

Nam Long Investment Corporation

Interim separate financial statements

30 June 2016

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/QD-SGDHCM issued by HOSE on 25 January 2013.

As at 30 June 2016, the Company has twelve direct subsidiaries and two indirect subsidiaries and one jointly-controlled entity with details as follows:

<i>Company</i>	<i>Relationship</i>	<i>Location</i>	<i>Business</i>
Nam Long Development Corporation	Subsidiary	Ho Chi Minh City	Construction and real estate
Nam Long Service Joint Stock Company	Subsidiary	Ho Chi Minh City	Service and construction
Nam Long - Hong Phat Joint Stock Company	Subsidiary	Can Tho City	Construction and real estate
Nguyen Son Real Estate Joint Stock Company	Subsidiary	Ho Chi Minh City	Real estate
Nam Long Apartment Development Corporation	Subsidiary	Ho Chi Minh City	Construction and real estate
Nam Long Real Estate Transaction Floor One Member Limited Liability Company	Subsidiary	Ho Chi Minh City	Real estate trading floor
Nam Khang Construction Investment Development One Member Limited Liability Company	Subsidiary	Ho Chi Minh City	Construction and real estate
Nam Vien Construction and Design Consulting Joint Stock Company	Subsidiary	Ho Chi Minh City	Service
Nam Khang Construction Materials Trading Company Limited	Subsidiary	Ho Chi Minh City	Construction material trading
Nam Long VCD Corporation	Subsidiary	Long An Province	Construction and real estate
Nam Phan Investment Corporation	Subsidiary	Ho Chi Minh City	Construction and real estate
ASPL PLB - Nam Long Company Limited	Subsidiary	Ho Chi Minh City	Construction and real estate
Nguyen Phuc Real Estate Investment and Trading Company Limited	Subsidiary	Ho Chi Minh City	Real estate
Thao Nguyen Real Estate Investment and Trading Company Limited	Subsidiary	Ho Chi Minh City	Real estate
Gamuda - Nam Long Development Limited Liability Company	Joint Venture	Ho Chi Minh City	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:

Mr Yip Chong Kuan	Head	
Mr Vuong Thuan	Member	
Ms Nguyen Thi Thanh Thao	Member	appointed on 25 April 2016
Mr Timothy Thien Chau	Member	resigned on 25 April 2016

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.

Mr Chu Chee Kwang is authorised by Mr Nguyen Xuan Quang to sign the interim separate financial statements for the six-month period ended 30 June 2016.

AUDITORS

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

Nam Long Investment Corporation

REPORT OF MANAGEMENT

Management of Nam Long Investment Corporation ("the Company") is pleased to present its report and the interim separate financial statements of the Company for the six-month period ended 30 June 2016.

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 in 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.

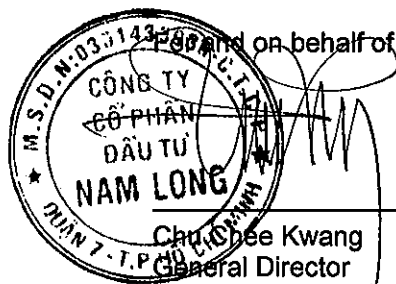
STATEMENT BY MANAGEMENT

Management does hereby state that, in its opinion, the accompanying interim separate financial statements give a true and fair view of the interim separate financial position of the Company as at 30 June 2016 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 12.1 and the interim consolidated financial statements of the Company and its subsidiaries ("the Group") for the six-month period ended 30 June 2016 prepared in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the relevant statutory requirements 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 for the six-month period ended 30 June 2016 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.

and on behalf of management:



Ho Chi Minh City, Vietnam

5 August 2016



Ernst & Young Vietnam Limited
28th Floor, Bitexco Financial Tower
2 Hai Trieu Street, District 1
Ho Chi Minh City, S.R. of Vietnam

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working world**

Reference: 60755865/18591923/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 5 August 2016 and set out on pages 6 to 43, which comprise the interim separate balance sheet as at 30 June 2016, and 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 2016, 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 is the parent company of the subsidiaries and it have been issued the interim consolidated financial statements of the Company and its subsidiaries for the six-month period ended 30 June 2016 to meet the prevailing regulatory reporting requirements. We have reviewed these interim consolidated financial statements and our report on review of interim consolidated financial statements dated 5 August 2016 has expressed an unqualified conclusion.

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



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

Ho Chi Minh City, Vietnam

5 August 2016

INTERIM SEPARATE BALANCE SHEET
as at 30 June 2016


VND


Code	ASSETS	Notes	30 June 2016	31 December 2015
100	A. CURRENT ASSETS		2,108,704,877,198	2,003,442,018,660
110	I. Cash and cash equivalents	4	475,707,445,636	154,620,194,401
111	1. Cash		262,290,103,700	109,220,194,401
112	2. Cash equivalents		213,417,341,936	45,400,000,000
120	II. Short-term investments	5	19,520,940,285	-
123	1. Held- to-maturity investments		19,520,940,285	-
130	III. Current accounts receivable		960,880,632,901	830,598,610,819
131	1. Short-term trade receivables	6	212,242,734,779	179,522,568,865
132	2. Short-term advances to suppliers	7	341,502,189,068	265,637,233,844
135	3. Short-term loan receivables	8	201,576,890,411	208,471,572,411
136	4. Other short-term receivables	9	205,744,580,138	177,295,116,794
137	5. Provision for doubtful debts	6	(185,761,495)	(327,881,095)
140	IV. Inventories	10	629,003,920,725	995,150,436,018
141	1. Inventories		629,003,920,725	995,150,436,018
150	V. Other current assets		23,591,937,651	23,072,777,422
151	1. Short-term prepaid expenses		157,179,485	-
152	2. Value-added tax deductible		23,434,758,166	23,072,777,422
200	B. NON-CURRENT ASSETS		2,798,567,273,008	2,690,176,647,115
210	I. Long-term receivables		114,890,805,589	82,677,560,732
215	1. Long-term loan receivables	8	15,674,682,000	-
216	2. Other long-term receivables	9	99,216,123,589	82,677,560,732
220	II. Fixed assets		4,412,228,562	4,176,125,725
221	1. Tangible fixed assets		3,303,857,977	2,871,385,023
222	Cost		7,325,802,628	6,826,192,877
223	Accumulated depreciation		(4,021,944,651)	(3,954,807,854)
227	2. Intangible assets		1,108,370,585	1,304,740,702
228	Cost		3,798,932,598	3,798,932,598
229	Accumulated amortisation		(2,690,562,013)	(2,494,191,896)
230	III. Investment properties	11	3,456,326,955	3,548,507,235
231	1. Cost		6,024,244,070	6,024,244,070
232	2. Accumulated depreciation		(2,567,917,115)	(2,475,736,835)
240	IV. Long-term assets in progress		330,331,148	262,801,148
242	1. Construction in progress		330,331,148	262,801,148
250	V. Long-term investments	12	2,649,955,805,892	2,568,932,484,575
251	1. Investments in subsidiaries	12.1	2,365,134,828,141	2,330,229,267,848
252	2. Investments in jointly-controlled entities	12.2	22,400,000,000	22,400,000,000
253	3. Investment in other entities	12.3	262,420,977,751	216,303,216,727
260	VI. Other long-term assets		25,521,774,862	30,579,167,700
261	1. Long-term prepaid expenses	13	19,519,381,904	24,024,698,255
262	2. Deferred tax assets	27.3	6,002,392,958	6,554,469,445
270	TOTAL ASSETS		4,907,272,150,206	4,693,618,665,775

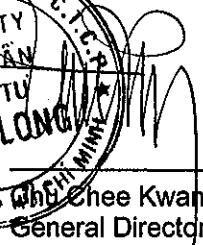
INTERIM SEPARATE BALANCE SHEET (continued)
as at 30 June 2016

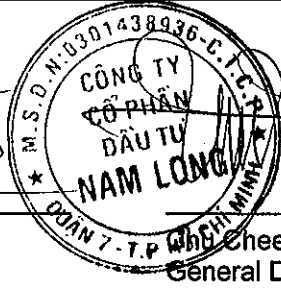
VND

Code	RESOURCES	Notes	30 June 2016	31 December 2015
300	C. LIABILITIES		2,684,686,319,948	2,512,781,430,741
310	I. Current liabilities		1,767,825,904,356	2,109,416,679,973
311	1. Short-term trade payables	14	82,682,118,598	345,539,161,943
312	2. Short-term advances from customers	15	602,770,715,974	856,246,440,478
313	3. Statutory obligations	16	66,631,856,913	72,046,701,908
314	4. Payables to employees		2,599,322,429	15,118,992,691
315	5. Short-term accrued expenses	17	328,961,922,772	151,453,477,146
319	6. Other short-term payables	18	376,701,146,980	413,882,442,276
320	7. Short-term loans	19	298,278,805,604	256,450,226,604
322	8. Bonus and welfare fund	21	9,200,015,086	(1,320,763,073)
330	II. Non-current liabilities		916,860,415,592	403,364,750,768
337	1. Other long-term liabilities	18	19,352,137,130	6,374,152,930
338	2. Long-term loans	19	429,075,106,111	387,948,745,000
339	3. Convertible bond	20	461,081,817,338	-
341	4. Deferred tax liabilities	27.3	7,351,355,013	9,041,852,838
400	D. OWNERS' EQUITY		2,222,585,830,258	2,180,837,235,034
410	I. Capital	22.1	2,222,585,830,258	2,180,837,235,034
411	1. Share capital		1,415,721,570,000	1,415,721,570,000
411a	- Shares with voting rights		1,415,721,570,000	1,415,721,570,000
412	2. Share premium		492,337,147,061	492,337,147,061
413	3. Convertible bond options	20	40,503,427,830	-
418	4. Investment and development fund		5,940,860,165	5,940,860,165
421	5. Undistributed earnings		268,082,825,202	266,837,657,808
421a	- Undistributed earnings up to prior period-end		186,714,027,547	252,892,523,998
421b	- Net profit after tax for this period		81,368,797,655	13,945,133,810
440	TOTAL LIABILITIES AND OWNERS' EQUITY		4,907,272,150,206	4,693,618,665,775


Pham Thi Duong Lieu
Preparer


Luong Thi Kim Thoa
Chief Accountant


Chee Kwang
General Director


M.S.D.N: 0301438936-C.T.C.P
CÔNG TY
CƠ PHÁN
ĐẦU TƯ
NAM LONG
QUẬN 7 - T.P. HO CHI MINH

5 August 2016

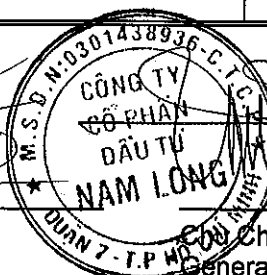
INTERIM SEPARATE INCOME STATEMENT
for the six-month period ended 30 June 2016

VND

Code	ITEMS	Notes	For the six-month period ended 30 June 2016	For the six-month period ended 30 June 2015
01	1. Revenues from sale of goods and rendering of services	23.1	1,026,954,353,213	381,830,812,739
02	2. Deductions	23.1	-	(5,283,418,659)
10	3. Net revenues from sale of goods and rendering of services	23.1	1,026,954,353,213	376,547,394,080
11	4. Costs of goods sold and services rendered	24	(826,543,438,675)	(296,304,127,775)
20	5. Gross profit from sale of goods and rendering of services		200,410,914,538	80,243,266,305
21	6. Finance income	23.2	39,227,533,420	33,778,235,517
22	7. Finance expenses	25	(24,317,565,058)	(24,494,910,644)
23	- In which: Interest expense		(16,191,130,634)	(11,515,936,223)
25	8. Selling expenses	26	(74,860,538,022)	(29,086,816,113)
26	9. General and administrative expenses	26	(43,200,718,801)	(36,386,023,740)
30	10. Operating profit		97,259,626,077	24,053,751,325
31	11. Other income		2,596,031,822	595,904,573
32	12. Other expenses		(865,415)	(5,506,350,400)
40	13. Other profit (loss)		2,595,166,407	(4,910,445,827)
50	14. Accounting profit before tax		99,854,792,484	19,143,305,498
51	15. Current corporate income tax expense	27.2	(19,624,416,167)	(5,407,369,016)
52	16. Deferred income tax benefit (expense)	27.3	1,138,421,338	(837,053,853)
60	17. Net profit after tax		81,368,797,655	12,898,882,629


Pham Thi Duong Lieu
Preparer


Luong Thi Kim Thoa
Chief Accountant




Chu Chee Kwang
General Director

INTERIM SEPARATE CASH FLOW STATEMENT
for the six-month period ended 30 June 2016

VND

Code	ITEMS	Notes	For the six-month period ended 30 June 2016	For the six-month period ended 30 June 2015
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	Profit before tax		99,854,792,484	19,143,305,498
	<i>Adjustments for:</i>			
02	Depreciation and amortisation		646,440,534	644,180,967
03	Reversal of provision	6	(142,119,600)	(50,000,000)
04	Unrealised foreign exchange losses		1,625,497,346	-
05	Profits from investing activities	23.2	(39,227,533,420)	(33,778,235,517)
06	Interest expense	25	16,191,130,634	11,515,936,223
08	Operating profit (losses) before changes in working capital		78,948,207,978	(2,524,812,829)
09	(Increase) decrease in receivables		(100,292,597,592)	105,680,086,321
10	Decrease in inventories		366,146,515,293	22,645,568,631
11	Decrease in payables		(380,789,688,224)	(38,481,661,464)
12	Increase in prepaid expenses		(35,177,684,685)	(4,657,010,862)
14	Interest paid		(15,245,752,150)	(28,157,008,895)
15	Corporate income tax paid	27.2	(30,528,117,250)	(3,365,136,297)
17	Other cash outflows from operating activities		(2,639,221,841)	(3,547,207,858)
20	Net cash flows (used in) from operating activities		(119,578,338,471)	47,592,816,747
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchases of fixed assets		(846,165,818)	(241,682,273)
23	Loans to other entities		(63,645,085,629)	-
25	Payments for investments in other entities		(256,998,161,024)	(421,737,480,803)
26	Proceeds from sale of investments in other entities		183,583,558,448	228,513,695,765
27	Interest and dividends received		20,286,967,805	2,042,232,719
30	Net cash flows used in investing activities		(117,618,886,218)	(191,423,234,592)
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
31	Issuance of convertible bond and shares	22.1	40,503,427,830	6,704,872,374
33	Drawdown of borrowings	19.6, 20	721,569,800,000	90,447,405,000
34	Repayment of borrowings	19.6	(138,007,221,000)	(92,118,028,625)
36	Dividends paid	22.2	(65,781,530,906)	(36,305,674,609)
40	Net cash flows from (used in) financing activities		558,284,475,924	(31,271,425,860)

INTERIM SEPARATE CASH FLOW STATEMENT (continued)
for the six-month period ended 30 June 2016

VND

Code	ITEMS	Notes	For the six-month period ended 30 June 2016	For the six-month period ended 30 June 2015
50	Net increase (decrease) in cash and cash equivalents		321,087,251,235	(175,101,843,705)
60	Cash and cash equivalents at beginning of period		154,620,194,401	326,003,924,878
70	Cash and cash equivalents at end of period	4	475,707,445,636	150,902,081,173

Pham Thi Duong Lieu
Preparer

Luong Thi Kim Thoa
Chief Accountant

Chau Chee Kwang
General Director

5 August 2016

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS
as at and for the six-month period ended 30 June 2016

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, as amended.

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As at 30 June 2016, the Company has twelve direct subsidiaries and two indirect subsidiaries and one jointly-controlled entity with details as follows:

<i>Company</i>	<i>Relationship</i>	<i>Location</i>	<i>Business</i>
Nam Long Development Corporation ("Nam Long DC")	Subsidiary	Ho Chi Minh City	Construction and real estate
Nam Long Service Joint Stock Company ("Nam Long Service")	Subsidiary	Ho Chi Minh City	Service and construction
Nam Long - Hong Phat Joint Stock Company ("Nam Long - Hong Phat")	Subsidiary	Can Tho City	Construction and real estate
Nguyen Son Real Estate Joint Stock Company ("Nguyen Son")	Subsidiary	Ho Chi Minh City	Real estate
Nam Long Apartment Development Corporation ("Nam Long ADC")	Subsidiary	Ho Chi Minh City	Construction and real estate
Nam Long Real Estate Transaction Floor One Member Limited Liability Company ("Trading Floor")	Subsidiary	Ho Chi Minh City	Real estate trading floor
Nam Khang Construction Investment Development One Member Limited Liability Company ("Nam Khang")	Subsidiary	Ho Chi Minh City	Construction and real estate
Nam Vien Construction and Design Consulting Joint Stock Company ("Nam Vien")	Subsidiary	Ho Chi Minh City	Service
Nam Khang Construction Materials Trading Company Limited ("Nam Khang Materials")	Subsidiary	Ho Chi Minh City	Construction material trading
Nam Long VCD Corporation ("Nam Long VCD")	Subsidiary	Long An Province	Construction and real estate
Nam Phan Investment Corporation ("Nam Phan")	Subsidiary	Ho Chi Minh City	Construction and real estate
ASPL PLB - Nam Long Company Limited ("ASPL PLB - Nam Long")	Subsidiary	Ho Chi Minh City	Construction and real estate
Nguyen Phuc Real Estate Investment and Trading Company Limited ("Nguyen Phuc")	Subsidiary	Ho Chi Minh City	Real estate
Thao Nguyen Real Estate Investment and Trading Company Limited ("Thao Nguyen")	Subsidiary	Ho Chi Minh City	Real estate
Gamuda - Nam Long Development Limited Liability Company ("Gamuda - Nam Long")	Joint Venture	Ho Chi Minh City	Real estate

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2016

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. The Company also has one branch in Can Tho City, Vietnam.

The number of the Company's employees as at 30 June 2016 was 182 (31 December 2015: 143).

2. BASIS OF PREPARATION

2.1 Purpose of preparing the interim separate financial statements

The company has subsidiaries as disclosed in Note 12.1. The Company prepared the 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 for the six-month period ended 30 June 2016.

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 Company and its subsidiaries.

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).

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2016

2. BASIS OF PREPARATION (continued)

2.2 *Accounting Standards and System* (continued)

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.

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 in 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 inventories owned by the Company, based on appropriate evidence of impairment available at the balance sheet date.

Increases and decreases to the provision balance are recorded into the cost of goods sold account 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 2016

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.3 *Receivables*

Receivables are presented in the interim separate financial statements at the carrying amounts due from customers and other debtors, along with 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 and decreases to the provision balance are recorded as general and administrative expense in the interim separate income statement.

3.4 *Fixed assets*

Tangible and intangible 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 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.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2016

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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:

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

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
--------------------------	--------------

LUR with indefinite useful life is not amortised.

Investment properties are derecognised in the interim separate balance sheet 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 over 2 to 5 years:

- ▶ 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 2016

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.

Interests 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 and 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, the Law on Social Insurance 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 and 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 2016

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 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 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 and 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 2016

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 lease terms.

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 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 income 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 income 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.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2016

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.16 Taxation (continued)

Deferred income tax (continued)

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 income tax asset to be utilised. Previously unrecognised deferred income 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 income tax assets to be recovered.

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

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 years.

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 2016

4. CASH AND CASH EQUIVALENTS

	VND	
	30 June 2016	31 December 2015
Cash on hand	2,002,703,010	1,538,557,218
Cash in banks	260,287,400,690	107,681,637,183
Cash equivalents	<u>213,417,341,936</u>	<u>45,400,000,000</u>
TOTAL	<u>475,707,445,636</u>	<u>154,620,194,401</u>

Cash equivalents comprise bank deposits with maturity of less than three months and earn interest at the rate of from 4.5% to 5.5% per annum.

5. SHORT-TERM INVESTMENTS

Held-to-maturity investments represent the term deposits at the commercial banks with the original maturity of six months and earning the interest at the rates ranging from 6.2% to 6.4% p.a.

6. SHORT TERM TRADE RECEIVABLES

	VND	
	30 June 2016	31 December 2015
Trade receivables from customers	157,530,182,675	128,619,062,945
Trade receivables from related parties (Note 28)	<u>54,712,552,104</u>	<u>50,903,505,920</u>
TOTAL	<u>212,242,734,779</u>	<u>179,522,568,865</u>
Provision for short-term doubtful debts	<u>(185,761,495)</u>	<u>(327,881,095)</u>
NET	<u>212,056,973,284</u>	<u>179,194,687,770</u>

7. SHORT TERM ADVANCES TO SUPPLIERS

	VND	
	30 June 2016	31 December 2015
Advances to buy land and real estate projects	272,099,344,385	206,406,869,085
- Advances for acquisition of Hoang Nam Project	266,000,000,000	206,406,869,085
- Others	6,099,344,385	-
Advances to subcontractors	69,215,503,683	44,853,144,759
- Dien Quang Nguyen Construction Joint Stock Company	15,233,438,199	9,112,823,000
- Pacific Property and Infrastructure Development Joint Stock Company	-	6,500,000,000
- Others	53,982,065,484	29,240,321,759
Advances to related parties (Note 28)	<u>187,341,000</u>	<u>14,377,220,000</u>
TOTAL	<u>341,502,189,068</u>	<u>265,637,233,844</u>

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2016

8. LOAN RECEIVABLES

	VND	
	30 June 2016	31 December 2015
Loans to related parties (Note 28)	<u>217,251,572,411</u>	<u>208,471,572,411</u>

Details of the loan receivables are as follows:

Borrower	30 June 2016	Due date	Interest rate
	VND		% p.a
Nam Long VCD Corporation			
Loan Agreement dated 1 January 2016 (Note 28)	201,576,890,411	31 December 2016	10.5
Loan Agreement dated 25 May 2016 (Note 28)	5,800,000,000	25 May 2019	10.0
Nam Long – Hong Phat Joint Stock Company			
Loan Agreement dated 8 June 2016 (Note 28)	<u>9,874,682,000</u>	7 June 2018	10.0
	<u>217,251,572,411</u>		
<i>In which :</i>			
Short-term loan	201,576,890,411		
Long-term loan	15,674,682,000		

Loan receivables represent the loans to related parties to support their working capital needs.

9. OTHER RECEIVABLES

	VND	
	30 June 2016	31 December 2015
Short-term		
Staff advances for land compensation purpose	81,002,711,566	26,437,504,000
Loan interest receivable	73,369,460,394	62,536,225,745
Receivable from disposal of investment in Business Cooperation Contracts ("BCC")	18,000,000,000	36,422,865,647
Prepayment of corporate income tax based on payment progress of customers	15,503,608,759	10,812,576,880
Payment on behalf	9,712,094,444	-
Others	8,156,704,975	41,085,944,522
	<u>205,744,580,138</u>	<u>177,295,116,794</u>
Long-term		
Deposit, mortgages or collaterals	2,059,883,275	2,059,883,275
Investments in BCC projects (i)	93,264,530,680	78,654,530,680
Others	3,891,709,634	1,963,146,777
	<u>99,216,123,589</u>	<u>82,677,560,732</u>
TOTAL	<u>304,960,703,727</u>	<u>259,972,677,526</u>
<i>In which:</i>		
Other receivables	207,277,764,366	146,303,919,885
Other receivables from related parties (Note 28)	97,682,939,361	113,668,757,641

(i) This amount mainly represents the BCC with 21 Century Joint Stock Company in 2005 to develop Lot 9B7 Residential Area on an area of 5.9 hectares in Nam Sai Gon Urban Area. The Company has 60% interest in this BCC. As at 30 June 2016, this project was under construction stage.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2016

10. INVENTORIES

	VND	
	30 June 2016	31 December 2015
Inventory properties under development	626,385,797,578	985,256,582,460
Work in progress	<u>2,618,123,147</u>	<u>9,893,853,558</u>
TOTAL	<u>629,003,920,725</u>	<u>995,150,436,018</u>
<i>Inventory properties under development:</i>		
<i>E.Home West Saigon Project</i>		
<i>("Ehome 3 Project") (i) (ii)</i>	273,109,320,997	248,397,561,903
<i>Tan Thuan Dong Project (ii)</i>	92,915,853,081	255,734,670,972
<i>Long An projects (i) (ii)</i>	71,640,470,921	67,446,554,992
<i>Phuoc Long B Project - extension</i>	66,169,822,591	59,708,453,218
<i>Can Tho Project (i)</i>	49,479,096,993	56,669,900,885
<i>Binh Duong Project ("Ehome 4 project") (i) (ii)</i>	21,522,841,211	263,595,316,180
<i>Go O Moi Project</i>	10,673,197,066	10,009,291,004
<i>Nhon Trach Project</i>	3,125,765,659	10,838,215,659
<i>Phuoc Long B Do Xuan Hop Project</i>	1,176,690,696	1,176,690,696
<i>Other projects</i>	<u>36,572,738,363</u>	<u>11,679,926,951</u>
TOTAL	<u>626,385,797,578</u>	<u>985,256,582,460</u>

- (i) The following land use rights have been mortgaged to secure the Company's outstanding borrowings (Note 19):
- 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.
- (ii) During the period, the Company capitalised interest amounting to VND 14,807,096,082 to inventory properties under development (for the six-month period ended 30 June 2015: VND 15,799,110,940). The relevant loans and borrowings are used to finance apartments, villa projects and acquisition of land for development for Ehome 3, Ehome 4, Long An and Tan Thuan Dong projects.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2016

11. INVESTMENT PROPERTIES

	<i>Building and structures</i>	<i>Indefinite land use right</i>	<i>VND</i> <i>Total</i>
Cost:			
31 December 2015 and 30 June 2016	<u>5,425,505,713</u>	<u>598,738,357</u>	<u>6,024,244,070</u>
Accumulated depreciation:			
31 December 2015	(2,475,736,835)	-	(2,475,736,835)
Depreciation for the period	<u>(92,180,280)</u>	-	<u>(92,180,280)</u>
30 June 2016	<u>(2,567,917,115)</u>	-	<u>(2,567,917,115)</u>
Net carrying amount:			
31 December 2015	<u>2,949,768,878</u>	<u>598,738,357</u>	<u>3,548,507,235</u>
30 June 2016	<u>2,857,588,598</u>	<u>598,738,357</u>	<u>3,456,326,955</u>

Additional disclosures:

The rental income and operating expenses relating to investment properties were presented as follows:

	<i>VND</i>	
	<i>For the six-month period ended 30 June 2016</i>	<i>For the six-month period ended 30 June 2015</i>
Rental income from investment properties	464,564,955	132,888,136
Direct operating expenses of investment properties that generated rental income during the period	(243,193,392)	(174,039,972)

The future annual rental receivable under the operating leases is included in Note 29.

The fair values of the investment properties had not yet been formally assessed and determined as at 30 June 2016. However, management believes that these properties' market values are higher than their carrying values at the balance sheet date.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2016

12. LONG-TERM INVESTMENTS

	<i>VND</i>	
	<i>30 June 2016</i>	<i>31 December 2015</i>
Investments in subsidiaries (Note 12.1)	2,365,134,828,141	2,330,229,267,848
Investments in jointly controlled entity (Note 12.2)	22,400,000,000	22,400,000,000
Other long-term investments (Note 12.3)	<u>262,420,977,751</u>	<u>216,303,216,727</u>
TOTAL	<u>2,649,955,805,892</u>	<u>2,568,932,484,575</u>

12.1 Investments In subsidiaries

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

<i>Subsidiary</i>	<i>30 June 2016</i>		<i>31 December 2015</i>	
	<i>Interest</i>	<i>Cost of investment</i>	<i>Interest</i>	<i>Cost of investment</i>
	<i>%</i>	<i>VND</i>	<i>%</i>	<i>VND</i>
Nam Long ADC	97.14	286,698,033,000	97.14	286,698,033,000
Nguyen Son (i)	83.71	163,898,852,800	83.71	163,898,852,800
Nam Long DC	77.74	52,937,760,000	77.74	52,937,760,000
Nam Long - Hong Phat (i)	75.25	47,782,500,000	75.25	47,782,500,000
Nam Long VCD (i)	97.14	970,322,200,000	89.33	967,378,800,000
Trading Floor	100.00	6,000,000,000	100.00	6,000,000,000
Nam Khang	100.00	201,981,690,000	100.00	201,981,690,000
Nam Phan (i), (ii)	99.96	321,928,896,717	76.01	145,991,896,717
ASPL PLB - Nam Long (i), (iii)	50.00	159,141,596,124	95.00	303,116,435,831
Nguyen Phuc	50.00	56,655,133,000	50.00	56,655,133,000
Thao Nguyen (i)	99.44	97,043,166,500	99.44	97,043,166,500
Nam Long Service	71.00	<u>745,000,000</u>	71.29	<u>745,000,000</u>
TOTAL		<u>2,365,134,828,141</u>		<u>2,330,229,267,848</u>

- (i) These subsidiaries are still under construction phase as at 30 June 2016 and up to the date of these interim separate financial statements.
- (ii) During the period, the Company additionally acquired 11,164,000 new shares in Nam Phan Investment Corporation, to increase its interest to 99.96% in this entity. The investment was approved by Board of Directors on 17 May 2016 and DPI through issuance of amended BRC dated 25 May 2016.
- (iii) During the period, the Company disposed its 50% ownership interest in ASPL PLB - Nam Long Co., Ltd., The disposal was approved by the Board of Director on 8 January 2016 and the DPI of Ho Chi Minh City through the amended BRC dated 13 April 2016.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2016

12. LONG-TERM INVESTMENTS (continued)

12.2 Investments in jointly-controlled entities

Jointly controlled entity	Business	30 June 2016		31 December 2015	
		Interest %	Cost of investment VND	Interest %	Cost of investment VND
Gamuda - Nam Long Development Limited Liability Company	Real Estate	30	<u>22,400,000,000</u>	30	<u>22,400,000,000</u>

12.3 Other long-term investments

	VND	
	30 June 2016	31 December 2015
Nguyen Son Project	(i) 210,454,548,605	173,514,787,581
Can Tho – Hong Phat Project	(i) 49,966,429,146	40,788,429,146
Bac Trung Nam Housing Development Joint Stock Company	<u>2,000,000,000</u>	<u>2,000,000,000</u>
TOTAL	<u>262,420,977,751</u>	<u>216,303,216,727</u>

(i) These investments are to finance the working capital to Nguyen Son Construction - Trading Limited Liability Company ("Nguyen Son") and Nam Long - Hong Phat Joint Stock Company ("NLHP") for project developments in these entities. As at 30 June 2016, these projects were in basic infrastructure construction stages.

13. LONG TERM PREPAID EXPENSES

	VND	
	30 June 2016	31 December 2015
Commission fee	17,952,563,158	21,498,704,519
Tools and supplies	1,566,818,746	1,358,220,753
Others	-	1,167,772,983
TOTAL	<u>19,519,381,904</u>	<u>24,024,698,255</u>

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2016

14. SHORT TERM TRADE PAYABLES

	VND	
	30 June 2016	31 December 2015
Trade payables to related parties (Note 28)	68,595,460,701	322,293,973,298
Trade payables to other parties	<u>14,086,657,897</u>	<u>23,245,188,645</u>
TOTAL	<u>82,682,118,598</u>	<u>345,539,161,943</u>

15. SHORT TERM ADVANCES FROM CUSTOMERS

	VND	
	30 June 2016	31 December 2015
Advances from customers (*)	600,858,915,974	856,246,440,478
Advances from related parties (Note 28)	<u>1,911,800,000</u>	<u>-</u>
TOTAL	<u>602,770,715,974</u>	<u>856,246,440,478</u>

(*) Advances from customers represent advances from customers for apartments, town houses, villas and land purchases.

16. STATUTORY OBLIGATIONS

	VND			
	31 December 2015	Increase	Decrease	30 June 2016
Corporate income tax (Note 27.2)	34,099,666,081	28,636,966,251	(30,528,117,250)	32,208,515,082
Value-added tax	35,297,335,240	80,248,838,984	(83,951,385,661)	31,594,788,563
Personal income tax	2,649,700,587	11,936,780,214	(11,774,028,567)	2,812,452,234
Other tax	-	83,502,051	(67,401,017)	16,101,034
TOTAL	<u>72,046,701,908</u>	<u>120,906,087,500</u>	<u>(126,320,932,495)</u>	<u>66,631,856,913</u>

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2016

17. SHORT TERM ACCRUED EXPENSES

	VND	
	30 June 2016	31 December 2015
Completion costs for projects that revenues have been recognised	281,073,989,219	107,844,701,797
Interest expense payables	23,049,227,379	20,352,242,404
Warranty expenses for projects	19,417,939,035	19,517,356,135
Other operating costs	5,420,767,139	3,739,176,810
TOTAL	<u>328,961,922,772</u>	<u>151,453,477,146</u>

18. OTHER PAYABLES

	VND	
	30 June 2016	31 December 2015
Short-term		
Investment contributions received for BCCs	211,681,397,235	273,464,094,961
Profit shared to BCC partners	84,477,968,678	76,662,263,579
Maintenance and warranty expenses	52,545,344,147	38,072,369,714
Borrowings from individuals	17,160,000,000	17,160,000,000
Other payables	10,836,436,920	8,523,714,022
	<u>376,701,146,980</u>	<u>413,882,442,276</u>
Long-term		
Deposits for rental office	15,341,884,200	2,363,900,000
Severance allowance	4,010,252,930	4,010,252,930
	<u>19,352,137,130</u>	<u>6,374,152,930</u>
TOTAL	<u>396,053,284,110</u>	<u>420,256,595,206</u>
<i>In which:</i>		
Other payables	110,238,437,717	103,113,435,104
Other payables to related parties (Note 28)	285,814,846,393	317,143,160,102

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2016

19. LOANS

	VND	
	30 June 2016	31 December 2015
Short-term		
Short-term loans from individuals (Note 19.1)	64,077,381,000	57,211,614,000
Short-term loans from related parties (Notes 19.2 and 28)	36,476,432,604	62,166,612,604
Short-term loan from bank (Note 19.3)	5,219,992,000	13,750,000,000
Current portion of long-term loan (Note 19.4)	92,505,000,000	29,322,000,000
Current portion of bonds	100,000,000,000	94,000,000,000
	<u>298,278,805,604</u>	<u>256,450,226,604</u>
Long-term		
Loans from banks (Note 19.4)	392,187,745,000	267,270,745,000
Current portion	92,505,000,000	29,322,000,000
Non-current portion	299,682,745,000	237,948,745,000
Bonds (Note 19.5)	149,392,361,111	244,000,000,000
Current portion	100,000,000,000	94,000,000,000
Non-current portion	49,392,361,111	150,000,000,000
Loans from related parties (Note 28)	80,000,000,000	-
	<u>429,075,106,111</u>	<u>387,948,745,000</u>
TOTAL	<u>727,353,911,715</u>	<u>644,398,971,604</u>

19.1 Short-term loans from individuals

	30 June 2016	Due date	Purpose	Interest rate	Description of collateral
	VND			(% p.a.)	
Short-term loans from individuals	<u>64,077,381,000</u>	26 June 2017	Support working capital needs	8.5 - 10.5	Unsecured

19.2 Short-term loans from related parties

Details of the short-term loans from related parties are as follows:

Lender	30 June 2016	Due date	Purpose	Interest rate	Description of collateral
	VND			(% p.a.)	
Nam Long Apartment Development Corporation	31,476,432,604	From 27 September 2016 to 17 April 2017	Support working capital needs	8.5 - 9	Unsecured
Ms Nguyen Thi Ngoc Lan	5,000,000,000	From 15 September 2016 to 23 September 2016	Support working capital needs	8.5	Unsecured
TOTAL	<u>36,476,432,604</u>				

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2016

19. LOANS (continued)

19.3 Short-term loans from bank

Details of the short-term loan from bank are as follows:

<i>Lender</i>	<i>30 June 2016</i>	<i>Due date</i>	<i>Purpose</i>	<i>Interest rate (%/p.a.)</i>	<i>Description of collaterals (Note 10)</i>
Joint Stock Commercial Bank for Foreign Trade of Vietnam – Ky Dong Branch	<u>5,219,992,000</u>	15 June 2017	Support working capital needs	7	LUR for 8,551 square meters and future associated assets of Tan Thuan Dong, District 7 Project
	VND				

19.4 Long-term loans from banks

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

<i>Lender</i>	<i>30 June 2016</i>	<i>Due date</i>	<i>Purpose</i>	<i>Interest rate (%/p.a.)</i>	<i>Description of collaterals (Note 10, 11)</i>
Orient Commercial Joint Stock Bank - Loan 1	169,326,745,000	From 26 September 2016 to 6 May 2018	Finance Ehome projects	10.2	LUR for 13,232 square meters and future associated assets of Ehome 3
Orient Commercial Joint Stock Bank - Loan 2	215,000,000,000	From 12 October 2017 to 12 October 2022	Purchase project Hoang Nam	9.9	Guaranteed by Hoang Nam Construction Trading Limited
Ho Chi Minh City Housing Development Bank	7,861,000,000	1 August 2016	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 and associated assets in Long An Province
	<u>392,187,745,000</u>				
<i>In which :</i>					
<i>Current portion</i>	92,505,000,000				
<i>Long-term loan</i>	299,682,745,000				

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2016

19. LOANS (continued)

19.5 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 bonds will expire on 28 July 2017, and are used to finance working capital and for Ehome projects. During the period, the Company repaid VND 94,000,000,000. Amount of VND 100,000,000,000 will be repaid on 23 January 2017.

Description of collaterals

59 LURs at An Thanh residential compound, An Thanh, Ben Luc, Long An (Note 10).

19.6 Movements of loans and bond during the period

	<i>Loans</i>	<i>Bonds</i>	<i>VND Total</i>
31 December 2015	400,398,971,604	244,000,000,000	644,398,971,604
Drawdown from borrowings	221,569,800,000	-	221,569,800,000
Repayment from borrowings	(44,007,221,000)	(94,000,000,000)	(138,007,221,000)
Cost of issuing bonds	-	(607,638,889)	(607,638,889)
30 June 2016	<u>577,961,550,604</u>	<u>149,392,361,111</u>	<u>727,353,911,715</u>

20. 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 June 2016</i>
Value of convertible bond	500,000,000,000
Equity component (Note 22.1)	<u>(40,503,427,830)</u>
Liability component at initial recognition	<u>459,496,572,170</u>
Add: Amortisation in period	1,585,245,168
Liability component at end of period	<u>461,081,817,338</u>

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2016

21. BONUS AND WELFARE FUND

	<i>VND</i>	
	<i>For the six-month period ended 30 June 2016</i>	<i>For the six-month period ended 30 June 2015</i>
Beginning balance	(1,320,763,073)	(1,037,915,517)
Increase	13,160,000,000	5,830,189,059
Decrease	<u>(2,639,221,841)</u>	<u>(3,547,207,858)</u>
Ending balance	<u>9,200,015,086</u>	<u>1,245,065,684</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 2016

22. OWNERS' EQUITY

22.1 Increases and decreases in owners' equity

	Share capital	Share premium	Investment and development fund	Equity component of convertible bond	Undistributed earnings	VND Total
For the six-month period ended 30 June 2015						
31 December 2014	1,339,692,790,000	422,792,104,687	5,940,860,165	-	295,028,387,666	2,063,454,142,518
Issuance of new shares	5,028,780,000	1,676,092,374	-	-	-	6,704,872,374
Net profit for the period	-	-	-	-	12,898,882,629	12,898,882,629
Dividends declared	-	-	-	-	(36,305,674,609)	(36,305,674,609)
Appropriation to bonus and welfare fund	-	-	-	-	(5,830,189,059)	(5,830,189,059)
30 June 2015	1,344,721,570,000	424,468,197,061	5,940,860,165	-	265,791,406,627	2,040,922,033,853
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 (Note 20)	-	-	-	40,503,427,830	-	40,503,427,830
Dividends declared	-	-	-	-	(66,963,630,261)	(66,963,630,261)
Net profit for the period	-	-	-	-	81,368,797,655	81,368,797,655
Appropriation to bonus and welfare fund	-	-	-	-	(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

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2016

22. OWNERS' EQUITY (continued)

22.2 Capital transactions with shareholders and distribution of dividends

	VND	
	<i>For the six-month period ended 30 June 2016</i>	<i>For the six-month period ended 30 June 2015</i>
Contributed capital		
Beginning balance	1,415,721,570,000	1,339,692,790,000
Increase	-	5,028,780,000
Ending balance	<u>1,415,721,570,000</u>	<u>1,344,721,570,000</u>
Dividends declared (to be payable in cash)	66,963,630,261	36,305,674,609
Dividends paid	65,781,530,906	36,305,674,609

22.3 Share capital

	<i>30 June 2016</i>	<i>31 December 2015</i>
	<i>Shares</i>	<i>Shares</i>
Authorised shares	1,415,721,570	1,415,721,570
Shares issued and fully paid		
<i>Ordinary shares</i>	1,415,721,570	1,415,721,570
Shares in circulation		
<i>Ordinary shares</i>	1,415,721,570	1,415,721,570

23. REVENUES

23.1 Revenues from sale of goods and rendering of services

	VND	
	<i>For the six-month period ended 30 June 2016</i>	<i>For the six-month period ended 30 June 2015</i>
Gross revenues	1,026,954,353,213	381,830,812,739
<i>In which:</i>		
<i>Sale of land, apartments, town houses and villas</i>	877,255,667,127	380,560,017,029
<i>Revenue from Engineering Procurement Contracts ("EPC")</i>	145,787,440,000	-
<i>Rendering of services</i>	3,605,772,040	1,137,907,574
<i>Rental income from investment properties</i>	305,474,046	132,888,136
Less		
Sale returns	-	(5,283,418,659)
Net revenues	<u>1,026,954,353,213</u>	<u>376,547,394,080</u>
<i>In which:</i>		
<i>Sale of land, apartments, town houses and villas</i>	877,255,667,127	375,276,598,370
<i>Revenue from EPC</i>	145,787,440,000	-
<i>Rendering of services</i>	3,605,772,040	1,137,907,574
<i>Rental income from investment properties</i>	305,474,046	132,888,136

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2016

23. REVENUES (continued)

23.2 Finance income

	VND	
	<i>For the six-month period ended 30 June 2016</i>	<i>For the six-month period ended 30 June 2015</i>
Dividends income	17,685,983,000	11,075,046,500
Interest income from loan to a related party (Note 28)	10,833,234,649	11,892,301,534
Interest income from bank deposits	3,099,597,030	2,170,887,483
Gains from disposals of investment	7,608,718,741	8,640,000,000
TOTAL	<u>39,227,533,420</u>	<u>33,778,235,517</u>

24. COST OF GOODS SOLD AND SERVICES RENDERED

	VND	
	<i>For the six-month period ended 30 June 2016</i>	<i>For the six-month period ended 30 June 2015</i>
Cost of land, apartments, town houses and villas	686,845,612,094	295,225,818,796
Cost of Engineering Procurement contracts ("EPC")	137,606,934,968	-
Cost of rendering of services	1,847,698,221	904,269,008
Operating costs of investment property	243,193,392	174,039,971
TOTAL	<u>826,543,438,675</u>	<u>296,304,127,775</u>

25. FINANCE EXPENSES

	VND	
	<i>For the six-month period ended 30 June 2016</i>	<i>For the six-month period ended 30 June 2015</i>
Interest expense on bonds issued and bank loans	16,191,130,634	11,515,936,223
Share profit to BCC partner	7,815,705,099	11,495,470,644
Other finance expenses	310,729,325	1,483,503,777
TOTAL	<u>24,317,565,058</u>	<u>24,494,910,644</u>

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
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26. SELLING EXPENSES AND GENERAL AND ADMINISTRATIVE EXPENSES

	<i>VND</i>	
	<i>For the six-month period ended 30 June 2016</i>	<i>For the six-month period ended 30 June 2015</i>
Selling expenses		
- Commission fee	39,757,940,443	15,887,931,110
- Marketing fees and show-houses construction cost	15,050,925,360	5,739,956,363
- Management fee	8,609,536,230	603,402,727
- Salary expenses	7,482,443,617	4,743,578,481
- Tools and suppliers	121,414,959	13,489,438
- Others	3,838,277,413	2,098,457,994
	<u>74,860,538,022</u>	<u>29,086,816,113</u>
General and administrative expenses		
- Salary expenses	25,565,389,711	21,354,114,469
- Rental fee	3,331,517,406	2,905,610,906
- Consulting fee	1,420,327,755	1,129,664,109
- Tools and supplies	1,402,788,740	1,294,558,214
- Others	11,480,695,189	9,702,076,042
	<u>43,200,718,801</u>	<u>36,386,023,740</u>
TOTAL	<u>118,061,256,823</u>	<u>65,472,839,853</u>

27. 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.

27.1 CIT expense

	<i>VND</i>	
	<i>For the six-month period ended 30 June 2016</i>	<i>For the six-month period ended 30 June 2015</i>
Current CIT expense	19,456,543,786	5,407,369,016
Adjustment for under accrual of tax from previous periods	167,872,381	-
Deferred income tax (benefit) expenses	(1,138,421,338)	837,053,853
TOTAL	<u>18,485,994,829</u>	<u>6,244,422,869</u>

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2016

27. CORPORATE INCOME TAX (continued)

27.2 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 balance sheet date.

The reconciliation between the profit before tax and taxable profit is presented below:

	VND	
	<i>For the six-month period ended 30 June 2016</i>	<i>For the six-month period ended 30 June 2015</i>
Accounting profit before tax	99,854,792,484	19,143,305,498
Adjustments to increase (decrease) accounting profit		
Share profit to BCC partner	7,815,705,099	11,495,470,644
Penalty interest on tax late payment	-	5,500,000,000
Expenses with inadequate supporting documents	2,620,983,664	2,641,310,674
Temporary difference in operating expenses	(2,760,382,435)	(3,126,090,239)
Exempted dividends income	(17,685,983,000)	(11,075,046,500)
Difference between actual interest rate and nominal interest rate on convertible bond	1,869,423,249	-
Difference in cost of sales between tax basis and accounting basis	5,568,179,869	-
Estimated current taxable profit	97,282,718,930	24,578,950,077
Estimated current CIT expense at normal tax rate	19,456,543,786	5,407,369,016
CIT payable at beginning of period	34,099,666,081	34,517,204,738
Adjustment for under accrual of tax from previous periods	167,872,381	-
Payable on behalf	4,321,518,206	-
CIT payable (paid) on progress payments from customers (*)	4,691,031,878	(2,707,739,259)
CIT paid during the period	<u>(30,528,117,250)</u>	<u>(657,397,038)</u>
CIT payable at end of period	<u>32,208,515,082</u>	<u>36,559,437,457</u>

(*) This represents CIT payable computed at 1% of cash advances received from customers in connection with sales of apartments during the current and previous periods in accordance with Circular No. 123/2012/TT-BTC dated 27 July 2012 issued by the Ministry of Finance effective since 10 September 2012 to 1 August 2014 and Circular No. 78/2014/TT-BTC dated 18 June 2014 issued by the Ministry of Finance effective since 2 August 2014.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
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27. CORPORATE INCOME TAX (continued)

27.3 *Deferred tax*

The following are the major 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 2016</i>	<i>31 December 2015</i>	<i>For the six-month period ended 30 June 2016</i>	<i>For the six-month period ended 30 June 2015</i>
<i>Deferred tax assets</i>				
Operating expenses	5,475,961,897	6,028,038,384	(552,076,487)	(837,053,853)
Temporary difference in cost of sales	526,431,061	526,431,061	-	-
	<u>6,002,392,958</u>	<u>6,554,469,445</u>		
<i>Deferred tax liabilities</i>				
Temporary difference in cost of sales	(4,654,982,535)	(6,345,480,360)	1,690,497,825	-
Other	(2,696,372,478)	(2,696,372,478)	-	-
	<u>(7,351,355,013)</u>	<u>(9,041,852,838)</u>		
<i>Net deferred income tax income</i>			<u>1,138,421,338</u>	<u>(837,053,853)</u>

28. TRANSACTIONS WITH RELATED PARTIES

Significant transactions with related parties were as follows:

<i>Related party</i>	<i>Relationship</i>	<i>Transaction</i>	VND	
			<i>For the six-month period ended 30 June 2016</i>	<i>For the six-month period ended 30 June 2015</i>
Nam Long DC	Subsidiary	Office rental service fee	2,930,059,467	2,842,766,550
		Dividend receivable	-	1,795,046,500
Nam Long Service	Subsidiary	Management services fee	1,241,696,457	1,342,037,332
Nam Long ADC	Subsidiary	Capital repayment - Ehome 3	39,282,697,726	-
		Management services fee	23,654,250,387	6,576,311,638
		Loan repayment	20,000,000,000	-
		Profit shared to of a Ehome	7,815,705,099	11,495,470,644
		Loan drawdown	4,002,641,000	-
		Loan interest	1,526,297,349	-

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2016

28. TRANSACTIONS WITH RELATED PARTIES (continued)

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

<i>Related party</i>	<i>Relationship</i>	<i>Transaction</i>	<i>VND</i>	
			<i>For the six-month period ended 30 June 2016</i>	<i>For the six-month period ended 30 June 2015</i>
Nam Khang	Subsidiary	Construction services fee	106,142,615,166	171,679,840,911
		Receipt from BCC liquidation	-	210,190,285,200
		Dividends income	-	9,280,000,000
Nam Long Trading Floor	Subsidiary	Commission expense	5,100,464,164	17,721,962,472
Nam Vien	Related party	Construction service fee	1,205,192,641	1,462,362,500
Nam Long VCD	Subsidiary	Loan interest	10,833,234,649	11,892,301,534
		Capital contribution	2,943,400,000	12,200,000,000
Nguyen Son	Subsidiary	BCC capital contribution	36,460,200,000	16,929,500,000
Nam Phan	Subsidiary	Capital contribution	111,640,000,000	-
		Loan drawdown	80,000,000,000	40,000,000,000
		Loan repayment	10,000,000,000	-
ASPL PLB - Nam Long	Subsidiary	Capital contribution	32,000,000,000	-
Gamuda - Nam Long	Related party	Management consultant service fee	1,000,000,000	-
Nam Long - Hong Phat	Subsidiary	Capital contribution	9,178,000,000	-
Mr Nguyen Xuan Quang	Chairman	Acquire ownership interest	20,412,500,000	8,900,000,000
		Advance to acquire ownership interest in an entity	-	22,250,000,000
Ms Nguyen Thi Ngoc Lan	Related party	Loan drawdown	5,000,000,000	-
		Loan repayment	-	1,000,000,000
Ms Nguyen Thi Phuc Nguyen	Related party	Loan repayment	4,692,821,000	-
		Advance for purchase land	1,520,714,107	-
		Acquisition of ownership interest in Nguyen Phuc Loan	-	22,084,500,000
		Loan	-	2,300,000,000

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2016

28. **TRANSACTIONS WITH RELATED PARTIES** (continued)

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

<i>Related party</i>	<i>Relationship</i>	<i>Transaction</i>	<i>VND</i>	
			<i>30 June 2016</i>	<i>31 December 2015</i>
Trade receivables (Note 6)				
Nguyen Phuc	Subsidiary	Project development services	41,929,084,000	28,175,900,000
Nam Long VCD	Subsidiary	Management consultant service fee	9,599,599,723	9,599,599,723
Gamuda - Nam Long	Related party	Management consultant service fee	1,100,000,000	-
Nam Long Service	Subsidiary	Management consultant service fee	733,212,590	733,212,590
		Office rental service fee	618,529,275	618,529,275
		Others	82,509,756	-
Ms Nguyen Thi Bich Ngoc	Related party	Sale of apartment	231,750,000	231,750,000
Nam Long Trading Floor	Subsidiary	Management consultant service fee	282,415,504	1,367,428,951
Nam Long - Hong Phat	Subsidiary	Management consultant service fee	135,451,256	135,451,256
		Office rental service fee	-	589,475,700
ASPL PLB - Nam Long	Subsidiary	Office rental service fee	-	1,143,509,192
Nam Khang	Joint venture	Management consultant service fee	-	8,152,672,246
Ms Ngo Thi Ngoc Lieu	Related party	Sale of apartment	-	155,976,987
			54,712,552,104	50,903,505,920
Advance to suppliers (Note 7)				
Nam Long DC	Subsidiary	Management service	187,341,000	187,341,000
Nam Khang	Subsidiary	Management service	-	14,189,879,000
			187,341,000	14,377,220,000

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2016

28. **TRANSACTIONS WITH RELATED PARTIES** (continued)

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

<i>Related party</i>	<i>Relationship</i>	<i>Transaction</i>	<i>VND</i>	
			<i>30 June 2016</i>	<i>31 December 2015</i>
<i>Loan receivables (Note 8)</i>				
Nam Long VCD	Subsidiary	Loan	207,376,890,411	201,576,890,411
Nam Long Hong Phat	Subsidiary	Loan	9,874,682,000	6,894,682,000
			217,251,572,411	208,471,572,411
<i>Other receivables (Note 9)</i>				
Nam Long VCD	Subsidiary	Loan interest	73,369,460,394	62,536,225,745
		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
Nam Long DC	Subsidiary	Deposit for office rental	1,431,051,275	1,431,051,275
		Dividend receivable	-	795,046,500
Nam Long Service	Subsidiary	Dividend receivable	327,800,000	327,800,000
		Disposal of fixed assets	165,000,000	165,000,000
ASPL PLB - Nam Long	Subsidiary	Payment on behalf	113,404,095	113,404,095
		Advance to acquire an investment	-	1,984,043,120
Nam Khang	Subsidiary	Dividend receivable	-	22,040,000,000
Nguyen Son	Subsidiary	Advance for land purchasing	2,079,195,184	2,079,195,184
Mr Nguyen Xuan Quang	Chairman	Advance to acquire an investment	-	1,999,963,309
			97,682,939,361	113,668,757,641

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2016

28. **TRANSACTIONS WITH RELATED PARTIES** (continued)

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

<i>Related party</i>	<i>Relationship</i>	<i>Transaction</i>	<i>VND</i>	
			<i>30 June 2016</i>	<i>31 December 2015</i>
<i>Trade payables (Note 14)</i>				
Nam Khang	Subsidiary	Construction service fee	34,495,358,682	206,288,604,200
Nam Long ADC	Subsidiary	Management consultant service expenses	29,418,944,051	89,515,853,330
Nam Long Trading Floor	Subsidiary	Commission	3,751,350,194	16,499,281,015
Nam Long Service	Subsidiary	Management service fee	656,607,774	1,815,349,656
Nam Vien	Related party	Construction service fee	273,200,000	456,485,097
Ms. Nguyen Thi Ngoc Lan	Related party	Land purchasing	-	4,552,800,000
Mr. Nguyen Xuan Quang	Chairman	Land purchasing	-	3,165,600,000
			68,595,460,701	322,293,973,298
<i>Advances from a customer (Note 15)</i>				
Nam Phan	Related party	Management services fee	1,911,800,000	-
<i>Other payables (Note 18)</i>				
Nam Long ADC	Subsidiary	Investment contribution received for BCC - Ehome Project	185,527,198,797	224,809,896,523
		Profit share for Ehome Project	84,477,968,678	76,662,263,579
Nam Khang	Subsidiary	Investment contribution received for BCC - Long An Project	15,671,000,000	15,671,000,000
Nam Phan	Subsidiary	Share purchase	138,678,918	-
			285,814,846,393	317,143,160,102

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2016

28. TRANSACTIONS WITH RELATED PARTIES (continued)

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

Related party	Relationship	Transaction	VND	
			30 June 2016	31 December 2015
Loans (Note 19)				
Nam Long ADC	Subsidiary	Loan	31,476,432,604	47,473,791,604
Nam Phan	Subsidiary	Loan	80,000,000,000	10,000,000,000
Ms Nguyen Thi Ngoc Lan	Related party	Loan	5,000,000,000	-
Ms Nguyen Thi Phuc Nguyen	Related party	Loan	-	4,692,821,000
			<u>116,476,432,604</u>	<u>62,166,612,604</u>

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

	VND	
	For the six-month period ended 30 June 2016	For the six-month period ended 30 June 2015
Remuneration to members of the BOD	3,352,000,000	3,241,959,500
Remuneration to members of the Management	<u>3,728,534,841</u>	<u>2,774,532,546</u>
TOTAL	<u>7,080,534,841</u>	<u>6,016,492,046</u>

29. 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 Development Corporation - the Company's subsidiary. The future minimum lease commitments as at 30 June 2016 under the operating lease agreements are as follows:

	VND	
	30 June 2016	31 December 2015
Less than one year	6,004,315,431	6,623,955,276
From one to five years	<u>12,008,630,862</u>	<u>16,559,888,190</u>
TOTAL	<u>18,012,946,293</u>	<u>23,183,843,466</u>

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at and for the six-month period ended 30 June 2016

29. COMMITMENTS AND CONTINGENCIES (continued)

Operating lease commitments (continued)

As lessor

The Company leases out assets under operating lease arrangements. The future minimum rental receivable as at 30 June 2016 under the operating lease agreements are as follows:

	VND	
	30 June 2016	31 December 2015
Less than one year	16,221,225,067	2,364,295,000
From one to five years	15,098,061,555	4,546,516,364
More than five years	213,158,079,386	-
TOTAL	244,477,366,008	6,910,811,364

Capital commitments

As at 30 June 2016, the Company has contractual commitments for the construction work for its apartments, villa projects as follows:


	VND		
	<i>Contracted amount</i>	<i>Recognized amount as assets</i>	<i>Remaining commitments</i>
Camellia Project	2,204,040,000	1,763,200,000	440,840,000
Binh Duong Project	11,803,733,300	5,764,610,000	6,039,123,300
Ehome 3 Project	494,770,000	445,290,000	49,480,000
Phuoc Long B Project	252,324,829,000	180,553,590,000	71,771,239,000
Long An Project	459,204,620,000	188,083,190,000	271,121,430,000
Tan Thuan Dong Project	2,496,952,286	1,093,550,000	1,403,402,286
Casa Project	53,759,060,000	3,042,120,000	50,716,940,000
Phu Thuan Project	696,220,000	185,700,000	510,520,000
TOTAL	782,984,224,586	380,931,250,000	402,052,974,586

30. EVENTS AFTER THE BALANCE SHEET DATE


On 27 July 2016, the Company received the Official letter No. 4915/UBCK-QLPH from the State Securities Commission acknowledging the receipt of documents submitted in relation to the issuance of 542,353 new shares to the executives in accordance with the Executive Stock Grant program. This issuance was appropriated from bonus and welfare funds and in accordance with the Resolution of Shareholders No. 02/2016/NQ/DHDCD/NLG dated 23 April 2016.

At the date of these interim separate financials statements, the Company is in the process of issuance of these new shares.


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



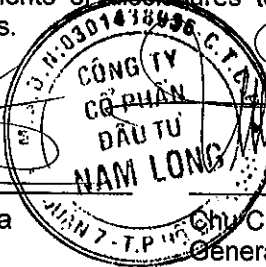
Pham Thi Duong Lieu
Preparer



Luong Thi Kim Thoa
Chief Accountant



Chu Chee Kwang
General Director


CÔNG TY
CƠ PHÂN
ĐẦU TƯ
NAM LONG
QUẬN 7 - T.P. HCM