608,046,345
	2. Adjustment for:		78,660,529,662	75,919,406,474
02	- Depreciation of fixed assets and amortization		118,906,942,366	97,901,774,012
03	- Provisions		(5,691,402,557)	(1,883,086,936)
04	- Exchange gains / losses from retranslation of monetary items denominated in foreign currencies		(1,320,771,800)	12,216,032
05	- Gains / losses from investment		(85,443,734,596)	(49,593,516,219)
06	- Interest expense		52,209,496,249	29,482,019,585
08	3. Operating profit before changes in working capital		503,051,532,688	447,527,452,819
09	- Increase or decrease in receivables		(168,665,511,641)	(98,797,411,059)
10	- Increase or decrease in inventories		(173,899,298,246)	(140,944,904,458)
11	- Increase or decrease in payables (excluding interest payable, corporate income tax payable)		111,841,297,489	(2,034,099,062)
12	- Increase or decrease in prepaid expenses		(9,708,794,192)	(17,686,193,342)
13	- Increase or decrease in trading securities		11,611,200,000	388,800,000
14	- Interest paid		(52,123,432,343)	(29,978,957,317)
15	- Corporate income tax paid		(43,222,642,584)	(67,390,586,028)
16	- Other receipts from operating activities		-	104,656,724
17	- Other payments on operating activities		(24,453,944,165)	(24,091,157,629)
20	Net cash flow from operating activities		154,430,407,006	67,097,600,648
II. CASH FLOWS FROM INVESTING ACTIVITIES				
21	1. Purchase or construction of fixed assets and other long-term assets		(236,975,847,476)	(380,856,097,660)
22	2. Proceeds from disposals of fixed assets and other long-term assets		7,248,036,981	5,176,450,861
23	3. Loans and purchase of debt instruments from other entities		(1,391,051,341,799)	(1,055,994,117,104)
24	4. Collection of loans and resale of debt instrument of other entities		1,137,006,945,536	1,014,999,178,661
25	5. Equity investments in other entities		(124,200,000,000)	(38,861,169,352)
27	6. Interest and dividend received		85,067,052,074	43,541,653,030
30	Net cash flow from investing activities		(522,905,154,684)	(411,994,101,564)

SEPARATE STATEMENT OF CASH FLOWS

Year 2018
(Indirect method)
(Continued)

Code	ITEMS	Note	Year 2018	Year 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		2,900,513,348,682	2,550,774,910,347
34	3. Repayment of principal		(2,722,385,807,175)	(2,172,918,289,845)
36	4. Dividends or profits paid to owners		(32,387,823,000)	(21,554,279,000)
40	<i>Net cash flow from financing activities</i>		<i>372,354,608,507</i>	<i>356,302,341,502</i>
50	Net cash flows in the year		3,879,860,829	11,405,840,586
60	Cash and cash equivalents at the beginning of the year		34,310,836,719	22,908,328,513
61	Effect of exchange rate fluctuations		-	(3,332,380)
70	Cash and cash equivalents at the end of the year	3	<u>38,190,697,548</u>	<u>34,310,836,719</u>

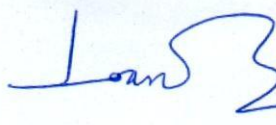
Binh Dinh, 01 March 2019

Preparer



Vo Phuong Thao

Chief Accountant



Nguyen Thi My Loan

General Director



LE VAN THAO

NOTES TO SEPARATE FINANCIAL STATEMENTS

Year 2018

1. GENERAL INFORMATION OF THE COMPANY

Form 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 operates under the Business Registration Certificate and Tax Registration Certificate No. 4100259236, firstly issued on 30 December 2004 and amended for the 25th time on 25 July 2018.

The Company's charter capital is VND 485,994,410,000 (In words: Four hundred eighty five billion, nine hundred ninety four million, four hundred ten thousand Vietnam dong), equivalent to 48,599,441 shares with the par value of VND 10,000.

Business field: Industrial manufacturing, trading and services.

Business activities

Main business activities of the Company include:

- 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.

Corporate structure

The Company's member entities are as follows:

<u>Name of member entities</u>	<u>Address</u>	<u>Main business activities</u>
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 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

<u>Name of member entities</u>	<u>Address</u>	<u>Main business activities</u>
Granite Processing Plant in Binh Dinh Province	Phu Cat District, Binh Dinh Province	Processing and trading stone
Phu Cat Wood Processing Plant	Phu Cat District, Binh Dinh Province	Processing and trading wood products
Granite Processing Factory in Dien Tan, Khanh Hoa Province ^[2]	Dien Tan District, Khanh Hoa Province	Exploiting and processing stone
Stone exploiting Enterprise in Khanh Hoa Province ^[3]	Dien Tan District, Khanh Hoa Province	Exploiting and processing stone
Stone exploiting Enterprise in Binh Dinh Province ^[3]	Phu Cat District, Binh Dinh Province	Exploiting and processing stone

In which:

^[1] The Branch in Gia Lai Province has completed procedures for closing its tax code.

^[2] Granite Processing Factory in Dien Tan, Khanh Hoa Province has been completed and came into operation in January 2018.

^[3] Stone exploiting Enterprise in Khanh Hoa Province and in Binh Dinh Province was established according to Decision No. 151/QD-HDQT dated 03 December 2018 and Decision No. 154/QD-HDQT dated 03 December 2018 by Board of Management of Phu Tai Joint Stock Company. As at 31 December 2018, the 02 enterprises have not come into operation yet.

Information of Subsidiaries of the Company is provided in Note No. 04.

2. ACCOUNTING SYSTEM AND ACCOUNTING POLICY

2.1. Accounting year and accounting currency

Annual accounting year 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 and the Circular No. 53/2016/TT-BTC dated 21 March 2016 issued by Ministry of Finance amending and supplementing some articles of the Circular No. 200/2014/TT-BTC.

Declaration of compliance with Accounting Standards and Accounting System

The company applies Vietnamese Accounting Standards and supplementary documents issued by the State. Financial statements are prepared 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 Separate Financial Statements

Separate Financial Statements are presented based on historical cost principle.

Separate Financial Statements of the Company are prepared based on summarization of the financial statements of the independent accounting entities and the head office of the Company.

In the Separate Financial Statements of the Company, the intra-group balances and transactions related to assets, equity, receivables and payables are eliminated in full.

The Users of this Separate Financial Statements should study the Separate Financial Statements combined with the Consolidated Financial Statements of the Company and its subsidiaries (the "Group") for the fiscal year ended as at 31 December 2018 in order to gain enough information regarding the financial position, operating results and cash flows of the Group.

2.4. Financial Instruments

Initial recognition

Financial assets

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

Financial liabilities

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

Subsequent measurement after initial recognition

There are currently no regulations on the 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 the commercial bank stipulated by the Company for customers to make payment at the transaction time;
- When recording payables, applying the offer rate of the commercial bank where the Company expects to conduct transactions at the transaction time;
- When purchasing assets or paying immediately in foreign currency, applying the bid rate of the commercial bank where the Company makes payments.

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

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

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

2.6. Cash

Cash comprises cash on hand, demand deposits.

2.7. 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.

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

Equity Investments in other entities comprise investments in equity instruments of other entities without having control, joint control, or significant influence on the investee. These investments are initially stated at original cost. After initial recognition, these investments are measured at original cost less provision for devaluation of investments.

Provision for devaluation of investments is made at the end of the year 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 in subsidiaries: the provision shall be made based on the Financial Statements of subsidiaries at the provision date. The provision for devaluation of investments shall be made when the investee incurs losses, except for losses expected in the investment plan.
- With regard to long-term investments (other than trading securities) without significant influence on the investee: the provision shall be made based on the Financial Statements at the provision date of the investee
- With regard to investments held to maturity: the provision for doubtful debts shall be made based on the recovery capacity in accordance with statutory regulations.

2.8. Receivables

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

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

2.9. Inventories

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

The cost of inventory is calculated using weighted average method.

Inventory is recorded by perpetual method.

The value of work in progress is recorded based on actual cost incurred for each unfinished product.

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

2.10. Fixed assets

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

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

- Buildings, structures	06 - 30 year
- Machinery, equipment	04 - 10 year
- Vehicles, Transportation equipment	06 - 12 year
- Office equipment and furniture	03 - 08 year
- Site preparation expenses	10 - 25 year
- Mining rights	10 - 25 year

During the year, the Company applied accelerated depreciation (with depreciation not exceeding 2 times compared to the straight-line depreciation method) for some machinery and equipment at 380 Enterprise and Basalt and Granite Processing Plant in Dak Nong. The depreciation expense exceeds the straight-line depreciation method: VND 1,040,230,238.

2.11. Construction in progress

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

2.12. Prepaid expenses

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

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

2.13. Payables

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

2.14. Borrowings

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

2.15. Borrowing costs

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

2.16. Accrued expenses

Accrued expenses include payables to goods or services received from the suppliers or provided for the customers during the reporting year, 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 year.

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

2.17. 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 debt 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 accounting year.

Only expenses related to the previously recorded provision for payable shall be offset by that provision for payable.

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 matching convention between revenues and expenses and to avoid a large fluctuation in expenses for the period when the environmental restoration is carried out.

Provisions for payables are recorded as operating expenses of the accounting year. In case provision made for the previous accounting year but not used up exceeds the one made for the current accounting year, the difference is recorded as a decrease in operating expenses. The excess of the provision for payables relating to construction warranty is recorded as other income in the fiscal year.

2.18. 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.

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

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:

- Bonus and welfare fund and bonus for the Board of General Directors: The fund is reserved for the purpose of bonus, material incentives, common benefit and increasing welfare for employees and presented as a liability on the Separated Statement of Financial Position.

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

2.19. 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.

Rendering of services

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

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

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

The stage of the completion of the transaction may be determined by evaluating the volume of work 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; and
- The amount of the revenue can be measured reliably.

Dividend income is recognized when the Company is entitled to receive dividends or profit from the capital contribution.

2.20. Cost of goods sold

The recognition of cost of goods sold is matched against revenue in the year and complies with the prudence principle. Loss of materials and goods exceeding the norm, abnormal expenses and losses of inventories after deducting the responsibility of collective and individuals concerned, etc. is recognized fully and promptly into cost of goods sold in the year.

2.21. Financial expenses

Items recorded into financial expenses comprise:

- 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; 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 year without offsetting against financial income.

2.22. Corporate income tax

a) Deferred income tax asset

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 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 accounting year.

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 year and current corporate income tax rate.

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

Current corporate income tax expenses and deferred corporate income tax expenses are not offset against each other.

c) Tax incentives

According to the Investment Certificate 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 corporate income tax in the next 4 years for the taxable income of Granite Processing Plant in Dong Nai, Binh Dinh 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 Hung Yen and Binh Dinh Province is 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 fiscal year ended as at 31 December 2018.

2.23. Related Parties

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

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

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

2.24. Segment information

A segment is a distinguishable component of the Company that is engaged in providing an individual or group of related products or services (business segment), or providing products or services within a particular economic environment (geographical segment). Each segment is subject to risks and returns that are different from other components.

Segment information should be prepared in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company in order to help users of financial statements better understand and make more informed judgements about the Company as a whole.

3. CASH AND CASH EQUIVALENTS

	31/12/2018	01/01/2018
	VND	VND
Cash on hand	2,762,613,450	2,469,244,406
Demand deposits	35,428,084,098	31,841,592,313
	<u>38,190,697,548</u>	<u>34,310,836,719</u>

4. SHORT TERM FINANCIAL INVESTMENTS

a) Held to maturity investments

	31/12/2018		01/01/2018	
	Original cost	Carrying amount	Original cost	Carrying amount
	VND	VND	VND	VND
Short-term investments				
- Term deposits ^[1]	157,099,278,166	157,099,278,166	34,237,238,162	34,237,238,162
	<u>157,099,278,166</u>	<u>157,099,278,166</u>	<u>34,237,238,162</u>	<u>34,237,238,162</u>

^[1] As at 31 December 2018, the Company has 6-month term deposits with the total amount of VND 107,099,278,166 at Vietnam Prosperity Joint Stock Commercial Bank - Quy Nhon Branch and VND 50,000,000,000 at Sai Gon Joint Stock Commercial Bank - Binh Dinh Branch at the interest rate of 8% per year.

b) Trading securities

Stock Code	31/12/2018			01/01/2018		
	Original cost VND	Fair value VND	Provision VND	Original cost VND	Fair value VND	Provision VND
Investments in stock:						
- MB Property Joint Stock Company ^[1]	450,000,000	-	-	12,061,200,000	-	-
- Binh Dinh Pharmaceutical and DBD Medical equipment Joint stock Company ^[2]	450,000,000	-	-	450,000,000	-	-
				11,611,200,000	26,367,100,000	-
	450,000,000	-	-	12,061,200,000	-	-

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

^[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. In the year, the Company sold the whole 483,800 DBD shares at the value of VND 19,455,465,500.

c) Investments in other companies

	31/12/2018		01/01/2018	
	Value VND	Provision VND	Value VND	Provision VND
Investments in subsidiaries	363,157,475,243	(100,165,477)	243,157,475,243	-
- Phu Yen Construction Materials Joint Stock Company ^[1]	9,620,700,000	-	9,620,700,000	-
- Tuan Dat Minerals One-member Company Limited	10,700,000,000	-	10,700,000,000	-
- Universal Stone Joint Stock Company ^[2]	6,000,000,000	(100,165,477)	6,000,000,000	-
- Vina G7 Joint Stock Company	41,877,750,000	-	41,877,750,000	-
- Toyota Binh Dinh One-member Company Limited	25,309,025,243	-	25,309,025,243	-
- Toyota Da Nang One-member Company Limited	70,000,000,000	-	70,000,000,000	-
- Phu Tai Dong Nai One-member Company Limited	45,000,000,000	-	45,000,000,000	-
- Granite Manufacturing Company Limited	34,650,000,000	-	34,650,000,000	-
- Phu Tai Real Estate Co., Ltd ^[3]	90,000,000,000	-	-	-
- Thanh Chau Phu Yen Granite Company Limited ^[4]	30,000,000,000	-	-	-

c) Investments in other companies (continued)

	31/12/2018		01/01/2018	
	Value VND	Provision VND	Value VND	Provision VND
Investments in other companies	4,200,000,000	-	-	-
- Chanh Phu Hoa Constructing Investment Joint Stock Company ^[5]	4,200,000,000	-	-	-
	367,357,475,243	(100,165,477)	243,157,475,243	-

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

[1] In 2007, according to Decision No. 76/QD-HDQT dated 04 May 2007 and Decision No. 77/QD-HDQT dated 14 June 2007 of the Board of Management, the Company made investments in Phu Yen Construction Materials Joint Stock Company with the amount of VND 9,620,000,000 (equivalent to 32,069 shares), representing 51.91% of the owner's contributed capital. Since 2009, Phu Yen Construction Materials Joint Stock Company has gradually increased its charter capital through issuing bonus shares to existing shareholders and employees. As at 31 December 2018, the Company holds 1,038,467 shares, representing 50.65% of the owner's contributed capital of Phu Yen Construction Materials Joint Stock Company.

[2] According to Decision No. 41/QD-HDQT dated 03 July 2015 of the Board of Management, the total expected capital contribution in Universal Stone Joint Stock Company is VND 50,000,000,000, of which, Phu Tai Joint Stock Company was expected to contribute 60%. As at 31 December 2018, all parties contributed capital with the total amount of VND 10,000,000,000, of which Phu Tai Joint Stock Company contributed VND 6,000,000,000 (representing 60% of actual contributed capital). As at 17 December 2018, Universal Stone Joint Stock Company completed procedures to amend the Business Registration Certificate in order to decrease the contributed capital to VND 10,000,000,000.

[3] According to Decision No. 56/QD-HDQT dated 20 April 2018 of the Board of Management, the Company has completed procedures to establish Phu Tai Real Estate One-member Company Limited with charter capital of VND 100,000,000,000. As at 31 December 2018, the Company has contributed VND 90,000,000,000 to its subsidiary.

[4] According to Decision No. 111/QD-HDQT dated 02 July 2018 of the Board of Management, the Company has received 100% capital contribution 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. As at 31 December 2018, Phu Tai Joint Stock Company has contributed additional capital, raising the charter capital of Thanh Chau Phu Yen Granite Company Limited to VND 30,000,000,000.

[5] During the year, the Company was approved to invest in Chanh Phu Hoa Construction and Investment Joint Stock Company with expected number of share purchased is 700,000 shares, the value of each share is VND 20,000, the total estimated investment value is VND 14,000,000,000. As at 31 December 2018, the Company completed procedures to purchase 210,000 shares of this company with the amount of VND 4,200,000,000.

Investments in subsidiaries

Detailed information on the Company's subsidiaries as at 31 December 2018 as follows:

Name of subsidiaries	Place of establishment and operation	Rate of interest	Rate of voting rights	Principal activities
Phu Yen Construction Materials JSC	An Phu Industrial zone, Tuy Hoa City, Phu Yen	50.65%	50.65%	Mining and processing paving stones, construction stone, construction sand
Tuan Dat Minerals One-member Company Limited	Quy Nhon City - Binh Dinh	100.00%	100.00%	Exploiting and processing stone
Universal Stone Joint Stock Company	120/2 Tran Huy Lieu, Phu Nhuan District, Ho Chi Minh	60.00%	60.00%	Manufacturing and trading stone products
Vina G7 Joint Stock Company	Tam Phuoc 1 Industrial Zone- Bien Hoa- Dong Nai	75.00%	75.00%	Manufacturing and trading wood products
Toyota Binh Dinh One-member Company Limited	278A Nguyen Thi Dinh, Quy Nhon City, Binh Dinh	100.00%	100.00%	Trading and repairing cars
Toyota Da Nang One-member Company Limited	69-71 Duy Tan Street, Da Nang City	100.00%	100.00%	Trading and repairing cars
Phu Tai Dong Nai One-member Company Limited	Tam Phuoc Industrial zone, Bien Hoa City, Dong Nai	100.00%	100.00%	Manufacturing and trading wood products
Granite Manufacturing Company Limited	No. 10 Tan Lap 1 Street, Hiep Phu Ward, District 9, Ho Chi Minh City	70.00%	70.00%	Manufacturing and trading stone products
Phu Tai Real Estate Co., Ltd	2nd Floor, Phu Tai Building, 278 Nguyen Thi Dinh Street, Quy Nhon City, Binh Dinh	100.00%	100.00%	Trading real estate
Thanh Chau Phu Yen Granite Company Limited	Lanh Truong Village, Xuan Lanh Commune, Dong Xuan District, Phu Yen	100.00%	100.00%	Exploiting and processing stone

Major transactions between the Company and the Company's Subsidiaries: See details in Note 39.

Investments in other companies

Name of companies	Place of establishment and operation	Rate of interest	Rate of voting rights	Principal activities
Chanh Phu Hoa Constructing Investment Joint Stock Company	7 Ngo Van Tri Street, Phu Loi Ward, Thu Dau Mot City, Binh Duong	0.85%	0.85%	Constructing and trading real estate

5. SHORT-TERM TRADE RECEIVABLES

	31/12/2018		01/01/2018	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
a) Trade receivables detailed by customers with large balances				
- Thanh Hoa Co., Ltd	51,649,110,184	-	14,181,419,493	-
- Vinh Thai Timber Export and Import Company Ltd	36,871,832,087	-	9,136,025,961	-
- Yaraghi LLC	21,076,117,472	-	16,802,006,468	-
- Castorama France SAS	19,414,691,113	-	32,454,296,133	-
- Brico Depot Sas	18,195,256,888	-	-	-
- Hau Nhan Company Ltd	18,044,891,163	-	-	-
- Carrefour Imports SAS	16,744,815,647	-	29,374,535,816	-
- B and Q PLC	15,151,536,305	-	10,511,214,006	-
- Bricostore	12,662,515,514	-	963,202,211	-
- The Anh Transport Service and Trading Co., Ltd	12,853,639,928	-	8,746,150,405	-
- FLC Faros Construction JSC	12,351,278,759	-	19,483,299,767	-
- Vina G7 Joint Stock Company	7,978,416,779	-	8,614,406,584	-
- Anh Kim Co., Ltd	4,851,975,035	-	7,565,183,815	-
- Granitas Granit	3,774,724,472	-	3,078,888,268	-
- Anavil Company Ltd	-	-	7,459,382,182	-
- SRA DIS TIC LTD STI	-	-	7,440,178,798	-
- Others	250,098,861,249	(3,710,801,782)	174,053,711,227	(4,474,180,999)
	501,719,662,595	(3,710,801,782)	349,863,901,134	(4,474,180,999)
b) Trade receivables from related parties	13,226,014,062	-	12,296,094,527	-

(See details in Note 39)

6. SHORT-TERM PREPAYMENTS TO SUPPLIERS

	31/12/2018		01/01/2018	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
a) Short-term prepayments to suppliers detailed by suppliers with large balances				
- Tan Dai Phu Manufacturing and Trading Co. Ltd	12,663,541,400	-	-	-
- Sherng Yuan Machinery Co. Ltd	4,513,166,240	-	-	-
- Chamundi Natural Stones	3,687,169,040	-	4,506,584,224	-
- Muradir	3,466,071,217	-	2,683,082,879	-
- JAF Globle	-	-	28,897,574,797	-
- Gement	-	-	4,259,255,000	-
- Others	20,383,458,879	(586,717,023)	19,191,161,877	(586,717,023)
	44,713,406,776	(586,717,023)	59,537,658,777	(586,717,023)

b) Short-term prepayments to related parties

(See details in Note 39)

7. SHORT-TERM LOAN RECEIVABLE

	31/12/2018		01/01/2018	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
a) Short-term loan receivables detailed by customers with large balances				
- Granite Manufacturing Company Limited	137,015,480,462	-	123,094,600,000	-
- Phu Tai Dong Nai One-member Company Limited	53,800,400,000	-	27,030,000,000	-
- Toyota Da Nang One-member Company Limited	46,319,153,963	-	14,629,153,963	-
- Tuan Dat Minerals One-member Company Limited	41,822,427,525	-	22,491,351,728	-
- Universal Stone Joint Stock Company	12,000,000,000	-	10,000,000,000	-
- Toyota Binh Dinh One-member Company Limited	11,774,763,216	-	1,600,763,216	-
- Vina G7 Joint Stock Company	9,500,000,000	-	-	-
- Mrs. Nguyen Thi Thanh	9,426,000,000	-	-	-
- Mrs. Nguyen Thi Kiem Oanh	8,370,000,000	-	-	-
	330,028,225,166	-	198,845,868,907	-

b) Short-term loan receivables from related parties

(See details in Note 39)

Detailed information on short-term loan receivable:

Detailed information on short-term loan receivable at 31 December 2018 is as follows:

	Curr ency	Loan purpose	Interest rate/ year	Loan term	Loan guarantee	31/12/2018 VND
- Granite Manufacturing Company Limited	VND	For manufacturing and trading operations	Floating rate	12 months	Unsecured loan	137,015,480,462
- Phu Tai Dong Nai One-member Company Limited	VND	For manufacturing and trading operations	Floating rate	12 months	Unsecured loan	53,800,400,000
- Toyota Da Nang One-member Company Limited	VND	For manufacturing and trading operations	Floating rate	12 months	Unsecured loan	46,319,153,963
- Tuan Dat Minerals One-member Company Limited	VND	For manufacturing and trading operations	Floating rate	12 months	Unsecured loan	41,822,427,525
- Universal Stone Joint Stock Company	VND	For manufacturing and trading operations	Floating rate	12 months	Unsecured loan	12,000,000,000
- Toyota Binh Dinh One-member Company Limited	VND	For manufacturing and trading operations	Floating rate	12 months	Unsecured loan	11,774,763,216
- Vina G7 Joint Stock Company	VND	For manufacturing and trading operations	Floating rate	12 months	Unsecured loan	9,500,000,000
- Mrs. Nguyen Thi Thanh	VND	For personal purpose	Floating rate	12 months	Unsecured loan	9,426,000,000
- Mrs. Nguyen Thi Kiem Oanh	VND	For personal purpose	Floating rate	12 months	Unsecured loan	8,370,000,000

330,028,225,166



8. OTHER RECEIVABLES

	31/12/2018		01/01/2018	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
a) Short-term				
Advances to employees	10,815,327,911	-	1,996,847,639	-
Other receivables	4,170,762,955	-	4,273,647,115	-
- <i>Deposit interest receivable</i>	1,411,213,483	-	511,800,149	-
- <i>Loan interest receivable</i>	1,322,728,324	-	3,113,512,736	-
- <i>Receivables from social insurance, health insurance, unemployment insurance</i>	540,933,061	-	394,786,801	-
- <i>Others</i>	895,888,087	-	253,547,429	-
	14,986,090,866	-	6,270,494,754	-
b) Long-term				
Collateral, deposits	3,274,734,614	-	2,989,296,220	-
- <i>Environmental restoration deposits^[1]</i>	3,229,734,614	-	2,939,296,220	-
- <i>Contract deposits</i>	45,000,000	-	50,000,000	-
Other receivables	1,818,050,589	-	1,858,301,583	-
- <i>Receivables from site clearance which are offset against land rental at Thang Loi Enterprise</i>	1,818,050,589	-	1,858,301,583	-
	5,092,785,203	-	4,847,597,803	-
c) Other receivables from related parties	1,501,501,313	-	3,420,379,496	-

(See details in Note 39)

^[1] This is the deposits for environmental restoration after mining, which the company paid according to the Decision No. 18/2013/QĐ-TTg by the Prime Minister dated 29 March 2013 on environmental improvement and remediation in mineral extraction.

9. DOUBTFUL DEBTS

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

	31/12/2018		01/01/2018	
	Original cost	Recoverable value	Original cost	Recoverable value
	VND	VND	VND	VND
Tan Cuong Co., Ltd	1,175,007,342	587,503,798	1,175,007,342	587,503,798
Cattie Europa S.L	839,879,767	-	839,879,767	-
Trung Nam Investment and Construction JSC	-	-	548,937,136	-
Ha Binh Co., Ltd	668,552,930	-	668,552,930	-
Binh Dinh Granite Co., Ltd	507,016,559	-	507,015,869	-
Chinh Truong Stone Quarry Co., Ltd	586,717,023	-	586,717,023	-
Others	1,227,226,593	119,377,611	2,055,839,879	733,548,126
	5,004,400,214	706,881,409	6,381,949,946	1,321,051,924

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 year, the company has recovered a part of these debts and is trying to collect these receivables in the next year.

10. INVENTORIES

	31/12/2018		01/01/2018	
	Original cost	Provision	Original cost	Provision
	VND	VND	VND	VND
Goods in transit	17,405,857,038	-	10,066,339,813	-
Raw materials	295,030,641,773	-	252,264,580,463	-
Tools, supplies	52,281,643	-	131,748,909	-
Work in process	271,529,091,754	-	196,450,619,933	-
Finished goods	18,276,630,743	-	21,103,376,765	-
Goods	69,100,435,908	-	17,478,974,730	-
	671,394,938,859	-	497,495,640,613	-

11. PREPAID EXPENSES

	31/12/2018	01/01/2018
	VND	VND
a) Short-term		
- Mining expenses	8,933,084,261	4,899,034,761
- Tools and supplies awaiting for allocation	8,443,985,836	3,361,781,637
- Expenditure on fixing machinery, equipment, factories	3,084,249,782	581,141,661
- Insurance expenses	1,613,367,165	669,090,470
- Other short-term prepaid expenses	3,166,664,883	3,386,207,441
	25,241,351,927	12,897,255,970
b) Long-term		
- Land and infrastructure rental expenses of Granite Processing Plant in Hung Yen Province ^[1]	31,089,461,759	31,975,622,189
- Land and infrastructure rental expenses of Phu Cat Wood Processing Plant in Binh Dinh Province ^[2]	17,071,334,578	17,392,674,946
- Land and infrastructure rental expenses of Granite Processing Plant in Binh Dinh Province ^[3]	6,752,419,130	5,122,103,603
- Expenses for the right to use leased land in Dien Tan, Dien Khanh, Khanh Hoa Province pending allocation	11,018,000,000	-
- Tools and supplies awaiting for allocation	6,137,986,065	5,212,004,319
- Mining expenses	3,403,763,147	3,403,312,968
- Expenditure on overhaul of machinery, equipment, factories	3,231,486,156	716,902,581
- Other long-term prepaid expenses	5,164,786,352	4,645,761,244
	83,869,237,187	68,468,381,850

^[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 the lease term of 41 years from 2017 for the construction of Granite Processing Plant in Binh Dinh Province.

12. TANGIBLE FIXED ASSETS

	Buildings, structures	Machinery, equipment	Vehicles, transportation	Office equipment	Total
	VND	VND	VND	VND	VND
Historical cost					
Opening balance	419,626,012,170	501,340,446,471	144,077,818,443	1,546,258,566	1,066,590,535,650
- Purchase in the year	-	94,382,548,508	21,896,435,326	-	116,278,983,834
- Completed construction investment	51,151,793,933	-	-	-	51,151,793,933
- Liquidation, disposal	(522,743,762)	(12,520,673,427)	(3,805,283,182)	-	(16,848,700,371)
Ending balance	470,255,062,341	583,202,321,552	162,168,970,587	1,546,258,566	1,217,172,613,046
Accumulated depreciation					
Opening balance	113,081,029,505	215,341,544,127	65,648,567,987	1,546,258,566	395,617,400,185
- Depreciation for the year	47,353,186,759	50,286,789,741	18,165,159,696	-	115,805,136,196
- Liquidation, disposal	(522,743,762)	(8,693,493,810)	(1,652,479,418)	-	(10,868,716,990)
Ending balance	159,911,472,502	256,934,840,058	82,161,248,265	1,546,258,566	500,553,819,391
Net carrying amount					
Opening balance	306,544,982,665	285,998,902,344	78,429,250,456	-	670,973,135,465
Ending balance	310,343,589,839	326,267,481,494	80,007,722,322	-	716,618,793,655

At the end of year, the carrying amount of tangible assets used as mortgages and collateral for loans is VND 190,933,890,131;
Original cost of fully depreciated tangible fixed assets but still in use at the end of the year is VND 200,817,131,751.

13. INTANGIBLE FIXED ASSETS

	Site preparation expenses	Land use rights	Mining right	Total
	VND	VND	VND	VND
Historical cost				
Opening balance	18,408,889,373	4,100,000,000	-	22,508,889,373
- Purchase in the year	-	-	6,240,177,430	6,240,177,430
- Reduce caused by reclassification	-	(4,100,000,000)	-	(4,100,000,000)
Ending balance	18,408,889,373	-	6,240,177,430	24,649,066,803
Accumulated amortization				
Opening balance	7,700,059,172	-	-	7,700,059,172
- Depreciation for the year	1,610,719,250	-	26,690,350	1,637,409,600
Ending balance	9,310,778,422	-	26,690,350	9,337,468,772
Net carrying amount				
Opening balance	10,708,830,201	4,100,000,000	-	14,808,830,201
Ending balance	9,098,110,951	-	6,213,487,080	15,311,598,031

14. CONSTRUCTION IN PROGRESS

	31/12/2018	01/01/2018
	VND	VND
Construction in progress	63,027,795,542	45,684,999,990
- Project of expanding Thang Loi Wood Processing Plant in Phuoc Thanh, Tuy Phuoc, Binh Dinh Province ^[1]	44,774,307,032	-
- Project of expanding Binh Dinh Granite Processing Plant in Phu Cat, Binh Dinh Province ^[2]	6,760,522,834	-
- Project of Phu Cat Wood Processing Plant in Binh Dinh Province - phase II	451,090,652	26,197,336,003
- Project in Stone Processing Plant Phuoc My ward, Quy Nhon City, Binh Dinh Province	-	8,794,716,000
- Project of constructing Granite Processing Plant in Khanh Hoa Province	-	6,599,716,255
- Contruction expense of Dien Tan quarry	-	2,983,076,206
- Other projects	11,041,875,024	1,110,155,526
Purchase of fixed assets	7,203,271,127	3,085,508,138
- Machinery and equipment for stone exploitation	6,784,579,979	3,085,508,138
- Machinery and equipment for wood	418,691,148	-
	70,231,066,669	48,770,508,128

^[1] According to Decision No. 128/QD-HDQT dated 21 August 2018 of the Board of Management, the Company conducted the Project of expanding Thang Loi Wood Processing Plant with detailed information as follows:

- Project name: Project of expanding Thang Loi Wood Processing Plant;
- Investor: Phu Tai Joint Stock Company;
- Project management unit: Thang Loi Enterprise;
- Address: Binh An 1 Village, Phuoc Thanh Commune, Tuy Phuoc District, Binh Dinh Province;
- Investing purpose: Ground expansion, arrangement of production lines; production capacity improvement, increasing plant capacity to 1.4 times, and operational efficiency to 1.5 times compared to the current situation;
- Project scale:
 - + Expanded land area: 36,040 m²;
 - + Total area of new construction plant: 20,780 m²;
 - + Equipment of production: addition of machineries and equipment for production lines to ensure the productivity as required;
- Total investment budget: VND 86,454,480,850;
- Implementation time: from September 2018 to 31 January 2019, the project will be completed and handed over;
- As at 31 December 2018, the project is still running.

^[2] According to Decision No. 145/QD-HDQT dated 22 October 2018 of the Board of Management, the Company conducted the Project of expanding Binh Dinh Granite Processing Plant with detailed information as follows:

- Project name: Project of expanding Binh Dinh Granite Processing Plant;
- Investor: Phu Tai Joint Stock Company;
- Project management unit: 380 Enterprise;
- Address: Cat Nhon Industrial zone, Cat Nhon Commune, Phu Cat District, Binh Dinh Province;
- Investing purpose: Investing in the workshop for production of seam and paving stones, expansion of production scale of the existing factory, use of secondary materials for production of seam and paving stones;
- Project scale: Expanding the plant with expected productivity of 12,000 m³ per year;
- Total investment budget: VND 25,721,779,000;
- Implementation time: from October 2018 to January 2019, the project will come into operation;
- As at 31 December 2018, the project is still running.

15. SHORT-TERM TRADE PAYABLES

	31/12/2018		01/01/2018	
	Outstanding balance	Amount can be paid	Outstanding balance	Amount can be paid
	VND	VND	VND	VND
a) Trade payables detailed by suppliers with large account balances				
- Mow Brazil Comercial Importadora E Exportadora Ltd	27,097,223,771	27,097,223,771	-	-
- Hoang Giang Co., Ltd	23,022,672,053	23,022,672,053	6,534,495,976	6,534,495,976
- Olam International	13,547,654,278	13,547,654,278	6,156,800,727	6,156,800,727
- Scancom A Chau Trading Co. Ltd - Quy Nhon Branch	12,205,738,205	12,205,738,205	-	-
- Thanh Danh Co., Ltd	10,063,905,200	10,063,905,200	5,258,222,358	5,258,222,358
- Giang Dat Thanh Manufacturing and Trading Co. Ltd	8,124,249,500	8,124,249,500	-	-
- Phuoc Long Import Export Trading Co., Ltd	7,245,457,972	7,245,457,972	-	-
- Lundhs Labrador A/S	6,990,450,816	6,990,450,816	8,517,222,457	8,517,222,457
- Quang Trung Engineering and Construction JSC	5,222,072,486	5,222,072,486	6,823,928,031	6,823,928,031
- HK Binh Thach Manufacturing and Trading Co., Ltd	5,809,387,550	5,809,387,550	3,017,853,120	3,017,853,120
- Hoang Tam Co., Ltd	4,768,059,714	4,768,059,714	2,872,017,255	2,872,017,255
- Vu Tin International Trading Co., Ltd	2,196,930,800	2,196,930,800	15,822,969,495	15,822,969,495
- Kim Hung Thinh Consultant Design Building Construction Co., Ltd	48,945,690	48,945,690	7,617,320,969	7,617,320,969
- Mr. Huynh Ba Thang	-	-	7,650,000,000	7,650,000,000
- ECO Company	-	-	6,048,735,000	6,048,735,000
- Others	133,651,132,950	133,651,132,950	104,818,584,085	104,818,584,085
	259,993,880,985	259,993,880,985	181,138,149,473	181,138,149,473
b) Trade payables to related parties				
	4,213,211,761	4,213,211,761	3,784,534,674	3,784,534,674

(See details in Note 39)

16. 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 year	Tax paid in the year	Tax receivable at the end of the year	Tax payable at the end of the year
	VND	VND	VND	VND	VND	VND
Value-added tax	-	3,085,784,252	108,956,423,026	106,342,423,795	621,969,963	6,321,753,446
Export, import duties	-	-	4,677,633,886	4,677,633,886	-	-
Corporate income tax	-	7,420,314,333	55,000,781,565	43,222,642,584	-	19,198,453,314
Personal income tax	-	225,790,885	2,876,438,211	2,832,292,066	-	269,937,030
Natural resource tax	-	1,366,487,431	16,835,117,580	16,952,494,010	-	1,249,111,001
Land tax and land rental	-	-	3,715,478,089	3,643,784,289	-	71,693,800
Other taxes	-	393,652,017	2,577,418,752	1,634,180,566	-	1,336,890,203
Fees, charges and other payables	-	2,020,119,800	13,092,871,700	8,641,606,510	-	6,471,384,990
	-	14,512,148,718	207,732,162,809	187,947,057,706	621,969,963	34,919,223,784

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

17. BORROWINGS AND FINANCE LEASE LIABILITIES

	01/01/2018		During the year		31/12/2018	
	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	841,049,714,257	841,049,714,257	2,900,513,348,682	2,689,584,846,212	1,051,978,216,727	1,051,978,216,727
Current portion of long-term borrowings	27,996,000,000	27,996,000,000	10,200,000,000	21,796,000,000	16,400,000,000	16,400,000,000
	869,045,714,257	869,045,714,257	2,910,713,348,682	2,711,380,846,212	1,068,378,216,727	1,068,378,216,727
b) Long-term borrowings						
Long-term borrowings	119,791,356,023	119,791,356,023	-	32,800,960,963	86,990,395,060	86,990,395,060
	119,791,356,023	119,791,356,023	-	32,800,960,963	86,990,395,060	86,990,395,060
Amount due for settlement within 12 months	(27,996,000,000)	(27,996,000,000)	(10,200,000,000)	(21,796,000,000)	(16,400,000,000)	(16,400,000,000)
Amount due for settlement after 12 months	91,795,356,023	91,795,356,023			70,590,395,060	70,590,395,060

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	Currency	Interest rate/ year	Loan guarantee	31/12/2018		01/01/2018	
				Original currency	VND	Original currency	VND
Short-term borrowings							
- Joint Stock Commercial Bank for Investment and Development of Vietnam - Phu Tai Branch	VND	Floating rate	Collateral	319,099,599,326		190,578,214,193	
- Joint Stock Commercial Bank for Foreign Trade of Vietnam - Quy Nhon Branch	VND	Floating rate	asset ⁽ⁱ⁾	243,322,151,091		183,852,160,919	
- Military Commercial Joint Stock Bank - Binh Dinh Branch	USD	Floating rate	Collateral	5,298,692.20	1,765,032.85	40,207,448,323	
- Joint Stock Commercial Bank for Investment and Development of Vietnam - Phu Tai Branch	USD	Floating rate	asset ⁽ⁱ⁾	361,757.85	5,723,557.03	130,125,069,077	
- Joint Stock Commercial Bank for Foreign Trade of Vietnam - Quy Nhon Branch	USD	Floating rate	Collateral	3,234,273.53	1,393,027.04	31,670,469,754	
- Military Commercial Joint Stock Bank - Binh Dinh Branch	VND	Floating rate	asset ⁽ⁱ⁾	96,107,845,831		118,228,346,227	
- Joint Stock Commercial Bank for Foreign Trade of Vietnam - Binh Dinh Branch	VND	Floating rate	Collateral	13,189,942,312		19,840,000,000	
- Joint Stock Commercial Bank for Foreign Trade of Vietnam - Binh Dinh Branch	USD	Floating rate	asset ⁽ⁱ⁾	2,440,404.86	1,783,629.86	40,550,824,867	
- Joint Stock Commercial Bank for Industry and Trade of Vietnam - Phu Tai Industrial Zone	VND	Floating rate	asset ⁽ⁱ⁾	24,250,000,000		4,361,960,000	
- Saigon Joint Stock Commercial Bank - Binh Dinh Branch	USD	4,5%/năm	Collateral	1,280,000.00	-	-	
- Ho Chi Minh City Development Joint Stock Commercial Bank - Binh Dinh Branch	USD	Floating rate	asset ⁽ⁱ⁾	-	1,149,234.17	26,133,585,026	
- Vietnam Technological and Commercial Joint Stock Bank - Quy Nhon Branch	VND	Floating rate	asset ⁽ⁱ⁾	-	-	11,536,684,236	
- Vietnam Technological and Commercial Joint Stock Bank - Quy Nhon Branch	USD	Floating rate	Collateral	-	1,754,977.00	39,934,501,635	
- Vietnam Technological and Commercial Joint Stock Bank - Quy Nhon Branch	USD	Floating rate	asset ⁽ⁱ⁾	-	-	-	

Detailed information on short-term borrowings (continued)

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

	Currency	Interest rate/ year	Loan guarantee	31/12/2018		01/01/2018	
				Original currency	VND	Original currency	VND
- Thanh Chau Phu Yen Granite Company Limited	VND	0%/year	Unsecured	19,760,000,000			
- Phu Tai Real Estate Co., Ltd	VND	0%/year	Unsecured	43,000,000,000			
- Short-term Personal loans	VND	Specified in each loan	Unsecured loan	-		4,030,450,000	
				<u>1,051,978,216,727</u>		<u>841,049,714,257</u>	

Detailed information on long-term borrowings

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

	Currency	Interest rate/ year	Year of maturity	31/12/2018		01/01/2018	
				Loan guarantee	VND	Year of maturity	VND
Long-term borrowings							
- Joint Stock Commercial Bank for Investment and Development of Vietnam - Phu Tai Branch	VND	Floating rate	2020	Collateral asset ⁽ⁱ⁾	-	19,800,960,963	
- Joint Stock Commercial Bank for Foreign Trade of Vietnam - Quy Nhon Branch	VND	Floating rate	2023	Collateral asset ⁽ⁱ⁾	86,990,395,060	99,990,395,060	
Amount due for settlement within 12 months					<u>86,990,395,060</u>	<u>119,791,356,023</u> (27,996,000,000)	
Amount due for settlement after 12 months					<u>86,990,395,060</u>	<u>91,795,356,023</u>	

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

c) Borrowings from related parties:

	Relation	31/12/2018		01/01/2018	
		Original	Interest	Original	Interest
		VND	VND	VND	VND
Borrowings					
- Thanh Chau Phu Yen Granite Company Limited	Subsidiary	19,760,000,000	No interest	-	No interest
- Phu Tai Real Estate Co., Ltd	Subsidiary	43,000,000,000	No interest	-	No interest
		62,760,000,000	-	-	-

18. PREPAYMENT FROM CUSTOMERS

	31/12/2018	01/01/2018
	VND	VND
Dat Phuong Company	1,521,306,744	-
CCST Limited	1,015,423,720	-
Analiz Naden	-	3,335,439,290
Hau Nhan Trading Co., Ltd	-	3,090,717,552
Others	6,588,793,045	3,693,256,479
	9,125,523,509	10,119,413,321

19. SHORT-TERM ACCRUED EXPENSES

	31/12/2018	01/01/2018
	VND	VND
Accrued interest expenses	246,141,227	123,777,321
Accrued land rental	2,322,621,750	705,600,000
Accrued electricity expenses	1,158,156,161	680,880,896
Accrued commission expenses	1,007,256,989	4,176,992,604
Accrued transportation expenses	816,356,648	377,629,916
Accrued design and material expenses	778,492,719	1,142,932,101
Accrued expenses of import and export processing	17,285,845	314,369,238
Temporarily uninvoiced goods awaiting for settlement	16,910,000	1,243,252,000
Accrued construction expenses of Dien Tan plant	-	5,276,685,868
Others	428,679,450	529,614,090
	6,791,900,789	14,571,734,034

20. OTHER PAYABLES

	31/12/2018	01/01/2018
	VND	VND
a) Short-term		
Trade union fee	944,589,879	1,205,708,195
Social insurance	81,028,770	-
Health insurance	15,030,717	-
Unemployment insurance	6,142,054	-
Others	5,989,979,648	3,195,200,358
- Land rental to Financial Department - Ministry of Defence	3,261,352,600	-
- Labour Union, Communist membership fee	952,453,684	251,342,822
- Advances payable to employees	653,180,623	455,849,632
- Donation funds	446,773,577	509,203,577
- Labor protection payables	158,315,250	165,200,775
- Payables to Military zone No. 05	122,000,000	122,000,000
- Dividends payable to Owners	76,095,000	64,170,000
- Allowances payable to employees	28,742,728	33,775,629
- Insurance compensation	-	827,955,470
- Interest of personal loans	-	36,300,000
- Others	291,066,186	729,402,453
	7,036,771,068	4,400,908,553
b) Long-term		
Long-term deposits, collateral received	3,972,039,330	279,526,534
	3,972,039,330	279,526,534

21. PROVISIONS FOR PAYABLES

	31/12/2018	01/01/2018
	VND	VND
a) Short-term		
- Cost of mineral mining right ⁽¹⁾	4,647,971,217	11,299,198,123
	4,647,971,217	11,299,198,123
	4,647,971,217	11,299,198,123
b) Long-term		
- Cost of environmental restoration	3,948,901,631	2,325,863,542
	3,948,901,631	2,325,863,542
	3,948,901,631	2,325,863,542

⁽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.

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22. OWNERS' EQUITY

a) Changes in owners' equity	Contributed capital		Share premium		Other capital		Retained earnings		Total	
	VND	VND	VND	VND	VND	VND	VND	VND	VND	VND
Beginning balance of previous year	216,005,310,000	-	(194,624,148)	-	279,631,762,986	-	261,378,998,471	756,821,447,309		
Profit of the previous year	-	-	-	-	-	-	323,267,299,366	323,267,299,366		
Dividends distributed in the form of cash	-	-	-	-	-	-	(21,600,531,000)	(21,600,531,000)		
Dividends distributed in the form of share	43,196,630,000	-	-	-	4,432,000	-	(43,201,062,000)	-		
Other capital	-	-	-	-	157,979,388,096	-	(157,979,388,096)	-		
Bonus and welfare fund	-	-	-	-	-	-	(38,598,017,375)	(38,598,017,375)		
Ending balance of previous year	259,201,940,000	(194,624,148)	437,615,583,082	437,615,583,082	323,267,299,366	1,019,890,198,300	1,019,890,198,300			
Beginning balance of this year	259,201,940,000	(194,624,148)	437,615,583,082	437,615,583,082	323,267,299,366	1,019,890,198,300	1,019,890,198,300			
Issuance of shares to shareholders ⁽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 the this year	-	-	-	-	-	-	369,569,135,728	369,569,135,728		
Dividends distributed in the form of cash ⁽²⁾	-	-	-	-	-	-	(32,399,748,000)	(32,399,748,000)		
Dividends distributed in the form of share ⁽²⁾	161,996,930,000	-	-	-	1,810,000	-	(161,998,740,000)	-		
Other capital	-	-	-	-	112,705,446,398	-	(112,705,446,398)	(16,163,364,968)		
Bonus and welfare fund	-	-	-	-	-	-	(16,163,364,968)	(169,500,000)		
Remuneration for the Board of Directors	-	-	(169,500,000)	-	-	-	-	-		
Ending balance of this year	485,994,410,000	161,624,725,852	550,322,839,480	550,322,839,480	369,569,135,728	1,567,511,111,060	1,567,511,111,060			

⁽¹⁾ During the year, 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 of Shareholders in 2017, the Company has completed the two issuance of shares to increase the charter capital as follows:

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

^[2] During the year, 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 distributed shares worth VND 161,996,930,000 at par value.

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 as follows:

	Rate %	Amount VND
Net profit after tax		323,267,299,366
Bonus and welfare fund	5.00%	16,163,364,968
Transfer to other capital	34.86%	112,705,446,398
Dividends distributed in form of cash	10.02%	32,399,748,000
Dividends distributed in form of share (equivalent to VND 7,500 per share)	50.11%	161,998,740,000

b) Details of contributed capital

	31/12/2018 VND	Rate %	01/01/2018 VND	Rate %
Mr Le Vy	57,624,580,000	11.86%	29,023,670,000	11.20%
Mr Le Thao	35,573,330,000	7.32%	19,292,148,000	7.44%
Mr Le Van Loc	27,986,020,000	5.76%	14,195,304,000	5.48%
Mr Nguyen Sy Hoe	24,496,980,000	5.04%	13,735,572,000	5.30%
Others	340,313,500,000	70.02%	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

	Year 2018 VND	Year 2017 VND
Owners' contributed capital		
- At the beginning of the year	259,201,940,000	216,005,310,000
- Increase in the year	226,792,470,000	43,196,630,000
- At the end of the year	485,994,410,000	259,201,940,000
Distributed dividends and profits		
- Dividends, profit payable at the beginning of the year	64,170,000	17,918,000
- Dividends, profit payable in the year	194,398,488,000	64,801,593,000
+ Dividends and profits distributed from the previous year	194,398,488,000	64,801,593,000
- Dividends, profits paid in money	32,387,823,000	64,755,341,000
+ Dividends and profits distributed from the previous year	32,387,823,000	64,755,341,000
- Dividends, profits paid in stock	161,998,740,000	-
+ Dividends and profits distributed from the previous year	161,998,740,000	-
- At the end of the year	76,095,000	64,170,000

d) Shares	31/12/2018	01/01/2018
Quantity of Authorized issuing shares	48,599,441	25,920,194
Quantity of issued shares	48,599,441	25,920,194
- Common shares	48,599,441	25,920,194
Quantity of outstanding shares in circulation	48,599,441	25,920,194
- Common shares	48,599,441	25,920,194
Par value per share: VND 10,000		

23. OFF STATEMENT OF FINANCIAL POSITION ITEMS

a) Outsourced property

The Company signs land lease contracts with the State for the purpose of serving production and business activities in localities where the Company has production and business establishments. Under these contracts, the Company must pay annual land rental until the contract expires in accordance with the current regulations of the State.

b) Foreign currencies

	31/12/2018	01/01/2018
USD	573,142.50	184,878.19
EUR	1,052.25	165.13

c) Doubtful debts written-offs

	31/12/2018	01/01/2018
	2,126,477,030	2,126,477,030

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

	Year 2018	Year 2017
	VND	VND
Revenue from sale of goods	2,606,161,616,535	2,049,099,150,712
- Wood products	1,413,531,402,847	932,192,308,483
- Stone products	1,172,308,661,566	1,106,782,648,158
- Others	20,321,552,122	10,124,194,071
Revenue from rendering of services	2,903,857,299	2,577,263,409
- Office and factory for lease service	2,903,857,299	2,577,263,409
	<u>2,609,065,473,834</u>	<u>2,051,676,414,121</u>
Revenue from related parties	<u>55,972,634,913</u>	<u>41,767,009,594</u>
(See details in Note 39)		

25. COST OF GOODS SOLD

	Year 2018	Year 2017
	VND	VND
Cost of goods sold	2,014,884,737,412	1,524,994,395,558
- Wood products	1,219,213,035,688	769,285,932,692
- Stone products	783,464,095,566	749,679,886,891
- Others	12,207,606,158	6,028,575,975
Cost of services rendered	1,097,727,800	1,113,996,543
- Office and factory for lease service	1,097,727,800	1,113,996,543
	<u>2,015,982,465,212</u>	<u>1,526,108,392,101</u>

26. FINANCIAL INCOME

	Year 2018	Year 2017
	VND	VND
Interest income	25,059,544,496	12,194,081,325
Gain from disposal of financial investments	7,844,265,500	508,060,000
Dividends or profits received	59,116,136,500	34,490,338,500
Realised exchange gain	3,112,968,087	2,652,636,534
Unrealised exchange gain	1,452,481,677	127,447,510
Interest from deferred payment sale or payment discounts	2,180,768,313	2,113,604,998
	<u>98,766,164,573</u>	<u>52,086,168,867</u>

27. FINANCIAL EXPENSES

	Year 2018	Year 2017
	VND	VND
Interest expenses	52,209,496,249	29,482,019,585
Realised exchange losses	7,106,955,631	2,732,816,277
Unrealised exchange losses	131,709,877	139,663,542
Reversal of provision for devaluation of investment	100,165,477	(3,839,998,668)
Others	34,032,289	3,587,073
	<u>59,582,359,523</u>	<u>28,518,087,809</u>

28. SELLING EXPENSES

	Year 2018	Year 2017
	VND	VND
Raw materials	18,096,360,212	56,714,218,701
Labour expenses	6,055,064,992	285,815,741
Depreciation expenses	232,882,624	48,657,144
Tax, Charge, Fee	22,096,495,424	12,229,068,851
Expenses of outsourcing services	59,300,391,584	55,534,292,999
Other expenses in cash	3,565,126,252	3,421,729,948
	<u>109,346,321,087</u>	<u>128,233,783,384</u>

29. GENERAL AND ADMINISTRATIVE EXPENSES

	Year 2018	Year 2017
	VND	VND
Labour expenses	56,468,919,414	15,530,715,608
Tools and supplies	2,831,578,828	2,064,086,780
Depreciation expenses	7,194,273,084	6,779,392,354
Tax, Charge, Fee	5,927,864,835	4,109,221,224
Reversal of provision expenses	(763,379,217)	(187,462,749)
Expenses of outsourcing services	12,394,372,565	10,845,938,009
Other expenses in cash	12,884,749,660	9,625,550,503
	96,938,379,169	48,767,441,729

30. OTHER INCOME

	Year 2018	Year 2017
	VND	VND
Gain from liquidating, disposing fixed assets	1,268,053,600	2,909,096,394
Gain from wood sale promotion	1,125,584,756	200,236,296
Gain from import duty refund	-	113,541,396
Gain from debt collection	487,592,764	215,584,793
Gain from compensation	-	621,380,645
Gain from other services	53,641,280	106,762,680
Others	409,476,869	116,804,786
	3,344,349,269	4,283,406,990

31. OTHER EXPENSES

	Year 2018	Year 2017
	VND	VND
Penalty due to late delivery	2,872,662,269	3,788,442,276
The value of fire and explosion assets is not compensated	961,913,064	-
Local support cost	576,515,940	-
Fine for administrative and tax violations	123,008,270	853,404,128
Debt collection expenses	8,163,400	6,386,084
Others	393,196,716	162,006,122
	4,935,459,659	4,810,238,610

32. CURRENT CORPORATE INCOME TAX EXPENSES

	Year 2018	Year 2017
	VND	VND
Total profit before tax	424,391,003,026	371,608,046,345
In which		
- Tax-exempt Profit ^[1]	75,458,872,307	99,936,296,933
- Tax-deduction Profit ^[1]	36,059,805,919	-
- Non-tax-exempt Profit	348,932,130,719	271,671,749,412
Increase	3,297,401,562	3,457,302,459
Decrease	(59,118,161,500)	(34,527,480,200)
Taxable income	368,570,243,088	340,537,868,604
Corporate income tax rate	20%	20%
Current corporate income tax expense	73,714,048,618	68,107,573,720
Deductible and exemptible corporate income tax	(18,697,755,053)	(19,987,259,386)
- Deductible corporate income tax at the stone processing factory in Dong Nai province	(3,605,980,592)	-
- Exemptible corporate income tax at the stone processing factory in Dong Nai province	-	(7,721,012,654)
- Exemptible corporate income tax at the stone processing factory in Binh Dinh province	(9,161,376,150)	(8,001,462,585)
- Exemptible corporate income tax at the stone processing factory in Hung Yen province	(5,930,398,311)	(4,264,784,147)
Current corporate income tax expense	55,016,293,565	48,120,314,334
Adjustments of tax expenses from previous years to this year	(15,512,000)	316,447,377
Tax payable at the beginning of year	7,420,314,333	26,374,138,650
Tax paid in the year	(43,222,642,584)	(67,390,586,028)
Corporate income tax payable at the end of the year	19,198,453,314	7,420,314,333

^[1] The Company is entitled to tax incentives for Stone manufacturing factory in Dong Nai, Binh Dinh and Hung Yen as mentioned in Note 2.22.

33. DEFERRED INCOME TAX

a) Deferred income tax assets

	31/12/2018	01/01/2018
	VND	VND
Deferred income tax assets related to deductible temporary differences	672,393,004	493,478,737
Deferred income tax assets	672,393,004	493,478,737

b) Deferred income tax liabilities

	Year 2018	Year 2017
	VND	VND
Deferred income tax liabilities related to taxable temporary difference	(672,393,004)	(493,478,737)
Offsetting against deferred income tax assets	493,478,737	397,464,005
	(178,914,267)	(96,014,732)

34. BUSINESS AND PRODUCTIONS COST BY ITEMS

	Year 2018	Year 2017
	VND	VND
Raw materials	987,778,964,675	802,467,208,855
Labour expenses	231,661,256,161	212,990,913,613
Tools and supplies	43,699,516,782	7,366,329,423
Depreciation expenses	117,442,545,796	96,544,108,595
Tax, Charge, Fee	36,303,878,633	46,539,746,688
Reversal of provision expenses	(763,379,217)	(187,462,749)
Expenses of outsourcing services	324,231,230,213	185,605,087,799
Other expenses in cash	30,980,712,064	22,797,822,750
Total	1,771,334,725,106	1,374,123,754,974

35. FINANCIAL INSTRUMENTS

The types of financial instruments of the Company:

	Carrying amount			
	31/12/2018		01/01/2018	
	Original cost VND	Provision VND	Original cost VND	Provision VND
Financial Assets				
Cash and cash equivalents	38,190,697,548	-	34,310,836,719	-
Trade and other receivables	521,798,538,664	(3,710,801,782)	360,981,993,691	(4,474,180,999)
Loans	487,127,503,332	-	233,083,107,069	-
Short term investments	450,000,000	-	12,061,200,000	-
Total	1,047,566,739,544	(3,710,801,782)	640,437,137,479	(4,474,180,999)

	Carrying amount	
	31/12/2018 VND	01/01/2018 VND
Financial Liabilities		
Borrowings and debts	1,138,968,611,787	960,841,070,280
Trade and other payables	271,002,691,383	185,818,584,560
Accrued expenses	6,791,900,789	14,571,734,034
Total	1,416,763,203,959	1,161,231,388,874

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 prices, 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	More than 5 years	Total
	VND	VND	VND	VND
As at 31/12/2018				
Short-term Investment	450,000,000	-	-	450,000,000
Total	450,000,000	-	-	450,000,000
As at 01/01/2018				
Short-term Investment	12,061,200,000	-	-	12,061,200,000
Total	12,061,200,000	-	-	12,061,200,000

Exchange rate 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 rate 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	More than 5 years	Total
	VND	VND	VND	VND
As at 31/12/2018				
Cash and cash equivalents	38,190,697,548	-	-	38,190,697,548
Trade and other receivables	512,994,951,679	5,092,785,203	-	518,087,736,882
Total	551,185,649,227	5,092,785,203	-	556,278,434,430
As at 01/01/2018				
Cash and cash equivalents	34,310,836,719	-	-	34,310,836,719
Trade and other receivables	351,660,214,889	4,847,597,803	-	356,507,812,692
Total	385,971,051,608	4,847,597,803	-	390,818,649,411

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	More than 5 years	Total
	VND	VND	VND	VND
As at 31/12/2018				
Borrowings and debts	1,068,378,216,727	70,590,395,060	-	1,138,968,611,787
Trade and other payables	267,030,652,053	3,972,039,330	-	271,002,691,383
Accrued expenses	6,791,900,789	-	-	6,791,900,789
Total	1,342,200,769,569	74,562,434,390	-	1,416,763,203,959
As at 01/01/2018				
Borrowings and debts	869,045,714,257	91,795,356,023	-	960,841,070,280
Trade and other payables	185,539,058,026	279,526,534	-	185,818,584,560
Accrued expenses	14,571,734,034	-	-	14,571,734,034
Total	1,069,156,506,317	92,074,882,557	-	1,161,231,388,874

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

36. ADDITIONAL INFORMATION FOR THE ITEMS OF THE SEPARATE STATEMENT OF CASH FLOWS

a) Proceeds from borrowings during the year

	<u>Year 2018</u>	<u>Year 2017</u>
	VND	VND
Proceeds from ordinary contracts	2,900,513,348,682	2,550,774,910,347

b) Actual repayments on principal during the year

	<u>Year 2018</u>	<u>Year 2017</u>
	VND	VND
Repayment on principal from ordinary contracts	2,722,385,807,175	2,172,918,289,845

37. SUBSEQUENT EVENTS AFTER THE REPORTING PERIOD

According to Decision No. 157/QD-HDQT dated 05 December 2018, the Board of Management agreed on buying 3,430,000 shares, equivalent to 98% of charter capital at Van Phu - Mineral Investing Joint Stock Company at the value of VND 5,700,000,000. On 11 January 2019, the Company has completed the transfer and changed the Van Phu - Mineral Investing Joint Stock Company into Phu Tai Ninh Thuan Stone Joint Stock Company.

On 12 February 2019, the Board of Management issued Resolution No. 20/NQ-HDQT about the approval of the plan to redeem issued shares as treasury shares with the following main contents: Total number of shares planned to buy for treasury shares is 1,500,000 shares; Implementation time in March and April 2019, after accepted by State Securities Committee.

On 21 February 2019, the Board of Management issued Resolution No. 25/NQ-HDQT approving the content of organizing the Annual General Meeting of Shareholders in 2019 as follows: The last registration date to conduct the right to attend the General Meeting of Shareholders in 2019 is 15 March 2019; Expected implementation time is 06 April 2019.

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

38. SEGMENT REPORTING

Under business fields

	Stone business	Wood business	Trading and Other Services	Total from all segments	Elimination	Grand Total
	VND	VND	VND	VND	VND	VND
Net revenue from sales to external customers	1,172,308,661,566	1,413,531,402,847	23,225,409,421	2,609,065,473,834	-	2,609,065,473,834
- Domestic	864,443,637,705	586,405,108,386	23,225,409,421	1,474,074,155,512	-	1,474,074,155,512
- Export	307,865,023,861	827,126,294,461	-	1,134,991,318,322	-	1,134,991,318,322
Cost of goods sold	783,464,095,566	1,219,213,035,688	13,305,333,958	2,015,982,465,212	-	2,015,982,465,212
Net profit from business activities	388,844,566,000	194,318,367,159	9,920,075,463	593,083,008,622	-	593,083,008,622
Total cost of acquisition of fixed assets	114,054,768,172	81,076,745,566	-	195,131,513,738	-	195,131,513,738
Segment assets	1,045,567,835,881	2,714,822,897,816	-	3,760,390,733,697	(1,025,530,196,339)	2,734,860,537,358
Assets not allocated	-	-	-	367,929,702,770	-	367,929,702,770
Total assets	1,045,567,835,881	2,714,822,897,816	-	4,128,320,436,467	(1,025,530,196,339)	3,102,790,240,128
Segment liabilities	1,020,262,805,749	2,180,917,476,456	-	3,201,180,282,205	(1,025,530,196,339)	2,175,650,085,866
Total liabilities	1,020,262,805,749	2,180,917,476,456	-	3,201,180,282,205	(1,025,530,196,339)	2,175,650,085,866

Under geographical areas:

The geographical area is determined based on the management decentralization between enterprises and branches (dependent accounting units) of the Company. During the year, the business operations of the parent company mainly took place in Binh Dinh province, operations in other areas accounted for a negligible proportion (less than 10%), therefore the Company does not prepare Segment Reporting under geographical area.

39. TRANSACTION AND BALANCES WITH RELATED PARTIES

During the year, the Company has the transactions and balances with related parties as follows: (except borrowings from related parties in Note 17)

Transactions during the year:

	Relation	Year 2018 VND	Year 2017 VND
Equity Investments		120,000,000,000	181,959,025,243
Tuan Dat Minerals One-member Co., Ltd	Subsidiary	-	7,000,000,000
Toyota Binh Dinh One-member Co., Ltd	Subsidiary	-	25,309,025,243
Toyota Da Nang One-member Co., Ltd	Subsidiary	-	70,000,000,000
Phu Tai Dong Nai One-member Co., Ltd	Subsidiary	-	45,000,000,000
Granite Manufacturing Co., Ltd	Subsidiary	-	34,650,000,000
Phu Tai Real Estate Co., Ltd	Subsidiary	90,000,000,000	-
Thanh Chau Phu Yen Granite Company Limited	Subsidiary	30,000,000,000	-
Revenue		56,014,531,388	41,767,009,594
Vina G7 JSC	Subsidiary	24,337,294,552	18,100,985,938
Tuan Dat Minerals One-member Co., Ltd.	Subsidiary	15,039,500,098	11,460,287,780
Granite Manufacturing Co., Ltd	Subsidiary	5,444,420,174	714,285,800
Phu Yen Construction Materials JSC	Subsidiary	5,245,901,476	77,550,000
Phu Tai Dong Nai One-member Co., Ltd	Subsidiary	3,505,792,888	6,743,349,122
Chanh Phu Hoa Constructing Investment JSC	Other investment	-	-
Toyota Binh Dinh One-member Co., Ltd	Subsidiary	954,727,800	954,727,800
Toyota Da Nang One-member Co., Ltd	Subsidiary	98,000,000	98,000,000
Universal Stone JSC	Subsidiary	1,377,806,400	3,617,823,154
Phu Tai Real Estate Co., Ltd	Subsidiary	11,088,000	-
Sales of fixed assets		3,670,886,260	2,288,548,136
Phu Yen Construction Materials JSC	Subsidiary	3,065,886,260	1,294,500,000
Tuan Dat Minerals One-member Co., Ltd.	Subsidiary	605,000,000	923,270,936
Granite Manufacturing Co., Ltd	Subsidiary	-	70,777,200
Vina G7 JSC	Subsidiary	-	-
Purchase of raw materials and goods		63,036,939,738	49,195,091,691
Tuan Dat Minerals One-member Co., Ltd.	Subsidiary	47,291,445,418	41,667,268,085
Granite Manufacturing Co., Ltd	Subsidiary	9,825,929,078	955,480,000
Phu Yen Construction Materials JSC	Subsidiary	5,795,983,302	4,486,253,886
Toyota Binh Dinh One-member Co., Ltd	Subsidiary	80,867,840	1,688,859,410
Phu Tai Dong Nai One-member Co., Ltd	Subsidiary	42,714,100	364,235,391
Vina G7 JSC	Subsidiary	-	32,994,919
Purchase of car repair services		310,034,100	386,258,143
Toyota Binh Dinh One-member Co., Ltd	Subsidiary	310,034,100	386,258,143
Purchase of stone processing services		1,000,983,013	8,287,698,187
Universal Stone JSC	Subsidiary	1,000,983,013	8,287,698,187
Purchase of fixed assets		5,182,537,518	2,035,123,746
Granite Manufacturing Co., Ltd	Subsidiary	-	964,043,746
Phu Yen Construction Materials JSC	Subsidiary	-	1,071,080,000
Toyota Da Nang One-member Co., Ltd	Subsidiary	1,018,800,000	-
Toyota Binh Dinh One-member Co., Ltd	Subsidiary	4,163,737,518	-

Transactions during the year (continued):

	Relation	Year 2018 VND	Year 2017 VND
Dividends received		58,390,436,500	33,707,736,000
Toyota Da Nang One-member Co., Ltd	Subsidiary	32,410,000,000	14,600,000,000
Phu Yen Construction Materials JSC	Subsidiary	9,865,436,500	8,307,736,000
Toyota Binh Dinh One-member Co., Ltd	Subsidiary	7,589,000,000	4,200,000,000
Phu Tai Dong Nai One-member Co., Ltd	Subsidiary	4,866,000,000	5,200,000,000
Tuan Dat Minerals One-member Co., Ltd.	Subsidiary	3,660,000,000	1,400,000,000
Interest Expenses		15,141,241,037	9,174,445,612
Granite Manufacturing Co., Ltd	Subsidiary	9,030,351,019	3,211,627,601
Tuan Dat Minerals One-member Co., Ltd.	Subsidiary	2,322,564,219	785,027,035
Phu Tai Dong Nai One-member Co., Ltd	Subsidiary	2,131,081,322	903,949,694
Universal Stone JSC	Subsidiary	730,166,796	272,729,197
Toyota Da Nang One-member Co., Ltd	Subsidiary	545,045,689	3,789,252,203
Vina G7 JSC	Subsidiary	382,031,992	104,194,465
Toyota Binh Dinh One-member Co., Ltd	Subsidiary	-	107,665,417

Outstanding balances up to the reporting date are as follows:

	Relation	31/12/2018 VND	01/01/2018 VND
Short-term trade receivables		13,226,014,062	12,296,094,527
Vina G7 JSC	Subsidiary	7,978,416,779	8,614,406,584
Granite Manufacturing Co., Ltd	Subsidiary	1,809,310,864	661,044,179
Phu Yen Construction Materials JSC	Subsidiary	1,225,329,403	-
Tuan Dat Minerals One-member Co., Ltd.	Subsidiary	1,317,875,342	1,415,595,469
Phu Tai Dong Nai One-member Co., Ltd	Subsidiary	882,884,874	917,076,165
Phu Tai Real Estate Co., Ltd	Subsidiary	12,196,800	-
Universal Stone JSC	Subsidiary	-	687,972,130
Short-term prepayments to suppliers		991,981	-
Universal Stone JSC	Subsidiary	991,981	-
Short-term trade payables		4,213,211,761	3,784,534,674
Granite Manufacturing Co., Ltd	Subsidiary	4,057,790,000	-
Tuan Dat Minerals One-member Co., Ltd.	Subsidiary	139,882,600	81,855,446
Toyota Binh Dinh One-member Co., Ltd	Subsidiary	15,539,161	863,110,616
Universal Stone JSC	Subsidiary	-	1,878,470,007
Phu Yen Construction Materials JSC	Subsidiary	-	560,439,675
Phu Tai Dong Nai One-member Co., Ltd	Subsidiary	-	400,658,930

Outstanding balances up to the reporting date are as follows (continued):

	Relation	31/12/2018 VND	01/01/2018 VND
Short-term loan receivable		320,602,225,166	198,845,868,907
Granite Manufacturing Co., Ltd	Subsidiary	137,015,480,462	123,094,600,000
Phu Tai Dong Nai One-member Co., Ltd	Subsidiary	53,800,400,000	27,030,000,000
Toyota Da Nang One-member Co., Ltd	Subsidiary	46,319,153,963	14,629,153,963
Tuan Dat Minerals One-member Co., Ltd.	Subsidiary	41,822,427,525	22,491,351,728
Universal Stone JSC	Subsidiary	12,000,000,000	10,000,000,000
Toyota Binh Dinh One-member Co., Ltd	Subsidiary	11,774,763,216	1,600,763,216
Vina G7 JSC	Subsidiary	9,500,000,000	-
Mrs. Nguyen Thi Kiem Oanh	Related party	8,370,000,000	-
Other receivables		1,501,501,313	3,420,379,496
Tuan Dat Minerals One-member Co., Ltd.	Subsidiary	697,110,244	123,253,790
Universal Stone JSC	Subsidiary	203,871,959	55,701,385
Toyota Da Nang One-member Co., Ltd	Subsidiary	225,505,251	59,620,351
Toyota Binh Dinh One-member Co., Ltd	Subsidiary	-	31,960,320
Phu Tai Dong Nai One-member Co., Ltd	Subsidiary	279,589,741	166,362,309
Granite Manufacturing Co., Ltd	Subsidiary	-	2,944,533,181
Phu Yen Construction Materials JSC	Subsidiary	-	38,948,160
Phu Tai Real Estate Co., Ltd	Subsidiary	42,250,500	-
Vina G7 JSC	Subsidiary	53,173,618	-

Transactions with other related parties:

	Year 2018 VND	Year 2017 VND
Remuneration to General Director	972,000,000	880,914,464
Remuneration to Board of Management, Board of Supervision and other managers	5,125,836,893	4,712,045,794

41. COMPARATIVE FIGURES

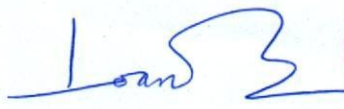
The comparative figures are figures in the Separate Financial Statements for the fiscal year ended as at 31 December 2017, which was audited by AASC Auditing Firm.

Preparer



Vo Phuong Thao

Chief Accountant



Nguyen Thi My Loan

Binh Dinh, 01 March 2019
General Director



LE VAN THAO