

Nam Long Investment Corporation

Interim consolidated financial statements

30 September 2017

Nam Long Investment Corporation

CONTENTS

	<i>Pages</i>
Interim consolidated balance sheet	2 - 4
Interim consolidated income statement	5 - 6
Interim consolidated cash flow statement	7 - 8
Notes to the interim consolidated financial statements	9 - 40
Explanation of the interim consolidated income statement in Quarter 3.2017	41

INTERIM CONSOLIDATED BALANCE SHEET
as at 30 September 2017

VND

Code	ASSETS	Notes	30 September 2017	31 December 2016
100	A. CURRENT ASSETS		6,529,846,219,470	5,828,216,387,403
110	I. Cash and cash equivalents	4	1,523,985,342,396	931,562,883,084
111	1. Cash		796,608,547,185	391,805,138,578
112	2. Cash equivalents		727,376,795,211	539,757,744,506
120	II. Short-term investments	5	50,740,000,000	38,869,085,285
123	1. Held-to-maturity investments		50,740,000,000	38,869,085,285
130	III. Current accounts receivable		1,136,168,171,840	1,094,934,187,907
131	1. Short-term trade receivables	6	192,797,758,891	340,384,104,224
132	2. Short-term advances to suppliers	7	715,036,799,437	556,785,295,674
135	3. Short-term loan receivables	8	8,500,000,000	41,780,000,000
136	4. Other short-term receivables	9	223,972,705,050	160,823,879,547
137	5. Provision for doubtful debts		(4,139,091,538)	(4,839,091,538)
140	IV. Inventories		3,733,895,837,540	3,698,432,512,033
141	1. Inventories	10	3,736,000,833,295	3,700,202,039,743
149	2. Provision for obsolete inventories		(2,104,995,755)	(1,769,527,710)
150	V. Other current assets		85,056,867,694	64,417,719,094
151	1. Short-term prepaid expenses	11	17,487,927,621	7,423,269,944
152	2. Value-added tax deductible		67,543,535,981	56,962,394,171
153	3. Tax and other receivables from the State		25,404,092	32,054,979

INTERIM CONSOLIDATED BALANCE SHEET (continued)
as at 30 September 2017


VND

Code	ASSETS	Notes	30 September 2017	31 December 2016
200	B. NON-CURRENT ASSETS		1,257,269,388,167	380,593,080,263
210	<i>I. Long-term receivables</i>		106,983,930,404	124,874,169,981
211	1. Long-term trade receivables	6	-	151,739,000
215	2. Long-term loan receivables	8	59,562,108,000	-
216	3. Other long-term receivables	9	47,421,822,404	124,722,430,981
220	<i>II. Fixed assets</i>		56,751,606,099	55,173,350,327
221	1. Tangible fixed assets	12	44,271,090,540	42,094,934,637
222	Cost		82,711,937,983	75,999,017,018
223	Accumulated depreciation		(38,440,847,443)	(33,904,082,381)
227	2. Intangible assets	13	12,480,515,559	13,078,415,690
228	Cost		18,132,764,045	17,927,596,237
229	Accumulated amortisation		(5,652,248,486)	(4,849,180,547)
230	<i>III. Investment properties</i>	14	33,331,784,874	39,335,877,272
231	1. Cost		48,343,705,268	54,222,910,307
232	2. Accumulated depreciation		(15,011,920,394)	(14,887,033,035)
250	<i>V. Long-term investments</i>	15	756,212,625,372	30,520,390,516
252	1. Investments in associate and jointly-controlled entities	15.1	750,489,986,712	24,797,751,856
253	2. Investment in other entities	15.2	5,942,300,000	5,942,300,000
254	3. Provision for long-term investments		(219,661,340)	(219,661,340)
260	<i>VI. Other long-term assets</i>		303,989,441,418	130,689,292,167
261	1. Long-term prepaid expenses	11	126,827,780,172	48,237,961,214
262	2. Deferred tax assets		167,098,209,435	68,614,084,713
269	3. Goodwill	16	10,063,451,811	13,837,246,240
270	TOTAL ASSETS		7,787,115,607,637	6,208,809,467,666

INTERIM CONSOLIDATED BALANCE SHEET (continued)
as at 30 September 2017

VND

Code	RESOURCES	Notes	30 September 2017	31 December 2016
300	C. LIABILITIES		4,180,140,831,601	3,061,535,857,828
310	i. Current liabilities		3,054,000,973,382	2,170,632,810,715
311	1. Short-term trade payables	17	108,228,511,562	199,476,008,760
312	2. Short-term advances from customers	18	1,319,598,163,313	651,548,705,368
313	3. Statutory obligations	19	263,685,049,379	166,366,982,121
314	4. Payables to employees		12,364,702,052	20,358,866,753
315	5. Short-term accrued expenses	20	844,058,296,102	585,315,818,762
319	6. Other short-term payables	21	222,997,548,129	183,317,756,801
320	7. Short-term loans	22	265,764,005,899	353,654,528,674
322	8. Bonus and welfare fund		17,304,696,946	10,594,143,476
330	ii. Non-current liabilities		1,126,139,858,219	890,903,047,113
336	1. Long-term unearned revenues	24	341,515,834,541	-
337	2. Other long-term liabilities	21	9,522,582,811	7,971,859,607
338	3. Long-term loans and debts	22	235,967,926,000	349,613,387,000
339	4. Convertible bond	23	468,918,550,314	463,083,450,079
341	5. Deferred tax liabilities		55,331,868,346	55,331,868,345
342	6. Long-term provisions		14,883,096,207	14,902,482,082
400	D. OWNERS' EQUITY		3,606,974,776,036	3,147,273,609,838
410	i. Capital		3,606,974,776,036	3,147,273,609,838
411	1. Share capital	25.1	1,572,264,090,000	1,421,145,100,000
411a	- Shares with voting rights		1,572,264,090,000	1,421,145,100,000
412	2. Share premium	25.1	492,051,147,061	492,161,147,061
413	3. Convertible bond option	25.1	40,503,427,830	40,503,427,830
415	4. Treasury shares	25.1	(60,464,200,000)	(60,464,200,000)
418	5. Investment and development fund	25.1	10,929,726,999	10,929,726,999
420	6. Other funds belonging to owners' equity	25.1	1,088,759,118	1,081,198,777
421	7. Undistributed earnings	25.1	727,749,016,587	578,402,902,765
421a	- Undistributed earnings up to the end of prior year		376,396,074,226	277,746,420,785
421b	- Undistributed earnings of current period		351,352,942,361	300,656,481,980
429	8. Non-controlling interests	26	822,852,808,441	663,514,306,406
440	TOTAL LIABILITIES AND OWNERS' EQUITY		7,787,115,607,637	6,208,809,467,666


Pham Hong Hanh
Preparer


Luong Thi Kim Thoa
Chief Accountant



Chung Chee Kwang
General Director

18 October 2017


INTERIM CONSOLIDATED INCOME STATEMENT
for the nine-month period ended 30 September 2017

VND


Code	ITEMS	Notes	Quarter 3		Accumulated	
			Current year	Previous year	Current year	Previous year
01	1. Revenues from sale of goods and rendering of services	27.1	377,079,372,279	603,792,341,742	1,640,199,548,639	1,671,525,333,368
02	2. Deductions	27.1	(2,048,147,718)	-	(3,532,614,108)	-
10	3. Net revenues from sale of goods and rendering of services	27.1	375,031,224,561	603,792,341,742	1,636,666,934,531	1,671,525,333,368
11	4. Costs of goods sold and services rendered	28	(235,462,080,896)	(460,793,083,157)	(881,698,598,151)	1,203,411,239,370)
20	5. Gross profit from sale of goods and rendering of services		139,569,143,665	142,999,258,585	754,968,336,380	468,114,093,998
21	6. Finance income	27.2	30,009,820,038	6,603,923,501	64,980,563,180	11,806,273,052
22	7. Finance expenses - In which: Interest expenses	29	(4,640,873,892) (4,622,720,343)	(9,665,692,882) (7,078,607,647)	(22,269,344,894) (21,381,999,286)	(16,085,021,879) (12,998,935,763)
24	8. Shares of profit of associate, joint-controlled entity	15.1	1,821,014	-	(1,907,765,144)	326,564,524
25	9. Selling expenses		(30,016,178,764)	(40,456,992,146)	(84,218,691,677)	(115,628,281,117)
26	10. General and administration expenses		(42,155,922,791)	(38,580,959,964)	(122,519,779,027)	(114,918,051,732)
30	11. Operating profit		92,767,809,270	60,899,537,094	589,033,318,818	233,615,576,846
31	12. Other income		1,037,584,933	1,505,633,062	3,715,033,901	8,064,558,428
32	13. Other expenses		(417,736,354)	(1,111,128,282)	(777,887,290)	(4,214,931,628)
40	14. Other profit		619,848,579	394,504,780	2,937,146,611	3,849,626,800
50	15. Accounting profit before tax		93,387,657,849	61,294,041,874	591,970,465,429	237,465,203,646

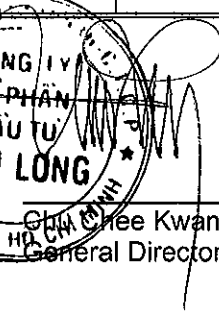
INTERIM CONSOLIDATED INCOME STATEMENT (continued)
for the nine-month period ended 30 September 2017

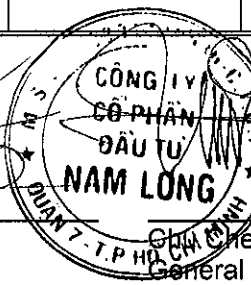
Code	ITEMS	Notes	Quarter 3		Accumulated	
			Current year	Previous year	Current year	Previous year
51	16. Current corporate income tax expense	30	(25,125,073,606)	(11,532,748,793)	(231,286,462,325)	(39,756,606,191)
52	17. Deferred income tax income (expense)	30	3,237,824,856	1,566,865,835	104,065,534,070	(9,336,740,866)
60	18. Net profit after tax		71,500,409,099	51,328,158,916	464,749,537,174	188,371,856,589
61	19. Net profit after tax attributable to shareholders of the parent		41,933,958,121	35,140,860,697	351,919,773,503	162,526,014,094
62	20. Net profit after tax attributable to non-controlling interests		29,566,450,978	16,187,298,219	112,829,763,671	25,845,842,495
70	21. Basic earnings per share	32	260	220	2,182	1,017
71	22. Diluted earnings per share	32	260	217	2,016	949


Pham Hong Hanh
Preparer

18 October 2017


Luong Thi Kim Thoa
Chief Accountant


Chau Chree Kwang
General Director



INTERIM CONSOLIDATED CASH FLOW STATEMENT
for the nine-month period ended 30 September 2017

VND

Code	ITEMS	Note	For the nine-month period ended 30 September 2017	For the nine-month period ended 30 September 2016
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	Net profit before tax		591,970,465,429	237,465,203,646
	<i>Adjustments for:</i>			
02	Depreciation and amortisation	12, 13, 14, 16	10,183,924,953	12,012,425,325
03	(Reversal of provisions)/Provisions		(383,917,830)	123,344,429
05	Profits from investing activities		(63,312,562,751)	(12,132,837,576)
06	Interest expense	28	21,381,999,286	12,998,935,763
08	Operating profit before changes in working capital		559,839,909,087	250,467,071,587
09	Decrease/(increase) in receivables		35,076,501,974	(383,422,053,848)
10	(Increase)/decrease in inventories		(31,717,221,844)	246,313,078,779
11	Increase (decrease) in payables		1,207,498,538,904	(244,093,314,041)
12	Increase in prepaid expenses		(88,654,476,635)	(2,207,848,735)
14	Interest paid		(62,004,104,411)	(24,282,629,485)
15	Corporate income tax paid		(84,485,545,822)	(64,713,953,822)
17	Other cash outflows used in operating activities		(10,517,254,601)	(12,647,826,873)
20	Net cash flows from (used in) operating activities		1,525,036,346,652	(234,587,476,438)
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchases and construction of fixed assets	12	(4,398,908,182)	(6,085,352,676)
22	Proceeds from disposals of fixed assets		500,000,000	20,488,134,233
23	Loans to other entities and term deposits		(78,870,914,715)	(152,363,974,101)
24	Proceeds from collecting loan		10,100,000,000	-
25	Payments for investments in other entities		(750,840,000,000)	(239,948,911,921)
26	Proceeds from sale of an investment in other entities		22,400,000,000	211,584,308,448
27	Interest and dividends received	27.2	28,549,343,275	11,806,273,052
30	Net cash flows used in investing activities		(772,560,479,622)	(154,519,522,965)

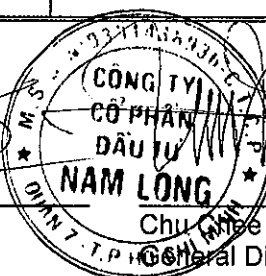
INTERIM CONSOLIDATED CASH FLOW STATEMENT (continued)
for the nine-month period ended 30 June 2017

VND

Code	ITEMS	Notes	For the nine-month period ended 30 September 2017	For the nine-month period ended 30 September 2016
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
31	Issuance of convertible bond		-	40,503,427,830
	Capital contribution from non-controlling interest	26	155,516,750,000	179,240,000,000
32	Capital redemption	26	(20,000,000,000)	-
33	Drawdown of borrowings	22.3	203,961,213,385	680,309,243,247
34	Repayment of borrowings	22.3	(405,806,687,901)	(168,423,199,379)
36	Dividends paid to equity holders		(93,724,683,202)	(64,402,123,216)
40	Net cash flows (used in) from financing activities		(160,053,407,718)	667,227,348,482
50	Net increase in cash and cash equivalents		592,422,459,312	278,120,349,079
60	Cash and cash equivalents at beginning of period	4	931,562,883,084	423,195,907,688
70	Cash and cash equivalents at end of period	4	1,523,985,342,396	701,316,256,767

Pham Hong Hanh
Preparer

Luong Thi Kim Thoa
Chief Accountant



Chu Minh Kwang
General Director

18 October 2017

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
as at and for the nine-month period ended 30 September 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 ("BRC") No. 4103004194 issued by the Ho Chi Minh City Department of Planning and Investment ("DPI") on 27 December 2005, and the fifteenth amended BRC dated 5 September 2016.

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 September 2017, the Company has fourteen direct subsidiaries and two indirect subsidiaries, one associate and one jointly-controlled entity with details as follows:

<i>Company</i>	<i>Location</i>	<i>Business</i>	<i>Ownership %</i>
<i>Subsidiary</i>			
Nam Long Property Management and Development One Member Limited Company (Nam Long PMD)	Ho Chi Minh City ("HCMC")	Construction and real estate	100
Nam Long Service Joint Stock Company ("Nam Long Service")	HCMC	Service and construction	100
Nam Long - Hong Phat Joint Stock Company ("Nam Long - Hong Phat")	HCMC	Construction and real estate	99.98
Nguyen Son Real Estate Joint Stock Company ("Nguyen Son")	HCMC	Real estate	87.33
Nam Long Apartment Development Corporation ("Nam Long ADC")	HCMC	Construction and real estate	97.14
Nam Long Real Estate Transaction Floor One Member Limited Liability Company ("Trading Floor")	HCMC	Real estate trading floor	100
Nam Khang Construction Investment Development One Member Limited Liability Company ("Nam Khang")	HCMC	Construction and real estate	100
Nam Vien Construction and Design Consulting Joint Stock Company ("Nam Vien")	HCMC	Service	81.25
Nam Khang Construction Materials Trading Company Limited ("Nam Khang Materials")	HCMC	Construction material trading	100
Nam Long VCD Corporation ("Nam Long VCD")	Long An Province	Construction and real estate	99.91
Nam Phan Investment Corporation ("Nam Phan")	HCMC	Construction and real estate	100
Nguyen Phuc Real Estate Investment and Trading Company Limited ("Nguyen Phuc")	HCMC	Real estate	50.00
Thao Nguyen Real Estate Investment and Trading Company Limited ("Thao Nguyen")	HCMC	Real estate	50.00
NLG – NNR – HR Fuji Company Limited ("NLG – NNR – HR Fuji")	HCMC	Construction and real estate	50.00
NNH Kikyo Flora Company Limited ("Kikyo Flora")	HCMC	Real estate	50.00
NNH Kikyo Valora Company Limited ("Kikyo Valora")	HCMC	Real estate	50.00
<i>Joint venture</i>			
NNH Mizuki Joint Stock Company ("Mizuki")	HCMC	Real estate	50.00
<i>Associate</i>			
Okamura Tokyo Co., Ltd	HCMC	Real estate	40.00

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the nine-month period ended 30 September 2017

1. CORPORATE INFORMATION (continued)

The current principal activities of Nam Long Investment Corporation and its subsidiaries ("the Group") are the engaging in civil and industrial construction; housing renovation and interior decoration; housing trade (construction, renovation of houses for sale or lease); harbour and road bridge construction; 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 and trade of infrastructures for industrial zones and hi-tech parks. 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 valuation services; real estate exchange services; real estate consulting services; real estate auction services; real estate advertising services; real estate management services.

The head office of Nam Long Investment Corporation is located at 11th Floor, Capital Tower, 6 Nguyen Khac Vien Street, Tan Phu Ward, District 7, Ho Chi Minh City, Vietnam and one its branch in Can Tho City, Vietnam.

The number of the Group's employees as at 30 September 2017 is 475 (31 December 2016: 624 employees).

2. BASIS OF PREPARATION

2.1 Accounting Standards and System

The interim consolidated financial statements of the Group expressed in Vietnam dong ("VND") are prepared in accordance with the Vietnamese Enterprise Accounting System, Vietnamese Accounting Standard No.27 – Interim Financial Reporting and other 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 consolidated balance sheet, interim consolidated financial statements 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 financial position and results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

2.2 Applied accounting documentation system

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

2.3 Fiscal year

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

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the nine-month period ended 30 September 2017

2. BASIS OF PREPARATION (continued)

2.4 Accounting currency

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

2.5 Basis of consolidation

The interim consolidated financial statements comprise the interim financial statements of the parent company and its subsidiaries for the six-month period ended 30 June 2017.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Company obtains control, and continued to be consolidated until the date that such control ceases.

The interim financial statements of subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies.

All intra-company balances, income and expenses and unrealised gains or losses resulting from intra-company transactions are eliminated in full.

Non-controlling interests represent the portion of profit or loss and net assets not held by the Group and are presented separately in the interim consolidated income statement and within equity in the interim consolidated balance sheet, separately from parent shareholders' equity.

Impact of change in the ownership interest of a subsidiary, without a loss of control, is recorded in undistributed earnings.

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 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 Group 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.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the nine-month period ended 30 September 2017**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****3.2 Inventories (continued)***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 Group, 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 consolidated income statement.

3.3 Receivables

Receivables are presented in the interim consolidated financial statements at the carrying amounts due from customers and other debtors, after 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 consolidated income statement.

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 consolidated 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 consolidated 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 Group 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 Group is the lessee*

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

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the nine-month period ended 30 September 2017

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.5 *Leased assets* (continued)

Where the Group is the lessor

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

Lease income is recognised in the interim consolidated 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 assets are calculated on a straight-line basis over the estimated useful life of each asset as follows:

Buildings and structures	25 - 47 years
Machinery and equipment	5 - 12 years
Means of transportation	6 - 8 years
Office equipment and furniture	3 - 8 years
Computer software	3 - 5 years
Land use rights	47 years
Other assets	3 - 5 years

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 Group.

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 - 47 years
Land use rights	47 years

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 consolidated 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.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the nine-month period ended 30 September 2017

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 consolidated 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 consolidated income statement:

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

3.10 *Business combinations and goodwill*

Business combinations are accounted for using the purchase method. The cost of a business combination is measured as the fair value of assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange plus any costs directly attributable to the business combination. Identifiable assets and liabilities and contingent liabilities assumed in a business combination are measured initially at fair values at the date of business combination.

Goodwill acquired in a business combination is initially measured at cost being the excess of the cost the business combination over the Group's interest in the net fair value of the acquirer's identifiable assets, liabilities and contingent liabilities. If the cost of a business combination is less than the fair value of the net assets of the subsidiary acquired, the difference is recognized directly in the interim consolidated income statement. After initial recognition, goodwill is measured at cost less any accumulated amortization. Goodwill is amortized over a maximum period of 10 years on a straight-line basis. The parent company conducts the periodical review for impairment of goodwill of investment in subsidiaries. If there are indicators of impairment loss incurred is higher than the yearly allocated amount of goodwill on the straight-line basis, the higher amount will be recorded in the interim consolidated income statement.

3.11 *Investments*

Investments in associates

The Group's investment in its associate is accounted for using the equity method of accounting. An associate is an entity in which the Group has significant influence that is neither subsidiaries nor joint ventures. The Group generally deems they have significant influence if they have over 20% of the voting rights.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the nine-month period ended 30 September 2017

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.11 *Investments* (continued)

Investments in associates (continued)

Under the equity method, the investment is carried in the interim consolidated balance sheet at cost plus post acquisition changes in the Group's share of net assets of the associates. Goodwill arising on acquisition of the associate is included in the carrying amount of the investment. Goodwill is not amortised and subject to annual review for impairment. The interim consolidated income statement reflects the share of the post-acquisition results of operation of the associate.

The share of post-acquisition profit (loss) of the associates is presented on face of the interim consolidated income statement and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Dividends/profit sharing received or receivable from associates reduces the carrying amount of the investment.

The interim financial statements of the associates are prepared for the same reporting period and use the same accounting policies as the Group. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

Interests in joint ventures

The Group's investment in jointly controlled entity is accounted for using the equity method of accounting. Under the equity method, the investment is carried in the interim consolidated balance sheet at cost plus post joint venture changes in the Group's share of net assets of the jointly controlled entity. The interim consolidated income statement reflects the share of the post-acquisition results of operation of the jointly controlled entity.

The share of profit (loss) of the jointly controlled entity is presented on face of the interim consolidated income statement and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Dividend/profit sharing received or receivable from jointly controlled entities reduce the carrying amount of the investment.

The interim financial statements of the jointly controlled entities are prepared for the same reporting period and use the same accounting policies as the Group. Where necessary, adjustments are made to bring the accounting policies in the line with those of the Group.

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 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 consolidated 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 consolidated financial statements and deducted against the value of such investments.

3.12 *Payable and accruals*

Payable and accrual are recognised for amount to be paid in the future for goods and services received, whether or not billed to the Group.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the nine-month period ended 30 September 2017

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.13 *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 consolidated 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.

3.14 *Foreign currency transactions*

Transactions in currencies other than the Group'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 balance sheet dates which are determined as follows:

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

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

3.15 *Treasury shares*

Own equity instruments which are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss upon purchase, sale, issue or cancellation of the Group's own equity instruments.

3.16 *Appropriation of net profit*

Net profit after tax (excluding negative goodwill arising from a bargain purchase) is available for appropriation to investors after approval by appropriate level of authority, and after making appropriation to reserve funds in accordance with the Group's Charter and Vietnamese regulatory requirements.

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

▶ *Investment and development fund*

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

▶ *Other funds belonging to owners' equity*

Subsidised funds for operating activities, projects include remuneration schedule fund and operating budget fund.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the nine-month period ended 30 September 2017

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.16 *Appropriation of net profit* (continued)

▶ *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 consolidated balance sheet.

3.17 *Earnings per share*

Basic earnings per share amount is computed by dividing net profit attributable to ordinary equity holders of the Group (after adjusting for the bonus and welfare fund) by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share amounts are calculated by dividing the net profit after tax attributable to ordinary equity holders of the Group by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

3.18 *Revenue recognition*

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group 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 infrastructure are recorded at the total consideration received when residential plots and related infrastructure are transferred to the customers.

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 Group'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 lease term.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the nine-month period ended 30 September 2017

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.19 Taxation

Current income tax

Current income tax assets and liabilities for the current and prior years 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 balance sheet date.

Current income tax is charged or credited to the interim consolidated 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 Group to set off current tax assets against current tax liabilities and when the Group 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 consolidated 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 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 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 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.

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

Deferred tax is charged or credited to the interim consolidated 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 Group to set off 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 Group 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 year in which significant amounts of deferred income tax liabilities or assets are expected to be settled or recovered.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the nine-month period ended 30 September 2017

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.20 *Convertible bond*

Bonds 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.

3.21 *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 Group, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Group.

Associates and individuals owning, directly or indirectly, an interest in the voting power of the Group that gives them significant influences over the Group, key management personnel, including directors and officers of the Group 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.

3.22 *Segment information*

A segment is a component determined separately by the Group which is engaged in providing products or related services (business segment), or providing products or services in a particular economic environment (geographical segment), that is subject to risks and returns that are different from those of other segments. As the Group's revenue and profit are derived mainly from real estate business in Vietnam while other sources of revenue are not material as a whole. As a result, the Group's management is of the view that there is only one segment for business and geography and therefore presentation of segmental information is not required.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the nine-month period ended 30 September 2017

4. CASH AND CASH EQUIVALENTS

	<i>VND</i>	
	<i>30 September 2017</i>	<i>31 December 2016</i>
Cash on hand	2,162,916,600	4,103,225,059
Cash at banks	784,445,630,585	387,701,913,519
Cash in transit	10,000,000,000	-
Cash equivalents (*)	<u>727,376,795,211</u>	<u>539,757,744,506</u>
TOTAL	<u>1,523,985,342,396</u>	<u>931,562,883,084</u>

(*) Cash equivalents comprise bank deposits with original maturity of less than three months and earn interest at the rate of from 4.6% 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 to 6.5% per annum.

6. SHORT-TERM TRADE RECEIVABLES

	<i>VND</i>	
	<i>30 September 2017</i>	<i>31 December 2016</i>
Short term		
Trade receivables from customers	192,456,003,794	340,042,349,127
Trade receivables from related parties <i>(Note 31)</i>	<u>341,755,097</u>	<u>341,755,097</u>
	<u>192,797,758,891</u>	<u>340,384,104,224</u>
Long term		
Trade receivables from customers	<u>-</u>	<u>151,739,000</u>
TOTAL	<u>192,797,758,891</u>	<u>340,535,843,224</u>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the nine-month period ended 30 September 2017

7. SHORT-TERM ADVANCES TO SUPPLIERS

	VND	
	30 September 2017	31 December 2016
Advances for purchases of land use rights	593,782,407,375	477,881,353,363
<i>Advances for acquisition of Hoang Nam Project</i>	<i>531,000,000,000</i>	<i>471,400,000,000</i>
<i>Others</i>	<i>62,782,407,375</i>	<i>6,481,353,363</i>
Advances for construction services	119,454,522,364	70,998,535,407
<i>Dien Quang Nguyen Construction Joint Stock Company</i>	<i>20,737,074,601</i>	<i>14,317,824,472</i>
<i>Others</i>	<i>98,717,447,763</i>	<i>56,680,710,935</i>
Others	<u>1,799,869,698</u>	<u>7,905,406,904</u>
TOTAL	<u>715,036,799,437</u>	<u>556,785,295,674</u>

8. SHORT-TERM LOAN RECEIVABLES

	VND	
	30 September 2017	31 December 2016
Loans to individuals		
<i>Short-term</i>	<i>8,500,000,000</i>	<i>41,780,000,000</i>
<i>Long-term</i>	<i>59,562,108,000</i>	<i>-</i>
	<u>68,062,108,000</u>	<u>41,780,000,000</u>

Details of the loan receivables are as follows:

<i>Borrower</i>	<i>30 September 2017</i>	<i>Maturity date</i>	<i>Interest rate</i>
	VND		% p.a
<i>Mr Nguyen Thanh Dong</i>			
Loan 2	34,562,108,000	24 April 2019	6.0
<i>Ms Vu Bich Lan</i>			
Loan 1	8,500,000,000	28 December 2017	7.0
Loan 2	<u>25,000,000,000</u>	24 April 2019	6.0
TOTAL	<u>68,062,108,000</u>		
<i>In which:</i>			
- <i>Short-term loans</i>	8,500,000,000		
- <i>Long-term loans</i>	59,562,108,000		

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the nine-month period ended 30 September 2017

9. OTHER RECEIVABLES

	VND	
	30 September 2017	31 December 2016
Short-term		
Staff advances for land compensation purpose	124,948,429,186	111,354,640,763
Receivable from disposal of investment in Business Cooperation Contracts ("BCC")	50,741,108,872	6,210,353,467
Prepayment of corporate income tax based on payment progress of customers	21,968,802,014	9,213,961,104
Staff advances for other purposes	8,529,080,922	14,261,932,186
Others	<u>17,785,284,056</u>	<u>19,782,992,027</u>
	<u>223,972,705,050</u>	<u>160,823,879,547</u>
Long-term		
Investments in BCC projects (i)	41,063,090,180	117,264,530,680
Deposit	<u>6,358,732,224</u>	<u>7,457,900,301</u>
	<u>47,421,822,404</u>	<u>124,722,430,981</u>
TOTAL	<u>271,394,527,454</u>	<u>285,546,310,528</u>
<i>In which:</i>		
Due from other parties	270,844,527,454	285,546,310,528
Due from related parties (Note 31)	550,000,000	-

(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 September 2017, this project was under completion stage and hand over.

10. INVENTORIES

	VND	
	30 September 2017	31 December 2016
Inventory properties under development (i)	3,727,521,465,659	3,687,742,046,329
Engineering Procurement Contracts ("EPC") services (ii)	8,238,553,943	10,004,027,344
Construction materials	240,813,693	768,175,161
Finished goods	<u>-</u>	<u>1,687,790,909</u>
TOTAL	<u>3,736,000,833,295</u>	<u>3,700,202,039,743</u>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the nine-month period ended 30 September 2017

10. INVENTORIES (continued)

(i) Inventory properties under development:		
<i>Long An project</i> (*)	1,465,260,359,443	1,410,132,529,019
<i>Phu Huu project</i>	805,159,363,299	515,253,842,875
<i>Fuji project</i>	764,970,509,710	693,986,174,349
<i>Nguyen Son project</i>	217,051,307,718	581,124,624,485
<i>Nam Long – Hong Phat project</i>	100,016,775,372	160,568,491,597
<i>Phuoc Long B project – Extension</i>	75,564,689,898	72,484,697,580
<i>Tan Thuan Dong project</i>	75,277,398,422	66,297,696,252
<i>Hoang Nam project (*)</i>	83,004,222,319	34,065,035,864
<i>Can Tho project</i>	41,559,898,499	48,647,599,538
<i>Thao Nguyen project</i>	48,142,041,859	48,142,041,859
<i>Binh Duong project (“Ehome 4 project”)</i>	15,479,971,026	6,677,696,256
<i>Phuoc Long B project – Apartment</i>	4,480,947,237	13,050,022,077
<i>Ehome West Sai Gon project</i>		
<i>(“Ehome 3 project”)</i>	-	8,867,612,807
<i>Nhon Trach project</i>	-	211,865,659
<i>Others</i>	31,553,980,857	28,232,116,112
(ii) Engineering Procurement Contracts services:		
<i>Camelia - Nam Sai Gon</i>	8,238,553,943	10,004,027,344
(*) LURs have been mortgaged to secure the Group's outstanding borrowings:		
- LURs in An Thanh Ward, Ben Luc District, Long An Province; and		
- LURs in An Lac Ward, Binh Tan District, Ho Chi Minh City;		

11. PREPAID EXPENSES

	VND	
	30 September 2017	31 December 2016
Short-term		
Tools and supplies	9,067,153,832	3,987,948,691
Operating expenses	6,394,351,826	2,960,621,998
Others	2,026,421,963	474,699,255
	<u>17,487,927,621</u>	<u>7,423,269,944</u>
Long-term		
Commission fees	124,277,724,939	46,037,828,520
Tools and supplies	2,393,257,291	2,069,793,214
Others	156,797,942	130,339,480
	<u>126,827,780,172</u>	<u>48,237,961,214</u>
TOTAL	<u>144,315,707,793</u>	<u>55,661,231,158</u>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the nine-month period ended 30 September 2017

12. TANGIBLE FIXED ASSETS

	<i>Buildings and structures</i>	<i>Machinery and equipment</i>	<i>Means of transportation</i>	<i>Office equipment and furniture</i>	<i>Other assets</i>	<i>VND</i>
						<i>Total</i>
Cost:						
31 December 2016	50,779,575,483	11,703,266,072	6,980,703,283	5,396,138,334	1,139,333,846	75,999,017,018
Newly purchase	-	2,093,526,364	1,983,609,091	87,772,727	234,000,000	4,398,908,182
Transfer from investment properties	1,995,661,126	1,303,854,514	-	-	-	3,299,515,640
Disposal	-	(666,666,667)	(318,836,190)	-	-	(985,502,857)
30 September 2017	52,775,236,609	14,433,980,283	8,645,476,184	5,483,911,061	1,373,333,846	82,711,937,983
Accumulated depreciation:						
31 December 2016	(18,188,960,280)	(6,826,950,225)	(4,809,886,452)	(3,089,751,578)	(988,533,846)	(33,904,082,381)
Transfer from investment properties	(374,178,184)	-	(800,829,755)	-	-	(1,175,007,939)
Depreciation for the period	(1,454,355,476)	(944,952,146)	(1,227,603,082)	(415,913,991)	(44,200,000)	(4,087,024,695)
Disposal	-	666,666,667	58,600,905	-	-	725,267,572
30 September 2017	(20,017,493,940)	(7,105,235,704)	(6,779,718,384)	(3,505,665,569)	(1,032,733,846)	(38,440,847,443)
Net carrying amount:						
31 December 2016	32,590,615,203	4,876,315,847	2,170,816,831	2,306,386,756	150,800,000	42,094,934,637
30 September 2017	32,757,742,669	7,328,744,579	1,865,757,800	1,978,245,492	340,600,000	44,271,090,540

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the nine-month period ended 30 September 2017

13. INTANGIBLE ASSETS

			VND
	<i>Land use rights</i>	<i>Computer software</i>	<i>Total</i>
Cost:			
31 December 2016	13,128,104,718	4,799,491,519	17,927,596,237
Transfer from investment properties	745,167,808	-	745,167,808
Transfer to inventory	(540,000,000)	-	(540,000,000)
30 September 2017	<u>13,333,272,526</u>	<u>4,799,491,519</u>	<u>18,132,764,045</u>
Accumulated amortisation:			
31 December 2016	(1,459,217,583)	(3,389,962,964)	(4,849,180,547)
Transfer from investment properties	(128,100,531)	-	(128,100,531)
Amortization for the period	(154,651,839)	(520,315,569)	(674,967,408)
30 September 2017	<u>(1,741,969,953)</u>	<u>(3,910,278,533)</u>	<u>(5,652,248,486)</u>
Net carrying amount:			
31 December 2016	<u>11,668,887,135</u>	<u>1,409,528,555</u>	<u>13,078,415,690</u>
30 September 2017	<u>11,591,302,573</u>	<u>889,212,986</u>	<u>12,480,515,559</u>

14. INVESTMENT PROPERTIES

			VND
	<i>Land use rights</i>	<i>Buildings and structures</i>	<i>Total</i>
Cost:			
31 December 2016	9,418,240,612	44,804,669,695	54,222,910,307
Transfer to fixed assets	(745,167,808)	(3,299,515,640)	(4,044,683,448)
Transfer to inventory	-	(1,834,521,591)	(1,834,521,591)
30 September 2017	<u>8,673,072,804</u>	<u>39,670,632,464</u>	<u>48,343,705,268</u>
Accumulated depreciation and amortisation:			
31 December 2016	(8,479,085,367)	(6,407,947,668)	(14,887,033,035)
Charge for the period	(127,486,548)	(1,520,651,873)	(1,648,138,421)
Transfer to fixed assets	128,100,531	1,175,007,939	1,303,108,470
Transfer to inventory	-	220,142,592	220,142,592
30 September 2017	<u>(8,478,471,384)</u>	<u>(6,533,449,010)</u>	<u>(15,011,920,394)</u>
Net carrying amount:			
31 December 2016	<u>939,155,245</u>	<u>38,396,722,027</u>	<u>39,335,877,272</u>
30 September 2017	<u>194,601,420</u>	<u>33,137,183,454</u>	<u>33,331,784,874</u>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the nine-month period ended 30 September 2017

15. LONG-TERM INVESTMENTS

	VND	
	30 September 2017	31 December 2016
Investment in associate and jointly controlled entity (Note 15.1)	750,489,986,712	24,797,751,856
Other long-term investments (Note 15.2)	5,942,300,000	5,942,300,000
Provision for long-term investments	<u>(219,661,340)</u>	<u>(219,661,340)</u>
NET	<u>756,212,625,372</u>	<u>30,520,390,516</u>

15.1 Investment in an associate and jointly-controlled entity

Entities	Business	30 September 2017		31 December 2016	
		Interest	Cost of investment	Interest	Cost of investment
		%	VND	%	VND
NNH Mizuki Joint Stock Company	Real Estate	50	750,000,000,000	-	-
Okamura Tokyo Co., Ltd.	Real estate	40	834,000,000	40	834,000,000
Gamuda - Nam Long Development Limited Liability Company	Real estate	-	-	30	22,400,000,000

Detail of this investment in an associate and jointly-controlled entity are as follows:

	VND			
	Okamura Tokyo Co., Ltd.	Gamuda – Nam Long	NNH Mizuki Joint Stock Company	Total
Cost of investment:				
31 December 2016	834,000,000	22,400,000,000	-	23,234,000,000
Increase	-	-	750,000,000,000	750,000,000,000
Disposal	-	<u>(22,400,000,000)</u>	-	<u>(22,400,000,000)</u>
30 September 2017	<u>834,000,000</u>	-	750,000,000,000	<u>750,834,000,000</u>
Accumulated share in post-acquisition profit (loss):				
31 December 2016	(465,284,009)	2,029,035,865	-	1,563,751,856
Share in post-acquisition profit for the period	342,041,762	53,933,449	(220,771,041)	175,204,170
Dividend received	-	(4,569,150,584)	-	(4,569,150,584)
Disposal	-	<u>2,486,181,270</u>	-	<u>2,486,181,270</u>
30 September 2017	<u>(123,242,247)</u>	-	<u>(220,771,041)</u>	<u>(344,013,288)</u>
Net carrying amount:				
31 December 2016	<u>368,715,991</u>	<u>24,429,035,865</u>	-	<u>24,797,751,856</u>
30 September 2017	<u>710,757,753</u>	-	<u>749,779,228,959</u>	<u>750,489,986,712</u>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the nine-month period ended 30 September 2017

15. LONG-TERM INVESTMENTS (continued)

15.2 Other long-term investments

	As at 30 September 2017 and 31 December 2016		
	Quantity of shares	Interest (%)	Cost of investment VND
Bac Trung Nam Housing Development Joint Stock Company	353,330	7.00	3,533,300,000
Hong Phat Finance Investment Corporation	150,000	1.25	2,409,000,000
TOTAL			<u>5,942,300,000</u>

16. GOODWILL

The movements in goodwill during the period are as follows:

	VND
	<i>Goodwill arising from investment in Nguyen Son</i>
Cost:	
31 December 2016 and 30 September 2017	<u>32,906,583,473</u>
Accumulated amortisation:	
31 December 2016	(19,069,337,233)
Amortization for the period	<u>(3,773,794,429)</u>
30 September 2017	<u>(22,843,131,662)</u>
Net carrying amount:	
31 December 2016	<u>13,837,246,240</u>
30 September 2017	<u>10,063,451,811</u>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the nine-month period ended 30 September 2017

17. SHORT-TERM TRADE PAYABLES

	VND	
	30 September 2017	31 December 2016
Trade payables to suppliers		
<i>Hung QuocThinh Services Trading Company Limited</i>	19,033,613,625	51,254,292,144
<i>6D Joint Stock Company</i>	15,109,766,700	25,517,601,720
<i>QH Plus Corporation</i>	5,632,420,350	10,405,912,933
<i>Vietnam Uni Eastern Company Limited</i>	2,685,272,501	12,523,635,523
<i>Payables to other construction contractors</i>	<u>65,767,438,386</u>	<u>99,774,566,440</u>
TOTAL	<u>108,228,511,562</u>	<u>199,476,008,760</u>

18. ADVANCES FROM CUSTOMERS

	VND	
	30 September 2017	31 December 2017
Advances from third parties (*)	1,307,739,450,311	651,548,705,368
Advance from related party (Note 31)	<u>11,858,713,002</u>	<u>-</u>
TOTAL	<u>1,319,598,163,313</u>	<u>651,548,705,368</u>

(*) This amount represented advances from customers for apartments, town houses, villas and land purchases which were not handed over as at the interim balance sheet date.

19. STATUTORY OBLIGATIONS

	VND	
	30 September 2017	31 December 2016
Corporate income tax	232,738,811,804	85,937,895,301
Value-added tax	28,761,691,212	35,057,866,819
Others	<u>2,184,546,363</u>	<u>45,371,220,001</u>
TOTAL	<u>263,685,049,379</u>	<u>166,366,982,121</u>

20. SHORT-TERM ACCRUED EXPENSES

	VND	
	30 September 2017	31 December 2016
Cost-to-complete of projects that revenues have been recognised	772,691,343,605	494,846,884,624
Interest expense payables	14,784,545,050	36,325,426,027
Other operating costs	<u>56,582,407,447</u>	<u>54,143,508,111</u>
TOTAL	<u>844,058,296,102</u>	<u>585,315,818,762</u>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the nine-month period ended 30 September 2017

21. OTHER PAYABLES

	VND	
	30 September 2017	31 December 2016
Short-term		
Maintenance and warranty expenses	118,628,722,869	109,145,785,847
Payables for on-going projects	32,976,087,511	40,874,681,511
Investment contributions received for BCCs	23,914,537,138	7,764,901,664
Dividends payable to non-controlling interests	1,579,736,742	1,846,051,299
Deposits received	834,885,000	755,635,000
Others	45,063,578,869	22,930,701,480
	<u>222,997,548,129</u>	<u>183,317,756,801</u>
Long-term		
Deposits for rental office	9,522,582,811	7,971,859,607
TOTAL	<u>232,520,130,940</u>	<u>191,289,616,408</u>

22. LOANS

	VND	
	30 September 2017	31 December 2016
Short-term		
Short-term loans from individuals (Note 22.1)	16,854,947,000	69,894,565,335
Short-term loan from banks (Note 22.1)	121,355,239,899	82,126,096,080
Current portion of long-term loans (Note 22.2)	127,553,819,000	101,943,358,000
Current portion of bond	-	99,690,509,259
	<u>265,764,005,899</u>	<u>353,654,528,674</u>
Long-term		
Loans from banks (Note 22.2)	363,521,745,000	451,556,745,000
Current portion	127,553,819,000	101,943,358,000
Non-current portion	235,967,926,000	349,613,387,000
Current portion of bond	-	99,690,509,259
	<u>235,967,926,000</u>	<u>349,613,387,000</u>
TOTAL	<u>501,731,931,899</u>	<u>703,267,915,674</u>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the nine-month period ended 30 September 2017

22. LOANS (continued)

22.1 Short-term loans

Details of the short-term loans are as follows:

30 September
2017
VND

Short-term loans from individuals

Short-term loans from individuals	16,854,947,000	From 9 December 2017 to 14 April 2018	Support working capital needs	8.5 - 10.5 % p.a	Unsecured
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Short-term loans from banks

Orient Commercial Joint Stock Bank	44,836,439,795	From 22 August 2017 to 24 May 2018	Support working capital needs	7.5 - 8.4	LUR in map number 5, An Thanh Ward, Ben Luc District, Long An Province
Vietnam Bank for Agriculture and Rural Development - Branch 8	20,755,463,997	From 8 December 2017 to 12 January 2018		7.5	LUR and associated assets of An Thanh Ward, Ben Luc District, Long An Province
JSC Bank for Foreign Trade of Vietnam, Ky Dong Branch	55,763,336,107	June 2018		7.5	LUR and associated assets of An Thanh Ward, Ben Luc District, Long An Province

TOTAL

121,355,239,899

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the nine-month period ended 30 September 2017

22. LOANS (continued)

22.2 Long-term loans from banks

Details of the long-term loans from banks are as follows:

Bank	30 September 2017	Maturity date	Purpose	Interest rate % p.a	Description of collateral
Orient Commercial Joint Stock Bank					
Loan 1	63,521,745,000	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
Loan 2	300,000,000,000	From 12 October 2017 to 12 October 2022	Purchase project Hoang Nam	9.9	Guaranteed by Hoang Nam Construction Trading Limited
TOTAL	363,521,745,000				
<i>In which:</i>					
- Current portion	127,553,819,000				
- Long-term	235,967,926,000				

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the nine-month period ended 30 September 2017

22. LOANS (continued)

22.3 *Movements of loans and bond during the period*

	<i>Loans</i>	<i>Bond</i>	<i>VND Total</i>
Beginning balance	603,577,406,415	99,690,509,259	703,267,915,674
Drawdown from borrowings	203,961,213,385	-	203,961,213,385
Repayment from borrowings	(305,806,687,901)	(100,000,000,000)	(405,806,687,901)
Cost of issuing bonds	-	309,490,741	309,490,741
Ending balance	501,731,931,899	-	501,731,931,899

23. CONVERTIBLE BOND

On 8 April 2016, the Board of Directors approved a detailed plan to execute the issuance of the convertible bonds 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 bonds 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 September 2017</i>
Value of convertible bond	500,000,000,000
Equity component (<i>Note 25.1</i>)	<u>(40,503,427,830)</u>
Liability component at initial recognition	459,496,572,170
Liability component at 31 December 2016	463,083,450,079
Add: Amortisation in year	<u>5,835,100,235</u>
Liability component at 30 September 2017	<u>468,918,550,314</u>

24. LONG-TERM UNEARNED REVENUE

This represented the value of the Group's income received from the transfer part of Nguyen Son Project to NNH Mizuki Joint Stock Company, proportionate to the ownership of the Group in this joint venture.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the nine-month period ended 30 September 2017

25. OWNERS' EQUITY

25.1 Increases and decreases in owners' equity

	Share capital	Share premium	Treasury share	Investment and development fund	Other funds belonging to owners' equity	Undistributed earnings	Convertible bond option	Total
For the nine-month period ended 30 September 2016								
31 December 2015	1,415,721,570,000	492,337,147,061	(60,464,200,000)	10,929,726,999	1,115,488,341	358,306,808,042	-	2,217,946,540,443
Issuance of new shares	5,423,530,000	(176,000,000)	-	-	-	-	-	5,247,530,000
Issuance of convertible bond (Note 23)	-	-	-	-	-	-	40,503,427,830	40,503,427,830
Net profit for the period	-	-	-	-	-	162,526,014,094	-	162,526,014,094
Dividend declared	-	-	-	-	-	(63,888,106,216)	-	(63,888,106,216)
Appropriation of net profit	-	-	-	-	3,512,281,041	(16,672,281,041)	-	(13,160,000,000)
Utilisation of funds	-	-	-	-	(3,206,580,605)	-	-	(3,206,580,605)
Other increase	-	-	-	-	-	(4,775,480,385)	-	(4,775,480,385)
30 September 2016	1,421,145,100,000	492,161,147,061	(60,464,200,000)	10,929,726,999	1,421,188,777	435,496,954,494	40,503,427,830	2,341,193,345,161
For the six-month period ended 30 September 2017								
31 December 2016	1,421,145,100,000	492,161,147,061	(60,464,200,000)	10,929,726,999	1,081,198,777	578,402,902,765	40,503,427,830	2,483,759,303,432
Issuance of new shares (*)	151,118,990,000	(110,000,000)	-	-	-	-	-	151,008,990,000
Net profit after tax	-	-	-	-	-	351,919,773,503	-	351,919,773,503
Dividends declared	-	-	-	-	-	(175,304,863,905)	-	(175,304,863,905)
Appropriation of net profit	-	-	-	-	3,913,667,677	(26,701,964,634)	-	(22,788,296,957)
Utilisation of funds	-	-	-	-	(3,906,107,336)	-	-	(3,906,107,336)
Other decrease	-	-	-	-	-	(566,831,142)	-	(566,831,142)
30 September 2017	1,572,264,090,000	492,051,147,061	(60,464,200,000)	10,929,726,999	1,088,759,118	727,749,016,587	40,503,427,830	2,784,121,967,595

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the nine-month period ended 30 September 2017

25. OWNERS' EQUITY (continued)

25.1 Increases and decreases in owners' equity (continued)

(*) On 24 August 2017, the Company issued 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.

25.2 Shares

	<i>30 September 2017</i>	<i>31 December 2016</i>
	<i>Number of shares</i>	<i>Number of shares</i>
Authorized shares	157,226,409	142,114,510
Issued shares		
<i>Issued and paid-up shares</i>	<i>157,226,409</i>	<i>142,114,510</i>
Ordinary shares	157,226,409	142,114,510
Treasury shares		
<i>Held by subsidiaries</i>	<i>7,149,780</i>	<i>6,502,165</i>
Ordinary shares	7,149,780	6,502,165
Shares in circulation		
Ordinary shares	150,076,629	135,612,345

25.3 Dividends

	<i>VND</i>	
	<i>For the nine-month period ended 30 September 2017</i>	<i>For the nine-month period ended 30 September 2016</i>
Contributed capital		
Beginning balance	1,421,145,100,000	1,415,721,570,000
Increase	151,118,990,000	5,423,530,000
Ending balance	<u>1,572,264,090,000</u>	<u>1,421,145,100,000</u>
Cash dividends declared	33,767,473,905	63,888,106,216
Stock dividends declared	141,537,390,000	-
Dividends paid	35,722,736,202	63,888,106,216

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the nine-month period ended 30 September 2017

26. NON-CONTROLLING INTERESTS

	<i>VND</i>	
	<i>30 September 2017</i>	<i>31 December 2016</i>
Contributed charter capital	735,122,873,970	599,906,143,470
Share premium	26,412,286,830	26,412,286,830
Treasury shares	(656,280,000)	(656,280,000)
Investment and development fund	62,463,835	125,693,756
Other funds belonging to owner's equity	731,528,491	846,532,269
Asset revaluation reserve	63,818,489	63,818,489
Undistributed earnings	<u>61,116,116,826</u>	<u>36,816,111,592</u>
TOTAL	<u>822,852,808,441</u>	<u>663,514,306,406</u>

Movements of non-controlling interests are as follows:

	<i>VND</i>
	<i>For the nine-month period ended 30 September 2017</i>
As at 31 December 2016	663,514,306,406
Additional capital contribution	155,516,750,000
Capital withdrawal	(20,000,000,000)
Net profit for the period	112,829,763,671
Transferred non-controlling interest to the Group	(273,168,858)
Dividends paid	(88,619,839,000)
Fund contribution	<u>(115,003,778)</u>
As at 30 September 2017	<u>822,852,808,441</u>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the nine-month period ended 30 September 2017

27. REVENUES

27.1 Revenues from sale of goods and rendering of services

	VND	
	<i>For the nine-month period ended 30 September 2017</i>	<i>For the nine-month period ended 30 September 2016</i>
Gross revenues	1,640,199,548,639	1,671,525,333,368
<i>In which:</i>		
<i>Sale of transfer of project</i>	838,344,394,030	-
<i>Sale of land, apartments, town houses and villas</i>	758,428,519,941	1,633,348,283,671
<i>Rendering of services</i>	31,618,941,275	23,093,122,843
<i>Rental income from investment properties</i>	11,807,693,393	15,083,926,854
Less		
Sales deduction	(3,532,614,108)	-
Net revenues	<u>1,636,666,934,531</u>	<u>1,671,525,333,368</u>
<i>In which:</i>		
<i>Sale of transfer of project</i>	838,344,394,030	-
<i>Sale of land, apartments, town houses and villas</i>	754,895,905,833	1,633,348,283,671
<i>Rendering of services</i>	31,618,941,275	23,093,122,843
<i>Rental income from investment properties</i>	11,807,693,393	15,083,926,854
<i>In which:</i>		
<i>Sale to a related party (Note 31)</i>	838,344,394,030	-
<i>Sale to other parties</i>	798,322,540,501	1,671,525,333,368

27.2 Finance income

	VND	
	<i>For the nine-month period ended 30 September 2017</i>	<i>For the nine-month period ended 30 September 2016</i>
Profit received from BCCs	34,329,314,905	-
Bank interest income	23,591,529,691	11,452,943,052
Dividend	4,957,813,584	353,330,000
Loan interest income	2,101,905,000	-
TOTAL	<u>64,980,563,180</u>	<u>11,806,273,052</u>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the nine-month period ended 30 September 2017

28. COST OF GOODS SOLD AND SERVICES RENDERED

	VND	
	<i>For the nine-month period ended 30 September 2017</i>	<i>For the nine-month period ended 30 September 2016</i>
Cost of transfer of project	393,429,586,858	-
Cost of land, apartments, town houses and villas	458,590,008,298	1,183,510,355,614
Cost of rendering of services	23,220,033,616	11,515,595,189
Operating costs of investment property	6,458,969,379	8,385,288,567
TOTAL	<u>881,698,598,151</u>	<u>1,203,411,239,370</u>

29. FINANCE EXPENSES

	VND	
	<i>For the nine-month period ended 30 September 2017</i>	<i>For the nine-month period ended 30 September 2016</i>
Interest expense on bonds issued and bank loans	21,381,999,286	12,998,935,763
Other finance expenses	887,345,608	3,086,086,116
TOTAL	<u>22,269,344,894</u>	<u>16,085,021,879</u>

29. CORPORATE INCOME TAX

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

The tax returns filed by Group 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 consolidated financial statements could change later upon final determination by the tax authorities.

CIT expense

	VND	
	<i>For the nine-month period ended 30 September 2017</i>	<i>For the nine-month period ended 30 September 2016</i>
Estimated current CIT expenses	231,286,462,325	39,756,606,191
Deferred income tax (income)/expenses	(104,065,534,070)	9,336,740,866
TOTAL	<u>127,220,928,255</u>	<u>49,093,347,057</u>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the nine-month period ended 30 September 2017

31. TRANSACTIONS WITH RELATED PARTIES

Significant transactions of the Group with related parties during the period were as follows:

<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>VND</i> <i>For the nine-month period ended</i> <i>30 September 2017</i>
NNH Mizuki Joint Stock Company	Joint venture	Capital contribution	750,000,000,000
		Sale of project	838,344,394,030
		Receipts from sale of project	1,500,000,000,000
		Service fee	462,000,000

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

<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>VND</i> <i>30 June 2017</i>
<i>Short-term trade receivables</i>			
Ms Ngo Thi Ngoc Lieu	Shareholder	Sales of apartments	110,005,097
Ms Nguyen Thi Bich Ngoc	Shareholder	Sales of apartments	231,750,000
			<u>341,755,097</u>
<i>Other short-term receivables</i>			
NNH Mizuki	Joint venture	Payment on behalf	550,000,000
			<u>550,000,000</u>
<i>Advance from customers</i>			
NNH Mizuki	Joint venture	Sales of project	11,858,713,002
			<u>11,858,713,002</u>

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

	<i>VND</i> <i>For the nine-month period ended</i> <i>30 September 2017</i>	<i>VND</i> <i>For the nine-month period ended</i> <i>30 September 2016</i>
Remunerations for members of the BOD	6,542,060,167	5,057,000,000
Remunerations for members of the Management	5,025,751,918	5,524,268,440
TOTAL	<u>11,567,812,085</u>	<u>10,581,268,440</u>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for the nine-month period ended 30 September 2017

32. EARNINGS PER SHARE

Basic earnings per share amounts are calculated by dividing net profit after tax for the period attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the period.

The following reflects the income and share data used in the basic earnings per share computations:

	<i>For the nine-month period ended 30 September 2017</i>	<i>For the nine-month period ended 30 September 2016 (Restated)</i>
Net profit after tax (VND)	351,919,773,503	162,526,014,094
Less: Bonus and welfare fund (VND) (i)	(24,634,384,145)	(10,726,716,930)
Net interest after tax on convertible bonds charged to the interim consolidated income statement (VND)	<u>17,856,749,058</u>	<u>10,044,313,335</u>
Net profit attributable to ordinary shareholders (VND)	345,142,138,416	161,843,610,499
Weighted average number of ordinary shares during the period (VND) (ii)	149,959,120	149,266,458
Adjusted weighted average number of potential shares from convertible bonds (VND) (iii)	<u>21,276,596</u>	<u>21,276,596</u>
Weighted average number of ordinary shares adjusted for the effect of dilution	171,235,716	170,543,054
Earnings per share (VND)		
Basic earnings per share	2,182	1,017
Diluted earnings per share	2,016	949

(i) Net profit used to compute earnings per share for the the nine-month period ended 30 September 2016 was restated following the actual distribution to Bonus and welfare funds from 2016 undistributed earnings as approved in the Annual General Meeting 2016's Resolution dated 22 April 2017 ("AGM Resolution 2016").

Net profit used to compute earnings per share for the nine-month period ended 30 September 2017 is adjusted for distribution to Bonus and welfare funds, which is appropriated at 7% of net profit after tax as approved in accordance with AGM Resolution 2016.

(ii) The weighted average number of shares in circulation for the nine-month period ended 30 September 2016 were adjusted to reflect the issuance of 14,153,739 shares as dividends on 17 July 2017.

(iii) As disclosed in Note 23 to the interim consolidated financial statements, on 8 April 2016, the Company issued VND 500,000,000,000 convertible bonds at par value of VND 1,000,000,000 per unit. These convertible bonds could potentially dilute basic earnings per share in the future as calculated for the nine-month period ended 30 September 2017.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
 as at and for the nine-month period ended 30 September 2017

33. CORRESPONDING FIGURES


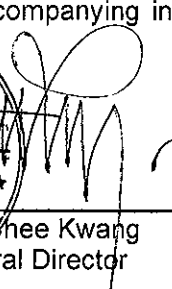
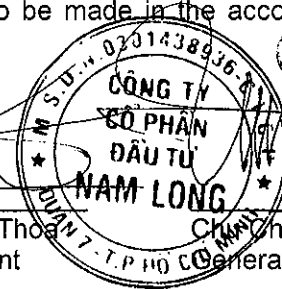
Certain corresponding figures on the consolidated financial statements for the year ended 31 December 2016 have been reclassified to reflect the presentation of the current period's consolidated financial statements.

34. EVENTS AFTER THE BALANCE SHEET DATE

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 consolidated financial statements.



Pham Hong Hanh
 Preparer

Luong Thi Kim Thoa
 Chief Accountant

Chu Thee Kwang
 General Director

18 October 2017

Nam Long Investment Corporation

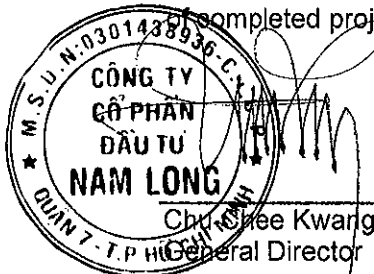
EXPLANATION OF THE CONSOLIDATED INCOME STATEMENT IN QUARTER 3 - 2017

To implement disclosure requirement of listed organization in Ho Chi Minh City Stock Exchange, Nam Long Investment Corporation explains revenue and net profit after tax of the Group in Quarter 3.2017 are as follows:

No.	Items	Quarter 3.2017 (VND)	Quarter 3.2016 (VND)	Variance
A	B	(1)	(2)	(3) = [(1) - (2)] / (2)
1	Net revenue	375,031,224,561	603,792,341,742	-38%
2	Net profit after tax	41,933,958,121	35,140,860,697	19%

Net consolidated revenue in Quarter 3.2017 is 375 billion VND, reducing 38% equivalents to 229 billion VND in comparison with the same period of 2016 because new projects (Fuji, Kikyo, Mizuki) have been in construction, old projects (Ehome 3, Ehome 4, Ehome 5, Flora Anh Dao) have been nearly completed handover process in 2016. Revenue in this quarter is mainly contributed by handover Valora Fuji and Valora Kikyo amounting to 297 billion VND, occupied 79% in total revenue in this quarter. Besides, revenue from sale of land lot in this period is 64 billion VND, occupied 17% in total revenue in this quarter.

Business result of Quarter 3.2017 is increased significantly when compared with the same quarter of 2016, mainly due to higher gross profit from Valora and landlot than apartment and cost finalization of completed projects.



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 General Director

18 October 2017

