YEAH1 GROUP CORPORATION

SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

YEAH1 GROUP CORPORATION

SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

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YEAH1 GROUP CORPORATION

CORPORATE INFORMATION

Business registration certificate	No. 0304592171 dated 12 September 2006 was initially issued by the Department of Planning and Investment of Ho Chi Minh City and the 22nd amendment dated 29 August 2018.	
Board of Directors	Mr. Nguyen Anh Nhuong Tong	Chairman
	Mr. Dao Phuc Tri	Member
	Mr. Hoang Duc Trung	Member
	Mr. Don Di Lam	Member
	Mr. Nguyen Ngoc Dung	Member (from 10 April 2018)
	Mr. Niraan De Silva	Member (from 10 April 2018)
	Mr. Tran Quoc Bao	Member (from 10 April 2018)
	Mr. Ly Truong Chien	Member (from 10 April 2018)
Board of Supervision (Replaced Board of Supervision by Internal Audit Committee from 4 December 2018)	Mr. Ho Nam Dong	Head of department (from 10 April 2018 to 8 October 2018)
	Mr. Lam Quoc Thai	Member (from 10 April 2018 to 4 December 2018)
	Mr. Le Van Nhuong	Member (from 10 April 2018 to 4 December 2018)
Internal Audit Committee	Mr. Tran Quoc Bao	Head of Committee (from 4 December 2018)
	Mr. Nguyen Ngoc Dung	Member (from 4 December 2018)
	Mr. Lam Quoc Thai	Member (from 4 December 2018)
	Mrs. Le Thi Bich Hang	Member (from 31 December 2018)
Board of Management	Mr. Dao Phuc Tri	General Director
	Mr. Vo Thai Phong	Deputy General Director - Finance
	Mr. Niraan De Silva	Deputy General Director - Strategy (from 20 June 2018)
	Mr. Loh Yean Wei Jason	Deputy General Director - Operation (from 20 June 2018)
Legal representatives	Mr. Nguyen Anh Nhuong Tong	Chairman
	Mr. Dao Phuc Tri	General Director
Registered office	1st floor, Office Tower, Mplaza Building, 39 Le Duan, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam.	
Auditor	PwC (Vietnam) Limited	

YEAH1 GROUP CORPORATION

STATEMENT OF RESPONSIBILITY OF THE CHAIRMAN OF THE COMPANY IN RESPECT OF THE SEPARATE FINANCIAL STATEMENTS

The Chairman of Yeah1 Group Corporation ("the Company") is responsible for preparing the separate financial statements of the Company which give a true and fair view of the separate financial position of the Company as at 31 December 2018, and of the separate results of its operations and its separate cash flows for the year then ended. In preparing these separate financial statements, the Chairman is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent; and
- prepare the separate financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Chairman is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the separate financial position of the Company and which enable separate financial statements to be prepared which comply with the basis of accounting set out in Note 2 to the separate financial statements. The Chairman is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

APPROVAL OF THE SEPARATE FINANCIAL STATEMENTS

I hereby approve the accompanying separate financial statements as set out on pages 5 to 54 which give a true and fair view of the separate financial position of the Company as at 31 December 2018, and of the separate results of its operations and its separate cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of separate financial statements.

Users of these separate financial statements of the Company should read them together with the consolidated financial statements of the Company and its subsidiaries (collectively referred to as "the Group") for the year ended 31 December 2018 to obtain full information of the consolidated financial position, consolidated results of operations and consolidated cash flows of the Group as a whole.

M.S.D.N: 0304592171 CÔNG TY CỔ PHẦN TẬP ĐOÀN YEAH1 THÀNH PHỐ HỒ CHÍ MINH

Nguyen Anh Nhuong Tong
Chairman

Ho Chi Minh City, Social Republic of Vietnam
18 March 2019

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INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF YEAH1 GROUP CORPORATION

We have audited the accompanying separate financial statements of Yeah1 Group Corporation ("the Company") which were prepared on 31 December 2018 and approved by the Chairman on 18 March 2019. The separate financial statements comprise the separate balance sheet as at 31 December 2018, the separate income statement and separate cash flow statement for the year then ended, and explanatory notes to the separate financial statements including significant accounting policies, as set out on pages 5 to 54.

The Chairman's Responsibility

The Chairman of the Company is responsible for the preparation and the true and fair presentation of these separate financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of separate financial statements and is responsible for such internal control which the Chairman determines necessary to enable the preparation and fair presentation of separate financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the 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 standards and requirements and plan and perform the audit in order to obtain reasonable assurance as to whether the separate financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the separate financial statements. The procedures selected depend on the auditor's judgment, including an assessment of the risks of material misstatement of the separate financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and true 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 Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Chairman, 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.

PwC (Vietnam) Limited
8th Floor, Saigon Tower, 29 Le Duan Street, District 1, Ho Chi Minh City, Vietnam
T: +84 (28)38230796, www.pwc.com/vn

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Auditor's Opinion

In our opinion, the separate financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2018, its financial performance and cash flows for the year then ended in accordance with the Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of separate financial statements.

Other Matters

The independent auditor's report is prepared in Vietnamese and English. Should there be any conflict between the Vietnamese and English copies, the Vietnamese copy shall take precedence.

For and on behalf of PwC (Vietnam) Limited

M.S.D.N: 0100157406-C.T.T.N.H.H
CÔNG TY TNHH PWC (VIỆT NAM)
QUẬN 1 - T.P HỒ CHÍ MINH

Quach Thanh Chau
Audit Practising Licence No.
0875-2018-006-1
Authorised signatory

Tran Van Thang
Audit Practising Licence No.
3586-2017-006-1

Report reference number: HCM7754
Ho Chi Minh City, 18 March 2019

YEAH1 GROUP CORPORATION

Form B 01 – DN

SEPARATE BALANCE SHEET

Code	ASSETS	Note	As at 31 December 2018 VND	2017 VND
100	**CURRENT ASSETS**		**1,236,074,004,544**	**182,052,180,379**
110	**Cash and cash equivalent**	3	**34,972,382,993**	**10,082,225,490**
111	Cash		9,972,382,993	10,082,225,490
112	Cash equivalent		25,000,000,000	-
120	**Short-term investments**		**852,850,920,001**	**33,973,712,550**
121	Trading securities	4(a)	249,992,960,884	-
123	Investments held to maturity	4(b)	602,857,959,117	33,973,712,550
130	**Short-term receivables**		**327,170,883,038**	**123,049,641,642**
131	Short-term trade accounts receivable	5	28,498,312,943	51,516,276,519
132	Short-term prepayments to suppliers	6	1,004,344,778	7,486,963,226
135	Short-term lendings	11(a)	179,075,368,393	8,295,498,596
136	Other short-term receivables	7(a)	125,386,953,079	55,750,903,301
137	Provision for doubtful debts – short term	8	(6,794,096,155)	-
140	**Inventories**	9	-	**13,900,813,659**
141	Inventories		-	14,378,359,114
149	Provision for decline in value of inventories		-	(477,545,455)
150	**Other current asset**		**21,079,818,512**	**1,045,787,038**
151	Short-term prepaid expenses	10(a)	21,079,818,512	1,045,787,038

The notes on pages 10 to 54 are an integral part of these separate financial statements.

YEAH1 GROUP CORPORATION

Form B 01 – DN

SEPARATE BALANCE SHEET
(continued)

Code	ASSETS (continued)	Note	As at 31 December 2018 VND	2017 VND
200	**LONG-TERM ASSETS**		**332,490,637,691**	**238,958,819,634**
210	**Long-term receivables**		**29,479,771,176**	**56,598,712,628**
215	Long-term lending	11(b)	13,000,000,000	43,000,000,000
216	Other long-term receivables	7(b)	16,479,771,176	13,598,712,628
220	**Fixed assets**		**7,680,694,168**	**7,651,215,097**
221	Tangible fixed assets	12(a)	1,125,260,310	1,035,704,367
222	Historical cost		4,439,101,775	4,042,981,410
223	Accumulated depreciation		(3,313,841,465)	(3,007,277,043)
227	Intangible fixed assets	12(b)	6,555,433,858	6,615,510,730
228	Historical cost		7,024,382,154	7,024,382,154
229	Accumulated amortisation		(468,948,296)	(408,871,424)
240	**Long-term asset in progress**		-	**115,475,000**
242	Construction in progress		-	115,475,000
250	**Long-term investments**		**292,342,177,038**	**155,908,678,127**
251	Investments in subsidiaries	4(c)	244,491,216,154	155,208,009,115
252	Investment in an associate	4(d)	-	400,000,000
253	Investment in other entities	4(e)	7,858,000,000	450,000,000
254	Provision for long-term investments	4(d)	-	(149,330,988)
255	Held to maturity investments	4(b)	40,000,000,000	-
260	**Other long-term assets**		**2,980,956,193**	**18,684,738,782**
261	Long-term prepaid expenses	10(b)	2,980,956,193	17,877,814,200
262	Deferred income tax assets	18	-	806,924,582
270	**TOTAL ASSETS**		**1,568,564,642,235**	**421,011,000,013**

The notes on pages 10 to 54 are an integral part of these separate financial statements.

Form B 01 – DN

SEPARATE BALANCE SHEET
(continued)

Code	RESOURCES	Note	As at 31 December 2018 VND	2017 VND
300	**LIABILITIES**		**81,105,933,847**	**140,842,652,239**
310	**Short-term liabilities**		**81,105,933,847**	**110,783,000,239**
311	Short-term trade accounts payable	13	4,748,565,122	45,061,536,618
312	Short-term advances from customers		-	1,153,795,164
313	Tax and other payables to the State Budget	14	1,625,871,144	2,948,668,176
314	Payable to employees		1,019,021,167	-
315	Short-term accrued expenses	15	536,922,341	3,853,255,163
319	Other short-term payables	16	19,125,602,014	19,475,652,305
320	Short-term borrowings	17(a)	51,499,952,059	38,290,092,813
322	Bonus and welfare funds		2,550,000,000	-
330	**Long-term liabilities**		-	**30,059,652,000**
337	Other long-term payables		-	59,652,000
338	Long term borrowings	17(b)	-	30,000,000,000
400	**OWNERS' EQUITY**		**1,487,458,708,388**	**280,168,347,774**
410	**Capital and reserves**		**1,487,458,708,388**	**280,168,347,774**
411	Owners' capital	19, 20	312,799,680,000	238,000,000,000
411a	*- Ordinary shares with voting rights*		*312,799,680,000*	*238,000,000,000*
412	Share premium	20	1,132,143,560,000	24,115,560,000
421	Undistributed earnings	20	42,515,468,388	18,052,787,774
421a	*- Undistributed post-tax profits of previous year*		-	*3,991,936,684*
421b	*- Post-tax profit of current year*		*42,515,468,388*	*14,060,851,090*
440	**TOTAL RESOURCES**		**1,568,564,642,235**	**421,011,000,013**

M.S.D.N: 0304592171 - C.T.C
CÔNG TY CỔ PHẦN TẬP ĐOÀN YEAH1
THÀNH PHỐ HỒ CHÍ MINH

Nguyen Van Cang
Preparer

Vo Thai Phong
Deputy General Director of Finance cum Chief Accountant

Nguyen Anh Nhuong Tong
Chairman
18 March 2019

The notes on pages 10 to 54 are an integral part of these separate financial statements.

YEAH1 GROUP CORPORATION

Form B 03 – DN

SEPARATE INCOME STATEMENT

Code		Note	Year ended 31 December 2018 VND	2017 VND
1	**Revenue from sales of goods and rendering of services**		**44,995,866,282**	**126,768,211,473**
2	Less deductions		-	(973,331,842)
10	**Net revenue from sales of goods and rendering services**	22	**44,995,866,282**	**125,794,879,631**
11	Cost of goods sold and services rendered	23	(33,595,735,755)	(74,749,942,786)
20	**Gross profit from sales of goods and rendering of services**		**11,400,130,527**	**51,044,936,845**
21	Financial income	24	85,623,605,044	43,671,539,271
22	Financial expenses	25	(3,465,393,959)	(15,517,060,809)
23	*- Including: Interest expense*		*(3,614,724,947)*	*(13,842,235,832)*
25	Selling expenses	26	(1,256,293,249)	(27,265,292,034)
26	General and administration expenses	27	(36,098,971,218)	(19,994,325,960)
30	**Net operating profit**		**56,203,077,145**	**31,939,797,223**
31	Other income		22,265,299,511	-
32	Other expenses		(14,818,208,006)	(84,393,850)
40	**Net other income/(expenses)**	28	**7,447,091,505**	**(84,393,850)**
50	**Net accounting profit before tax**		**63,650,168,650**	**31,855,403,373**
51	Business income tax - current	29	(130,883,454)	(217,030,016)
52	Business income tax - deferred	18, 29	(806,924,582)	642,477,733
60	**Net profit after tax**		**62,712,360,614**	**32,280,851,090**

Nguyen Van Cang
Preparer

Vo Thai Phong
Deputy General Director - Finance
cum Chief Accountant

M.S.D.N: 0304592171 - C.T.C.P
CÔNG TY CỔ PHẦN TẬP ĐOÀN YEAH1
THÀNH PHỐ HỒ CHÍ MINH

Nguyen Anh Nhuong Tong
Chairman
18 March 2019

The notes on pages 10 to 54 are an integral part of these separate financial statements.

YEAH1 GROUP CORPORATION

Form B 03 – DN

SEPARATE CASH FLOW STATEMENT
(Indirect method)

Code		Note	Year ended 31 December 2018 VND	2017 VND
	CASH FLOWS FROM OPERATING ACTIVITIES			
1	**Net accounting profit before tax**		**63,650,168,650**	**31,855,403,373**
	Adjustments for:			
2	Depreciation and amortisation	12	366,641,294	387,642,966
3	Provisions		6,167,219,712	-
5	Profits from investing activities	24	(85,623,605,044)	(43,671,539,271)
6	Interest expense	25	3,614,724,947	13,568,689,832
8	**Operating (loss)/profit before changes in working capital**		**(11,824,850,441)**	**2,140,196,900**
9	Decrease in receivables		5,913,038,843	86,747,129,308
10	Decrease in inventories		14,378,359,114	8,462,397,690
11	Decrease in payables		(43,437,946,942)	(81,556,865,860)
12	(Increase)/decrease in prepaid expenses		(5,137,173,467)	22,717,238,007
13	Increase in trading securities		(249,992,960,884)	-
14	Interest paid		(5,106,732,334)	(11,433,843,568)
15	Business income tax paid	14	(182,031,763)	(3,040,722,061)
20	**Net cash (outflows)/inflows from operating activities**		**(295,390,297,874)**	**24,035,530,416**
	CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchases of fixed assets		(396,120,365)	(115,475,000)
23	Loans granted, purchases of debt instruments of other entities and term deposits.	31(c)	(909,938,014,960)	(102,269,211,146)
24	Collection of loans, proceeds from sales of debt instruments of other entities and term deposits	31(b)	160,273,898,596	21,276,667,164
25	Investments in other entities		(96,691,207,039)	(83,997,000,000)
27	Dividends received		36,694,039,899	12,871,974,382
30	**Net cash outflows from investing activities**		**(810,057,403,869)**	**(152,233,044,600)**
	CASH FLOWS FROM FINANCING ACTIVITIES			
31	Proceeds from issue of shares		1,147,128,000,000	30,000,000,000
33	Proceeds from borrowings	31(d)	87,168,067,090	297,250,681,534
34	Repayments of borrowings	31(e)	(103,958,207,844)	(190,655,953,870)
40	**Net cash inflows from financing activities**		**1,130,337,859,246**	**136,594,727,664**
50	**Net increase in cash and cash equivalent**		**24,890,157,503**	**8,397,213,480**
60	**Cash and cash equivalent at beginning of year**	3	**10,082,225,490**	**1,685,012,010**
70	**Cash and cash equivalent at end of year**	3	**34,972,382,993**	**10,082,225,490**

Major non-cash transactions in the year were presented in Note 31.

Nguyen Van Cang
Preparer

Vo Thai Phong
Deputy General Director - Finance
cum Chief Accountant

Nguyen Anh Nhuong Tong
Chairman
18 March 2019

The notes on pages 10 to 54 are an integral part of these separate financial statements.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018

1 GENERAL INFORMATION

Yeah1 Group Corporation ("the Company") was established in SR Vietnam pursuant to Enterprise registration certificate No. 0304592171 initially issued by the Department of Planning and Investment of Ho Chi Minh City dated 12 September 2006 and the 22nd amended Enterprise registration certificate was issued by the Department of Planning and Investment of Ho Chi Minh City on 29 August 2018.

The Company have been listed and its shares have been officially traded on Ho Chi Minh City Stock Exchange ("HOSE") since 26 June 2018 in accordance with Decision No. 212/QD-SGDHCM signed by the Director of HOSE on 19 June 2018.

The principal activities of the Company include: management consulting; advertising; creativity, entertainment, and artistic production; producing movies, videos and television programmes.

The normal business cycle of the Company is within 12 (twelve) months.

As at 31 December 2018, the Company had 44 employees (as at 31 December 2017: 17 employees).

As at 31 December 2018, the Company had 9 direct subsidiaries and 11 indirect subsidiaries (as at 31 December 2017: 8 direct subsidiaries, 5 indirect subsidiaries and 1 associate) as presented in Note 4 - Investments.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation of separate financial statements

The separate financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of separate financial statements. The separate financial statements have been prepared under the historical cost convention.

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

Separately, the Company has also prepared consolidated financial statements of the Company and its subsidiaries (together, "the Group") in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of consolidated financial statements. In the consolidated financial statements, subsidiary undertakings – which are those companies over which the Group has the power to govern the financial and operating policies – have been fully consolidated.

Users of these separate financial statements of the Company should read them together with the consolidated financial statements of the Group for the year ended 31 December 2018 to obtain full information of the consolidated financial position and consolidated results of operations and consolidated cash flows of the Group.

The financial statements in Vietnamese language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Vietnamese language financial statements.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.2 Fiscal year

The Company's fiscal year is from 1 January to 31 December.

2.3 Currency

The separate financial statements are measured and presented in Vietnamese Dong ("VND").

Transactions arising in foreign currencies are translated at exchange rates ruling at the transaction dates. Foreign exchange differences arising from these transactions are recognised in the separate income statement.

Monetary assets and liabilities denominated in foreign currencies at the separate balance sheet date are respectively translated at the buying and selling exchange rates at the separate balance sheet date of the commercial bank where the Company regularly trades. Foreign currencies deposited in bank at the separate balance sheet date are translated at the buying exchange rate of the commercial banks where the Company opens the foreign currency accounts. Foreign exchange differences arising from these translations are recognised in the separate income statement.

2.4 Cash and cash equivalent

Cash and cash equivalents comprise of cash on hand, cash at bank, demand deposits and other short-term investments with an original maturity of three months or less.

2.5 Trade receivables

Trade receivables are carried at the original invoice amount less an estimate made for doubtful receivables based on a review by the Chairman of all outstanding amounts at the year end. Bad debts are written off when identified.

2.6 Inventories

(a) Television programmes

Television programmes are recognised as inventories and stated at the lower of cost and net realisable value. Cost is determined by the specific identification method and includes the actual cost of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Television programmes are allocated to cost of sales on straight-line method based on broadcasting times.

(b) Merchandises

Merchandises are stated at the lower of cost and net realisable value. Cost is determined by the first-in first-out method and includes all costs of purchase, and other costs incurred from bringing the inventories to their present location and condition. The Company applies the perpetual method for inventories.

(c) Provision

Net realisable value is the estimated selling price in the normal course of business, less the estimated costs of completion of products and of programs broadcasting. Provision is made, where necessary, for obsolete, slow-moving and defective inventory items. The difference between the provision of this period and the provision of the previous period are recognised as an increase or decrease of cost of sales in the period.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.7 Investments

(a) Trading securities

Trading securities are securities, which are held for trading purpose to earn profit.

Trading securities are initially recorded at cost of acquisition. They are subsequently measured at cost less provision. The provision for diminution in value of trading securities is made when the cost is higher than its fair value.

Profit and loss from liquidation or disposal of trading securities is recorded in the income statement. The costs of trading securities disposed are determined by using the moving weighted average method.

(b) Investments held to maturity

Investments held to maturity are investments which the Chairman has the intention and ability to hold until maturity.

Investment held to maturity include term deposits and bonds held to maturity for interest earning. These investments are accounted for at cost less provision.

Provision for diminution in the value of investments held to maturity is made when there is evidence that part or whole of an investment is uncollectible.

(c) Lending held to maturity

Lending held to maturity is lending for interest earning granted under agreements among parties but not being traded as securities in the market.

Allowance for doubtful lending is made for each lending based on overdue days in payment of lending principals according to initial payment commitment (exclusive of the payment rescheduling between parties), or based on a review by Chairman of all outstanding amounts at the year end.

(d) Investments in subsidiaries

Subsidiaries are all entities over which the Company has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Company controls another entity.

Investments in subsidiaries are accounted for at cost less provision for diminution in value. Provision for diminution in value is made when there is an impairment of the investments.

(e) Investment in an associate

Associate is investment that the Company has significant influence but not control and would generally have from 20% to under 50% of the voting shares of the investee.

Investment in an associate is accounted for at cost less provision for diminution in value. Provision for diminution in value is made when there is a reduction in value of the investment.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.7 Investments (continued)

(f) Investment in other entities

Investments in equity of other entities are investments in equity instruments of other entities without controlling rights or co-controlling rights, or without significant influence over the investee. These investments are initially recorded at cost.

Provision for diminution in value of these investments is made when the entities make losses, except when the loss was anticipated by Chairman in their business plan before the date of investment.

2.8 Fixed assets

Tangible and intangible fixed assets

Fixed assets are stated at historical cost less accumulated depreciation/amortisation. Historical cost includes expenditure that is directly attributable to the acquisition of the fixed assets.

Depreciation and amortisation

Fixed assets are depreciated and amortised using the straight-line method so as to write off the cost of the assets over their estimated useful lives. The principal annual rates used are:

Machinery and equipment	10% – 20%
Motor vehicles	10% – 33%
Brand names	2% – 10%

Land use rights with indefinite useful life are recorded at historical cost and are not amortised.

Disposals

Gains or losses on disposals are determined by comparing net disposal proceeds with the carrying amount and are recognised as income or expense in the separate income statement.

2.9 Prepaid expenses

Prepaid expenses include short-term and long-term prepayments in the separate balance sheet and are mainly expenses for rental, equipment already put-to-use and others. Prepaid expenses are recorded at historical cost and allocated using the straight-line method over estimated useful lives.

2.10 Payables

Classifications of payables are based on their nature as follows:

- Trade accounts payable are trade payables arising from purchase of goods and services.
- Other payables include non-trade payables, and are not related to purchases of goods and services.

Payables are reclassified in the separate balance sheet based on the remaining period from the separate balance sheet date to the maturity date.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.11 Borrowings

Borrowings include borrowings from banks, financial institutions, financial companies and other entities.

Borrowings are classified into long-term and short-term based on remaining period from the separate balance sheet date to the maturity date.

Borrowing costs that are directly attributable to the construction or production of any qualifying assets are capitalised during the period of time that is required to complete and prepare the asset for its intended use. Other borrowing costs are recognised in the separate income statement when incurred.

2.12 Accrued expenses

Accrued expenses include liabilities for goods and services received in the period but not yet paid due to pending invoice or insufficient records and documents. Accrued expenses are recorded as expenses in the reporting period.

2.13 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provision is not recognised for future operating losses.

Provisions are measured at the expenditures expected to be required to settle the obligation. If the time value of money is material, provision will be measured at the present value using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense.

2.14 Owners' capital

Contributed capital of the shareholders is recorded according to actual amount contributed and is recorded according to the par value of the share.

Share premium is the difference between the par value and the issue price of shares and the difference between the repurchase price and re-issuing price of treasury shares.

Treasury shares are shares issued by the Company and bought back by itself, but those are not cancelled and shall be re-issued in the period in accordance with the Law on securities.

Undistributed earnings record the Company's results (profit, loss) after business income tax at the reporting date.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.15 Appropriation of net profit

Net profit after income tax could be distributed to shareholders after approval at General Meeting, and after appropriation to other funds in accordance with the Company's charter and Vietnamese regulations.

Dividend of the Company is recognised as a liability in the Company's separate financial statements in the period in which the dividends are approved by the Company's General Meeting of shareholders.

The Company's fund is below:

Bonus and welfare fund

The bonus and welfare fund is appropriated from the Group's net consolidated profit and subject to shareholders' approval at the General Meeting of shareholders. This fund's purpose is to compensate the Board of Members.

2.16 Revenue recognition

(a) Revenue from sales of goods

Revenue from the sale of goods is recognised in the separate income statement when all five (5) of the following conditions are satisfied:

- The Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Company; and
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due or the possible return of goods.

Revenue is recognised based on the principle of "substance over form" and allocated to each sales obligation. In case that the Company gives promotional goods to customers associated with customers' purchase, the Company allocates the total consideration received for goods sold and promotional goods. Cost of promotional goods is recognised as cost of sales in the separate income statement.

(b) Revenue from rendering of services

Revenue from rendering of services is recognised in the separate income statement when the services are rendered, by reference to completion of the specific transaction assessed based upon the actual service provided as a proportion of the total services to be provided. Revenue from rendering of services is only recognised when all four (4) of the following conditions are satisfied:

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.16 Revenue recognition (continued)

(c) Interest income

Interest income is recognised on an earned basis.

(d) Dividend income

Income from dividends is recognised when the Company has established the receiving right from investees.

2.17 Cost of goods sold and services rendered

Cost of goods sold and services rendered are mainly cost of television programme production, cost of sharing cooperative advertising activities and cost of merchandises, and recorded on the basis of matching with revenue and on prudent concept.

2.18 Financial expenses

Financial expenses are expenses incurred in the period for financial activities including expenses of borrowing, interest expenses and provision for diminution in value of investments.

2.19 Selling expenses

Selling expenses represent expenses that are incurred in the process of providing services, which mainly include market research expenses, depreciation/amortisation of fixed assets for the sales department and others.

2.20 General and administration expenses

General and administration expenses represent expenses for administrative purposes which mainly include salary expenses of administrative staff, tools and supplies, depreciation/amortisation of fixed assets used for administration, utilities costs and others.

2.21 Current and deferred income tax

Income taxes include all income taxes which are based on taxable profits including profits generated from production and trading activities in other countries with which the Socialist Republic of Vietnam has not signed any double taxation agreement. Income tax expense comprises current tax expense and deferred tax expense.

Current income tax is the amount of income taxes payable or recoverable in respect of the current period taxable profits at the current period tax rates. Current and deferred tax should be recognised as an income or an expense and included in the profit or loss of the period, except to the extent that the tax arises from a transaction or event which is recognised, in the same or a different period, directly in equity.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the separate financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of occurrence affects neither the accounting nor the taxable profit or loss. Deferred income tax is determined at the tax rates that are expected to apply to the financial period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted by the separate balance sheet date.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.21 Current and deferred income tax (continued)

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

2.22 Related parties

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including directors of the Company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering of a related party relationship, the Company considers the substance of the relationship but not merely the legal form.

2.23 Segment reporting

A segment is a component which can be separated by the Company engaged in providing products or services (business segment) or providing products or services within a particular economic environment (geographical segment). Each segment is subject to risks and returns that are different from those of other segments. A reportable segment is the Company's business segment or the Company's geographical segment.

Segment reporting is prepared and presented in accordance with accounting policies applied to the preparation and presentation of the Company's financial statements in order to help users of financial statements understand and evaluate the Company's operations in a comprehensive way.

2.24 Accounting estimates

The separate financial statements have been prepared in accordance with Vietnamese Accounting Standards requires the Chairman to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of assets and contingent liabilities at the date of the separate financial statements as well as the amounts of revenues and expenses for the reporting period. Although the accounting estimate is made by all the knowledge of the Chairman, the actual results may differ from those estimates.

3 CASH AND CASH EQUIVALENT

	2018 VND	2017 VND
Cash on hand	438,047,220	258,144,005
Cash at bank	9,534,335,773	9,824,081,485
Cash equivalent (*)	25,000,000,000	-
	34,972,382,993	10,082,225,490

(*) Cash equivalent included term deposits with an original maturity of three months or less and earn the interest ranging from 5.3% per annum to 5.5% per annum.

4 INVESTMENTS

(a) Trading securities

	2018			2017		
	Cost VND	Fair value VND	Provsion VND	Cost VND	Fair value VND	Provsion VND
Bonds						
Dai An Plastic Joint Stock Company (i)	100,000,000,000	(*)	-	-	-	-
An Dong Investment Group Joint Stock Company (ii)	99,992,960,884	(*)	-	-	-	-
Sunshine Group Joint Stock Company (iii)	50,000,000,000	(*)	-	-	-	-
	249,992,960,884	(*)	-	-	-	-

(i) These are non-convertible bonds that are issued in Vietnamese Dong according to the bond agreement No. 261218/HĐĐMTP/DAP-YEG dated 26 December 2018, with an one-year duration. These bonds have par value of VND100,000 per bond and entitled to a fixed interest rate of 9.0% per annum and interest will be paid once every six months. According to these contracts, the numbers of non-convertible bonds purchased are 1,000,000 bonds with par value of VND100,000 per bond.

(ii) These are non-convertible bonds that are issued in Vietnamese Dong according to two (02) bond agreements No. 143-000100/FLEX.ADC-2018.09/HDMB and No. 143-000101/FLEX.ADC-2018.09/HDMB with a five-year duration starting from 10 September 2018. These bonds were entitled to a fixed interest rate of 11.0% per annum and will be paid once every six months. Under these agreements, 975,700 non-convertible bonds with par value of VND100,000 per bond and will be repurchased by Tan Viet Securities Joint Stock Company at a price of VND102,483 per bond.

(iii) These are non-convertible bonds that were issued in Vietnamese Dong according to three bond agreements No. 237/HDTP-M/VPBS/SSG/CN, No. 238/HDTP-M/VPBS/SSG/CN and No. 239/HDTP-M/VPBS/SSG/CN, with an one-year duration from 24 October 2018. These bonds are entitled to a fixed interest rate of 8.45% per annum and interest paid in arrear. According to these agreements, 500,000 non-convertible bonds which have par value of VND100,000 per bond will be repurchased at VND104,233 per bond. These bonds are guaranteed by a financial intermediary organization.

(*) As at 31 December 2018, the fair values of these bonds were not available as these bonds are not listed on any stock exchange. However, the Chairman believesthat the fair values of these bonds are approximately to their book values.

4 INVESTMENTS (continued)

(b) Investments held to maturity

	2018		2017	
	Cost VND	Book value VND	Cost VND	Book value VND
I. Short-term				
Term deposits (*)				
Housing Development Commercial Joint Stock Bank	389,857,959,117	389,857,959,117	33,973,712,550	33,973,712,550
Kien Long Commercial Joint Stock Bank	213,000,000,000	213,000,000,000	-	-
	602,857,959,117	602,857,959,117	33,973,712,550	33,973,712,550
II. Long-term				
Bonds				
Ho Chi Minh Technology Infrastructure Investment Joint Stock Company (**)	40,000,000,000	40,000,000,000	-	-

(*) Term deposits include deposits at banks with maturity from three to twelve months and earn interest at rates ranging from 6.2% per annum to 8.2% per annum (as at 31 December 2017: from 5.0% per annum to 6.0% per annum). These deposits were pledged as collateral assets for short-term bank loans from Housing Development Commercial Joint Stock Bank (Note 17).

(**) These are non-convertible bonds that are issued in Vietnamese Dong according to bond agreement dated 14 December 2018, with a two-years duration. These bonds have par value of VND100,000 per bond and entitled to a fixed interest rate of 10.0% per annum and will be paid once every six months. According to the contract, there are 400,000 non-convertible bonds with par value of at VND100,000 per bond.

4 INVESTMENTS (continued)

(c) Investments in subsidiaries

No.	Company	Principal activities	2018 Ownership and voting rights %	2018 Cost VND	2018 Fair value VND	2018 Provision VND	2017 Ownership and voting rights %	2017 Cost VND	2017 Fair value VND	2017 Provision VND
1	Yeah1 Entertainment Corporation	Advertisings, producing media channels	99.00	29,700,000,000	(*)	-	99.00	29,700,000,000	(*)	-
2	Yeah1 Brand Name Development Corporation	Advertisings, designing website	99.00	14,850,000,000	(*)	-	99.00	2,334,126,249	(*)	-
3	Dragon Entertainment Joint Stock Company	Advertisings, producing films	99.98	11,900,000,000	(*)	-	99.00	9,900,000,000	(*)	-
4	NVU Joint Stock Company	Advertising, producing media channels	90.00	30,000,000,000	(*)	-	90.00	5,425,000,000	(*)	-
5	Film World Trade Joint Stock Company	Producing films, telecommunication and advertisements	80.00	11,304,000,000	(*)	-	80.00	11,304,000,000	(*)	-
6	Youth Embassy Film Production and Investment Corporation	Producing films, telecommunications and advertisements	67.00	6,300,000,000	(*)	-	67.00	5,100,000,000	(*)	-
7	Netlink Online Communication Joint Stock Company	Creative, art and entertainment activities	76.00	131,737,216,154	(*)	-	51.00	86,344,882,866	(*)	-
8	On+ Communication Joint Stock Company	Advertisings	51.00	5,100,000,000	(*)	-	51.00	5,100,000,000	(*)	-
9	YAG Entertainment Corporation	Motion picture production, post-production, sound recording and music publishing activities	99.60	3,600,000,000	(*)	-	-	-		-
				244,491,216,154				155,208,009,115		

(*) As at 31 December 2018 and 31 December 2017, the fair values of these investments were not available as these entities were not listed on the stock exchange. However, the Chairman believes that the fair values of these investments are higher than their book values.

4 INVESTMENTS (continued)

(c) Investments in subsidiaries (continued)

In addition, the Company has indirect subsidiaries as follows:

No.	Company	Principal activities	Registered office	2018 Ownership %	2018 Voting rights %	2017 Ownership %	2017 Voting rights %
1	TNT Advertising Communication Company Limited	Advertising	Ho Chi Minh City, Vietnam	64.98	65.00	50.49	50.49
2	Yeah1 Network Pte., Ltd.	Advertising	Singapore	89.10	90.00	89.10	89.10
3	Yeah1 Network Vietnam Co., Ltd.	Advertising, market research and public opinion polling	Ho Chi Minh City, Vietnam	90.09	100.00	90.09	90.09
4	Netlink Online Corporation	Film production, telecommunication and advertising	Seychelles	76.00	100.00	51.00	51.00
5	SMB Joint Stock Company	Post-production, film screening, music recording and publishing	Ho Chi Minh City, Vietnam	84.15	85.00	-	-
6	Digital Content Center Company Limited	Advertising	Ben Tre, Vietnam	90.09	90.09	-	-
7	ZeroZ Creative Joint Stock Company	Film production, professional designing services	Ho Chi Minh City, Vietnam	94.05	95.00	-	-
8	SGO48 Co., Ltd.	Creative, arts and entertainment, advertising, film production and television programming activities	Ho Chi Minh City, Vietnam	50.49	51.00	-	-
9	ScaleLab Pte. Ltd.	Web portals including social network sites	Singapore	89.98	90.00	-	-
10	Thoughtful Network Pte. Ltd.	Web portals including social network sites	Singapore	89.98	90.00	-	-
11	Yeah1 Network Hong Kong Limited	Web portals including social network sites	Hong Kong	89.98	90.00	-	-

4 INVESTMENTS (continued)

(d) Investment in an associate

Company	Principal activities	2018 Ownership and voting rights %	2018 Cost VND	2018 Fair value VND	2018 Provision VND	2017 Ownership and voting rights %	2017 Cost VND	2017 Fair value VND	2017 Provision VND
Youth Connections Informatics Communication Joint Stock Company	Producing films, telecommunication and advertisement	-	-	-	-	40.0	400,000,000	250,669,012	(149,330,988)

During the year, the Company had divested the investment in Youth Connections Informatics Communication Joint Stock Company.

(e) Investments in other entities

Company	Principal activities	2018 Ownership and voting rights %	2018 Cost VND	2018 Fair value VND	2018 Provision VND	2017 Ownership and voting rights %	2017 Cost VND	2017 Fair value VND	2017 Provision VND
ADS Group Vietnam Joint Stock Company	Information website, IT services, advertisement	4.4	6,000,000,000	(*)	-	-	-	-	-
Gamify Vietnam Joint Stock Company	Online games service	15.0	1,858,000,000	(*)	-	15.0	450,000,000	(*)	-
			7,858,000,000				450,000,000		

(*) As at 31 December 2018 and 31 December 2017, the fair value of these investments were not available as these entities were not listed on the stock exchange. However, the Chairman believes that the fair value of these investments are higher than their book value.

5 SHORT-TERM TRADE ACCOUNTS RECEIVABLE

	2018 VND	2017 VND
Third parties		
Tan Hiep Phat Service Trading Company Limited	1,828,192,310	1,828,181,627
WPP Media Company Limited	-	3,120,711,076
Hoa Thien Phu Pharmaceutical Joint Stock Company	-	1,003,098,030
Others	40,360,001	1,067,249,528
Related parties (Note 32(b))	26,629,760,632	44,497,036,258
	28,498,312,943	51,516,276,519

As at 31 December 2018 the balances of short-term trade accounts receivable which were past due, amounting to VND1,828,192,310 and presented in Note 8.

As at 31 December 2017, there was no balance of short-term trade accounts receivable that was past due or not past due but doubtful.

6 SHORT-TERM PREPAYMENTS TO SUPPLIERS

	2018 VND	2017 VND
Third parties		
Vietnam Television Cable Joint Stock Company	470,629,296	36,354,296
Saigon Boulevard Complex Company Limited	405,212,391	28,174,924
Asia Multimedia Entertainment Company	-	4,218,861,600
VinaCJ Multimedia Joint Stock Company	-	2,800,000,000
Others	128,503,091	403,572,406
	1,004,344,778	7,486,963,226

As at 31 December 2018 and 31 December 2017, there was no balance of short-term prepayments to suppliers that was past due or not past due but doubtful.

7 OTHER RECEIVABLES

(a) Short-term

	2018		2017	
	Book value VND	Provision VND	Book value VND	Provision VND
Dividend receivables	49,417,055,468	-	34,629,069,406	-
Capital contribution advances (*)	36,130,987,540	-	-	-
Receivables from business cooperation contract (**)	19,600,000,000	(5,880,000,000)	19,600,000,000	-
Interest receivables	11,220,612,608	-	706,543,782	-
Advances to employees	5,849,230,339	-	815,290,113	-
Advances to Board of Directors	3,405,265,640	-	-	-
Deposits	1,066,880,000	-	-	-
Others	796,921,484	-	-	-
	125,386,953,079	(5,880,000,000)	55,750,903,301	-
In which:				
Related parties (Note 32(b))	92,949,729,520	-	35,136,561,714	-
Third parties	32,437,223,559	(5,880,000,000)	20,614,341,587	-
	125,386,953,079	(5,880,000,000)	55,750,903,301	-

(*) This is an advances for capital contribution to a subsidiary of the Company (Note 32(b)(v)). As at the approval date of these separate financial statements, the Company is preparing necessary procedures for this capital contribution.

(**) This is a business cooperation contract relating business of Hung Vuong Square Project at 100 Hung Vuong Street, Ward 9, District 5, Ho Chi Minh City between the Company and Tan An Dong Saigon Company (formerly known as Mai Huong Huong Service and Trading Company Limited), the project owner. The total investment value is VND50,000,000,000; in which, the Company agreed to contribute 35% of the total investment, equivalent to VND17,500,000,000 and the project owner agreed to contribute the 65% of total investment equivalent to VND32,500,000,000.

On 21 December 2017, the Company and Tan An Dong Saigon Company Limited agreed the process of liquidating the project and business cooperation contract. The liquidity term was six months from 21 December 2017. As at the approval date of these separate financial statements, the Company is still in progress of liquidating the contract and collect this investment. However, the Chairman has decided to make a provision according to the current regulations (Note 8).

7 OTHER RECEIVABLES (continued)

(b) Long-term

	2018		2017	
	Book value VND	Provision VND	Book value VND	Provision VND
Guarantee deposit (*)	8,447,919,503	-	8,000,000,000	-
Interest receivables	6,717,808,218	-	4,176,712,523	-
Deposits	1,314,043,455	-	1,422,000,105	-
	16,479,771,176	-	13,598,712,628	-
In which:				
Third parties	1,314,043,455	-	1,422,000,105	-
Related parties (Note 32(b))	15,165,727,721	-	12,176,712,523	-
	16,479,771,176	-	13,598,712,628	-

(*) The amount represents the deposit for using the web money service of Vietnam Online Joint Stock Company, a related party (Note 32(b)).

As at 31 December 2018 and 31 December 2017, there was no balance of long-term receivables that was past due or not past due but doubtful.

8 DOUBTFUL DEBTS

	2018				2017			
	Cost VND	Recoverable Amount VND	Provision VND	Number of overdue days	Cost VND	Recoverable Amount VND	Provision VND	Number of overdue days
Receivables that were past due								
Tan An Dong Sai Gon Company Limited	19,600,000,000	13,720,000,000	(5,880,000,000)	Under 1 year	-	-	-	-
Tan Hiep Phat trading – Service Company Limited	1,828,192,310	914,096,155	(914,096,155)	From 1 to 2 years	-	-	-	-
	21,428,192,310	14,634,096,155	(6,794,096,155)		-	-	-	-

9 INVENTORIES

	2018		2017	
	Cost VND	Provision VND	Cost VND	Provision VND
Television programmes	-	-	7,152,727,272	-
Merchandises	-	-	7,225,631,842	(477,545,455)
	-	-	14,378,359,114	(477,545,455)

Movements in the provision for decline in value of inventories during the year were as follows:

	2018 VND	2017 VND
Beginning of year	(477,545,455)	(477,545,455)
Reversal	477,545,455	-
End of year	-	(477,545,455)

10 PREPAID EXPENSES

(a) Short-term

	2018 VND	2017 VND
Office rental expenses	20,818,181,818	-
Prepaid service expenses	249,731,369	979,433,735
Tools and supplies	11,905,325	66,353,303
	21,079,818,512	1,045,787,038

Movements in short-term prepaid expenses during the year are as follows:

	2018 VND	2017 VND
Beginning of year	1,045,787,038	3,683,088,357
Increase	21,239,243,487	3,845,984,865
Allocation	(1,205,212,013)	(6,483,286,184)
End of year	21,079,818,512	1,045,787,038

10 PREPAID EXPENSES (continued)

(b) Long-term

	2018 VND	2017 VND
Prepaid service expenses	2,644,787,661	4,012,659,417
Tools and supplies	336,168,532	228,791,148
Investment and development cost for media channel project	-	13,636,363,635
	2,980,956,193	17,877,814,200

Movements in long-term prepaid expenses during the year are as follows:

	2018 VND	2017 VND
Beginning of year	17,877,814,200	35,595,250,890
Increase	2,191,745,000	684,535,619
Allocation	(2,694,663,604)	(18,401,972,309)
Transfer to subsidiaries (Note 32(a))	(14,393,939,403)	-
End of year	2,980,956,193	17,877,814,200

11 LENDINGS

(a) Short-term

	2018 VND	2017 VND
Third party	-	819,909,876
Related parties (Note 32(b)) (*)	179,075,368,393	7,475,588,720
	179,075,368,393	8,295,498,596

(*) These are short-term lendings to related parties which earn the interest rates ranging from 6.0% per annum to 8.7% per annum. The lending terms are less than twelve months and have no collateral assets.

(b) Long-term

This balance presented for the long-term lending to Mr. Vo Thai Phong, Deputy General Director of Finance, which has the maturity of 48 months and the credit limit of VND43,000,000,000. The lending is secured by a 18-month saving deposit of VND30,000,000,000 at Ho Chi Minh City Development Joint Stock Commercial Bank owned by Vietnam Online Joint Stock Company and all shares of Mr. Vo Thai Phong in the Company. The lending earns interest at the rate of 10.0% per annum (Note 32(b)). During the year, the Company has collected VND30,000,000,000 from this long-term lending.

12 FIXED ASSETS

(a) Tangible fixed assets

	Machinery and equipment VND	Motor vehicles VND	Total VND
Historical cost			
As at 1 January 2018	903,707,775	3,139,273,635	**4,042,981,410**
New purchases	396,120,365	-	**396,120,365**
As at 31 December 2018	1,299,828,140	3,139,273,635	**4,439,101,775**
Accumulated depreciation			
As at 1 January 2018	811,042,276	2,196,234,767	**3,007,277,043**
Charge for the year	61,737,249	244,827,173	**306,564,422**
As at 31 December 2018	872,779,525	2,441,061,940	**3,313,841,465**
Net book value			
As at 1 January 2018	92,665,499	943,038,868	**1,035,704,367**
As at 31 December 2018	427,048,615	698,211,695	**1,125,260,310**

As at 31 December 2018, there are no tangible fixed assets which are pledged as collateral assets for short-term and long-term bank loans granted to the Company (as at 31 December 2017: VND1,028,954,189) (Note 17).

Historical cost of fully depreciated tangible fixed assets but still in use as at 31 December 2018 was VND1,536,655,955 (as at 31 December 2017: VND1,450,746,637).

12 FIXED ASSETS (continued)

(b) Intangible fixed assets

	Land use rights VND	Brand names VND	Total VND
Historical cost			
As at 1 January 2018 and 31 December 2018	4,500,000,000	2,524,382,154	**7,024,382,154**
Accumulated amortisation			
As at 1 January 2018	-	408,871,424	**408,871,424**
Charge for the year	-	60,076,872	**60,076,872**
As at 31 December 2018	-	468,948,296	**468,948,296**
Net book value			
As at 1 January 2018	4,500,000,000	2,115,510,730	**6,615,510,730**
As at 31 December 2018	4,500,000,000	2,055,433,858	**6,555,433,858**

As at 31 December 2018, there are no intangible fixed assets which are pledged as collateral assets for short-term and long-term bank loans granted to the Company (as at 31 December 2017: VND4,500,000,000) (Note 17).

13 SHORT-TERM TRADE ACCOUNTS PAYABLE

	2018		2017	
	Amount VND	Able-to-pay amount VND	Amount VND	Able-to-pay amount VND
Third parties				
Southern Digital Television Co., Ltd.	2,909,499,999	2,909,499,999	2,909,499,999	2,909,499,999
Thai Duong High Technology Investment and Trading JSC	985,557,500	985,557,500	-	-
Fiditour JSC	516,997,510	516,997,510	16,404,511	16,404,511
Rohto-Mentholatum (Vietnam) Co., Ltd.	-	-	1,352,397,564	1,352,397,564
Hoang Mai P&T Co., Ltd.	-	-	1,073,824,400	1,073,824,400
Others	332,510,113	332,510,113	2,304,265,663	2,304,265,663
Related parties (Note 32(b))	4,000,000	4,000,000	37,405,144,481	37,405,144,481
	4,748,565,122	4,748,565,122	45,061,536,618	45,061,536,618

As at 31 December 2018 and 31 December 2017, there was no trade accounts payable that was past due.

14 TAXES AND OTHER PAYABLES TO THE STATE BUDGET

Movements in taxes and other payables to the State budget during the year are as follows:

	As at 1.1.2018 VND	Payable during the year VND	Net-off during the year VND	Payment during the year VND	As at 31.12.2018 VND
Business income tax	182,031,763	130,883,454	-	(182,031,763)	130,883,454
Value added tax	2,190,591,910	5,991,259,415	(3,901,336,453)	(3,495,066,517)	785,448,355
Personal income tax	576,044,503	1,436,988,408	-	(1,308,493,576)	704,539,335
Others	-	13,000,000	-	(8,000,000)	5,000,000
	2,948,668,176	7,572,131,277	(3,901,336,453)	(4,993,591,856)	1,625,871,144

15 SHORT-TERM ACCRUED EXPENSES

	2018 VND	2017 VND
Professional fees	500,000,000	-
Interest expenses	-	3,465,384,663
Bonus	-	387,870,500
Others	36,922,341	-
	536,922,341	3,853,255,163
In which:		
Third parties	436,922,341	445,508,696
Related parties (Note 32(b))	100,000,000	3,407,746,467
	536,922,341	3,853,255,163

16 OTHER SHORT-TERM PAYABLES

	2018		2017	
	Amount VND	Able-to-pay amount VND	Amount VND	Able-to-pay amount VND
Payable to related parties for interest-free borrowings	17,560,573,726	17,560,573,726	11,713,159,203	11,713,159,203
Investment in subsidiaries	-	-	7,447,882,866	7,447,882,866
Others	1,565,028,228	1,565,028,228	314,610,236	314,610,236
	19,125,602,014	19,125,602,014	19,475,652,305	19,475,652,305
In which:				
Third parties	436,627,600	436,627,600	7,758,347,732	7,758,347,732
Related parties (Note 32(b))	18,688,974,414	18,688,974,414	11,717,304,573	11,717,304,573
	19,125,602,014	19,125,602,014	19,475,652,305	19,475,652,305

17 BORROWINGS

(a) Short-term

	At as 1.1.2018 VND	Increase VND	Repayment VND	At as 31.12.2018 VND
Housing Development Commercial Joint Stock Bank (i)	19,290,092,813	87,168,067,090	(54,958,207,844)	51,499,952,059
United Overseas Bank (Vietnam) Ltd.	19,000,000,000	-	(19,000,000,000)	-
	38,290,092,813	87,168,067,090	(73,958,207,844)	51,499,952,059

(i) This balance represents loans in Vietnamese Dong according two (02) Optional Credit Contracts which were signed on 4 Sep 2018 and 24 December 2018 with credit limit of VND28,500,000,000 and VND50,000,000,000, respectively, in Housing Development Commercial Joint Stock Bank ("HD Bank"). The credit term of these loans is remaining period of term deposits which are used as collateral assets but not exceeding twelve months. The loans bear interest rate of 8.2% per annum. The purpose is to supplement the working capital. The collaterals of the loans are Company's term deposits at this bank (Note 4(b)).

(b) Long-term

	At as 1.1.2018 VND	Increase VND	Repayment VND	At as 31.12.2018 VND
Housing Development Commercial Joint Stock Bank (ii)	30,000,000,000	-	(30,000,000,000)	-

(ii) This is a borrowing in Vietnamese Dong with maturity of 3 years from the date of the loan contract and bears interest at rates regulated in each drawdown request. During the year, the Company fully repaid the loan balance.

18 DEFERRED INCOME TAX ASSETS

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same taxation authority.

Details of deferred income tax assets are as follows:

	2018 VND	2017 VND
Deferred tax assets to be recovered within 12 months	-	806,924,582

Movements of deferred income tax assets during the year are as follows:

	2018 VND	2017 VND
Beginning of year	806,924,582	164,446,849
Separate income statement (charge)/credit (Note 29)	(806,924,582)	642,477,733
End of year	-	806,924,582

19 OWNERS' CAPITAL

(a) Number of shares

	2018 Ordinary shares	2017 Ordinary shares
Number of shares registered	31,279,968	23,800,000
Number of shares issued	31,279,968	23,800,000
Number of existing shares in circulation	31,279,968	23,800,000

19 OWNERS' CAPITAL (continued)

(b) Details of owners' shareholdings

	2018 Ordinary shares	2018 %	2017 Ordinary shares	2017 %
Mr. Nguyen Anh Nhuong Tong	11,331,408	36.23	9,853,399	41.40
Mr. Ho Ngoc Tan	3,910,000	12.50	-	-
Ancla Assets Ltd.	3,419,249	10.93	2,973,260	12.49
DFJ VinaCapital Venture Investment Ltd.	2,138,192	6.84	8,499,637	35.71
Macquarie Bank Limited	1,433,840	4.58	-	-
Mr. Dao Phuc Tri	1,195,422	3.82	1,039,498	4.37
Other shareholders	7,851,857	25.10	1,434,206	6.03
	31,279,968	100.00	23,800,000	100.00

(c) Movement of share capital

	Number of shares	Ordinary shares VND	Total VND
As at 1 January 2017	10,000,000	100,000,000,000	**100,000,000,000**
New shares issued	13,800,000	138,000,000,000	**138,000,000,000**
As at 1 January 2018	23,800,000	238,000,000,000	**238,000,000,000**
New shares issued	7,479,968	74,799,680,000	**74,799,680,000**
As at 31 December 2018	31,279,968	312,799,680,000	**312,799,680,000**

Par value per share: VND10,000.

20 MOVEMENTS IN OWNERS' EQUITY

	Owners' capital VND	Share premium VND	Post-tax undistributed earnings VND	Total VND
As at 1 January 2017	100,000,000,000	115,560,000	3,991,936,684	**104,107,496,684**
Profit for the year	-	-	32,280,851,090	**32,280,851,090**
Dividends by shares	18,220,000,000	-	(18,220,000,000)	-
Issuance of shares for existing shareholders	113,780,000,000	-	-	**113,780,000,000**
Issuance of shares for employees	6,000,000,000	24,000,000,000	-	**30,000,000,000**
As at 31 December 2017	238,000,000,000	24,115,560,000	18,052,787,774	**280,168,347,774**
Profit for the year	-	-	62,712,360,614	**62,712,360,614**
Dividends by shares (i)	35,699,680,000	-	(35,699,680,000)	-
Private placement (ii)	39,100,000,000	1,108,028,000,000	-	**1,147,128,000,000**
Appropriation to bonus and welfare fund (iii)	-	-	(2,550,000,000)	**(2,550,000,000)**
As at 31 December 2018	312,799,680,000	1,132,143,560,000	42,515,468,388	**1,487,458,708,388**

(i) Pursuant to Resolution No. 01/2018/NQ/DHDCD dated 10 April 2018, the General Shareholders' Meeting has approved the new share issuance plan by undistributed retained earnings with the ratio of 15% charter capital for existing shareholders.

(ii) Pursuant to Resolution No. 01/2018/NQ/DHDCD dated 10 April 2018, the General Shareholder's Meeting approved to issue 3,910,000 new shares to Mr. Nguyen Anh Nhuong Tong at the price of VND300,000 per share. The State Securities Commission approved this new issue according to the Official letter No. 5290/UBCK-QLCB dated 24 August 2018. Total expenses of VND25,872,000,000 incurred for this new issue has been netted off against the share premium.

(iii) Pursuant to Resolution No. 01/2018/NQ/DHDCD, the General Shareholder's Meeting approved the compensation for the Board of Directors with the amount equal to 1.5% of the Group's consolidated net profit after tax.

21 OFF BALANCE SHEET ITEMS

(a) Foreign currencies

Included in cash are balances held in foreign currencies of USD23,104 and 73 gold threads (as at 31 December 2017: USD3 and 55 gold threads).

(b) Commitments under operating lease

The future minimum lease payments under irrevocable operating lease agreements were VND184,644,650,273 and VND49,824,941,284 as at 31 December 2018 and 31 December 2017, respectively (Note 33(a)).

22 REVENUE FROM SALES OF GOODS AND RENDERING OF SERVICES

	2018 VND	2017 VND
Revenue from sales of goods and rendering of services		
Revenue from program copyright	16,500,000,000	56,500,000,000
Revenue from authorising exploration rights	16,379,652,299	18,163,355,272
Revenue from office rental and management fees	10,062,122,726	1,074,272,732
Revenue from rendering services	2,054,091,257	-
Revenue from advertising on television	-	51,030,583,469
	44,995,866,282	126,768,211,473
Deductions		
Trade discounts	-	(973,331,842)
Net revenue from sales of goods and rendering of services		
Net revenue from program copyright	16,500,000,000	56,500,000,000
Net revenue from authorising exploration rights	16,379,652,299	18,163,355,272
Net revenue from office rental and management fees	10,062,122,726	1,074,272,732
Net revenue from rendering services	2,054,091,257	-
Net revenue from advertising on television	-	50,057,251,627
	44,995,866,282	125,794,879,631

23 COST OF GOODS SOLD AND SERVICES RENDERED

	2018 VND	2017 VND
Cost of program copyright	15,993,171,869	23,986,699,901
Cost of authorising exploration rights	7,038,785,379	9,545,454,546
Cost of office rental and management service	10,062,122,726	1,074,272,732
Cost of services rendered	979,201,236	-
Cost of advertising on television	-	40,143,515,607
Reversal of provision for decline in value of inventories	(477,545,455)	-
	33,595,735,755	74,749,942,786

24 FINANCIAL INCOME

	2018 VND	2017 VND
Dividend income (Note 32(a)(x))	63,983,361,086	34,629,069,406
Interest income from deposits and lendings	21,640,243,958	9,041,866,168
Others	-	603,697
	85,623,605,044	43,671,539,271

25 FINANCIAL EXPENSES

	2018 VND	2017 VND
Interest expenses	3,614,724,947	13,568,689,832
Reversal of provision for diminution in value of investment	(149,330,988)	-
Others	-	1,948,371,067
	3,465,393,959	15,517,060,899

26 SELLING EXPENSES

	2018 VND	2017 VND
Market research expenses	1,093,356,000	26,625,452,217
Outside services expenses	101,200,000	177,864,531
Depreciation and amortisation	61,737,249	320,199,006
Staff costs	-	98,874,000
Tools and supplies	-	42,902,280
	1,256,293,249	27,265,292,034

27 GENERAL AND ADMINISTRATION EXPENSES

	2018 VND	2017 VND
Outside services expenses	9,231,288,374	6,719,362,245
Staff costs	8,367,933,111	3,712,752,730
Provision for doubtful debts	6,794,096,155	-
Tools and supplies	5,387,664,545	3,064,818,139
Meeting and business travelling	3,735,990,726	1,505,709,337
Rental expenses	2,009,287,191	4,921,239,549
Depreciation and amortisation	307,559,601	67,443,960
Others	265,151,515	3,000,000
	36,098,971,218	19,994,325,960

28 OTHER INCOME AND OTHER EXPENSES

	2018 VND	2017 VND
Other income		
Income from transfer of television channel	14,393,939,403	
Proceeds from brokerage activities	7,869,818,182	-
Others	1,541,926	-
	22,265,299,511	-
Other expenses		
Cost from transfer of television channel	(14,393,939,403)	-
Others	(424,268,603)	(84,393,850)
	(14,818,208,006)	(84,393,850)
Net other income/(expenses), net	7,447,091,505	(84,393,850)

29 BUSINESS INCOME TAX

The tax on the Company's accounting profit before tax differs from the theoretical amount that would arise using the applicable tax rate of 20% (2017: 20%) as follows:

	2018 VND	2017 VND
Net accounting profit before tax	63,650,168,650	31,855,403,373
Tax calculated at a rate of 20%	12,730,033,730	6,371,080,675
Effect of:		
Income not subject to tax	(12,796,672,217)	(6,925,813,881)
Expenses not deductible for tax purposes	1,015,462,844	129,285,490
Utilisation of previously tax losses	(11,016,321)	-
Business income tax charge (*)	937,808,036	(425,447,716)
Charged/(credited) to separate income statement:		
Business income tax – current	130,883,454	217,030,016
Business income tax – deferred (Note 18)	806,924,582	(642,477,733)
	937,808,036	(425,447,717)

(*) The business income tax charge for the year is based on estimated taxable income and is subject to review and possible adjustments by the tax authorities.

The Company does not recognise deferred tax assets/liabilities as there are no temporary differences.

30 COST OF OPERATIONS BY FACTOR

	2018 VND	2017 VND
Outside purchase expenses	47,331,424,226	114,581,439,795
Staff costs	11,548,719,457	3,932,757,600
Provision for doubtful debts	6,794,096,155	-
Tools and supplies expenses	5,387,664,545	3,107,720,419
Depreciation and amortisation	366,641,294	387,642,966
Inventory provision reversal	(477,545,455)	-
	70,951,000,222	122,009,560,780

31 ADDITIONAL INFORMATION FOR THE ITEMS OF THE SEPERATE CASH FLOW STATEMENT

(a) Non-cash transactions affect the cash flow statement

	2018 VND	2017 VND
Dividends by shares	35,699,680,000	18,220,000,000
Transfers of television channel with receivables	14,393,939,403	-
Neting-off dividend receivables by payables	12,613,535,574	-

(b) Amount of lending and term deposits actually collected during the period

	2018 VND	2017 VND
Collection of bank term deposits	112,315,000,000	21,276,667,164
Collection from short-term lending	47,958,898,596	-
	160,273,898,596	21,276,667,164

(c) Amount of lending and term deposits made at bank during the period

	2018 VND	2017 VND
Term deposits at bank	681,199,246,567	63,973,712,550
Short-term lending	188,738,768,393	38,295,498,596
Purchases of debt instruments of other entities	40,000,000,000	-
	909,938,014,960	102,269,211,146

(d) Amount of borrowing actually withdrawn during the period

	2018 VND	2017 VND
Proceeds from borrowings	87,168,067,090	183,470,681,534
Proceeds from convertible bonds	-	113,780,000,000
	87,168,067,090	297,250,681,534

(e) Amount of borrowing principal actually paid during the period

	2018 VND	2017 VND
Repayments for borrowings	103,958,207,844	190,655,953,870

32 RELATED PARTY DISCLOSURES

During the period, the Company has transactions and balances with related parties which are the shareholders of the Company and subsidiaries listed as below.

Relationship	Name
Subsidiary	Yeah1 Entertainment Corporation
Subsidiary	Dragon Entertainment Joint Stock Company
Subsidiary	NVU Joint Stock Company
Subsidiary	Yeah1 Network Pte. Ltd.
Subsidiary	Yeah1 Brand Name Development Corporation
Subsidiary	Film World Trade Joint Stock Company
Subsidiary	Youth Embassy Film Production and Investment Corporation
Subsidiary	Yeah1 Network Vietnam Co., Ltd
Subsidiary	On+ Communication Corporation
Subsidiary	SMB Corporation
Subsidiary	TNT Advertising Communication Company Limited
Subsidiary	Netlink Online Communication Joint Stock Company
Subsidiary	Digital Content Center Company Limited
Subsidiary	ZeroZ Creative Joint Stock Company
Subsidiary	Netlink Online Joint Stock Company
Subsidiary	YAG Entertainment Corporation
Subsidiary	SGO48 Co., Ltd.
Company owned by major shareholder	Vietnam Online Joint Stock Company
Shareholder	Ancla Assets Limited
Shareholder	DFJ Vinacapital Venture Investment Ltd.
Chairman	Mr. Nguyen Anh Nhuong Tong
BOM member	Mr. Ly Truong Chien
BOM member	Mr. Nguyen Ngoc Dung
BOM member	Mr. Tran Quoc Bao
BOD member	Mr. Dao Phuc Tri
BOD member	Mr. Vo Thai Phong
Other (Chairman's family member)	Mrs. Nguyen Thi Truc Mai

32 RELATED PARTY DISCLOSURES (continued)

(a) Related party transactions

Related parties' transactions are presented from the date these parties became related parties to the Company. During the year, the following transactions were carried out with related parties:

	2018 VND	2017 VND
i) Revenue from sales of goods and rendering of services		
Yeah1 Network Vietnam Co., Ltd.	22,290,806,250	-
Yeah1 Entertainment Corporation	9,154,899,142	36,068,181,818
Yeah1 Brand Name Development Corporation	2,484,530,288	1,586,293,364
Youth Embassy Film Production and Investment Corporation	744,940,905	379,909,086
YAG Entertainment Corporation	720,000,000	-
SMB Corporation	516,000,000	-
Dragon Entertainment Joint Stock Company	504,000,000	456,130,098
ZeroZ Creative Joint Stock Company	360,000,000	-
Digital Content Center Company Limited	306,000,000	-
Netlink Online Communication Joint Stock Company	168,000,000	-
TNT Advertising Communication Company Limited	84,000,000	-
NVU Joint Stock Company	-	3,900,000,000
Vietnam Online Joint Stock Company	-	173,590,908
	37,333,176,585	42,564,105,274
ii) Purchases of goods and services		
Yeah1 Brand Name Development Corporation	5,989,160,546	-
ZeroZ Creative Joint Stock Company	900,000,000	-
Yeah1 Entertainment Corporation	-	454,545,455
Dragon Entertainment Joint Stock Company	-	2,491,243,636
	6,889,160,546	2,945,789,091
iii) Transfers of channel costs		
Dragon Entertainment Joint Stock Company	9,090,909,091	2,491,243,636
Yeah1 Entertainment Corporation	5,303,030,312	454,545,455
	14,393,939,403	2,945,789,091

32 RELATED PARTY DISCLOSURES (continued)

(a) Related party transactions (continued)

	2018 VND	2017 VND
iv) Lendings		
Yeah1 Network Vietnam Co., Ltd.	75,670,286,296	-
Digital Content Center Company Limited	75,000,000,000	-
TNT Advertising Communication JSC	19,000,000,000	-
Yeah1 Entertainment Corporation	15,968,482,097	-
Youth Embassy Film Production and Investment JSC	2,000,000,000	-
NVU Joint Stock Company	1,100,000,000	42,809,886
Mr. Vo Thai Phong	-	30,000,000,000
Dragon Entertainment Joint Stock Company	-	7,432,778,834
	188,738,768,393	37,475,588,720
v) Collections of lendings		
Mr. Vo Thai Phong	30,000,000,000	-
TNT Advertising Communication JSC	9,000,000,000	-
Digital Content Center Company Limited	663,400,000	-
	39,663,400,000	-
vi) Interest income		
Mr. Vo Thai Phong	2,541,095,890	2,009,041,096
Digital Content Center Company Limited	717,452,055	-
Yeah1 Network Vietnam Co., Ltd.	333,752,219	-
TNT Advertising Communication JSC	176,383,562	-
Yeah1 Brand Name Development Corporation	82,191,781	-
Youth Embassy Film Production and Investment JSC	49,101,370	-
	3,899,976,877	2,009,041,096
vii) Advances		
Mr. Nguyen Anh Nhuong Tong	3,457,500,408	6,141,271,667
Mr. Vo Thai Phong	300,000,000	89,045,385
Mr. Dao Phuc Tri	292,675,000	404,715,306
Mrs. Nguyen Thi Truc Mai	86,996,000	60,000,000
Mr. Nguyen Ngoc Dung	75,000,000	-
Mr. Ly Truong Chien	75,000,000	-
Mr. Tran Quoc Bao	75,000,000	-
	4,362,171,408	6,695,032,358

32 RELATED PARTY DISCLOSURES (continued)

(a) Related party transactions (continued)

	2018 VND	2017 VND
viii) Collections of advances		
Mr. Nguyen Anh Nhuong Tong	840,001,360	10,735,650,630
Mr. Dao Phuc Tri	292,675,000	870,254,579
Mrs. Nguyen Thi Truc Mai	50,843,283	171,526,623
Mr. Vo Thai Phong	-	368,673,040
	1,183,519,643	12,146,104,872
ix) Capital contributions		
NVU Joint Stock Company	24,575,000,000	-
Yeah1 Brand Name Development Corporation	12,515,873,751	-
YAG Entertainment Joint Stock Company	3,600,000,000	-
Dragon Entertainment Joint Stock Company	2,000,000,000	-
Youth Embassy Film Production and Investment JSC	1,200,000,000	-
Netlink Online Communication Joint Stock Company	-	86,344,882,866
On+ Communication Corporation	-	5,100,000,000
	43,890,873,751	91,444,882,866
x) Dividends (Note 24)		
Dragon Entertainment Joint Stock Company	37,616,704,125	1,337,062,340
Yeah1 Entertainment Corporation	16,442,511,083	-
Netlink Online Communication Joint Stock	7,395,947,228	-
Film World Trade Joint Stock Company	1,532,153,054	-
Yeah1 Brand Name Development Corporation	955,263,210	1,349,111,672
On+ Communication Corporation	40,782,386	-
NVU Joint Stock Company	-	29,169,691,983
Youth Embassy Film Production and Investment JSC	-	2,773,203,411
	63,983,361,086	34,629,069,406
xi) Interest expenses		
Vietnam Online Joint Stock Company	-	705,688,827

32 RELATED PARTY DISCLOSURES (continued)

(a) Related party transactions (continued)

	2018 VND	2017 VND
xii) Bond issuances		
Ancla Assets Limited	-	68,268,000,000
Mr. Nguyen Anh Nhuong Tong	-	39,800,000,000
Mr. Dao Phuc Tri	-	1,566,000,000
Mr. Vo Thai Phong	-	3,891,000,000
Mrs. Nguyen Thi Truc Mai	-	255,000,000
	-	113,780,000,000
xiii) Compensations of key management		
Gross salaries and other benefits	3,767,070,000	3,471,209,000

(b) Year end balances with related parties

	2018 VND	2017 VND
i) Short-term trade receivables (Note 5)		
Yeah1 Brand Name Development Corporation	10,358,669,041	6,979,690,801
Yeah1 Entertainment Corporation	6,704,533,343	16,185,000,000
Yeah1 Network Vietnam Co,, Ltd,	6,144,886,875	-
Vietnam Online Joint Stock Company	1,095,225,006	704,645,457
YAG Entertainment Joint Stock Company	792,000,000	-
SMB Corporation	567,600,000	-
Dragon Entertainment Joint Stock Company	554,400,000	-
Youth Embassy Film Production and Investment Corporation	412,446,367	81,650,000
NVU Joint Stock Company	-	20,546,050,000
	26,629,760,632	44,497,036,258

32 RELATED PARTY DISCLOSURES (continued)

(b) Year end balances with related parties (continues)

	2018 VND	2017 VND
ii) Other short-term receivables (Note 7(a))		
Dragon Entertainment Joint Stock Company	75,084,754,005	1,337,062,340
Yeah1 Entertainment Corporation	7,852,898,572	2,773,203,410
Mr. Nguyen Anh Nhuong Tong	4,201,446,540	500,000,000
Mr. Dao Phuc Tri	1,664,070,640	-
Film World Trade Joint Stock Company	1,532,153,054	-
Yeah1 Brand Name Development Corporation	1,037,454,991	1,349,111,673
Digital Content Center Company Limited	717,452,055	-
Mr. Vo Thai Phong	300,000,000	-
Yeah1 Network Vietnam Co., Ltd.	292,822,027	-
Mr. Nguyen Ngoc Dung	75,000,000	-
Mr. Tran Quoc Bao	75,000,000	-
Mr. Ly Truong Chien	75,000,000	-
On+ Communication Corporation	40,782,386	-
Mrs. Nguyen Thi Truc Mai	895,250	7,492,308
NVU Joint Stock Company	-	29,169,691,983
	92,949,729,520	35,136,561,714
iii) Short-term lendings (Note 11(a))		
Yeah1 Network Vietnam Co., Ltd	75,670,286,296	-
Digital Content Center Company Limited	74,336,600,000	-
Yeah1 Entertainment Corporation	15,968,482,097	-
TNT Advertising Communication Company Limited	10,000,000,000	-
Youth Embassy Film Production and Investment JSC	2,000,000,000	-
NVU Joint Stock Company	1,100,000,000	42,809,886
Dragon Entertainment Joint Stock Company	-	7,432,778,834
	179,075,368,393	7,475,588,720
iv) Long-term lendings (Note 11(b))		
Mr. Vo Thai Phong	13,000,000,000	43,000,000,000
v) Advances for capital contribution (Note 7(a))		
Dragon Entertainment Joint Stock Company	36,130,987,540	-

32 RELATED PARTY DISCLOSURES (continued)

(b) Year end balances with related parties (continues)

	2018 VND	2017 VND
vi) Other long-term receivables (Note 7(b))		
Vietnam Online Joint Stock Company	8,447,919,503	8,000,000,000
Mr. Vo Thai Phong	6,717,808,218	4,176,712,523
	15,165,727,721	12,176,712,523
vii) Short-term trade payables (Note 13)		
ZeroZ Creative Joint Stock Company	4,000,000	-
Yeah1 Entertainment Corporation	-	28,362,426,663
Yeah1 Brand Name Development Corporation	-	5,049,048,000
Film World Trade Joint Stock Company	-	3,990,000,000
Dragon Entertainment Joint Stock Company	-	3,669,818
	4,000,000	37,405,144,481
viii) Short-term accruals (Note 15)		
Ancla Assets Limited	100,000,000	-
ZeroZ Creative Joint Stock Company	-	3,407,746,467
	100,000,000	3,407,746,467
ix) Other short-term payables (Note 16)		
Film World Trade Joint Stock Company	17,560,573,726	4,331,583,152
Netlink Online Communication Joint Stock	1,128,400,688	-
Yeah1 Brand Name Development Corporation	-	7,365,375,812
Yeah1 Entertainment Corporation	-	16,200,239
Vietnam Online Joint Stock Company	-	4,145,370
	18,688,974,414	11,717,304,573

33 COMMITMENTS

(a) Commitments under operating leases

The future minimum lease payments under non-cancellable operating leases are as follows:

	Office rental		Television channel rental		Total	
	2018 VND	2017 VND	2018 VND	2017 VND	2018 VND	2017 VND
Within one year	37,844,050,804	6,427,958,175	-	30,250,000,000	37,844,050,804	36,677,958,175
Between one and five years	146,800,599,469	13,146,983,109	-	-	146,800,599,469	13,146,983,109
Total minimum payments	184,644,650,273	19,574,941,284	-	30,250,000,000	184,644,650,273	49,824,941,284

33 COMMITMENTS (continued)

(b) Capital contribution to subsidiaries

	2018 VND	2017 VND
Dragon Entertainment Joint Stock Company	388,000,000,000	-
YAG Entertainment Joint Stock Company	12,040,000,000	-
Film World Trade Joint Stock Company	696,000,000	696,000,000
Youth Embassy Film Production and Investment Corporation	400,000,000	400,000,000
Yeah1 Brand Name Development Corporation	-	12,515,873,751
	401,136,000,000	13,611,873,751

(c) Capital contribution to other companies

	2018 VND	2017 VND
SomethingBig Pte. Ltd.	5,875,000,000	-
Gamify Vietnam Joint Stock Company	3,773,862,500	5,181,862,500
BlueX Media Advertisement and Trade Services Company Limited	1,500,000,000	-
	11,148,862,500	5,181,862,500

34 SEGMENT REPORTING

(a) Segment reporting by business activities

Segment information based on the business activities of the Company was as follows:

	2018					
	Program copyright VND	Authorising exploration rights VND	Office rental and management fees VND	Rendering services VND	Advertising on television VND	Total VND
Net revenue from sales of goods and rendering of services	16,500,000,000	16,379,652,299	10,062,122,726	2,054,091,257	-	**44,995,866,282**
Cost of goods sold and services rendered	(15,515,626,414)	(7,038,785,379)	(10,062,122,726)	(979,201,236)	-	**(33,595,735,755)**
Gross profit	984,373,586	9,340,866,920	-	1,074,890,021	-	**11,400,130,527**

	2017					
	Program copyright VND	Authorising exploration rights VND	Office rental and management fees VND	Rendering services VND	Advertising on television VND	Total VND
Net revenue from sales of goods and rendering of services	56,500,000,000	18,163,355,272	1,074,272,732	-	50,057,251,627	**125,794,879,631**
Cost of goods sold and services rendered	(23,986,699,901)	(9,545,454,546)	(1,074,272,732)	-	(40,143,515,607)	**(74,749,942,786)**
Gross profit	32,513,300,099	8,617,900,726	-	-	9,913,736,020	**51,044,936,845**

(b) Segment reporting by geographical location

The Company operates only in Vietnam.

35 EVENTS AFTER BALANCE SHEET DATE

(a) Significant borrowing

On 4 January 2019, the Company's Board of Directors approved a loan agreement with Ho Chi Minh City Housing Development Commercial Joint Stock Bank amounting to VND275,000,000,000, the loan has maturity term no more than 3 months, bears an interest rate of 8,2% per annum.

(b) Establishment of a new subsidiary

On 15 February 2019, the Company's Board of Directors issued Resolution No. 1502B/2019/NQ/HDQT/YEG approving the overseas investment project to set up a new subsidiary in Japan which is wholly owned by the Company with estimated initial investment amount of USD100,000 and the principal business activities are digital media and advertising services.

(c) Buying treasury shares

On 7 March 2019, the Company's Board of Directors issued Resolution No. 0703A-YEG/2019/NQ-HDQT approving the purchase of treasury shares. The maximum quantity is 600,000 shares. At approval date of these separate financial statements, this purchase has not been executed.

36 COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to the current period's presentation.

Separate balance sheet

		As at 31 December 2017		
Code	**ASSETS**	**Previously reported VND**	**Reclassification VND**	**Reclassified VND**
100	**CURRENT ASSETS**	**171,687,624,732**	**10,364,555,647**	**182,052,180,379**
130	**Short-term receivables**	**112,685,085,995**	**10,364,555,647**	**123,049,641,642**
135	Short-term lending	-	8,295,498,596	8,295,498,596
136	Other short-term receivables	53,681,846,250	2,069,057,051	55,750,903,301
200	**NON-CURRENT ASSETS**	**249,323,375,281**	**(10,364,555,647)**	**238,958,819,634**
210	**Long-term receivable**	**66,963,268,275**	**(10,364,555,647)**	**56,598,712,628**
215	Long-term lending	35,864,555,647	7,135,444,353	43,000,000,000
216	Other long-term receivables	31,098,712,628	(17,500,000,000)	13,598,712,628
250	**Long-term investments**	**155,458,678,127**	**450,000,000**	**155,908,678,127**
253	Investments in other entities	-	450,000,000	450,000,000
260	**Other long-term assets**	**19,134,738,782**	**(450,000,000)**	**18,684,738,782**
268	Other long-term assets	450,000,000	(450,000,000)	-

YEAH1 GROUP CORPORATION

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The separate financial statements were approved by the Chairman on 18 March 2019.

Nguyen Van Cang
Preparer

Vo Thai Phong
Deputy General Director - Finance
cum Chief Accountant

Nguyen Anh Nhuong Tong
Chairman
18 March 2019