

Investment and Trading of Real Estate Joint Stock Company

Interim consolidated financial statements

30 June 2017



Investment and Trading of Real Estate Joint Stock Company

CONTENTS

	<i>Pages</i>
General information	1
Report of management	2
Independence auditors' report	3 - 4
Interim consolidated balance sheet	5 - 7
Interim consolidated income statement	8
Interim consolidated cash flow statement	9 - 10
Notes to the interim consolidated financial statements	11 - 41

Investment and Trading of Real Estate Joint Stock Company

GENERAL INFORMATION

THE COMPANY

Investment and Trading of Real Estate Joint Stock Company (“the Company”) is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to the Business Registration Certificate No. 4103000250 issued by the Department of Planning and Investment of Ho Chi Minh City on 28 December 2000, as amended. The Company has emerged from the equitization of Investment and Trading of Real Estate Company, which was a wholly owned subsidiary of Saigon Real Estate Corporation.

The Company was listed on the Ho Chi Minh Stock Exchange with trading symbol as ITC in accordance with the Decision No. 115/QĐ-SGDHCM issued by the Ho Chi Minh Stock Exchange on 24 September 2009.

The current principal activities of the Company are to invest and trade real estate properties and provide related services; provide real estate brokerage, and real estate trading centre and management.

The Company’s registered office is located at 18 Nguyen Binh Khiem Street, Da Kao Ward, District 1, Ho Chi Minh City, Vietnam.

BOARD OF DIRECTORS

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

Mr. Truong Minh Thuan	Chairman	appointed on 1 March 2017
Mr. Nguyen Thuc Quang	Chairman	resigned on 28 February 2017
Mr. Vo Huu Hai	Member	appointed on 27 April 2017
Ms. Dang Thi Ngoc Tuyen	Member	
Mr. Nguyen Manh	Member	
Mr. Tran Huu Khanh	Member	

BOARD OF SUPERVISION

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

Ms. Phan Thi Hong Lien	Head of the Board of Supervision
Mr. Le Quang Son	Member
Ms. Ho Thi Luu	Member

MANAGEMENT

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

Mr. Truong Minh Thuan	General Director
Mr. Doan Huu Chi	Deputy General Director cum Chief Accountant

LEGAL REPRESENTATIVE

The legal representative of the Company during the period and at the date of this report is Mr. Truong Minh Thuan.

AUDITORS

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

Investment and Trading of Real Estate Joint Stock Company

REPORT OF MANAGEMENT

Management of Investment and Trading of Real Estate Joint Stock Company ("the Company") is pleased to present this report and the interim consolidated financial statements of the Company and its subsidiary ("the Group") for six-month period ended 30 June 2017.

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

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

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

Management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the interim consolidated financial position of the Group and to ensure that the accounting records comply with the registered accounting system. It is also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

STATEMENT BY MANAGEMENT

Management does hereby state that, in its opinion, the accompanying interim consolidated financial statements give a true and fair view of the interim consolidated financial position of the Group as at 30 June 2017 and of the interim consolidated results of its operations and its interim consolidated cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of interim consolidated financial statements.

For and on behalf of management:



Truong Minh Thuan
General Director

28 August 2017



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

Tel: +84 8 3824 5252
Fax: +84 8 3824 5250
ey.com

Reference: 60792124/19357153 /LR-HN

REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL STATEMENTS

To: The Shareholders of Investment and Trading of Real Estate Joint Stock Company

We have reviewed the accompanying interim consolidated financial statements of Investment and Trading of Real Estate Joint Stock Company ("the Company") and its subsidiary (collectively referred to as "the Group"), as prepared on 28 August 2017 and set out on pages 5 to 41 which comprise the interim consolidated balance sheet as at 30 June 2017, the interim consolidated income statement and the interim consolidated cash flow statement for the six-month period then ended and the notes thereto.

Management's responsibility

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

Auditors' responsibility

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

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



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Conclusion

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

Ernst & Young Vietnam Limited



Ernest Young Chin Kang
Deputy General Director
Audit Practicing Registration Certificate
No. 1891-2013-004-1

Ho Chi Minh City, Vietnam

28 August 2017

Investment and Trading of Real Estate Joint Stock Company B01a-DN/HN

INTERIM CONSOLIDATED BALANCE SHEET
as at 30 June 2017

VND

Code	ASSETS	Notes	30 June 2017	31 December 2016
100	A. CURRENT ASSETS		3,023,088,009,213	2,928,193,264,749
110	I. Cash and cash equivalents	4	58,482,887,673	50,855,004,269
111	1. Cash		25,482,887,673	29,855,004,269
112	2. Cash equivalents		33,000,000,000	21,000,000,000
130	II. Current accounts receivables		285,907,525,122	248,673,841,761
131	1. Short-term trade receivables	5	153,421,170,730	101,158,497,366
132	2. Short-term advances to suppliers	6	118,745,520,731	121,474,510,865
136	3. Other short-term receivables	7	21,755,045,642	33,757,896,511
137	4. Provision for doubtful short-term receivables	5, 7	(8,014,211,981)	(7,717,062,981)
140	III. Inventories	8	2,672,311,364,103	2,625,597,348,251
141	1. Inventories		2,685,637,936,955	2,638,923,921,103
149	2. Provision for obsolete inventories		(13,326,572,852)	(13,326,572,852)
150	IV. Other current assets		6,386,232,315	3,067,070,468
151	1. Short-term prepaid expenses	9	5,916,944,906	2,296,419,876
153	2. Tax and other receivables from the State	17	469,287,409	770,650,592

Investment and Trading of Real Estate Joint Stock Company B01a-DN/HN

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

VND

Code	ASSETS	Notes	30 June 2017	31 December 2016
200	B. NON-CURRENT ASSETS		420,272,937,814	384,689,260,177
210	I. Long-term receivables		5,359,115,707	4,490,561,358
211	1. Long-term trade receivables	5	3,732,095,449	3,998,346,579
216	2. Other long-term receivables	7	8,039,767,086	7,108,961,607
219	3. Provision for doubtful long-term receivables	5, 7	(6,412,746,828)	(6,616,746,828)
220	II. Fixed assets		61,596,429,824	54,510,526,477
221	1. Tangible fixed assets	10	23,672,734,566	16,586,831,219
222	Cost		49,378,243,148	41,051,961,330
223	Accumulated depreciation		(25,705,508,582)	(24,465,130,111)
227	2. Intangible fixed assets	11	37,923,695,258	37,923,695,258
228	Cost		37,923,695,258	37,923,695,258
229	Accumulated amortisation		-	-
230	III. Investment properties	12	48,513,104,397	49,854,646,011
231	1. Cost		67,077,080,348	67,077,080,348
232	2. Accumulated depreciation		(18,563,975,951)	(17,222,434,337)
240	IV. Long-term asset in progress		-	3,636,363,636
242	1. Construction in progress		-	3,636,363,636
250	V. Long-term investments	13	299,171,765,844	267,788,766,322
252	1. Investments in associates	13.1	265,341,445,844	233,958,446,322
253	2. Investments in other entities	13.2	42,755,320,000	42,755,320,000
254	3. Provision for diminution in value of long-term investments	13.2	(8,925,000,000)	(8,925,000,000)
260	VI. Other long-term assets		5,632,522,042	4,408,396,373
261	1. Long-term prepaid expenses		503,100,547	173,942,266
262	2. Deferred tax assets	27.3	5,129,421,495	4,234,454,107
270	TOTAL ASSETS		3,443,360,947,027	3,312,882,524,926

Investment and Trading of Real Estate Joint Stock Company B01a-DN/HN

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

VND


Code	RESOURCES	Notes	30 June 2017	31 December 2016
300	C. LIABILITIES		1,903,045,913,263	1,789,511,186,241
310	I. Current liabilities		1,141,143,805,402	942,473,123,546
311	1. Short-term trade payables	15	329,333,356,042	359,936,692,698
312	2. Short-term advances from customers	16	285,928,803,735	127,002,349,132
313	3. Statutory obligations	17	21,177,286,618	20,598,067,596
314	4. Payables to employees		732,305,000	257,232,500
315	5. Short-term accrued expenses	18	65,242,387,575	71,168,666,182
318	6. Short-term unearned revenues		993,328,784	1,283,631,148
319	7. Other short-term payables	19	58,352,357,892	23,450,283,464
320	8. Short-term loans	20	374,742,827,753	336,757,291,373
321	9. Short-term provisions		3,781,892,568	2,280,559,616
322	10. Bonus and welfare fund		859,259,435	(261,650,163)
330	II. Non-current liabilities		761,902,107,861	847,038,062,695
332	1. Long-term advances from customers	16	213,449,855,977	165,291,855,511
336	2. Long-term unearned revenues		5,462,272,538	5,462,272,538
338	4. Long-term loans	20	539,755,293,503	673,005,773,803
342	5. Long-term provisions		3,234,685,843	3,278,160,843
400	D. OWNERS' EQUITY		1,540,315,033,764	1,523,371,338,685
410	I. Capital		1,540,315,033,764	1,523,371,338,685
411	1. Share capital	21.1	690,866,880,000	690,866,880,000
411a	- Shares with voting rights		690,866,880,000	690,866,880,000
412	2. Share premium	21.1	748,683,126,824	748,683,126,824
414	3. Other owners' capital	21.1	470,571,611	-
415	4. Treasury shares	21.1	(9,825,117,611)	(9,825,117,611)
418	5. Investment and development fund	21.1	59,452,912,036	57,548,003,887
421	6. Undistributed retained earnings	21.1	42,562,389,083	28,686,730,753
421a	- Accumulated losses up to prior year		(102,746,639)	-
421b	- Undistributed earnings of current period		42,665,135,722	28,686,730,753
429	7. Non-controlling interests		8,104,271,821	7,411,714,832
440	TOTAL LIABILITIES AND OWNERS' EQUITY		3,443,360,947,027	3,312,882,524,926



Pham Van Khanh
Preparer



Doan Huu Chi
Chief Accountant



Trương Minh Thuận
General Director


28 August 2017

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

VND

Code	ITEMS	Notes	For the six-month period ended 30 June 2017	For the six-month period ended 30 June 2016
01	1. Revenue from sale of goods and rendering of services	22.1	289,466,039,140	69,259,690,241
02	2. Deductions		-	-
10	3. Net revenue from sale of goods and rendering of services	22.1	289,466,039,140	69,259,690,241
11	4. Cost of goods sold and services rendered	23	(231,271,427,873)	(56,111,115,731)
20	5. Gross profit from sale of goods and rendering of services		58,194,611,267	13,148,574,510
21	6. Finance income	22.2	1,335,580,436	659,969,824
22	7. Finance expenses	24	(462,022,100)	(3,069,005,897)
23	- In which: Interest expense		(462,022,100)	(3,063,043,601)
24	8. Shares of gain (loss) of associates	13.1	267,159,522	(156,783,126)
25	9. Selling expenses	25	(3,678,396,542)	(217,877,094)
26	10. General and administrative expenses	25	(14,959,468,327)	(10,976,118,048)
30	11. Operating profit (loss)		40,697,464,256	(611,239,831)
31	12. Other income	26	5,884,095,103	1,234,872,481
32	13. Other expenses	26	(2,890,285,138)	(1,022,259,167)
40	14. Other profit	26	2,993,809,965	212,613,314
50	15. Accounting profit (loss) before tax		43,691,274,221	(398,626,517)
51	16. Current corporate income tax expense	27.1	(1,228,548,898)	(2,211,117)
52	17. Deferred tax income	27.3	894,967,388	733,325,148
60	18. Net profit after tax		43,357,692,711	332,487,514
61	19. Net profit after tax attributable to shareholders of the parent		42,665,135,722	134,364,068
62	20. Net profit after tax attributable to non-controlling interests		692,556,989	198,123,446
70	21. Basic earnings per share	21.4	622	2
71	22. Diluted earnings per share	21.4	622	2

Pham Van Khanh
Preparer

Doan Huu Chi
Chief Accountant

Truong Minh Thuan
General Director

28 August 2017

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

VND

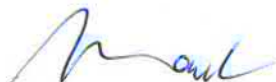
Code	ITEMS	Notes	For the six-month period ended 30 June 2017	For the six-month period ended 30 June 2016
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	Accounting profit (loss) before tax		43,691,274,221	(398,626,517)
	<i>Adjustments for:</i>			
02	Depreciation and amortization	10, 12	2,581,920,085	2,228,853,660
03	Provisions		1,551,006,952	1,167,905,959
05	Profits from investing activities		(1,438,136,932)	(3,311,818,211)
06	Interest expense	24	462,022,100	3,063,043,601
08	Operating profit before changes in working capital		46,848,086,426	2,749,358,492
09	(Increase) decrease in receivables		(38,482,254,710)	108,169,227,589
10	Increase in inventories		(46,714,015,852)	(865,757,001,909)
11	Increase in payables		181,355,573,098	359,907,321,869
12	Increase in prepaid expenses		(3,949,683,311)	(1,120,077,838)
14	Interest paid		(602,911,840)	(3,574,493,709)
15	Corporate income tax paid		(927,185,715)	-
20	Net cash flows from (used in) operating activities		137,527,608,096	(399,625,665,506)
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchase and construction of fixed assets and other long-term assets		(4,689,918,182)	-
22	Proceeds from disposals of fixed assets and other long-term assets		-	3,842,500,000
25	Payments for investments in other entities		(31,115,840,000)	-
27	Interest and dividends received		1,170,977,410	657,463,827
30	Net cash flows (used in) from investing activities		(34,634,780,772)	4,499,963,827
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
33	Drawdown of borrowings	20	67,085,125,551	450,671,361,029
34	Repayment of borrowings	20	(162,350,069,471)	(20,087,131,203)
40	Net cash flows (used in) from financing activities		(95,264,943,920)	430,584,229,826

Investment and Trading of Real Estate Joint Stock Company B03a-DN/HN

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

VND

Code	ITEMS	Notes	For the six-month period ended 30 June 2017	For the six-month period ended 30 June 2016
50	Net increase in cash and cash equivalents		7,627,883,404	35,458,528,147
60	Cash and cash equivalents at the beginning of the period		50,855,004,269	8,561,609,600
70	Cash and cash equivalents at the end of the period	4	58,482,887,673	44,020,137,747



Pham Van Khanh
Preparer



Doan Huu Chi
Chief Accountant



Trương Minh Thuận
General Director

28 August 2017

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

1. CORPORATE INFORMATION

Investment and Trading of Real Estate Joint Stock Company ("the Company") is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to the Business Registration Certificate No. 4103000250 issued by the Department of Planning and Investment of Ho Chi Minh City on 28 December 2000, as amended. The Company has emerged from the equitization of Investment and Trading of Real Estate Company, which was a wholly owned subsidiary of Saigon Real Estate Corporation.

The Company was listed on the Ho Chi Minh Stock Exchange with trading code ITC in accordance with the Decision No. 115/QD-SGDHCM issued by the Ho Chi Minh Stock Exchange on 24 September 2009.

The current principal activities of the Company are to invest and trade real estate properties and provide related services; provide real estate brokerage, and real estate trading centre and management.

The Company's registered office is located at 18 Nguyen Binh Khiem Street, Da Kao Ward, District 1, Ho Chi Minh City, Vietnam.

The Company has a subsidiary, Intresco Construction Joint Stock Company ("IC") is a shareholding company established in accordance with Business Registration Certificate No. 0310626100 issued by the Department of Planning and Investment of Ho Chi Minh City on 14 February 2011. IC's registered office is located at 20 Nguyen Binh Khiem Street, Da Kao Ward, District 1, Ho Chi Minh City, Vietnam. As at 30 June 2017, the Company holds 85% ownership interest in this subsidiary.

The number of the Company and its subsidiary ("the Group") employees as at 30 June 2017 was 161 (31 December 2016: 155).

2. BASIS OF PREPARATION

2.1 Accounting standards and system

The interim consolidated financial statements of the Group, expressed in Vietnam dong ("VND"), are prepared in accordance with Vietnamese Enterprise Accounting System and Vietnamese Accounting Standards issued by the Ministry of Finance as per:

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

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

2.2 Applied accounting documentation system

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

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

2. BASIS OF PREPARATION (continued)

2.3 Fiscal year

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

2.4 Accounting currency

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

2.5 Basis of consolidation

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

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

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

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

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Cash and cash equivalents

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

3.2 Inventories - inventory properties

Property acquired or being constructed for sale in the ordinary course of business, rather than to be held for rental or capital appreciation, is held as inventory property and is measured at the lower of cost and net realisable value.

Cost includes:

- Freehold and leasehold rights for land;
- Amounts paid to contractors for construction; and
- Borrowing costs, planning and design costs, costs of site preparation, professional fees for legal services, property transfer taxes, construction overheads and other related costs.

Net realisable value is the estimated selling price in the ordinary course of the business, based on market prices at the reporting date and discounted for the time value of money if material, less costs to completion and the estimated costs of sale.

The cost of inventory property recognised in profit or loss on disposal is determined with reference to the specific costs incurred on the property sold and an allocation of any non-specific costs based on the relative size of the property sold.

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.2 Inventories - inventory properties (continued)

Provision for obsolete inventories

An inventory provision is created for the estimated loss value of work-in-progress, and other inventories owned by the Company, based on appropriate evidence of impairment available at the interim balance sheet date.

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

3.3 Receivables

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

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

3.4 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation.

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

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

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

3.5 Intangible fixed assets.

Intangible fixed assets are stated at cost less accumulated amortisation.

The cost of an intangible fixed asset comprises its purchase price and any directly attributable costs of preparing the intangible fixed asset for its intended use.

Expenditures for additions, improvements are added to the carrying amount of the assets and other expenditures are charged to the interim consolidated income statement as incurred.

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

Land use rights

Land use rights are recorded as an intangible fixed asset on the interim consolidated balance sheet as the Company obtained the land use right certificate prior to 2003 according to Circular No. 45/2013/TT-BTC issued by the Ministry of Finance on 25 April 2013 guiding the management, use and depreciation of fixed assets. The costs of land use rights comprise all directly attributable costs of bringing the land to the condition available for its intended use and is not amortised given indefinite useful life.

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.6 Depreciation

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

Buildings and structures	13 – 25 years
Machinery and equipment	5 – 10 years
Means of transportation	7 – 10 years
Office equipment	3 – 5 years

The useful life of the fixed assets and depreciation rate are reviewed periodically to ensure that the method and the period of the depreciation and amortisation are consistent with the expected pattern of economic benefits that will be derived from the use of fixed assets.

3.7 Investment properties

Investment properties are stated at cost including transaction costs less accumulated depreciation and/or amortisation. Investment properties held for capital appreciation are not depreciated/amortised but subject to impairment review.

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

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

Land and buildings	25 – 50 years
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Investment properties are derecognised when either they have been disposed of or when the investment properties are permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the assets is recognised in the interim consolidated income statement in the period of retirement or disposal.

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

3.8 Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Borrowing costs are recorded as expense during the period in which they are incurred, except to the extent that they are capitalized as explained in the following paragraph.

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

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.9 Prepaid expenses

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

3.10 Investments

Investments in associates

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

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

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

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

Investments in other entities

Investments in other investments are stated at their acquisition costs.

Provision for diminution in value of investments in other entities

Provision is made for any diminution in value of the investments at the interim balance sheet date in accordance with the guidance under Circular No. 228/2009/TT-BTC dated 7 December 2009 and Circular No. 89/2013/TT-BTC dated 26 June 2013 issued by the Ministry of Finance. Increases or decreases to the provision balance are recorded as finance expense in the interim consolidated income statement.

3.11 Payables and accruals

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

3.12 Accrual for severance pay

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

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

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.13 Earnings per share

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

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

3.14 Treasury shares

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

3.15 Appropriation of net profit

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

The Group maintains the following reserve funds which are appropriated from the Group's net profit as proposed by the Board of Directors and subject to approval by shareholders at the Annual General Meeting.

Investment and development fund

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

Bonus and welfare fund

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

3.16 Revenue recognition

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

Sale of completed property

A property is regarded as sold when the significant risks and returns have been transferred to the buyer, which is normally on unconditional exchange of contracts. For conditional exchanges, sales are recognized only when all the significant conditions are satisfied.

Construction contract

Where the outcome of a construction contract can be estimated reliably, revenue and costs are recognised by reference to the amount of work completed and certified by customers at the interim balance sheet date. Variations in contract work, claims and incentive payments are included to the extent that they have been agreed with the customers.

Where the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that it is probable will be recoverable. Contract costs are recognised as expense in the period in which they are incurred.

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.16 Revenue recognition (continued)

Rental income

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

Interest

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

Dividends

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

3.17 Taxation

Current income tax

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

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

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

Deferred tax

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

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- ▶ Where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the related transaction affects neither the accounting profit nor taxable profit or loss; and
- ▶ In respect of taxable temporarily differences associated with investments in subsidiaries and associates where timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carried forward unused tax credit and unused tax losses, to the extent that it is probable that taxable profit will be available against which deductible temporary differences, carried forward unused tax credit and unused tax losses can be utilised; except:

- ▶ Where the deferred tax asset in respect of deductible temporary difference which arises from the initial recognition of an asset or liability which at the time of the related transaction, affects neither the accounting profit nor taxable profit or loss; and
- ▶ In respect of deductible temporarily differences associated with investments in subsidiaries and associates, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.17 Taxation (continued)

Deferred tax (continued)

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

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

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right for the Group to offset current tax assets against current tax liabilities and when they relate to income taxes levied on the same taxable entity by the same taxation authority on:

- ▶ Either the same taxable entity; or
- ▶ When the Group intends either settle current tax liabilities and assets on a net basis or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered

4. CASH AND CASH EQUIVALENTS

	<i>VND</i>	
	<i>30 June 2017</i>	<i>31 December 2016</i>
Cash on hand	2,013,156,401	85,813,744
Cash in banks	23,469,731,272	29,769,190,525
Cash equivalents (*)	33,000,000,000	21,000,000,000
TOTAL	58,482,887,673	50,855,004,269

(*) Cash equivalents represent short-term bank deposits at commercial banks with original maturities of less than three months and earn interest at the rate of 4.3% per annum.

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

5. TRADE RECEIVABLES

	VND	
	30 June 2017	31 December 2016
Short-term	153,421,170,730	101,158,497,366
Khang Nam Real Estate Investment Joint Stock Company	11,863,393,818	11,863,393,818
Thai Duong Joint Stock Company	8,100,000,000	8,100,000,000
Hush Creative Company Limited	5,697,500,000	9,345,000,000
Other customers	127,760,276,912	71,850,103,548
Long-term	3,732,095,449	3,998,346,579
Trade receivables from other parties	3,732,095,449	3,998,346,579
TOTAL	<u>157,153,266,179</u>	<u>105,156,843,945</u>
Provision for doubtful short-term receivables	(6,556,074,092)	(6,757,062,981)
Provision for doubtful long-term receivables	(3,694,346,579)	(3,898,346,579)

Details of trade receivables are as below:

	30 June 2017	31 December 2016
Receivables from sale of land lots and apartments (*)	128,755,760,863	75,952,027,300
Receivables from provision of construction services	24,819,554,696	25,166,463,787
Others	3,577,950,620	4,038,352,858
TOTAL	<u>157,153,266,179</u>	<u>105,156,843,945</u>

(*) Receivables from sale of land lots and apartments mainly include (i) the remaining 5% - 10% pending for the completion of the legal procedure to hand over lands and apartments to the customers or (ii) the remaining amount of the contract price. Details by project are as follows:

	30 June 2017	31 December 2016
The Stars Village, Long Thoi		
– Nha Be project (ii)	104,999,499,658	47,692,459,095
6B project (i)	10,666,553,389	11,166,379,389
An Phu An Khanh project (ii)	5,697,500,000	9,345,000,000
An Khang Building (i)	2,818,468,367	2,818,468,367
Thinh Vuong Building (i)	2,394,139,449	2,667,920,449
Phong Phu project (i)	2,157,760,000	2,239,960,000
Binh Hoa project (i)	21,840,000	21,840,000
TOTAL	<u>128,755,760,863</u>	<u>75,952,027,300</u>

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

6. SHORT-TERM ADVANCES TO SUPPLIERS

Short-term advances to suppliers represent non-interest bearing advances to sub-contractors and the State related to the following real estate projects:

	VND	
	30 June 2017	31 December 2016
People's Committee of Dak Nong Province – Thien Phu, Dak Nong project	20,500,000,000	20,500,000,000
Long Binh Joint Stock Company – Long Binh, District 9 project	19,899,197,600	19,899,197,600
Sai gon Vien Dong Limited Company – Lot No.7, 6B project	12,927,603,431	12,927,603,431
Lac Thanh Limited Liability Company –The Stars Village, Long Thoi – Nha Be project	8,529,920,591	9,463,344,300
Other suppliers	41,172,510,845	42,968,077,270
A related party (Note 28)	15,716,288,264	15,716,288,264
TOTAL	<u>118,745,520,731</u>	<u>121,474,510,865</u>

7. OTHER RECEIVABLES

	VND	
	30 June 2017	31 December 2016
Short-term	21,755,045,642	33,757,896,511
Advances to suppliers of real estate projects (*)	8,144,760,000	16,800,000,000
- Saigon Cho Lon Investment & Real Estate Joint Stock Company	6,350,000,000	8,000,000,000
- May Thang Long Joint Stock Company	1,794,760,000	8,800,000,000
Others	13,610,285,642	16,957,896,511
Long-term	8,039,767,086	7,108,961,607
Advances to suppliers of real estate projects (*)	-	2,450,000,000
- Saigon Cho Lon Investment & Real Estate Joint Stock Company	-	850,000,000
- May Thang Long Joint Stock Company	-	1,600,000,000
Others	8,039,767,086	4,658,961,607
TOTAL	<u>29,794,812,728</u>	<u>40,866,858,118</u>
Provision for short-term doubtful debts	(1,458,137,889)	(960,000,000)
Provision for long-term doubtful debts	(2,718,400,249)	(2,718,400,249)
<i>In which:</i>		
Other parties	27,796,911,121	38,595,631,511
Related parties (Note 28)	1,997,901,607	2,271,226,607

(*) The management decided to cease the Company's investment in the real estate projects of those entities. Therefore, the advance paid to these entities in prior years were agreed to be reimbursed to the Company according to the relevant documents.

Investment and Trading of Real Estate Joint Stock Company

B09a-DN/HN

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

8. INVENTORIES

Inventories represent costs incurred for the following on-going real estate and construction projects in process:

	30 June 2017		31 December 2016	
	Cost	Provision	Cost	Provision
Terra Royal project (i)	1,334,834,024,628	-	1,240,981,823,274	-
The Stars Village,				
Long Thoi – Nha Be project (ii)	953,355,757,264	-	1,043,370,796,531	-
6A project	131,129,913,107	-	130,558,094,925	-
Long Phuoc, District 9 project (iii)	115,974,275,419	-	115,974,275,419	-
Binh Trung Dong – District 2 project	28,848,790,056	-	28,848,790,056	-
Lot 6, 7 & 8 – 6B project	22,675,276,878	-	22,673,276,878	-
Other projects	98,819,899,603	(13,326,572,852)	56,516,864,020	(13,326,572,852)
TOTAL	2,685,637,936,955	(13,326,572,852)	2,638,923,921,103	(13,326,572,852)

VND

(i) Land use right at No.106 Ly Chinh Thang Street, District 3 was pledged to obtain the loan from a commercial bank (Note 20).

(ii) Land use right of 475,085 square meters on total land of 532,537 square meters of The Stars Village, Long Thoi – Nha Be project was pledged to obtain the loans from commercial banks (Note 20).

(iii) Land use right of 155,021 square meters on total land of 155,365 square meters of Long Phuoc, District 9 project was pledged to obtain the loans from a commercial bank and Gia Dinh Development Investment Corporation (Note 20).

9. SHORT-TERM PREPAID EXPENSES

	30 June 2017	31 December 2016
Sale commission	5,315,152,285	1,731,663,970
Others	601,792,621	564,755,906
TOTAL	5,916,944,906	2,296,419,876

Investment and Trading of Real Estate Joint Stock Company

B09a-DN/HN

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

10. TANGIBLE FIXED ASSETS

	Buildings and structures	Machinery and equipment	Means of transportation	Office equipment	VND Total
Cost:					
As at 31 December 2016	28,349,789,734	5,603,964,637	5,657,467,366	1,440,739,593	41,051,961,330
Addition	-	508,100,000	-	-	508,100,000
Transfer from construction in progress	-	7,818,181,818	-	-	7,818,181,818
As at 30 June 2017	28,349,789,734	13,930,246,455	5,657,467,366	1,440,739,593	49,378,243,148
<i>In which:</i>					
Fully depreciated	4,280,813,180	1,944,502,266	3,840,210,043	1,400,394,544	11,465,920,033
Accumulated depreciation:					
As at 31 December 2016	13,178,846,439	5,106,355,611	4,915,680,198	1,264,247,863	24,465,130,111
Depreciation for the period	481,379,550	593,484,393	159,038,764	6,475,764	1,240,378,471
As at 30 June 2017	13,660,225,989	5,699,840,004	5,074,718,962	1,270,723,627	25,705,508,582
Net carrying amount:					
As at 31 December 2016	15,170,943,295	497,609,026	741,787,168	176,491,730	16,586,831,219
As at 30 June 2017	14,689,563,745	8,230,406,451	582,748,404	170,015,966	23,672,734,566

Investment and Trading of Real Estate Joint Stock Company B09a-DN/HN

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

11. INTANGIBLE FIXED ASSETS

This amount represents land use right at No. 16 Nguyen Dinh Chieu Street, Da Kao Ward, District 1, land use right at No. 20 Nguyen Binh Khiem Street, Da Kao Ward, District 1 and land use right at Lot B16, 13E Residential Area, Phong Phu Commune, Binh Chanh District with carrying amount of VND 26,471,477,820, VND 11,101,600,430 and VND 350,617,008, respectively. In which, land use rights at No. 16 Nguyen Dinh Chieu Street, Da Kao Ward, District 1 and No. 20 Nguyen Binh Khiem Street, Da Kao Ward, District 1 were pledged to obtain the loans from commercial banks (*Note 20*).

12. INVESTMENT PROPERTIES

	VND
	<i>Land and buildings (*)</i>
Cost:	
As at 31 December 2016 and 30 June 2017	<u>67,077,080,348</u>
Accumulated depreciation:	
As at 31 December 2016	17,222,434,337
Depreciation for the period	<u>1,341,541,614</u>
As at 30 June 2017	<u>18,563,975,951</u>
Net carrying amount:	
As at 31 December 2016	<u>49,854,646,011</u>
As at 30 June 2017	<u>48,513,104,397</u>

The fair value of the investment properties had not yet been formally assessed and determined as at 30 June 2017. However, given that these properties are currently leased out and income generating, it is management's assessment that these properties' market values are still higher than their carrying value at the interim balance sheet date.

(*) Including in the land and buildings, land use rights and associated assets of An Khang apartment, An Phu An Khanh Town, An Phu Ward, District 2, Ho Chi Minh City were pledged to obtain the loan from a commercial bank (*Note 20*).

In addition, land use rights and associated assets at No. 531 Nguyen Duy Trinh Street, Binh Trung Dong Ward, District 2 were pledged to obtain the loans from a commercial bank (*Note 20*).

Revenue and expense relating to investment properties

	VND	
	<i>For the six-month period ended 30 June 2017</i>	<i>For the six-month period ended 30 June 2016</i>
Rental income generating from leasing of investment properties	4,935,511,391	4,514,634,530
Direct operating expenses of investment properties that generated rental income during the period	<u>(2,338,183,165)</u>	<u>(2,503,201,603)</u>
NET	<u>2,597,328,226</u>	<u>2,011,432,927</u>

Investment and Trading of Real Estate Joint Stock Company B09a-DN/HN

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

13. LONG-TERM INVESTMENTS

	VND	
	30 June 2017	31 December 2016
Investments in associates (<i>Note 13.1</i>)	265,341,445,844	233,958,446,322
Investments in other entities (<i>Note 13.2</i>)	42,755,320,000	42,755,320,000
Provision for diminution in long-term investments	<u>(8,925,000,000)</u>	<u>(8,925,000,000)</u>
TOTAL	<u>299,171,765,844</u>	<u>267,788,766,322</u>

13.1 Investments in associates

	<u>% of interest and % voting rights</u>	
	30 June 2017	31 December 2016
Pham Gia Construction Limited Company ("PG")	46.19	46.19
Saigon – Binh Duong Investment Corporation ("SGBD") (*)	64.48	22.49
Long Binh Construction – Trading – Producing Joint Stock Company ("LB")	36.36	36.36

(*) During the period, the Group acquired additional 3,067,384 shares in SGBD from Chanh Phu Hoa Joint Stock Construction and Investment Company at the total value of VND 30,673,840,000 in accordance with Agreement No. 233/HD-CPH dated 10 May 2017. Accordingly, the ownership interest of the Group in SGBD as at the interim separate balance sheet date is 64.48% based on actual capital contribution (32.87% based on the Business Registration Certificate). However, as at 30 June 2017, the Group still presents the investment in SGBD as an investment in associate because in accordance with BOD Meeting Minute dated 11 August 2017, all shareholders of SGBD committed to continue to contribute their investment as indicated on Business Registration Certificate. Hence, SGBD will not become the Company's subsidiary.

Investment and Trading of Real Estate Joint Stock Company B09a-DN/HN

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

13. LONG-TERM INVESTMENTS (continued)

13.1 Investments in associates (continued)

Details of these investments in associates as the interim balance sheet date are presented as follows:

	<i>PG</i>	<i>SGBD</i>	<i>LB</i>	<i>VND Total</i>
Cost of investments:				
As at 31 December 2016	150,968,925,000	67,480,013,645	21,000,000,000	239,448,938,645
Increase	-	31,115,840,000	-	31,115,840,000
As at 30 June 2017	<u>150,968,925,000</u>	<u>98,595,853,645</u>	<u>21,000,000,000</u>	<u>270,564,778,645</u>
Accumulated share in post-acquisition loss of the associates:				
As at 31 December 2016	-	(2,953,846,577)	(2,536,645,746)	(5,490,492,323)
Share in post-acquisition (loss) profit of the associates	-	(41,363,012)	308,522,534	267,159,522
As at 30 June 2017	-	<u>(2,995,209,589)</u>	<u>(2,228,123,212)</u>	<u>(5,223,332,801)</u>
Net carrying amount:				
As at 31 December 2016	<u>150,968,925,000</u>	<u>64,526,167,068</u>	<u>18,463,354,254</u>	<u>233,958,446,322</u>
As at 30 June 2017	<u>150,968,925,000</u>	<u>95,600,644,056</u>	<u>18,771,876,788</u>	<u>265,341,445,844</u>

Investment and Trading of Real Estate Joint Stock Company

B09a-DN/HN

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

13. LONG-TERM INVESTMENTS (continued)

13.2 Investments in other entities

	30 June 2017		31 December 2016		VND
	Amount VND	Number of shares %	Amount VND	Number of shares %	
Gia Dinh Development Investment Corporation	34,000,000,000	2,125,000 5.31	34,000,000,000	2,125,000	5.31
Housing Development Bac Trung Nam Corporation	5,466,500,000	54,665 10.93	5,466,500,000	54,665	10.93
Saigon Mangden Joint Stock Company	3,100,000,000	310,000 1.61	3,100,000,000	310,000	1.61
Van Dien Fused Magnesium Phosphate Fertilizer Joint Stock Company	188,820,000	18,882 0.06	188,820,000	18,882	0.06
TOTAL	42,755,320,000		42,755,320,000		
Provision for diminution in value of other long-term investments	(8,925,000,000)		(8,925,000,000)		
NET	33,830,320,000		33,830,320,000		

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

14. BORROWING COSTS

	VND	
	<i>For the six-month period ended 30 June 2017</i>	<i>For the six-month period ended 30 June 2016</i>
Capitalized in real estate projects	53,747,946,362	21,984,598,919
Interest expense (Note 24)	462,022,100	3,063,043,601
TOTAL	<u>54,209,968,462</u>	<u>25,047,642,520</u>

15. SHORT-TERM TRADE PAYABLES

	VND	
	<i>30 June 2017</i>	<i>31 December 2016</i>
Trade payables to other parties	327,772,701,497	358,376,038,153
- Finance Department of Ho Chi Minh City - land use fee for Terra Royal project (*)	264,601,933,421	303,109,369,312
- Other suppliers	63,170,768,076	55,266,668,841
Trade payables to a related party (Note 28)	1,560,654,545	1,560,654,545
TOTAL	<u>329,333,356,042</u>	<u>359,936,692,698</u>

(*) In accordance with Official Letter No. 1976/TB-CT dated 16 March 2015 and Official Letter No. 4362/TB-CT dated 29 May 2015, the Group has to pay the amount of VND 303,109,369,312 at 22 July 2016. During the period, the Group paid VND 38,507,435,891. The Company's management prepared a cash flow plan to settle the remaining amount in the financial year 2017.

16. ADVANCES FROM CUSTOMERS

Advances from customers are the amounts received in advance in respect of the sale of apartment units and land lots of the following projects:

	VND	
	<i>30 June 2017</i>	<i>31 December 2016</i>
Short-term	285,928,803,735	127,002,349,132
The Stars Village, Long Thoi – Nha Be project	239,923,056,423	78,963,372,027
Lot 6, 7 & 8 - 6B project	17,125,471,573	19,957,034,673
Other projects	28,880,275,739	28,081,942,432
Long-term	213,449,855,977	165,291,855,511
6A project	100,249,029,000	100,549,029,000
Terra Royal project	69,749,529,498	23,231,462,062
Lot 6, 7 & 8 - 6B project	23,107,818,700	20,899,610,700
Binh Trung Dong - District 2 project	8,601,378,000	8,601,378,000
Other projects	11,742,100,779	12,010,375,749
TOTAL	<u>499,378,659,712</u>	<u>292,294,204,643</u>

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

17. STATUTORY RECEIVABLES AND OBLIGATIONS

				VND
	31 December 2016	Increase in period	Decrease in period	30 June 2017
Payable				
Value-added tax	15,933,995,383	10,123,980,124	(10,047,540,350)	16,010,435,157
Personal income tax	389,714,389	1,288,796,972	(1,304,920,487)	373,590,874
Other taxes	4,274,357,824	1,347,580,321	(828,677,558)	4,793,260,587
TOTAL	20,598,067,596	12,760,357,417	(12,181,138,395)	21,177,286,618
Receivable				
Overpaid corporate income tax	770,650,592	927,185,715	(1,228,548,898)	469,287,409

18. SHORT-TERM ACCRUED EXPENSES

			VND
	30 June 2017	31 December 2016	
Interest expense	31,138,875,278	53,721,237,655	
Penalty for late payment	30,202,910,027	14,731,115,349	
Construction costs	2,348,102,270	2,366,313,178	
Others	1,552,500,000	350,000,000	
TOTAL	65,242,387,575	71,168,666,182	

19. OTHER SHORT-TERM PAYABLES

			VND
	30 June 2017	31 December 2016	
Dividends payable	27,170,761,724	3,144,546,924	
Payables from acquisition additional shares of SGBD	15,336,920,000	-	
Land compensation for The Stars Village, Long Thoi – Nha Be project, payable to land owners	-	6,418,555,000	
Others	15,844,676,168	13,887,181,540	
TOTAL	58,352,357,892	23,450,283,464	

Investment and Trading of Real Estate Joint Stock Company

B09a-DN/HN

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

20. LOANS	31 December 2016	Drawdown	Repayment	Reclassification	VND 30 June 2017
Short-term					
Bank loans (Note 20.1)	336,757,291,373	20,335,605,851	(162,350,069,471)	180,000,000,000	374,742,827,753
Loans from other organization (Note 20.3)	195,018,480,776	20,335,605,851	(78,450,069,471)	-	136,904,017,156
Loans from an individual (Note 20.4)	30,000,000,000	-	(22,000,000,000)	-	8,000,000,000
Current portion of long-term loans (Note 20.2)	111,438,810,597	-	(61,900,000,000)	180,000,000,000	229,538,810,597
Long-term					
Bank loans (Note 20.2)	673,005,773,803	46,749,519,700	-	(180,000,000,000)	539,755,293,503
	673,005,773,803	46,749,519,700	-	(180,000,000,000)	539,755,293,503
TOTAL	1,009,763,065,176	67,085,125,551	(162,350,069,471)	-	914,498,121,256

Investment and Trading of Real Estate Joint Stock Company

B09a-DN/HN

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

20. LOANS (continued)

20.1 Details of short-term bank loans are as follows:

Lenders	30 June 2017	Principal repayment term	Purpose	Interest rate % p.a.	Description of collateral
Lien Viet Post Joint Stock Commercial Bank					
Loan Contract No.911-15/HDTD-LPB-HCM dated 25 September 2015	17,748,702,414	From 22 July 2017 to 26 September 2017	Finance for the development of its real estate projects and working capital requirements	10.1	Land use rights and associate assets at No. 16 Nguyen Dinh Chieu Street, Da Kao Ward, District 1, Ho Chi Minh City; and land use rights and associated assets of An Khang department, An Phu An Khanh Town, An Phu Ward, District 2, Ho chi Minh City (Notes 11 and 12)
Vietnam Bank for Agriculture and Rural Development					
Loan Contract No. 6220-LAV-2015000640/HDTD dated 25 June and appendix No. 6220-LAV-2015000640/PLHDTD/1 dated 15 November 2015; No. 6220-LAV-2016000690/HDTD dated 4 July 2016	87,155,314,742	From 11 August 2017 to 29 June 2018	Finance for the development of its real estate projects and working capital requirements	9.3	Land use rights and associate assets at No. 20 Nguyen Binh Khiem Street, Da Kao Ward, District 1, Ho Chi Minh City; land use rights and associated assets at No. 531 Nguyen Duy Trinh Street, Binh Trung Dong Ward, District 2, Ho Chi Minh City; land use rights of 115,793 square meters at Long Phuoc Ward, District 9, Ho Chi Minh City; and land use rights of 25,727 square meters at Long Thoi Ward, Nha Be District, Ho Chi Minh City (Notes 8, 11 and 12)
Ho Chi Minh City Development Joint Stock Commercial Bank					
Loan Contract No. 9333/16/HDTDNH-DN/068	32,000,000,000	12 October 2017	To pay land use fee of the Stars Village, Long Thoi - Nha Be project	10.5	Land use rights and associated assets at Long Thoi - Nhon Duc - Nha Be; land use rights and associated assets at 83 Ly Chinh Thang Street, District 3, Ho Chi Minh City; and land use rights and associated assets at 106 Ly Chinh Thang Street, Ward 8, District 3, Ho Chi Minh City (Note 8)
TOTAL	136,904,017,156				

Investment and Trading of Real Estate Joint Stock Company

B09a-DN/HN

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

20. LOANS (continued)

20.2 Details of long-term bank loans are as follows:

Lender	30 June 2017	Principal repayment term	Purpose	Interest rate % p.a.	Description of collateral
Ho Chi Minh City Development Joint Stock Commercial Bank					
Loan Contract No.2235TT/15/HDTDTDH- DN/068 and No.2236TT/15/HDTDTDH- DN/068 dated 19 August 2015	769,294,104,100	From 17 September 2017 to 24 August 2019	To finance Terra Royal project and The Stars Village, Long Thoi – Nha Be project	10.5 - 11.5	Real estate and benefits arising from The Stars Village, Long Thoi – Nha Be project; real estate and benefits arising from Terra Royal project; and land use rights and associated assets at No. 106 Ly Chinh Thang Street, Ward 8, District 3, Ho Chi Minh City (Note 8)
<i>In which:</i>					
Current portion	229,538,810,597				
Long-term loan	539,755,293,503				

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

20. LOANS (continued)

20.3 Details of loans from other organization are as follows:

Lender	30 June 2017	Principal repayment term	Purpose	Interest rate % p.a.	Description of collateral
	VND				
Gia Dinh Development Investment Corporation (Note 28)					
Loan Contract No. 376/DTKD/HDVV dated 20 June 2011, appendix No. 74/DTKDN/HDVV dated 9 February 2015, appendix No. 474/DTKD/HDVV date 25 August 2015 and appendix 06A/DTKDN/HDVV dated 4 January 2017	<u>8,000,000,000</u>	20 June 2017	To finance the land compensation for The Stars Village, Long Thoi – Nha Be project	12	Land use right of 10,473 square meters at Long Phuoc Ward, District 9, Ho Chi Minh City (Note 8)

20.4 Loans from an individual

This represents unsecured short-term loan amounting to VND 300,000,000 obtained from an individual for the purpose of financing the land compensation of The Stars Village, Long Thoi – Nha Be project for a period twelve (12) months at the interest rates of 14% per annum.

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

21. OWNERS' EQUITY

21.1 Increase and decrease in owners' equity

	Share capital	Share premium	Treasury shares	Investment and development fund owners' equity	Other funds belonging to owners' equity	(Accumulated losses) undistributed earnings	Total	VND
For the six-month period ended 30 June 2016								
As at 31 December 2015	730,866,880,000	974,114,436,600	(9,825,117,611)	57,548,003,887	-	(209,936,631,357)	1,542,767,571,519	
Movement (*)	-	(225,431,309,776)	-	-	-	225,431,309,776	-	
Net profit for the period	-	-	-	-	-	134,364,068	134,364,068	
As at 30 June 2016	730,866,880,000	748,683,126,824	(9,825,117,611)	57,548,003,887	-	15,629,042,487	1,542,901,935,587	
For the six-month period ended 30 June 2017								
As at 31 December 2016	690,866,880,000	748,683,126,824	(9,825,117,611)	57,548,003,887	-	28,686,730,753	1,515,959,623,853	
Net profit for the period	-	-	-	-	-	42,665,135,722	42,665,135,722	
Dividend declared	-	-	-	-	-	(24,687,920,034)	(24,687,920,034)	
Fund appropriation	-	-	-	1,904,908,149	470,571,611	(3,814,689,358)	(1,439,209,598)	
Other decrease	-	-	-	-	-	(286,868,000)	(286,868,000)	
As at 30 June 2017	690,866,880,000	748,683,126,824	(9,825,117,611)	59,452,912,036	470,571,611	42,562,389,083	1,532,210,761,943	

(*) During the six-month period ended 30 June 2016, the Company transferred an amount of VND 225,431,309,776 from share premium to undistributed earnings in accordance with the Resolution of the Annual General Meeting of Shareholders No.06/NQ-DHDCD dated 26 April 2016.

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

21. OWNERS' EQUITY (continued)

21.2 Capital transactions with owners and distribution of dividends and profits

	VND	
	<i>For the six-month period ended 30 June 2017</i>	<i>For the six-month period ended 30 June 2016</i>
Contributed share capital	<u>690,866,880,000</u>	<u>690,866,880,000</u>
Dividends declared	24,687,920,034	-

21.3 Shares - ordinary shares

	<u>30 June 2017</u>		<u>31 December 2016</u>	
	Quantity	Amount VND	Quantity	Amount VND
Authorized shares	69,086,688	690,866,880,000	69,086,688	690,866,880,000
Issued shares				
<i>Issued and paid-up shares</i>				
<i>Ordinary shares</i>	69,086,688	690,866,880,000	69,086,688	690,866,880,000
Treasury shares				
<i>Ordinary shares</i>	440,360	9,825,117,611	440,360	9,825,117,611
Shares in circulation				
<i>Ordinary shares</i>	68,646,328	681,041,762,389	68,646,328	681,041,762,389

21.4 Basic and diluted earnings per share

The following table shows the income and share data used in the basic and diluted earnings per share calculations:

	<i>For the six-month period ended 30 June 2017</i>	<i>For the six-month period ended 30 June 2016</i>
Net profit attributable to ordinary equity holders of the Company (VND)	42,665,135,722	134,364,068
Weighted average number of ordinary shares in circulation (shares)	<u>68,646,328</u>	<u>68,646,328</u>
Basic earnings per share (VND/share)	622	2
Diluted earnings per share (VND/share)	622	2

There have been no dilutive potential ordinary shares during the period and up to the date of these interim consolidated financial statements.

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

22. REVENUES

22.1 Revenue from sale of goods and rendering of services

	VND	
	<i>For the six-month period ended 30 June 2017</i>	<i>For the six-month period ended 30 June 2016</i>
Net revenue	<u>289,466,039,140</u>	<u>69,259,690,241</u>
<i>Of which:</i>		
<i>Sale of real estate properties</i>	234,170,254,982	31,001,999,474
<i>Revenue from construction contracts</i>	47,594,238,055	31,285,543,883
<i>Revenue from other services</i>	7,701,546,103	6,972,146,884

22.2 Finance income

	VND	
	<i>For the six-month period ended 30 June 2017</i>	<i>For the six-month period ended 30 June 2016</i>
Dividends income	546,650,000	382,766,000
Interest income	624,327,410	274,697,827
Others	164,603,026	2,505,997
TOTAL	<u>1,335,580,436</u>	<u>659,969,824</u>

23. COSTS OF GOODS SOLD AND SERVICES RENDERED

	VND	
	<i>For the six-month period ended 30 June 2017</i>	<i>For the six-month period ended 30 June 2016</i>
Cost of real estate properties	184,890,810,531	23,681,430,940
Cost of construction services	42,419,347,993	29,248,388,954
Cost of other services rendered	3,961,269,349	3,181,295,837
TOTAL	<u>231,271,427,873</u>	<u>56,111,115,731</u>

24. FINANCE EXPENSES

	VND	
	<i>For the six-month period ended 30 June 2017</i>	<i>For the six-month period ended 30 June 2016</i>
Interest expense	462,022,100	3,063,043,601
Others	-	5,962,296
TOTAL	<u>462,022,100</u>	<u>3,069,005,897</u>

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

25. SELLING EXPENSES AND GENERAL AND ADMINISTRATIVE EXPENSES

	VND	
	<i>For the six-month period ended 30 June 2017</i>	<i>For the six-month period ended 30 June 2016</i>
Selling expenses	3,678,396,542	217,877,094
Sale commission	3,678,396,542	47,740,000
Others	-	170,137,094
General and administrative expenses	14,959,468,327	10,976,118,048
Labour costs	6,797,756,238	4,598,744,900
External service fee	3,226,785,319	2,006,707,518
Depreciation	1,051,429,554	739,809,840
Others	3,883,497,216	3,630,855,790
TOTAL	<u>18,637,864,869</u>	<u>11,193,995,142</u>

26. OTHER INCOME AND EXPENSES

	VND	
	<i>For the six-month period ended 30 June 2017</i>	<i>For the six-month period ended 30 June 2016</i>
Other income	5,884,095,103	1,234,872,481
Penalty for late payment and cancellation of sale contracts	4,179,121,726	109,012,101
Leasing income	753,562,277	833,829,914
Others	951,411,100	292,030,466
Other expenses	(2,890,285,138)	(1,022,259,167)
Land rental fee	(843,367,092)	(832,774,362)
Others	(2,046,918,046)	(189,484,805)
NET OTHER PROFIT	<u>2,993,809,965</u>	<u>212,613,314</u>

27. CORPORATE INCOME TAX

The Group has the obligation to pay corporate income tax ("CIT") at the rate of 20% of taxable profits.

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

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

27. CORPORATE INCOME TAX (continued)

27.1 CIT expense

	VND	
	<i>For the six-month period ended 30 June 2017</i>	<i>For the six-month period ended 30 June 2016</i>
Current tax expense	(1,228,548,898)	(2,211,117)
Deferred tax income	894,967,388	733,325,148
TOTAL	<u>(333,581,510)</u>	<u>731,114,031</u>

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

	VND	
	<i>For the six-month period ended 30 June 2017</i>	<i>For the six-month period ended 30 June 2016</i>
Accounting profit (loss) before tax	43,691,274,221	(398,626,517)
At CIT rate applied for the Company	8,738,254,844	(79,725,303)
<i>Adjustments to increase:</i>		
Non-deductible expenses	447,718,373	79,101,260
Change in provision for doubtful debt	18,629,800	233,581,192
<i>Adjustments to decrease:</i>		
Tax loss carried forward	(8,708,259,603)	(918,874,605)
Dividend income	(109,330,000)	(76,553,200)
Share of (profits) losses from associates	(53,431,904)	31,356,625
CIT expense (income)	<u>333,581,510</u>	<u>(731,114,031)</u>

27.2 Current tax

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

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

27. CORPORATE INCOME TAX (continued)

27.3 Deferred tax

The following are the deferred tax assets recognized by the Group, and the movements thereon, during the current and previous period:

	<i>Interim consolidated balance sheet</i>		<i>Interim consolidated income statement</i>		VND
	<i>30 June 2017</i>	<i>31 December 2016</i>	<i>For the six- month period ended 30 June 2017</i>	<i>For the six- month period ended 30 June 2016</i>	
Internal unrealised profit	4,774,141,599	3,870,479,211	903,662,388	776,582,967	
Accrual for severance pay	355,279,896	363,974,896	(8,695,000)	(43,257,819)	
Deferred income tax assets	<u>5,129,421,495</u>	<u>4,234,454,107</u>			
Net deferred tax income			<u>894,967,388</u>	<u>733,325,148</u>	

27.4 Tax losses carried forward

The Company and its subsidiary are eligible to carry each individual tax losses forward to offset against taxable profits arising within five years subsequent to the year in which the loss was incurred. At 30 June 2017, the Group had accumulated tax losses of VND 236,921,949,872 (31 December 2016: VND 280,463,247,888) available for offset against future taxable profits. Details are as follows:

<i>Originating year</i>	<i>Can be utilized up to</i>	<i>Tax loss amount (*)</i>	<i>Utilized up to 30 June 2017</i>	<i>Forfeited</i>	VND
					<i>Unutilized at 30 June 2017</i>
2013	2018	2,599,260,225	(2,599,260,225)	-	-
2014	2019	286,951,493,491	(50,029,543,619) (**)	-	236,921,949,872
TOTAL		<u>289,550,753,716</u>	<u>(52,628,803,844)</u>	-	<u>236,921,949,872</u>

(*) Estimated tax losses above as per the Group's CIT declaration have not been audited by the local tax authorities as of the date of these interim consolidated financial statements.

(**) This amount includes tax loss utilized up to 31 December 2016 of VND 6,488,245,603 and tax loss utilized in current period of VND 43,541,298,016.

No deferred income tax assets were recognised in respect of the accumulated tax losses because future taxable profit cannot be ascertained at this stage.

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

28. TRANSACTIONS WITH RELATED PARTIES

Significant transactions with related parties during the current and previous period were as follows:

Related party	Relationship	Transaction	VND	
			For the six-month period ended 30 June 2017	For the six-month period ended 30 June 2016
Gia Dinh Development Investment Corporation	Related party	Repayment of borrowings	22,000,000,000	4,519,333,333
		Interest expense	1,380,499,999	1,536,614,500
		Rental fee	683,053,800	-
Housing Development Bac Trung Nam Joint Stock Company	Related party	Dividend income	546,650,000	273,325,000
		Rental income	348,832,085	-
Long Binh Construction - Trading - Producing Joint Stock Company	Associate	Dividend income	-	100,000,000
Van Dien Fused Magnesium Phosphate Fertilizer Joint Stock Company	Related party	Dividend income	-	9,441,000

Terms and conditions of transactions

The purchase of goods from related parties during the period was made on the basis of signed contracts.

Outstanding balances at are unsecured, interest free and will be settled in cash. For six-month period ended 30 June 2017, the Group has not made any provision for doubtful debts relating to amounts owed by related parties. This assessment is undertaken each financial period through the examination of the financial position of the related party and the market in which the related party operates.

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

28. TRANSACTIONS WITH RELATED PARTIES (continued)

Amount due to and due from related parties at the interim balance sheet date was as follows:

<i>Related parties</i>	<i>Relationship</i>	<i>Nature of transaction</i>	<i>VND</i>	
			<i>Receivable (Payable)</i>	
			<i>30 June 2017</i>	<i>31 December 2016</i>
<i>Advance to supplier</i>				
Future Architectures Design Joint Stock Company	Significant shareholder	Design service fee	<u>15,716,288,264</u>	<u>15,716,288,264</u>
<i>Other short-term receivables</i>				
Sai Gon Binh Duong Joint stock Company	Associate	Interest income	1,792,901,607	1,792,901,607
		Advance	205,000,000	205,000,000
Housing Development Bac Trung Nam Joint Stock Company	Related party	Dividend income	-	273,325,000
TOTAL			<u>1,997,901,607</u>	<u>2,271,226,607</u>
<i>Short-term trade payable</i>				
Future Architectures Design Joint Stock Company	Significant shareholder	Design service rendered	<u>(1,560,654,545)</u>	<u>(1,560,654,545)</u>
<i>Short-term loan</i>				
Gia Dinh Development Investment Corporation	Related party	Loan	<u>(8,000,000,000)</u>	<u>(30,000,000,000)</u>

Transactions with other related parties

Remuneration to members of the Board of Directors and Management:

	<i>VND</i>	
	<i>For the six-month period ended 30 June 2017</i>	<i>For the six-month period ended 30 June 2016</i>
Salaries and bonus	<u>1,982,460,000</u>	<u>888,008,000</u>

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

29. CAPITAL COMMITMENT

At 30 June 2017, the Group had outstanding commitments VND 610,648,478,735 (31 December 2016: VND 823,101,877,309) relating to the development cost of ongoing residential projects.

30. SEGMENT INFORMATION

A segment is a component determined separately by the Group which is engaged in providing real estate products or related services (business segment) or providing real estate products or services in a particular economic environment (geographical segment), that is subject to risks and returns that are different from those of other segments.

The Group's principal activities are engaged in investing and trading real estate properties and related services. In addition, these activities are mainly taking place within Vietnam. Therefore, the Group's risks and returns are not impacted by the Group's real estate products or the locations that the Group is trading. As a result, management is of the view that there is only one segment for business and geography and therefore presentation of separate segmental information is not required.

31. EVENTS AFTER THE INTERIM BALANCE SHEET DATE

There is no matter or circumstance that has arisen since the interim balance date that requires adjustments or disclosures to be made in the interim consolidated financial statements of the Group.



Pham Van Khanh
Preparer



Doan Huu Chi
Chief Accountant



Trương Minh Thuận
General Director

28 August 2017