

NO VA LAND INVESTMENT GROUP CORPORATION

**SEPARATE FINANCIAL STATEMENTS
QUARTER I 2017**

NO VA LAND INVESTMENT GROUP CORPORATION

**SEPARATE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2017**

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NO VA LAND INVESTMENT GROUP CORPORATION

CORPORATE INFORMATION

Business registration certificate

No. 054350 dated 18 September 1992 was initially issued by the Department of Planning and Investment of Ho Chi Minh City and the 38th amended Business registration certificate No. 0301444753 dated 24 November 2016.

Board of Management

Mr. Bui Thanh Nhon	Chairman
Mr. Bui Cao Nhat Quan	Vice Chairman
Mr. Phan Thanh Huy	Member
Ms. Hoang Thu Chau	Member
Ms. Cong Huyen Ton Nu My Lien	Member

Board of Supervision

Ms. Nguyen Thi Minh Thanh	Chief Supervisor
Mr. Nguyen Vu Duy	Member
Ms. Nguyen Anh Thi	Member

Board of General Directors

Mr. Phan Thanh Huy	General Director
Mr. Bui Cao Nhat Quan	Deputy General Director
Ms. Hoang Thu Chau	Deputy General Director
Mr. Bui Xuan Huy	Deputy General Director
Mr. Le Hong Phuc	Deputy General Director
Mr. Eric Chan Hong Wai	Deputy General Director
Ms. Vo Thi Thu Van	Deputy General Director

Legal representative

Mr. Bui Thanh Nhon	Chairman
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Registered office

313B - 315 Nam Ky Khoi Nghia Street, Ward 7, District 3, Ho Chi Minh City, Vietnam

Operation office

65 Nguyen Du Street, Ben Nghe Ward, District 1 Ho Chi Minh City, Vietnam

Representative office

23 Nguyen Huu Tho, Tan Hung Ward, District 7, Ho Chi Minh City, Vietnam

Branch of No Va Land Investment Group Corporation – Noaland Group Real Estate Exchange

23 Nguyen Huu Tho, Tan Hung Ward, District 7, Ho Chi Minh City, Vietnam

Branch of No Va Land Investment Group Corporation – Noaland District 1 Real Estate Exchange

65 Nguyen Du Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam

Branch of No Va Land Investment Group Corporation – Noaland Phu Nhuan Real Estate Exchange

36 – 38 Nguyen Van Troi, Ward 15, District Phu Nhuan, Ho Chi Minh City, Vietnam

NO VA LAND INVESTMENT GROUP CORPORATION

STATEMENT OF THE RESPONSIBILITY OF THE BOARD OF GENERAL DIRECTORS OF THE COMPANY IN RESPECT OF THE SEPARATE FINANCIAL STATEMENTS

The Board of General Directors of No Va Land Investment Group Corporation ("the Company") is responsible for preparing the separate financial statements which give a true and fair view of the financial position of the Company as at 31 March 2017 and the results of its operations and cash flows for the year then ended. In preparing these separate financial statements, the Board of General Directors is required to:

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


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



APPROVAL OF THE SEPARATE FINANCIAL STATEMENTS

I hereby approve the accompanying separate financial statements as set out on pages 3 to 63 which give a true and fair view of the financial position of the Company as at 31 March 2017 and of the results of its operations and cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of financial statements.

Users of these separate financial statements of the Company should read them together with the consolidated financial statements of the Company and its subsidiaries ("the Group") for the period ended 31 March 2017 in order to obtain full information of the financial position and results of operations and cash flows of the Group.



 Bui Thanh Nhon
Chairman

 
Ho Chi Minh City, SR Vietnam
28 April 2017

SEPARATE BALANCE SHEET

Code	ASSETS	Note	As at	
			31.03.2017 VND	31.12.2016 VND
100	CURRENT ASSETS		10,114,620,180,578	11,309,645,554,183
110	Cash and cash equivalents	3	1,531,368,138,243	2,153,027,696,086
111	Cash		128,219,213,066	472,905,282,697
112	Cash equivalents		1,403,148,925,177	1,680,122,413,389
120	Short-term investments		799,025,021,075	763,286,000,000
123	Investments held to maturity	4(a)	799,025,021,075	763,286,000,000
130	Short-term receivables		5,066,280,144,565	5,560,440,373,728
131	Short-term trade accounts receivable	5	101,161,523,773	84,012,548,202
132	Short-term prepayments to suppliers	6	199,305,120,152	168,329,639,170
135	Short-term lending	7	1,030,716,408,814	979,893,920,814
136	Other short-term receivables	8(a)	3,735,097,091,826	4,328,204,265,542
140	Inventories	10	2,519,973,521,456	2,610,152,630,939
141	Inventories		2,519,973,521,456	2,610,152,630,939
150	Other current assets		197,973,355,239	222,738,853,430
151	Short-term prepaid expenses	11(a)	26,178,127,957	34,273,189,647
152	Value Added Tax to be reclaimed	18	110,625,984,809	127,296,421,310
153	Other taxes receivable	18	61,169,242,473	61,169,242,473

The notes on pages 9 to 63 are an integral part of these separate financial statements.

NO VA LAND INVESTMENT GROUP CORPORATION

Form B 01 – DN

SEPARATE BALANCE SHEET
(continued)

Code	ASSETS (continued)	Note	As at	
			31.03.2017 VND	31.12.2016 VND
200	LONG-TERM ASSETS		13,443,760,707,299	12,518,233,917,576
210	Long-term receivables		755,846,209,792	907,906,778,261
216	Other long-term receivables	8(b)	755,846,209,792	907,906,778,261
220	Fixed assets		117,052,738,225	119,757,184,853
221	Tangible fixed assets	12(a)	87,397,712,224	91,174,216,022
222	Cost		115,739,721,818	116,042,582,070
223	Accumulated depreciation		(28,342,009,594)	(24,868,366,048)
227	Intangible fixed assets	12(b)	29,655,026,001	28,582,968,831
228	Cost		31,107,715,718	29,773,073,718
229	Accumulated amortisation		(1,452,689,717)	(1,190,104,887)
230	Investment properties	13	309,530,445,206	308,170,066,254
231	Cost		320,465,877,621	316,018,036,048
232	Accumulated depreciation		(10,935,432,415)	(7,847,969,794)
240	Long-term assets in progress		296,536,442,233	280,223,268,503
241	Long-term work in progress	14	233,819,522,165	233,819,522,165
242	Construction in progress	15	62,716,920,068	46,403,746,338
250	Long-term investments		11,836,912,227,895	10,742,536,587,895
251	Investments in subsidiaries	4(b)	11,748,406,967,895	10,529,415,042,895
252	Investments in associates, joint ventures	4(b)	85,390,060,000	210,006,345,000
253	Investments in other entities	4(b)	3,115,200,000	3,115,200,000
260	Other long-term assets		127,882,643,948	159,640,031,810
261	Long-term prepaid expenses	11(b)	126,906,770,376	158,664,158,238
262	Deferred income tax assets	22	975,873,572	975,873,572
270	TOTAL ASSETS		23,558,380,887,877	23,827,879,471,759

The notes on pages 9 to 63 are an integral part of these separate financial statements.

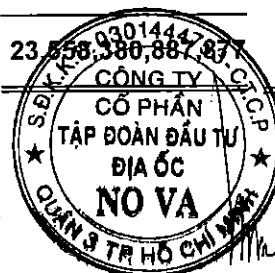
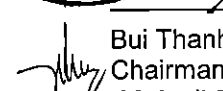
NO VA LAND INVESTMENT GROUP CORPORATION

Form B 01 – DN

SEPARATE BALANCE SHEET
(continued)

Code	RESOURCES	Note	As at	
			31.03.2017 VND	31.12.2016 VND
300	LIABILITIES		14,279,184,494,690	14,612,306,536,789
310	Short-term liabilities		7,287,634,704,149	7,870,294,471,354
311	Short-term trade accounts payable	16	222,652,563,902	279,143,774,099
312	Short-term advances from customers	17	1,823,426,441,854	2,237,975,628,156
313	Tax and other payables to the State			
	Budget	18	1,415,712,148	2,693,533,635
314	Payable to employees		44,519,544,724	167,232,393,967
315	Short-term accrued expenses	19	328,888,476,118	368,158,915,150
318	Short-term unearned revenue		30,597,448	143,941,448
319	Other short-term payables	20(a)	502,418,163,588	754,774,450,500
320	Short-term borrowings and finance			
	lease liabilities	21(a)	4,358,734,339,072	4,053,475,469,104
322	Bonus and welfare funds		5,548,865,295	6,696,365,295
330	Long-term liabilities		6,991,549,790,541	6,742,012,065,435
337	Other long-term payables	20(b)	181,882,699,079	240,952,447,466
338	Long-term borrowings and finance			
	lease liabilities	21(b)	6,809,667,091,462	6,501,059,617,969
400	OWNERS' EQUITY		9,279,196,393,187	9,215,572,934,970
410	Capital and reserves		9,279,196,393,187	9,215,572,934,970
411	Owners' capital	23, 24	5,961,992,340,000	5,961,992,340,000
411a	- Ordinary shares with voting rights		5,893,692,340,000	5,893,692,340,000
411b	- Preference shares		68,300,000,000	68,300,000,000
412	Share premium	24	2,174,026,445,400	2,174,026,445,400
421	Undistributed earnings	24	1,143,177,607,787	1,079,554,149,570
421a	- Undistributed post-tax profits of the			
	previous years		1,079,554,149,570	222,549,105,278
421b	- Post-tax profit of current year		63,623,458,217	857,005,044,292
440	TOTAL RESOURCES		23,827,879,471,759	23,827,879,471,759


Do Phuong Thuy
Preparer

Tran Thi Thanh Van
Chief Accountant

Bui Thanh Nhon
Chairman
28 April 2017

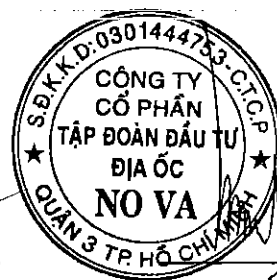
The notes on pages 9 to 63 are an integral part of these separate financial statements.

SEPARATE INCOME STATEMENT

Code		Note	For the period	
			Quarter I 2017 VND	Quarter I 2016 VND
01	Sales		961,724,444,980	184,830,777,614
02	Less deductions		(3,181,191,973)	-
10	Net sales	26	958,543,253,007	184,830,777,614
11	Cost of sales	27	(868,567,129,807)	(200,396,418,357)
20	Gross profit		89,976,123,200	(15,565,640,743)
21	Financial income	28	215,067,580,791	46,900,584,590
22	Financial expenses	29	(212,942,023,927)	(123,045,233,410)
23	- Including: Interest expenses		(210,389,511,800)	(121,317,232,158)
25	Selling expenses	30	(15,021,199,906)	(18,037,553,141)
26	General and administration expenses	31	(8,166,639,155)	(49,045,143,123)
30	Net operating profit		68,913,841,003	(158,792,985,827)
31	Other income		1,995,235,441	3,706,747,787
32	Other expenses		(7,285,618,227)	(3,068,551,276)
40	Net other income/(expenses)	32	(5,290,382,786)	638,196,511
50	Net accounting profit before tax		63,623,458,217	(158,154,789,316)
51	Business income tax – current	33	-	-
52	Business income tax - deferred	22, 23	-	-
60	Net profit after tax		63,623,458,217	(158,154,789,316)

Do Phuong Thuy
Preparer

Tran Thi Thanh Van
Chief Accountant



Bui Thanh Nhon
Chairman
28 April 2017

The notes on pages 9 to 63 are an integral part of these separate financial statements.

SEPARATE CASH FLOW STATEMENT
(Indirect method)

Code	Note	For the period	
		Quarter I 2017 VND	Quarter I 2016 VND
	CASH FLOWS FROM OPERATING ACTIVITIES	63,623,458,217	(158,154,789,316)
01	Net profit before tax		
	Adjustments for:		
02	Depreciation and amortisation	6,993,987,895	2,418,271,195
04	Unrealised foreign exchange losses	-	24,250,919
05	Profits from investing activities	(196,235,140,352)	(46,793,057,521)
06	Interest expense	210,389,511,800	121,317,232,158
08	Operating profit before changes in working capital	84,771,817,560	(81,188,092,565)
09	Increase in receivables	777,589,765,143	(1,024,709,691,182)
10	(Increase)/decrease in inventories	83,999,091,579	115,605,477,957
11	(Decrease)/increase in payables	(1,021,691,715,386)	64,831,303,719
12	Increase in prepaid expenses	39,852,449,552	9,216,442,798
14	Interest paid	(121,301,614,165)	(107,891,660,583)
15	Business income tax paid	-	(51,653,664,319)
17	Other payments from operating activities	-	-
20	Net cash (outflows)/inflows from operating activities	(156,780,205,717)	(1,075,789,884,175)
	CASH FLOWS FROM INVESTING ACTIVITIES		
21	Purchases of fixed assets and other long-term assets	(18,220,767,980)	(231,319,079,729)
22	Proceeds from disposals of fixed assets and other long-term assets	-	90,709,200
23	Loans granted, purchases of debt instruments of other entities	(488,989,021,075)	(664,832,745,780)
24	Collection of loans, proceeds from sales of debt instruments of other entities	402,427,512,000	548,526,466,793
25	Investments in other entities	(1,114,373,640,000)	(944,194,800,000)
26	Proceeds from divestment in other entities	19,998,000,000	119,268,000,000
27	Dividends and interest received	132,359,097,343	64,892,565,909
30	Net cash outflows from investing activities	(1,066,798,819,712)	(1,107,568,883,607)

The notes on pages 9 to 63 are an integral part of these separate financial statements.


NO VA LAND INVESTMENT GROUP CORPORATION

Form B 03 – DN

SEPARATE CASH FLOW STATEMENT
(Indirect method)
(continued)

		For the period	
Code	Note	Quarter I 2017 VND	Quarter I 2016 VND
CASH FLOWS FROM FINANCING ACTIVITIES			
31	Proceeds from issue of shares	-	1,017,039,570,000
33	Proceeds from borrowings	3,720,067,438,571	1,094,691,481,875
34	Repayments of borrowings	(3,118,147,970,985)	(383,219,000,000)
36	Dividends paid	-	-
40	Net cash inflows from financing activities	601,919,467,586	1,728,512,051,875
50	Net decrease in cash and cash equivalents	(621,659,557,843)	(454,846,715,907)
60	Cash and cash equivalents at beginning of year	32,153,027,696,086	1,811,176,648,805
61	Effect of foreign exchange differences	-	-
70	Cash and cash equivalents at end of year	1,531,368,138,243	1,356,329,932,898

Major non-cash transactions in the year were presented in Note 36.


Do Phuong Thuy
Preparer


Tran Thi Thanh Van
Chief Accountant




Bui Thanh Nhon
Chairman
28 April 2017

The notes on pages 9 to 63 are an integral part of these separate financial statements.

**NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2017**

1 GENERAL INFORMATION

No Va Land Investment Group Corporation ("the Company") is a joint stock company which was established in SR Vietnam pursuant to Business registration certificate No. 054350 which was issued by the Department of Planning and Investment of Ho Chi Minh City dated 18 September 1992 and the 38th amended with Business registration certificate No. 0301444753 dated 24 November 2016. The Company is formerly known as Thanh Nhon Trading Limited, which was established and operated under the Business registration certificate as above.

The principal activities of the Company are real estate trading; civil and industrial construction; providing design and management consultancy services; providing real estate brokerage services.

The Company stock was officially listed on Ho Chi Minh City Stock Exchange ("HOSE") on 28 December 2016 with stock symbol "NVL" pursuant to Decision No 500/QD-SGDHCM issued by General Director of HOSE on 19 December 2016.

The normal business cycle of each project of the Company is 36 months.

As at 31 March 2017, the Company had 29 direct subsidiaries and 3 direct associates as presented in Note 4(b) of the financial statements – Equity investments in other entities. Besides, the Company had 10 indirect subsidiaries and 1 indirect associate as below:

No.	Name	Principal activity	Percentage of ownership %	Charter capital VND
(a) Indirect subsidiaries				
1	The 21st Century International Development Limited Company	Real estate trading	98.97	534,458,265,952
2	Nova Richstar Joint Stock Company	Real estate trading, warehouse for lease	99.99	724,000,000,000
3	Thanh Nien Real Estate Joint Stock Company	Real estate trading	99.80	530,000,000,000
4	Nova Lexington Real Estate Joint Stock Company	Real estate trading	99.90	367,500,000,000
5	Nha Rong Investment and Commercial Joint Stock Company	Real estate trading	99.97	327,426,000,000
6	Mega Tie Company Limited	Real estate trading	74.00	210,000,000,000
7	Phu Viet Tin Company Limited	Real estate trading	99.90	190,000,000,000
8	Phuong Dong Building Joint Stock Company	Real estate trading	99.90	182,000,000,000
9	Hung Duc Real Estate Company Limited	Real estate trading	70.00	6,000,000,000
10	Thanh Nhon One Member Company Limited	Real estate trading	100.00	5,000,000,000
(b) Indirect associates				
1	Saigon Golf Company Limited	Golf course operation, office leasing	50.00	200,000,000,000

As at 31 March 2017, the Company had 2,100 employees (31 December 2016: 2,129 employees).

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**2.1 Basis of preparation of separate financial statements**

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

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

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

Users of these separate financial statements should read them together with the consolidated financial statements of the Group for the period ended 31 March 2017 in order to obtain full information of the financial position and results of operations and cash flows of the Group as a whole.

2.2 Fiscal year

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

2.3 Currency

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

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

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

2.4 Cash and cash equivalents

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

2.5 Trade receivables

Trade receivables are carried at the original invoice amount less an estimate made for doubtful receivables based on a review by the Board of General Directors of all outstanding amounts at the year end. Bad debts are written off when identified. In year, there was no balance of the short-term trade accounts receivable which was past due or not past due but impaired.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.6 Inventories**

Properties acquired or being constructed for sale under the ordinary course of business, rather than to be held for rental or capital appreciation are recognised as inventories. Inventories are stated at the lower of cost and net realisable value. The cost of inventories includes land costs and construction costs of infrastructure and apartments, other direct and overhead expenses incurred in bringing the inventories to their present location and condition. Net realisable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in marketing, selling and distribution. Provision is made, where necessary, for obsolete, slow-moving, defective inventory items and where cost is higher than net realisable values.

2.7 Investments**(a) Investments held-to-maturity**

Investments held to maturity are investments which the Company's General Board of Directors has positive intention and ability to hold until maturity.

Investments held to maturity include term deposits. Those investments are accounted for at cost less provision.

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

(b) Investment in subsidiaries

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

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

(c) Investments in associates

Associates are investments that the Company has significant influence but not control and would generally have from 20% to under 50% voting rights of the investee.

Investments in associates are accounted for at cost less provision for diminution in value. Provision for diminution in value is made when there is a reduction in value of the investments.

(d) Investments in equity of other entities

Investments in equity of other entities are investments in equity instruments of other entities without controlling rights or co-controlling rights, or without significant influence over the investee. These investments are initially recorded at cost. Provision for diminution in value of these investments is made when the entities make losses, except when the loss was anticipated in their business plan before the date of investment.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.8 Fixed assets***Tangible fixed assets and intangible fixed assets*

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

Depreciation and amortisation

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

Buildings	5 – 7 years
Machinery	3 – 7 years
Motor vehicles	6 – 8 years
Office equipment	3 – 7 years
Software and Trademark	2 – 7 years

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

Disposals

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

Construction in progress

Properties in the course of construction for production, rental or administrative purposes, or for purposes not yet determined, are carried at cost. Cost includes software deployment fee, design and construction of office and show house. Depreciation of these assets, on the same basis as other fixed assets, commences when the assets are ready for their intended use.

2.9 Leased assets

Leases of property, plant and equipment where the lessor has transferred the ownership at the end of the lease period, and transferred substantially the risks and rewards, are classified as finance leases. Finance leases are capitalised at the inception of the lease at the lower of the fair value of leased property or the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charge, are included in long-term borrowings. The interest element of the finance cost is charged to the income statement over the lease period. The property, plant and equipment acquired under finance leasing contracts are depreciated over the shorter of the estimated useful life of the assets or the lease term. However, if there is reasonable certainty that the lessee will obtain ownership by the end of the lease term, depreciation is calculated over the estimated useful life of the assets.

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the income statement on a straight-line basis over the period of the lease.

2.10 Investment properties

Depreciation

Buildings and structures	6 – 50 years
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Land use rights with indefinite useful life are recorded at historical cost and are not amortised.

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

Prepaid expenses include short-term and long-term prepayments on the balance sheet and are mainly prepaid selling expenses, bonds interest expenses and tools and equipment already put to use. Prepaid expenses are recorded at historical cost and allocated to expenses using the straight line method over the allocation period, except for selling expenses which are allocated to expenses on the basis of matching with revenue recorded when the Company has handed over significant risks and rewards of ownership to the buyers.

Classifications of payables are based on their nature.

Payables are reclassified into long-term and short-term payables on the balance sheet based on remaining period from the balance sheet date to the maturity date.

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.14 Borrowings and finance lease liabilities**

Borrowings and finance lease liabilities with payment period of more than 12 months from the date of the financial statements are presented as long-term loans and finance lease liabilities. Borrowings and finance lease liabilities fall due for settlement within the next 12 months from the date of the financial statements are presented as short-term loans and finance lease liabilities. Borrowing expenses directly relate to the borrowings (other than payable interest), such as expenses for verification, audit, application... are recognised in the income statement when incurred. Where these expenses arise from borrowings for purposes of investment, construction or production of assets in progress, they shall be capitalised in accordance with the accounting policy stated in Note 2.13.

2.15 Accrued expenses

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

2.16 Provisions

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

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

2.17 Provisions for severance allowance

In accordance with Vietnamese labour laws, employees of the Company who have worked regularly for full 12 months or longer, are entitled to a severance allowance. The working period used for the calculation of severance allowance is the period during which the employee actually works for the Company less the period during which the employee participates in the unemployment insurance scheme in accordance with the labour regulations and the working period for which the employee has received severance allowance from the Company.

The severance allowance is accrued at the end of the reporting period on the basis that each employee is entitled to half of an average monthly salary for each working year. The average monthly salary used for calculating the severance allowance is the employee's average salary for the six-month period prior to the balance sheet date.

This allowance will be paid as a lump sum when the employees terminate their labour contracts in accordance with current regulations.

2.18 Unearned revenue

Unearned revenue mainly comprises the amounts that customers paid in advance for one or many accounting periods for asset leases. The Company records unearned revenue for the future obligations that the Company has to conduct.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.19 Convertible bonds**

Convertible bonds are bonds that may be converted into common shares of the same issuer under the conditions identified in the bond issuance plan.

At initial recognition, the Company calculates and determines separately the value of the debt component and equity component of convertible bonds using the effective interest rate method. The debt component of convertible bonds is recorded as a liability; equity component (share options) of convertible bonds is recorded as an owner's equity item. Subsequently, the Company regularly records bond interest using the effective interest rate. The costs of issuing convertible bonds are deducted to the bond's liability component and allocated to financial expenses/capitalised on straight line basis.

At maturity, the equity component which is a share option is transferred to the share premium account regardless whether the bond holder exercised the option or not.

2.20 Share capital

Contributed capital of the shareholders is recorded according to actual amount contributed. Contributions from owners are recorded according to par value of the share.

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

Share conversion options on bonds is the value of the equity component of the convertible bonds at the reporting date. The value is defined as the difference between the total sums received from the issuance of convertible bonds and the value of the debt component of convertible bonds. At initial recognition, the value of share conversion options on bonds is recorded separately in owners' capital. At the bond maturity, this option is transferred to share premium.

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

2.21 Appropriation of net profit

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

The bonus and welfare fund is appropriated from the Company's net profit and subject to shareholders' approval at the General Meeting.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.22 Revenue recognition****(a) Revenue from sale of real estate**

Revenue from sale of real estate is recognised in the income statement when the real estate sale has been completed and the Company has handed over significant risks and rewards of ownership to the buyer. Revenue from the sale of real estate is recognised in the income statement when all five (5) following conditions are satisfied:

- The real estate has been completed, and the Company has transferred to the buyer the significant risks and rewards of ownership of the real estate;
- The Company no longer hold the right to manage the real estate as real estate's owner or the right to control the real estate;
- The amount of revenue can be measured reliably;
- The Company has received or enables to receive economic benefits from the sale of the real estate; and
- The costs incurred or to be incurred in respect of the real estate can be measured reliably.

(b) Sale of services

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

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

(c) Interest income

Interest income is recognised on an earned basis.

(d) Dividend income

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

2.23 Sales deductions

Sales deductions include trade discounts, sales returns and allowances. Sales deductions incurred in the same period with of the related sales of products, goods and services are recorded as deduction of revenue of that period.

Sales deductions for products, goods or services which are sold in the period but are incurred after the balance sheet date but before the issuance of the financial statements are recorded as deduction of revenue of the period.

2.24 Cost of sales

Cost of goods sold or cost of services are cost of finished goods, merchandises, materials sold or service provided during the period, and recorded on the basis of matching with revenue and on prudent concept.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.25 Financial expenses**

Finance expenses are expenses incurred in the period for financial activities including interest expenses, other borrowing related expenses and bond issuance expenses, losses incurred when selling foreign currencies, losses from foreign exchange differences and payment discounts.

2.26 Selling expenses

Selling expenses represent expenses that are incurred in the process of selling products, goods and providing services, which mainly include publicity, display, promotions, advertising expenses and sale commissions.

2.27 General and administration expenses

General and administration expenses represent expenses for administrative purposes which mainly include salary expenses of administrative staffs (salaries, wages, allowances,...); social insurance, medical insurance, labour union fees, unemployment insurance of administrative staff, expenses of office materials, tools and supplies, outside services (electricity, water, telephone, fax, assets insurance, fire and explosive accidents insurance,...) and other cash expenses.

2.28 Current and deferred income tax

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

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

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

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

2.29 Dividend distribution

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.30 Related parties**

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

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

2.31 Segment reporting

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

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

3 CASH AND CASH EQUIVALENTS

	31.03.2017 VND	31.12.2016 VND
Cash on hand	524,286,732	477,267,791
Cash at bank	127,694,926,334	472,428,014,906
Cash equivalents (*)	1,403,148,925,177	1,680,122,413,389
	<u>1,531,368,138,243</u>	<u>2,153,027,696,086</u>

(*) Cash equivalents are term deposits at banks with original maturity of 3 months or less and earn an interest rate from 4.3% to 5.5% per annum (2016: from 4.5% to 5.5% per annum).

As at 31 March 2017, cash and cash equivalents of VND560,340,927,156 (31.12.2016: VND1,008,296,470,998) were pledged as collateral assets for the bank loans and VND382,172,291,105 (31.12.2016: VND538,498,003,623) were managed by banks in relation to borrowings for project development.

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4 INVESTMENTS

(a) Investments held-to-maturity

	31.03.2017			31.12.2016		
	Cost VND	Provision VND	Book value VND	Cost VND	Provision VND	Book value VND
Short-term deposits	799,025,021,075	-	799,025,021,075	763,286,000,000	-	763,286,000,000

The short-term deposits represent bank deposits in VND with original maturity of 6 months and earn interest at the rate ranging from 6.5% to 6.8% per annum (2016: from 6.5% to 6.8% per annum).

As at 31 March 2017, investments held-to-maturity of VND2.489.021.075 were used as security for guarantee and borrowings (as at 31 December 2016: nil)

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4 INVESTMENTS (continued)

(b) Equity investments in other entities

(i) Investments in subsidiaries

	No. Name	Principal activity	31.03.2017				31.12.2016			
			Ownership and voting rights		Fair value VND	Provision VND	Ownership and voting rights		Fair value VND	Provision VND
			%				%			
1	Saigon Housing and Infrastructure Development Joint Stock Company	Real estate trading	98.00	5,880,000,000	(*)	-	100	5,880,000,000	(*)	-
2	Nova Nam A Company Limited	Real estate trading	74.00	216,080,000,000	(*)	-	74.00	216,080,000,000	(*)	-
3	Nova Nippon Joint Stock Company	Real estate trading	99.98	19,996,000,000	(*)	-	99.98	19,996,000,000	(*)	-
4	Nova Sagel Company Limited	Real estate trading	73.98	267,910,000,000	(*)	-	73.98	267,910,000,000	(*)	-
5	Nova Galaxy Real Estate Joint Stock Company	Real estate trading	99.98	292,126,098,895	(*)	-	99.98	292,126,098,895	(*)	-
6	Nova Phu Sa Ecotourism Joint Stock Company	Real estate trading	99.00	5,940,000,000	(*)	-	99.00	5,940,000,000	(*)	-
7	Khai Hung Real Estate Company Limited	Real estate trading	99.99	3,773,925,000,000	(*)	-	99.99	3,773,925,000,000	(*)	-
8	No Va Land Investment Joint Stock Company	Real estate trading	69.90	1,188,300,000,000	(*)	-	69.90	1,188,300,000,000	(*)	-
9	Nova Saigon Royal Real Estate Investment Company Limited	Real estate trading	99.99	327,393,300,000	(*)	-	99.99	327,393,300,000	(*)	-
10	Thanh Nhon Real Estate Joint Stock Company Limited	Real estate trading	98.00	151,376,700,000	(*)	-	98.00	151,376,700,000	(*)	-
11	Phuoc Long Investment and Development Company Limited	Real estate trading	99.99	329,967,000,000	(*)	-	99.99	329,967,000,000	(*)	-
12	Novaland Agent One Member Company Limited	Real estate trading	100.00	20,000,000,000	(*)	-	100.00	20,000,000,000	(*)	-
13	Vung Tau Youth Tourist Hotel Joint Stock Company	Real estate trading	55.00	29,250,000,000	(*)	-	65.00	29,250,000,000	(*)	-
14	Nova Festival Corporation	Real estate trading	94.02	173,000,000,000	(*)	-	94.02	173,000,000,000	(*)	-

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4 INVESTMENTS (continued)

(b) Equity investments in other entities (continued)

(i) Investments in subsidiaries (continued)

No.	Name	Principal activity	31.03.2017			31.12.2016		
			Ownership and voting rights %	Cost VND	Fair value VND	Provision VND	Ownership and voting rights %	Cost VND
15	The Prince Residence Joint Stock Company	Real estate trading	99.81	338,947,200,000	(*)	-	99.81	338,947,200,000
16	Nova Phu Sa Investment and Development Joint Stock Company	Real estate trading	99.98	5,998,800,000	(*)	-	99.98	5,998,800,000
17	No Va Land Company Limited	Real estate trading	100.00	81,600,000,000	(*)	-	100.00	81,600,000,000
18	Nova Lucky Palace Company Limited	Real estate trading	99.99	199,990,000,000	(*)	-	99.99	199,990,000,000
19	No Va Thao Dien Company Limited	Real estate trading	100.00	889,996,000,000	(*)	-	100.00	889,996,000,000
20	Nova Saco Company Limited	Real estate trading	74.00	318,191,400,000	(*)	-	74.00	318,191,400,000
21	Nova My Dinh Real Estate Joint Stock Company	Real estate trading	99.98	19,996,000,000	(*)	-	99.98	19,996,000,000
22	Nova RiverGate Company Limited	Real estate trading	99.90	936,201,410,000	(*)	-	99.90	936,201,410,000
23	Mega Housing Joint Stock Company	Real estate trading	74.00	16,998,000,000	(*)	-	74.00	16,998,000,000
24	Nova Princess Residence Joint Stock Company	Real estate trading	99.90	366,707,530,000	(*)	-	99.90	366,707,530,000
25	Nova An Phu Company Limited	Real estate trading	100.00	102,500,000,000	(*)	-	90.00	18,000,000,000
26	Vuong Cung Real Estate Investment Company Limited	Real estate trading	99.99	-	(*)	-	99.99	19,998,000,000
27	Tuong Minh Real Estate Investment Company Limited	Real estate trading	99.99	325,665,604,000	(*)	-	99.99	325,665,604,000
28	Nova Phuc Nguyen Real Estate Investment and Development Company Limited	Real estate trading	99.99	189,981,000,000	(*)	-	99.99	189,981,000,000
29	Phu Dinh Port Joint Stock Company	Transportation support, real estate trading	59.73	941,511,225,000	(*)	-	-	-
30	Bach Hop Real Estate Limited	Real estate trading	99.99	212,978,700,000	(*)	-	-	-
				11,748,406,967,895				10,529,415,042,895

(*) As at 31 March 2017, the Board of General Directors of the Company did not disclose the fair value of these investments as they have not been listed in the stock market. There were no fair value information available of these investments.

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4 INVESTMENTS (continued)

(b) Equity investments in other entities (continued)

(ii) Investments in associates

		31.03.2017				31.12.2016				
	Name	Principal activity	Ownership and voting rights %	Cost VND	Fair value VND	Provision VND	Ownership and voting rights %	Cost VND	Fair value VND	Provision VND
1	Saigon Electronics and Industrial Service Joint Stock Company	Trading electronic equipment, telecommunications	33.31	14,792,060,000	(*)	-	33.31	14,792,060,000	(*)	-
2	Phu Dinh Port Joint Stock Company	Transportation support, real estate trading	-	-	(*)	-	25.39	124,616,285,000	(*)	-
3	Nova Dong Hai Joint Stock Company	Real estate trading	49.99	9,998,000,000	(*)	-	49.99	9,998,000,000	(*)	-
4	Ben Thanh Housing Service and Development Joint Stock Company	Real estate trading	25.00	60,600,000,000	(*)	-	25.00	60,600,000,000	(*)	-
				<u>85,390,060,000</u>				<u>210,006,345,000</u>		

5 SHORT-TERM TRADE ACCOUNTS RECEIVABLE

	31.03.2017 VND	31.12.2016 VND
Third parties	58,836,575,553	41,687,599,982
Related parties (Note 37(b))	42,324,948,220	42,324,948,220
	<u>101,161,523,773</u>	<u>84,012,548,202</u>

As at 31 March 2017 and 31 December 2016, there were no third party customers accounting for 10% or more of total the short-term trade accounts receivable balance. In addition, there was no balance of the short-term trade accounts receivable which was past due or not past due but impaired.

6 SHORT-TERM PREPAYMENTS TO SUPPLIERS

	31.03.2017 VND	31.12.2016 VND
Third parties	190,981,922,481	150,103,469,865
<i>American General Construction Company Limited</i>	52,167,759,229	47,813,651,373
<i>Saigon General Service Joint Stock Company</i>	46,070,042,873	46,070,042,873
<i>Others</i>	92,744,120,379	56,219,775,619
Related parties (Note 37(b))	8,323,197,671	18,226,169,305
	<u>199,305,120,152</u>	<u>168,329,639,170</u>

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7 SHORT-TERM LENDING

	As at 31.12.2016 VND	Movements due to mergers and acquisitions during the year VND	Increase VND	Decrease VND	As at 31.03.2017 VND
Third parties	361,580,408,814	-	-	-	361,580,408,814
- <i>Gia Phu Real Estate Investment Company Limited</i>	311,580,408,814	-	-	-	311,580,408,814
- <i>Deawon Cantavil Company Limited</i>	50,000,000,000	-	-	-	50,000,000,000
Related parties (Note 37(b))	618,313,512,000		100,500,000,000	(49,677,512,000)	669,136,000,000
	979,893,920,814	-	100,500,000,000	(49,677,512,000)	1,030,716,408,814

These are short-term loans to third parties and related parties which are unsecured, earn interest at the rate from 9.0% to 10.9% per annum (2016: from 9.0% to 10.9% per annum) and will fall due in 2017.

As at 31 March 2017 and 31 December 2016, there was no balance of short-term lending which was past due or not past due but impaired.

8 OTHER RECEIVABLES

	31.03.2017		31.12.2016	
	Book value VND	Provision VND	Book value VND	Provision VND
(a) Other short-term receivables				
Deposits for investment				
consulting services	1,237,968,499,746	-	1,649,213,192,246	-
Deposits for share				
acquisitions	844,663,180,392	-	912,750,000,000	-
Project development and				
investment co-operation (i)	992,987,508,469	-	992,987,508,469	-
Deposits for project transfers	130,920,000,000	-	233,420,000,000	-
Interest receivables from				
lending	234,859,918,250	-	151,942,972,120	-
Deposits	245,208,607,272	-	9,717,607,272	-
Advances	2,752,636,645	-	238,390,727	-
Others	45,736,741,052	-	377,934,594,708	-
	<u>3,735,097,091,826</u>	<u>-</u>	<u>4,328,204,265,542</u>	<u>-</u>

In which, the detailed balances with related parties and third parties were as follows:

	31.03.2017		31.12.2016	
	Book value VND	Provision VND	Book value VND	Provision VND
Third parties (*)	2,833,632,939,907	-	3,172,663,687,825	-
Related parties (Note 37(b))	901,464,151,919	-	1,155,540,577,717	-
	<u>3,735,097,091,826</u>	<u>-</u>	<u>4,328,204,265,542</u>	<u>-</u>

(*) Details of other short-term receivables from third parties accounting from 10% or more of the total balance were as follows:

Name	Nature	31.03.2017 VND	31.12.2016 VND
Nguyen Tien Phong	Deposits for share acquisition	400,000,000,000	400,000,000,000
SSR Real Estate Investment and Development Company Limited	Deposits for investment consulting services	<u>1,180,966,554,746</u>	<u>1,649,213,192,246</u>

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8 OTHER RECEIVABLES (continued)

	31.03.2017		31.12.2016	
	Book value VND	Provision VND	Book value VND	Provision VND
(b) Other long-term receivables				
Project development and investment co-operation (i)	741,360,000,000	-	741,360,000,000	-
Deposits for share acquisitions	2,472,682,050	-	152,536,582,050	-
Deposits for investment consulting services	-	-	-	-
Others	12,013,527,742	-	14,010,196,211	-
	<u>755,846,209,792</u>	<u>-</u>	<u>907,906,778,261</u>	<u>-</u>

- (i) Balance represents project development and investment co-operation with related parties. These amounts will be repaid in full to the Company at the end of the projects. The Company will be entitled to a fixed interest amount annually; in addition, the Company will receive profits at the end of the projects in accordance with agreed sharing ratio in the agreement.

In which, the detailed balances with related parties and third parties were as follows:

	31.03.2017		31.12.2016	
	Book value VND	Provision VND	Book value VND	Provision VND
Third parties (*)	13,087,433,792	-	165,148,002,261	-
Related parties (Note 37(b))	742,758,776,000	-	742,758,776,000	-
	<u>755,846,209,792</u>	<u>-</u>	<u>907,906,778,261</u>	<u>-</u>

- (*) Details of other long-term receivables from third parties accounting from 10% or more of the total balance were as follows:

Name	Nature	31.03.2017 VND	31.12.2016 VND
District 2 Public Service One Member Company Limited	Project development and investment co-operation	<u>2,472,682,050</u>	<u>152,536,582,050</u>

As at 31 March 2017 and 31 December 2016, there was no balance of other long-term receivables which was past due or not past due but impaired.

9 DOUBTFUL DEBTS

The Company had no doubtful debt as at the date of the separate financial statements.

10 INVENTORIES

	31.03.2017 VND	31.12.2016 VND
Properties in construction progress (i)	2,075,874,678,491	2,322,029,985,082
Property merchandises	167,349,686,941	167,349,686,941
Other merchandises	4,274,023,414	3,204,181,743
Completed properties (ii)	272,475,132,610	117,568,777,173
	<u>2,519,973,521,456</u>	<u>2,610,152,630,939</u>

- (i) The properties in construction progress mainly include land costs, construction costs, consulting and designing fees and other costs relating to the projects. As at 31 March 2017, the projects were in construction progress and they were expected to be completed and handed over in 2017 and 2018.
- (ii) As at 31 March 2017, the balance of completed properties mainly represents the value of Orchard Garden project which is located at 128 Hong Ha street, Phu Nhuan district, Ho Chi Minh City.

As at 31 March 2017, the receivable rights from Tropic Garden project were not pledged as collateral assets for the loans granted to No Va Land Investment Joint Stock Company.

Total amount of interest expenses capitalised into value of properties during the period was VND10,627 million (2016: VND68,175 million).

11 PREPAID EXPENSES

	31.03.2017 VND	31.12.2016 VND
(a) Short-term prepaid expenses		
Deferred expenses which were allocated based on revenue from sale of real estate	20,961,393,301	27,622,052,863
Tools and supplies	1,891,301,156	1,810,592,726
Others deferred expenses	3,325,433,500	4,840,544,058
	<u>26,178,127,957</u>	<u>34,273,189,647</u>
(b) Long-term prepaid expenses		
Interest expenses from issuing bonds	68,521,570,947	92,425,330,834
Deferred expenses which were allocated based on revenue from sale of real estate	3,279,920,906	2,379,920,906
Tools and supplies	11,904,608,557	13,488,733,162
Other deferred expenses	43,200,669,966	50,370,173,336
	<u>126,906,770,376</u>	<u>158,664,158,238</u>

11 PREPAID EXPENSES (continued)

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

	31.03.2017 VND	31.12.2016 VND
Opening balance	158,664,158,238	69,885,729,393
Transfers from construction in progress (Note 15)	-	15,190,220,524
Increase	4,013,717,556	155,808,401,478
Allocation	(35,771,105,418)	(82,220,193,157)
Closing balance	<u>126,906,770,376</u>	<u>158,664,158,238</u>

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12 FIXED ASSETS

(a) Tangible fixed assets

	Buildings VND	Machinery VND	Motor vehicles VND	Office equipment VND	Other fixed assets VND	Total VND
Historical cost						
As at 1 January 2017	46,726,685,352	5,157,336,139	53,427,667,034	10,631,893,545	99,000,000	116,042,582,070
New purchases		499,994,250	1,275,000,000		-	1,774,994,250
Transfers from construction in progress (Note 15)		-	-	-	-	-
Disposals		(875,812,500)	-	-	-	(875,812,500)
Reclassify to intangible fixed assets	(1,202,042,002)					(1,202,042,002)
As at 31 March 2017	45,524,643,350	4,781,517,889	54,702,667,034	10,631,893,545	99,000,000	115,739,721,818
Accumulated depreciation						
As at 1 January 2017	(7,494,231,662)	(2,498,620,743)	(11,056,727,503)	(3,728,286,152)	(90,499,988)	(24,868,366,048)
Charge for the year	(555,319,650)	(286,338,384)	(2,107,658,710)	(691,790,368)	(2,833,332)	(3,643,940,444)
Disposals		170,296,898		-	-	170,296,898
As at 31 March 2017	(8,049,551,312)	(2,614,662,229)	(13,164,386,213)	(4,420,076,520)	(93,333,320)	(28,342,009,594)
Net book value						
As at 1 January 2017	39,232,453,690	2,658,715,396	42,370,939,531	6,903,607,393	8,500,012	91,174,216,022
As at 31 March 2017	37,475,092,038	2,166,855,660	41,538,280,821	6,211,817,025	5,666,680	87,397,712,224

Historical cost of fully depreciated tangible fixed assets but still in use as at 31 March 2017 was VND8,450 million (31.12.2016: VND8,269 million).

As at 31 March 2017 and 31 December 2016, there were no tangible fixed assets pledged as collateral assets for the bank loans.

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12 FIXED ASSETS (continued)

(b) Intangible fixed assets

	Land use rights	Software and Trademark	Total
	VND	VND	VND
Historical cost			
As at 1 January 2017	25,400,891,068	4,372,182,650	29,773,073,718
New purchases	-	132,600,000	132,600,000
Reclassify from tangible fixed assets	1,202,042,000		1,202,042,000
As at 31 March 2017	26,602,933,068	4,504,782,650	31,107,715,718
Accumulated amortisation			
As at 1 January 2017	-	(1,190,104,887)	(1,190,104,887)
Charge for the year	-	(262,584,830)	(262,584,830)
As at 31 March 2017	-	(1,452,689,717)	(1,452,689,717)
Net book value			
As at 1 January 2017	25,400,891,068	3,182,077,763	28,582,968,831
As at 31 March 2017	26,602,933,068	3,052,092,933	29,655,026,001

As at 31 March 2017 and 31 December 2016, there were no fully depreciated intangible fixed assets but still in use and no intangible fixed assets pledged as collateral assets for bank loans.

13 INVESTMENT PROPERTIES FOR LEASING

	Buildings and structures VND	Land use rights VND	Total VND
Historical cost			
As at 1 January 2017	233,231,746,946	82,786,289,102	316,018,036,048
Transfers from construction in progress (Note 15)			
Transfers from inventories (*)	3,313,650,099	1,134,191,474	4,447,841,573
As at 31 March 2017	236,545,397,045	83,920,480,576	320,465,877,621
Accumulated depreciation			
As at 1 January 2017	(7,847,969,794)	-	(7,847,969,794)
Charge for the year	(3,087,462,621)	-	(3,087,462,621)
As at 31 March 2017	(10,935,432,415)	-	(10,935,432,415)
Net book value			
As at 1 January 2017	225,383,777,152	82,786,289,102	308,170,066,254
As at 31 March 2017	225,609,964,630	83,920,480,576	309,530,445,206

(*) The amount represents the properties transferred to investment properties for the leasing purpose.

As at 31 March 2017 and 31 December 2016, there were no investment properties pledged as collateral assets for the bank loans.

14 LONG-TERM WORK IN PROGRESS

This balance comprised of the work in progress amount of a project located at Thao Dien Ward, District 2, and at District 9, Ho Chi Minh City. These projects are in the progress of completing the legal papers for future developments.

15 CONSTRUCTION IN PROGRESS

	31.03.2017 VND	31.12.2016 VND
Office renovation	24,568,894,622	24,335,992,191
Showhouse	14,371,685,820	10,649,238,917
Software	18,732,582,334	8,624,757,938
Others	5,043,757,292	2,793,757,292
	<u>62,716,920,068</u>	<u>46,403,746,338</u>

15 CONSTRUCTION IN PROGRESS (continued)

Movement of construction in progress during the year was as follows:

	31.03.2017 VND	31.12.2016 VND
Beginning of year	46,403,746,338	14,194,103,852
Purchase	16,313,173,730	90,826,086,006
Transfers to investment properties (Note 13)	-	(33,943,350,000)
Transfers to long-term prepaid expenses (Note 11)	-	(15,190,220,524)
Transfers to tangible fixed assets (Note 12(a))	-	(8,305,228,732)
Transfers to selling expenses	-	(868,917,000)
Transfers to general and administrative expenses	-	(308,727,264)
Others	-	-
	<u>62,716,920,068</u>	<u>46,403,746,338</u>

16 SHORT-TERM TRADE ACCOUNTS PAYABLE

	31.03.2017		31.12.2016	
	Value VND	Able-to-pay amount VND	Value VND	Able-to-pay amount VND
Third parties	222,652,563,902	222,652,563,902	279,143,774,099	279,143,774,099
<i>Hoa Binh</i>				
<i>Construction and</i>				
<i>Real Estate Joint</i>				
<i>Stock Company</i>	47,079,919,268	47,079,919,268	47,199,278,188	47,199,278,188
<i>Kien Phu Gia Company</i>				
<i>Limited</i>	26,705,735,996	26,705,735,996	26,009,925,066	26,009,925,066
<i>Dai Viet Investment</i>				
<i>Development</i>				
<i>Construction Joint</i>				
<i>Stock Company</i>	40,385,133,088	40,385,133,088	24,548,119,849	24,548,119,849
<i>Ben Joint Stock</i>				
<i>Company</i>	22,473,387,133	22,473,387,133	20,058,497,694	20,058,497,694
<i>Others</i>	86,008,388,417	86,008,388,417	161,327,953,302	161,327,953,302
Related parties (Note 37(b))				
	<u>222,652,563,902</u>	<u>222,652,563,902</u>	<u>279,143,774,099</u>	<u>279,143,774,099</u>

As at 31 March 2017 and 31 December 2016, the Company had no short-term trade accounts payable overdue.

17 SHORT-TERM ADVANCES FROM CUSTOMERS

The short-term advances from customers are advances from customers according to the property transfer agreements of the Company's projects. The amount is recognised as revenue when the Company completes and hands over properties to customers.

As at 31 March 2017 and 31 December 2016, there were no customers accounting for 10% or more of total the short-term advances from customers.

18 TAXES AND OTHER PAYABLES TO THE STATE BUDGET

	31.03.2017 VND	31.12.2016 VND
VAT on domestic sales	-	-
Business income tax - current	-	-
Personal income tax	1,413,603,204	2,626,071,891
Others	2,108,944	67,461,744
	<u>1,415,712,148</u>	<u>2,693,533,635</u>

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18 TAXES AND OTHER PAYABLES TO THE STATE BUDGET (continued)

Movements in tax and other payables to the State Budget during the year were as follows:

	As at 1.1.2017 VND	Payable during the year VND	Net-off VND	Settled during the year VND	As at 31.03.2017 VND
a) Tax payables					
Business income tax	-	366,730,451	(366,730,451)	-	-
VAT on domestic sales	-	49,355,622,433	(49,355,622,433)	-	-
Personal income tax	2,626,071,891	52,883,746,174	-	(54,096,214,861)	1,413,603,204
Others	67,461,744	630,342,778	-	(695,695,578)	2,108,944
Total	2,693,533,635	103,236,441,836	(49,722,352,884)	(54,791,910,439)	1,415,712,148
b) Tax receivables					
VAT to be reclaimed	(127,296,421,310)	(32,685,185,932)	49,355,622,433	-	(110,625,984,809)
Business income tax temporarily paid 1%	(41,166,077,595)	15,521,157,595	(366,730,451)	-	(26,011,650,451)
Overpaid business income tax	(20,003,164,878)	(15,521,157,595)	366,730,451	-	(35,157,592,022)
Others	-	-	-	-	-
Total	(188,465,663,783)	(32,685,185,932)	49,355,622,433		(171,795,227,282)

19 SHORT-TERM ACCRUED EXPENSES

	31.03.2017 VND	31.12.2016 VND
Interest expenses	191,293,592,520	127,428,471,170
Constructions costs	122,875,973,060	228,665,580,650
Others	14,718,910,538	12,064,863,330
	<u>328,888,476,118</u>	<u>368,158,915,150</u>

In which, the detailed balances with third parties and related parties were as follows:

	31.03.2017 VND	31.12.2016 VND
Third parties	264,330,902,697	323,466,213,499
<i>Vietnam Joint Stock Commercial Bank for Industry and Trade - Ho Chi Minh City Branch</i>	12,585,600,000	23,186,400,000
Others	251,745,302,697	300,279,813,499
Related parties (Note 37(b))	64,557,573,421	44,692,701,651
	<u>328,888,476,118</u>	<u>368,158,915,150</u>

20 OTHER PAYABLES**(a) Other short-term payables**

	31.03.2017 VND	31.12.2016 VND
Project development and investment co-operation (i)	-	70,000,000,000
Dividends advanced from subsidiaries (ii)	151,906,476,000	251,896,476,000
Maintenance fund payables (iii)	71,200,781,873	60,684,897,246
Deposits (iv)	12,176,450,855	13,511,478,355
Others	267,134,454,860	358,681,598,899
	<u>502,418,163,588</u>	<u>754,774,450,500</u>

- (i) The amount represents dividends advanced from Phuoc Long Investment and Company Limited and The Prince Residence Joint Stock Company.
- (ii) The maintenance fund payables represent 2% of the total net value of the contract which the Company collected from the residents for the maintenance of apartments. This amount will be transferred to the Residence Committee when the Residence Committee is established.
- (iii) These are deposits from customers for the purchase of apartments and commercial areas.

20 OTHER PAYABLES (continued)**(a) Other short-term payables (continued)**

In which, the detailed balances with third parties and related parties were as follows:

	31.03.2017 VND	31.12.2016 VND
Third parties	117,765,367,588	167,131,654,500
<i>Dang Khanh Real Estate Company Limited</i>		70,000,000,000
<i>Others</i>	117,765,367,588	97,131,654,500
Related parties (Note 37(b))	384,652,796,000	587,642,796,000
	<u>502,418,163,588</u>	<u>754,774,450,500</u>

(b) Other long-term payables

	31.03.2017 VND	31.12.2016 VND
Project development and investment co-operation (Note 20(a)(i))	181,399,432,000	240,324,432,000
Others	483,267,079	628,015,466
	<u>181,882,699,079</u>	<u>240,952,447,466</u>

In which, the detailed balances with third parties and related parties were as follows:

	31.03.2017 VND	31.12.2016 VND
Third parties	115,307,699,079	115,452,447,466
<i>Dang Khanh Real Estate Company Limited</i>	113,000,000,000	113,000,000,000
<i>Others</i>	2,307,699,079	2,452,447,466
Related parties (Note 37(b))	66,575,000,000	125,500,000,000
	<u>181,882,699,079</u>	<u>240,952,447,466</u>

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21 BORROWINGS AND FINANCE LEASE LIABILITIES

	As at 1.1.2017 VND	Increase VND	Foreign exchange differences VND	Current portion of long-term borrowings VND	Decrease VND	As at 31.03.2017 VND
(a) Short-term borrowings						
- Bank loans (*)	874,834,377,962	93,542,207,620	-	-	(35,852,481,875)	932,524,103,707
- Borrowings from related parties (**) (Note 37(a)(b))	1,443,301,832,600	280,000,000,000	-	-	(131,551,666,667)	1,591,750,165,933
- Borrowings from third parties (***)	1,035,339,258,542	2,053,864,633,333	-	-	(1,954,743,822,443)	1,134,460,069,432
- Bonds (****)	700,000,000,000	-	-	-	-	700,000,000,000
	<u>4,053,475,469,104</u>	<u>2,427,406,840,953</u>	<u>-</u>	<u>-</u>	<u>(2,122,147,970,985)</u>	<u>4,358,734,339,072</u>
(b) Long-term borrowings						
- Bank loans (*)	545,545,188,393	43,082,597,618	-	-	-	588,627,786,011
- Borrowings from related parties (**) (Note 37(a)(b))	-	-	-	-	-	-
- Borrowings from third parties (***)	2,506,900,000,000	-	-	-	-	2,506,900,000,000
- Bonds (****)	3,482,000,000,000	1,250,000,000,000	-	-	(996,000,000,000)	3,736,000,000,000
- Bond issuance costs	(33,385,570,424)	(422,000,000)	-	-	11,946,875,875	(21,860,694,549)
	<u>6,501,059,617,969</u>	<u>1,292,660,597,618</u>	<u>-</u>	<u>-</u>	<u>(984,053,124,125)</u>	<u>6,809,667,091,462</u>

21 BORROWINGS AND FINANCE LEASE LIABILITIES (continued)

(*) Details of closing balance of short-term borrowings from bank were as follows:

	31.03.2017 VND	31.12.2016 VND
(a) Short-term borrowings		
Saigon Thuong Tin Commercial Joint Stock Bank – Head Office (i)	250,000,000,000	250,000,000,000
Saigon Thuong Tin Commercial Joint Stock Bank – Centre Branch (ii)	160,000,000,000	160,000,000,000
Joint Stock Commercial Bank for Foreign Trade of Vietnam - Nam Sai Gon Branch (iii)	243,695,207,620	150,153,000,000
Tien Phong Commercial Joint Stock Bank - Sai Gon Branch (iv)	150,000,000,000	150,000,000,000
Viet Capital Commercial Joint Stock Bank - Gia Dinh Branch (v)	98,828,896,087	98,828,896,087
Southeast Asia Joint Stock Commercial Bank (vi)	30,000,000,000	65,852,481,875
National Citizen Bank - Head Office	-	-
Nam A Bank - Ham Nghi Branch - Phu My Hung Branch	-	-
Viet A Commercial Joint Stock Bank - Head Office	-	-
	<u>932,524,103,707</u>	<u>874,834,377,962</u>
(b) Long-term borrowings		
Saigon Thuong Tin Commercial Joint Stock Bank – Head Office (i)	250,000,000,000	250,000,000,000
Tien Phong Commercial Joint Stock Bank - Sai Gon Branch (iv)	250,000,000,000	250,000,000,000
Joint Stock Commercial Bank for Foreign Trade of Vietnam – Soc Trang Branch (iii)	88,627,786,011	45,545,188,393
	<u>588,627,786,011</u>	<u>545,545,188,393</u>

- (i) These are borrowings in Vietnamese Dong under a credit facility of VND500,000,000,000, maturing in twenty-four (24) months from the date of drawdown. The principal is repaid on three-month basis since the thirteenth (13th) month. These borrowings bear an interest rate of 10% per annum for the first six-month period (6) and at a rate of the thirteen-month (13) saving deposits from individuals in Vietnamese Dong (paid in arrears) plus a margin of 3% per annum from the seventh month (7th) onwards. These borrowings are relating to Botanica Premier project and guaranteed by 16,700,000 shares of the Company owned by shareholders.

21 BORROWINGS AND FINANCE LEASE LIABILITIES (continued)

- (ii) These are borrowings in Vietnamese Dong under a credit facility of VND200,000,000,000 for a term of twelve (12) months to finance working capital of the Company. The interest rates of these borrowings are specified in each loan drawdown. As at 31 March 2017, the outstanding balance of these borrowings was VND160,000,000,000 bearing an interest rate of 10% per annum for the first six-month period (6). The interest rate applied for the period from the seventh (7th) month onwards will be defined as the interest rate of the thirteen-month saving deposits from individuals in Vietnamese Dong (paid in arrears) plus a margin of 3% per annum, adjusted for every three months. These borrowings are guaranteed by 6,700,000 shares of the Company owned by shareholders.
- (iii) These are borrowings in Vietnamese Dong under a credit facility of VND250,000,000,000 for a term of twelve months (12) to finance working capital of the Company. Interest rates are being specified in each drawdown. As at 31 March 2017, the Company had the outstanding balance of VND243,695,207,620 which bears an interest rate of 7% per annum. These borrowings are guaranteed by the Company's deposit contracts at the lender ensuring the total value of collateral assets over the outstanding balance, at all time is 10%.
- (iv) These are borrowings in Vietnamese Dong with a credit limit of VND400,000,000,000 which are due for repayment within thirty-six months (36) since the drawdown date. The principal and interest are paid on a three-month (3) basis since the thirteenth (13th) month. Interest rate is fixed at 9.5% per annum and adjusted for every three months (3) equaling the corporate lending rate for twelve months (12) plus a margin of 1.7% per annum. The collateral assets include: real estate owned by a third party located at lot No.100, Truong Sa Street, Ngu Hanh Son District, Da Nang City; capital contributed into Nova Nam A Company Limited; ownership rights in Orchard Parkview project.
- (v) This is a borrowing in Vietnamese Dong with a credit limit of VND100,000,000,000 (in 2016), then increasing to VND200,000,000,000 according to the credit contract dated 10 March 2017, for a term of six months and its interest rate will be determined specifically for each drawdown. As at 31 March 2017, the Company had outstanding balance of VND98,828,896,087 from this facility at an interest rate of 8.7% per annum. This loan is unsecured.
- (vi) These are borrowings in Vietnamese Dong with an initial credit facility of VND116,000,000,000 and then increasing to VND300,000,000,000 since 14 June 2016, maturing in twelve (12) months since the drawdown date. At 31 March 2017, the Company had the outstanding balance of VND30,000,000,000 at an interest rate of 9.15% per annum. These borrowings are secured by: 16,707,807 shares of Phu Dinh Port Company owned by shareholders.

21 BORROWINGS AND FINANCE LEASE LIABILITIES (continued)

(vii) These are borrowings in Vietnamese Dong with a credit limit of VND250,000,000,000 for a term of sixty (60) months to finance working capital of Con Au Eco-tourism Park Project. This borrowing bears a fixed interest rate of 9.4% per annum for the first thirty-six-month period since the first drawdown date. The interest rate applied from the thirty-seventh (37th) month onwards will be defined as the interest rate of the twenty-four-month (24) deposits from individuals in Vietnamese Dong plus a margin of 3.6% per annum. The borrowings are secured by the land use rights, building ownership and other assets attached to the land belonging to Con Au Ecotourism Park Project.

(**) These are loans from related parties, maturing in 2017, bear interest at a rate from 5% to 11% per annum and are unsecured.

(***) Details for the balances of third parties and related parties are as follows:

	31.03.2017 VND	31.12.2016 VND
(a) Short-term borrowings		
Nova Home Joint Stock Company (i)	1,134,460,069,432	1,035,339,258,542
(b) Long-term borrowings		
Credit Suisse AG, Singapore Branch (ii)	1,367,400,000,000	1,367,400,000,000
GW Supernova Pte. Ltd. (iii)	1,139,500,000,000	1,139,500,000,000
	2,506,900,000,000	2,506,900,000,000

(i) These are borrowings in Vietnamese Dong for a term of five (5) months, bearing an interest rate from 4.3% to 5% per annum and are unsecured.

(ii) In July 2016, the Company, the facility agent and guarantee agent – Credit Suisse AG, Singapore Branch, signed a loan agreement with a credit facility of US\$100,000,000 and interest at a rate of LIBOR plus 5% per annum. The loan duration is thirty (30) months from the first date of drawdown ("termination date") and interest is repayable every three (3) months. If the initial public offering of shares of the Company ("Company IPO") does not occur by the termination date, the Company must pay all amounts due and owing in cash. In contrast, if the Company IPO occurs at any time prior to or on the termination date, the Company or lender may elect to convert the loan into shares pursuant to the provisions of the Share Repayment Agreement. At the time of conversion, the Company will issue common shares as requested by the lender. As at 31 March 2017, the Board of General Directors of the Company estimated that the value of the convertible debt component was the same with the principal of the borrowing.

As at 31 March 2017, an amount of US\$60,000,000, equivalent to VND1,367,400,000,000 was drawdown. In case the debt conversion option is exercised, the maximum shares to be converted will be 33,459,554 shares of the Company. At the date of these financial statements, the loans were under conversion process.

21 BORROWINGS AND FINANCE LEASE LIABILITIES (continued)

- (iii) This borrowing is denominated in US dollar from GW Supernova PTE Ltd., with a credit facility of US\$50,000,000, maturing in thirty-six (36) months since the first date of drawdown (December 2016), including a portion of non-convertible borrowing amounting to US\$20,000,000 and the other portion of convertible borrowing amounting to US\$30,000,000. The borrowing bears an interest rate of 6% per annum and is repayable every six (6) months. The principal is repaid at the maturity date. The borrowing is unsecured. The lender may elect to convert the convertible borrowing component into shares of the Company at any time after ten (10) months since the first drawdown or six (6) months since the conversion date of the borrowing from Credit Suisse AG, Singapore Branch (Note 21(***)(ii)), depending on which date comes first. As at 31 March 2017, the Board of General Directors of the Company estimated that the value of the convertible debt component was the same with the principal of the borrowing. Accordingly, there was no equity component recognised.

As at 31 March 2017, this borrowing is fully disbursed. In case the debt conversion option is exercised, the maximum shares to be converted will be 15,723,325 shares of the Company. As of the date of these financial statements, the loans had not yet been converted.

(****) Details for the balances of issued bonds are as follows:

	31.03.2017 VND	31.12.2016 VND
(a) Short-term borrowings		
Bonds issued at discount		
Techcom Securities Company Limited (i)	700,000,000,000	700,000,000,000
(b) Long-term borrowings		
Bonds issued at discount		
Techcom Securities Company Limited (ii)	450,000,000,000	450,000,000,000
Bonds issued at par		
Vietnam Joint Stock Commercial Bank for Industry and Trade - Ho Chi Minh City Branch (iii)	736,000,000,000	1,732,000,000,000
Techcom Securities Company Limited (iv)	500,000,000,000	500,000,000,000
Military Joint Stock Commercial Bank - North Sai Gon Branch (v)	400,000,000,000	400,000,000,000
Bao Viet Joint Stock Commercial Bank (vi)	300,000,000,000	300,000,000,000
Tien Phong Commercial Joint Stock Bank (v)	100,000,000,000	100,000,000,000
Bao Viet Group (vii)	200,000,000,000	-
Indovina Bank Limited (viii)	1,050,000,000,000	-
	3,736,000,000,000	3,482,000,000,000
	4,436,000,000,000	4,182,000,000,000

21 BORROWINGS AND FINANCE LEASE LIABILITIES (continued)

- (i) Bonds issued at discount to Techcom Securities Company Limited ("the initial buyer") with a par value of VND700,000,000,000 at the price of VND634,173,582,430, bearing interest at a rate of 0% per annum and maturing in September 2017. These issued bonds were pledged by shares of the Company owned by shareholders.
- (ii) Bonds issued at discount to Techcom Securities Company Limited ("the initial buyer") with a par value of VND450,000,000,000 at the price of VND389,419,211,877, bearing interest at a rate of 0% per annum and maturing in April 2018. These issued bonds were pledged by shares of the Company owned by shareholders.
- (iii) Bonds issued at par value in Vietnamese Dong to Vietnam Joint Stock Commercial Bank for Industry and Trade - Ho Chi Minh City Branch, with a par value of VND736,000,000,000, maturing in August 2020, bearing an interest rate of 10% per annum for the first three months (3). The interest rate will be adjusted for every three months at the interest rate of the twelve-month (12) deposit from individuals (paid in arrears) in Vietnamese Dong plus a margin of 4% per annum.

These facilities are secured by shares of the Company owned by shareholders, receivable rights relating to a project developed by the Company, capital contribution of the Company in Khai Hung Real Estate Company Limited ("Khai Hung") and a part of capital contribution of Khai Hung in The 21st Century Investment Development Limited Company.

- (iv) Bonds issued at par value in Vietnamese Dong with a par value of VND500,000,000,000 to Techcom Securities Company Limited ("the initial buyer"), maturing in December 2018, bearing an interest rate of 10.9% per annum for the two first (2) interest periods. The interest rate applied for the remaining period will be defined as a reference rate plus 4.5% per annum. The interest will be adjusted for every six (6) months from the issuance date to the maturity date. The reference rate is calculated by average of the interest rates offered for the twelve-month (12) on the deposits from individuals in Vietnamese Dong (paid in arrears) disclosed on the seventh working date by the first date of interest determined period for by four (4) banks including: Bank for Investment and Development of Vietnam - Head Office 1, Joint Stock Commercial Bank for Foreign Trade of Vietnam - Head Office, Vietnam Joint Stock Commercial Bank for Industry and Trade - Ha Noi City Branch and Vietnam Bank for Agriculture and Rural Development - Head Office. These bonds are secured by shares of the Company's shareholders.
- (v) Bonds issued at par value in Vietnamese Dong to Military Commercial Joint Stock Bank – North Sai Gon Branch, maturing in 2019, bearing an interest rate of 10% per annum for the first year period. The interest rate applied for the remaining period will be defined as a reference rate plus 3.5% per annum. The reference rate is calculated by average of the interest rate offered for twelve-month (12) deposits from individuals in Vietnamese Dong (paid in arrears) by four (4) banks including: Bank for Investment and Development of Vietnam, Joint Stock Commercial Bank for Foreign Trade of Vietnam, Vietnam Joint Stock Commercial Bank for Industry and Trade and Military Commercial Joint Stock Bank. These bonds are secured by the collateral assets including: development rights of Golden Mansion Project and shares of the Company owned by shareholders.

On 29 November 2016, Military Commercial Joint Stock Bank - North Sai Gon Branch transferred bonds of VND100,000,000,000 to Tien Phong Commercial Joint Stock Bank pursuant to Bond sale purchase agreement no. 29112016/Novaland-Group/TPB-MB.

21 BORROWINGS (continued)

- (vi) Bonds issued at par value in Vietnamese Dong to Bao Viet Joint Stock Bank – Head Office, maturing on 28 January 2018, bearing an interest rate of 10.25% per annum for the first two (2) interest periods since January 2016. The interest rate applied for the remaining period will be defined as a reference rate plus 3.6% per annum. The reference rate is calculated by average of the interest rate offered for twelve-month (12) deposits from individuals in Vietnamese Dong (paid in arrears) by four (4) banks including: Bank for Investment and Development of Viet Nam, Joint Stock Commercial Bank for Foreign Trade of Vietnam, Vietnam Joint Stock Commercial Bank for Industry and Vietnam Bank for Agriculture and Rural Development. These bonds are secured by collateral assets including shares of the Company owned by the Company's shareholders.
- (vii) Bonds issued at par value in Vietnamese Dong to Bao Viet Group as the initial bonds buyer, maturing on 20 January 2020, bearing an interest rate of 10.4% per annum for the first interest period. The interest will be adjusted for every twelve (12) months and defined as a reference rate plus 2.5% per annum. The reference rate is calculated by average of the interest rates offered for the twelve-month deposits from individuals in Vietnamese Dong (paid in arrears) for the same period by four (4) banks including: Bank for Investment and Development of Vietnam, Joint Stock Commercial Bank for Foreign Trade of Vietnam, Vietnam Joint Stock Commercial Bank for Industry and Trade, and Vietnam Bank for Agriculture and Rural Development – Transaction Center. These bonds are secured by shares of the Company owned by shareholders.
- (viii) Bonds issued at par value in Vietnamese Dong to Indovina Limited Bank as the initial bond buyer, include:
 - Package of bonds with a par value of VND500,000,000,000, maturing in February 2019, bearing an interest rate of 10.9% per annum for the two (2) first interest periods. The interest rate applied for the remaining period will be defined as a reference rate plus 4.5% per annum. These bonds are secured by shares of the Company's shareholders.
 - Package of bonds with a par value of VND1,800,000,000,000, maturing in March 2019, bearing an interest rate of 10.9% per annum for the two (2) first interest periods. The interest rate applied for the remaining period will be defined as a reference rate plus 4.5% per annum. These bonds are secured by shares of the Company's shareholders. At 31 March 2017, Indovina Limited Bank, as the initial bond buyer, successfully ordered and settled VND550,000,000,000. At April 20, 2017, Techcombank and Techcombank Securities Company Limited, as the initial bond buyer, successfully ordered and paid VND1,000,000,000,000 and VND250,000,000,000.

22 DEFERRED INCOME TAX

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

	31.03.2017 VND	31.12.2016 VND
Deferred income tax assets:		
Deferred tax assets to be recovered after more than 12 months	975,873,572	975,873,572

The movement in the deferred income tax, taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

	31.03.2017 VND	31.12.2016 VND
Beginning of year	975,873,572	2,716,864,882
Income statement charge (Note 33)	-	(1,740,991,310)
End of year	975,873,572	975,873,572

The deferred income tax assets mainly arise from the temporary differences relating to depreciation of fixed assets, capitalised interest expense and accrual for other operating expenses. The Company uses tax rate of 20% in year 2017 (2016: 20%) for determining deferred tax assets and deferred tax liabilities.

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

The Company's tax losses can be carried forward to offset against future taxable income for a maximum period of no more than five consecutive years from the year right after the year in which the loss was incurred. The actual amount of tax losses that can be carried forward is subject to review and approval of the tax authorities and may be different from the figures presented. The estimated amount of tax losses available for offset against the Company's future taxable income is:

Year of tax loss	Status of tax authorities' review	Tax loss incurred VND	Loss utilised VND	Tax loss carried forward VND
2016	Outstanding	195,175,938,590	-	195,175,938,590

23 OWNERS' CAPITAL**(a) Number of shares**

	31.03.2017		31.12.2016	
	Ordinary shares	Preference shares	Ordinary shares	Preference shares
Number of shares registered	589,369,234	6,830,000	589,369,234	6,830,000
Number of shares issued	589,369,234	6,830,000	589,369,234	6,830,000
Number of existing shares in circulation	589,369,234	6,830,000	589,369,234	6,830,000

(b) Movement of share capital

	Ordinary shares VND	Preference shares VND	Total VND
As at 01 January 2016	350,465,761	17,830,000	368,295,761
New shares issued	205,903,473	-	205,903,473
Conversion of preference shares into ordinary shares	33,000,000	(11,000,000)	22,000,000
As at 31 December 2016	589,369,234	6,830,000	596,199,234
New shares issued	-	-	-
As at 31 March 2017	589,369,234	6,830,000	596,199,234

Par value per share: VND10,000.

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24 MOVEMENTS IN OWNERS' EQUITY

	Owners' capital		Share premium VND	Post-tax undistributed earnings VND	Total VND
	Ordinary shares VND	Preference shares VND			
As at 1 January 2016	3,504,657,610,000	178,300,000,000	882,598,605,400	276,039,105,278	4,841,595,320,678
Issuance of ordinary shares	1,017,039,570,000	-	-	-	1,017,039,570,000
Bonus shares from share premium	519,995,160,000	-	(519,995,160,000)	-	-
Issuance of ordinary shares	522,000,000,000	-	2,031,423,000,000	-	2,553,423,000,000
Converting preference shares to ordinary shares	330,000,000,000	(110,000,000,000)	(220,000,000,000)	-	-
Dividends paid for reference shares	-	-	-	(53,490,000,000)	(53,490,000,000)
Profit for the year	-	-	-	857,005,044,292	857,005,044,292
As at 31 December 2016	5,893,692,340,000	68,300,000,000	2,174,026,445,400	1,079,554,149,570	9,215,572,934,970
Profit for the year	-	-	-	63,623,458,217	63,623,458,217
As at 31 March 2017	5,893,692,340,000	68,300,000,000	2,174,026,445,400	1,143,177,607,787	9,279,196,393,187

25 OFF BALANCE SHEET ITEMS**(a) Foreign currencies and precious metals**

	31.03.2017	31.12.2016
	VND	VND
Gold (tale of gold)	24	24
USD	6,260.84	13,446,129.85
	<u> </u>	<u> </u>

b) Operating lease assets

The future minimum lease payments under non-cancellable operating leases are VND122,137,796,400 and VND81,695,822,000 for the period ended 31 March 2017 and 31 December 2016, respectively (Note 38).

26 REVENUE

	Quarter I/2017	Quarter I/2016
	VND	VND
Sales from sale of real estate and rendering of services		
Rendering of services for corporate management, project development consultancy and sale consultancy	301,132,114,155	23,779,826,222
Revenue from sale of real estate	537,954,133,751	150,103,851,392
Revenue from transfers of real estate sales and purchase agreement	108,576,554,879	-
Revenue from leasing properties	14,061,642,195	10,947,100,000
	<u>961,724,444,980</u>	<u>184,830,777,614</u>
Sales deductions		
Trade discounts	(3,181,191,973)	-
Sales returns	-	-
	<u>(3,181,191,973)</u>	<u>-</u>
Net revenue from sale of real estate and rendering of services		
Net revenue from rendering of services for corporate management, project development consultancy and sale consultancy	301,132,114,155	23,779,826,222
Net revenue from sale of real estate	534,772,941,778	150,103,851,392
Net revenue from transfers of real estate sales and purchase agreement	108,576,554,879	-
Net revenue from leasing properties	14,061,642,195	10,947,100,000
	<u>958,543,253,007</u>	<u>184,830,777,614</u>

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27 COST OF SALES

	Quarter I/2017 VND	Quarter I/2016 VND
Cost of rendering of services for corporate management, project development consultancy and sale consultancy	274,278,007,245	103,768,239,024
Cost of transfers of real estate sales and purchase agreement	105,287,121,009	-
Cost of real estate sold	479,441,138,783	91,331,229,905
Cost of leasing properties	9,560,862,770	5,296,949,428
	<u>868,567,129,807</u>	<u>200,396,418,357</u>

28 FINANCIAL INCOME

	Quarter I/2017 VND	Quarter I/2016 VND
Dividend income	99,990,000,000	56,640,000
Interest income from deposits and loans	112,818,758,316	46,736,417,521
Realised foreign exchange gains	103,822	240,450
Others	2,258,718,653	107,286,619
	<u>215,067,580,791</u>	<u>46,900,584,590</u>

29 FINANCIAL EXPENSES

	Quarter I/2017 VND	Quarter I/2016 VND
Interest expenses	172,646,514,927	119,385,158,515
Bond Issuance Fee	11,946,875,875	1,932,073,643
Realised foreign exchange losses	1,904,240,984	24,491,369
Payment discounts	648,271,143	1,486,320,146
Others	-	217,189,737
	<u>187,145,902,929</u>	<u>123,045,233,410</u>

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30 SELLING EXPENSES

	Quarter I/2017 VND	Quarter I/2016 VND
Staff costs	479,967,766	2,336,686,052
Materials, packages	-	28,702,090
Tools and equipment	8,165,000	688,227,689
Depreciation charge	-	309,744,479
Outside services	1,777,335,794	13,016,467,592
Others	12,755,731,346	1,657,725,239
	<u>15,021,199,906</u>	<u>18,037,553,141</u>

31 GENERAL AND ADMINISTRATION EXPENSES

	Quarter I/2017 VND	Quarter I/2016 VND
Staff costs	2,334,689,593	25,991,775,527
Tools and supplies	-	160,007,426
Office stationary	-	2,465,312,705
Depreciation charge	-	2,108,526,716
Tax and other fees	-	88,673,245
Outside services	1,799,207,904	11,715,878,216
Others	4,032,741,658	6,514,969,288
	<u>8,166,639,155</u>	<u>49,045,143,123</u>

32 OTHER INCOME AND OTHER EXPENSES

	Quarter I/2017 VND	Quarter I/2016 VND
Other income		
Fines	1,963,358,749	2,160,585,478
Others	31,876,692	1,546,162,309
	<u>1,995,235,441</u>	<u>3,706,747,787</u>
Other expenses		
Fines	(7,285,616,512)	(1,631,867,515)
Others	(1,715)	(1,436,683,761)
	<u>(7,285,618,227)</u>	<u>(3,068,551,276)</u>
Net other income/(expenses)	<u>(5,290,382,786)</u>	<u>(638,196,511)</u>

33 BUSINESS INCOME TAX

The tax on the Company's profit before tax differs from the theoretical amount that would arise using the applicable tax rate of 20% (2016: 20%) as follows:

	Quarter I/2017 VND	Quarter I/2016 VND
Net accounting profit before tax	63,623,458,217	(158,154,789,316)
Tax calculated at a rate of 20% (2016: 20%)	12,724,691,643	(31,630,957,863)
Effect of:		
Income not subject to tax	(99,990,000,000)	(56,640,000)
Expenses not deductible for tax purposes	3,276,288,358	2,123,558,083
Impact of change in tax rates	-	-
Tax losses for which no deferred income tax assets was recognised	83,989,019,999	29,564,039,780
Business income tax charge (*)	-	-
Charged to income statement:		
Business income tax - current	-	-
Business income tax - deferred (Note 22)	-	-

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

34 EXPENSES BY FACTOR

	Quarter I/2017 VND	Quarter I/2016 VND
Construction costs and land costs	482.273.539.962	217.727.219.623
Labour costs	2.814.657.359	28.328.461.579
Depreciation charge	-	2.418.271.195
Outside services	3.576.543.698	24.732.345.808
Others	16.788.473.004	11.603.617.682
	505.453.214.023	284.809.915.887

35 SEGMENT REPORTING*Geographical segment*

The Company does not have any operations outside the territory of Vietnam, so it is not necessary to present information based on the geographical location.

Business activity segment

The Company's revenue and profit are mainly derived from the business activities of the real estate, services for management consultancy .

36 ADDITIONAL INFORMATION FOR THE ITEMS OF THE STATEMENT OF CASH FLOWS**(a) Non-cash transactions affect the statement of cash flows:**

	Quarter I/2017 VND	Quarter I/2016 VND
Bonus shares from share premium	-	-
Conversion of preference shares into ordinary shares	-	-
Prepaid interest expenses of discount bonds issued	-	-
Dividends paid by shares	-	-

(b) Amount of loan principal actually paid during the year

	Quarter I/2017 VND	Quarter I/2016 VND
Repayments for borrowings following normal borrowing contracts	100,500,000,000	637,033,174,690

(c) Amount of loan actually withdrawn during the year

	Quarter I/2017 VND	Quarter I/2016 VND
Proceeds from borrowings following normal borrowing contracts	49,677,512,000	358,464,505,595

(d) Amount of borrowings actually withdrawn during the year

	Quarter I/2017 VND	Quarter I/2016 VND
Proceeds from borrowings following normal borrowing contracts	2,470,067,438,571	794,691,481,875
Proceeds from bonds issuance	1,250,000,000,000	300,000,000,000

**36 ADDITIONAL INFORMATION FOR THE ITEMS OF THE STATEMENT OF CASH FLOWS
(continued)**

(e) Amount of borrowings actually repaid during the year

	Quarter I/2017 VND	Quarter I/2016 VND
Repayments for borrowings following normal borrowing contracts	2,122,147,970,985	383,219,000,000
Repayments for bonds	996,000,000,000	-

37 RELATED PARTY DISCLOSURES

Relationship	Name
Subsidiary	No Va Land Company Limited
Subsidiary	No Va Land Investment Joint Stock Company
Subsidiary	Nova Saigon Royal Real Estate Investment Company Limited
Subsidiary	Nova Phu Sa Ecotourism Joint Stock Company
Subsidiary	Saigon Housing and Infrastructure Development Joint Stock Company
Subsidiary	Nova Festival Corporation
Subsidiary	Nova Lucky Palace Company Limited
Subsidiary	The Prince Residence Joint Stock Company
Subsidiary	Nova Lexington Real Estate Joint Stock Company
Subsidiary	Thanh Nhon Real Estate Joint Stock Company
Subsidiary	Nova Galaxy Real Estate Joint Stock Company
Subsidiary	Nova Phu Sa Investment and Development Joint Stock Company
Subsidiary	Noaland Agent Company Limited
Subsidiary	Phuoc Long Investment and Development Company Limited
Subsidiary	Vung Tau Youth Tourist Hotel Joint Stock company
Subsidiary	Khai Hung Real Estate Company Limited
Subsidiary	Nova Nippon Joint Stock Company
Subsidiary	Nova Nam A Company Limited
Subsidiary	Ha An Commercial Investment and Service Joint Stock Company
Subsidiary	Me Linh Investment Joint Stock Company
Subsidiary	Nova Richstar Joint Stock Company
Subsidiary	Hung Duc Real Estate Company Limited
Subsidiary	Me Linh Square Investment Joint Stock Company
Subsidiary	Mega Housing Joint Stock Company
Subsidiary	The 21st Century International Development Limited Company
Subsidiary	Thanh Nien Real Estate Joint Stock Company
Subsidiary	Phuong Dong Buildings Joint Stock Company
Subsidiary	Nha Rong Investment and Commercial Joint Stock Company
Subsidiary	No Va My Dinh Land Joint Stock Company
Subsidiary	Nova Princess Residence Joint Stock Company
Subsidiary	Nova Phuc Nguyen Real Estate Development and Investment Company Limited

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37 RELATED PARTY DISCLOSURES (continued)

Relationship	Name
Subsidiary	Mega Tie Company Limited
Subsidiary	Nova Thao Dien Company Limited
Subsidiary	Nova An Phu Company Limited
Subsidiary	Nova Rivergate Company Limited
Subsidiary	Nova Sagel Company Limited
Subsidiary	Nova Sasco Company Limited
Subsidiary	Phu Viet Tin Company Limited
Subsidiary	Bach Hop Real Estate Company Limited
Subsidiary	Phu Dinh Port Joint Stock Company
Associate	Saigon Golf Joint Stock Company
Associate	Saigon Electronics and Industrial Service Joint Stock Company
Associate	Nova Dong Hai Joint Stock Company
Associate	Ben Thanh Housing Service and Development Joint Stock Company
Company owned by the shareholder	Nova Thanh Nien Company Limited
Shareholder	Diamond Properties Joint Stock Company
Shareholder	Mr. Bui Thanh Nhon
Shareholder	Mr. Bui Cao Nhat Quan
Shareholder	Mr. Bui Phan Phu Loc
Shareholder	Ms. Cao Thi Ngoc Suong

37 RELATED PARTY DISCLOSURES (continued)

(a) Related party transactions

Related party transactions are disclosed as these subjects are officially related to the Company. During the year, the following transactions were carried out with related parties.

i) Sales of goods and services (VAT inclusive)

	Quarter I/2017 VND	Quarter I/2016 VND
The 21st Century International Development Limited Company	26,681,520,800	-
Nova Richstar Joint Stock Company	14,034,619,500	-
Thanh Nien Real Estate Joint Stock Company	13,642,261,484	-
Nova Lucky Palace Company Limited	8,804,420,944	-
Nova Sagel Company Limited	8,719,467,900	-
Phu Viet Tin Company Limited	8,203,717,479	-
Nova Sasco Company Limited	8,077,575,000	16,500,000
Nova Festival Joint Stock Company	6,714,958,952	16,500,000
Nha Rong Investment and Commercial Joint Stock Company	6,621,986,800	-
Phuong Dong Building Joint Stock Company	5,388,562,145	-
Nova Nam A Company Limited	4,844,673,900	16,500,000
No Va Land Investment Joint Stock Company	4,751,772,080	9,745,994,858
The Princess Residence Joint Stock Company	3,485,697,600	-
Novaland Agent Company Limited	3,275,494,587	2,608,286,748
Sai Gon Golf Company Limited	813,096,900	813,096,900
The Prince Residence Joint Stock Company	67,044,000	2,876,234,751
Nova Lexington Real Estate Joint Stock Company	51,117,000	3,543,197,348
Nova Rivergate Company Limited	16,500,000	-
Nova Phu Sa Investment and Development Joint Stock Company	16,500,000	99,000,000
Mega Tie Company Limited	16,500,000	-
Nova Saigon Royal Investment Limited Company	13,200,000	13,200,000
Bach Hop Real Estate Company Limited	9,900,000	-
Thanh Nhon Real Estate Joint Stock Company	6,600,000	6,600,000
Nova Phu Sa Ecotourism Joint Stock Company	6,600,000	6,600,000
Sai Gon Housing and Infrastructure Development Joint Stock Company	6,600,000	6,600,000
Mega Housing Joint Stock Company	6,600,000	-
No Va My Dinh Land Joint Stock Company	6,600,000	6,600,000
No Va Thao Dien Company Limited	3,300,000	3,300,000
	<u>124,286,887,071</u>	<u>19,778,210,605</u>

37 RELATED PARTY DISCLOSURES (continued)

(a) Related party transactions (continued)

ii) Purchase of goods

	Quarter I/2017 VND	Quarter I/2016 VND
Thanh Nien Real Estate Joint Stock Company	3,451,533,432	-
Phu Viet Tin Company Limited	65,438,486,613	-
Nova Festival Corporation	40,978,706,953	-
	<u>109,868,726,998</u>	<u>-</u>

iii) Lending

Khai Hung Real Estate Company Limited	72,000,000,000	177,370,000,000
Nova An Phu Company Limited	20,000,000,000	-
Nova Saigon Royal Investment Limited Company	8,500,000,000	-
Sai Gon Electronics and Industrial Service Joint Stock Company	-	43,420,000,000
Nova Festival Joint Stock Company	-	43,962,270,000
No Va Thao Dien Company Limited	-	12,700,000,000
Me Linh Square Joint Stock Company	-	500,000,000
	<u>100,500,000,000</u>	<u>277,952,270,000</u>

iv) Loan collection

No Va Land Investment Joint Stock Company	49,677,512,000	-
Khai Hung Real Estate Company Limited	-	288,384,505,595
No Va Thao Dien Company Limited	-	12,700,000,000
Sai Gon Electronics and Industrial Service Joint Stock Company	-	1,560,000,000
NoVa Bac Nam 79 Joint Stock Company	-	820,000,000
	<u>49,677,512,000</u>	<u>303,464,505,595</u>

37 RELATED PARTY DISCLOSURES (continued)

(a) Related party transactions (continued)

v) Receipts of investment co-operation

	Quarter I/2017 VND	Quarter I/2016 VND
Thanh Nhon Real Estate Joint Stock Company	-	230,000,000,000
	-	230,000,000,000

vi) Repayment of investment co-operation

The 21st Century International Development Limited Company	103,000,000,000	-
Nova Galaxy Joint Stock Company	58,925,000,000	35,125,000,000
Thanh Nhon Real Estate Joint Stock Company	-	197,170,000,000
	161,925,000,000	232,295,000,000

vii) Borrowings

The 21st Century International Development Limited Company	280,000,000,000	-
No Va Land Investment Joint Stock Company	-	67,000,000,000
Nova Saigon Royal Investment Limited Company	-	33,600,000,000
Nova Phu Sa Investment and Development Joint Stock Company	-	5,700,000,000
Novaland Agent Company Limited	-	1,000,000,000
Nova Bac Nam 79 Joint Stock Company	-	4,500,000,000
Nova Sagel Company Limited	-	28,000,000,000
Nova Lucky Palace Company Limited	-	21,020,000,000
Nova Nam A Company Limited	-	206,930,000,000
	280,000,000,000	367,750,000,000

37 RELATED PARTY DISCLOSURES (continued)

(a) Related party transactions (continued)

viii) Repayments of borrowings

	Quarter I/2017 VND	Quarter I/2016 VND
Nova Lexington Real Estate Joint Stock Company	72,651,666,667	-
Phuoc Long Investment and Development Company Limited	29,400,000,000	-
Nova Festival Joint Stock Company	19,000,000,000	-
Nova Sasco Company Limited	10,500,000,000	-
No Va Land Investment Joint Stock Company	-	67,000,000,000
Nova Galaxy Real Estate Joint Stock Company	-	9,500,000,000
Nova Sagel Company Limited	-	16,000,000,000
Mr Bui Phan Phu Loc	-	1,830,000,000
Ms Cao Thi Ngoc Suong	-	1,500,000,000
	<u>131,551,666,667</u>	<u>95,830,000,000</u>

ix) Interest income

Nova Sasco Company Limited	14,705,875,000	-
Nova Saigon Royal Investment Limited Company	13,284,863,509	-
Nova Nam A Company Limited	11,999,999,999	-
Khai Hung Real Estate Company Limited	5,942,498,333	3,670,171,784
Phuc Nguyen Real Estate Investment and Development Company Limited	3,709,270,001	-
Mega Housing Joint Stock Company	3,180,238,500	-
Nova An Phu Company Limited	2,595,320,278	-
Sai Gon Electronics and Industrial Service Joint Stock Company	976,950,000	874,618,333
No Va Land Investment Joint Stock Company	955,295,181	-
Nova Rivergate Company Limited	281,220,001	-
Nova Festival Joint Stock Company	-	1,350,541,318
No Va Thao Dien Company Limited	-	46,864,999
NoVa Bac Nam 79 Joint Stock Company	-	15,835,111
Me Linh Square Joint Stock Company	-	150,000
	<u>57,631,530,802</u>	<u>5,958,181,545</u>

37 RELATED PARTY DISCLOSURES (continued)**(a) Related party transactions (continued)****x) Interest expenses**

	Quarter I/2017 VND	Quarter I/2016 VND
Thanh Nien Real Estate Joint Stock Company	8,202,348,561	-
Nova Sasco Company Limited	3,994,166,666	-
Phuoc Long Investment and Development Company Limited	3,957,741,668	-
Nova Galaxy Real Estate Joint Stock Company	3,179,591,666	8,583,833,333
Phuong Dong Building Joint Stock Company	2,959,200,000	-
Nova Festival Joint Stock Company	810,596,111	-
Nova Lexington Real Estate Joint Stock Company	246,744,907	-
Nova SageI Company Limited	150,000,000	106,111,111
The 21st Century International Development Limited Company	85,555,556	-
Nova Phu Sa Investment and Development Joint Stock Company	68,750,001	47,500,000
No Va Land Investment Joint Stock Company	-	441,888,889
Nova Saigon Royal Investment Limited Company	-	115,472,223
Noaland Agent Company Limited	-	9,166,667
NoVa Bac Nam 79 Joint Stock Company	-	8,050,000
Nova Lucky Palace Company Limited	-	195,602,778
Nova Nam A Company Limited	-	459,844,444
Mr. Bui Phan Phu Loc	-	264,558,487
Mr. Bui Thanh Nhon	-	462,273,680
Mr. Bui Cao Nhat Quan	-	407,275,681
Ms. Cao Thi Ngoc Suong	-	216,856,250
	23,654,695,136	11,318,433,543

xi) Compensation of key management

Gross salaries and other benefits	15,049,503,630	6,391,737,962
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37 RELATED PARTY DISCLOSURES (continued)

(b) Year end balances with related parties

	31.03.2017 VND	31.12.2016 VND
i) Short-term trade accounts receivable (Note 5)		
Diamond Properties Joint Stock Company	42,324,948,220	42,324,948,220
	<u>42,324,948,220</u>	<u>42,324,948,220</u>
ii) Short-term prepayment to suppliers (Note 6)		
Nova Festival Corporation	8,323,197,671	18,226,169,305
	<u>8,323,197,671</u>	<u>18,226,169,305</u>
iii) Short-term lending (Note 7)		
Khai Hung Real Estate Company Limited	245,940,000,000	173,940,000,000
Nova Phuc Nguyen Real Estate Investment and Development Company Limited	136,120,000,000	136,120,000,000
Mega Housing Joint Stock Company	116,706,000,000	116,706,000,000
Nova An Phu Company Limited	108,130,000,000	88,130,000,000
Saigon Electronics and Industrial Service Joint Stock Company	43,420,000,000	43,420,000,000
Nova Rivergate Company Limited	10,320,000,000	10,320,000,000
Nova Saigon Royal Investment Limited Company	8,500,000,000	-
No Va Land Investment Joint Stock Company	-	49,677,512,000
	<u>669,136,000,000</u>	<u>618,313,512,000</u>

NO VA LAND INVESTMENT GROUP CORPORATION

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37 RELATED PARTY DISCLOSURES (continued)

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

	31.03.2017 VND	31.12.2016 VND
iv) Other short-term receivables (Note8(a))		
Nova Saigon Royal Investment Limited Company	529,929,318,920	516,644,455,411
Nova Sasco Company Limited	272,691,980,555	257,986,105,555
Ben Thanh House One Member Limited Company	40,954,870,687	41,330,603,446
Sai Gon Electronics and Industrial Service Joint Stock Company	20,331,411,970	19,354,461,970
Phuc Nguyen Real Estate Investment and Development Company Limited	11,197,824,334	7,488,554,333
Khai Hung Real Estate Company Limited	9,945,051,000	4,002,552,667
Mega Housing Joint Stock Company	8,825,565,591	5,645,327,091
Nova An Phu Company Limited	6,728,845,527	4,133,525,249
Nova Rivergate Company Limited	859,283,335	578,063,334
The 21st Century International Development Limited Company	-	295,984,250,596
No Va Land Investment Joint Stock Company	-	2,392,678,065
	<u>901,464,151,919</u>	<u>1,155,540,577,717</u>
v) Other long-term receivables (Note 8(b))		
Nova Sasco Company Limited	341,360,000,000	341,360,000,000
Nova Nam A Company Limited	400,000,000,000	400,000,000,000
Ben Thanh Housing Development and Service Joint Stock Company	1,398,776,000	1,398,776,000
	<u>742,758,776,000</u>	<u>742,758,776,000</u>
vi) Other short-term payables (Note 20(a))		
The 21st Century International Development Limited Company	232,746,320,000	335,746,320,000
Phuoc Long Investment and Development Company Limited	119,820,000,000	219,810,000,000
The Prince Residence Joint Stock Company	32,086,476,000	32,086,476,000
	<u>384,652,796,000</u>	<u>587,642,796,000</u>

37 RELATED PARTY DISCLOSURES (continued)**(b) Year end balances with related parties (continued)**

	31.03.2017 VND	31.12.2016 VND
vii) Other long-term payables (Note 20(b))		
Nova Galaxy Real Estate Joint Stock Company	65,575,000,000	125,000,000,000
	<u>65,575,000,000</u>	<u>125,000,000,000</u>
vii) Short-term accrued expenses (Note 19)		
Thanh Nien Real Estate Joint Stock Company	33,690,526,009	25,488,177,448
Nova Sasco Company Limited	12,099,055,554	8,104,888,888
Phuong Dong Housing Joint Stock Company	10,192,800,000	7,233,600,000
Phuoc Long Investment and Development Company Limited	4,101,644,446	143,902,778
Nova Lexington Real Estate Joint Stock Company	1,723,411,574	1,825,000,000
Nova Festival Corporation	1,511,213,612	700,617,501
Nova Sagel Company Limited	714,444,446	564,444,446
Nova Phu Sa Investment and Development Joint Stock Company	328,263,891	259,513,890
Nova Galaxy Real Estate Joint Stock Company	110,658,333	271,000,000
The 21st Century International Development Limited Company	85,555,556	-
Ben Thanh Housing Service and Development Joint Stock Company	-	101,556,700
	<u>64,557,573,421</u>	<u>44,692,701,651</u>
ix) Short-term borrowings (Note 21(a))		
Thanh Nien Real Estate Joint Stock Company	635,947,832,600	635,947,832,600
The 21st Century International Development Limited Company	280,000,000,000	-
Phuong Dong Buildings Joint Stock Company	246,600,000,000	246,600,000,000
Phuoc Long Investment and Development Company Limited	229,000,000,000	259,000,000,000
Nova Sasco Company Limited	151,200,000,000	161,700,000,000
Nova Festival Corporation	19,554,000,000	38,554,000,000
Nova Sagel Company Limited	12,000,000,000	12,000,000,000
Nova Lexington Real Estate Joint Stock Company	11,384,333,333	84,000,000,000
Nova Phu Sa Investment and Development Joint Stock Company	5,500,000,000	5,500,000,000
	<u>1,591,750,165,933</u>	<u>1,443,301,832,600</u>

38 COMMITMENTS UNDER OPERATING LEASES

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

	31.03.2017 VND	31.12.2016 VND
Within one year	68,296,022,400	39,822,327,200
Between two and five years	53,841,774,000	41,873,494,800
	<u>122,137,796,400</u>	<u>81,695,822,000</u>

39 CAPITAL COMMITMENTS

Capital expenditure contracted for at the balance sheet date but not recognised in the financial statements is as follows:

	31.03.2017 VND	31.12.2016 VND
Construction costs of projects	605,463,825,501	824,270,733,559
	<u>605,463,825,501</u>	<u>824,270,733,559</u>

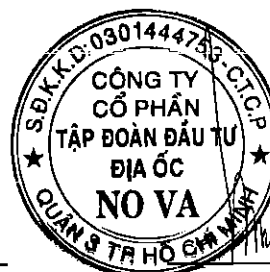
The separate financial statements were approved by the Chairman on 28 April 2017.



Do Phuong Thuy
Preparer



Tran Thi Thanh Van
Chief Accountant



Bui Thanh Nhon
Chairman