

Nam Long Investment Corporation

Interim separate financial statements

30 June 2017



Nam Long Investment Corporation

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Nam Long Investment Corporation

GENERAL INFORMATION

THE COMPANY

Nam Long Investment Corporation ("the Company") is a joint stock company incorporated under the Law on Enterprise of Vietnam pursuant to the Business Registration Certificate No. 4103004194 issued by the Ho Chi Minh City Department of Planning and Investment ("DPI") on 27 December 2005, as amended.

The Company's shares were listed on the Ho Chi Minh City Stock Exchange ("HOSE") with code NLG in accordance with Decision No. 14/2013/QĐ-SGDHCM issued by HOSE on 25 January 2013.

As at 30 June 2017, the Company has fourteen direct subsidiaries, two indirect subsidiaries and one jointly-controlled entity with details as follows:

<i>Company</i>	<i>Location</i>	<i>Business</i>
Subsidiaries		
Nam Long Property Management and Development One Member Limited Company	Ho Chi Minh City ("HCMC")	Construction and real estate
Nam Long Service Joint Stock Company	HCMC	Service and construction
Nam Long - Hong Phat Joint Stock Company	Can Tho City	Construction and real estate
Nguyen Son Real Estate Joint Stock Company	HCMC	Real estate
Nam Long Apartment Development Corporation	HCMC	Construction and real estate
Nam Long Real Estate Transaction Floor One Member Limited Liability Company	HCMC	Real estate trading floor
Nam Khang Construction Investment Development One Member Limited Liability Company	HCMC	Construction and real estate
Nam Vien Construction and Design Consulting Joint Stock Company	HCMC	Service
Nam Khang Construction Materials Trading Company Limited	HCMC	Construction material trading
Nam Long VCD Corporation	Long An Province	Construction and real estate
Nam Phan Investment Corporation	HCMC	Construction and real estate
Nguyen Phuc Real Estate Trading and Investment Company Limited	HCMC	Real estate
Thao Nguyen Real Estate Business and Investment Company Limited	HCMC	Real estate
NLG – NNR – HR Fuji Limited Liability Company	HCMC	Construction and real estate
NNH Kikyo Flora Company Limited	HCMC	Real estate
NNH Kikyo Valora Company Limited	HCMC	Real estate
Joint venture		
NNH Mizuki Joint Stock Company	HCMC	Real estate

Nam Long Investment Corporation

GENERAL INFORMATION (continued)

THE COMPANY (continued)

The current principal activities of the Company are civil and industrial construction; housing trade (construction, renovation of houses for sale or lease); ground levelling, construction of drainage systems; installation and repair of electrical systems under 35KV; housing brokerage services; sale and purchase of construction materials; investment in construction and trade of urban areas. Investment in construction, trade, management and lease of: office buildings, supermarkets, schools, swimming pools, hotels, restaurants, golf course, sports facility zones and resorts (outside office premises); project management advisory service; design verification; real estate brokerage services; real estate exchange services; real estate consulting services; real estate advertising services; real estate management services.

The Company's head office is located at 11th Floor, Capital Tower, 6 Nguyen Khac Vien Street, Tan Phu Ward, District 7, Ho Chi Minh City, Vietnam and one branch in Can Tho City, Vietnam.

BOARD OF DIRECTORS

Members of the Board of Directors during the period and at the date of this report are:

Mr Nguyen Xuan Quang	Chairman
Mr Tran Thanh Phong	Vice chairman
Mr Lai Voon Hon	Member
Mr Bui Duc Khang	Member
Mr Chad Ryan Ovel	Member
Mr Trinh Van Tuan	Member
Mr Ziang Tony Ngo	Member
Mr Ngian Siew Siong	Member
Mr Cao Tan Thach	Member
Mr Linson Lim Soon Kooi	Member

BOARD OF SUPERVISION

Members of the Board of Supervision during the period and at the date of this report are:

Ms Nguyen Luu Tuyen	Head	appointed on 22 April 2017
Ms Nguyen Thi Thanh Thao	Head	resigned on 22 April 2017
	Member	appointed on 22 April 2017
Mr Dang Hong Tan	Member	appointed on 22 April 2017
Mr Vuong Thuan	Member	resigned on 22 April 2017
Mr Yip Chong Kuan	Member	resigned on 22 April 2017

MANAGEMENT

Members of the Management during the period and at the date of this report are:

Mr Chu Chee Kwang	General Director
Mr Chau Quang Phuc	Chief Financial Officer
Ms Nguyen Thanh Huong	Investment Director

LEGAL REPRESENTATIVE

The legal representative of the Company during the period and at the date of this report is Mr Nguyen Xuan Quang.

AUDITORS

The auditor of the Company is Ernst & Young Vietnam Limited.

Nam Long Investment Corporation

REPORT OF THE BOARD OF DIRECTORS

The Board of Directors of Nam Long Investment Corporation ("the Company") is pleased to present its report relating to the interim separate financial statements of the Company for the six-month period ended 30 June 2017.

MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE INTERIM SEPARATE FINANCIAL STATEMENTS

Management is responsible for the interim separate financial statements of each financial period which give a true and fair view of the interim separate financial position of the Company and of the interim separate results of its operations and its interim separate cash flows for the period. In preparing those interim separate financial statements, management is required to:

- ▶ select suitable accounting policies and then apply them consistently;
- ▶ make judgements and estimates that are reasonable and prudent;
- ▶ state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the interim separate financial statements; and
- ▶ prepare the interim separate financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue its business.

Management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the interim separate financial position of the Company and to ensure that the accounting records comply with the applied accounting system. It 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.

Management confirmed that it has complied with the above requirements in preparing the accompanying interim separate financial statements.

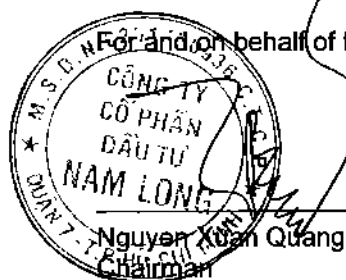
APPROVAL OF THE INTERIM SEPARATE FINANCIAL STATEMENTS

We hereby approve the accompanying interim separate financial statements which give a true and fair view of the interim separate financial position of the Company as at 30 June 2017 and of the interim separate results of its operations and its interim separate cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of interim separate financial statements.

The Company is the parent company of the subsidiaries listed in Note 11.1 and the interim consolidated financial statements of the Company and its subsidiaries ("the Group") for the six-month period ended 30 June 2017 prepared in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the relevant statutory requirements relevant to preparation and presentation of the interim consolidated financial statements have been issued separately.

Users of these interim separate financial statements should read them together with the said interim consolidated financial statements of the Group in order to obtain full information on the interim consolidated financial position, interim consolidated results of operations and interim consolidated cash flows of the Group as a whole.

For and on behalf of the Board of Directors:



Ho Chi Minh City, Vietnam

11 August 2017



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Reference: 60755865/19324218/LR

REPORT ON REVIEW OF INTERIM SEPARATE FINANCIAL STATEMENTS

To: The Shareholders and the Board of Directors of Nam Long Investment Corporation

We have reviewed the accompanying interim separate financial statements of Nam Long Investment Corporation ("the Company") as prepared on 11 August 2017 and set out on pages 6 to 44, which comprise the interim separate balance sheet as at 30 June 2017, the interim separate income statement and the interim separate cash flow statement for the six-month period then ended and the notes thereto.

Management's responsibility

The Company's management is responsible for the preparation and fair presentation of the interim separate financial statements in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of interim separate financial statements, and for such internal control as management determines is necessary to enable the preparation and presentation of interim separate financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express a conclusion on the interim separate financial statements based on our review. We conducted our review in accordance with Vietnamese Standard on Review Engagements No. 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity.

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim separate financial statements do not give a true and fair view, in all material respects, of the interim separate financial position of the Company as at 30 June 2017, and of the interim separate results of its operations and its interim separate cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of interim separate financial statements.



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Emphasis of matter

We draw attention to Note 2.1 of the interim separate financial statements. The Company prepared the interim consolidated financial statements of the Company and its subsidiaries ("the Group") for the six-month period ended 30 June 2017 in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the interim consolidated financial statements. We have reviewed these interim consolidated financial statements and our report on dated 11 August 2017 has expressed an unqualified conclusion. Users of the accompanying interim separate financial statements should read them together with the said interim consolidated financial statements in order to obtain full information on the interim consolidated financial position, interim consolidated results of operations and interim consolidated cash flows of the Group.

Our review conclusion on the interim separate financial statements is not modified in respect of this matter.



Ernst & Young Vietnam Limited

CÔNG TY
TRÁCH NHIỆM HỮU HẠN
ERNST & YOUNG
VIỆT NAM

Duong Le Anthony
Deputy General Director
Audit Practicing Registration Certificate
No. 2223-2013-004-1

Ho Chi Minh City, Vietnam

11 August 2017

INTERIM SEPARATE BALANCE SHEET
as at 30 June 2017

VND


Code	ASSETS	Notes	30 June 2017	31 December 2016
100	A. CURRENT ASSETS		1,703,574,839,739	1,956,102,996,394
110	I. Cash and cash equivalents	4	58,896,351,843	255,845,852,248
111	1. Cash		43,180,087,076	118,029,587,481
112	2. Cash equivalents		15,716,264,767	137,816,264,767
120	II. Short-term investment	5	35,225,650,676	25,822,085,285
123	1. Held-to-maturity investments		35,225,650,676	25,822,085,285
130	III. Current accounts receivable		1,258,963,338,921	1,294,884,686,352
131	1. Short-term trade receivables	6	260,019,525,310	335,464,317,008
132	2. Short-term advances to suppliers	7	620,984,876,080	531,634,120,017
135	3. Short-term loan receivables	8	146,974,190,411	210,241,572,411
136	4. Other short-term receivables	9	231,170,508,615	217,730,438,411
137	5. Provision for doubtful debts		(185,761,495)	(185,761,495)
140	IV. Inventories	10	333,509,118,865	379,274,858,231
141	1. Inventories		333,509,118,865	379,274,858,231
150	V. Other current assets		16,980,379,434	275,514,278
151	1. Short-term prepaid expenses		1,112,678,863	275,514,278
152	2. Value-added tax deductible		15,867,700,571	-
200	B. NON-CURRENT ASSETS		4,309,661,838,342	3,393,740,537,664
210	I. Long-term receivables		138,862,595,149	158,711,312,338
215	1. Long-term loan receivables	8	47,300,000,000	37,300,000,000
216	2. Other long-term receivables	9	91,562,595,149	121,411,312,338
220	II. Fixed assets		5,117,185,499	5,909,971,853
221	1. Tangible fixed assets		3,716,240,405	4,162,149,713
222	Cost		8,661,332,628	8,622,832,628
223	Accumulated depreciation		(4,945,092,223)	(4,460,682,915)
227	2. Intangible fixed assets		1,400,945,094	1,747,822,140
228	Cost		4,695,194,894	4,695,194,894
229	Accumulated amortisation		(3,294,249,800)	(2,947,372,754)
230	III. Investment properties		-	-
231	1. Cost		816,491,827	816,491,827
232	2. Accumulated depreciation		(816,491,827)	(816,491,827)
250	IV. Long-term investments	11	4,156,784,112,880	3,214,641,902,026
251	1. Investments in subsidiaries	11.1	3,604,784,112,880	3,140,275,472,880
252	2. Investments in a jointly controlled entity	11.2	550,000,000,000	22,400,000,000
253	3. Investment in other entities	11.3	2,000,000,000	51,966,429,146
260	V. Other long-term assets		8,897,944,814	14,477,351,447
261	1. Long-term prepaid expenses		1,957,460,986	7,444,843,686
262	2. Deferred tax assets	24.3	6,940,483,828	7,032,507,761
270	TOTAL ASSETS		6,013,236,678,081	5,349,843,534,058

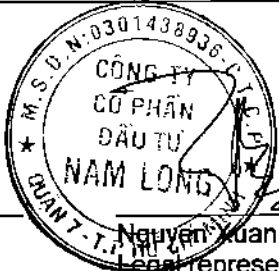
INTERIM SEPARATE BALANCE SHEET (continued)
as at 30 June 2017

VND

Code	RESOURCES	Notes	30 June 2017	31 December 2016
300	C. LIABILITIES		3,750,132,319,721	3,059,992,304,512
310	I. Current liabilities		1,851,099,467,695	1,816,633,725,857
311	1. Short-term trade payables	12	50,376,438,959	183,702,913,747
312	2. Short-term advances from customers	13	264,823,489,292	371,941,791,040
313	3. Statutory obligations	14	41,708,181,988	69,320,278,767
314	4. Payables to employees		855,301,659	13,429,225,659
315	5. Short-term accrued expenses	15	581,435,526,018	544,238,608,117
319	6. Other short-term payables	16	313,605,746,746	337,576,606,956
320	7. Short-term loans	17	574,503,357,296	294,486,468,259
322	8. Bonus and welfare fund		23,791,425,737	1,937,833,312
330	II. Non-current liabilities		1,899,032,852,026	1,243,358,578,655
337	1. Other long-term liabilities		2,621,549,515	2,453,549,515
338	2. Long-term loans and debts	17	1,414,475,236,548	762,261,387,000
339	3. Convertible bond	18	466,491,174,402	463,083,450,079
341	4. Deferred tax liabilities	24.3	2,696,372,479	2,696,372,479
342	5. Long-term provisions		12,748,519,082	12,863,819,582
400	D. OWNERS' EQUITY		2,263,104,358,360	2,289,851,229,546
410	I. Capital	19.1	2,263,104,358,360	2,289,851,229,546
411	1. Share capital		1,421,145,100,000	1,421,145,100,000
411a	- Shares with voting rights		1,421,145,100,000	1,421,145,100,000
412	2. Share premium		492,161,147,061	492,161,147,061
413	3. Convertible bond options		40,503,427,830	40,503,427,830
418	4. Investment and development fund		5,940,860,165	5,940,860,165
421	5. Undistributed earnings		303,353,823,304	330,100,694,490
421a	- Undistributed earnings by the end of prior year		271,924,181,500	186,714,027,547
421b	- Net profit after tax of current period		31,429,641,804	143,386,666,943
440	TOTAL LIABILITIES AND OWNERS' EQUITY		6,013,236,678,081	5,349,843,534,058


Pham Thi Duong Lieu
Preparer


Luong Thi Kim Thoa
Chief Accountant


Nguyen Xuan Quang
Legal representative

11 August 2017

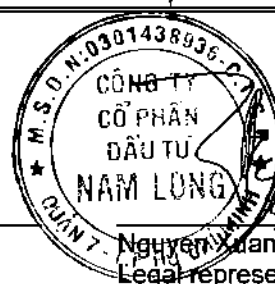
INTERIM SEPARATE INCOME STATEMENT
for the six-month period ended 30 June 2017

VND

Code	ITEMS	Notes	For the six-month period ended 30 June 2017	For the six-month period ended 30 June 2016
01	1. Revenues from sale of goods and rendering of services	20.1	443,925,283,556	1,026,954,353,213
02	2. Deductions	20.1	(1,484,466,390)	-
10	3. Net revenues from sale of goods and rendering of services	20.1	442,440,817,166	1,026,954,353,213
11	4. Costs of goods sold and services rendered	21	(364,310,580,292)	(826,543,438,675)
20	5. Gross profit from sale of goods and rendering of services		78,130,236,874	200,410,914,538
21	6. Finance income	20.2	88,249,292,785	39,227,533,420
22	7. Finance expenses	22	(68,688,220,944)	(24,317,565,058)
23	- In which: Interest expense		(56,233,050,569)	(16,191,130,634)
25	8. Selling expenses	23	(19,517,140,699)	(74,860,538,022)
26	9. General and administrative expenses	23	(46,459,452,364)	(43,200,718,801)
30	10. Operating profit		31,714,715,652	97,259,626,077
31	11. Other income		1,463,766,410	2,596,031,822
32	12. Other expenses		(758,280)	(865,415)
40	13. Other profit		1,463,008,130	2,595,166,407
50	14. Accounting profit before tax		33,177,723,782	99,854,792,484
51	15. Current corporate income tax expense	24.1	(1,656,058,045)	(19,624,416,187)
52	16. Deferred tax (expense) income	24.3	(92,023,933)	1,138,421,338
60	17. Net profit after tax		31,429,641,804	81,368,797,655

Pham Thi Duong Lieu
Preparer

Luong Thi Kim Thoa
Chief Accountant



Nguyen Van Quang
Legal representative

11 August 2017

INTERIM SEPARATE CASH FLOW STATEMENT
for the six-month period ended 30 June 2017

VND

Code	ITEMS	Notes	For the six-month period ended 30 June 2017	For the six-month period ended 30 June 2016
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	Profit before tax		33,177,723,782	99,854,792,484
	<i>Adjustments for:</i>			
02	Depreciation and amortisation		831,286,354	646,440,534
03	Reversal of provision		-	(142,119,600)
04	Foreign exchange losses arising from revaluation of monetary accounts denominated in foreign currency		-	1,625,497,346
05	Profits from investing activities		(88,249,292,785)	(39,227,533,420)
06	Interest expense	22	56,233,050,569	16,191,130,634
08	Operating profit before changes in working capital		1,992,767,920	78,948,207,978
09	Increase in receivables		(10,593,438,674)	(100,292,597,592)
10	Decrease in inventories		51,099,817,041	366,146,515,293
11	Decrease in payables		(290,593,047,251)	(380,789,688,224)
12	Decrease (increase) in prepaid expenses		4,650,218,115	(35,177,684,685)
14	Interest paid		(37,826,032,685)	(15,245,752,150)
15	Corporate income tax paid	14	(33,653,280,269)	(30,528,117,250)
17	Other cash outflows from operating activities		(936,407,575)	(2,639,221,841)
20	Net cash flows used in operating activities		(315,859,403,378)	(119,578,338,471)
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchases of fixed assets		(38,500,000)	(846,165,818)
23	Loans to other entities		(30,000,000,000)	(63,645,085,629)
24	Collections from borrowers and proceeds from sale of debt instruments of other entities		28,664,682,000	-
25	Payments for investments in other entities		(996,286,750,000)	(256,998,161,024)
26	Proceeds from sale of investments in other entities		122,366,429,146	183,583,558,448
27	Interest and dividends received		62,454,958,118	20,286,967,805
30	Net cash flows used in investing activities		(812,839,180,736)	(117,618,886,218)
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
31	Issuance of convertible bond	19.1	-	40,503,427,830
33	Drawdown of borrowings		1,108,686,095,000	721,569,800,000
34	Repayment of borrowings		(176,748,643,452)	(138,007,221,000)
36	Dividends paid	19.2	(188,367,839)	(65,781,530,906)
40	Net cash flows from financing activities		931,749,083,709	558,284,475,924

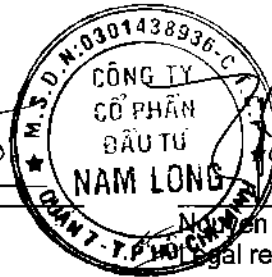
INTERIM SEPARATE CASH FLOW STATEMENT (continued)
for the six-month period ended 30 June 2017

VND

Code	ITEMS	Notes	For the six-month period ended 30 June 2017	For the six-month period ended 30 June 2016
50	Net (decrease) increase in cash and cash equivalents		(196,949,500,405)	321,087,251,235
60	Cash and cash equivalents at beginning of period		255,845,852,248	154,620,194,401
70	Cash and cash equivalents at end of period	4	58,896,351,843	475,707,445,636

Pham Thi Duong Lieu
Preparer

Luong Thi Kim Thoa
Chief Accountant



Nguyễn Xuân Quang
Legal representative

11 August 2017

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS
as at and for the six-month period ended 30 June 2017

1. CORPORATE INFORMATION

Nam Long Investment Corporation ("the Company") is a joint stock company incorporated under the Law on Enterprise of Vietnam pursuant to the Business Registration Certificate No. 4103004194 issued by the Ho Chi Minh City Department of Planning and Investment ("DPI") on 27 December 2005, as amended.

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As at 30 June 2017, the Company has fourteen direct subsidiaries, two indirect subsidiaries and one jointly-controlled entity with details as follows:

<i>Company</i>	<i>Location</i>	<i>Business</i>
Subsidiaries		
Nam Long Property Management and Development One Member Limited Company ("Nam Long PMD")	Ho Chi Minh City ("HCMC")	Construction and real estate
Nam Long Service Joint Stock Company ("Nam Long Service")	HCMC	Service and construction
Nam Long - Hong Phat Joint Stock Company ("Nam Long - Hong Phat")	Can Tho City	Construction and real estate
Nguyen Son Real Estate Joint Stock Company ("Nguyen Son")	HCMC	Real estate
Nam Long Apartment Development Corporation ("Nam Long ADC")	HCMC	Construction and real estate
Nam Long Real Estate Transaction Floor One Member Limited Liability Company ("Trading Floor")	HCMC	Real estate trading floor
Nam Khang Construction Investment Development One Member Limited Liability Company ("Nam Khang")	HCMC	Construction and real estate
Nam Vien Construction and Design Consulting Joint Stock Company ("Nam Vien")	HCMC	Service
Nam Khang Construction Materials Trading Company Limited ("Nam Khang Materials")	HCMC	Construction material trading
Nam Long VCD Corporation ("Nam Long VCD")	Long An Province	Construction and real estate
Nam Phan Investment Corporation ("Nam Phan")	HCMC	Construction and real estate
NLG – NNR – HR Fuji Limited Liability Company ("NLG – NNR – HR Fuji")	HCMC	Construction and real estate
Nguyen Phuc Real Estate Trading and Investment Company Limited ("Nguyen Phuc")	HCMC	Real estate
Thao Nguyen Real Estate Business and Investment Company Limited ("Thao Nguyen")	HCMC	Real estate
NNH Kikyo Flora Company Limited ("Kikyo Flora")	HCMC	Real estate
NNH Kikyo Valora Company Limited ("Kikyo Valora")	HCMC	Real estate
Joint venture		
NNH Mizuki Joint Stock Company ("NNH Mizuki")	HCMC	Real estate

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2017

1. CORPORATE INFORMATION (continued)

The current principal activities of the Company are civil and industrial construction; housing trade (construction, renovation of houses for sale or lease); ground levelling, construction of drainage systems; installation and repair of electrical systems under 35KV; housing brokerage services; sale and purchase of construction materials; investment in construction and trade of urban areas. Investment in construction, trade, management and lease of: office buildings, supermarkets, schools, swimming pools, hotels, restaurants, golf course, sports facility zones and resorts (outside office premises); project management advisory service; design verification; real estate brokerage services; real estate exchange services; real estate consulting services; real estate advertising services; real estate management services.

The Company's head office is located at 11 Floor, Capital Tower, 6 Nguyen Khac Vien, Tan Phu Ward, District 7, Ho Chi Minh City and one branch in Can Tho City, Vietnam.

The number of the Company's employees as at 30 June 2017 is 186 employees (31 December 2016: 183 employees).

2. BASIS OF PREPARATION

2.1 Purpose of preparing the interim separate financial statements

The Company has subsidiaries as disclosed in Note 11.1. The Company prepared these interim separate financial statements to meet the prevailing requirements in relation to disclosure of information, specifically the Circular No. 155/2015/TT-BTC on disclosure of information on the securities market. In addition, as required by these regulations, the Company has also prepared the interim consolidated financial statements of the Company and its subsidiaries ("the Group") for the six-month period ended 30 June 2017.

Users of the interim separate financial statements should read them together with the said interim consolidated financial statements in order to obtain full information on the interim consolidated financial position, interim consolidated results of operations and interim consolidated cash flows of the Group as a whole.

2.2 Accounting Standards and System

The interim separate financial statements of the Company expressed in Vietnam dong ("VND"), are prepared in accordance with the Vietnamese Enterprise Accounting System, Vietnamese Accounting Standard No. 27 – Interim Financial Reporting and Vietnamese Accounting Standards issued by the Ministry of Finance as per:

- ▶ Decision No. 149/2001/QD-BTC dated 31 December 2001 on the Issuance and Promulgation of Four Vietnamese Accounting Standards (Series 1);
- ▶ Decision No. 165/2002/QD-BTC dated 31 December 2002 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 2);
- ▶ Decision No. 234/2003/QD-BTC dated 30 December 2003 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 3);
- ▶ Decision No. 12/2005/QD-BTC dated 15 February 2005 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 4); and
- ▶ Decision No. 100/2005/QD-BTC dated 28 December 2005 on the Issuance and Promulgation of Four Vietnamese Accounting Standards (Series 5).

Accordingly, the accompanying interim separate balance sheet, interim separate income statement, interim separate cash flow statement and related notes, including their utilisation are not designed for those who are not informed about Vietnam's accounting principles, procedures and practices and furthermore are not intended to present the interim separate financial position and interim separate results of operations and interim separate cash flows of the Company in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2017

2. BASIS OF PREPARATION (continued)

2.3 Applied accounting documentation system

The Company's applied accounting documentation system is the General Journal system.

2.4 Fiscal year

The Company's fiscal year applicable for the preparation of its separate financial statements starts on 1 January and ends on 31 December.

2.5 Accounting currency

The interim separate financial statements are prepared in VND which is also the Company's accounting currency.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash at banks and short-term, highly liquid investments with an original maturity of less than three (3) months that are readily convertible into known amounts of cash and that are subject to an insignificant risk of change in value.

3.2 Inventories

Inventories comprise development projects undertaken by the Company which are in the work in progress stage and including mainly apartments, town houses and villas for sale under construction and land held for sale.

Apartments, town houses and villas for sale under construction are carried at the lower of cost and net realizable value. Costs include all expenditures including borrowing costs, directly attributable to the development and construction of the apartments, town houses and villas. Net realizable value represents current selling price less estimated cost to complete apartments, town houses and villas, and estimated selling and marketing expenses.

Land held for constructing apartments, town houses and villas which is presented as part of "Inventories" is carried at the lower of cost and net realizable value. Costs include all expenditures including borrowing costs directly related to the acquisition, site clearance, land compensation and infrastructure construction. Net realizable value represents estimated current selling price less anticipated cost of disposal.

Provision for obsolete inventories

An inventory provision is created for the estimated loss arising due to the impairment of value of inventories owned by the Company, based on appropriate evidence of impairment available at the interim balance sheet date.

Increases or decreases to the provision balance are recorded into the cost of goods sold account in the interim separate income statement.

3.3 Receivables

Receivables are presented in the interim separate financial statements at the carrying amounts due from customers and other debtors, after the provision for doubtful debts.

The provision for doubtful debts represents amounts of outstanding receivables at the interim balance sheet date which are doubtful of being recovered. Increases or decreases to the provision balance are recorded as general and administrative expense in the interim separate income statement.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2017

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.4 Fixed assets

Tangible and intangible fixed assets are stated at cost less accumulated depreciation and amortisation.

The cost of a fixed asset comprises its purchase price and any directly attributable costs of bringing the fixed asset to working condition for its intended use.

Expenditures for additions, improvements and renewals are added to the carrying amount of the assets and expenditures for maintenance and repairs are charged to the interim separate income statement as incurred.

When fixed assets are sold or retired, any gain or loss resulting from their disposal is (the difference between the net disposal proceeds and the carrying amount) included in the interim separate income statement.

Land use rights ("LURs")

LURs are recorded as intangible fixed assets if the land is held for use in the production or business, for rental to others by the enterprise and when the Company receives the LUR certificate. The cost of LUR comprises any directly attributable costs of preparing the land for its intended use. LUR with indefinite useful life is not amortised.

The advance payment for land rental, of which the land lease contracts have effectiveness prior to 2003 and the land use rights certificate being issued are recorded as intangible asset according to Circular No. 45/2013/TT-BTC issued by the Ministry of Finance on 25 April 2013 guiding the management, use and depreciation of fixed assets ("Circular 45"). The land use right is amortized over the useful life, except for land use right having indefinite useful life is not amortised.

3.5 Leased assets

Where the Company is the lessee

Rentals under operating leases are charged to the interim separate income statement on a straight-line basis over the lease term.

Where the Company is the lessor

Assets subject to operating leases are included as the Company's investment properties in the interim separate balance sheet. Initial direct costs incurred in negotiating an operating lease are recognised in the interim separate income statement as incurred.

Lease income is recognised in the interim separate income statement on a straight-line basis over the lease term.

3.6 Depreciation and amortisation

Depreciation of tangible fixed assets and amortisation of intangible fixed assets are calculated on a straight-line basis over the estimated useful life of each asset as follows:

Machinery and equipment	5 - 12 years
Buildings and structures	25 years
Motor vehicles	6 - 8 years
Office equipment	4 - 8 years
Computer software	5 years

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2017

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.7 Investment properties

Investment properties are stated at cost including transaction costs less accumulated depreciation and amortisation.

Subsequent expenditure relating to an investment property that has already been recognized is added to the net book value of the investment property when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing investment property, will flow to the Company.

Depreciation and amortisation of investment properties are calculated on a straight-line basis over the estimated useful life of each asset as follows:

Buildings and structures	6 - 25 years
--------------------------	--------------

LURs with indefinite useful life are not amortised.

Investment properties are derecognised when either they have been disposed of or when the investment properties are permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the assets is recognised in the interim separate income statement in the period of retirement or disposal.

Transfers are made to investment properties when, and only when, there is a change in use, evidenced by ending of owner-occupation, commencement of an operating lease to another party or ending of construction or development. Transfers are made from investment properties when, and only when, there is change in use, evidenced by commencement of owner-occupation or commencement of development with a view to sale. The transfer from investment property to owner-occupied property or inventories does not change the cost or the carrying value of the property for subsequent accounting at the date of change in use.

3.8 Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds and are recorded as expense during the period in which they are incurred, except to the extent that they are capitalized as explained in the following paragraph.

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that necessarily take a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset.

3.9 Prepaid expenses

Prepaid expenses are reported as short-term or long-term prepaid expenses on the interim separate balance sheet and amortised over the period for which the amounts are paid or the period in which economic benefits are generated in relation to these expenses.

The following types of expenses are recorded as long-term prepaid expense and are amortised to the interim separate income statement:

- ▶ Tools and consumables with large value issued into construction and can be used for more than one year;
- ▶ Show houses; and
- ▶ Commission fee.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2017

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.10 Investments

Investments in subsidiaries

Investments in subsidiaries over which the Company has control are carried at cost.

Distributions from accumulated net profits of the subsidiaries arising subsequent to the date of acquisition are recognised in the interim separate income statement. Distributions from sources other than from such profits are considered a recovery of investment and are deducted to the cost of the investment.

Investments in joint ventures

Investments in joint ventures over which the Company has joint control with the other venture are carried at cost.

Distributions from accumulated net profits of the joint ventures arising subsequent to the date of acquisition are recognised in the interim separate income statement. Distributions from sources other than from such profits are considered a recovery of investment and are deducted to the cost of the investment.

Investments in other entities

Investments in other entities are stated at their acquisition costs.

Provision for investments

Provision is made for any diminution in value of the investments in capital of other entities at the interim balance sheet date in accordance with the guidance under Circular No. 228/2009/TT-BTC dated 7 December 2009 and Circular No. 89/2013/TT-BTC dated 28 June 2013 issued by the Ministry of Finance. Increases or decreases to the provision balance are recorded as finance expense in the interim separate income statement.

Held-to-maturity investments

Held-to-maturity investments are stated at their acquisition costs. After initial recognition, held-to-maturity investments are measured at recoverable amount. Any impairment loss incurred is recognised as expense in the interim separate financial statements and deducted against the value of such investments.

3.11 Payables and accruals

Payables and accruals are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Company.

3.12 Accrual for severance pay

The severance pay to employee is accrued at the end of each reporting period for all employees who have been in service for more than 12 months up to 31 December 2008 at the rate of one-half of the average monthly salary for each year of service up to 31 December 2008 in accordance with the Labour Code, and related implementing guidance. The average monthly salary used in this calculation will be revised at the end of each reporting period following the average monthly salary of the 6-month period up to the reporting date. Increases or decreases to the accrued amount other than actual payment to employee will be taken to the interim separate income statement.

This accrued severance pay is used to settle the termination allowance to be paid to employee upon termination of their labour contract following Article 48 of the Labour Code.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2017

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.13 Foreign currency transactions

Transactions in currencies other than the Company's reporting currency of VND are recorded at the actual transaction exchange rates at transaction dates which are determined as follows:

- transactions resulting in receivables are recorded at the buying exchange rates of the commercial banks designated for collection; and
- transactions resulting in liabilities are recorded at the selling exchange rates of the transaction of commercial banks designated for payment.

At the end of the period, monetary balances denominated in foreign currencies are translated at the actual transaction exchange rates at the interim balance sheet dates which are determined as follows:

- monetary assets are translated at buying exchange rate of the commercial bank where the Company conducts transactions regularly; and
- monetary liabilities are translated at selling exchange rate of the commercial bank where the Company conducts transactions regularly.

All foreign exchange differences are taken to the interim separate income statement.

3.14 Appropriation of net profit

Net profit after tax is available for appropriation to shareholders after approval in the annual general meeting, and after making appropriation to reserve funds in accordance with the Company's Charter and Vietnam's regulatory requirements.

The Company maintains the following reserve funds which are appropriated from the Company's net profit as proposed by the Board of Directors and subject to approval by shareholders at the annual general meeting:

▶ *Investment development fund*

This fund is set aside for use in the Company's expansion of its operation or of in-depth investments.

▶ *Bonus and welfare fund*

This fund is set aside for the purpose of pecuniary rewarding and encouraging, common benefits and improvement of the employees' benefits, and presented as a liability on the interim separate balance sheet.

3.15 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, excluding trade discount, rebate and sales return. The following specific recognition criteria must also be met before revenue is recognised:

Sale of villas, town houses and apartments

For villas, town houses and apartments sold after completion of construction, the revenue and associated costs are recognised when the significant risks and rewards of ownership of the villas, town houses or apartments have passed to the buyers.

Sale of residential plots and related infrastructure

Revenue from the sale of residential plots and related infrastructures are recorded at the total consideration received when residential plots and related infrastructures are transferred to the customers.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2017

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.15 Revenue recognition (continued)

Rendering of other services

Revenue is recognised when services have been rendered and completed.

Interest

Revenue is recognised as the interest accrues (taking into account the effective yield on the asset) unless collectability is in doubt.

Dividends

Income is recognised when the Company's entitlement as an investor to receive the dividend is established.

Rental income

Rental income arising from operating leases is accounted for on a straight-line basis over the terms of the lease.

3.16 Taxation

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted as at the interim balance sheet date.

Current income tax is charged or credited to the interim separate income statement, except when it relates to items recognised directly to equity, in which case the current income tax is also dealt with in equity.

Current income tax assets and liabilities are offset when there is a legally enforceable right for the Company to offset current tax assets against current tax liabilities and when the Company intends to settle its current tax assets and liabilities on a net basis.

Deferred tax

Deferred tax is provided using the liability method on temporary differences at the interim balance sheet date between the tax base of assets and liabilities and their carrying amount for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the related transaction affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, carried forward unused tax credit and unused tax losses, to the extent that it is probable that taxable profit will be available against which deductible temporary differences, carried forward unused tax credit and unused tax losses can be utilised, except where the deferred income tax asset in respect of deductible temporary difference which arises from the initial recognition of an asset or liability which at the time of the related transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each interim balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Previously unrecognised deferred tax assets are re-assessed at each interim balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2017

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.16 Taxation (continued)

Deferred tax (continued)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled based on tax rates and tax laws that have been enacted at the interim balance sheet date.

Deferred tax is charged or credited to the interim separate income statement, except when it relates to items recognised directly to equity, in which case the deferred tax is also dealt with in the equity account.

Deferred tax assets and liabilities are offset when there is a legally enforceable right for the Company to off-set current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority on either the same taxable entity or when the Company intends either settle current tax liabilities and assets on a net basis or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred income tax liabilities or assets are expected to be settled or recovered.

3.17 Convertible bond

Bond that are convertible by the holder into a fixed number of ordinary shares of the entity are separated into financial liability (a contractual arrangement to deliver cash or other financial assets) and equity instrument (a call option granting the holder the right, for a specified period of time) based on the terms of the contract.

On issuance of the convertible bond, the fair value of the liability component is determined by discounting the future payment (including principal and interest) to present value at the market rate for an equivalent non-convertible bond less issuance cost. This amount is classified as a financial liability measured at amortised cost (net of issuance costs) until it is extinguished on conversion or redemption.

The remainder of the proceeds is allocated to the conversion option that is recognised and included in shareholders' equity. The carrying amount of the conversion option is not re-measured in subsequent periods.

Transaction costs are amortised during the lifetime of the bond. At initial recognition, issuance costs are deducted from the liability component of the bond.

3.18 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 influences over the Company, key management personnel, including directors and officers of the Company and close members of the families of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2017

4. CASH AND CASH EQUIVALENTS

	VND	
	30 June 2017	31 December 2016
Cash on hand	92,187,321	1,302,019,948
Cash at banks	43,087,899,755	116,727,567,533
Cash equivalents (*)	15,716,264,767	137,816,264,767
TOTAL	<u>58,896,351,843</u>	<u>255,845,852,248</u>

(*) Cash equivalents comprised bank deposits with original maturity of less than three months and earn interest at the rate of from 5.2% to 6.5% per annum.

5. SHORT-TERM INVESTMENTS

Held-to-maturity investments represented the term deposits at the commercial banks with the original maturity of six months and earned the interest at the rates ranging from 6.2% to 6.5% p.a.

6. SHORT-TERM TRADE RECEIVABLES

	VND	
	30 June 2017	31 December 2016
Trade receivables from other customers	172,205,240,212	256,789,333,126
Trade receivables from related parties (Note 25)	87,814,285,098	78,674,983,882
TOTAL	<u>260,019,525,310</u>	<u>335,464,317,008</u>

7. SHORT-TERM ADVANCES TO SUPPLIERS

	VND	
	30 June 2017	31 December 2016
Advances for purchases of land use rights	556,779,640,531	477,481,353,363
- Hoang Nam Company Limited	501,000,000,000	471,000,000,000
- Others	55,779,640,531	6,481,353,363
Advances to subcontractors	56,168,234,322	49,606,220,537
- Dien Quang Nguyen Construction Joint Stock Company	12,245,492,231	9,715,513,304
- Others	43,922,742,091	39,890,707,233
Advances to related parties (Note 25)	8,037,001,227	4,546,546,117
TOTAL	<u>620,984,876,080</u>	<u>531,634,120,017</u>

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2017

8. LOAN RECEIVABLES

	VND	
	30 June 2017	31 December 2016
Loans to related parties (Note 25)	<u>194,274,190,411</u>	<u>247,541,572,411</u>
<i>In which:</i>		
Short-term loan	146,974,190,411	210,241,572,411
Long-term loan	47,300,000,000	37,300,000,000

Details of the loan receivables are as follows:

Borrower	30 June 2017	Due date	Interest rate	Purpose
	VND		% p.a	
Nam Long VCD Corporation				
Loan 1	146,974,190,411	31 December 2017	10.5	Support their working capital needs
Loan 2	<u>47,300,000,000</u>	25 May 2019	10.0	
	<u>194,274,190,411</u>			

9. OTHER RECEIVABLES

	VND	
	30 June 2017	31 December 2016
Short-term		
Loan interest receivable	96,878,929,869	85,708,856,176
Staff advances for land compensation and legal purpose	74,806,665,000	91,518,062,566
Receivable from investment in Business Cooperation Contracts ("BCC")	38,506,113,376	24,210,353,467
Prepayment of corporate income tax based on payment progress of customers	5,500,156,333	5,332,277,840
Staff advances for other purposes	4,215,428,724	3,436,578,197
Others	<u>11,263,215,313</u>	<u>7,524,310,165</u>
	<u>231,170,508,615</u>	<u>217,730,438,411</u>
Long-term		
Investments in BCC projects (i)	87,264,530,680	117,264,530,680
Deposit	2,317,770,595	2,169,883,275
Others	<u>1,980,293,874</u>	<u>1,976,898,383</u>
	<u>91,562,595,149</u>	<u>121,411,312,338</u>
TOTAL	<u>322,733,103,764</u>	<u>339,141,750,749</u>
<i>In which:</i>		
Due from third parties	201,078,694,928	229,119,415,606
Due from related parties (Note 25)	121,654,408,836	110,022,335,143

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2017

9. OTHER RECEIVABLES (continued)

- (i) This amount mainly represented the BCC with 21 Century Joint Stock Company in 2015 to develop Lot 9B7 Residential Area on an area of 5.9 hectares in South Sai Gon Urban Area. The Company has 60% interest in this BCC. As at 30 June 2017, this project was under completion stage and hand over.

10. INVENTORIES

	VND	
	30 June 2017	31 December 2016
Inventory properties under development (i)	277,900,425,875	334,136,771,077
Engineering Procurement Contracts ("EPC") services (ii)	49,924,087,047	39,624,145,207
Work in progress	5,684,605,943	5,513,941,947
TOTAL	333,509,118,865	379,274,858,231
(i) Inventory properties under development:		
<i>Phuoc Long B Project - extension</i>	74,825,698,409	72,484,697,580
<i>Tan Thuan Dong Project</i>	59,298,342,406	62,498,691,311
<i>Hoang Nam Residence Project (**)</i>	58,735,146,240	35,642,626,256
<i>Can Tho Project (*)</i>	56,840,049,116	53,785,486,674
<i>Go O Moi Project</i>	13,399,490,788	12,561,986,261
<i>Long An projects (*)</i>	12,008,620,408	72,812,161,417
<i>E.Home West Saigon Project</i>		
<i>("Ehome 3 Project") (*)</i>	-	22,776,201,587
<i>Other projects</i>	2,793,078,508	1,574,919,991
(ii) Engineering Procurement Contracts services:		
<i>Nguyen Son Project</i>	18,296,352,188	8,820,304,900
<i>Camelia Project</i>	17,051,661,875	17,149,989,506
<i>Phu Huu Project</i>	13,971,381,334	13,430,592,654
<i>Other projects</i>	604,691,650	223,258,147

(*) The following land use rights have been mortgaged to secure the Company's outstanding borrowings (Note 17):

- Land use right in Hung Thanh Ward, Cai Rang District, Can Tho City;
- Land use right in An Thanh Ward, Ben Luc District, Long An Province; and
- Land use right in An Lac Ward, Binh Tan District, Ho Chi Minh City.

(**) During the period, the Company capitalised interest amounting to VND 19,931,424,898 to inventory properties under development (for the six-month period ended 30 June 2016: VND 14,807,096,082).

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2017

11. LONG-TERM INVESTMENTS

	VND	
	30 June 2017	31 December 2016
Investments in subsidiaries (Note 11.1)	3,604,784,112,880	3,140,275,472,880
Investments in a jointly-controlled entity (Note 11.2)	550,000,000,000	22,400,000,000
Other long-term investments (Note 11.3)	2,000,000,000	51,966,429,146
TOTAL	<u>4,156,784,112,880</u>	<u>3,214,641,902,026</u>

11.1 Investments in subsidiaries

Investments in subsidiaries as at the interim balance sheet date comprise the following:

Subsidiary	30 June 2017		31 December 2016	
	Interest	Cost of investment	Interest	Cost of investment
	%	VND	%	VND
Nam Long VCD	(i) 90.40	1,008,544,090,000	90.40	970,322,200,000
Nguyen Son	(i) 87.30	687,034,822,800	87.30	687,034,822,800
NLG – NNR – HR Fuji	(i) 50.00	355,214,839,707	50.00	355,214,839,707
Nam Phan	(i) 99.96	611,686,896,717	99.96	321,686,896,717
Nam Long ADC	97.14	286,698,033,000	97.14	286,698,033,000
Kikyo Valora	50.00	215,927,250,000	50.00	99,000,000,000
Nam Khang	100	201,981,690,000	100	201,981,690,000
Nam Long PMD	100	77,872,707,656	100	77,872,707,656
Kikyo Flora	50.00	64,000,000,000	50.00	25,410,500,000
Nam Long - Hong Phat	75.25	47,782,500,000	75.25	47,782,500,000
Thao Nguyen	(i) 50.00	28,483,116,500	50.00	28,483,116,500
Nguyen Phuc	50.00	12,043,166,500	50.00	32,043,166,500
Trading Floor	100	6,000,000,000	100	6,000,000,000
Nam Long Service	100	1,515,000,000	71.29	745,000,000
TOTAL		<u>3,604,784,112,880</u>		<u>3,140,275,472,880</u>

(i) These subsidiaries are still under construction phase as at 30 June 2017 and up to the date of these interim separate financial statements.

11.2 Investments in a jointly-controlled entity

Jointly controlled entity	Business	30 June 2017		31 December 2016	
		Interest	Cost of investment	Interest	Cost of investment
		%	VND	%	VND
NNH Mizuki	Real Estate	50	550,000,000,000	-	-
Gamuda - Nam Long Development Limited Liability Company	Real Estate	-	-	30	22,400,000,000
			<u>550,000,000,000</u>		<u>22,400,000,000</u>

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2017

11. LONG-TERM INVESTMENTS (continued)

11.3 Other long-term investments

	VND	
	30 June 2017	31 December 2016
Bac Trung Nam Housing Development Joint Stock Company	2,000,000,000	2,000,000,000
Can Tho – Hong Phat Project	-	49,966,429,146
TOTAL	<u>2,000,000,000</u>	<u>51,966,429,146</u>

12. SHORT-TERM TRADE PAYABLES

	VND	
	30 June 2017	31 December 2016
Trade payables to related parties (Note 25)	39,050,539,662	161,639,968,148
Trade payables to other suppliers	11,325,899,297	22,062,945,599
TOTAL	<u>50,376,438,959</u>	<u>183,702,913,747</u>

13. SHORT-TERM ADVANCES FROM CUSTOMERS

	VND	
	30 June 2017	31 December 2016
Advances from other suppliers (*)	248,206,163,292	371,941,791,040
Advances from a related party (Note 25)	16,617,326,000	-
TOTAL	<u>264,823,489,292</u>	<u>371,941,791,040</u>

(*) This amount represented advances from customers for apartments, town houses, villas and land purchases which are not yet handed over.

14. STATUTORY OBLIGATIONS

	VND			
	31 December 2016	Increase in the period	Decrease in the period	30 June 2017
Corporate income tax	54,221,741,237	1,656,058,045	(33,653,280,269)	22,224,519,013
Value-added tax	12,234,754,276	43,955,656,408	(38,546,009,239)	17,644,401,445
Personal income tax	2,861,293,811	10,970,605,140	(11,995,126,864)	1,836,772,087
Other taxes	2,489,443	1,140,982,282	(1,140,982,282)	2,489,443
TOTAL	<u>69,320,278,767</u>	<u>57,723,301,875</u>	<u>(85,335,398,654)</u>	<u>41,708,181,988</u>

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2017

15. SHORT TERM ACCRUED EXPENSES

	VND	
	30 June 2017	31 December 2016
Cost-to-complete of projects that revenues have been recognised	502,945,300,186	479,602,212,283
Interest expense payables	57,018,648,821	40,869,556,031
Other operating costs	21,471,577,011	23,766,839,803
TOTAL	<u>581,435,526,018</u>	<u>544,238,608,117</u>
<i>In which:</i>		
<i>Accrued expenses to other parties</i>	548,529,880,883	538,842,651,561
<i>Accrued expenses to related parties (Note 25)</i>	32,905,645,135	5,395,956,556

16. OTHER SHORT-TERM PAYABLES

	VND	
	30 June 2017	31 December 2016
Investment contributions received for BCCs	105,446,942,190	104,968,306,716
Profit shared to BCC partners	79,904,816,205	138,587,844,427
Maintenance and warranty expenses	67,100,995,606	62,163,089,556
Dividends payable	35,449,680,253	1,293,638,876
Borrowings from individuals	17,160,000,000	17,160,000,000
Deposits received	781,385,000	665,385,000
Others	7,761,927,492	12,738,342,381
TOTAL	<u>313,605,746,746</u>	<u>337,576,606,956</u>
<i>In which:</i>		
<i>Other payables to related parties (Note 25)</i>	163,056,260,342	238,279,459,479
<i>Other payables to other parties</i>	150,549,486,404	99,297,147,477

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2017

17. LOANS

	VND	
	30 June 2017	31 December 2016
Short-term		
Short-term loans from related parties (Notes 17.1 and 25)	204,110,795,000	28,000,000,000
Short-term loans from individuals (Note 17.1)	14,354,947,000	56,052,601,000
Short-term loan from a bank (Note 17.1)	13,000,000,000	13,000,000,000
Current portion of long-term loans (Note 17.2)	304,053,819,000	97,743,358,000
Current portion of bond	38,983,796,296	99,690,509,259
	<u>574,503,357,296</u>	<u>294,486,468,259</u>
Long-term		
Loans from banks (Note 17.2)	384,682,745,000	402,004,745,000
Current portion	127,553,819,000	97,743,358,000
Non-current portion	257,128,926,000	304,261,387,000
Current portion of bond (Note 17.3)	38,983,796,296	99,690,509,259
Loans from related parties (Notes 17.2 and 25)	1,333,846,310,548	458,000,000,000
Current portion	176,500,000,000	-
Non-current portion	1,157,346,310,548	458,000,000,000
	<u>1,414,475,236,548</u>	<u>762,261,387,000</u>
TOTAL	<u>1,988,978,593,844</u>	<u>1,056,747,855,259</u>

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2017

17. LOANS (continued)

17.1 Short-term loans

Details of the short-term loans are as follows:

	30 June 2017	Maturity date	Purpose	Interest rate	Description of collateral
	VND			(% p.a.)	
Short-term loans from individuals					
Short-term loans from individuals	14,354,947,000	9 December 2017	Support working capital needs	8.5 - 10.5	Unsecured
Short-term loans from related parties					
Nam Long ADC	29,110,795,000	28 September 2017	Support working capital needs	8.0	Unsecured
Nam Phan - Loan 1	115,000,000,000	9 March 2018		7.0	
Nam Phan - Loan 2	40,000,000,000	24 April 2018		6.0	
Nam Long Hong Phat	20,000,000,000	28 September 2017		7.0	
TOTAL	<u>204,110,795,000</u>				
Short-term loans from a bank					
Ho Chi Minh City Housing Development Bank	13,000,000,000	18 November 2017	Support working capital needs		9.5 LUR for 2,574 square meters and associated assets in Can Tho City; and LUR for 2,818 square meters in Long An Province



NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2017

17. LOANS (continued)

17.2 Long-term loans

Details of the long-term loan are as follows:

Lender	30 June 2017 VND	Maturity date	Purpose	Interest rate (%p.a.)	Description of collaterals
Long-term loans from related parties					
Nguyen Son - Loan 1	267,346,310,548	27 December 2018	Support working capital needs	7.0	Unsecured
Nguyen Son - Loan 2	600,000,000,000	28 April 2019		6.0	
Nam Phan - Loan 1	176,500,000,000	24 May 2018		8.0	
Nam Phan - Loan 2	290,000,000,000	15 May 2019		6.0	

TOTAL 1,333,846,310,548

In which :

Current portion	176,500,000,000
Long-term loan	1,157,346,310,548

Long-term loans from banks

Orient Commercial Joint Stock Bank - Loan 1	84,682,745,000	From 26 September 2016 to 6 May 2018	Support working capital needs	10.2	LUR for 1,064,307 square meters and future associated assets of Long An VCD project
Orient Commercial Joint Stock Bank - Loan 2	300,000,000,000	From 12 October 2017 to 12 October 2022	Purchase Hoang Nam project	9.9	Guaranteed by Hoang Nam Construction Trading Limited

TOTAL 384,682,745,000

In which :

Current portion	127,553,819,000
Long-term loan	257,128,926,000

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2017

17. LOANS (continued)

17.3 Bond

On 28 July 2014, the Company issued 350 non-convertible bonds to Orient Commercial Joint Stock Bank at par value of VND 1,000,000,000 per bond and at interest rate of 8.78% per annum for the first half year, paid on issuance date, and of 2.5% plus average interest rate of 12 month deposits at Bank for Foreign Trade of Vietnam, Vietnam Joint Stock Commercial Bank for Industry and Trade, Joint Stock Commercial Bank for Investment and Development of Vietnam and Orient Commercial Joint Stock Bank, for the following years. The bond will expire on 28 July 2017, and are used to finance working capital and for Ehome projects. During the period, the Company repaid VND 61,000,000,000. Amount of VND 38,983,796,296 will be paid on 28 July 2017.

The bond is mortgaged by 59 LURs at An Thanh residential compound, An Thanh, Ben Luc, Long An (Note 10).

17.4 Movements of loans and bond during the period

	<i>Loans</i>	<i>Bond</i>	<i>VND Total</i>
31 December 2016	957,057,346,000	99,690,509,259	1,056,747,855,259
Drawdown from borrowings	1,453,186,095,000	-	1,453,186,095,000
Repayment from borrowings	(460,248,643,452)	(61,000,000,000)	(521,248,643,452)
Cost of issuing bond	-	293,287,037	293,287,037
30 June 2017	<u>1,949,994,797,548</u>	<u>38,983,796,296</u>	<u>1,988,978,593,844</u>

18. CONVERTIBLE BOND

On 8 April 2016, the Board of Directors approved a detailed plan to execute the issuance of the convertible bond amounting to VND 500,000,000,000 to Ibeworth Pte. Ltd, a wholly-owned subsidiary of Keppel Land Ltd. in accordance with the terms and conditions stipulated in the shareholders' resolution No. 01/2016/NQ/ĐHĐCĐ/NLGs dated 18 March 2016. On 15 April 2016, the Company issued VND 500,000,000,000 convertible bonds at par value of VND 1,000,000,000 per unit. The bond will be converted into equity at the bond holder's option upon maturity and interest is charged from the purchase date at 7% per annum. Interest since the Interest Payment date last preceding the relevant Conversion date is waived if conversion option is exercised at a conversion price of VND 23,500 per share which is subject to adjustments for dilutive events if any.

The equity and liability component of the convertible bond are presented as below:

	<i>VND 30 June 2017</i>
Value of convertible bond	500,000,000,000
Equity component (Note 19.1)	<u>(40,503,427,830)</u>
Liability component at initial recognition	459,496,572,170
Add: Accumulated amortisation	6,994,602,232
Liability component as at 30 June 2017	<u>466,491,174,402</u>

Nam Long Investment Corporation

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NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2017

19. OWNERS' EQUITY

19.1 Increases and decreases in owners' equity

	Share capital	Share premium	Investment and development fund	Equity component of convertible bond	Undistributed earnings	Total
For the six-month period ended 30 June 2016						
31 December 2015	1,415,721,570,000	492,337,147,061	5,940,860,165	-	266,837,657,808	2,180,837,235,034
Issuance of convertible bond	-	-	-	40,503,427,830	-	40,503,427,830
Net profit for the period	-	-	-	-	81,368,797,655	81,368,797,655
Dividends declared	-	-	-	-	(66,963,630,261)	(66,963,630,261)
Appropriation of net profit	-	-	-	-	(13,160,000,000)	(13,160,000,000)
30 June 2016	1,415,721,570,000	492,337,147,061	5,940,860,165	40,503,427,830	268,082,825,202	2,222,585,830,258
For the six-month period ended 30 June 2017						
31 December 2016	1,421,145,100,000	492,161,147,061	5,940,860,165	40,503,427,830	330,100,694,490	2,289,851,229,546
Net profit for the period	-	-	-	-	31,429,641,804	31,429,641,804
Dividends declared	-	-	-	-	(35,386,512,990)	(35,386,512,990)
Appropriation of net profit	8	-	-	-	(22,790,000,000)	(22,790,000,000)
30 June 2017	1,421,145,100,000	492,161,147,061	5,940,860,165	40,503,427,830	303,353,823,304	2,263,104,358,360

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2017

19. OWNERS' EQUITY (continued)

19.2 *Capital transactions with shareholders and distribution of dividends*

	VND	
	<i>For the six-month period ended 30 June 2017</i>	<i>For the six-month period ended 30 June 2016</i>
<i>Contributed capital</i>		
Beginning and ending balance	1,421,145,100,000	1,415,721,570,000
Cash dividends declared <i>(to be payable in cash)</i>	35,386,512,990	66,963,630,261
Stock dividends declared <i>(to be payable in issuance of share)</i>	141,537,390,000	-
Dividends paid	188,367,839	65,781,530,906

19.3 *Share capital*

	<i>Number of shares</i>	
	<i>30 June 2017</i>	<i>31 December 2016</i>
Authorised shares	142,114,510	142,114,510
Shares issued and fully paid <i>Ordinary shares</i>	142,114,510	142,114,510
Shares in circulation <i>Ordinary shares</i>	142,114,510	142,114,510

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2017

20. REVENUES

20.1 Revenues from sale of goods and rendering of services

	VND	
	<i>For the six-month period ended 30 June 2017</i>	<i>For the six-month period ended 30 June 2016</i>
Gross revenues	443,925,283,556	1,026,954,353,213
<i>In which:</i>		
Revenue from Engineering Procurement Contracts ("EPC")	209,307,375,000	145,787,440,000
Sale of land, apartments, town houses and villas	182,791,349,941	877,255,667,127
Rendering of services	51,826,558,615	3,605,772,040
Rental income from investment properties	-	305,474,046
Less		
Sale deduction	<u>(1,484,466,390)</u>	<u>-</u>
Net revenues	<u>442,440,817,166</u>	<u>1,026,954,353,213</u>
<i>In which:</i>		
Revenue from Engineering Procurement Contracts ("EPC")	209,307,375,000	145,787,440,000
Sale of land, apartments, town houses and villas	181,306,883,551	877,255,667,127
Rendering of services	51,826,558,615	3,605,772,040
Rental income from investment properties	-	305,474,046
<i>In which:</i>		
Sale to other parties	197,947,563,996	879,259,914,839
Sale to related parties	244,493,253,170	147,694,438,374

20.2 Finance income

	VND	
	<i>For the six-month period ended 30 June 2017</i>	<i>For the six-month period ended 30 June 2016</i>
Dividends income and gain from investment	75,871,594,558	17,685,983,000
Interest income from loan to a related party	11,054,518,137	10,833,234,649
Interest income from bank deposits	1,323,180,090	3,099,597,030
Gains from disposals of investment	-	7,608,718,741
TOTAL	<u>88,249,292,785</u>	<u>39,227,533,420</u>

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2017

21. COST OF GOODS SOLD AND SERVICES RENDERED

	<i>VND</i>	
	<i>For the six-month period ended 30 June 2017</i>	<i>For the six-month period ended 30 June 2016</i>
Cost of Engineering Procurement Contracts ("EPC") services (*)	195,519,909,208	137,606,934,968
Cost of land, apartments, town houses and villas (*)	123,871,519,801	686,845,612,094
Cost of rendering of services	44,919,151,283	1,847,698,221
Operating costs of investment property	-	243,193,392
TOTAL	<u>364,310,580,292</u>	<u>826,543,438,675</u>

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2017

21. COST OF GOODS SOLD AND SERVICES RENDERED (continued)

(*) Being included in costs of property inventories sold are the following accruals:

	For the six-month period ended 30 June 2017		For the six-month period ended 30 June 2016		VND
	Actual costs incurred	Accrued as at 30 June 2017	Actual costs incurred	Accrued as at 30 June 2016	
Cost of land, apartments, town houses and villas	69,541,721,824	54,329,797,977	578,842,021,944	108,003,590,150	686,845,612,094
Cost of Engineering Procurement Contracts ("EPC") services	140,466,286,165	55,053,623,043	137,606,934,968	-	137,606,934,968
TOTAL	210,008,007,989	109,383,421,020	716,448,956,912	108,003,590,150	824,452,547,062

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2017

22. FINANCE EXPENSES

	VND	
	<i>For the six-month period ended 30 June 2017</i>	<i>For the six-month period ended 30 June 2016</i>
Interest expense	56,233,050,569	16,191,130,634
Share profit to BCC partners	12,117,045,289	7,815,705,099
Other finance expenses	338,125,086	310,729,325
TOTAL	<u>68,688,220,944</u>	<u>24,317,565,058</u>

23. SELLING EXPENSES AND GENERAL AND ADMINISTRATIVE EXPENSES

	VND	
	<i>For the six-month period ended 30 June 2017</i>	<i>For the six-month period ended 30 June 2016</i>
Selling expenses		
Commission fee	8,619,439,406	39,759,890,443
Interest supporting expenses	3,222,737,565	320,816,982
Salary expenses	2,536,611,398	7,482,443,617
Consultant fee	1,657,159,095	13,606,937,457
Marketing and show-houses construction cost	978,095,897	11,313,800,157
Others	2,503,097,338	2,376,649,366
	<u>19,517,140,699</u>	<u>74,860,538,022</u>
General and administrative expenses		
Salary expenses	31,397,303,239	25,565,389,711
External services	4,906,586,311	4,364,497,667
Rental expenses	3,871,141,844	2,972,332,194
Depreciation	535,827,964	465,324,540
Others	5,748,593,006	9,833,174,689
	<u>46,459,452,364</u>	<u>43,200,718,801</u>
TOTAL	<u>65,976,593,063</u>	<u>118,061,256,823</u>

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2017

24. CORPORATE INCOME TAX

The statutory corporate income tax ("CIT") rate applicable to the Company is 20% of taxable profits.

The tax returns filed by the Company are subject to examination by the tax authorities. As the application of tax laws and regulations is susceptible to varying interpretations, the amounts reported in the interim separate financial statements could change at a later date upon final determination by the tax authorities.

24.1 CIT expense

	VND	
	<i>For the six-month period ended 30 June 2017</i>	<i>For the six-month period ended 30 June 2016</i>
Current CIT expense	1,656,058,045	19,456,543,786
Adjustment for under accrual of tax from previous periods	-	167,872,381
Deferred income tax expenses (income)	92,023,933	(1,138,421,338)
TOTAL	<u>1,748,081,978</u>	<u>18,485,994,829</u>

Reconciliation between CIT expense and the accounting profit multiplied by CIT rate is presented below:

	VND	
	<i>For the six-month period ended 30 June 2017</i>	<i>For the six-month period ended 30 June 2016</i>
Accounting profit before tax	<u>33,177,723,782</u>	<u>99,854,792,484</u>
At applicable CIT rate of tax 20%	6,635,544,756	19,970,958,496
<i>Adjustments to increase (decrease) CIT expenses</i>		
Share profit to BCC partners	913,394,356	1,563,141,020
Expenses with inadequate supporting documents	278,942,024	115,207,263
Difference between actual interest rate and nominal interest rate on convertible bond	673,901,250	373,884,650
Non-deductible interest expense	3,366,618,336	-
Dividends income	(15,174,318,912)	(3,537,196,600)
Unrecognised tax losses	5,054,000,168	-
CIT expense	<u>1,748,081,978</u>	<u>18,485,994,829</u>

24.2 Current tax

The current tax payable is based on taxable profit for the current period. The taxable profit of the Company for the period differs from profit as reported in the interim separate income statement because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are not taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted at the interim balance sheet date.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2017

24. CORPORATE INCOME TAX (continued)

24.3 *Deferred tax*

The following are the deferred tax assets and liabilities recognized by the Company, and the movements thereon, during the current and previous periods.

	VND			
	<i>Interim separate balance sheet</i>		<i>Interim separate income statement</i>	
	<i>30 June 2017</i>	<i>31 December 2016</i>	<i>For the six-month period ended 30 June 2017</i>	<i>For the six-month period ended 30 June 2016</i>
<i>Deferred tax assets</i>				
Accrued expenses	4,709,144,595	4,801,168,528	(92,023,933)	(344,982,889)
Interest expenses	647,954,204	647,954,204	-	(207,093,598)
Temporary difference in cost of sales	1,583,385,029	1,583,385,029	-	-
	<u>6,940,483,828</u>	<u>7,032,507,761</u>		
<i>Deferred tax liabilities</i>				
Deferred tax loss	(2,696,372,479)	(2,696,372,479)	-	-
Temporary difference in cost of sales	-	-	-	1,690,497,825
	<u>(2,696,372,479)</u>	<u>(2,696,372,479)</u>		
<i>Net deferred tax (expenses) income</i>			<u>(92,023,933)</u>	<u>1,138,421,338</u>

24.4. *Unrecognised tax losses*

The Company is entitled to carry tax loss forward to offset against taxable profits arising within five years subsequent to the year in which the loss was incurred. At the interim balance sheet date, the Company has aggregated accumulated tax losses of VND 25,270,000,842 available for offset against future taxable profits. Details are as follows:

VND					
<i>Originating year</i>	<i>Can be utilized up to</i>	<i>Tax loss amount</i>	<i>Utilized up to 30 June 2017</i>	<i>Forfeited</i>	<i>Unutilized at 30 June 2017</i>
30 June 2017	30 June 2021	(25,270,000,842)	-	-	(25,270,000,842)

Estimated accumulated tax loss as per the Company's CIT declaration has not been audited by the local tax authorities as of the date of these interim separate financial statements.

No deferred tax assets were recognised in respect of the remaining VND 25,270,000,842 because future taxable profit cannot be ascertained to utilise this loss at this stage.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2017

25. TRANSACTIONS WITH RELATED PARTIES

Significant transactions with related parties were as follows:

Related party	Relationship	Transaction	VND	
			For the six-month period ended 30 June 2017	For the six-month period ended 30 June 2016
Nam Long Service	Subsidiary	Management services fee	5,584,271,294	1,241,696,457
Nam Long ADC	Subsidiary	Loan drawdown	131,110,795,000	4,002,641,000
		Loan repayment	130,000,000,000	20,000,000,000
		Profit sharing to of a Ehome	4,566,971,778	7,815,705,099
		Dividend income	17,485,983,000	-
		Management services fee	4,333,540,000	23,654,250,387
Nam Khang	Subsidiary	Construction services expenses	74,445,259,734	106,142,615,166
		BCC Capital repayment	23,221,073,511	-
		Profit shared	11,300,000,000	-
		Profit sharing to of a Ehome	7,550,073,511	-
Trading Floor	Subsidiary	Commission expenses	13,330,862,495	5,100,464,164
Nguyen Phuc	Subsidiary	Dividend income	28,000,000,000	-
Nam Long VCD	Subsidiary	Collection loan	54,602,700,000	-
		Capital contribution	38,221,890,000	2,943,400,000
		Loan to	30,000,000,000	-
		Revenue from consultant services	17,186,300,000	-
		Interest income	10,975,351,470	10,833,234,649
Nguyen Son	Subsidiary	Loan drawdown	600,000,000,000	-
		Loan interest	14,719,115,136	-
		Revenue from management consultant service fee	4,581,445,992	-
Nam Phan	Subsidiary	Loan drawdown	655,000,000,000	80,000,000,000
		Capital contribution	290,000,000,000	111,640,000,000
		Loan repayment	221,500,000,000	10,000,000,000
		Revenue from management consultant service fee	12,101,784,904	-
		Loan interest	11,949,805,554	-

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2017

25. TRANSACTIONS WITH RELATED PARTIES (continued)

Significant transactions with related parties were as follows: (continued)

Related party	Relationship	Transaction	VND	
			For the six-month period ended 30 June 2017	For the six-month period ended 30 June 2016
Nam Long Hong Phat	Subsidiary	Loan drawdown	40,000,000,000	-
		Loan repayment	20,000,000,000	-
		Collection loan	20,000,000,000	-
		Revenue from management consultant service fee	10,274,725,457	-
NLG – NNR – HR Fuji	Subsidiary	Revenue from EPC services	123,702,955,000	-
Kikyo Flora	Subsidiary	Capital contribution	38,589,500,000	-
Kikyo Valora	Subsidiary	Capital contribution	116,927,250,000	-
		Advance for EPC services	110,782,188,000	-
		Revenue from EPC services	85,604,420,000	-
NNH Mizuki	Joint venture	Capital contribution	550,000,000,000	-

Amounts due to and due from related parties were as follows:

Related party	Relationship	Transaction	VND	
			30 June 2017	31 December 2016
Trade receivables (Note 6)				
Nam Long VCD	Subsidiary	Construction service expenses	60,062,970,000	-
		Management consultant service fee	9,599,599,723	9,599,599,723
Nam Long Hong Phat	Subsidiary	Management consultant service fee	11,037,649,259	135,451,256
Nam Phan	Subsidiary	Management consultant service fee	5,420,569,154	-
Nam Long Service	Subsidiary	Management consultant service fee	733,212,590	733,212,590
		Office rental service fee	618,529,275	618,529,275

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2017

25. TRANSACTIONS WITH RELATED PARTIES (continued)

Amounts due to and due from related parties were as follows: (continued)

Related party	Relationship	Transaction	VND	
			30 June 2017	31 December 2016
Trade receivables (Note 6) (continued)				
Ms Nguyen Thi Bich Ngoc	Shareholder	Sale of apartment	231,750,000	231,750,000
Ms Ngo Thi Ngoc Lieu	Shareholder	Sale of apartment	110,005,097	110,005,097
NLG – NNR – HR Fujii	Subsidiary	EPC services fee	-	52,213,562,500
Nam Khang	Subsidiary	Management consultant service fee	-	6,215,923,491
Nguyen Phuc	Subsidiary	Receipt of interest on late payment	-	4,926,000,000
		EPC services fee	-	2,881,109,110
Trading floor	Subsidiary	Management consultant service fee	-	1,009,840,840
			87,814,285,098	78,674,983,882
Advance to suppliers (Note 7)				
Trading Floor	Subsidiary	Management service	7,785,802,227	4,362,622,817
Nam Long PMD	Subsidiary	Management service	182,017,000	183,923,300
Nam Vien	Indirect subsidiary	Construction service expenses	69,182,000	-
			8,037,001,227	4,546,546,117
Loan receivables (Note 8)				
Nam Long VCD	Subsidiary	Loan	194,274,190,411	218,876,890,411
Nam Long Hong Phat	Subsidiary	Loan	-	28,664,682,000
			194,274,190,411	247,541,572,411

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2017

25. TRANSACTIONS WITH RELATED PARTIES (continued)

Amounts due to and due from related parties were as follows: (continued)

Related party	Relationship	Transaction	VND	
			30 June 2017	31 December 2016
Other receivables (Note 9)				
Nam Long VCD	Subsidiary	Loan interest	95,520,318,757	84,544,967,287
		Disposal of tools	2,197,028,413	2,197,028,413
Nam Phan	Subsidiary	BCC capital withdrawal receivable	18,000,000,000	18,000,000,000
Nguyen Son	Subsidiary	Advance for land purchasing	2,079,195,184	2,079,195,184
Nam Long Hong Phat	Subsidiary	Loan interest	1,358,611,112	1,163,888,889
NNH Mizuki	Joint venture	Payment on behalf	462,000,000	-
Nam Long Service	Subsidiary	Dividend receivable	327,800,000	327,800,000
		Disposal of fixed assets	165,000,000	165,000,000
NLG – NNR – HR Fuji	Subsidiary	Payment on behalf	113,404,095	113,404,095
Nam Long PMD	Subsidiary	Deposit for rental	1,431,051,275	1,431,051,275
			121,654,408,836	110,022,335,143
Advance from a customer (Note 13)				
Kikyo Valora	Subsidiary	Advance for EPC services	16,617,326,000	-
Trade payables (Note 12)				
Nam Khang	Subsidiary	Construction service expenses	17,229,520,292	140,995,936,077
Nam Long ADC	Subsidiary	Management service expenses	20,986,975,449	17,305,773,199
Nam Long Service	Subsidiary	Management service expenses	834,043,921	2,989,058,872
Nam Long VCD	Subsidiary	Office rental	-	206,910,000
Nam Vien	Indirect subsidiary	Construction service fee	-	142,290,000
			39,050,539,662	161,639,968,148

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2017

25. TRANSACTIONS WITH RELATED PARTIES (continued)

Amounts due to and due from related parties were as follows: (continued)

Related party	Relationship	Transaction	VND	
			30 June 2017	31 December 2016
Other payables (Note 16)				
Nam Long ADC	Subsidiary	Investment contribution received for BCC - Ehome Project	81,393,726,134	81,393,726,134
		Profit share for Ehome Project	79,904,816,205	138,587,844,427
Nam Khang	Subsidiary	Dividends	1,619,039,085	-
		Investment contribution received for BCC - Long An Project	-	15,671,000,000
		Acquirement of ownership	-	2,488,210,000
Nam Phan	Subsidiary	Investment contribution received for BCC	138,678,918	138,678,918
			163,056,260,342	238,279,459,479
Loans (Note 17)				
Nguyen Son	Subsidiary	Loan	867,346,310,548	270,000,000,000
Nam Phan	Subsidiary	Loan	621,500,000,000	188,000,000,000
Nam Long ADC	Subsidiary	Loan	29,110,795,000	28,000,000,000
Nam Long Hong Phat	Subsidiary	Loan	20,000,000,000	-
			1,537,957,105,548	486,000,000,000
Accrual (Note 15)				
Nam Phan	Subsidiary	Loan interest	16,523,277,777	4,573,472,223
Nguyen Son	Subsidiary	Loan interest	14,952,448,469	233,333,333
Nam Long Hong Phat	Subsidiary	Loan interest	808,888,889	-
Nam Long ADC	Subsidiary	Loan interest	621,030,000	589,151,000
			32,905,645,135	5,395,956,556

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2017

25. TRANSACTIONS WITH RELATED PARTIES (continued)

Remuneration for members of the Board of Directors ("BOD") and the Management are as follows:

	VND	
	<i>For the six-month period ended 30 June 2017</i>	<i>For the six-month period ended 30 June 2016</i>
Remuneration to members of the BOD	4,688,329,667	3,352,000,000
Remuneration to members of the Management	3,532,330,764	3,728,534,841
TOTAL	<u>8,220,660,431</u>	<u>7,080,534,841</u>

26. CORRESPONDING FIGURES

Certain corresponding figures on the separate financial statements for the year ended 31 December 2016 have been reclassified to reflect the presentation of the current period's separate financial statements.

27. COMMITMENTS AND CONTINGENCIES

Operating lease commitments

As lessee

The Company leases office space for its head office in Capital Tower, 6 Nguyen Khac Vien Street, Tan Phu Ward, District 7, Ho Chi Minh City, Vietnam owned by Nam Long PMD - the Company's subsidiary. The future minimum lease commitments as at 30 June 2017 under the operating lease agreements are as follows:

	VND	
	<i>30 June 2017</i>	<i>31 December 2016</i>
Less than one year	6,127,894,183	6,127,894,183
From one to five years	6,127,894,183	9,191,841,274
TOTAL	<u>12,255,788,366</u>	<u>15,319,735,457</u>

Capital commitments

As at 30 June 2017, the Company has contractual commitments for the construction work for its apartments, villa projects as follows:

	VND		
	<i>Contracted amount</i>	<i>Recognized amount</i>	<i>Remaining commitments</i>
Fuji Residence project	547,881,493,188	(303,512,022,094)	244,369,471,094
Kykyo Residence project	337,944,659,846	(2,712,296,242)	335,232,363,604
Flora Anh Dao project	230,062,750,992	(226,451,230,617)	3,611,520,375
Ehome 3 project	126,429,953,075	(126,282,003,075)	147,950,000
Vinmart supermarket - Tan Thuan Dong project	38,208,746,940	(37,729,776,940)	478,970,000
Hoang Nam project	25,124,246,566	(18,110,056,566)	7,014,190,000
Nguyen Son project	19,309,040,000	(1,215,650,000)	18,093,390,000
Others	2,664,029,203	(2,052,457,444)	611,571,759
TOTAL	<u>1,327,624,919,810</u>	<u>(718,065,492,978)</u>	<u>609,559,426,832</u>

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2017

28. EVENT AFTER THE INTERIM BALANCE SHEET DATE


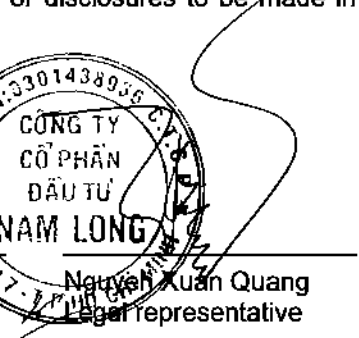
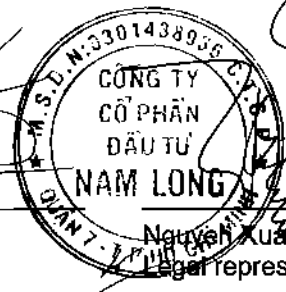
On 17 July 2017, the Company received the Official letter No. 4964/UBCK-QLCB from the State Securities Commission acknowledging the receipt of the result report of the issuance of 14,153,739 shares as dividends to existing shareholders at ratio 9.96% and 958,160 new shares to the executives in accordance with the Executive Stock Grant program. This issuance was appropriated from undistributed earnings as at 31 December 2016 and bonus and welfare fund as at 25 April 2017, respectively, which in accordance with the Resolution of Shareholders No. 01/2017/NQ/DHDCD/NLG dated 22 April 2017.

At the date of these interim separate financials statements, the Company is in the process of submitting its application to Ho Chi Minh City Department of Planning and Investment for amendment of its Business Registration Certificate on the increase of share capital.

Except for the above event, there have been no other significant events occurring after the interim balance sheet date which would require adjustments or disclosures to be made in the accompanying interim separate financial statements.



Pham Thi Duong Lieu
Preparer

Luong Thi Kim Thoa
Chief Accountant

Nguyen Xuan Quang
Legal representative

11 August 2017

H. H. H. H. H.