

INTERIM SEPARATE FINANCIAL STATEMENTS

HUONG GIANG TOURIST JOINT STOCK COMPANY

For the period from 01/01/2019 to 30/06/2019
(reviewed)

HUONG GIANG TOURIST JOINT STOCK COMPANY

No. 2, Nguyen Cong Tru, Hue City, Thua Thien Hue Province, Vietnam

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HUONG GIANG TOURIST JOINT STOCK COMPANY

No. 2, Nguyen Cong Tru, Hue City, Thua Thien Hue Province, Vietnam

REPORT OF THE BOARD OF GENERAL DIRECTORS

The Board of General Directors of Huong Giang Tourist Joint Stock Company ("the Company") presents its report and the Company's Interim Separate Financial Statements for the period from 01 January 2019 to 30 June 2019.

THE COMPANY

Huong Giang Tourist Joint Stock Company is incorporated as a state owned company established under Decision No. 3243/QD-UBND dated 2 November 1996 issued by the People's Committee of Thua Thien Hue Province, was transformed into a joint stock company under Decision No. 2559/QD-UBND dated 15 November 2007 issued by the People's Committee of Thua Thien Hue Province. The Company was established and operated under the corporate registration certificate of joint stock company No. 3300101124 issued by the People's Committee of Thua Thien Hue Province for the first time on 25 December 2007 and had its 10th amendment on 28 December 2018.

The Company's head office is located at: No. 2, Nguyen Cong Tru, Hue City, Thua Thien Hue Province, Vietnam.

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

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

Mr. Yukio Takahashi	Chairman	
Mr. Vu Quang Hoi	Member	Resigned on 31/05/2019
Mr. Johnny Cheung - Ching Fu	Member	
Mr. Nguyen Viet Tao	Member	Resigned on 31/05/2019
Mr. Go Fujiyama	Member	
Mr. Le Ba Giang	Member	Appointed on 31/05/2019
Mr. Yoshida Tetsuya	Member	Appointed on 31/05/2019

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

Mr. Johnny Cheung - Ching Fu	General Director
Mr. Le Ba Giang	Vice General Director

The members of the Board of Supervision are:

Mr. Ho Minh Quoc	Head of Control Department
Mrs. Dao Thi Chinh	Member
Mrs. Fumiyo Okuda	Member

AUDITORS

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

HUONG GIANG TOURIST JOINT STOCK COMPANY

No. 2, Nguyen Cong Tru, Hue City, Thua Thien Hue Province, Vietnam

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

The Board of General Directors is responsible for the Interim 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 period. In preparing those Interim 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 Interim 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 Interim Separate Financial Statements;
- Prepare the Interim 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 Interim Separate Financial Statements on going concern basis unless it is inappropriate to presume that the Company will continue in business.

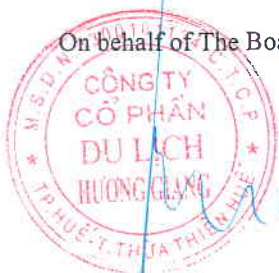
The Board of General Directors is responsible for ensuring that accounting records are kept to reflect the financial position of the Company, with reasonable accuracy at anytime and to ensure that the Interim Separate Financial Statements comply with the registered accounting system. It is responsible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

We, The Board of General Directors, confirm that the Interim Separate Financial Statements give a true and fair view of the financial position at 30 June 2019, its operation results and cash flows in the first 06-month of the year 2019 of Company in accordance with the Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to preparation and presentation of Financial statements.

Other commitments

The Board of General Directors pledges that the company complies with Decree No. 71/2017/ND-CP of the Government 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.

On behalf of The Board of General Directors



Le Ba Giang
Vice General Director

Hue, 15 July 2019

AUDITOR'S REPORT ON RESULTS OF INTERIM SEPARATE FINANCIAL STATEMENTS REVIEW

**To: Shareholders, The Board of Management and The Board of General Directors
Huong Giang Tourist Joint Stock Company**

We have reviewed the interim Separate financial statements of Huong Giang Tourist Joint Stock Company prepared on 15 July 2019 including: Interim Separate Statement of financial position as at 30 June 2019, Interim Separate Statement of comprehensive income, Interim Separate Statement of cash flows and Notes to Interim Separate financial statements for the period from 01 January 2019 to 30 June 2019.

The Board of General Directors Responsibility

The Board of General Directors is responsible for the fair and reasonable preparation and presentation of the Interim Separate Financial Statement of the Company in accordance with Vietnamese Accounting Standards, Vietnamese Accounting Policy for Enterprises and legal regulations related to the preparation and presentation of the Interim Separate Financial Statement, and for the internal control that the Board of General Directors determines as necessary to ensure that there is no significant error due to a fraud or mistake in the preparation and presentation of the Interim Financial Statement.

Auditor's Responsibility

Our responsibility is to express an opinion on these Interim Separate Financial Statements based on our review. We conducted our review in accordance with the Vietnam Standards on Reviewing Services Contract No. 2410 - Revision of Interim Financial Information performed by an independent auditor of the entity.

Interim financial information review consists of conducting interviews, particularly interviewing those responsible for financial accounting matters, and performing other analytical and reviewing procedures. A review's scale is substantially smaller than an audit in accordance with Vietnam Standards on Auditing and therefore does not give us any assurance that we will be aware of all key issues that can be identified in an audit. Accordingly, we shall not express an audit opinion.

Basis for qualified conclusion

At the Independent Audit Report No. 220319.019 / BCTC.KT2 dated March 22, 2019 on the Separate Financial Statements of Huong Giang Tourist Joint Stock Company for the fiscal year ended on December 31, 2018, the Auditor gave a qualified opinion about: the technical services consultancy contract between the Company and Azula Management Co., Ltd. consulting the outline of the idea of investment in facilities of Huong Giang Hotel was suspended but the Company is still keeping track of the expenses on this activity in item "Construction in progress" (Code 242) of the Separate Balance Sheet. As at 30/06/2019, the accumulated amount of the contract is VND 8.96 billion (Of which: the amount generated in 2018 is VND 8.8 billion; in the first 06 months of 2019 is VND 151 million). By the time of issuing this review report, the consulting contract has expired but we have not collected records and documents related to the consultancy results as well as the project implementation. In case the consulting contract has no results or the Company does not implement the project according to the results of this consultancy, the above-mentioned expenses must be recognized into the production and business expenses in the period.

Conclusion

In our review, except for the influence of the matter mentioned in "Basis for qualified conclusion", we do not see the events for us that the attached Interim Separate Financial Statements does not reflect a true and fair view in all material respects of the financial status of Huong Giang Tourist Joint Stock Company and the results of its operations and cash flows for the period ended as at 30/06/2019, in accordance with the Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of Interim Financial Statements.

Emphasis of matter

Readers may refer to Note No.3 and Note No.18 of the Notes to the Interim Separate Financial Statements. As at 30 June 2019, the Company is recording and presenting on the Interim Separate Financial Statements the amount payable to the State Budget in the amount of VND 32 billion related to the divestment of the People's Committee of Thua Thien Hue Province at Huong Giang Tourist Joint Stock Company.

This emphasis does not affect our above-mentioned conclusion of the Auditor.

Other matter

As stated in Section b, Note 19 in the Notes to the 06-month interim financial statements of Huong Giang Tourist Joint Stock Company, during the period, Bitexco Group of Companies's ownership in the capital of Huong Giang Tourist Joint Stock Company decreased from 41.71% at the beginning of the period to 9.11% at the end of the period.

On 7 June 2019, Bitexco Group of Companies issued Document No.129/19/CV-TGD/BITEXCO to the Board of Directors, members of the Board of Directors, Supervisory Board, and Huong Giang Tourist Joint Stock Company on the disagreement with the minutes content of the Shareholders General Meeting dated 31 May 2019 of Huong Giang Tourist Joint Stock Company. The document stated that Bitexco did not agree to change its ownership in the capital of Huong Giang Tourist Joint Stock Company from 41.71% as at the beginning of the year to 9.11% on the date of the Shareholders General Meeting.

AASC Auditing Firm Company Limited



Vu Xuan Bien 
Deputy General Director

Certificate of registration to audit practice

No: 0743-2018-002-1

Hanoi, 16 August 2019

HUONG GIANG TOURIST JOINT STOCK COMPANY

 No. 2, Nguyen Cong Tru, Hue City,
 Thua Thien Hue Province, Vietnam

Interim Separate Financial Statements
 For the period from 01/01/2019 to 30/06/2019

INTERIM SEPARATE STATEMENT OF FINANCIAL POSITION
As at 30 June 2019

Code	ASSETS	Note	30/06/2019 VND	01/01/2019 VND
100	A. SHORT-TERM ASSETS		72,683,843,628	70,860,641,344
110	I. Cash and cash equivalents	3	49,483,953,091	58,550,317,678
111	1. Cash		36,183,953,091	35,550,317,678
112	2. Cash equivalents		13,300,000,000	23,000,000,000
130	III. Short-term receivables		22,305,838,350	11,400,376,014
131	1. Short-term trade receivables	4	1,868,193,320	2,266,453,808
132	2. Short-term prepayments to suppliers		1,515,771,000	1,424,500,000
135	3. Short-term loan receivables		11,860,000,000	500,000,000
136	4. Other short-term receivables	8	7,775,592,783	7,926,532,244
137	5. Provision for short-term doubtful debts		(717,110,038)	(717,110,038)
139	6. Shortage of assets awaiting resolution	9	3,391,285	-
140	IV. Inventories	11	374,079,769	460,855,241
141	1. Inventories		374,079,769	460,855,241
150	V. Other short-term assets		519,972,418	449,092,411
151	1. Short-term prepaid expenses	15	519,972,418	449,092,411
200	B. NON-CURRENT ASSETS		174,010,265,171	175,750,374,072
210	I. Long-term receivables		4,948,817,680	4,948,817,680
216	1. Other long-term receivables	8	4,948,817,680	4,948,817,680
220	II. Fixed assets		29,096,202,241	28,767,955,934
221	1. Tangible fixed assets	13	28,085,480,936	27,754,037,907
222	- <i>Historical costs</i>		80,307,982,464	80,775,225,446
223	- <i>Accumulated depreciation</i>		(52,222,501,528)	(53,021,187,539)
227	2. Intangible fixed assets	14	1,010,721,305	1,013,918,027
228	- <i>Historical costs</i>		1,308,338,000	1,308,338,000
229	- <i>Accumulated amortization</i>		(297,616,695)	(294,419,973)
240	IV. Long-term unfinished asset	12	9,357,767,749	9,086,181,104
242	1. Construction in progress		9,357,767,749	9,086,181,104
250	V. Long-term investments	5	123,516,492,749	123,516,492,749
251	1. Investment in subsidiaries		11,643,211,488	11,643,211,488
252	2. Investments in joint ventures and associates		117,756,018,651	117,756,018,651
253	3. Equity investments in other entities		3,000,000,000	3,000,000,000
254	4. Provision for devaluation of long-term investments		(8,882,737,390)	(8,882,737,390)
260	VI. Other long-term assets		7,090,984,752	9,430,926,605
261	1. Long-term prepaid expenses	15	7,090,984,752	9,430,926,605
270	TOTAL ASSETS		246,694,108,799	246,611,015,416

HUONG GIANG TOURIST JOINT STOCK COMPANY

 No. 2, Nguyen Cong Tru, Hue City,
 Thua Thien Hue Province, Vietnam

Interim Separate Financial Statements
 For the period from 01/01/2019 to 30/06/2019

INTERIM SEPARATE STATEMENT OF FINANCIAL POSITION
As at 30 June 2019
(continue)

Code	CAPITAL	Note	30/06/2019 VND	01/01/2019 VND
300	C. LIABILITIES		37,082,178,816	38,033,759,686
310	I. Current liabilities		37,082,178,816	38,033,759,686
311	1. Short-term trade payables	16	945,425,374	1,145,141,307
312	2. Short-term prepayments from customers		235,546,217	448,563,597
313	3. Taxes and other payables to State budget	17	407,730,264	313,529,840
314	4. Payables to employees		2,101,188,661	2,585,138,004
319	5. Other short-term payments	18	33,392,288,300	33,360,514,622
322	6. Bonus and welfare fund		-	180,872,316
400	D. OWNER'S EQUITY		209,611,929,983	208,577,255,730
410	I. Owner's equity	19	209,611,929,983	208,577,255,730
411	1. Contributed capital		200,000,000,000	200,000,000,000
411a	Ordinary shares with voting rights		200,000,000,000	200,000,000,000
412	2. Share Premium		47,223,517,700	47,223,517,700
421	3. Retained earnings		(37,611,587,717)	(38,646,261,970)
421a	Retained earnings accumulated till the end of the previous year		(38,646,261,970)	(37,488,944,608)
421b	Retained earnings of the period		1,034,674,253	(1,157,317,362)
440	TOTAL CAPITAL		246,694,108,799	246,611,015,416


 Ngo Duc Chinh
 Preparer


 Ngo Duc Chinh
 Chief Accountant


 Le Ba Giang
 Vice General Director

Hue, 15 July 2019

HUONG GIANG TOURIST JOINT STOCK COMPANY

No. 2, Nguyen Cong Tru, Hue City,
Thua Thien Hue Province, Vietnam

Interim Separate Financial Statements
For the period from 01/01/2019 to 30/06/2019

INTERIM SEPARATE STATEMENT OF INCOME

For the period from 01/01/2019 to 30/06/2019

Code	ITEM	Note	first 06-month of the year 2019 VND	first 06-month of the year 2018 VND
01	1. Revenue from sales of goods and rendering of services	21	28,242,517,207	22,731,017,455
02	2. Revenue deductions		-	-
10	3. Net revenue from sales of goods and rendering of services		28,242,517,207	22,731,017,455
11	4. Cost of goods sold	22	19,939,571,308	15,625,896,539
20	5. Gross profit from sales of goods and rendering of services		8,302,945,899	7,105,120,916
21	6. Financial income	23	838,206,600	351,410,634
22	7. Financial expense	24	216,426	(1,070,456,022)
23	<i>In which: Interest expenses</i>		-	-
25	8. Selling expenses	25	1,022,856,860	1,111,489,359
26	9. General and administrative expense	26	7,540,546,195	8,223,285,391
30	10. Net profit from operating activities		577,533,018	(807,787,178)
31	11. Other income	27	475,951,818	2,051,765
32	12. Other expense	28	18,810,583	-
40	13. Other profit		457,141,235	2,051,765
50	14. Total net profit before tax		1,034,674,253	(805,735,413)
51	15. Current corporate income tax expenses	29	-	-
52	16. Deferred corporate income tax expenses		-	-
60	17. Profit after corporate income tax		<u>1,034,674,253</u>	<u>(805,735,413)</u>

Ngo Duc Chinh
Preparer

Ngo Duc Chinh
Chief Accountant

Le Ba Giang
Vice General Director

Hue, 15 July 2019

HUONG GIANG TOURIST JOINT STOCK COMPANY

No. 2, Nguyen Cong Tru, Hue City,
Thua Thien Hue Province, Vietnam

Interim Separate Financial Statements
For the period from 01/01/2019 to 30/06/2019

INTERIM SEPARATE STATEMENT OF CASH FLOWS

For the period from 01/01/2019 to 30/06/2019

(Indirect method)

Code	ITEM	Note	first 06-month of the year 2019 VND	first 06-month of the year 2018 VND
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	1. Profit before tax		1,034,674,253	(805,735,413)
	2. Adjustments for			
02	- Depreciation and amortization of fixed assets and investment properties		1,268,812,511	1,810,668,920
03	- Provisions		-	(5,640,135,709)
05	- Gains/losses from investment		(1,298,692,419)	4,230,193,878
08	3. Operating profit before changes in working capital		1,004,794,345	(405,008,324)
09	- Increase or decrease in receivables		374,537,664	4,392,888,629
10	- Increase or decrease in inventories		86,775,472	(1,227,138)
11	- Increase or decrease in payables (excluding interest payable/corporate income tax payable)		(770,708,554)	(127,802,977)
12	- Increase or decrease in prepaid expenses		2,269,061,846	(610,438,834)
17	- Other payments on operating activities		(180,872,316)	-
20	Net cash flows from operating activities		2,783,588,457	3,248,411,356
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	1. Purchase or construction of fixed assets and other long-term assets		(1,868,645,463)	(156,872,066)
22	2. Proceeds from disposals of fixed assets and other long-term assets		240,909,091	-
23	3. Loans and purchase of debt instruments from other entities		(11,360,000,000)	-
26	4. Proceeds from equity investment in other entities		-	12,062,555,685
27	5. Interest and dividend received		1,137,783,328	339,250,437
30	Net cash flows from investing activities		(11,849,953,044)	12,244,934,056
50	Net cash flows in the period		(9,066,364,587)	15,493,345,412
60	Cash and cash equivalents at beginning of the period		58,550,317,678	53,605,193,610
70	Cash and cash equivalents at end of the period	3	49,483,953,091	69,098,539,022

Ngo Duc Chinh
Preparer

Ngo Duc Chinh
Chief Accountant

Le Ba Giang
Vice General Director

Hue, 15 July 2019

NOTES TO INTERIM SEPARATE FINANCIAL STATEMENTS

For the period from 01/01/2019 to 30/06/2019

1 . GENERAL INFORMATION OF THE COMPANY

Forms of Ownership

Huong Giang Tourist Joint Stock Company is incorporated as a state owned company established under Decision No. 3243/QD-UBND dated 2 November 1996 issued by the People's Committee of Thua Thien Hue Province, was transformed into a joint stock company under Decision No. 2559/QD-UBND dated 15 November 2007 issued by the People's Committee of Thua Thien Hue Province. The Company was established and operated under the corporate registration certificate of joint stock company No. 3300101124 issued by the People's Committee of Thua Thien Hue Province for the first time on 25 December 2007 and had its 10th amendment on 28 December 2018.

The Company's head office is located at: No. 2, Nguyen Cong Tru, Hue City, Thua Thien Hue Province, Vietnam.

Company's Charter capital: VND 200.000.000.000. Equivalent to 20.000.000 shares with the price of VND 10.000 per share.

Business field

Hospitality industry and tourism services.

Business activities

Main business activities of the Company include:

- Short-stay services;
- Wholesale of beverage;
- Wholesale of food;
- Wholesale of other household appliances such as trading cosmetics and hygiene products;
- Lottery, betting, gambling activities such as electronic games with prizes for foreigners;
- Entertainment activities not yet categorized such as Karaoke services;
- Tour operator such as international and domestic travel business; and
- Restaurants and mobile catering services such as restaurants and cafes.

Corporate structure

The company has 01 affiliated unit: Huong Giang Hotel Resort & Spa with address in Hue city with main business activity is hotel business.

Information of subsidiary, associates, joint ventures of the Company is provided in Note 5.

HUONG GIANG TOURIST JOINT STOCK COMPANY

No. 2, Nguyen Cong Tru, Hue City,
Thua Thien Hue Province, Vietnam

Interim Separate Financial Statements
For the period from 01/01/2019 to 30/06/2019

2 . ACCOUNTING SYSTEM AND ACCOUNTING POLICY

2.1 . Accounting period and accounting currency

Annual accounting period commences from 1st January and ends as at 31st 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 and presented in accordance with regulations of each standard and supplementary document as well as with current Accounting Standards and Accounting System.

2.3 . Basis for preparation of Interim Separate Financial Statements

Interim Separate Financial Statements are presented based on historical cost principle.

Interim Separate Financial Statements of the Company are prepared based on summarization of transactions incurred, then recorded into accounting books of dependent accounting entities and at the offices of the Company.

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

The Users of this Interim Separate Financial Statements should study the separate financial statements combined with the consolidated financial statements of the Company and its subsidiary ("the Group") for the period from 01 January 2019 to 30 June 2019 in order to gain enough information regarding the financial position, results of operations 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. At initial recognition, financial assets are identified by purchasing price/issuing cost plus other expenses directly related to the purchase and issuance of those assets.

Financial liabilities

Financial liabilities of the Company include trade payables, other payables. 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 the Interim Separate Financial Statements is determined on 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 period and from revaluation of remaining foreign currency monetary items at the end of the period are recorded immediately to operating results of the accounting period.

2.6 . Cash and cash equivalents

Cash comprises cash on hand, demand deposits.

Cash equivalents are short-term investments with the maturity of not over than 3 months from the date of investment, that are highly liquid and readily convertible into known amount of cash and that are subject to an insignificant risk of conversion into cash.

2.7 . Financial investments

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

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 period as followings:

- With regard to investments in subsidiary, joint ventures or associates: according to the Financial Statement of the subsidiary, joint ventures or associates at the latest date. Provision for devaluation of investment shall be made when losses occurred to the investing unit, except for when that loss is planned during investment decision;
- With regard to long-term investments (other than trading securities) without significant influence on the investee: If the investment is made in listed shares or the fair value of the investment is determined reliably, the provisions shall be made on the basis of the market value of the shares; if the fair value of the investment is not determined at the reporting date, the provision shall be made based on the Financial Statements at the provision date of the investee.

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 by weighted average method.

Inventory is recorded by perpetual method.

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

HUONG GIANG TOURIST JOINT STOCK COMPANY

No. 2, Nguyen Cong Tru, Hue City,
Thua Thien Hue Province, Vietnam

Interim Separate Financial Statements
For the period from 01/01/2019 to 30/06/2019

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	05 - 30 years
- Machine, equipment	05 - 10 years
- Transportation equipment	06 - 10 years
- Office equipment and furniture	03 - 05 years
- Land use rights	Permanent
- Management software	03 - 05 years

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 . Operating lease

Operating leases is fixed asset leasing in which a significant portion of the risks and rewards of ownership are retained by the lessor. Payments made under operating leases are charged to income statement on a straight-line basis over the period of the lease.

2.13 . Prepaid expenses

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

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

2.14 . Payables

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

2.15 . 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).

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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.

2.16 . Revenues

Sale of goods

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

- Significant risks and rewards associated with the ownership of the goods have been transferred to the buyer;
- 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 entity; and
- The cost incurred or to be incurred in respect of the transaction can be measured reliable.

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 end of the reporting period 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.

Financial income

Revenue arising from the used by the others of entity 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 entity;
- The amount of the revenue can be measured reliably.

2.17 . Cost of goods sold

Cost of goods sold is recognized in accordance with revenue arising and ensure compliance with the prudence principle. Cases of loss of materials and goods exceeded the norm, abnormal expenses and losses of inventories after deducting the responsibility of collective and individuals concerned,... are recognized fully and promptly into cost of goods sold in the period.

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2.18 . Financial expenses

Items recorded into financial expenses comprise:

- Expenses or losses relating to financial investment activities;
- Provision for diminution in value of trading securities price; provision for losses from investment in other entities, losses from sale of foreign currency, exchange loss, etc.

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

2.19 . Corporate income tax

a) Current corporate income tax expenses

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

b) Current corporate income tax rate

The Company is subjected to corporate income tax at 20% for business operation of the period from 01/01/2019 to 30/06/2019.

2.20 . 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 these enterprises.

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

2.21 . Segment information

The Company's main business is the hotel and tourism business and mainly takes place in the territory of Vietnam. Therefore, the Company does not present the segment report by business sector and geographic area.

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3 . CASH AND CASH EQUIVALENTS

	30/06/2019	01/01/2019
	VND	VND
Cash on hand	201,676,405	414,527,909
Non-term deposits ⁽¹⁾	35,982,276,686	35,134,884,769
Cash in transit	-	905,000
Cash equivalents ⁽²⁾	13,300,000,000	23,000,000,000
	49,483,953,091	58,550,317,678

(1) As at 30/06/2019, non-term deposits with the amount of VND 35,982,276,686, of which VND 32,032,533,340 was the proceeds from the transfer of capital of People's Committee of Thua Thien Hue Province for Bitexco Group of Companies, this money is limited to use in accordance with Official Letter No. 1398/STC-TCDN dated 26/5/2016 of Department of Finance of Thua Thien Hue Province.
(Details as in Note 18)

(2) As at 30/06/2019, cash equivalents are term deposits from 01 to 03 months valued at VND 13,300,000,000 at Joint Stock Commercial Bank for Foreign Trade of Vietnam - Hue Branch and DongA Joint Stock Commercial Bank with the interest from 4.5% per year to 5.3% per year.

4 . SHORT-TERM TRADE RECEIVABLES

	30/06/2019		01/01/2019	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
Trade receivables detailed by customers with large account balances				
- Thuan An	717,110,038	(717,110,038)	717,110,038	(717,110,038)
Tourist				
Investment and				
Development				
Co., Ltd				
- Others	1,151,083,282	-	1,549,343,770	-
	1,868,193,320	(717,110,038)	2,266,453,808	(717,110,038)
Trade receivables from related parties				
	12,350,000	-	-	-

(Details as in Notes 33).

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5 . FINANCIAL INVESTMENTS

	30/06/2019		01/01/2019	
	Original cost	Provision	Original cost	Provision
	VND	VND	VND	VND
Subsidiary				
- Huong Giang Travel Sole Member Limited Liability Company	11,643,211,488	-	11,643,211,488	-
	11,643,211,488	-	11,643,211,488	-
Join ventures, associates				
- Lang Co Tourist Co., Ltd.	117,756,018,651	(5,882,737,390)	117,756,018,651	(5,882,737,390)
- Hue Tourist Service JSC (*)	6,239,210,372	(2,126,737,390)	6,239,210,372	(2,126,737,390)
- Thien Phuc Tourist JSC	1,200,000,000	(1,200,000,000)	1,200,000,000	(1,200,000,000)
- Saigon Morin Hue Co., Ltd.	940,000,000	-	940,000,000	-
- Viet Nhat Tourism and Restaurant Services Co., Ltd. (*)	50,720,625,000	-	50,720,625,000	-
- Hotel De La Cite Imperiale Co.,Ltd.	2,556,000,000	(2,556,000,000)	2,556,000,000	(2,556,000,000)
- Citadel Investment Tourist Co., Ltd.	34,416,633,279	-	34,416,633,279	-
Investments in equity of other entities	21,683,550,000	-	21,683,550,000	-
- Thuan An Tourist Investment and Development Co., Ltd. (*)	3,000,000,000	(3,000,000,000)	3,000,000,000	(3,000,000,000)
	3,000,000,000	(3,000,000,000)	3,000,000,000	(3,000,000,000)
	132,399,230,139	(8,882,737,390)	132,399,230,139	(8,882,737,390)

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.

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Subsidiary

Detail information on the Company's subsidiary as at 30/06/2019 as follows:

Name of subsidiary	Place of establishment and operation	Rate of interest	Rate of voting rights	Principle activities
- Huong Giang Travel Sole Member Limited Liability Company	11 Le Loi Street, Vinh Ninh Ward, Hue City, Thua Thien Thien Province, Vietnam	100%	100%	Tourism business, ticket agency

Join ventures, associates

Detail information on the Company's join ventures, associates as at 30/06/2019 as follows:

Name of join ventures, associates	Place of establishment and operation	Rate of interest	Rate of voting rights	Principle activities
- Lang Co Tourist Co., Ltd.	Loan Ly Village, Lang Co Town, Phu Loc District, Thua Thien Hue Province	40.00%	40.00%	Hotel, restaurant and travel services
- Hue Tourist Service JSC (*)	Ngu Binh Park, Thuy An Commune, Hue City, Thua Thien Hue Province	20.00%	20.00%	Sports business, amusement parks
- Thien Phuc Tourist JSC	An Tay Ward, Hue City, Thua Thien Hue Province	31.33%	31.33%	Production of bottled mineral water and laundry services
- Saigon Morin Hue Co., Ltd.	30 Le Loi Street, Phu Nhuan Ward, Hue City, Thua Thien Hue Province, Vietnam	50.00%	50.00%	Hotel and travel services
- Viet Nhat Tourism and Restaurant Services Co., Ltd. (*)	5190 Shindo Sagamiharashi Kanagawa, Japan	50.00%	50.00%	Restaurants and souvenirs business, tourism and hotel services
- Hotel De La Cite Imperiale Co., Ltd.	5 Le Loi Street, Hue City, Thua Thien Hua Province	49.00%	49.00%	Hotel and travel services
- Citadel Investment Tourist Co., Ltd.	2 Nguyen Cong Tru Street, Hue City, Thua Thien Hue Province	35.00%	35.00%	Hotel and travel services

Investments in equity of other entities

Name of entities	Place of establishment and operation	Rate of interest	Rate of voting rights	Principle activities
- Thuan An Tourist Investment and Development Co., Ltd. (*)	Thua Thien Hue Province, Vietnam	12.00%	12.00%	Hotel and travel services

(*) These investments have been fully provisioned. In particular, Hue Tourist Service Joint Stock Company, Viet Nhat Tourism and Restaurant Services Co., Ltd., Thuan An Tourist Investment and Development Co., Ltd. stopped operating.

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6 . SHORT-TERM PREPAYMENTS TO SUPPLIERS

	30/06/2019		01/01/2019	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
- District Eight Design Co., Ltd	1,366,100,000	-	1,366,100,000	-
- Others	149,671,000	-	58,400,000	-
	1,515,771,000	-	1,424,500,000	-

7 . LOAN RECEIVABLES

	30/06/2019		01/01/2019	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
a) Short-term				
- Huong Giang Travel Sole Member Limited Liability Company ⁽¹⁾	1,160,000,000	-	500,000,000	-
- Hotel De La Cite Imperiale Co.,Ltd. ⁽²⁾	10,500,000,000	-	-	-
- Citadel Investment Tourist Co., Ltd. ⁽³⁾	200,000,000	-	-	-
	11,860,000,000	-	500,000,000	-
b) Loan receivable from related parties				
	11,860,000,000	-	500,000,000	-

(Details as in Notes 33).

Detail information on short-term loan receivables is as follows:

(1) Including 02 contracts:

- Contract No. 01/2018/HDKT dated 12/07/2018 with a total amount of VND 500,000,000, the purpose of borrowing is to supplement working capital, with a term of 12 months and interest rate of 9%/year.
- Contract No. 01/HGT-HG dated 16/05/2019 with a total amount of VND 660,000,000 with a term of 15 months with an interest rate of 9.3%/year.

(2) Loan agreement and contract appendix No.01/KT-HG-122018 dated 27/12/2018, with a total amount of VND 10,500,000,000 for 06-month term with interest rate of 9.3%/year and. The purpose of the loan is to supplement working capital.

(3) Loan agreement and contract appendix No.01/KT-HG-042019 dated 03/04/2019, with a total amount of VND 600,000,000 for 06-month term with interest rate of 9.3%/year. The purpose of the loan is to supplement working capital. As at 30/06/2019, the total loan amount is VND 200,000,000.

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8 . OTHER RECEIVABLES

	30/06/2019		01/01/2019	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
a) Short-term				
- Receivables from dividends and profit	1,105,101,286	-	1,405,101,286	-
- Advances	1,060,000,000	-	1,029,000,000	-
- My An Tourist Joint Stock Company	557,521,011	-	534,536,490	-
- Loan interest receivables from Bitexco Group of Companies	1,570,500,000	-	1,570,500,000	-
- Handover project of Saigon Morin Hue Co., Ltd.	933,690,527	-	933,690,527	-
- Huong Giang Travel Sole Member Limited Liability Company	1,116,880,913	-	1,512,729,818	-
- Receivable from payment on behalf of Thien Phuc Tourist JSC	298,897,338	-	298,897,338	-
- Special consumption tax paid on behalf of VIP Club	220,639,373	-	220,639,373	-
- Revenue not yet invoiced	776,811,936	-	327,007,013	-
- Others	135,550,399	-	94,430,399	-
	7,775,592,783	-	7,926,532,244	-
b) Long-term				
- Dat Viet Culture Joint Stock Company (*)	4,948,817,680	-	4,948,817,680	-
	4,948,817,680	-	4,948,817,680	-
c) Other receivables from related parties				
(Details as in Notes 33).	4,091,379,537	-	3,916,663,646	-

(*) This is the construction in progress and advances to the contractors of Tran Nhan Tong Pagoda (currently known as Huong Van Pagoda) of Huyen Tran Culture Centre. In 2011, the Company handed over to Dat Viet Culture Joint Stock Company (formerly known as Huyen Tran Culture Joint Stock Company) to continue to control and finalise these expenses with the contractors.

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9 . ASSETS AWAITING FOR RESOLUTION

	30/06/2019		01/01/2019	
	Quantity	Amount	Quantity	Amount
		VND		VND
Kitchen tools	-	3,391,285	-	-
		3,391,285		-

10 . BAD DEBTS

	30/06/2019		01/01/2019	
	Original cost	Recoverable value	Original cost	Recoverable value
	VND	VND	VND	VND
Total value of receivables and debts that are overdue or not due but difficult to be recovered				
- Thuan An Tourist Investment and Development Co., Ltd	717,110,038	-	717,110,038	-
	717,110,038	-	717,110,038	-

11 . INVENTORIES

	30/06/2019		01/01/2019	
	Original cost	Provision	Original cost	Provision
	VND	VND	VND	VND
Raw material	207,501,948	-	260,121,440	-
Goods	166,577,821	-	200,733,801	-
	374,079,769	-	460,855,241	-

12 . LONG-TERM ASSET IN PROGRESS

	30/06/2019	01/01/2019
	VND	VND
Construction in progress	9,357,767,749	9,086,181,104
- Huong Giang Hotel Renovation Project (*)	8,964,422,798	8,812,500,162
- Binh Minh Restaurant Renovation Project	-	22,727,273
- Food Center Renovation Project at 11 Le Loi - Hue City	393,344,951	250,953,669
	9,357,767,749	9,086,181,104

(*) According to the contract signed on 16 March 2017 between Huong Giang Tourist Joint Stock Company and Azula Management Co., Ltd. about providing consulting services for Huong Giang Hotel. The term of the contract is 18 months with a total amount of 900,000 USD. This amount was fully paid by the Company to its accumulated partner as at 30/06/2019. However, as at present date, the parties have halted the implementation of this contract to prioritize the implementation of other projects.

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13 . TANGIBLE FIXED ASSETS

	Buildings, structures	Machinery, equipment	Transportation equipment	Management equipment	Total
	VND	VND	VND	VND	VND
Historical cost					
Beginning balance	59,463,637,476	11,163,690,675	9,343,755,651	804,141,644	80,775,225,446
- Purchase in the period	-	89,000,000	1,369,481,818	-	1,458,481,818
- Completed construction investment	138,577,000	-	-	-	138,577,000
- Liquidation, disposal	-	-	(2,064,301,800)	-	(2,064,301,800)
Ending balance of the period	59,602,214,476	11,252,690,675	8,648,935,669	804,141,644	80,307,982,464
Accumulated depreciation					
Beginning balance	38,146,131,173	10,456,202,617	3,650,807,727	768,046,022	53,021,187,539
- Depreciation for the period	897,823,526	107,089,603	251,168,323	9,534,337	1,265,615,789
- Liquidation, disposal	-	-	(2,064,301,800)	-	(2,064,301,800)
Ending balance of the period	39,043,954,699	10,563,292,220	1,837,674,250	777,580,359	52,222,501,528
Net carrying amount					
Beginning balance	21,317,506,303	707,488,058	5,692,947,924	36,095,622	27,754,037,907
Ending balance	20,558,259,777	689,398,455	6,811,261,419	26,561,285	28,085,480,936

In which:

- Cost of fully depreciated tangible fixed assets but still in use at the end of the period: VND 28,691,666,801.

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14 . INTANGIBLE FIXED ASSETS

	Land use rights VND	Computer software VND	Total VND
Historical cost			
Beginning balance	999,000,000	309,338,000	1,308,338,000
Ending balance of the period	<u>999,000,000</u>	<u>309,338,000</u>	<u>1,308,338,000</u>
Accumulated depreciation			
Beginning balance	-	294,419,973	294,419,973
- Depreciation for the period	-	3,196,722	3,196,722
Ending balance of the period	<u>-</u>	<u>297,616,695</u>	<u>297,616,695</u>
Net carrying amount			
Beginning balance	999,000,000	14,918,027	1,013,918,027
Ending balance	<u>999,000,000</u>	<u>11,721,305</u>	<u>1,010,721,305</u>

15 . PREPAID EXPENSES

	30/06/2019 VND	01/01/2019 VND
a) Short-term		
Instruments and tools	38,173,435	81,508,660
Insurance expenses	54,741,204	64,293,096
Others	427,057,779	303,290,655
	<u>519,972,418</u>	<u>449,092,411</u>
b) Long-term		
Instruments and tools	3,034,191,107	4,088,375,565
Assets reparation expenses	1,320,945,035	2,008,708,883
Others	2,735,848,610	3,333,842,157
	<u>7,090,984,752</u>	<u>9,430,926,605</u>

16 . SHORT-TERM TRADE PAYABLES

	30/06/2019		01/01/2019	
	Outstanding balance VND	Amount can be paid VND	Outstanding balance VND	Amount can be paid VND
Trade payables detailed by suppliers with large account balances				
- Hoang Mai Foods Production & Trading Co., Ltd.	140,945,525	140,945,525	183,890,850	183,890,850
- Binh Minh Laundry Co., Ltd.	124,221,600	124,221,600	-	-
- Others	680,258,249	680,258,249	961,250,457	961,250,457
	<u>945,425,374</u>	<u>945,425,374</u>	<u>1,145,141,307</u>	<u>1,145,141,307</u>

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	Receivable at the opening year	Payable at the opening year	Payable arise in the period	Amount paid in the period	Receivable at the closing period	Payable at the closing period
	VND	VND	VND	VND	VND	VND
Value added tax	-	278,094,741	1,963,227,723	1,899,549,983	-	341,772,481
Special sale tax	-	11,925,928	137,621,618	140,503,474	-	9,044,072
Personal income tax	-	22,002,204	259,762,759	256,382,741	-	25,382,222
Property tax and land rental	-	-	1,541,270,846	1,514,253,188	-	27,017,658
Other taxes	-	1,506,967	59,262,216	56,255,352	-	4,513,831
	-	313,529,840	3,961,145,162	3,866,944,738	-	407,730,264

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 financial statements could be changed at a later date upon final determination by the tax authorities.

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18 . OTHER SHORT-TERM PAYABLES

	30/06/2019	01/01/2019
	VND	VND
- Payables of collecting of State-owned capital transfer (*)	32,032,533,340	32,000,759,662
- Withdrawal of contributed capital in Thien Phuc Tourist JSC, awaiting for settlement	518,052,851	518,052,851
- Others	841,702,109	841,702,109
	<u><u>33,392,288,300</u></u>	<u><u>33,360,514,622</u></u>
Other payables from related parties	<u><u>518,052,851</u></u>	<u><u>518,052,851</u></u>

(Details as in Notes 33).

(*) This is the amount arising from the capital transfer contract No.18/HDCNV dated 30 March 2016 between People's Committee of Thua Thien Hue Province (transferor) and Bitexco Group Company Limited (the transferee) with the information is as follows:

- Representative of the transferor: Mr. Nguyen Quoc Thanh - Chairman of the Board - The main representative of the State capital at Huong Giang Tourist Joint Stock Company, according to Decision No.624/QD-UBND dated 30 March 2016 of People's Committee of Thua Thien Hue Province.
- 12,572,200 shares, equivalent to the total face value of VND 125,722,000,000, accounting for 62.86% of the charter capital of Huong Giang Tourist Joint Stock Company.
- Total transfer value: VND 158,409,520,000.
- Account to receive transfer money is the bank deposit account of Huong Giang Tourist Joint Stock Company.

The Company has returned the amount of VND 126 billion according to the written requests of the People's Committee of Thua Thien Hue Province, the remaining amount will be returned when requested. As at 30/06/2019, this remaining amount is restricted to use under Official Dispatch No.1398/STC-TCDN dated 25 June 2016 of the Department of Finance of Thua Thien Hue Province.

(Details as in Note 3).

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19 . OWNER'S EQUITY

a) Changes in owner's equity

	Contributed capital	Share capital surplus	Retained earnings	Total
	VND	VND	VND	VND
Beginning balance of previous period	200,000,000,000	47,223,517,700	(37,488,944,608)	209,734,573,092
Losses for previous period	-	-	(805,735,413)	(805,735,413)
Ending balance of previous period	200,000,000,000	47,223,517,700	(38,294,680,021)	208,928,837,679
Beginning balance of current period	200,000,000,000	47,223,517,700	(38,646,261,970)	208,577,255,730
Profit for current period	-	-	1,034,674,253	1,034,674,253
Ending balance of this period	200,000,000,000	47,223,517,700	(37,611,587,717)	209,611,929,983

b) Details of owner's invested capital (*)

	30/06/2019	Rate	01/01/2019	Rate
	VND	(%)	VND	(%)
Bitexco Group of Companies	18,228,770,000	9.11%	83,481,000,000	41.74%
Crystal Treasure Limited	91,000,000,000	45.50%	83,481,000,000	41.74%
Le Thi Ngoc Thuy	14,000,000,000	7.00%	14,000,000,000	7.00%
White Crystal Co.,Ltd	19,252,230,000	9.63%	1,519,000,000	0.76%
Tan Truong Co., Ltd	40,000,000,000	20.00%	-	0.00%
Others	17,519,000,000	8.76%	17,519,000,000	8.76%
	200,000,000,000	100%	200,000,000,000	100%

(*) Details of Owner's investment capital according to the list of securities holders of Asia Pacific Securities Joint Stock Company on June 28, 2019.
(Asia Pacific Securities Joint Stock Company is authorized to manage shareholder books for Huong Giang Tourist Joint Stock Company).

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

	first 06-month of the year 2019	first 06-month of the year 2018
	VND	VND
Owner's invested capital	200,000,000,000	200,000,000,000
- At the beginning of period	200,000,000,000	200,000,000,000
- At the ending of period	200,000,000,000	200,000,000,000

d) Stock

	30/06/2019	01/01/2019
Quantity of Authorized issuing stocks	20,000,000	20,000,000
Quantity of issued stocks	20,000,000	20,000,000
- Common stocks	20,000,000	20,000,000
Quantity of circulation stocks	20,000,000	20,000,000
- Common stocks	20,000,000	20,000,000
Par value per stock (VND)	10,000	10,000

20 . OFF STATEMENT OF FINANCIAL POSITION ITEMS AND OPERATING LEASE COMMITMEN

a) Operating leased assets

The Company signed land lease contracts with details as follows:

- Land lease contract at 51 Le Loi is used for tourism business from 1996 to 2026. The leased area is 13,508 m², on which the Company is currently having its hotel and restaurant business. According to the contract No. 67 HD/TD dated 20/09/1999, the Company has to pay land rental until the contractual maturity date in accordance with the current regulations of the State.
- Land lease contract at 11 Le Loi is used for tourism business from 2001 to 2031. The leased area is 9,222 m², on which the Company is currently running Festival Hue restaurant. According to the contract No. 11 HD-TD dated 01/04/2003, the Company has to pay land rental until the contractual maturity date in accordance with the current regulations of the State.
- Land lease contract at 30 Le Loi is used for tourism business from 2004 to 2044. The leased area is 7,702 m², on which the Company in association with Saigontourist JSC is currently running its restaurant and hotel business. According to the contract No. 34/HD-TD dated 09/11/2004, the Company has to pay land rental until the contractual maturity date in accordance with the current regulations of the State.
- Land lease contract at 101 Hung Vuong (formerly known as 41 Hung Vuong) is used for tourism business from 2000 to 2020. The leased area is 1,301 m², on which the Company is currently having its restaurant business. According to the contract No. 38/HD-TD dated 25/10/2000, the Company has to pay land rental until the contractual maturity date in accordance with the current regulations of the State.

b) Foreign currencies

	30/06/2019	01/01/2019
- USD	26,370.09	4,723.33
- EUR	458.61	464.07

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

	first 06-month of the year 2019	first 06-month of the year 2018
	VND	VND
Revenue from renting room, food and beverage service	24,792,929,867	20,009,987,220
Revenue from rendering of services	3,449,587,340	2,721,030,235
	28,242,517,207	22,731,017,455
Revenue from relevant parties (Details as in Notes 33).	21,050,000	32,850,000

22 . COSTS OF GOODS SOLD

	first 06-month of the year 2019	first 06-month of the year 2018
	VND	VND
Costs of renting room, food and beverage service	17,615,193,681	13,868,333,749
Costs of services rendered	2,324,377,627	1,757,562,790
	19,939,571,308	15,625,896,539

23 . FINANCE INCOME

	first 06-month of the year 2019	first 06-month of the year 2018
	VND	VND
Interest income, interest from loans	837,783,328	339,250,437
Realized gain from foreign exchange difference	423,272	12,160,197
	838,206,600	351,410,634
Revenue from relevant parties (Details as in Notes 33).	42,780,822	-

24 . FINANCIAL EXPENSES

	first 06-month of the year 2019	first 06-month of the year 2018
	VND	VND
Loss from disposal of investments	-	4,569,444,315
Realized loss from foreign exchange difference	216,426	235,372
Provisions for devaluation of trading securities and investments	-	(5,640,135,709)
	216,426	(1,070,456,022)

25 . SELLING EXPENSES

	first 06-month of the year 2019	first 06-month of the year 2018
	VND	VND
Raw materials	65,378,921	40,756,161
Labor	784,996,176	842,593,653
Expenses from external services	54,131,334	91,425,910
Other expenses by cash	118,350,429	136,713,635
	1,022,856,860	1,111,489,359

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26 . GENERAL ADMINISTRATIVE EXPENSES

	first 06-month of the year 2019	first 06-month of the year 2018
	VND	VND
Raw materials	969,848,634	694,212,836
Labor	4,509,573,577	5,605,748,419
Depreciation and amortisation	338,575,326	231,172,445
Tax, Charge, Fee	4,000,000	4,000,000
Expenses from external services	1,373,969,314	254,383,445
Other expenses by cash	344,579,344	1,433,768,246
	7,540,546,195	8,223,285,391

27 . OTHER INCOME

	first 06-month of the year 2019	first 06-month of the year 2018
	VND	VND
Gain from liquidation, disposal of fixed assets	460,909,091	2,051,765
Others	15,042,727	-
	475,951,818	2,051,765

28 . OTHER EXPENSE

	first 06-month of the year 2019	first 06-month of the year 2018
	VND	VND
Repair expense	18,810,583	-
	18,810,583	-

29 . CURRENT BUSINESS INCOME TAX EXPENSES

	first 06-month of the year 2019	first 06-month of the year 2018
	VND	VND
Total profit before tax	1,034,674,253	(805,735,413)
Decrease	(1,034,674,253)	-
- Switching losses last year	(1,034,674,253)	-
Taxable income	-	(805,735,413)
Current corporate income tax expense (Tax rate 20%)	-	-
Tax payable at the beginning of period	-	-
Tax paid in the period	-	-
Closing period income tax payable of main business activities	-	-

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30 . BUSINESS AND PRODUCTIONS COST BY ITEMS

	first 06-month of the year 2019	first 06-month of the year 2018
	VND	VND
Raw materials	8,487,151,706	5,742,379,034
Labour	12,226,970,413	11,247,479,550
Depreciation and amortisation	1,268,812,511	1,810,668,920
Expenses from external services	1,906,545,102	1,352,557,846
Other expenses by cash	4,613,494,631	4,807,585,939
	28,502,974,363	24,960,671,289

31 . FINANCIAL INSTRUMENTS

The types of financial instruments of the Company include:

	Carrying amount			
	30/06/2019		01/01/2019	
	Original Cost	Provision	Original Cost	Provision
	VND	VND	VND	VND
Financial Assets				
Cash and cash equivalents	49,483,953,091	-	58,550,317,678	-
Trade receivables, other receivables	14,592,603,783	(717,110,038)	15,141,803,732	(717,110,038)
Loans	11,860,000,000	-	500,000,000	-
	75,936,556,874	(717,110,038)	74,192,121,410	(717,110,038)
Financial Liabilities				
Trade payables, other payables			34,337,713,674	34,505,655,929
			34,337,713,674	34,505,655,929

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

Financial risk management

The Company's financial risks including 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.

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Market risk

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

Exchange rate risk

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

Interest rate risk

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

Credit Risk

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

	<u>Under 1 year</u>	<u>From 1 to 5 years</u>	<u>From more than 5</u>	<u>Total</u>
	<u>VND</u>	<u>VND</u>	<u>years</u>	<u>VND</u>
			<u>VND</u>	
As at 30/06/2019				
Cash and cash equivalents	49,483,953,091	-	-	49,483,953,091
Trade receivables, other receivables	8,926,676,065	4,948,817,680	-	13,875,493,745
Loans	11,860,000,000	-	-	11,860,000,000
	<u>70,270,629,156</u>	<u>4,948,817,680</u>	<u>-</u>	<u>75,219,446,836</u>

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	Under 1 year	From 1 to 5 years	From more than 5	Total
	VND	VND	years	VND
			VND	
As at 01/01/2019				
Cash and cash equivalents	58,550,317,678	-	-	58,550,317,678
Trade receivables, other receivables	9,475,876,014	4,948,817,680	-	14,424,693,694
Loans	500,000,000	-	-	500,000,000
	68,526,193,692	4,948,817,680	-	73,475,011,372

Liquidity Risk

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

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

	Under 1 year	From 1 to 5 years	From more than 5	Total
	VND	VND	years	VND
			VND	
As at 30/06/2019				
Trade payables, other payables	34,337,713,674	-	-	34,337,713,674
	34,337,713,674	-	-	34,337,713,674
As at 01/01/2019				
Trade payables, other payables	34,505,655,929	-	-	34,505,655,929
	34,505,655,929	-	-	34,505,655,929

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.

32 . EVENTS AFTER BALANCE SHEET DATE

There have been no significant events occurring after the reporting period, which would require adjustments or disclosures to be made in the Interim Separate Financial Statements.

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33 . TRANSACTION AND BALANCES WITH RELATED PARTIES

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

Transactions during the period:

	<u>Relation</u>	<u>first 06-month of the year 2019</u>	<u>first 06-month of the year 2018</u>
		VND	VND
Revenue		21,050,000	32,850,000
Bitexco Group of Companies	Shareholder	8,700,000	10,668,182
Huong Giang Travel Sole Member Limited Liability Company	Subsidiary	12,350,000	22,181,818
Purchase goods and services		63,845,800	-
Huong Giang Travel Sole Member Limited Liability Company	Subsidiary	63,845,800	-
Financial income		42,780,822	-
Huong Giang Travel Sole Member Limited Liability Company	Subsidiary	42,780,822	-

Outstanding balances up to the reporting date are as follows:

	<u>Relation</u>	<u>30/06/2019</u>	<u>01/01/2019</u>
		VND	VND
Short-term trade receivables		12,350,000	-
Huong Giang Travel Sole Member	Subsidiary	12,350,000	-
Loan receivables		11,860,000,000	500,000,000
Huong Giang Travel Sole Member Limited Liability Company	Subsidiary	1,160,000,000	500,000,000
Hotel De La Cite Imperiale Co.,Ltd.	Join venture	10,500,000,000	-
Citadel Investment Tourist Co., Ltd.	Join venture	200,000,000	-
Other receivables		4,091,379,537	3,916,663,646
Huong Giang Travel Sole Member Limited Liability Company	Subsidiary	2,221,982,199	2,047,266,308
Bitexco Group of Companies	Shareholder	1,570,500,000	1,570,500,000
Thien Phuc Tourist Joint Stock Company	Associate	298,897,338	298,897,338
Other payables		518,052,851	518,052,851
Thien Phuc Tourist Joint Stock Company	Associate	518,052,851	518,052,851

Transactions with other related parties:

	<u>first 06-month of the year 2019</u>	<u>first 06-month of the year 2018</u>
	VND	VND
Remuneration to General Director	416,844,492	317,333,335
Remuneration to other members of The Board of General Directors and The Board of Management	436,714,284	679,425,801

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34 . COMPARATIVE FIGURES

The comparative figures on the Interim Separate Statement of Financial Position and Notes are taken from the Separate Financial Statements for the fiscal year ended as at 31 December 2018, which was audited by AASC Auditing Firm Company Limited. The comparative figures on the Interim Separate Statement of income, Interim Separate Statement of Cash flows and Notes are taken from the Interim Separate Financial Statements which have been reviewed for the period from 01/01/2018 to 30/06/2018.

Ngo Duc Chinh
Preparer

Ngo Duc Chinh
Chief Accountant



Le Ba Giang
Vice General Director

Hue, 15 July 2019

