

AIRPORTS CORPORATION OF VIETNAM

(Incorporated in the Socialist Republic of Vietnam)

AUDITED SEPARATE FINANCIAL STATEMENTS

For the year ended 31 December 2019

AIRPORTS CORPORATION OF VIETNAM

58 Truong Son, Ward 02, Tan Binh District

Ho Chi Minh City, Vietnam

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AIRPORTS CORPORATION OF VIETNAM

58 Truong Son, Ward 02, Tan Binh District
Ho Chi Minh City, Vietnam

STATEMENT OF THE BOARD OF EXECUTIVE OFFICERS

The Board of Executive Officers of Airports Corporation of Vietnam (the “Corporation”) presents this report together with the Corporation’s separate financial statements for the year ended 31 December 2019.

THE BOARDS OF DIRECTORS, SUPERVISORS AND EXECUTIVE OFFICERS

The members of the Boards of Directors, Supervisors and Executive Officers of the Corporation who held the Corporation during the year and to the date of this report are as follows:

Board of Directors

Mr. Lai Xuan Thanh	President
Mr. Vu The Phiet	Member
Mr. Dao Viet Dung	Member
Ms. Le Thi Dieu Thuy	Member

Board of Supervisors

Ms. Huynh Thi Dieu	Head of Board of Supervisors
Ms. Le Thi Huong Giang	Member
Mr. Nguyen Huu Phuc	Member

Board of Executive Officers

Mr. Vu The Phiet	Chief Executive Officer
Mr. Do Tat Binh	Deputy Chief Executive Officer
Mr. Vo Anh Tu	Deputy Chief Executive Officer
Mr. Nguyen Duc Hung	Deputy Chief Executive Officer (appointed on 15 January 2020)
Mr. Nguyen Quoc Phuong	Deputy Chief Executive Officer (appointed on 15 January 2020)
Mr. Ho Minh Tien	Deputy Chief Executive Officer (retired from 1 May 2019)
Mr. Nguyen Dinh Duong	Deputy Chief Executive Officer (retired from 1 March 2020)
Ms. Le Thi Dieu Thuy	Deputy Chief Executive Officer (resigned on 1 September 2019)
Mr. Dao Viet Dung	Deputy Chief Executive Officer (resigned on 1 September 2019)
Mr. Le Xuan Tung	Deputy Chief Executive Officer (resigned on 1 September 2019)

Chief Accountant of the Corporation is Mr. Bui A Dong.

AUDITORS

The accompanying separate financial statements of the Corporation for the year ended 31 December 2019 have been audited by Branch of Deloitte Vietnam Company Limited.

AIRPORTS CORPORATION OF VIETNAM

58 Truong Son, Ward 02, Tan Binh District
Ho Chi Minh City, Vietnam

STATEMENT OF THE BOARD OF EXECUTIVE OFFICERS (Continued)

BOARD OF EXECUTIVE OFFICERS' STATEMENT OF RESPONSIBILITY

The Board of Executive Officers of the Corporation is responsible for preparing the separate financial statements, which give a true and fair view of the separate financial position of the Corporation as at 31 December 2019, and its separate financial performance and its separate cash flows for the year then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting. In preparing these separate financial statements, the Board of Executive Officers is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting principles have been followed, subject to any material departures disclosed and explained in the separate financial statements;
- Prepare the separate financial statements on the going concern basis unless it is inappropriate to presume that the Corporation will continue in business; and
- Design and implement an effective internal control system for the purpose of properly preparing and presenting the separate financial statements so as to minimise errors and frauds.

The Board of Executive Officers is responsible for ensuring that proper accounting records are kept, which disclose, with reasonable accuracy at any time, the separate financial position of the Corporation and that the separate financial statements comply with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting. The Board of Executive Officers is also responsible for safeguarding the assets of the Corporation and hence for taking reasonable steps for the prevention and detection of frauds and other irregularities.

The Board of Executive Officers confirms that the Corporation has complied with the above requirements in preparing these separate financial statements.

For and on behalf of the Board of Executive Officers,



Vu The Phiet
Chief Executive Officer
30 March 2020

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No.: 0738 /VN1A-HC-BC

INDEPENDENT AUDITORS' REPORT

**To: The Shareholders, the Boards of Directors and Executive Officers of
Airports Corporation of Vietnam**

We have audited the accompanying separate financial statements of Airports Corporation of Vietnam (the "Corporation"), prepared on 30 March 2020 as set out from page 5 to page 58 which comprise the separate balance sheet as at 31 December 2019, the separate statement of income and separate statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Board of Executive Officers' Responsibility for the Separate Financial Statements

The Board of Executive Officers is responsible for the preparation and fair presentation of these separate financial statements in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting and for such internal control as the Board of Executive Officers determines is necessary to enable the preparation 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 ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the separate financial statements are free from material misstatement.

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

Auditors' Opinion

In our opinion, the separate financial statements present fairly, in all material respects, the separate financial position of the Corporation as at 31 December 2019, and its separate financial performance and its separate cash flows for the year then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting.

INDEPENDENT AUDITORS' REPORT (Continued)

Emphasis of Matters

We would like to draw attention to Note 1 of the Notes to the separate financial statements, which describes matters as follows:

- At the date of the separate financial statements for the year ended 31 December 2019, the Corporation have not received the decision about finalisation of the Corporation's equitisation when the Corporation transformed into a joint stock company as at 31 March 2016 from the competent authorities.
- The Corporation continues to manage and utilise the assets of the Airfield and carry out the repair and maintenance as well as investment on these Airfield's assets. In awaiting competent authorities' guidance on management, utilisation and accounting treatment on the Airfield's assets, the assets, costs, revenue generated from the Airfield's management and utilisation are separately recorded as other receivables and other payables in the separate balance sheet as at 31 December 2019. The adjustments in relation to these activities (if any) will be made in accordance with competent authorities' decision and guidance.

We draw attention to Notes 3 and 40 of the Notes to the separate financial statements, some figures of the separate financial statements for the year ended 31 December 2018 have been retrospectively adjusted according to the recommendations of the State Audit relating to managing, using State capital, assets in 2018 of the Corporation.

We also draw attention to Notes 39 of the Notes to the separate financial statements, the amount of collection, payment, investment into Airfield's operation regarding assets of Airfield has not been finalised by competent authorities.

Our opinion is not modified in respect of these matters.



Nguyen Quang Trung
Audit Partner
Audit Practising Registration Certificate
No. 0733-2018-001-1
**BRANCH OF DELOITTE VIETNAM
COMPANY LIMITED**
30 March 2020
Ho Chi Minh City, S.R Vietnam



Tran Kim Long Hai
Auditor
Audit Practising Registration Certificate
No. 1503-2018-001-1



SEPARATE BALANCE SHEET

As at 31 December 2019

			Unit: VND	
ASSETS	Codes	Notes	Closing balance	Opening balance (Restated)
A. CURRENT ASSETS	100		37,191,002,727,354	31,166,920,797,463
I. Cash and cash equivalents	110	5	343,632,448,037	627,594,542,751
1. Cash	111		343,632,448,037	627,594,542,751
II. Short-term financial investments	120		30,840,000,000,000	23,640,000,000,000
1. Held-to-maturity investments	123	6	30,840,000,000,000	23,640,000,000,000
III. Short-term receivables	130		5,354,547,107,967	6,151,812,981,821
1. Short-term trade receivables	131	7	2,648,188,958,368	2,490,140,777,228
2. Short-term advances to suppliers	132	8	229,558,536,099	382,641,519,206
3. Other short-term receivables	136	9	2,506,693,472,409	3,308,941,968,296
4. Provision for short-term doubtful debts	137	10	(29,893,858,909)	(29,911,282,909)
IV. Inventories	140	11	488,114,527,859	464,646,407,159
1. Inventories	141		488,114,527,859	464,646,407,159
V. Other short-term assets	150		164,708,643,491	282,866,865,732
1. Short-term prepayments	151	12	23,596,124,206	28,769,542,579
2. Value added tax deductibles	152		129,851,258,462	190,948,883,103
3. Taxes and other receivables from the State budget	153	19	11,261,260,823	63,148,440,050
B. NON-CURRENT ASSETS	200		20,295,062,379,636	21,922,503,805,887
I. Long-term receivables	210		304,526,717,164	321,162,713,296
1. Long-term trade receivables	211	7	6,300,000,200	6,300,000,200
2. Other long-term receivables	216	9	298,226,716,964	314,862,713,096
II. Fixed assets	220		16,288,687,906,977	18,402,732,385,750
1. Tangible fixed assets	221	13	16,283,941,468,798	18,399,563,376,317
- Cost	222		41,797,691,836,256	40,013,544,082,878
- Accumulated depreciation	223		(25,513,750,367,458)	(21,613,980,706,561)
2. Intangible assets	227	14	4,746,438,179	3,169,009,433
- Cost	228		21,158,986,282	18,380,451,988
- Accumulated amortisation	229		(16,412,548,103)	(15,211,442,555)
III. Long-term assets in progress	240		865,253,027,542	591,549,228,201
1. Long-term construction in progress	242	15	865,253,027,542	591,549,228,201
IV. Long-term financial investments	250	16	2,434,544,434,914	2,433,244,434,914
1. Investments in subsidiaries	251		60,000,000,000	60,000,000,000
2. Investments in joint-ventures, associates	252		2,189,744,434,914	2,189,744,434,914
3. Equity investments in other entities	253		184,800,000,000	184,800,000,000
4. Provision for impairment of long-term financial investments	254		-	(1,300,000,000)
V. Other long-term assets	260		402,050,293,039	173,815,043,726
1. Long-term prepayments	261	12	304,767,748,933	70,038,579,449
2. Deferred tax assets	262	17	97,282,544,106	103,776,464,277
TOTAL ASSETS (270=100+200)	270		57,486,065,106,990	53,089,424,603,350

The accompanying notes are an integral part of these separate financial statements.

SEPARATE BALANCE SHEET (Continued)

As at 31 December 2019

Unit: VND

RESOURCES	Codes	Notes	Closing balance	Opening balance (Restated)
C. LIABILITIES	300		21,390,523,734,696	22,808,262,507,366
I. Current liabilities	310		6,513,920,278,215	7,674,548,106,396
1. Short-term trade payables	311	18	1,268,719,600,127	1,150,871,885,677
2. Short-term advances from customers	312		41,996,337,870	28,198,297,405
3. Taxes and amounts payable to the State budget	313	19	606,682,019,525	138,060,032,685
4. Payables to employees	314		1,116,371,343,977	1,012,910,021,546
5. Short-term accrued expenses	315	20	795,547,184,003	883,908,401,517
6. Short-term unearned revenue	318		3,925,376,726	9,234,846,317
7. Other current payables	319	21	2,431,227,026,556	3,869,233,493,844
8. Short-term loans	320	23	240,059,540,676	150,932,824,856
9. Bonus and welfare funds	322	22	9,391,848,755	431,198,302,549
II. Long-term liabilities	330		14,876,603,456,481	15,133,714,400,970
1. Other long-term trade payables	337	21	117,061,817,125	90,353,729,680
2. Long-term loans	338	23	14,759,541,639,356	15,043,360,671,290
D. EQUITY	400		36,095,541,372,294	30,281,162,095,984
I. Owner's equity	410	24	36,095,541,372,294	30,281,162,095,984
1. Owner's contributed capital	411		21,771,732,360,000	21,771,732,360,000
- Ordinary shares carrying voting rights	411a		21,771,732,360,000	21,771,732,360,000
2. Share premium	412		14,602,790,587	14,602,790,587
3. Treasury shares	415		(2,285,950,000)	(572,470,000)
4. Investment and development fund	418		6,034,593,641,645	2,550,573,946,105
5. Retained earnings	421		8,276,898,530,062	5,944,825,469,292
- Retained earnings accumulated to the prior year end	421a		234,271,666,352	303,593,738,576
- Retained earnings of the current year	421b		8,042,626,863,710	5,641,231,730,716
TOTAL RESOURCES (440=300+400)	440		57,486,065,106,990	53,089,424,603,350



Pham Thi Phuong
Preparer




Bui A Dong
Chief Accountant



Vu The Phiet
Chief Executive Officer
30 March 2020

The accompanying notes are an integral part of these separate financial statements.

SEPARATE INCOME STATEMENT*For the year ended 31 December 2019*

Unit: VND

ITEMS	Codes	Notes	Current year	Prior year (Restated)
1. Gross revenue from goods sold and services rendered	01	26	18,367,881,073,149	16,144,450,291,705
2. Deductions	02	26	35,801,143,529	18,064,056,201
3. Net revenue from goods sold and services rendered (10=01-02)	10	26	18,332,079,929,620	16,126,386,235,504
4. Cost of goods sold and services rendered	11	27	9,041,597,356,641	8,341,818,698,045
5. Gross profit from goods sold and services rendered (20=10-11)	20		9,290,482,572,979	7,784,567,537,459
6. Financial income	21	29	2,158,135,375,700	1,591,438,129,076
7. Financial expenses	22	30	103,842,775,190	755,865,128,377
- In which: Interest expense	23		96,418,310,786	95,084,582,355
8. Selling expenses	25	31	379,134,439,315	340,121,610,771
9. General and administration expenses	26	32	996,901,784,705	869,279,324,134
10. Operating profit (30=20+(21-22)-(25+26))	30		9,968,738,949,469	7,410,739,603,253
11. Other income	31	33	8,204,273,168	85,413,466,757
12. Other expenses	32	34	900,312,839	20,546,019,298
13. Profit from other activities (40=31-32)	40		7,303,960,329	64,867,447,459
14. Accounting profit before tax (50=30+40)	50		9,976,042,909,798	7,475,607,050,712
15. Current corporate income tax expense	51	35	1,925,768,717,767	1,442,874,917,570
16. Deferred corporate tax expense/(income)	52		7,647,328,321	(18,025,347,574)
17. Net profit after tax (60=50-51-52)	60		8,042,626,863,710	6,050,757,480,716



Pham Thi Phuong
Preparer



Bui A Dong
Chief Accountant

Vu The Phiet
Chief Executive Officer
30 March 2020

The accompanying notes are an integral part of these separate financial statements.

SEPARATE CASH FLOW STATEMENT*For the year ended 31 December 2019*

Unit: VND

ITEMS	Codes	Current year	Prior year (Restated)
I. CASH FLOWS FROM OPERATING ACTIVITIES			
1. Profit before tax	01	9,976,042,909,798	7,475,607,050,712
2. Adjustments for:			
Depreciation and amortisation	02	3,910,064,843,582	3,871,023,028,608
Provisions	03	(1,317,424,000)	(120,883,121)
Foreign exchange difference arising from translating foreign currency items	04	(37,379,003,567)	638,238,848,257
Gain from investing activities	05	(2,110,029,815,626)	(1,574,931,917,324)
Interest expense	06	96,418,310,786	95,084,582,355
3. Operating profit before movements in working capital	08	11,833,799,820,973	10,504,900,709,487
Changes in receivables	09	977,272,150,344	(194,788,897,275)
Changes in inventories	10	(37,172,264,355)	(61,953,830,122)
Changes in payables	11	(1,000,380,325,703)	429,356,656,343
Changes in prepaid expenses	12	(229,555,751,111)	(24,013,614,163)
Interest paid	14	(96,685,906,431)	(95,942,288,441)
Corporate income tax paid	15	(1,701,452,480,611)	(2,020,000,000,000)
Other cash outflows	17	(699,441,698,794)	(647,542,831,332)
Net cash generated by operating activities	20	9,046,383,544,312	7,890,015,904,497
II. CASH FLOWS FROM INVESTING ACTIVITIES			
1. Acquisition and construction of fixed assets	21	(1,936,411,688,394)	(2,007,165,656,595)
2. Proceeds from sale, disposal of fixed assets	22	4,433,228,397	724,792,610
3. Cash outflow for lending, buying debt instruments of other entities	23	(11,100,000,000,000)	(9,800,000,000,000)
4. Cash recovered from lending, selling debt instruments of other entities	24	3,900,000,000,000	3,653,000,000,000
5. Interest earned, dividends and profits received	27	1,917,596,035,485	1,458,807,033,356
Net cash used in investing activities	30	(7,214,382,424,512)	(6,694,633,830,629)

The accompanying notes are an integral part of these separate financial statements.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

These notes are an integral part of and should be read in conjunction with the accompanying consolidated financial statements

1. GENERAL INFORMATION**Structure of ownership**

Airports Corporation of Vietnam (the “Corporation”), a joint stock company established on the basis of capitalisation of State-owned enterprise – Airports Corporation of Vietnam (One-member limited liability company), under Decision No. 1710/QĐ-TTg dated 6 October 2015 of Prime Minister, operates under the Business Registration Certificate No. 0311638525 dated 22 March 2012 and other amended certificates. The eighth amended Business Registration Certificate dated 15 August 2018 was issued by the Department of Planning and Investment of Ho Chi Minh City.

On 12 November 2018, the Ministry of Transport have transferred the representative right of State’s ownership in the Corporation to the Committee for Management of State Capital at Enterprises under the Decree No. 131/2018/ND-CP on 29 September 2018 and Decision No. 1515/QĐ/TTG on 9 November 2018.

The full name of the Corporation in Vietnamese: Tổng Công ty Cảng Hàng không Việt Nam - CTCP.

The international business name: Airports Corporation of Vietnam.

The abbreviation name: ACV.

The head office: 58 Truong Son, Ward 2, Tan Binh District, Ho Chi Minh City, Vietnam.

Shares of the Corporation have been traded on the Unlisted Public Company Market (UPCOM) since 21 November 2016, under the code of “ACV”.

The number of employees of the Corporation as at 31 December 2019 was 9,830 (as at 31 December 2018: 9,748).

Operating industry and principal activities

Pursuant to the amended Business Registration Certificate, the Corporation has registered its main business activities in the following areas:

- Direct support services to airfreight: Investment, management of capital investments, direct business and production activities at airports and aerodromes; investment, operation of infrastructures, facilities, equipment of airports and aerodromes; provision of services of aviation safety - security; supply of maintenance services for aircrafts, aeronautical equipment and devices, and other technical facilities; supply of technical services, science and technology services

both domestic and offshore areas; supply of services for ground handling services; services at passenger terminals, cargo terminals; export, import, purchase and sale of aeronautical materials, equipment, devices; agent services for carriers, tourism and transport companies, manufacturers and suppliers of aircraft materials, equipment, and aeronautical facilities; trading services, duty-free services; services at apron and other aeronautical services at airports, aerodromes; supply of aeronautical gasoline, lubricant (including fuel, lubricant, specialised liquid) and other types of gasoline at airports, aerodromes; other aviation services, public services at airports and aerodromes;

- Services of transportation of passengers, cargo, warehouse; delivery; restaurants, hotels, guesthouses;
- Construction, consulting, repair, maintenance and installation of construction works, electricity, electronics and specialised mechanical equipment, civil constructions.

Normal production and business cycle

The Corporation's normal production and business cycle are carried out for a year of 12 months or less.

Characteristics of the business activities which have impact on the separate financial statements

The Corporation has officially operated as a joint stock company since 1 April 2016. However, at the date of the separate financial statements, the competent authorities has not verified and approved the finalisation of finance, finalisation of proceeds from equitisation, costs incurred in the equitisation process and the actual value of the State capital portion in the Corporation at the time of becoming a joint stock company and the amount to be remitted to the Enterprise Restructuring and Development Fund. As such, the separate financial statements for the year ended 31 December 2019 and other reports from prior years of the Corporation may be modified subject to those decisions from the competent authorities.

According to the Decision No. 1710/QĐ-TTCP issued by the Prime Minister on 6 October 2015 on approval of scheme of equitisation plan of Parent Company - Airports Corporation of Vietnam and the official documents No. 11232/BGTVT-QLDN dated 25 August 2015, 5326/TTr-BGTVT dated 27 April 2015 and 5501/BGTVT-QLDN dated 24 May 2017 of the Ministry of Transport on the management and utilisation of Airfield's assets, the Corporation continues to manage and utilise the assets of the Airfield and carry out repair, maintenance and investment of these Airfield's assets; ensure the continued operation of aviation airports, security and aviation safety. While waiting for authorities for guidance on management and utilisation and the regime of accounting for the Airfield's assets, the Corporation shall separately monitor the amounts related to the operation of the Airfield according to the current regulations (presented in Note 9, 21 and 39). The adjustment of the amounts related to operation of Airfield (if any) will be followed in accordance with decision, regulation and guidance of competent authorities.

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AIRPORTS CORPORATION OF VIETNAM
NOTES TO THE SEPARATE FINANCIAL STATEMENTS (Continued)

FORM B 09-DN

Branch name (Continued)	Address (Continued)
12. Vinh international Airport - Branch of Airports Corporation of Vietnam	Nghi Lien Commune, Vinh City, Nghe An Province.
13. Dong Hoi Airport - Branch of Airports Corporation of Vietnam	Loc Ninh Commune, Dong Hoi City, Quang Binh Province.
14. Phu Cat Airport - Branch of Airports Corporation of Vietnam	1 Nguyen Tat Thanh, Ly Thuong Kiet Ward, Quy Nhon City, Binh Dinh Province.
15. Tuy Hoa Airport - Branch of Airports Corporation of Vietnam	Town 4, Phu Thanh Ward, Tuy Hoa City, Phu Yen Province.
16. Pleiku Airport - Branch of Airports Corporation of Vietnam	Street 17/3, Thong Nhat Ward, Pleiku City, Gia Lai Province.
17. Lien Khuong Airport - Branch of Airports Corporation of Vietnam	Highway 20, Lien Nghia Town, Duc Trong District, Lam Dong Province.
18. Buon Ma Thuot Airport - Branch of Airports Corporation of Vietnam	Village 3, Hoa Thang Commune, Buon Ma Thuot City, Dak Lak Province.
19. Con Dao Airport - Branch of Airports Corporation of Vietnam	Sub-zone 1, Con Dao Town, Con Dao District, Ba Ria - Vung Tau Province.
20. Rach Gia Airport - Branch of Airports Corporation of Vietnam	418 Cach Mang Thang Tam, Vinh Loi Ward, Rach Gia City, Kien Giang Province.
21. Ca Mau Airport - Branch of Airports Corporation of Vietnam	93 Ly Thuong Kiet, Ward 6, Ca Mau City.
22. Tho Xuan Airport - Branch of Airports Corporation of Vietnam	Sao Vang Airport, Sao Vang Town, Tho Xuan District, Thanh Hoa Province.

Subsidiary:

Company name	Place of incorporation	Proportion of ownership interest (%)	Proportion of voting power held (%)	Principle activities
Noi Bai Aviation Fuel Service Joint Stock Company	Hanoi	60	60	Supply aviation fuel

Associates, joint ventures:

Company name	Place of incorporation	Proportion of ownership interest (%)	Proportion of voting power held (%)	Principle activities
1. Southern Airports Services Joint Stock Company	Ho Chi Minh City	49.07	49.07	Ground commercial services at airports
2. Saigon Ground Services Joint Stock Company	Ho Chi Minh City	48.03	48.03	Ground commercial services at airports
3. Southern Airports Aircraft Maintenance Services Company Limited	Ho Chi Minh City	51	50	Aircrafts maintenance and repair services
4. Southern Airports Trading Joint Stock Company	Ho Chi Minh City	29.53	29.53	Production of bottled purified water, bottled mineral water; trading in transport of cargo and passenger by car
5. Southern Airports Transportation Joint Stock Company	Ho Chi Minh City	30	30	Passenger transport by road
6. Hanoi Ground Services Joint Stock Company	Hanoi	20	20	Ground services at Noi Bai Airport
7. Air Cargo Services of Vietnam Joint Stock Company	Hanoi	20	20	Cargo warehouse services

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Disclosure of information comparability in the separate financial statements

Comparative figures are the figures of the audited separate financial statements for the year ended 31 December 2018 and adjusted according to Minute of State Audit.

2. ACCOUNTING CONVENTION AND FINANCIAL YEAR

Accounting convention

The accompanying separate financial statements, expressed in Vietnam Dong (“VND”), are prepared under the historical cost convention and in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting.

The accompanying separate financial statements are presented to reflect the separate financial position as at 31 December 2019, the separate financial performance and separate cash flows for the year ended 31 December 2019. The consolidation of investments in subsidiaries, associates and joint ventures will be presented in the consolidated financial statements prepared by the Corporation. The Corporation’s investments are recognised under the accounting policies presented in Note 4 below.

The accompanying separate financial statements are not intended to present the financial position, results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Vietnam.

Financial year

The Corporation’s financial year begins on 1 January and ends on 31 December.

3. RESTATEMENTS OF PRIOR YEAR CONSOLIDATED FINANCIAL STATEMENTS

The separated financial statements of the Corporation for the year ended 31 December 2018 are restated in accordance with adjustments required by the State Audit in the audit minute No. 430/KTNN-TH dated 20 September 2019 relating to managing, using State capital, assets in 2018 of the Corporation. Details of the adjustments are presented in Note 40.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies, which have been adopted by the Corporation in the preparation of these separate financial statements, are as follows:

Estimates

The preparation of separate financial statements in conformity with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting requires the Board of Executive Officers to make

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estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the separate financial statements and the reported amounts of revenues and expenses during the financial year. Although these accounting estimates are based on the Board of Executive Officers' best knowledge, actual results may differ from those estimates.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Financial investments

Held-to-maturity investments

Held-to-maturity investments comprise term deposits.

Interest income from term deposits is recognised in the separate income statement on a time basis.

Investments in subsidiaries

A subsidiary is an entity over which the Corporation has control. Control is achieved where the Corporation has the power to govern the financial and operating policies of an investee enterprise so as to obtain benefits from its activities.

Interests in joint ventures

A joint venture is a contractual arrangement whereby the Corporation and other parties undertake an economic activity that is subject to joint control, i.e., the strategic financial and operating policy decisions relating to the activities require the unanimous consent of the parties sharing control.

Where a group entity undertakes its activities under joint venture arrangements directly, the Corporation's share of jointly controlled assets and any liabilities incurred jointly with other ventures are recognised in the financial statements of the relevant entity and classified according to their nature. Liabilities and expenses incurred directly in respect of interests in jointly controlled assets are accounted for on an accrual basis. Income from the sale or use of the Corporation's share of the output of jointly controlled assets, and its share of joint venture expenses, are recognised when it is probable that the economic benefits associated with the transactions will flow to/from the Corporation and their amount can be measured reliably.

Joint venture arrangements that involve the establishment of a separate entity in which each venture has an interest are referred to as jointly controlled entities.



Investments in associates

An associate is an entity over which the Corporation has significant influence and that is neither a subsidiary nor an interest in joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but not control or joint control over those policies.

Other long-term investments

Other long-term investments represent the Corporation's investments in ordinary shares of the entities over which the Corporation has no control, joint control, or significant influence. Other long-term investments are initially recognised at cost plus transaction costs that are directly attributable to the acquisition of this long-term investments.

Provision for impairment of long-term financial investments

The Corporation initially recognised investments in subsidiaries, joint ventures, associates and other long-term investments at cost. The Corporation's share of the net profit of the investee after acquisition is recognised in the separate income statement. Other distributions received other than such profit share are deducted from the cost of the investments as recoverable amounts.

Investments in subsidiaries, joint ventures, associates and other long-term investments are carried in the separate balance sheet at cost less provision for impairment of such investments (if any).

Receivables

Receivables represent the amounts recoverable from customers or other debtors and are stated at book value less provision for doubtful debts.

Provision for doubtful debts is made for overdue debts as specified in the economic contracts, contract commitments or debt commitments that have been repeatedly requested for payment by the Corporation but not yet collected, or when the debtor is in bankruptcy, in dissolution, or is experiencing similar difficulties.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises purchase prices, non-refundable taxes, transportation and stevedoring expenses, preservation expenses during purchase, wastage norm and other directly attributable expenses that have been incurred in bringing the inventories to their present location and condition. Net realisable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in marketing, selling and distribution.

The Corporation applies a perpetual method to record inventories. Inventories are accounted for under perpetual inventory method. The stock-out price of material is

calculated using the first in - first out (FIFO) method, the stock-out price of inventories is calculated using the weighted average method, except the stock-out price of free-duty goods are calculated using the specific identification method.

The evaluation of necessary provision for inventory obsolescence follows current prevailing accounting regulations which allow provisions to be made for obsolete, damaged, or sub-standard inventories and for those which have costs higher than net realisable values as at the balance sheet date.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. The costs of purchased tangible fixed assets comprise their purchase prices and any directly attributable costs of bringing the assets to their working condition and location for their intended use.

The costs of tangible fixed assets constructed by contractors comprise the finally accounted cost of the work and any directly attributable costs of bringing the assets to their working condition and location for their intended use.

Items which have been put into use but not yet approved by authorities will be temporarily added to the cost of tangible fixed assets and depreciated. Upon a final account of these tangible fixed assets, the cost will be accordingly adjusted while depreciation expenses remain intact for adjustment (up or down) to be made over the remaining depreciable time of the assets.

Costs incurred after initial recognition in respect of repairs, maintenance, upgrades and operations of tangible fixed assets recognised in the separate income statement. Unless these costs are certain to make tangible fixed assets generate economic benefits in the future higher than initially revaluated amount, they will be debited to cost of tangible fixed assets.

Tangible fixed assets are depreciated using the straight-line method over the estimated useful lives as follows:

	<u>Years</u>
Buildings and structures	5 - 25
Machinery and equipment	3 - 8
Motor vehicles	6
Office equipment	3 - 5

Loss or gain resulting from sales and disposals of tangible fixed assets is the difference between profit from sales or disposals of assets and their residual values and is recognised in the separate income statement.

Intangible assets and amortisation

Intangible assets represent copy rights, computer software and cost of logo design that are stated at cost less accumulated amortisation.

Copyrights, computer software and cost of logo design are amortised using the straight-line method over their estimated useful lives from 3 - 5 years.

Leasing

The Corporation as lessee

Leases where substantially all the rewards and risks of ownership of assets remain with the leasing company are accounted for as operating leases. Rentals payable under operating leases are charged to the separate income statement on a straight-line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are also spread on a straight-line basis over the lease term.

The Corporation as lessor

Revenue from operating leases represents premises rental, lease of equipment and assets revenue at airports. Revenues from operating leases are charged to the separate income statement on a straight-line basis over the lease term.

Construction in progress

Properties in the course of construction, purchasing for production, administrative purposes, or for other purposes, are carried at cost. Cost includes costs that are necessary to form the assets comprises purchase prices, installation and construction costs, equipment, service fees and other directly attributable expenses in accordance with the Corporation's accounting policy. Those expenses shall be capitalised into historical cost based on temporary estimate (in case total expenses have not been finalised) when they are ready for their intended use. Depreciation of these assets, on the same basis as other assets, commences when the assets are ready for their intended use and subject to approval by appropriate level of competent authorities. Assets of the Airfield after being finalised shall be separate from the Corporation's assets and record as other receivables from the State Budget.

Prepayments

Prepayments are expenses which have already been paid but relate to results of operations of multiple accounting periods. Prepayments include tools and supplies issued for consumption, rental of aircraft parking, fuel costs and are expected to provide future economic benefit to the Corporation. These expenditures have been capitalised as prepayments, and are allocated to the separate income statement using the straight-line method in accordance with the current prevailing accounting regulations.

Payable provisions

Payable provisions are recognised when the Corporation has a present obligation as a result of a past event, and it is probable that the Corporation will be required to settle that obligation. Provisions are measured at the Board of Executive Officers' best estimate of the expenditure required to settle the obligation as at the balance sheet date.

- + Revenue of flight support services
- + Revenue of other aviation services

Revenue of non-aviation services

Revenue of non-aviation services include revenue of premises lease, ground services, lease of equipment and assets, advertising lease, transport, stay, security inspection and monitoring and other non-aviation services.

Other revenue

Interest income is accrued on a time basis and determined by the outstanding balance of deposits and the applicable interest rate.

Dividend income from investments is recognised when the Corporation's right to receive payment has been established.

Revenue deductions

Revenue deductions at the Corporation include rebate of service for carriers, which are prorated on the total value of aviation services in monthly invoices in which the price and charge frame are stipulated in Airports and Aerodromes by the State.

Foreign currencies

Transactions arising in foreign currencies are translated at exchange rates ruling at the transaction date. The balances of monetary items denominated in foreign currencies as at the balance sheet date are retranslated at the exchange rates on the same date. Exchange differences arising from the translation of these accounts are recognised in the separate income statement.

Borrowing costs

Borrowing costs are recognised in the income statement in the year when incurred unless they are capitalised in accordance with Vietnamese Accounting Standard No. 16 "Borrowing costs". Accordingly, borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the separate income statement because it excludes items of income or expense that are taxable or deductible in other years (including loss carried forward, if any) and it further excludes items that are never taxable or deductible.

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Deferred tax is recognised on significant differences between carrying amounts of assets and liabilities in the separate financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using balance sheet liability method. Deferred tax liabilities are generally recognised for all temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which deductible temporary differences can be utilised.

Deferred tax is calculated at the tax rates that are expected to apply in the year when the liability is settled or the asset realised. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same tax authority and the Corporation intends to settle its current tax assets and liabilities on a net basis.

The determination of the tax currently payable is based on the current interpretation of tax regulations. However, these regulations are subject to periodic variation and their ultimate determination depends on the results of the tax authorities' examinations.

Other taxes are applied in accordance with the prevailing tax laws in Vietnam.

Profit distribution, appropriation of funds from profit after tax

The Corporation distributes its profits and establishes funds in accordance with the organisation and operation charter of the shareholding company and the Resolution of the Annual General Meeting of Shareholders.

5. CASH AND CASH EQUIVALENTS

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Cash on hand	1,438,433,540	4,047,039,085
Bank demand deposits	338,527,108,771	609,643,118,915
Cash in transit	3,666,905,726	13,904,384,751
	<u>343,632,448,037</u>	<u>627,594,542,751</u>

6. HELD-TO-MATURITY INVESTMENTS

Short-term held-to-maturity investments represent term deposits with remaining maturity term less than 12 months at local commercial banks. These deposits earn a fixed interest rate ranging from 6.8% to 7.6% per annum (as at 31 December 2018: from 5.3% to 7.2% per annum).

7. TRADE RECEIVABLES FROM CUSTOMERS

	<u>Closing balance</u> VND	<u>Opening balance</u> (Restated) VND
<i>Short-term</i>		
a. Receivables from third parties		
Vietnam Airlines Corporation	646,495,367,600	572,117,188,804
VietJet Aviation Joint Stock Company	621,885,666,258	550,884,657,897
Jetstar Pacific Airlines Aviation Joint Stock Company	138,952,713,004	152,163,811,441
Bamboo Airways	129,918,629,508	100,062,813
Da Nang International Terminal Investment and Operation Joint Stock Company	90,358,908,818	158,156,810,540
Korean Airlines	63,138,112,394	55,045,564,272
Cam Ranh International Terminal Joint Stock Company	57,726,239,517	74,018,009,998
Airasia Berhad	49,548,448,220	51,160,428,012
Asiana Airlines	41,728,656,060	45,650,360,974
Thai Airasia	34,441,176,414	31,991,880,109
China Southern Airlines	30,877,658,874	33,148,095,319
Mekong Aviation Joint Stock Company	25,907,942,217	25,907,942,217
Qatar Airways	24,001,555,672	35,371,680,930
China Airlines	23,914,298,075	23,308,515,857
Vietnam Air Petrol Company Limited	23,324,315,547	22,715,330,997
Thai Airways	22,492,030,745	32,557,782,282
DHT Aviation Inc.	21,817,054,130	18,757,358,853
Singapore Airlines	21,655,886,464	20,868,794,346
Eva Airways	21,246,062,875	17,412,912,375
Scoot Tigerair pte. ltd (TR)	20,684,533,652	16,969,028,937
Others	461,410,763,835	467,020,434,409
b. Receivables from related parties (Note 37)	76,662,938,489	84,814,125,846
	<u>2,648,188,958,368</u>	<u>2,490,140,777,228</u>
<i>Long-term</i>		
Hoang Long Yen Joint Stock Company	6,300,000,200	6,300,000,200
	<u>6,300,000,200</u>	<u>6,300,000,200</u>



8. SHORT-TERM ADVANCES TO SUPPLIERS

	<u>Closing balance</u> VND	<u>Opening balance</u> VND
Avintech Joint Stock Company	45,152,862,903	8,171,659,318
Traffic Trade and Project Joint Stock Company	11,793,110,348	9,387,844,381
Air Traffic Technical Company Limited	10,938,801,115	7,372,741,623
BTK Technology Development Company Limited	8,593,352,775	820,619,000
Phu Quoc Land Development Center	8,075,921,665	8,075,921,665
AIRIMEX Joint Stock Company	8,067,312,000	-
An Tam IMEX Co., Ltd.	7,311,424,200	-
PNT Vietnam Investment Technology Corporation	7,005,846,399	-
Innovative Technology Development Corporation	6,301,516,499	-
My Kim Equipment Joint Stock Company	6,030,000,000	-
ACC-BVA Foundation And Construction Joint Stock Company	6,017,136,589	397,669,116
Thang Uy Industrial Equipment Company Limited	5,286,000,000	-
Airport Design And Construction Consultancy Limited Liability Company (ADCC)	4,914,090,048	31,446,092,304
Thang Long Installation And Investment Consultancy JSC	4,141,100,583	-
Air and Air Defence Force Command	770,267,561	7,211,365,000
JFV (JAC-ADPi-NK-OCG) Joint Venture	-	69,203,888,183
VTG Equipment and Technology JSC	-	61,002,980,045
Heerim Architects & Planners Co.,Ltd	-	22,925,635,988
Six Four Seven Aeronautics Project Construction Joint Stock Company	-	18,535,344,431
An Phu Construction and Investment JSC	-	15,926,326,496
Thang Long Joint Stock Company	-	13,415,303,268
AT Technology Development and Investment Joint Stock Company	-	11,565,692,398
Number 30 Hanoi Housing Investment And Development Jsc	-	6,200,000,000
CIENCO 4 Group	-	4,665,208,037
Others	89,159,793,414	86,317,227,953
	<u>229,558,536,099</u>	<u>382,641,519,206</u>

Advances to suppliers represent the advances for construction projects at the airports of the Corporation.

9. OTHER RECEIVABLES

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	(Restated) VND
a. Current		
Receivables from the State on expense, corporate income tax paid on behalf of the State related to Airfield's operation (i)	-	1,204,277,523,381
Receivables from the State related to assets of Airfield (i)	1,202,274,161,409	1,156,084,384,094
Interest from term deposits	1,102,329,780,812	755,450,767,120
Receivable related to equitisation - Enterprise Restructuring and Development Fund (ii)	61,464,089,344	-
Receivable related to equitisation - Expenses (ii)	19,570,715,787	19,570,715,787
Receivable from Vietnam Air Traffic Management Corporation for meteorological assets	55,749,867,742	55,654,707,061
Deductible input VAT which has not been declared	14,563,216,984	29,473,482,496
Advances	9,410,329,444	9,073,285,903
Dividend received	652,500,000	26,250,000,000
Others	40,678,810,887	53,107,102,454
	<u>2,506,693,472,409</u>	<u>3,308,941,968,296</u>
b. Non-current		
Receivable from clearance compensation expenses for the area not allocated to use in Phu Quoc	184,565,128,906	184,565,128,906
Soc Son Land Development Center	80,936,675,811	80,936,675,811
Receivable from TCP Joint Stock Company related to assets on land and land rental	25,671,912,247	41,671,912,247
Deposits and mortgages	7,053,000,000	5,715,000,000
Others	-	1,973,996,132
	<u>298,226,716,964</u>	<u>314,862,713,096</u>
In which:		
Related parties (Note 37)	<u>775,065,615</u>	<u>-</u>

(i) As presented in Note 1 about management and utilisation of the Airfield's assets, the Corporation split and separately monitored the assets of the Airfield after equitisation, expenses and corporate income tax expenses paid in respect of the management and utilisation of the assets of the Airfield (presented in Note 39). During the year, the Corporation have performed net-off the Payable to the State in relation to Airfield's operation revenue received on behalf of the State (presented in Note 21) for the the period from 1 January 2018 to 31 December 2019 with amount of VND 2,591,599,049,486.

(ii) Receivables related to equitisation are costs incurred in the equitisation process of the Corporation. These receivables will be offset against equitisation payables to the State (presented in Note 21) before refunded to the Enterprise Restructuring and Development Fund when the Corporation finalises the equitisation with competent authorities.

10. BAD DEBTS

	Closing balance		Opening balance	
	Cost VND	Provision VND	Cost VND	Provision VND
Total amount of receivables past due or not past due but impaired.				
<i>In which:</i>				
<i>Mekong Aviation Joint Stock Company</i>	25,907,942,217	(25,907,942,217)	25,907,942,217	(25,907,942,217)
<i>SW Italia S.P.A (Noi Bai International Airport)</i>	643,860,058	(643,860,058)	643,860,058	(643,860,058)
<i>Noi Bai Development Services Joint Stock Company (Noi Bai International Airport)</i>	37,343,224	(37,343,224)	37,343,224	(37,343,224)
<i>Transaero Airlines</i>	2,645,440,325	(2,645,440,325)	2,645,440,325	(2,645,440,325)
<i>Viet Nguon Travel Information Joint Stock Company (Da Nang International Airport)</i>	79,265,085	(79,265,085)	79,265,085	(79,265,085)
<i>Dong Duong Advertisement Joint Stock Company (Tuy Hoa Airport)</i>	-	-	17,424,000	(17,424,000)
<i>Hiep Hoa Phat Joint Stock Company - Phu Yen Branch (Tuy Hoa Airport)</i>	297,000,000	(297,000,000)	297,000,000	(297,000,000)
<i>Interbrand Co., Ltd (Lien Khuong Airport)</i>	283,008,000	(283,008,000)	283,008,000	(283,008,000)
	29,893,858,909	(29,893,858,909)	29,911,282,909	(29,911,282,909)

11. INVENTORIES

	Closing balance	Opening balance
	VND	(Restated) VND
Goods in transit	-	804,421,514
Raw materials	180,239,335,301	164,500,182,255
Tools and supplies	1,972,288,795	2,796,488,175
Work in progress	10,924,599,815	4,577,012,084
Merchandise	294,978,303,948	291,968,303,131
	488,114,527,859	464,646,407,159

As at 31 December 2019 and 31 December 2018, the Corporation has no inventories that need to make provisions.

12. PREPAYMENTS

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	(Restated) VND
a. Current		
Tools and office supplies	15,112,357,884	18,425,774,734
Repair and renovation electricity system at Terminal T1	874,180,374	2,502,247,500
Insurance premium cost	5,077,362,873	4,263,149,035
Bill printing expense	128,339,439	1,227,994,424
Others	2,403,883,636	2,350,376,886
	<u>23,596,124,206</u>	<u>28,769,542,579</u>
b. Non-current		
Clearance compensation of the T2 airport apron project - Noi Bai International Airport	243,100,000,000	-
Clearance compensation of the Northern expansion project - Da Nang International Airport	20,447,231,836	20,447,231,836
Clearance compensation of the expansion project - Da Nang International Airport	12,258,823,680	12,258,823,680
Tools and office supplies	22,804,563,171	23,707,519,857
Aircraft packing rental	816,444,444	8,164,444,444
Land rental and tax	170,000,000	170,000,000
Kaspersky software	912,800,000	1,434,400,000
Others	4,257,885,802	3,856,159,632
	<u>304,767,748,933</u>	<u>70,038,579,449</u>

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13. TANGIBLE FIXED ASSETS

	Buildings and structures VND	Machinery and equipment VND	Motor vehicles VND	Office equipment VND	Total VND
COST					
Opening balance (Restated)	24,835,696,781,520	12,950,298,842,813	2,131,386,203,732	96,162,254,813	40,013,544,082,878
Additions	-	138,509,042,925	236,019,369,403	1,883,154,998	376,411,567,326
Transfer from construction in progress	1,274,388,795,010	174,102,852,394	-	129,400,908	1,448,621,048,312
Reclassification	(2,087,867,757)	2,087,867,757	-	-	-
Transfer from the State's assets	15,363,187,391	6,189,310,158	18,028,432,726	-	39,580,930,275
Disposals	(4,840,021,772)	(56,788,449,358)	(18,041,099,573)	(796,221,832)	(80,465,792,535)
Closing balance	<u>26,118,520,874,392</u>	<u>13,214,399,466,689</u>	<u>2,367,392,906,288</u>	<u>97,378,588,887</u>	<u>41,797,691,836,256</u>
ACCUMULATED DEPRECIATION					
Opening balance (Restated)	10,671,387,313,849	9,455,036,821,378	1,397,190,242,134	90,366,329,200	21,613,980,706,561
Charge for the year	2,066,310,699,028	1,658,805,355,518	252,530,109,691	1,943,751,784	3,979,589,916,021
Depreciation expense of prior year	(111,565,512)	111,565,512	-	-	-
Disposals	(4,563,347,647)	(56,440,944,842)	(18,019,740,803)	(796,221,832)	(79,820,255,124)
Closing balance	<u>12,733,023,099,718</u>	<u>11,057,512,797,566</u>	<u>1,631,700,611,022</u>	<u>91,513,859,152</u>	<u>25,513,750,367,458</u>
NET BOOK VALUE					
Opening balance (Restated)	<u>14,164,309,467,671</u>	<u>3,495,262,021,435</u>	<u>734,195,961,598</u>	<u>5,795,925,613</u>	<u>18,399,563,376,317</u>
Closing balance	<u>13,385,497,774,674</u>	<u>2,156,886,669,123</u>	<u>735,692,295,266</u>	<u>5,864,729,735</u>	<u>16,283,941,468,798</u>

As presented in Note 23, the Corporation has pledged fully value of the construction work, machinery, equipment and other assets of T2 Passenger Terminal - Noi Bai International Airport to mortgage for the borrowings. As at 31 December 2019, the carrying value of pledged tangible fixed assets was VND 4,261,019,157,900 (as at 31 December 2018: VND 5,818,887,036,079).

As at 31 December 2019, the cost of the Corporation's tangible fixed assets includes VND 11,494,631,819,336 (as at 31 December 2018: VND 7,042,886,952,538) of assets which have been fully depreciated but are still in use.



NOTES TO THE SEPARATE FINANCIAL STATEMENTS (Continued)

As at 31 December 2019, the cost of the tangible fixed assets temporarily increasing and awaiting settlement is reflected in the balance sheet with an amount of VND 20,754,490,052,028 (as at 31 December 2018: VND 21,617,634,400,961) (presented in Note 15). The value of these assets may vary depending on the audit result of completed construction work or the approved finalisation of the construction.

14. INTANGIBLE ASSETS

	Copyrights	Computer software	Others	Total
	VND	VND	VND	VND
COST				
Opening balance	2,661,339,000	15,549,112,988	170,000,000	18,380,451,988
Additions	-	2,978,534,294	-	2,978,534,294
Reclassification	-	(200,000,000)	-	(200,000,000)
Closing balance	2,661,339,000	18,327,647,282	170,000,000	21,158,986,282
ACCUMULATED AMORTISATION				
Opening balance	2,649,147,028	12,392,295,527	170,000,000	15,211,442,555
Charge for the year	12,191,972	1,388,913,576	-	1,401,105,548
Reclassification	-	(200,000,000)	-	(200,000,000)
Closing balance	2,661,339,000	13,581,209,103	170,000,000	16,412,548,103
NET BOOK VALUE				
Opening balance	12,191,972	3,156,817,461	-	3,169,009,433
Closing balance	-	4,746,438,179	-	4,746,438,179

As at 31 December 2019, the cost of the Corporation's intangible fixed assets includes VND 14,451,199,161 (as at 31 December 2018: VND 14,363,839,161) of assets which have been fully amortised but are still in use.

15. CONSTRUCTION IN PROGRESS

15.1. Construction in progress

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	(Restated) VND
I. Projects belong to the Corporation		
a. Purchasing fixed assets	172,964,473,663	45,299,412,294
b. Constructions		
Construction of Long Thanh International Airport	370,005,116,630	18,488,357,001
Expansion of T2 International terminal - Tan Son Nhat International Airport	14,507,472,911	-
Expansion of airport apron - Cat Bi International Airport	9,169,690,909	300,000
Investment in expanding the capacity of water treatment stations - Noi Bai International Airport	7,196,073,697	1,567,874,216
Passenger terminal - Tho Xuan International Airport	7,171,326,410	-
Construction of T2 terminal - Vinh International Airport	6,913,062,998	600,000
Construction of T2 terminal - Cat Bi International Airport	6,912,973,225	600,000
Construction of airport apron at the land plot No. 15 - Noi Bai International Airport	-	286,917,275,226
Expansion of the airport apron at the military area of 19.79 ha - Tan Son Nhat International Airport	-	74,440,618,927
Expansion of the North airport apron of parallel taxiways from NS to E6 - Tan Son Nhat International Airport	-	47,042,622,147
Expansion of the airport apron - Lien Khuong Airport	-	19,701,535,038
Renovation of conveyor belt system for international flights	-	16,664,326,363
Others	35,721,145,016	27,104,793,911
	<u>457,596,861,796</u>	<u>491,928,902,829</u>
	<u>630,561,335,459</u>	<u>537,228,315,123</u>

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15.1. Construction in progress (Continued)

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	(Restated) VND
II. Projects belong to airfield		
a. Constructions		
Renovation of E6 taxiway from E1 to E4 - Da Nang international Airport	1,486,713,788	1,486,413,788
Signal light system and ILS landing system – Tuy Hoa Airport	-	36,662,427,172
Others	22,762,454	1,512,306,726
	<u>1,509,476,242</u>	<u>39,661,147,686</u>
b. Major overhaul of fixed assets		
Renovation of runway - Vinh international Airport - Stage 2	-	12,322,991,989
Renovation of runway - Buon Ma Thuot Airport	1,213,327,272	-
Others	417,465,069	1,213,327,272
	<u>1,630,792,341</u>	<u>13,536,319,261</u>
	<u>3,140,268,583</u>	<u>53,197,466,947</u>
III. Constructions conducted on behalf of Vietnam Air Traffic Management Corporation		
Doppler technology of weather radar system - Tan Son Nhat international Airport	81,657,920,955	413,185,453
Doppler technology of weather radar system - Noi Bai international Airport	81,607,919,136	371,610,908
Doppler technology of weather radar system - Da Nang international Airport	68,285,583,409	243,489,089
AWOS system - signal light project and ILS device - Tho Xuan Airport	-	95,160,681
	<u>231,551,423,500</u>	<u>1,123,446,131</u>
Total	<u>865,253,027,542</u>	<u>591,549,228,201</u>

15.2. Constructions temporarily debited and await for approval

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	(Restated) VND
Construction of T2 Passenger Terminal - Noi Bai International Airport	12,249,404,880,608	12,249,404,880,608
Expansion of International Passenger Terminal T2 - Tan Son Nhat International Airport	1,427,650,829,590	1,427,650,829,590
Passenger Terminal - Cat Bi International Airport	998,742,107,822	998,742,107,822
Expansion of the airport apron at the military area of 19.79 ha - Tan Son Nhat International Airport	896,566,017,978	455,925,516,384
Expansion of Passenger Terminal - Phu Quoc International Airport	785,128,624,245	785,128,624,245
Construction of airport apron and T2 Passenger Terminal - Noi Bai International Airport	647,320,417,539	654,425,724,641
Renovation and expansion of airport apron - Tan Son Nhat International Airport	573,105,697,717	573,105,697,717
Expansion of the airport apron north of parallel taxiways from NS to E6 - Tan Son Nhat International Airport	556,443,826,539	414,218,013,610
Passenger Terminal - Phu Cat Airport	406,196,947,819	406,196,947,819
Renovation and expansion of domestic Terminal - Tan Son Nhat International Airport	364,188,600,567	364,188,600,567
Construction of airport apron at plot No. 15-Noi Bai International Airport	358,603,826,281	-
Expansion of airport apron - Can Tho Airport	297,877,651,895	305,341,484,871
Construction of taxiway system and airport apron, light system (airport apron) Passenger Terminal - Tho Xuan Airport	274,393,952,913	274,393,952,913
Renovation of T1 Passenger Terminal - Noi Bai International Airport	229,059,199,604	229,059,199,604
Expansion of airport apron - Lien Khuong Airport	200,483,835,833	200,483,835,833
Renovation of airport apron in front of International Terminal - Da Nang International Airport	161,445,068,906	-
Renovation and expansion parking No.4 - Da Nang International Airport	156,612,255,208	156,612,255,208
Renovation and expansion terminal, car parking lot - Chu Lai Airport	150,276,555,710	-
Expansion of airport apron to the north and construction taxiway E7 - Da Nang International Airport	130,398,695,184	130,398,695,184
Passenger terminal - Da Nang International Airport	118,545,346,663	118,545,346,663
	74,714,048,500	74,714,048,500

15.2. Constructions temporarily debited and await for approval (continued)

	<u>Closing balance</u>	<u>Opening balance</u> (Restated)
	VND	VND
Expansion of parking area for cars and taxi - Can Tho Airport	60,142,614,762	-
Renovation and expansion of airport apron - Chu Lai Airport	59,424,964,060	59,424,964,060
Renovation and upgrade the aviation technology line - Vinh International Airport	21,960,170,731	-
Renovation and upgrade the aviation technology line from the domestic terminal to the international terminal at Vinh International Airport	19,028,215,041	-
Investment for construction of restaurants, offices for airlines and toilets - Cam Ranh International Airport	10,485,537,081	10,485,537,081
Passenger terminal - Phu Quoc international Airport	-	1,479,819,936,748
Passenger terminal - Vinh international Airport	-	388,288,734,301
Roads and car parking lot - Vinh International Airport	-	119,578,626,442
Entrance to Phu Quoc International Airport	-	95,664,499,385
Renovation of passenger terminal, car parking lot - Phu Bai International Airport	-	85,541,084,102
Renovation of airport apron - Phu Bai International Airport	-	49,171,581,949
Renovation, upgrade of passenger terminal - Pleiku Airport	-	46,222,069,135
Renovation of airport apron No.17 station, No. 21 station to No.23 station - Tan Son Nhat international Airport	-	41,620,560,637
Expansion of airport apron - Dong Hoi Airport	-	36,076,158,965
Renovation of passenger terminal - Pleiky Airport	-	32,496,571,862
Outside garage - Phu Quoc international Airport	-	15,136,709,537
Operator office - Tho Xuan Airport	-	12,401,453,757
Others	22,611,307,086	43,152,406,801
	<u>21,250,811,195,882</u>	<u>22,333,616,656,541</u>

The temporarily debited constructions included the cost of fixed assets, which have been temporarily increased and await for approval, with the total amount of VND 20,754,490,052,028 (as at 31 December 2018: VND 21,617,634,400,961) (presented in Note 13) and other overhaul projects with the total amount of VND 496,321,143,854 (as at 31 December 2018: VND 715,982,255,580).

16. LONG-TERM FINANCIAL INVESTMENTS

Details of the Corporation's subsidiaries, joint ventures, associates and other long-term investments are as follows:

	Closing balance			Opening balance		
	Cost VND	Provision	Percentage of ownership VND	Cost VND	Provision VND	Percentage of ownership
a. Investment in subsidiaries	60,000,000,000	-		60,000,000,000	-	
Noi Bai Aviation Fuel Service Joint Stock Company	60,000,000,000	-	60.00%	60,000,000,000	-	60.00%
b. Investment in joint-ventures and associates	2,189,744,434,914	-		2,189,744,434,914	-	
Southern Airports Services Joint Stock Company	1,585,201,640,000	-	49.07%	1,585,201,640,000	-	49.07%
Saigon Ground Services Joint Stock Company	486,859,102,200	-	48.03%	486,859,102,200	-	48.01%
Southern Airports Aircraft Maintenance Services Company Limited (i)	15,300,000,000	-	51.00%	15,300,000,000	-	51.00%
Southern Trading and Aviation Services Joint Stock Company	7,532,433,978	-	29.53%	7,532,433,978	-	29.53%
Southern Airport Transportation Joint Stock Company	14,851,258,736	-	30.00%	14,851,258,736	-	30.00%
Hanoi Ground Services Joint Stock Company	30,000,000,000	-	20.00%	30,000,000,000	-	20.00%
Air Cargo Services Joint Stock Company	50,000,000,000	-	20.00%	50,000,000,000	-	20.00%
c. Other long-term investment	184,800,000,000	-		184,800,000,000	1,300,000,000	
Saigon Cargo Service Joint Stock Company	75,000,000,000	-	13.03%	75,000,000,000	-	13.12%
Da Nang International Airport Investment and Exploitation Joint Stock Company	30,000,000,000	-	10.00%	30,000,000,000	-	10.00%
TCP Investment Joint Stock Company	19,800,000,000	-	18.00%	19,800,000,000	1,300,000,000	18.00%
Cam Ranh International Passenger Joint Stock Company	60,000,000,000	-	10.00%	60,000,000,000	-	10.00%
	<u>2,434,544,434,914</u>	-		<u>2,434,544,434,914</u>	<u>1,300,000,000</u>	

(i) Southern Airports Aircraft Maintenance Services Company Limited is a joint venture company established by the Corporation and Singapore SIA Engineering Company Limited in 2009 to jointly provide aircraft maintenance services in Vietnam.

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NOTES TO THE SEPARATE FINANCIAL STATEMENTS (Continued)

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17. DEFERRED TAX ASSETS

	Closing balance			Opening balance		
	Amount VND	Tax rate %	Deferred tax VND	Amount VND	Tax rate %	Deferred tax VND
Deferred tax assets						
Accrued land rental expenses (awaiting for Tax authority's announcement)	76,784,406,419	20%	15,356,881,284	77,681,326,505	20%	15,536,265,301
Temporary increased fixed assets depreciation (awaiting for invoice)	379,908,140,920	20%	75,981,628,184	391,291,302,014	20%	78,258,260,403
Maintenance expense (awaiting for invoice)	26,591,808,176	20%	5,318,361,635	44,309,006,185	20%	8,861,801,237
Provision for impairment of financial investments	-	20%	-	1,300,000,000	20%	260,000,000
Foreign exchange loss arising from revaluating cash and receivables in foreign currency	3,128,365,016	20%	625,673,003	4,300,686,681	20%	860,137,336
	486,412,720,531		97,282,544,106	518,882,321,385		103,776,464,277



19. TAXES AND OTHER PAYABLES TO/ RECEIVABLES FROM THE STATE BUDGET

	<u>Opening balance (Restated)</u> VND	<u>Payable/Receivable during the year</u> VND	<u>Paid/Received during the year</u> VND	<u>Closing balance</u> VND
Taxes and payables to the State Budget				
Value added tax	50,048,038,161	395,576,428,715	428,993,263,140	16,631,203,736
License tax	-	32,000,000	32,000,000	-
Import and export tax	-	584,675,835	584,675,835	-
Corporate income tax (*)	-	2,229,810,208,377	1,701,452,480,611	528,357,727,766
Personal income tax	23,491,755,164	361,339,678,902	325,761,290,647	59,070,143,419
Natural resource tax	167,138,545	2,366,623,173	2,134,160,631	399,601,087
Land tax and land rental	63,885,229,925	95,655,958,645	157,809,138,299	1,732,050,271
Foreign contractor tax	373,154,929	27,056,013,956	26,937,875,639	491,293,246
Difference between in payment and receipt in airfield	-	1,678,983,319,154	1,678,983,319,154	-
Other payable	94,715,961	168,820,068,646	168,914,784,607	-
	<u>138,060,032,685</u>	<u>4,960,224,975,403</u>	<u>4,491,602,988,563</u>	<u>606,682,019,525</u>
Taxes and receivables from the State Budget				
Value added tax	44,306,200	-	44,306,200	-
Corporate income tax	50,062,004,593	-	50,062,004,593	-
Personal income tax	2,492,091,141	5,745,729,707	2,492,091,141	5,745,729,707
Land tax and land rental	666,899,535	-	79,395,368	587,504,167
Foreign contractor tax	46,714	-	46,714	-
Profit paid to the State budget	9,883,091,867	51,714,915	5,006,779,833	4,928,026,949
	<u>63,148,440,050</u>	<u>5,797,444,622</u>	<u>57,684,623,849</u>	<u>11,261,260,823</u>

(*) Corporate income tax during the year includes corporate income tax that the Corporation paid on behalf related to management and utilisation activities of the Airfield's assets (presented in Note 9 and Note 39).

20. SHORT-TERM ACCRUED EXPENSES

	<u>Closing balance</u> VND	<u>Opening balance</u> (Restated) VND
Temporarily increased cost of fixed assets	579,121,633,173	670,376,715,835
Temporarily increased overhaul expenses	80,047,316,295	70,848,345,464
Land tax, land rental	76,784,406,419	82,270,960,768
Interest expense	28,336,466,163	28,604,061,808
Acquisition of assets	10,623,536,000	-
Assets repairing expenses	7,016,464,960	5,254,315,484
Flight calibration cost	3,318,505,500	7,015,872,276
Cleaning service	2,768,184,153	3,043,982,214
Water expense	1,641,700,064	1,367,495,683
Electricity expense	1,839,580,249	1,784,134,621
BHS, sita service fee	1,439,640,000	240,000,000
Dangerous and harmful environment allowance	798,006,669	1,773,651,181
Communications fee	409,682,146	910,078,810
Cadastral measurement cost for 21 airports	-	2,409,446,127
Others	1,402,062,212	8,009,341,246
	<u>795,547,184,003</u>	<u>883,908,401,517</u>

21. OTHER PAYABLES

	<u>Closing balance</u> VND	<u>Opening balance</u> VND
a. Current		
Payable related to equitation (i)	-	43,894,499,381
Payable to the State in relation to Airfield's operation revenue received on behalf of the State (ii)	2,201,248,914,368	3,631,231,189,483
Dividend payables	173,365,500	129,361,500
Expense for investment in car parking lot for Tho Xuan Airport	75,132,858,000	75,132,858,000
Short-term deposits and mortgages	51,726,746,078	46,655,089,760
Airport franchised expense	22,717,690,000	17,936,905,000
Income tax payable for the employees	65,996,423,092	39,242,506,017
Union fees	2,156,034,574	8,122,674,798
Social, health, unemployed insurance	2,072,630	36,193,080
Others	12,072,922,314	6,787,234,325
b. Trade payables to related parties (Note 37)	-	64,982,500
	<u>2,431,227,026,556</u>	<u>3,869,233,493,844</u>
b. Non-current		
Long-term deposits	<u>117,061,817,125</u>	<u>90,353,729,680</u>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (Continued)

(i) This is the amount to be remitted to the Enterprise Restructuring and Development Fund (according to Clause 3, Article 21 of Decree 59/2011), the difference between the actual value of the State capital portion in the Corporation when being equitised and the value of the State capital remained for investment in the Corporation when becoming a joint stock company. As at 31 December 2019, the Corporation has temporarily paid an amount of VND 3,214,119,296 (as at 31 December 2018: VND 3,194,868,068,494) to the State Budget based on the proceeds from equitisation. Therefore, the remaining amount of equitisation will be finalized by competent authorities and offset against the equitisation expenses (presented in Note 9) before refunding to the State budget. During the period, the Corporation adjusted the payables amount of equitisation after finalised some projects and according to finalisation minute of Tax authority

(ii) As presented in Note 1 relating to management and utilisation of the Airfield's assets, the Corporation split and separately monitored all revenue related to the operation of the Airfield on the other payables, corresponding to the Airfield's assets that the Corporation is managing and operating (presented in Note 39). During the period, the Corporation had temporarily paid to the State Budget the difference between collection and payment amount in respect of the management and utilisation of the assets of the Airfield with an amount of VND 1,678,983,319,154.

22. BONUS AND WELFARE FUNDS

	<u>Bonus fund</u>	<u>Management bonus fund</u>	<u>Total</u>
	VND	VND	VND
Opening balance	428,410,552,573	2,787,749,976	431,198,302,549
Fund distribution	277,486,565,000	148,680,000	277,635,245,000
Fund usage	(696,505,268,818)	(2,936,429,976)	(699,441,698,794)
Closing balance	<u>9,391,848,755</u>	<u>-</u>	<u>9,391,848,755</u>

Pursuant to the Resolution of Annual General Meeting of Shareholders No. 02/NQ-DHDCD dated 22 June 2019, the Corporation approved the appropriation from retained earnings for the year 2018 to Investment and development fund with the amount of VND 3,484,019,695,540; Bonus and welfare funds with the amount of VND 684,224,565,000 and Management bonus fund with the amount of VND 2,936,430,000. In 2018, the Corporation had temporarily appropriated from retained earnings for the year 2018, including: to Bonus and welfare funds with the amount of VND 406,738,000,000 and Management bonus funds with the amount of VND 2,787,750,000.

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23. LOANS AND OBLIGATIONS UNDER FINANCE LEASES

	Opening balance		During the year			Closing balance	
	Amount	Amount to be paid	Increase	Decrease	Foreign exchange revaluation at the year end	Amount	Amount to be paid
	VND	VND	VND	VND	VND	VND	VND
Current portion of long-term loans							
Japan International Cooperation Agency (JICA) - Loan Agreement No. VNIX-2 Project of construction of International Airport Passenger Terminal of Tan Son Nhat International Airport by ODA fund (1)	150,932,824,856	150,932,824,856	156,200,048,546	154,993,814,113	1,966,527,651	154,105,586,940	154,105,586,940
Japan International Cooperation Agency (JICA) - Loan Agreement No. VNXVII-6 on Project of construction of T2 Passenger Terminal of Noi Bai International Airport by ODA fund (2)	-	-	87,951,153,663	-	(1,997,199,927)	85,953,953,736	85,953,953,736
	150,932,824,856	150,932,824,856	244,151,202,209	154,993,814,113	(30,672,276)	240,059,540,676	240,059,540,676
Long-term loans							
Japan International Cooperation Agency (JICA) - Loan Agreement No. VNIX-2 Project of construction of International Airport Passenger Terminal of Tan Son Nhat International Airport by ODA fund (1)	3,406,566,869,657	3,406,566,869,657	-	156,200,048,546	2,430,745,145	3,252,797,566,256	3,252,797,566,256
Japan International Cooperation Agency (JICA) - Loan Agreement No. VNXVII-6 on Project of construction of T2 Passenger Terminal of Noi Bai International Airport by ODA fund (2)	2,619,246,053,144	2,619,246,053,144	-	87,951,153,663	(7,613,830,636)	2,523,681,068,845	2,523,681,068,845
Japan International Cooperation Agency (JICA) - Loan Agreement No. VN11-P6 on Project of construction of T2 Passenger Terminal of Noi Bai International Airport by ODA fund (3)	4,332,149,930,000	4,332,149,930,000	-	-	(16,566,930,000)	4,315,583,000,000	4,315,583,000,000
Japan International Cooperation Agency (JICA) - Loan Agreement No. VN13-P3 on Project of construction of T2 Passenger Terminal of Noi Bai International Airport by ODA fund (4)	4,685,397,818,489	4,685,397,818,489	-	-	(17,917,814,234)	4,667,480,004,255	4,667,480,004,255
	15,043,360,671,290	15,043,360,671,290	-	244,151,202,209	(39,667,829,725)	14,759,541,639,356	14,759,541,639,356



(1) The loan facility for Tan Son Nhat International Passenger Terminal Project funded by ODA fund with the Loan Agreement No. VNIX-2 dated 29 March 2002 between the Ministry of Finance and the Japan Bank for International Cooperation (now is Japan International Cooperation Agency - JICA). The loan was implemented via the Development Assistance Fund (the "DAF") – HCMC Branch (now is Development Bank of Vietnam (the "DBV") – HCMC Branch) under ODA Credit Agreement No. 038/TDNN-TDTW1 dated 15 August 2002 and the Authorised JBIC Fund Re-lending Contract No. 06/2002/UQ/BTC-TCDN of 17 July 2001 between the DAF and Ministry of Finance (represented by the External Finance Department). The purpose of the loan is to build an international passenger terminal at Tan Son Nhat International Airport. The total loan amount under the contract is JPY 22,768,000,000 with 40 years of repayment and a grace period of 10 years from the agreement's effective date. The loan is unsecured and bears interest at the rate of 1.6% per annum over the loan balance. The loan balance as at 31 December 2019 is VND 3,406,903,153,196 equivalent to JPY 16,083,125,771.48 (as at 31 December 2018: VND 3,557,499,694,513 equivalent to JPY 16,814,176,942.92).

(2) This loan facility for Noi Bai T2 International Passenger Terminal Project funded by ODA with Loan Agreement No. VNXVII-6 dated 18 March 2010 between the Japan Government and the Vietnam Government. The total loan amount under the contract is JPY 12,607,000,000 with 40 years of repayment and a grace period of 10 years from the agreement's effective date. The disbursement period is 7 years from the agreement's effective date. The purpose of the loan is to build T2 Passenger Terminal – Noi Bai International Airport. The Corporation used the assets of T2 Passenger Terminal – Noi Bai International Airport to mortgage this loan. The lending interest rate is 0.4% per annum for construction costs and 0.21% per annum for consultancy costs. The loan balance as at 31 December 2019 is VND 2,609,635,022,581 equivalent to JPY 12,366,016,964 (as at 31 December 2018: VND 2,619,246,053,144 equivalent to JPY 12,366,016,964).

(3) This loan facility for Noi Bai T2 International Passenger Terminal Project funded by ODA with Loan Agreement No. VN11-P6 dated 30 March 2012 between the Japan Government and the Vietnam Government. The total loan amount under the contract is JPY 20,584,000,000 with 40 years of repayment and a grace period of 10 years from the agreement's effective date. The disbursement period is 5 years from the agreement's effective date. The purpose of the loan is to build T2 Passenger Terminal – Noi Bai International Airport. The Corporation used the assets of T2 Passenger Terminal – Noi Bai International Airport to mortgage this loan. The lending interest rate is 0.4% per annum for construction costs and 0.21% per annum for consultancy costs. The loan balance as at 31 December 2019 is VND 4,315,583,000,000 equivalent to JPY 20,453,000,000 (as at 31 December 2018: VND 4,332,149,930,000 equivalent to JPY 20,453,000,000).

(4) This loan facility for Noi Bai T2 International Passenger Terminal Project funded by ODA with Loan Agreement No. VN13-P3 dated 24 December 2013 between the Japan Government and the Vietnam Government. The total loan amount under the contract is JPY 26,062,000,000 with 40 years of repayment and a grace period of 10 years from the agreement's effective date. The disbursement period is 7 years from the agreement's effective date. The purpose of the loan is to build T2 Passenger Terminal - Noi Bai International Airport. The Corporation used the assets of T2 Passenger Terminal - Noi Bai International Airport to mortgage this loan. The lending interest rate is 0.4% per annum for construction costs and 0.21% per annum for consultancy costs. The loan balance as at 31

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December 2019 is VND 4,667,480,004,255 equivalent to JPY 22,120,758,314 (as at 31 December 2018: VND 4,685,397,818,489 equivalent to JPY 22,120,758,314).

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Within one year	240,059,540,676	150,932,824,856
Within second year	240,443,632,763	248,644,534,998
In the third to fifth years inclusive	1,375,362,667,640	1,238,478,897,074
After five years	13,143,735,338,953	13,556,237,239,218
	14,999,601,180,032	15,194,293,496,146
Less: Payables within 12 months (presented in short-term loan)	240,059,540,676	150,932,824,856
Amount due for settlement after 12 months	<u>14,759,541,639,356</u>	<u>15,043,360,671,290</u>

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24. OWNER'S EQUITY

Movement in owner's equity

	<u>Owner's contributed capital</u> VND	<u>Share premium</u> VND	<u>Treasury shares</u> VND	<u>Investment and development fund</u> VND	<u>Retained earnings (Restated)</u> VND	<u>Total</u> VND
Prior year's opening balance as previously reported	21,771,732,360,000	14,602,790,587	-	702,011,972,981	4,515,288,121,657	27,003,635,245,225
Profit for the year	-	-	-	-	6,050,757,480,716	6,050,757,480,716
Treasury shares repurchase	-	-	(572,470,000)	-	-	(572,470,000)
Profit distribution to investment and development fund	-	-	-	1,848,561,973,124	(1,848,561,973,124)	-
Profit distribution to bonus and welfare fund	-	-	-	-	(813,476,000,000)	(813,476,000,000)
Profit distribution to management bonus fund	-	-	-	-	(5,575,500,000)	(5,575,500,000)
Dividend distributed	-	-	-	-	(1,959,416,582,400)	(1,959,416,582,400)
Others	-	-	-	-	5,809,922,443	5,809,922,443
Current year's opening balance (Restated)	21,771,732,360,000	14,602,790,587	(572,470,000)	2,550,573,946,105	5,944,825,469,292	30,281,162,095,984
Profit for the year	-	-	-	-	8,042,626,863,710	8,042,626,863,710
Treasury shares repurchase	-	-	(1,713,480,000)	-	-	(1,713,480,000)
Profit distribution to investment and development fund	-	-	-	3,484,019,695,540	(3,484,019,695,540)	-
Profit distribution to bonus and welfare fund	-	-	-	-	(277,486,565,000)	(277,486,565,000)
Profit distribution to management bonus fund	-	-	-	-	(148,680,000)	(148,680,000)
Dividend distributed	-	-	-	-	(1,959,298,862,400)	(1,959,298,862,400)
Others (*)	-	-	-	-	10,400,000,000	10,400,000,000
Current year's closing balance	21,771,732,360,000	14,602,790,587	(2,285,950,000)	6,034,593,641,645	8,276,898,530,062	36,095,541,372,294



Changes in owner's equity

Pursuant to the Resolution of Annual General Shareholders' Meeting No. 02/NQ-DHDCD dated 22 June 2019, the Corporation approved the appropriation from retained earnings for the year 2018 to Investment and development funds with the amounts of VND 3,484,019,695,540, Bonus and welfare funds with the amounts of VND 684,224,565,000 and Management bonus funds with the amounts of VND 2,936,430,000. In 2018, the Corporation had temporarily appropriated from retained earnings for the year 2018, including: to Bonus and welfare funds with the amount of VND 406,738,000,000 and Management bonus funds with the amounts of VND 2,787,750,000.

According to the Resolution of Annual General Shareholders' Meeting No. 02/NQ-DHDCD dated 22 June 2019, the Corporation has declared dividend in 2018 to shareholders from retained earnings for the year 2018 at the rate of 9% (1 share received VND 900), with the amount of VND 1,959,298,862,400. During the year, the Corporation has paid the dividend to shareholders with amount of VND 1,959,254,858,400.

According to the Board of Directors' Resolution No. 391/NQ-HĐQT dated 22 November 2018, during the period, the Corporation has repurchased 72,200 treasury shares with total amount of VND 945,820,000.

According to the Board of Directors' Resolution No. 194/NQ-HĐQT dated 20 August 2019, during the period, the Corporation has repurchased 58,600 treasury shares with total amount of VND 767,660,000.

(*) During the period, the Corporation has adjusted the amount of Corporation Income Tax of 2018.

Shares:

	<u>Closing balance</u>	<u>Opening balance</u>
- Number of issued shares	2,177,173,236	2,177,173,236
+ <i>Ordinary shares</i>	2,177,173,236	2,177,173,236
- Number of treasury shares	174,500	43,700
+ <i>Ordinary shares</i>	174,500	43,700
- Number of outstanding shares in circulation	2,176,998,736	2,177,129,536
+ <i>Ordinary shares</i>	2,176,998,736	2,177,129,536
- Par value of outstanding shares (VND/share)	10,000	10,000

The Corporation has only one common stock with a par value of VND 10,000 per share. Shareholders owning shares are entitled to receive dividends when they are announced and have the right to vote at the rate of one voting right per share held at the shareholders' meetings of the Corporation. All shares have the same inheritance rights to the net assets of the Corporation.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (Continued)

Charter capital:

According to the eighth amended Business Registration Certificate dated 15 August 2018, the Corporation's charter capital is VND 21,771,732,360,000. As at 31 December 2019, the charter capital had been fully contributed by shareholders as follows:

	<u>Closing balance</u>			<u>Opening balance</u>		
	Shares	%	VND	Shares	%	VND
Committee for Management of State Capital at Enterprises	2,076,943,011	95.396	20,769,430,110,000	2,076,943,011	95.396	20,769,430,110,000
Other shareholders	100,055,725	4.596	1,000,557,250,000	100,186,525	4.602	1,001,865,250,000
Treasury shares	174,500	0.008	1,745,000,000	43,700	0.002	437,000,000
	<u>2,177,173,236</u>	<u>100</u>	<u>21,771,732,360,000</u>	<u>2,177,173,236</u>	<u>100</u>	<u>21,771,732,360,000</u>

25. OFF BALANCE SHEET ITEMS

	<u>Closing balance</u>	<u>Opening balance</u>
- United States Dollar ("USD")	5,295,244.18	6,155,698.34
	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Net book value of assets held under trust		
- Assets belong to the State using by the Corporation	3,335,414,128,257	3,289,255,438,285
	<u>3,335,414,128,257</u>	<u>3,289,255,438,285</u>
Bad debts written off	<u>44,517,571,868</u>	<u>44,517,571,868</u>
Goods held under trust	<u>731,493,536</u>	<u>719,480,983</u>

26. REVENUE FROM GOODS SOLD AND SERVICES RENDERED

	Current year VND	Prior year (Restated) VND
Sales of goods and services		
In which:		
1. Sales of services		
a. Sales of aviation service:		
Sales of basic ground / all-in-one service	502,021,205,780	346,879,640,415
Passenger services charges	9,866,020,076,859	9,021,482,272,927
Sales of security scanning of passenger and luggage	1,557,477,228,469	1,324,090,520,094
Sales of other aviation services	2,783,940,590,158	2,193,074,246,802
	14,709,459,101,266	12,885,526,680,238
b. Sales of non-aviation service:		
Sales of premises lease	888,335,668,961	736,626,408,898
Sales of advertising service	302,058,682,219	265,387,966,305
Sales of internal yard service	563,273,281,725	539,366,030,270
Sales of utility service	123,988,640,580	107,721,429,295
Sales of services for VIP, F, C passengers,...	139,062,278,451	111,403,042,864
Sales of other non-aviation services	135,382,834,264	129,792,290,806
	2,152,101,386,200	1,890,297,168,438
2. Sales of goods	1,506,320,585,683	1,368,626,443,029
	18,367,881,073,149	16,144,450,291,705
Sales deduction		
Sales rebate	(35,801,143,529)	(18,064,056,201)
Net Revenue		
Sales of services	16,825,759,343,937	14,757,759,792,475
Sales of goods	1,506,320,585,683	1,368,626,443,029
	18,332,079,929,620	16,126,386,235,504
In which		
Sales from related parties (Note 37)	716,616,630,406	651,101,022,891

27. COST OF SALES

	Current year VND	Prior year (Restated) VND
Cost of service rendered	8,139,303,861,221	7,492,859,995,922
Cost of goods sold	902,293,495,420	848,958,702,123
	9,041,597,356,641	8,341,818,698,045

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28. PRODUCTION COST BY NATURE

	Current year VND	Prior year (Restated) VND
Salary expenses	3,035,495,835,825	2,546,437,851,142
Materials, tools and office supplies	104,476,246,103	98,732,818,611
Depreciation and amortization	3,910,064,843,582	3,904,182,208,702
Taxes, fees and charges	101,870,668,985	106,027,743,676
Repair of fixed assets	395,792,511,014	370,347,744,290
Operating, commercial right	233,002,093,890	174,635,222,139
Aviation, non-aviation insurance	21,749,388,955	21,111,239,457
Electricity, water, telecommunication	466,729,890,777	411,556,018,308
Out-sourced services	406,030,443,194	359,694,649,398
Commissions, brokers expenses	162,290,859,539	144,642,175,442
Welfare expense for employees	181,298,316,295	147,324,851,235
Franchise fee	216,674,765,776	188,498,510,545
Other monetary expenses	279,881,645,306	224,688,683,671
Reversal of provision for doubtful debts	(17,424,000)	(120,883,121)
	9,515,340,085,241	8,697,758,833,495

29. FINANCIAL INCOME

	Current year VND	Prior year VND
Interest income	1,795,597,895,640	1,270,796,292,111
Realised foreign exchange gain	14,514,247,493	16,505,369,654
Foreign exchange gain arising from translating foreign currency items	37,379,003,567	-
Dividends	310,644,229,000	304,136,467,311
	2,158,135,375,700	1,591,438,129,076

30. FINANCIAL EXPENSES

	Current year VND	Prior year VND
Interest expense	96,418,310,786	95,084,582,355
Realised foreign exchange loss	8,724,464,404	22,541,697,765
Foreign exchange loss arising from translating foreign currency items	-	638,238,848,257
Reversal of provision for investments	(1,300,000,000)	-
	103,842,775,190	755,865,128,377

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31. SELLING EXPENSES

	<u>Current year</u> VND	<u>Prior year</u> (Restated) VND
Labor cost	109,811,070,663	99,743,838,257
Materials, packaging cost	1,135,370,947	1,148,993,469
Tools, stationery cost	2,089,493,494	2,857,912,884
Depreciation and amortisation	1,259,834,999	1,297,244,306
Operations cost and Commercial Rights	233,002,093,890	174,635,222,139
Repair cost	1,781,226,715	1,886,890,525
Outsourced service	15,468,816,394	12,223,391,660
Other costs	14,586,532,213	46,328,117,531
	<u>379,134,439,315</u>	<u>340,121,610,771</u>

32. GENERAL AND ADMINISTRATION EXPENSES

	<u>Current year</u> VND	<u>Prior year</u> VND
Management staff cost	602,524,169,489	532,004,693,487
Materials, stationery cost	11,669,879,083	10,541,127,694
Depreciation and amortisation	35,542,759,572	40,203,408,086
Taxes, fees and charges	20,977,227,198	19,022,834,948
Repair of fixed assets	12,330,820,838	6,958,586,582
Electricity, water and communications	18,510,580,838	16,328,533,354
Other outsourced services	17,609,867,260	15,352,001,048
Benefits for employees	181,298,316,295	147,324,851,235
Per diem	26,389,799,763	26,745,186,805
Other monetary expenses	70,065,788,369	54,918,984,016
Reversal of doubtful debts	(17,424,000)	(120,883,121)
	<u>996,901,784,705</u>	<u>869,279,324,134</u>

33. OTHER INCOME

	<u>Current year</u> VND	<u>Prior year</u> VND
Disposal of fixed assets	3,787,690,986	-
Penalty, compensation	1,648,844,272	1,988,553,094
Compensation for recovering land area at 1 Nguyen Tat Thanh, Quy Nhon	2,387,561,730	-
Revenue of services from prior year	-	76,491,350,284
Income from relocating IT system and G5 warehouse (Nhat Tan - Noi Bai) project	-	2,485,621,129
Others	380,176,180	4,447,942,250
	<u>8,204,273,168</u>	<u>85,413,466,757</u>

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34. OTHER EXPENSES

	<u>Current year</u> VND	<u>Prior year</u> (Restated) VND
Penalties	706,015,547	1,127,123,989
Assets liquidation expense	-	842,098
Land rental expense of previous years	-	41,752,099,594
Electricity expense of previous years	-	1,733,183,272
Depreciation expenses of previous years	-	(33,159,180,094)
Sites clearance expense at Phu Quoc International Airport	-	8,465,876,857
Others	194,297,292	626,073,582
	<u>900,312,839</u>	<u>20,546,019,298</u>

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35. CORPORATE INCOME TAX EXPENSE

The current corporate income tax expense for the year was computed as follows:

	Current year VND	Prior year VND
Profit before tax	9,976,042,909,798	7,475,607,050,712
Adjustments for assessable income		
<i>Adjustments to increase assessable income</i>	<i>482,327,229,423</i>	<i>522,443,401,721</i>
- Temporarily increased fixed assets depreciation due to inadequately supported document	379,908,140,920	391,291,302,014
- Accrued land rental	76,784,406,419	77,681,326,505
- Expenses with inadequately supported document	21,419,965,899	44,309,006,185
- Deductive expense	1,681,549,643	4,861,080,336
- Foreign exchange loss arising from revaluating cash and receivables in foreign currency	2,533,166,542	4,300,686,681
<i>Adjustments to decrease assessable income</i>	<i>(518,882,321,385)</i>	<i>(479,455,583,522)</i>
- Reversal deductive expense of previous year:	(518,882,321,385)	(479,455,583,522)
+ Temporarily increased fixed assets depreciation due to inadequately supported document	(391,291,302,014)	(323,281,508,597)
+ Land rental	(77,681,326,505)	(77,437,404,047)
+ Expenses with inadequately supported document	(44,309,006,185)	(73,741,500,070)
+ Reversal provision for bad debt	-	(2,889,555,412)
+ Reversal provision for financial investment 31 December 2016	(1,300,000,000)	-
+ Foreign exchange loss arising from revaluating cash and receivables in foreign currency	(4,300,686,681)	(2,105,615,396)
Non-assessable income	(310,644,229,000)	(304,136,467,311)
Taxable income	9,628,843,588,836	7,214,458,401,600
Normal tax rate	20%	20%
Corporate income tax payable	1,925,768,717,767	1,442,891,680,320
Adjustments for corporate income tax expenses	-	(16,762,750)
Current corporate income tax expense	1,925,768,717,767	1,442,874,917,570

The Corporation is obliged to pay corporate income tax at the rate of 20% of its taxable income.

36. COMMITMENTS

Operating lease commitments

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Minimum lease payments under operating leases recognised in income statement for the period	<u>89,696,386,599</u>	<u>66,162,514,674</u>

At the balance sheet date, the Corporation had outstanding commitments under non-cancellable operating leases, which fall due as follows:

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Within one year	4,393,407,133	4,335,632,542
In the second to fifth years inclusive	16,874,381,839	17,354,408,609
After five years	149,870,575,533	157,583,773,641
	<u>171,138,364,505</u>	<u>179,273,814,792</u>

Operating leases represent land rental for local airports. For airports that have not signed official land rental agreements with local authorities, the land rental is calculated according to the notice issued by the Provincial People's Committees.

Capital commitment

As of 31 December 2019, the total value of the contracts for construction projects which are still processing is VND 1,661,926,773,584 (as at 31 December 2018: VND 1,688,312,711,176); of which the value of completed amount is VND 797,934,670,679 (as at 31 December 2018: VND 391,061,691,164) and the unrealized value is VND 863,992,102,905 (as at 31 December 2018: VND 1,297,251,020,012).

37. RELATED PARTY TRANSACTIONS AND BALANCES

Related parties of the Corporation include: key management members, relevant individuals with key management members and other related parties.

Transactions and balances with key management members and their related individuals

Key management members include: members of the Boards of Directors, Supervisors and Executive Officers. Their related individuals are those who have closed relationship in their family.

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Transactions with key management members and their related individuals

The Corporation did not generate any transactions of sales of goods, rendering of services and other transactions with key management members and their related individuals.

Balances with key management members and their related individuals

The Corporation did not have balances with key management members and their related individuals.

Salary of key management

	<u>Current year</u> VND	<u>Prior year</u> VND
Salary of Board of Directors and Board of Executive Officers	10,094,551,200	11,274,277,000
Salary of Board of Supervisors	2,231,229,600	1,965,274,500
	<u>12,325,780,800</u>	<u>13,239,551,500</u>

Transactions and balances with other related parties

Relationship with related parties

<u>Related party</u>	<u>Relationship</u>
Noi Bai Aviation Fuel Services Joint Stock Company	Subsidiary
Southern Airports Services Joint Stock Company	Associate
Saigon Ground Services Joint Stock Company	Associate
Hanoi Ground Services Joint Stock Company	Associate
Southern Airports Trading Joint Stock Company	Associate
Southern Airports Transportation Joint Stock Company	Associate
Air Cargo Services of Vietnam Joint Stock Company	Associate
Southern Airports Aircraft Maintenance Services Company Limited	Joint venture



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During the year, the Corporation entered into the following transactions with its related parties:

	<u>Current year</u> VND	<u>Prior year</u> VND
Sales with related parties		
Southern Airports Services Joint Stock Company	379,601,869,626	339,960,758,528
Noi Bai Aviation Fuel Services Joint Stock Company	3,531,956,672	3,235,698,334
Saigon Ground Services Joint Stock Company	179,512,729,679	171,879,016,191
Hanoi Ground Services Joint Stock Company	127,562,962,537	110,919,397,898
Southern Airports Aircraft Maintenance Services Company Limited	6,766,201,957	6,326,729,687
Southern Airports Transportation Joint Stock Company	10,506,999,580	10,724,962,987
Air Cargo Services of Vietnam Joint Stock Company	9,106,092,178	8,038,095,634
Southern Airports Trading Joint Stock Company	27,818,177	16,363,632
	<u>716,616,630,406</u>	<u>651,101,022,891</u>
	<u>Current year</u> VND	<u>Prior year</u> VND
Purchasing with related parties		
Southern Airports Services Joint Stock Company	19,924,184,233	20,317,655,120
Noi Bai Aviation Fuel Services Joint Stock Company	112,928,292,340	107,579,944,710
Saigon Ground Services Joint Stock Company	8,005,501,957	8,720,082,239
Hanoi Ground Services Joint Stock Company	1,002,742,567	1,319,568,640
Southern Airports Transportation Joint Stock Company	458,379,625	464,941,034
Air Cargo Services of Vietnam Joint Stock Company	220,601,000	124,275,200
Southern Airports Trading Joint Stock Company	1,032,492,723	801,230,874
	<u>143,572,194,445</u>	<u>139,327,697,817</u>



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	<u>Current year</u> VND	<u>Prior year</u> VND
Financial income with related parties		
Southern Airports Services Joint Stock Company	150,004,618,000	151,969,744,000
Noi Bai Aviation Fuel Services Joint Stock Company	16,200,000,000	9,600,000,000
Saigon Ground Services Joint Stock Company	34,560,111,000	34,560,111,000
Hanoi Ground Services Joint Stock Company	8,700,000,000	11,671,512,311
Air Cargo Services of Vietnam Joint Stock Company	22,500,000,000	12,500,000,000
Southern Airports Aircraft Maintenance Services Company Limited	11,220,000,000	12,240,000,000
Southern Airports Trading Joint Stock Company	-	345,100,000
Southern Airports Transportation Joint Stock Company	652,500,000	-
	<u>243,837,229,000</u>	<u>232,886,467,311</u>

Significant related party balances as at the balance sheet date were as follows:

	<u>Closing balance</u> VND	<u>Opening balance</u> VND
Receivables		
Saigon Ground Services Joint Stock Company	23,979,029,890	34,168,655,548
Hanoi Ground Services Joint Stock Company	13,632,131,868	13,403,062,750
Southern Airports Services Joint Stock Company	37,641,233,318	32,647,650,609
Air Cargo Services of Vietnam Joint Stock Company	1,004,782,550	8,467,162
Southern Airports Aircraft Maintenance Services Company Limited	221,001,265	170,140,084
Southern Airports Transportation Joint Stock Company	182,018,127	4,411,729,607
Noi Bai Aviation Fuel Services Joint Stock Company	2,741,471	4,420,086
	<u>76,662,938,489</u>	<u>84,814,125,846</u>

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NOTES TO THE SEPARATE FINANCIAL STATEMENTS (Continued)

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	<u>Closing balance</u> VND	<u>Opening balance</u> VND
Trade payables		
Southern Airports Services Joint Stock Company	2,907,133,300	2,490,032,950
Noi Bai Aviation Fuel Services Joint Stock Company	10,854,649,597	10,720,286,731
Saigon Ground Services Joint Stock Company	-	200,261,100
Hanoi Ground Services Joint Stock Company	657,882,225	443,387,340
Southern Airports Transportation Joint Stock Company	73,606,506	42,422,870
Air Cargo Services of Vietnam Joint Stock Company	32,643,050	20,493,088
Southern Airports Trading Joint Stock Company	80,324,000	80,110,999
	<u>14,606,238,678</u>	<u>13,996,995,078</u>
Other payables		
Southern Airports Services Joint Stock Company	-	64,982,500
	<u>-</u>	<u>64,982,500</u>
Other receivables		
Southern Airports Services Joint Stock Company	756,636	-
Noi Bai Aviation Fuel Services Joint Stock Company	121,808,979	-
Southern Airports Transportation Joint Stock Company	625,500,000	-
	<u>775,065,615</u>	<u>-</u>

38. SUPPLEMENTAL DISCLOSURES OF SEPARATE CASH FLOW INFORMATION

Supplemental non-cash disclosures

Cash outflows for interest expenses in the year ended 31 December 2019 exclude an amount of VND 28,336,466,163 (2018: VND 28,604,061,808), representing the accrued interest expense as at 31 December 2019. Consequently, changes in payables have been adjusted by the same amount.

Interest earned in the year ended 31 December 2019 exclude an amount of VND 1,102,329,780,812 (2018: VND 755,450,767,120), representing the interest income earned as at 31 December 2019. Consequently, changes in receivables have been adjusted by the same amount.

Cash outflows for purchases, construction of fixed assets in the year ended 31 December 2019 exclude an amount of VND 1,306,038,455,774 (2018: VND 1,312,316,724,116), representing the purchasing and construction of fixed assets incurred during the year that has not yet been paid. Consequently, changes in payables have been adjusted by the same amount.



39. INFORMATION RELATE TO AIRFIELD'S OPERATION

	<u>Current year</u> VND	<u>Prior year</u> <u>(Restated)</u> VND
I. Revenue	2,840,600,093,525	2,495,693,748,667
1. <i>Sales of take-off and landing service</i>	2,776,995,498,777	2,435,561,626,750
Deductions	69,222,323,211	54,746,113,576
Gross profit	2,707,773,175,566	2,380,815,513,174
2. <i>Interest income</i>	132,635,898,959	114,878,235,493
3. <i>Other income (Insurance claim)</i>	191,019,000	-
II. Expenses	1,387,321,526,105	1,204,277,523,381
1. <i>Operating expense</i>	1,023,971,884,250	881,423,467,059
Salary expense	533,754,414,901	451,866,121,126
Material and stationery expense	9,537,514,710	7,897,328,615
Depreciation expense	70,926,177,987	17,460,101,838
Taxes, fees and charges	(1,711,730,442)	2,993,201,585
Repair of fixed asset	227,616,214,737	253,443,418,231
Electricity, water, and communication expense	20,718,600,536	15,409,713,569
Outsource service	44,024,723,083	34,930,765,884
Employees' benefit	50,107,871,325	38,216,794,575
Other monetary expense	65,842,983,317	59,206,021,636
Foreign exchange loss	3,155,114,096	-
2. <i>Corporation income tax</i>	364,503,050,005	322,854,056,322
3. <i>Deferred income tax expenses</i>	(1,153,408,150)	-
III. Difference in revenue-expenses	1,453,278,567,420	1,291,416,225,286
IV. Other related information		
1. <i>The Corporation advanced capital expenditure for capital construction of State's assets (excluding payments for assets formed from 01 July 2014 to 31 March 2016)</i>		
During the period	55,571,395,182	173,318,987,206
Adjustments of previous periods due to the classification of the State's assets into Corporation assets	(89,984,192,246)	-
2. <i>Addition of fixed assets and reverse supplies during the year</i>	46,158,689,972	179,305,953,110
3. <i>Depreciation of fixed assets</i>	196,792,828,636	190,547,212,704

According to the Resolution of the Board of Directors No. 371/NQ-HDQT dated 14 September 2017 and 125/NQ-HDQT dated 14 May 2019, the revenue of the Airfield is mainly the revenue from take-off and landing services, the operating cost of the airfield includes maintenance costs, direct staffing costs for take-off and landing services, salaries of supervisors and fixed asset depreciation costs.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (Continued)

40. RETROSPECTIVE ADJUSTMENTS OF PRIOR YEAR FIGURES

Retrospective adjustments are made in accordance with the State Audit Minutes No. 430/KTNN-TH dated 20 September 2019 for the year ended 31 December 2018, details are as follows:

ITEM	Separate balance sheet as at 31 December 2018			
	Codes	As previously	Restatement	Changes
		reported		
Short-term trade receivables	131	2,487,477,198,541	2,490,140,777,228	2,663,578,687
Other short-term receivables	136	3,281,985,199,932	3,308,941,968,296	26,956,768,364
Inventories	141	464,710,699,431	464,646,407,159	(64,292,272)
Value-added tax deductibles	152	194,016,386,385	190,948,883,103	(3,067,503,282)
Taxes and other receivables from the State budget	153	73,039,213,886	63,148,440,050	(9,890,773,836)
Tangible fixed assets	221	18,330,907,616,614	18,399,563,376,317	68,655,759,703
- Cost	222	40,025,462,035,793	40,013,544,082,878	(11,917,952,915)
- Accumulated depreciation	223	(21,694,554,419,179)	(21,613,980,706,561)	80,573,712,618
Long-term construction in progress	242	591,404,310,929	591,549,228,201	144,917,272
Long-term prepayments	261	69,359,805,005	70,038,579,449	678,774,444
Taxes and amounts payable to the State budget	313	70,673,936,832	138,060,032,685	67,386,095,853
Short-term accrued expenses	315	887,673,729,621	883,908,401,517	(3,765,328,104)
Retained earnings	421	5,922,369,007,961	5,944,825,469,292	22,456,461,331
- Retained earnings of the current year	421b	5,618,775,269,385	5,641,231,730,716	22,456,461,331

ITEM	Separate income statement			
	For the year ended 31 December 2018			
	Codes	As previously	Restatement	Changes
		reported		
Gross revenue from goods sold and services rendered	01	16,142,028,856,535	16,144,450,291,705	2,421,435,170
Deductions	02	48,925,751,234	18,064,056,201	(30,861,695,033)
Cost of goods sold and services rendered	11	8,363,615,847,853	8,341,818,698,045	(21,797,149,808)
Selling expenses	25	306,173,746,235	340,121,610,771	33,947,864,536
Other expenses	32	27,484,180,487	20,546,019,298	(6,938,161,189)
Accounting profit before tax	50	7,447,536,474,048	7,475,607,050,712	28,070,576,664
Current corporate income tax expense	51	1,437,260,802,237	1,442,874,917,570	5,614,115,333
Net profit after corporate income tax	60	6,028,301,019,385	6,050,757,480,716	22,456,461,331



AIRPORTS CORPORATION OF VIETNAM
NOTES TO THE SEPARATE FINANCIAL STATEMENTS (Continued)

FORM B 09-DN

Separate cash flow statement
For the year ended 31 December 2018

ITEM	Codes	As previously	Restatement	Changes
		reported		
		VND	VND	VND
Profit before tax	01	7,447,536,474,048	7,475,607,050,712	28,070,576,664
Depreciation and amortisation	02	3,951,596,741,226	3,871,023,028,608	(80,573,712,618)
Operating profit before movements in working capital	08	10,557,403,845,441	10,504,900,709,487	(52,503,135,954)
Changes in receivables	09	(178,126,827,342)	(194,788,897,275)	(16,662,069,933)
Changes in inventories	10	(62,018,122,394)	(61,953,830,122)	64,292,272
Changes in payables	11	371,350,003,927	429,356,656,343	58,006,652,416
Changes in prepaid expenses	12	(23,334,839,719)	(24,013,614,163)	(678,774,444)
Net cash generated by operating activities	20	7,901,788,940,140	7,890,015,904,497	(11,773,035,643)
Acquisition and construction of fixed assets	21	(2,018,938,692,238)	(2,007,165,656,595)	11,773,035,643
Net cash used in investing activities	30	(6,706,406,866,272)	(6,694,633,830,629)	11,773,035,643

41. APPROVAL OF SEPARATE FINANCIAL STATEMENTS ISSUANCE

The consolidated financial statements for the year ended 31 December 2019 have been approved for issuance by the Corporation's Board of Directors according to Resolution No. 73/NQ-HDQT on 26 March 2020.



Pham Thi Phuong
Preparer



Bui A Dong
Chief Accountant



Vu The Phiet
Chief Executive Officer
30 March 2020

