

NO VA LAND INVESTMENT GROUP CORPORATION

**SEPARATE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2018**



NO VA LAND INVESTMENT GROUP CORPORATION

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TABLE OF CONTENTS	PAGE
Corporate information	1
Statement by the Board of Management	2
Auditor's review report	3
Separate interim balance sheet (Form B 01a – DN)	5
Separate interim income statement (Form B 02a – DN)	8
Separate interim cash flow statement (Form B 03a – DN)	9
Notes to the separate interim financial statements (Form B 09a – DN)	11

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 45th amended Business registration certificate No. 0301444753 dated 31 May 2018.

Board of Directors

Mr. Bui Thanh Nhon	Chairman
Mr. Bui Xuan Huy	Member
Ms. Hoang Thu Chau	Member
Ms. Nguyen Thanh Bich Thuy	Independent Member
Mr. David Frederick Proctor	Independent Member (from 26 April 2018)
Mr. Phan Thanh Huy	Member (to 30 January 2018)

Audit Committee

Ms. Nguyen Thanh Bich Thuy	Chief Internal Auditor
Ms. Nguyen Thi Minh Thanh	Member
Ms. Vo Thi Thu Van	Member
Mr. David Frederick Proctor	Member

Board of Management

Mr. Bui Xuan Huy	General Director
Ms. Hoang Thu Chau	Deputy General Director

Legal representative

Mr. Bui Thanh Nhon	Chairman
Mr. Bui Xuan Huy	General Director
Ms. Luong Thi Thu Huong	Director

Registered office

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

Operating office

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

Auditor

PwC (Vietnam) Limited

NO VA LAND INVESTMENT GROUP CORPORATION

STATEMENT OF THE RESPONSIBILITY OF THE BOARD OF MANAGEMENT OF THE COMPANY IN RESPECT OF THE SEPARATE INTERIM FINANCIAL STATEMENTS

The Board of Management of No Va Land Investment Group Corporation ("the Company") is responsible for preparing the separate interim financial statements which give a true and fair view of the financial position of the Company as at 30 June 2018 and the results of its operations and cash flows for the six-month period then ended. In preparing these separate Interim financial statements, the Board of Management is required to:

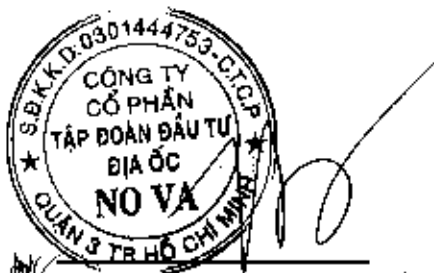
- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent; and
- prepare the separate interim financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Board of Management 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 interim financial statements to be prepared which comply with the basis of accounting set out in Note 2 to the separate interim financial statements. The Board of Management 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 INTERIM FINANCIAL STATEMENTS

I hereby approve the accompanying separate interim financial statements as set out on pages 5 to 63 which give a true and fair view of the financial position of the Company as at 30 June 2018 and of the results of its operations and cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of interim financial statements.

Users of these separate interim financial statements of the Company should read them together with the consolidated interim financial statements of the Company and its subsidiaries ("the Group") for the six-month period ended 30 June 2018 in order to obtain full information of the financial position and results of operations and cash flows of the Group.



Bui Xuan Huy
General Director

Ho Chi Minh City, SR Vietnam
14 August 2018



REPORT ON THE REVIEW OF SEPARATE INTERIM FINANCIAL INFORMATION TO THE SHAREHOLDERS OF NO VA LAND INVESTMENT GROUP CORPORATION

We have reviewed the accompanying separate interim financial statements of No Va Land Investment Group Corporation ("the Company") which were prepared on 30 June 2018 and approved by the Board of Management on 14 August 2018. The separate interim financial statements comprise the separate balance sheet as at 30 June 2018, the separate income statement and separate cash flow statement for the six-month period then ended and explanatory notes to the separate interim financial statements including significant accounting policies, as set out on pages 5 to 63.

The Board of Management's Responsibility

The Board of Management is responsible for the preparation and the true and fair presentation of these separate interim financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on the preparation and presentation of financial statements and for such internal control which the Board of Management determines necessary to enable the preparation and fair presentation of the separate interim financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on these separate interim financial information based on our review. We conducted our review in accordance with Vietnamese Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity".

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



Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying separate interim financial information does not present fairly, in all material respects, the financial position as at 30 June 2018, its financial performance and cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on the preparation and presentation of the interim financial statements.

Other Matters

The report on the review of interim financial information is prepared in Vietnamese and English. Should there be any conflict between the Vietnamese and English copies, the Vietnamese copy shall take precedence.

For and on behalf of PwC (Vietnam) Limited



Phuochanh Chau
Audit Practising Licence No.
0875-2018-006-1
Authorised signatory

Report reference number: HCM7417
Ho Chi Minh City, 14 August 2018

As indicated in Note 2.1 to the separate interim financial statements, the accompanying separate interim financial statements are not intended to present the financial position, results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than SR Vietnam, and furthermore their utilisation is not designed for those who are not informed about SR Vietnam's accounting principles, procedures and practices.

SEPARATE INTERIM BALANCE SHEET

Code	ASSETS	Note	As at	
			30.6.2018 VND	31.12.2017 VND
100	CURRENT ASSETS		9,018,824,751,475	7,336,717,166,620
110	Cash and cash equivalents	3	4,300,564,308,322	1,455,689,692,352
111	Cash		1,399,772,099,975	290,577,542,976
112	Cash equivalents		2,900,792,208,347	1,165,112,149,376
120	Short-term investments		-	430,671,476,752
123	Investments held to maturity		-	430,671,476,752
130	Short-term receivables		1,905,122,972,186	2,341,407,152,135
131	Short-term trade accounts receivable	5	117,625,995,827	109,056,528,946
132	Short-term prepayments to suppliers	6	391,367,658,158	385,683,515,155
135	Short-term lending	7	136,960,000,000	232,671,600,222
136	Other short-term receivables	8(a)	1,259,169,318,201	1,613,995,507,812
140	Inventories	10	2,551,474,252,140	2,835,253,744,542
141	Inventories		2,551,474,252,140	2,835,253,744,542
150	Other current assets		261,663,218,827	273,695,100,839
151	Short-term prepaid expenses	11(a)	39,827,593,423	33,811,409,608
152	Value Added Tax to be reclaimed	18(a)	158,453,954,591	176,502,020,418
153	Other taxes receivable	18(a)	63,381,670,813	63,381,670,813

The notes on pages 11 to 63 are an integral part of these separate interim financial statements.

SEPARATE INTERIM BALANCE SHEET (continued)

Code	ASSETS (continued)	Note	As at	
			30.6.2018 VND	31.12.2017 VND
200	LONG-TERM ASSETS		25,627,094,607,843	19,658,383,070,708
210	Long-term receivables		20,072,561,839	193,670,726,330
216	Other long-term receivables	8(b)	20,072,561,839	193,670,726,330
220	Fixed assets		128,892,664,822	134,598,843,385
221	Tangible fixed assets	12(a)	83,300,571,220	89,870,796,906
222	Historical cost		125,198,952,530	124,401,270,278
223	Accumulated depreciation		(41,898,381,310)	(34,530,473,372)
227	Intangible fixed assets	12(b)	45,592,093,602	44,729,046,479
228	Historical cost		53,137,561,920	50,149,950,044
229	Accumulated amortisation		(7,545,468,318)	(5,420,903,565)
230	Investment properties	13	1,754,805,781,360	1,314,479,799,383
231	Historical cost		1,777,419,891,234	1,331,862,308,547
232	Accumulated depreciation		(22,614,109,874)	(17,382,509,164)
240	Long-term assets in progress		267,466,047,459	292,558,067,073
241	Long-term work in progress	14	181,962,136,884	224,136,375,352
242	Construction in progress	15	85,503,910,575	68,421,691,721
250	Long-term investments		23,387,460,097,977	17,648,684,947,467
251	Investments in subsidiaries	4	23,307,268,037,977	16,617,792,887,467
252	Investments in associates, joint ventures	4	80,192,060,000	1,030,892,060,000
260	Other long-term assets		68,397,454,386	74,389,687,070
261	Long-term prepaid expenses	11(b)	67,421,580,814	73,413,813,498
262	Deferred income tax assets	23	975,873,572	975,873,572
270	TOTAL ASSETS		34,645,919,359,318	26,995,100,237,328

The notes on pages 11 to 63 are an integral part of these separate interim financial statements.

SEPARATE INTERIM BALANCE SHEET (continued)

Code	RESOURCES	Note	As at	
			30.6.2018 VND	31.12.2017 VND
300	LIABILITIES		19,808,949,334,677	15,815,002,083,930
310	Short-term liabilities		9,155,437,501,322	6,462,181,340,468
311	Short-term trade accounts payable	16	87,908,934,325	109,079,438,699
312	Short-term advances from customers	17	456,974,508,990	541,931,205,610
313	Tax and other payables to the State budget	18(b)	10,170,052,031	15,397,184,292
314	Payable to employees		84,501,173,861	114,616,082,625
315	Short-term accrued expenses	19	899,659,958,505	570,338,370,866
318	Short-term unearned revenue	20	1,428,157,109	1,505,790,703
319	Other short-term payables	21(a)	115,620,969,848	822,614,019,388
320	Short-term borrowings and finance lease liabilities	22(a)	7,493,624,881,358	4,301,150,382,990
322	Bonus and welfare funds		5,548,865,295	5,548,865,295
330	Long-term liabilities		10,653,511,833,355	9,332,820,743,462
336	Long-term unearned revenue	20	65,064,157,058	65,749,720,031
337	Other long-term payables	21(b)	1,163,104,190	244,556,717,870
338	Long-term borrowings and finance lease liabilities	22(b)	10,587,284,572,107	9,022,514,305,561
400	OWNERS' EQUITY		14,836,970,024,641	11,180,098,153,398
410	Capital and reserves		14,836,970,024,641	11,180,098,153,398
411	Owners' capital	24, 25	9,142,859,280,000	6,496,587,880,000
411a	- Ordinary shares with voting rights		9,074,559,280,000	6,428,287,880,000
411b	- Preference shares		68,300,000,000	68,300,000,000
412	Share premium	25	3,982,595,553,350	3,206,830,905,400
421	Undistributed earnings	25	1,711,515,191,291	1,476,679,367,998
421a	- Undistributed post-tax profits of previous years		1,476,679,367,998	1,054,789,149,570
421b	- Post-tax profit of current period/year		234,835,823,293	421,890,218,428
440	TOTAL RESOURCES		34,645,919,359,318	26,995,100,237,328


Do Phuong Thuy
Preparer

Tran Thi Thanh Van
Chief AccountantBui Xuan Huy
General Director
14 August 2018

NO VA LAND INVESTMENT GROUP CORPORATION

Form B 02a – DN

SEPARATE INTERIM INCOME STATEMENT

Code	Note	For the six-month period ended	
		30.6.2018 VND	30.6.2017 VND
01	Sales	684,003,789,988	1,744,388,783,069
02	Less deductions	-	(4,145,039,981)
10	Net sales	684,003,789,988	1,740,243,743,088
11	Cost of sales	(601,292,981,737)	(1,641,451,803,715)
20	Gross profit	82,710,808,251	98,791,939,373
21	Financial income	1,273,772,927,395	604,378,825,471
22	Financial expenses	(990,519,105,369)	(479,239,740,105)
23	- including: interest expenses	(624,749,851,630)	(441,595,123,597)
25	Selling expenses	(44,787,351,097)	(38,757,595,306)
26	General and administration expenses	(80,599,632,454)	(42,002,556,280)
30	Net operating profit	240,577,646,726	143,170,873,153
31	Other income	1,025,394,966	4,401,812,643
32	Other expenses	(6,767,218,399)	(9,160,328,637)
40	Net other expenses	(5,741,823,433)	(4,758,515,994)
50	Net accounting profit before tax	234,835,823,293	138,412,357,159
51	Business income tax - current	-	-
52	Business income tax - deferred	-	-
60	Net profit after tax	234,835,823,293	138,412,357,159


Do Phuong Thuy
Preparer


Tran Thi Thanh Van
Chief Accountant




Bui Xuan Huy
General Director
14 August 2018

The notes on pages 11 to 63 are an integral part of these separate interim financial statements.

SEPARATE INTERIM CASH FLOW STATEMENT
(Indirect method)

		For the six-month period ended	
Code	Note	30.6.2018 VND	30.6.2017 VND
CASH FLOWS FROM OPERATING ACTIVITIES			
01	Net profit before tax	234,835,823,293	138,412,357,159
	Adjustments for:		
02	Depreciation and amortisation	15,876,433,162	11,883,851,730
04	Unrealised foreign exchange losses/(gains)	83,449,812,195	(275,974,785)
05	Profits from investing activities	(1,238,256,570,138)	(488,332,922,695)
06	Interest expense	846,335,062,130	462,624,041,244
08	Operating (loss)/profit before changes in working capital	(67,769,439,358)	124,311,152,653
09	Decrease in receivables	871,813,212,167	1,677,078,324,057
10	Increase in inventories	(128,003,851,817)	(30,590,679,441)
11	Decrease in payables	(376,643,468,539)	(1,753,108,905,495)
12	(Increase)/decrease in prepaid expenses	(23,951,131)	57,744,992,134
14	Interest paid	(591,645,564,796)	(317,600,454,406)
15	Business income tax paid	-	(1,167,942,963)
20	Net cash outflows from operating activities	(282,463,063,474)	(243,333,513,461)
CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchases of fixed assets and other long-term assets	(19,406,173,664)	(13,491,760,116)
22	Proceeds from disposals of fixed assets and long-term assets	284,545,455	-
23	Loans granted, purchases of debt instruments of other entities	-	(548,797,452,640)
24	Collection of loans, proceeds from sales of debt instruments of other entities	526,383,076,974	543,235,911,778
25	Investments in other entities	(6,434,525,150,510)	(3,552,464,790,000)
26	Proceeds from divestment in other entities	-	19,998,000,000
27	Dividends and interest received	898,399,857,786	227,801,987,281
30	Net cash outflows from investing activities	(5,028,883,843,979)	(3,323,718,123,697)

The notes on pages 11 to 63 are an integral part of these separate interim financial statements.

SEPARATE INTERIM CASH FLOW STATEMENT
(Indirect method)
(continued)

		For the six-month period ended	
Code	Note	30.6.2018 VND	30.6.2017 VND
CASH FLOWS FROM FINANCING ACTIVITIES			
31	Proceeds from issue of shares and capital contribution	3,502,042,120,000	-
33	Proceeds from borrowings	7,810,981,782,034	8,117,250,969,840
34	Repayments of borrowings	(3,157,242,207,820)	(5,546,553,705,130)
40	Net cash inflows from financing activities	8,155,781,674,414	2,570,697,264,710
50	Net increase/(decrease) in cash and cash equivalents	2,844,434,766,961	(996,354,372,448)
60	Cash and cash equivalents at beginning of period	1,455,689,692,352	2,153,027,696,086
61	Effect of foreign exchange differences	439,849,009	870,963
70	Cash and cash equivalents at end of period	4,300,564,308,322	1,158,674,194,601

Major non-cash transactions in the six-month period ended 30 June 2018 were presented in Note 36 (a).


 Do Phuong Thuy
 Preparer


 Tran Thi Thanh Van
 Chief Accountant



 Bui Xuan Huy
 General Director
 14 August 2018

**NOTES TO THE SEPARATE INTERIM FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2018**

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 45th amended with Business registration certificate No. 0301444753 dated 31 May 2018. The Company is formerly known as Thanh Nhon Trading Limited, which was established and operated under the Business registration certificate as above.

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/QĐ-SGDHCM issued by General Director of HOSE on 19 December 2016.

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

As at 30 June 2018, the Company had 1,356 employees (As at 31 December 2017: 1,575 employees).

As at 30 June 2018, the Company had 32 direct subsidiaries and 3 direct associates as presented in Note 4(b) of the financial statements – Long term financial investments. In addition, the Company had 13 indirect subsidiaries and 1 indirect associate as listed below:

Indirect subsidiaries

No.	Name	Principal activity	Percentage of ownership %	Charter capital VND
1	The 21st Century International Development Limited Company	Real estate trading	98.97	2,534,458,265,952
2	Nova Riverside Real Estate Company Limited	Real estate trading	99.98	1,115,144,468,745
3	Gia Phu Real Estate Company Limited	Real estate trading	99.99	1,065,000,000,000
4	Nova Richstar Joint Stock Company	Real estate trading	99.99	724,000,000,000
5	Phuc Binh Real Estate Company Limited	Real estate trading	97.95	974,600,000,000
6	Sai Gon Golf Company Limited	Real estate trading	100.00	588,560,000,000
7	Nhat Hoa Real Estate Joint Stock Company	Real estate trading	99.98	510,000,000,000
8	Nha Rong Investment and Trade Joint Stock Company	Real estate trading	99.97	327,426,000,000
9	Phu Tri Commercial Investment Real Estate Joint Stock Company	Real estate trading	99.98	300,000,000,000
10	Mega Tie Company Limited	Real estate trading	99.99	191,400,000,000
11	Vuong Gia Investment Real Estate Joint Stock Company	Real estate trading	99.83	240,087,000,000
12	Phuong Dong Building Joint Stock Company	Real estate trading	99.90	182,000,000,000
13	Merufa-Nova Company Limited	Real estate trading	99.90	125,000,000,000

1 GENERAL INFORMATION (continued)**Indirect associate**

No.	Name	Principal activity	Percentage of ownership %	Charter capital VND
1	Thai Binh Real Estate Trading Joint Stock Company	Real estate trading	23.84	550,000,000,000

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

The separate interim 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 interim financial statements have been prepared under the historical cost convention.

The accompanying separate interim 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.

Separately, the Company has also prepared consolidated interim 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 interim 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 interim financial statements should read them together with the consolidated interim financial statements of the Group as at and for the six-month period ended 30 June 2018 in order to obtain full information of the financial position, 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. The interim financial statements are prepared for the six-month period ended 30 June.

2.3 Currency

The separate interim 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 separate 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 separate income statement.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**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 Management of all outstanding amounts at the period end. Bad debts are written off when identified.

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, 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 Board of Management 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) Lendings

Lendings are contractual liabilities between the parties. Lendings are carried at cost less an estimate made for doubtful lendings based on a review by the Board of Management of all outstanding amounts at the period end.

(c) Investments 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.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.7 Investments (continued)

(d) 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.

(e) 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.

2.8 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

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:

Building and structures	5 – 25 years
Machinery	3 – 7 years
Motor vehicles	4 – 8 years
Office equipment	3 – 8 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 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.9 Leased 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

Cost of an investment property means the amount of cash or cash equivalents paid or the fair value of other consideration given to acquire the investment property at the time of its acquisition or completion of construction.

Depreciation

Investment properties for leasing are depreciated on the straight-line method to write off the cost of the assets over their estimated useful lives. The estimated useful lives of the investment properties are as follows:

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.

Disposals

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 separate income statement.

2.11 Prepaid expenses

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.

2.12 Payables

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 separate balance sheet date to the maturity date.

2.13 Borrowing costs

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 separate income statement when incurred.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.14 Borrowings**

Borrowings with payment period of more than 12 months from the date of the financial statements are presented as long-term loans. Borrowings fall due for settlement within the next 12 months from the date of the financial statements are presented as short-term loans. Borrowing expenses directly relate to the borrowings (other than payable interest), such as expenses for verification, audit, application, etc. 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 separate 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 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) Rendering of services

Revenue from rendering 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 separate 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, etc.); social insurance, medical insurance, labour union fees, unemployment insurance of administrative staff, expenses of office materials, tools and supplies, outside services (electricity, water, telephones, fax, assets insurance, fire and explosive accidents insurance, etc.) and other 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 separate 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

	30.6.2018	31.12.2017
	VND	VND
Cash on hand	108,986,342	259,981,745
Cash at bank	1,399,663,113,633	290,317,561,231
Cash equivalents (*)	2,900,792,208,347	1,165,112,149,376
	<u>4,300,564,308,322</u>	<u>1,455,689,692,352</u>

(*) Cash equivalents are term deposits at banks with original maturity of 3 months or less and earn an interest rate from 4.1% to 5.5% per annum (as at 31 December 2017: from 4.2% to 5.5% per annum)

As at 30 June 2018, cash and cash equivalents of VND372,754 million (as at 31 December 2017: VND372,692 million) were pledged as collateral assets for the bank loans and VND41,175 million (as at 31 December 2017: VND551,331 million) were managed by banks in relation to borrowings for the project development.

NO VA LAND INVESTMENT GROUP CORPORATION

Form B 09a – DN

4 INVESTMENTS

(a) Investment in subsidiaries

No.	Name	Principal activity	30.6.2018				31.12.2017			
			Ownership and voting rights %	Cost VND	Fair value VND	Provision VND	Ownership and voting rights %	Cost VND	Fair value VND	Provision VND
1	Khai Hung Real Estate Company Limited	Real estate trading	96.87	4,898,725,000,000	(*)	-	95.97	3,773,925,000,000	(*)	-
2	No Va My Binh Real Estate Joint Stock Company	Real estate trading	99.98	3,274,269,000,000	(*)	-	99.98	19,996,000,000	(*)	-
3	Thanh Nhon Investment Company Limited	Real estate trading	99.99	1,319,868,000,000	(*)	-	98.48	1,300,000,000,000	(*)	-
4	Gia Duc Real Estate Company Limited	Real estate trading	99.99	1,243,200,000,000	(*)	-	99.99	1,938,950,000,000	(*)	-
5	No Va Land Investment Joint Stock Company	Real estate trading	91.76	1,188,300,000,000	(*)	-	91.76	1,188,300,000,000	(*)	-
6	Thanh Nhon Real Estate Joint Stock Company	Real estate trading	58.96	1,143,688,700,000	(*)	-	51.00	383,688,700,000	(*)	-
7	No Va Thao Dien Company Limited	Real estate trading	99.98	1,102,996,000,000	(*)	-	99.98	1,102,996,000,000	(*)	-
8	Nova Nippon Joint Stock Company	Real estate trading	99.98	1,078,775,700,000	(*)	-	99.98	19,996,000,000	(*)	-
9	Sun City Investment and Development Real Estate Company Limited (*)	Real estate trading	49.00	955,500,000,000	(*)	-	-	-	(*)	-
10	Phu Dinh Port Joint Stock Company	Transportation support, real estate trading	59.73	941,511,225,000	(*)	-	59.73	941,511,225,000	(*)	-
11	Nova Rivergate Company Limited	Real estate trading	99.77	936,201,410,000	(*)	-	99.77	936,201,410,000	(*)	-
12	Ngoc Linh Hoa Investment Joint Stock Company	Real estate trading	99.83	579,000,000,000	(*)	-	99.83	579,000,000,000	(*)	-
13	Nova Saseo Company Limited	Real estate trading	99.99	528,310,550,000	(*)	-	99.99	528,310,550,000	(*)	-
14	Phuoc Long Investment and Development Company Limited	Real estate trading	99.99	469,967,000,000	(*)	-	99.99	469,967,000,000	(*)	-
15	Nova Princess Residence Joint Stock Company	Real estate trading	99.80	366,707,530,000	(*)	-	99.90	366,707,530,000	(*)	-
16	Nova Nam A Company Limited	Real estate trading	92.71	349,918,018,977	(*)	-	83.16	293,913,568,467	(*)	-
17	The Prince Residence Joint Stock Company	Real estate trading	99.81	338,947,200,000	(*)	-	99.81	338,947,200,000	(*)	-
18	Nova Saigon Royal Real Estate Investment Company Limited	Real estate trading	99.99	327,393,300,000	(*)	-	99.99	327,393,300,000	(*)	-

NO VA LAND INVESTMENT GROUP CORPORATION

Form B 09a – DN

4 INVESTMENTS (continued)

(a) Investment in subsidiaries (continued)

No.	Name	Principal activity	As at 30.6.2018				As at 31.12.2017			
			Ownership and voting rights %	Fair value VND	Cost VND	Provision VND	Ownership and voting rights %	Fair value VND	Cost VND	Provision VND
19	Tuong Minh Real Estate Investment Company Limited	Real estate trading	99.99	(*)	325,665,804,000	-	99.99	(*)	325,665,804,000	-
20	Bach Hop Real Estate Company Limited	Real estate trading	99.99	(*)	317,978,700,000	-	99.99	(*)	212,978,700,000	-
21	Nova Sagel Company Limited	Real estate trading	73.99	(*)	267,910,000,000	-	73.99	(*)	267,910,000,000	-
22	Nova An Phu Company Limited	Real estate trading	92.27	(*)	234,500,000,000	-	92.27	(*)	234,500,000,000	-
23	Mega Housing Joint Stock Company	Real estate trading	98.60	(*)	211,998,000,000	-	98.60	(*)	211,998,000,000	-
24	Nova Lucky Palace Company Limited	Real estate trading	99.99	(*)	199,990,000,000	-	99.99	(*)	199,990,000,000	-
25	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	-
26	Nova Festival Corporation	Real estate trading	94.02	(*)	173,000,000,000	-	94.02	(*)	173,000,000,000	-
27	Nova Property Management Joint Stock Company	Real estate trading	99.99	(*)	138,986,100,000	-	99.99	(*)	138,986,100,000	-
28	No Va Land Company Limited	Real estate trading	100.00	(*)	81,600,000,000	-	100.00	(*)	81,600,000,000	-
29	Asean Urban Development Joint Stock Company (*)	Real estate trading	51.00	(*)	51,000,000,000	-	-	(*)	-	-
30	Vung Tau Youth Tourist Hotel Joint Stock Company	Real estate trading	65.00	(*)	45,500,000,000	-	65.00	(*)	45,500,000,000	-
31	Novaland Agent One Member Company Limited	Real estate trading	100.00	(*)	20,000,000,000	-	100.00	(*)	20,000,000,000	-
32	Saigon Housing and Infrastructure Development Joint Stock Company	Real estate trading	98.00	(*)	5,880,000,000	-	98.00	(*)	5,880,000,000	-
				<u>23,307,268,037,977</u>				<u>16,617,792,887,467</u>		

(*) As at 30 June 2018 and 31 December 2017, the Company's Board of Management was unable to disclose the fair value of these investments as they were not listed in the stock market. There were no fair value information available of these investments.

NO VA LAND INVESTMENT GROUP CORPORATION

Form B 09a – DN

4 INVESTMENTS (continued)

(a) Investment in subsidiaries (continued)

(***) On 8 May 2018, Nova Nippon Joint Stock Company, a subsidiary of the Company completed the acquisition of 99.81% of voting shares of Vuong Gia Real Estate Investment Joint Stock Company ("Vuong Gia"). Through this acquisition, Vuong Gia also controlled Phuc Binh Real Estate Company Limited ("Phuc Binh") and Sun City Investment and Development Real Estate Company Limited ("Sun City") because Vuong Gia held 97.77% interest in Phuc Binh and Phuc Binh held 49.97% interest in Sun City. Previously the Company had owned 49.00% interest in Sun City.

(**) On 6 February 2018, the Company completely purchased VND51 million shares, equivalent to 51.00% of the ownership in Asean Urban Development Joint Stock Company.

(b) Investments in associates

{b} Investors in associates			30.6.2018			31.12.2017				
No.	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	Sun City Investment and Development Real Estate Company Limited	Real estate trading	-	-	(*)	-	49.00	955,500,000,000	(*)	-
2	Ben Thanh Housing Service and Development Joint Stock Company	Real estate trading	25.00	60,600,000,000	(*)	-	25.00	60,600,000,000	(*)	-
3	Saigon Electronics and Industrial Service Joint Stock Company	Trading electronic equipment, telecommunications	33.31	14,792,060,000	(*)	-	33.31	14,792,060,000	(*)	-
4	234 Thanh My Loi Joint Stock Company ^(**)	Real estate trading	49.90	4,800,000,000	(*)	-	-	-	(*)	-
				80,192,060,000				1,030,892,060,000		

(*) As at 30 June 2018 and 31 December 2017, the Company's Board of Management was unable to disclose the fair value of these investments as they were not listed in the stock market. There were no fair value information available of these investments.

(**) On 20 April 2018, the Company contributed capital to establish 234 Thanh My Loi Joint Stock Company with 49.9% of the ownership.

5 SHORT-TERM TRADE ACCOUNTS RECEIVABLE

	30.6.2018 VND	31.12.2017 VND
Third parties	77,601,865,183	69,032,398,302
Related parties (Note 38(b))	40,024,130,644	40,024,130,644
	<u>117,625,995,827</u>	<u>109,056,528,946</u>

As at 30 June 2018 and 31 December 2017, 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

	30.6.2018 VND	31.12.2017 VND
Third parties		
<i>Saigon General Service Joint Stock Company</i>	320,228,950,462	320,189,629,546
<i>Others</i>	71,138,707,696	65,493,885,609
	<u>391,367,658,158</u>	<u>385,683,515,155</u>

7 SHORT-TERM LENDING

	As at 1.1.2018 VND	Increase VND	Decrease VND	As at 30.6.2018 VND
Related parties (Note 38(b))	232,671,600,222	-	(95,711,600,222)	136,960,000,000

As at 30 June 2018, these are short-term loans to related parties which are unsecured, earn interest at the rate from 10.9% to 11.2% per annum (as at 31 December 2017: from 9.0% to 10.9% per annum). The maturity date of these loans is in 2018.

As at 30 June 2018 and 31 December 2017, there was no balance of short-term lending which was past due or not past due but impaired.

8 OTHER RECEIVABLES

	30.6.2018		31.12.2017	
	Cost VND	Provision VND	Cost VND	Provision VND
(a) Other short-term receivables				
Dividend receivables	442,221,735,000	-	76,890,000,000	-
Deposits for investment consulting services	317,735,776,709	-	406,589,287,268	-
Project development and investment co-operation (I)	308,200,102,532	-	836,285,567,556	-
Interest receivables from lending	58,513,130,618	-	158,404,717,510	-
Deposits for share acquisitions	49,000,000,000	-	49,000,000,000	-
Deposits	25,362,761,862	-	25,272,708,234	-
Advances	1,086,595,452	-	309,624,769	-
Others	57,069,216,028	-	61,243,602,475	-
	<u>1,259,169,318,201</u>	<u>-</u>	<u>1,613,995,507,812</u>	<u>-</u>

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

	30.6.2018		31.12.2017	
	Cost VND	Provision VND	Cost VND	Provision VND
Third parties (*)	409,212,420,027	-	519,430,710,941	-
Related parties (Note 38(b))	849,956,898,174	-	1,094,564,796,871	-
	<u>1,259,169,318,201</u>	<u>-</u>	<u>1,613,995,507,812</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	30.6.2018 VND	31.12.2017 VND
SSR Real Estate Investment and Development Company Limited	Deposits for investment consulting services	<u>260,733,831,709</u>	<u>349,587,342,268</u>

8 OTHER RECEIVABLES (continued)

	30.6.2018		31.12.2017	
	Cost VND	Provision VND	Cost VND	Provision VND
(b) Other long-term receivables				
Project development and investment co-operation (i)	-	-	176,916,527,546	-
Others	20,072,561,839	-	16,754,198,784	-
	<u>20,072,561,839</u>	<u>-</u>	<u>193,670,726,330</u>	<u>-</u>

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

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

	30.6.2018		31.12.2017	
	Cost VND	Provision VND	Cost VND	Provision VND
Third parties (*)	14,405,022,784	-	15,355,422,784	-
Related parties (Note 36(b))	5,667,539,055	-	178,315,303,546	-
	<u>20,072,561,839</u>	<u>-</u>	<u>193,670,726,330</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	30.6.2018 VND	31.12.2017 VND
Thanh Nien Viet Nam Tourism One member Company Limited	Investment co-operation	11,500,000,000	11,500,000,000
Green House Culture Joint Stock Company	Deposit	2,329,690,000	2,329,690,000
		<u>13,829,690,000</u>	<u>13,829,690,000</u>

As at 30 June 2018 and 31 December 2017, there was no balance of other 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 interim financial statements.

10 INVENTORIES

	30.6.2018 VND	31.12.2017 VND
Properties in construction progress (i)	2,368,139,540,377	2,595,244,119,683
Property merchandises	153,167,618,300	182,564,853,964
Properties in construction completion (ii)	26,063,623,423	52,201,030,543
Other merchandises	4,103,470,040	5,243,740,352
	<u>2,551,474,252,140</u>	<u>2,835,253,744,542</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 30 June 2018, the projects were in construction progress and will complete to hand over in 2018 and following years.

(ii) As at 30 June 2018, the balance of completed properties mainly represents the value of Tropic Garden 1 project which is located at No. 49, Street No. 66, Thao Dien Ward, District 2, Ho Chi Minh City.

Total amount of interest expenses capitalised into value of properties during the period was nil (2017: VND22,093 billion).

11 PREPAID EXPENSES**(a) Short-term prepaid expenses**

	30.6.2018 VND	31.12.2017 VND
Deferred expenses which were allocated based on revenue from sale of real estate	11,132,271,760	11,055,396,704
Tools and supplies	6,363,800,662	2,890,978,297
Others	22,331,521,001	19,865,034,607
	<u>39,827,593,423</u>	<u>33,811,409,608</u>

NO VA LAND INVESTMENT GROUP CORPORATION
Form B 09a – DN
11 PREPAID EXPENSES (continued)
(b) Long-term prepaid expenses

	30.6.2018	31.12.2017
	VND	VND
Interest expenses from issuing bonds	-	10,189,090,507
Deferred expenses which were allocated based on revenue from sale of real estate	7,779,920,906	6,006,651,430
Tools and supplies	3,208,472,994	6,695,901,714
Others	56,433,186,914	50,522,169,847
	<u>67,421,580,814</u>	<u>73,413,813,498</u>

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

	For the six-month period ended 30.6.2018	For the year ended 31.12.2017
	VND	VND
Beginning of period/year	73,413,813,498	158,664,158,238
Transfers from construction in progress (Note 15)	-	27,130,420,628
Increase during period/year	23,005,700,533	19,062,578,804
Allocation during period/year	(28,997,933,217)	(131,443,344,172)
End of period/year	<u>67,421,580,814</u>	<u>73,413,813,498</u>

NO VA LAND INVESTMENT GROUP CORPORATION

Form B 09a – DN

12 FIXED ASSETS

(a) Tangible fixed assets

	Buildings and structures VND	Machinery VND	Motor vehicles VND	Office equipment VND	Others VND	Total VND
Historical cost						
As at 1 January 2018	41,875,974,538	5,435,726,639	50,738,607,836	26,251,961,265	99,000,000	124,401,270,278
New purchases	-	-	-	1,243,524,752	-	1,243,524,752
Disposals	-	-	(445,842,500)	-	-	(445,842,500)
As at 30 June 2018	41,875,974,538	5,435,726,639	50,292,765,336	27,495,486,017	99,000,000	125,198,952,530
Accumulated depreciation						
As at 1 January 2018	(7,245,730,427)	(3,237,379,486)	(16,338,501,637)	(7,609,861,822)	(99,000,000)	(34,530,473,372)
Charge for the period	(729,047,946)	(643,857,229)	(4,004,706,462)	(2,436,138,801)	-	(7,813,750,438)
Disposals	-	-	445,842,500	-	-	445,842,500
As at 30 June 2018	(7,974,778,373)	(3,881,236,715)	(19,897,365,599)	(10,046,000,623)	(99,000,000)	(41,898,381,310)
Net book value						
As at 1 January 2018	34,630,244,111	2,198,347,153	34,400,106,199	18,642,099,443	-	89,870,796,906
As at 30 June 2018	33,901,196,165	1,554,489,924	30,395,399,737	17,449,485,394	-	83,300,571,220

12 FIXED ASSETS (continued)**(a) Tangible fixed assets (continued)**

Historical cost of fully depreciated tangible fixed assets but still in use as at 30 June 2018 was VND10,862 million (as at 31 December 2017: VND10,075 million).

As at 30 June 2018 and 31 December 2017, there were no tangible fixed assets pledged as collateral assets for the loans.

(b) Intangible fixed assets

	Land use rights VND	Software and trademark VND	Total VND
Historical cost			
As at 1 January 2018	34,880,498,260	15,269,451,784	50,149,950,044
Transfers from construction in progress	-	2,987,611,876	2,987,611,876
As at 30 June 2018	34,880,498,260	18,257,063,660	53,137,561,920
Accumulated amortisation			
As at 1 January 2018	-	(5,420,903,565)	(5,420,903,565)
Charge for the period	-	(2,124,564,753)	(2,124,564,753)
As at 30 June 2018	-	(7,545,468,318)	(7,545,468,318)
Net book value			
As at 1 January 2018	34,880,498,260	9,848,548,219	44,729,046,479
As at 30 June 2018	34,880,498,260	10,711,595,342	45,592,093,602

Historical cost of fully depreciated intangible fixed assets but still in use as at 30 June 2018 was VND2,754 million (as at 31 December 2017: Nil).

As at 30 June 2018 and 31 December 2017, there were no intangible fixed assets pledged as collateral assets for loans.

13 INVESTMENT PROPERTIES FOR LEASING

	Buildings and structure VND	Land use rights VND	Total VND
Historical cost			
As at 1 January 2018	318,118,879,445	1,013,743,429,102	1,331,862,308,547
Transfers from inventory (*)	453,957,582,687	-	453,957,582,687
Disposals	(706,517,261)	(7,693,482,739)	(8,400,000,000)
As at 30 June 2018	<u>771,369,944,871</u>	<u>1,006,049,946,363</u>	<u>1,777,419,891,234</u>
Accumulated depreciation			
As at 1 January 2018	(17,382,509,164)	-	(17,382,509,164)
Additions	(5,938,117,971)	-	(5,938,117,971)
Disposals	706,517,261	-	706,517,261
As at 30 June 2018	<u>(22,614,109,874)</u>	<u>-</u>	<u>(22,614,109,874)</u>
Net book value			
As at 1 January 2018	<u>300,736,370,281</u>	<u>1,013,743,429,102</u>	<u>1,314,479,799,383</u>
As at 30 June 2018	<u><u>748,755,834,997</u></u>	<u><u>1,006,049,946,363</u></u>	<u><u>1,754,805,781,360</u></u>

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

As at 30 June 2018, there were an investment property in District 1 pledged as collateral assets for the loan at Kien Long Commercial Joint Stock Bank - Sai Gon Branch (as at 31 December 2017: Nil).

14 LONG-TERM WORK IN PROGRESS

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

15 CONSTRUCTION IN PROGRESS

	30.6.2018 VND	31.12.2017 VND
Office renovation	22,890,327,418	20,731,302,400
Showhouse	17,524,910,657	17,524,910,657
Software	43,445,267,180	28,522,073,344
Others	1,643,405,320	1,643,405,320
	<u><u>85,503,910,575</u></u>	<u><u>68,421,691,721</u></u>

15 CONSTRUCTION IN PROGRESS (continued)

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

	For the six-month period ended 30.6.2018 VND	For the year Ended 31.12.2017 VND
Beginning of period/year	68,421,691,721	46,403,746,338
Purchases	18,162,648,912	74,097,998,889
Transfers to long-term prepaid expenses (Note 11(b))	-	(27,130,420,628)
Transfers to tangible fixed assets		(2,456,940,802)
Transfers to intangible fixed assets (Note 12(b))	(2,987,611,876)	(3,057,100,000)
Transfers to cost of sales	-	(10,413,204,264)
Others	1,907,181,818	(9,022,387,812)
End of period/year	<u>85,503,910,575</u>	<u>68,421,691,721</u>

16 SHORT-TERM TRADE ACCOUNTS PAYABLE

	30.6.2018		31.12.2017	
	Value VND	Able-to-pay amount VND	Value VND	Able-to-pay amount VND
Third parties				
Branch of YKVN				
Laws Company				
Limited in Ho Chi				
Minh City	9,122,860,153	9,122,860,153	-	-
Communication and				
Public Works				
Joint Stock				
Company	6,966,081,017	6,966,081,017	12,796,268,508	12,796,268,508
Other	71,455,108,850	71,455,108,850	96,283,170,191	96,283,170,191
Related parties				
(Note 38(b))	364,884,305	364,884,305	-	-
	<u>87,908,934,325</u>	<u>87,908,934,325</u>	<u>109,079,438,699</u>	<u>109,079,438,699</u>

As at 30 June 2018 and 31 December 2017, 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 30 June 2018 and 31 December 2017, 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

	30.6.2018 VND	31.12.2017 VND
Personal income tax	4,561,431,470	12,088,580,884
Others	5,608,620,561	3,308,603,408
	<u>10,170,052,031</u>	<u>15,397,184,292</u>

NO VA LAND INVESTMENT GROUP CORPORATION

Form B 09a – DN

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

Movements in tax and other (receivables from)/payables to the State Budget during the period/year were as follows:

	As at 1.1.2018 VND	(Receivable)/payable during the period VND	Net-off VND	Payment during the period VND	As at 30.6.2018 VND
a) Tax Receivables					
VAT to be reclaimed	(176,502,020,418)	(34,063,108,883)	52,111,174,710	-	(158,453,954,591)
Overpaid VAT	(1,044,485,377)	-	-	-	(1,044,485,377)
Business income tax temporarily paid 1%	(5,720,681,928)	-	1,250,116,838	-	(4,470,565,090)
Overpaid business income tax	(56,616,503,508)	-	(1,250,116,838)	-	(57,866,620,346)
	<u>(239,883,691,231)</u>	<u>(34,063,108,883)</u>	<u>52,111,174,710</u>	<u>-</u>	<u>(221,835,625,404)</u>
b) Tax Payables					
VAT on domestic sales	-	52,561,203,169	(52,111,174,710)	(450,028,459)	-
Personal income tax	12,088,580,884	47,087,868,286	-	(54,615,017,700)	4,561,431,470
Others	3,308,603,408	62,037,861,285	-	(59,737,844,132)	5,608,620,561
	<u>15,397,184,292</u>	<u>161,686,932,740</u>	<u>(52,111,174,710)</u>	<u>(114,802,890,291)</u>	<u>10,170,052,031</u>

19 SHORT-TERM ACCRUED EXPENSES

	30.6.2018	31.12.2017
	VND	VND
Interest expenses	664,822,339,398	439,993,820,358
Constructions costs	128,067,355,703	54,200,516,870
Others	106,770,263,404	76,144,033,638
	<u>899,659,958,505</u>	<u>570,338,370,866</u>

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

	30.6.2018	31.12.2017
	VND	VND
Third parties		
<i>Gw Supernova Pte Ltd</i>	159,280,585,439	103,299,274,452
<i>Credit Suisse AG, Singapore Branch</i>	182,859,934,779	15,234,230,310
<i>Others</i>	388,842,508,384	341,706,372,336
Related parties (Note 38(b))	168,676,929,903	110,098,483,768
	<u>899,659,958,505</u>	<u>570,338,370,866</u>

20 UNEARNED REVENUE

At as 30 June 2018, the unearned revenue mainly represents the amount of rental fee for Tropic Garden 1 parking lot paid in advance with the lease term of 49 years.

21 OTHER PAYABLES

(a) Other short-term payables

	30.6.2018	31.12.2017
	VND	VND
Maintenance fund payables (i)	87,977,509,182	81,935,205,651
Dividends payable	7,665,000,000	7,665,000,000
Deposits (ii)	5,171,478,355	9,032,478,355
Others	14,806,982,311	723,981,335,382
	<u>115,620,969,848</u>	<u>822,614,019,388</u>

(i) 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.

(ii) These are deposits from customers for the purchase of apartments and commercial areas.

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

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

	30.6.2018 VND	31.12.2017 VND
Third parties	115,620,969,848	126,864,019,388
Related parties (Note 38(b))	-	695,750,000,000
	<u>115,620,969,848</u>	<u>822,614,019,388</u>

(b) Other long-term payables

	30.6.2018 VND	31.12.2017 VND
Project development and investment co-operation	-	244,000,000,000
Others	1,163,104,190	556,717,870
	<u>1,163,104,190</u>	<u>244,556,717,870</u>

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

	30.6.2018 VND	31.12.2017 VND
Third parties	1,163,104,190	556,717,870
Related parties (Note 38(b))	-	244,000,000,000
	<u>1,163,104,190</u>	<u>244,556,717,870</u>

NO VA LAND INVESTMENT GROUP CORPORATION

Form B 09a – DN

22 BORROWINGS

(a) Short-term borrowings

	As at 1.1.2018 VND	Increase VND	Foreign exchange differences VND	Current portion of long-term borrowings VND	Decrease VND	As at 30.6.2018 VND
Bank loans (*)	591,697,707,620	595,623,256,047	2,588,250,000	243,336,250,000	(974,742,207,620)	458,503,256,047
Borrowings from related parties (**) (Note 38(b))	1,809,452,675,370	208,600,000,000	-	-	(291,500,000,000)	1,726,552,675,370
Borrowings from third parties (***)	-	1,083,500,000,000	1,568,750,000	142,118,750,000	(1,021,000,000,000)	206,187,500,000
Bonds (****)	1,900,000,000,000	479,500,000,000	-	3,570,000,000,000	(820,000,000,000)	5,129,500,000,000
Bond issuance costs	-	(6,000,000,000)	-	(22,618,550,059)	1,500,000,000	(27,118,550,059)
	<u>4,301,150,382,990</u>	<u>2,361,223,256,047</u>	<u>4,157,000,000</u>	<u>3,932,836,449,941</u>	<u>(3,105,742,207,620)</u>	<u>7,493,624,881,358</u>

(b) Long-term borrowings

	As at 1.1.2018 VND	Increase VND	Foreign exchange differences VND	Current portion of long-term borrowings VND	Decrease VND	As at 30.6.2018 VND
Bank loans (*)	663,399,500,000	385,000,000,000	4,806,750,000	(243,336,250,000)	(50,000,000,000)	759,870,000,000
Borrowings from third parties (***)	2,841,875,000,000	1,137,250,000,000	42,556,250,000	(142,118,750,000)	-	3,879,562,500,000
Bonds (****)	5,566,000,000,000	4,048,000,000,000	30,400,000,000	(3,570,000,000,000)	-	6,074,400,000,000
Bond issuance costs	(48,760,194,439)	(120,491,494,013)	-	22,618,550,059	20,085,210,500	(126,547,927,893)
	<u>9,022,514,305,561</u>	<u>5,449,758,505,987</u>	<u>77,763,000,000</u>	<u>(3,932,836,449,941)</u>	<u>(29,914,789,500)</u>	<u>10,587,284,572,107</u>

NO VA LAND INVESTMENT GROUP CORPORATION
Form B 09a- DN
22 BORROWINGS (continued)

(*) Details of closing balances of borrowings from bank were as follows:

	30.6.2018 VND	31.12.2017 VND
(a) Short-term borrowings		
Joint Stock Commercial Bank for Foreign Trade of Vietnam – Nam Sai Gon Branch (i)	144,423,256,047	73,542,207,620
Vietnam Joint Stock Commercial Bank For Industry And Trade Filiale Deutschland (ii)	137,940,000,000	34,102,500,000
Maybank International Labuan Branch (ii)	82,764,000,000	20,461,500,000
The Shanghai Commercial & Savings Bank, Ltd. Offshore Banking Branch (ii)	27,588,000,000	6,820,500,000
Chailease International Financial Services Co., Ltd (ii)	18,382,000,000	4,547,000,000
Malayan Banking Berhad – Ho Chi Minh City Branch (ii)	8,896,000,000	2,224,000,000
Kien Long Commercial Joint Stock Bank - Sai Gon Branch (iii)	38,500,000,000	-
Saigon Thuong Tin Commercial Joint Stock Bank – Head Office	-	250,000,000,000
Tien Phong Commercial Joint Stock Bank – Sai Gon Branch	-	200,000,000,000
	<u>458,503,256,047</u>	<u>591,697,707,620</u>
(b) Long-term borrowings		
Kien Long Commercial Joint Stock Bank - Sai Gon Branch (iii)	346,500,000,000	-
Vietnam Joint Stock Commercial Bank For Industry And Trade Filiale Deutschland (ii)	206,910,000,000	306,922,500,000
Maybank International Labuan Branch (ii)	124,146,000,000	184,153,500,000
The Shanghai Commercial & Savings Bank, Ltd. Offshore Banking Branch (ii)	41,382,000,000	61,384,500,000
Chailease International Financial Services Co., Ltd (ii)	27,588,000,000	40,923,000,000
Malayan Banking Berhad – Ho Chi Minh City Branch (ii)	13,344,000,000	20,016,000,000
Tien Phong Commercial Joint Stock Bank – Sai Gon Branch	-	50,000,000,000
	<u>759,870,000,000</u>	<u>663,399,500,000</u>

22 BORROWINGS (continued)

- (i) These are borrowings in Vietnamese Dong under a credit facility of VND250,000,000,000 for a term of twelve (12) months to finance working capital of the Company. Interest rates are being specified in each drawdown. As at 30 June 2018, the Company had the outstanding balance of VND144,423,256,047 which bears an interest rate of 7.5% per annum to 7.6% 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, not exceed 10%.
- (ii) This is syndicated loan between Malayan Banking Berhad (Maybank) - Ho Chi Minh Branch, Maybank International Labuan Branch, Vietinbank Filiale Deutschland, The Shanghai & Savings Bank - Offshore Banking and Chailease International Financial Service. Maybank - Ho Chi Minh Branch is the agent and representative to receive and deal with collaterals. In 2017, Maybank International Labuan Branch transferred a portion of borrowing to The Shanghai Commercial & Savings Bank, Ltd. - Offshore Banking Branch Bank and Chailease International Financial Services co., Ltd, respectively. Borrowing amount is USD30 million, in which with respective parties as Maybank - Ho Chi Minh Branch (USD1 million, equivalent to VND22.24 billion), Maybank Labuan (USD9 million), Vietinbank Filiale Deutschland (USD15 million), The Shanghai & Savings Bank - Offshore Banking (USD3 million) and Chailease International Financial Service (USD2 million) for a term of 30 months. The borrowing in USD is bearing an interest of 3-month LIBOR plus a margin of 5.5% per annum and borrowing in Vietnamese Dong is bearing an interest of basic lending interest of Maybank - Ho Chi Minh Branch plus a margin of 3.04% per annum. These borrowings are secured by parking areas of three (3) Sunrise City projects (South, Central, North) and two (2) commercial blocks of Sunrise City South project.
- (iii) These are borrowings in Vietnamese Dong with a credit limit of VND385,000,000,000 for a term of sixty (60) months since the drawdown date. Interest rate is 9.65% per annum for the first month and 10.5% per annum for the next two (2) months, then adjusted every three (3) months at a rate of the thirteen-month (13) saving deposits in Vietnamese Dong (paid in arrears) plus a margin of 3.69% per annum and not lower than current interest rate quoted at the time of adjustment (for loans with the same type and method). As at 30 June 2018, the Group had the outstanding balance of VND385,000,000,000 which bears an interest rate of 10.5% per annum. These borrowings are secured by a real estate in District 1, Ho Chi Minh City.
- (**) These are borrowings from related parties, maturing in 2018, bear interest at a rate from 5% to 11% per annum (as at 31 December 2017: from 4.3% to 11% per annum) and are unsecured.

22 BORROWINGS (continued)

(***): Details for closing balances of borrowings from third parties were as follows:

	30.6.2018 VND	31.12.2017 VND
(a) Short-term borrowings		
Nova Home Joint Stock Company (i)	62,500,000,000	-
Credit Suisse AG, Singapore Branch (ii)	95,408,500,000	-
Crane Investments Limited In Respect Of Series 211 (ii)	48,279,000,000	-
	<u>206,187,500,000</u>	<u>-</u>
(b) Long-term borrowings		
Credit Suisse AG, Singapore Branch (ii)	1,812,761,500,000	750,255,000,000
Crane Investments Limited In Respect Of Series 211 (ii)	917,301,000,000	954,870,000,000
GW Supernova Pte.Ltd. (iii)	1,149,500,000,000	1,136,750,000,000
	<u>3,879,562,500,000</u>	<u>2,841,875,000,000</u>

(i) These are borrowings in Vietnamese Dong, maturing in five (5) months, bear interest rate of 5.0% per annum and are unsecured.

(ii) These are borrowings according to the borrowing agreement and appendices with the adjusted credit facility of US\$125,000,000, which Credit Suisse AG, Singapore Branch is the facility agent and the guarantee agent. In 2017, Credit Suisse AG, Singapore Branch transferred a portion of borrowing amounting to US\$42,000,000 to Crane Investments Limited In Respect Of Series 211. The loan duration is forty-two (42) months from the first date of drawdown, the principal is repayable every six (6) months from the eighteenth (18th) month since the first date of drawdown to maturity. Interest rate is defined as LIBOR rate plus a margin of 5.5% per annum and repayable every three (3) months. At maturity or early repayment, the Company would pay an additional amount to ensure that lender receives a target IRR of 13%. The borrowing is unsecured. As at 30 June 2018, these borrowings were disbursed fully of US\$125 millions.

(iii) This borrowing is denominated in USD from GW Supernova Pte. Ltd. ("the Lender"), with a credit facility of US\$50,000,000, maturing in thirty-six (36) months since the first drawdown in 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 principal is repaid at the maturity date. The borrowing bears an interest rate of 6% per annum and is repayable every six (6) months. At maturity or early repayment or conversion, the Company would pay an additional amount to ensure that lender receives a target IRR of 15%. 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 date or six (6) months since the conversion date of the borrowing from Credit Suisse AG, Singapore Branch (has already been converted on 28 June 2017), depending on which date comes first. As at 30 June 2018, the Company's Board of Management estimated that the value of the convertible debt component was the same as the principal of the borrowing. Accordingly, there was no equity component recognised.

As at 30 June 2018, this borrowing was fully disbursed. In case the debt conversion option is exercised, the maximum shares to be converted will be 21,408,936 shares of the Company. As at the date of these separate financial statements, the loan has not yet been converted.

22 BORROWINGS (continued)

(****) Details of closing balances of issued bonds were as follows:

	30.6.2018 VND	31.12.2017 VND
(a) Short-term bonds		
Bonds issued at discount		
Techcom Securities Company Limited	-	450,000,000,000
Bonds issued at par value		
Techcom Securities Company Limited (i)	500,000,000,000	500,000,000,000
Military Joint Stock Commercial Bank – North Sai Gon Branch (ii)	1,000,000,000,000	250,000,000,000
Tien Phong Commercial Joint Stock Bank (ii)	500,000,000,000	125,000,000,000
Vietnam Joint Stock Commercial Bank for Industry and Trade – Ho Chi Minh City Branch (iii)	350,000,000,000	275,000,000,000
Techcom Securities Company Limited (iv)	1,000,000,000,000	-
Indovina Bank Limited (iv)	1,050,000,000,000	-
Techcom Securities Limited Company (iv)	250,000,000,000	-
MB Securities Joint Stock Company (v)	400,000,000,000	-
IB Securities Joint Stock Company (xi)	79,500,000,000	-
Bao Viet Joint Stock Commercial Bank	-	300,000,000,000
	<u>5,129,500,000,000</u>	<u>1,900,000,000,000</u>
(b) Long-term bonds		
Bonds Issued at par value		
Military Joint Stock Commercial Bank – North Sai Gon Branch (ii)	-	750,000,000,000
Tien Phong Commercial Joint Stock Bank (ii)	-	375,000,000,000
Vietnam Joint Stock Commercial Bank for Industry and Trade – Ho Chi Minh City Branch (iii)	296,000,000,000	441,000,000,000
Techcom Securities Company Limited (iv)	-	250,000,000,000
The Vietnam Technological and Commercial Joint Stock Bank – Thao Dien Branch (iv)	-	1,000,000,000,000
Indovina Bank Limited (iv)	-	1,050,000,000,000
Techcom Securities Limited Company (vi)	500,000,000,000	500,000,000,000
The Vietnam Technological and Commercial Joint Stock Bank – Thao Dien Branch (vi)	500,000,000,000	500,000,000,000
Military Joint Stock Commercial Bank – North Sai Gon Branch (vii)	500,000,000,000	500,000,000,000
Bao Viet Holdings (viii)	200,000,000,000	200,000,000,000
Military Joint Stock Commercial Bank – North Sai Gon Branch (ix)	400,000,000,000	-
The Bank of New York Mellon - London Branch (x)	3,678,400,000,000	-
	<u>6,074,400,000,000</u>	<u>5,566,000,000,000</u>

22 BORROWINGS (continued)

- (i) Bonds issued at par value in Vietnamese Dong with a par value of VND500,000,000,000 to Techcom Securities Company Limited as the initial bonds buyer, maturing in December 2018, 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. 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) deposits from individuals in Vietnamese Dong (paid in arrears) for the same period declared on 7th working day before the first day of the period 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 owned by shareholders.
- (ii) Bonds issued at par value in Vietnamese Dong to Military Joint Stock Commercial Bank – North Sai Gon Branch (MB) and Tien Phong Commercial Joint Stock Bank (TPB). Package of bonds with a par value of VND1,500,000,000,000 (MB: VND1,000,000,000,000 and TPB: VND500,000,000,000), maturing in 2021 and bearing an interest rate of 10% per annum for the first year. The interest rate applied for remaining period will be defined as a reference rate of plus a margin of 3.5% per annum. The reference rate is calculated by average of the interest rate offered for twelve-month 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 Trade and Military Joint Stock Commercial Bank. These bonds are secured by the collateral assets including assets of Lakeview City project, part of shares owned by the Company in procuring agency. The Company has repurchased total par value of these bonds on 12 July 2018.
- (iii) Bonds issued at par value in Vietnamese Dong to Vietnam Joint Stock Commercial Bank for Industry and Trade - Ho Chi Minh City Branch. Package of bonds 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. The interest rate will be adjusted for every three months at the reference rate plus a margin of 4.0% 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) on the date of interest rate determination. As at 30 June 2018, the Company repurchased total VND90,000,000,000 of par value, the remaining balance of bonds is VND646,000,000,000. These bonds are secured by shares of the Company owned by shareholders, receivables relating to a Company's project, part of shares owned by the Company in subsidiary.

22 BORROWINGS (continued)

(iv) Bonds issued at par value in Vietnamese Dong, 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. The reference rate is calculated by average of the interest rates determined period 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 owned by shareholders. The initial buyer was Indovina Limited Bank.
 - 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 first two (2) interest periods. The interest rate applied for the remaining period will be defined as a reference rate plus a margin of 4.5% per annum. The reference rate is calculated by average of the interest rates determined period 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 owned by shareholders. The initial buyers were Indovina Limited Bank, Vietnam Technology and Commercial Joint Stock Bank and Techcom Securities Company Limited with respective value of VND550,000,000,000, VND1,000,000,000,000 and VND250,000,000,000.
- (v) Bonds issued at par value of VND400,000,000,000 in Vietnamese Dong, maturing in February and May 2019, bearing an interest rate of 10.8% per annum. These bonds are secured by shares of the Company owned by shareholders.
- (vi) Bonds issued at par value in Vietnamese Dong with total par value of VND1,000,000,000,000, maturing in August 2019 and bearing an interest of 10.9% per annum for the first two (2) interest periods. The interest rate applied for the remaining period will be defined as a reference rate plus 4.5% per annum. 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 (7) 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 Company owned by shareholders. The initial bond buyers were Vietnam Technological and Commercial Joint Stock Bank and Techcom Securities Limited Company.
- (vii) Bonds issued at par value in Vietnamese Dong to Military Joint Stock Commercial Bank – North Sai Gon Branch with a par value of VND500,000,000,000, maturing in 2019 and bearing an interest rate of 10% per annum for the first year. The interest rate applied for remaining period will be defined as a reference rate plus a margin of 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 Joint Stock Commercial Bank. These bonds are secured by the collateral assets including development right of Golden Mansion project and shares of the Company owned by shareholders.

22 BORROWINGS (continued)

- (viii) Bonds issued at par value in Vietnamese Dong to Bao Viet Holdings, maturing on 20 January 2020, bearing an interest rate of 10.4% per annum for the first interest period. The interest rate applied for the remaining period will be adjusted 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 rate offered for twelve-month deposits from individuals in Vietnamese Dong (paid in arrears) by Ho Chi Minh City branches of 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 Vietnam Bank for Agriculture and Rural Development. These bonds are secured by shares of the Company owned by shareholders.
- (ix) Bonds issued at par value in Vietnamese Dong to Military Joint Stock Commercial Bank – North Sai Gon Branch ("MB"). The package of bonds with a par value of VND400,000,000,000 have the last maturity in 2021, bearing an interest rate of 10.0% per annum for the first year period, then it 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 Joint Stock Commercial Bank. These bonds are secured by the collateral assets including assets of Lakeview City project, part of shares owned by the Company in procuring agency and shares of the Company owned by shareholders.
- (x) These are 800 convertible bonds issued on 27 April 2018 ("issue date") at par value in USD to international investors which The Bank of New York Mellon - London Branch is trustee, Credit Suisse - Singapore Branch is arranger and issuance agents. The package of convertible bonds amounted of USD160,000,000 with a par value of USD200,000 per bond will mature on 27 April 2023 ("maturity date"), subject to a bond coupon interest of 5.5% per annum which will be repaid every six (6) months and a redemption yield of 6.25% per annum which is calculated on a six (6) month basis. These bonds are unsecured and could be converted into shares of No Va Land Investment Group Corporation (NVL) since the 41st day from the issue date until the 10th day before the maturity date. The initial conversion price is determined at VND74,750 per share, corresponding to the conversion rate of 60,931 shares per convertible bond and may be adjusted following the conditions regulated for this convertible bond package. Because the number of shares converted at the maturity date has not been determined clearly at issue date, the Company recorded this convertible bond as normal bond.
- (xi) Bonds issued at par value of VND200,000,000,000 in Vietnamese Dong, which will be matured in June 2019, bearing an interest rate of 10.6% per annum. These bonds are secured by shares of the Company owned by shareholders.

23 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 were as follows:

	30.6.2018 VND	31.12.2017 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, was as follows:

	For the six-month period ended 30.6.2018 VND	For the year ended 31.12.2017 VND
Beginning of period/year	975,873,572	975,873,572
Income statement charge (Note 34)	-	-
End of period/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% for determining deferred tax assets and deferred tax liabilities in the period (2017: 20%).

Deferred tax assets are recognised based on the probability of earning taxable income in the future to offset any arising temporary differences.

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 in separate interim financial statements. The estimated amount of tax losses available for offset against the Company's future taxable income was as follows:

Year of tax loss	Status of tax authorities' review	Loss incurred VND	Loss utilised VND	Loss carried forward VND
2016	Finalised	181,172,619,981	-	181,172,619,981
2017	Outstanding	874,780,292,894	-	874,780,292,894
Six-month period ended 30 June 2018	Outstanding	928,204,216,827	-	928,204,216,827

The Company did not recognise deferred income tax assets relating to the above tax losses carried forward, as the realisation of the related tax benefit through future taxable income currently cannot be assessed as probable.

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

	30.6.2018		31.12.2017	
	Ordinary shares	Preference shares	Ordinary shares	Preference shares
Number of shares registered	907,455,928	6,830,000	642,828,788	6,830,000
Number of shares issued	907,455,928	6,830,000	642,828,788	6,830,000
Number of existing shares in circulation	907,455,928	6,830,000	642,828,788	6,830,000

(b) Movement of share capital

	Ordinary shares VND	Preference shares VND	Total VND
As at 1 January 2017	589,369,234	6,830,000	596,199,234
Issuance of ordinary shares for converting debts	33,459,554	-	33,459,554
Issuance of ordinary shares under Employee Stock Ownership Plan to employees	20,000,000	-	20,000,000
As at 31 December 2017	642,828,788	6,830,000	649,658,788
Issuance of ordinary shares under Employee Stock Ownership Plan to employees	9,809,962	-	9,809,962
Issuance ordinary shares	202,317,178	-	202,317,178
New shares issued	52,500,000	-	52,500,000
As at 30 June 2018	907,455,928	6,830,000	914,285,928

Par value per share: VND10,000.



NO VA LAND INVESTMENT GROUP CORPORATION

Form B 09a – DN

25 MOVEMENTS IN OWNERS' EQUITY

	Owners' capital			Post-tax undistributed earnings VND	Total VND
	Ordinary share VND	Preference share VND	Share premium VND		
As at 1 January 2017	5,893,692,340,000	68,300,000,000	2,174,026,445,400	1,079,554,149,570	9,215,572,934,970
Issuance of ordinary shares for converting debts	334,595,540,000	-	1,032,804,460,000	-	1,367,400,000,000
Issuance of ordinary shares under Employee Stock Ownership Plan to employees	200,000,000,000	-	-	-	200,000,000,000
Dividends paid	-	-	-	(24,765,000,000)	(24,765,000,000)
Profit for the year	-	-	-	421,890,218,428	421,890,218,428
As at 31 December 2017	6,428,267,880,000	68,300,000,000	3,206,830,905,400	1,476,679,367,998	11,180,098,153,398
Issuance of ordinary shares under Employee Stock Ownership Plan to employees	98,099,620,000	-	-	-	98,099,620,000
Issuance ordinary shares	2,023,171,780,000	-	(2,023,171,780,000)	-	-
New shares issued	525,000,000,000	-	2,798,936,427,950	-	3,323,936,427,950
Profit after tax for the period	-	-	-	234,835,823,293	234,835,823,293
As at 30 June 2018	9,074,559,280,000	68,300,000,000	3,982,595,553,350	1,711,515,191,291	14,836,970,024,641

25 MOVEMENTS IN OWNERS' EQUITY (Continued)

- (i) According to Annual Resolution No. 09/2017-NQ-NVLG on 27 April 2017, the General Meeting of shareholders approved the issuance of shares under the Employee Stock Ownership Plan ("ESOP") with the maximum number of 29,809,962 shares. In 2017, the Company completed the issue of 20,000,000 ordinary shares to employees. Besides, according to Decision No. 004/2018-QD.HDQT-NVLG dated 12 January 2018, the Board of Directors approved the issuance of the remaining shares of 9,809,962 to employees at par value of VND10,000 per share under the Resolution of the annual General Meeting of Shareholders. As the issuing price is equal to par value of VND10,000 per share, total value of issued shares was recorded as the share capital.
- (ii) According to the Resolution No.18/2018-QD-NVLG dated 1 March 2018, the Board of Directors has implemented a plan to issue shares to increase the share capital from share premium which was approved by the annual General Meeting of shareholders in 2017.
- (iii) According to the Resolution of the General Meeting of shareholders No. 05/2018-NQ-NVLG dated 28 February 2018, Resolution No. 28/2018-QD-NVLG dated 9 April 2018 and Resolution No. 34/2018-CV-NVLG dated 23 April 2018, the Company has approved the issuance of shares to increase the share capital in accordance with the private placement plan of 2018 with the number of shares of 52,500,000 shares. The issuing price is VND84,837 per share and the total issuance cost is VND80,008,072,050, so the value of the issued shares is recorded as share capital and the share premium of VND525,000,000,000 and VND2,798,936,427,950, respectively.

26 OFF BALANCE SHEET ITEMS

(a) Foreign currencies and precious metals

	30.6.2018	31.12.2017
Gold (tael of gold)	-	2.4
US\$	3,005,681.6	4,160.69
	<u> </u>	<u> </u>

(b) Operating lease assets

The future minimum lease payments under non-cancellable operating leases are VND375,445,867,214 and VND68,849,478,134 for the period ended 30 June 2018 and for the year ended 31 December 2017, respectively (Note 39).

27 REVENUE

	For the six-month period ended	
	30.6.2018	30.6.2017
	VND	VND
Sales of goods and rendering of services		
Revenue from sale of real estate	166,692,801,269	740,753,871,601
Rendering of services for corporate management, project development consultancy and sale consultancy	450,122,478,745	617,432,683,781
Revenue from transfers of real estate sales and purchase agreement	37,047,779,505	360,540,654,584
Revenue from leasing properties	30,140,730,469	25,661,573,103
	<u>684,003,789,988</u>	<u>1,744,388,783,069</u>
Sales deductions		
Trade discounts	-	(4,145,039,981)
	<u>-</u>	<u>(4,145,039,981)</u>
Net revenue from sales of goods and rendering of services		
Net revenue from sale of real estate	166,692,801,269	736,608,831,620
Net revenue from rendering of services for corporate management, project development consultancy and sale consultancy	450,122,478,745	617,432,683,781
Net revenue from transfers of real estate sales and purchase agreement	37,047,779,505	360,540,654,584
Net revenue from leasing properties	30,140,730,469	25,661,573,103
	<u>684,003,789,988</u>	<u>1,740,243,743,088</u>

28 COST OF SALES

	For the six-month period ended	
	30.6.2018 VND	30.6.2017 VND
Cost of real estate sold	106,964,579,903	651,086,316,858
Cost of rendering of services for corporate management, project development consultancy and sale consultancy	449,433,877,448	622,895,042,721
Cost of transfers of real estate sales and purchase agreement	36,938,574,745	349,958,073,906
Cost of leasing properties	7,956,149,641	17,512,370,230
	<u>601,292,981,737</u>	<u>1,641,451,803,715</u>

29 FINANCIAL INCOME

	For the six-month period ended	
	30.6.2018 VND	30.6.2017 VND
Dividend income	1,166,800,646,000	382,219,440,000
Interest income from deposits and loans	71,193,613,888	107,777,863,712
Interest income from business co-operations	35,178,919,275	113,160,706,316
Net gain from foreign currency translation at year-end	-	275,974,785
Others	599,748,232	944,840,658
	<u>1,273,772,927,395</u>	<u>604,378,825,471</u>

30 FINANCIAL EXPENSES

	For the six-month period ended	
	30.6.2018 VND	30.6.2017 VND
Interest expenses	824,749,851,630	441,595,123,597
Borrowing related costs	52,286,517,704	12,796,100,328
Bond issuance fee	21,585,210,500	21,028,917,647
Realised foreign exchange losses	6,175,448,779	1,928,040,984
Net loss from foreign currency translation at period-end	83,449,812,195	-
Others	2,272,264,561	1,891,557,549
	<u>990,519,105,369</u>	<u>479,239,740,105</u>

31 SELLING EXPENSES

	For the six-month period ended	
	30.6.2018	30.6.2017
	VND	VND
Staff costs	619,961,834	-
Tools and equipment	-	19,840,070
Materials, packages	618,291,807	238,164,068
Depreciation expenses	900,881,153	288,334,922
Outside service expenses	24,886,587,723	18,940,391,689
Others	17,781,628,580	19,270,864,557
	<u>44,787,351,097</u>	<u>38,757,595,306</u>

32 GENERAL AND ADMINISTRATION EXPENSES

	For the six-month period ended	
	30.6.2018	30.6.2017
	VND	VND
Staff costs	4,062,743,813	2,844,837,164
Depreciation charge	80,727,591	386,384
Office stationary	2,136,706,448	192,735,524
Tax and other fees	5,204,012,887	-
Tools and supplies	117,874,182	2,962,000
Outside service expenses	46,710,760,495	13,346,942,137
Others	22,286,807,038	25,614,693,091
	<u>80,599,632,454</u>	<u>42,002,556,280</u>

33 OTHER INCOME AND OTHER EXPENSES

	For the six-month period ended	
	30.6.2018	30.6.2017
	VND	VND
Other income		
Gain from disposal of fixed assets	264,545,455	-
Fines received	594,947,553	4,319,978,331
Others	165,901,958	81,834,312
	<u>1,025,394,966</u>	<u>4,401,812,643</u>
Other expenses		
Fines paid	(6,627,229,067)	(8,755,837,384)
Others	(139,989,332)	(404,491,253)
	<u>(6,767,218,399)</u>	<u>(9,160,328,637)</u>
Net other expenses	<u>(5,741,823,433)</u>	<u>(4,758,515,994)</u>

34 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% (2017: 20%) as follows:

	For the six-month period ended	
	30.6.2018 VND	30.6.2017 VND
Net accounting profit before tax	234,835,823,293	138,412,357,159
Tax calculated at a rate of 20%	46,967,164,659	27,682,471,432
Effect of:		
Income not subject to tax	(233,360,129,200)	(76,443,888,000)
Expenses not deductible for tax purposes	752,121,176	934,671,298
Tax losses for which no deferred income tax assets was recognised	185,640,843,365	47,826,745,270
Business income tax charge (*)	-	-
Charged to income statement:		
Business income tax – current	-	-
Business income tax – deferred	-	-
	-	-

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

35 EXPENSES BY FACTOR

	For the six-month period ended	
	30.6.2018 VND	30.6.2017 VND
Construction costs and land costs	207,337,557,259	673,593,510,049
Staff costs	4,682,705,647	2,844,837,164
Depreciation charge	15,876,433,162	11,683,651,730
Outside service expenses	71,577,348,218	32,287,333,826
Others	43,022,035,646	45,339,645,674
	342,496,079,932	765,948,978,443

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

	For the six-month period ended	
	30.6.2018	30.6.2017
	VND	VND
Transfers from inventories to investment properties	453,957,582,687	4,447,841,573
Issue bonus shares from share premium	2,023,171,780,000	-
Capitalisation of borrowing costs	-	18,373,287,589

(b) Amount of loan actually paid during the period

	For the six-month period ended	
	30.6.2018	30.6.2017
	VND	VND
Loans granted, purchases of debt instruments of other entities	-	548,797,452,640

(c) Amount of loan actually withdrawn during the period

	For the six-month period ended	
	30.6.2018	30.6.2017
	VND	VND
Collection of loans, proceeds from sales of debt instruments of other entities	526,383,076,874	543,235,911,778

(d) Amount of borrowings actually withdrawn during the period

	For the six-month period ended	
	30.6.2018	30.6.2017
	VND	VND
Proceeds from borrowings following normal borrowing contracts	3,409,973,256,047	4,117,250,969,840
Proceeds from bonds issuance	4,401,008,505,987	4,000,000,000,000
	<u>7,810,981,762,034</u>	<u>8,117,250,969,840</u>

(e) Amount borrowings principal actually repaid during the period

	For the six-month period ended	
	30.6.2018	30.6.2017
	VND	VND
Repayments for borrowings following normal borrowing contracts	2,337,242,207,620	4,550,553,705,130
Repayments for bonds	820,000,000,000	996,000,000,000
	<u>3,157,242,207,620</u>	<u>5,546,553,705,130</u>

37 SEGMENT REPORTING*Geographical segment*

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

Business activity segment

Information of segment revenue and cost of sale based on the activities of the Company were as follows:

	For the six-month period ended 30 June 2018				
	Consultancy services VND	Transfers of real estate sales and purchase agreement VND	Sale of real estate VND	Leasing properties VND	Total VND
Net sales	450,122,478,745	37,047,779,505	166,692,801,269	30,140,730,489	684,003,789,988
Cost of sales	449,433,677,448	36,938,574,745	106,964,579,903	7,956,149,641	601,292,981,737
Gross profit	688,801,297	109,204,760	59,728,221,366	22,184,580,828	82,710,808,251
For the six-month period ended 30 June 2017					
	Consultancy services VND	Transfers of real estate sales and purchase agreement VND	Sale of real estate VND	Leasing properties VND	Total VND
Net sales	617,432,683,781	360,540,654,584	736,608,831,620	25,661,573,103	1,740,243,743,088
Cost of sales	622,895,042,721	349,958,073,906	651,086,316,858	17,512,370,230	1,641,451,803,715
Gross profit	(5,462,358,940)	10,582,580,678	85,522,514,762	8,149,202,873	98,791,939,373

38 RELATED PARTY DISCLOSURES

In the period/year, the Company had transactions and balances with related parties as follows:

Relationship	Name
Subsidiary	No Va Land Investment Joint Stock Company
Subsidiary	No Va Thao Dien Company Limited
Subsidiary	Nova Festival Corporation
Subsidiary	No Va Land Company Limited
Subsidiary	Nova Saigon Royal Investment Limited Company
Subsidiary	Sai Gon Housing And Infrastructure Development Joint Stock Company
Subsidiary	Nova Lucky Palace Company Limited
Subsidiary	The Prince Residence Joint Stock Company
Subsidiary	Thanh Nhon Real Estate Joint Stock Company
Subsidiary	Sai Gon Golf Company Limited
Subsidiary	Nova Phu Sa Joint Stock Company
Subsidiary	Nova Sagel Company Limited
Subsidiary	Novaland Agent One Member Company Limited
Subsidiary	Phuoc Long Investment and Development Company Limited
Subsidiary	Vung Tau Youth Hotel and Travel Joint Stock Company
Subsidiary	Nova Richstar Joint Stock Company
Subsidiary	Nova Nippon Joint Stock Company
Subsidiary	Khai Hung Real Estate Company Limited
Subsidiary	Nova Nam A Company Limited
Subsidiary	Nova Sasco Company Limited
Subsidiary	No Va My Dinh Land Joint Stock Company
Subsidiary	Nova An Phu Company Limited
Subsidiary	Nova Phuc Nguyen Real Estate Company Limited
Subsidiary	Tuong Minh Investment and Real Estate Company Limited
Subsidiary	The 21st Century International Development Company Limited
Subsidiary	Phuong Dong Building Joint Stock Company
Subsidiary	Nova Rivergate Company Limited
Subsidiary	Nova Princess Residence Joint Stock Company
Subsidiary	Nha Rong Investment and Commercial Joint Stock Company
Subsidiary	Mega Housing Joint Stock Company
Subsidiary	Mega Tie Company Limited
Subsidiary	Bach Hop Real Estate Company Limited
Subsidiary	Phu Dinh Port Joint Stock Company
Subsidiary	Gia Duc Real Estate Company Limited
Subsidiary	Gia Phu Real Estate Company Limited
Subsidiary	Nova Riverside Real Estate Company Limited
Subsidiary	Nhat Hoa Real Estate Joint Stock Company
Subsidiary	Merufa-Nova Company Limited
Subsidiary	Nova Property Management Company Limited
Subsidiary	Thanh Nhon Investment Real Estate Company Limited
Subsidiary	Vuong Gia Real Estate Investment Joint Stock Company
Subsidiary	Asean Urban Development Joint Stock Company



38 RELATED PARTY DISCLOSURES (continued)

Relationship	Name
Associate	Sai Gon Electronics and Industrial Service Joint Stock Company
Associate	Sun City Real Estate Investment & Development Company Limited
Associate	Ben Thanh Housing Development and Service Joint Stock Company
Associate	Thai Binh Real Estate Trading Joint Stock Company
Shareholder	Diamond Properties Joint Stock Company

(a) Related party transactions

During the period, the following transactions were carried out with related parties:

	For six-month period ended 30 June	
	2018	2017
	VND	VND
(i) Sales of goods and services (VAT inclusive)		
The 21st Century International Development Company Limited	60,941,332,005	70,462,634,000
Nova Riverside Real Estate Company Limited	55,363,609,567	-
Gia Phu Real Estate Company Limited	46,102,544,768	-
Nova An Phu Company Limited	35,371,344,053	-
Nova Richstar Joint Stock Company	29,422,300,680	28,069,239,000
Nha Rong Investment and Commercial Joint Stock Company	26,231,773,320	12,906,187,800
Thai Binh Real Estate Trading Joint Stock Company	25,421,161,746	-
Nhat Hoa Real Estate Joint Stock Company	20,162,219,616	-
Novaland Agent One Member Company Limited	21,555,350,549	8,103,702,405
Nova Sasco Company Limited	19,266,130,000	16,542,150,000
Sun City Real Estate Company Limited	12,426,996,600	-
Nova Rivergate Company Limited	11,903,380,944	27,126,656,159
Nova Phuc Nguyen Real Estate Investment and Development Company Limited	8,199,078,343	15,997,299,032
Phuong Dong Building Joint Stock Company	8,150,838,403	12,090,364,412
Nova Nam A Company Limited	8,066,082,680	9,698,347,800
Vung Tau Youth Hotel and Travel Joint Stock Company	6,197,743,200	-
Nova Sagel Company Limited	5,206,398,605	17,132,935,800
Nova Princess Residence Joint Stock Company	5,064,392,990	7,061,395,200

38 RELATED PARTY DISCLOSURES (continued)**(a) Related party transactions (continued)**

	For six-month period ended 30 June	
	2018	2017
	VND	VND
(i) Sales of goods and services (VAT inclusive) (continued)		
Merufa-Nova Company Limited	4,578,747,600	-
Nova Lucky Palace Company Limited	2,964,763,130	17,212,144,261
Phu Dinh Port Joint Stock Company	2,585,470,800	6,627,105,100
Nova Land Investment Joint Stock Company	423,341,607	6,663,937,740
Nova Festival Corporation	420,000,000	11,260,589,252
Mega Tie Company Limited	330,000,000	1,705,643,710
Saigon Golf Company Limited	271,032,300	1,626,193,800
Nova Property Management Company Limited	193,562,400	-
Nova Saigon Royal Real Estate Investment Joint Stock Company	42,000,000	75,000,000
Saigon Housing and Infrastructure Development Joint Stock Company	42,000,000	75,000,000
No Va Land One Member Company Limited	42,000,000	66,000,000
Thanh Nhon Real Estate Joint Stock Company	42,000,000	42,000,000
Nova Thao Dien Company Limited	42,000,000	42,000,000
Mega Housing Joint Stock Company	42,000,000	42,000,000
No Va My Dinh Real Estate Joint Stock Company	42,000,000	42,000,000
Bach Hop Real Estate Company Limited	42,000,000	42,000,000
Nova Hospitality Company Joint Stock Company	42,000,000	33,000,000
Nova Nippon Joint Stock Company	42,000,000	33,000,000
Gia Duc Real Estate Company Limited	42,000,000	14,000,000
Phuoc Long Investment and Development Company Limited	42,000,000	-
Thanh Nhon Investment Real Estate Company Limited	42,000,000	-
Asean Urban Development Joint Stock Company	42,000,000	-
Vuong Gia Investment Real Estate Company Limited	18,964,286	-
Tuong Minh Investment and Real Estate Company Limited	9,428,571	-
Nova Lexington Real Estate Joint Stock Company	-	144,117,000
The Prince Residence Joint Stock Company	-	92,544,000
Nova Phu Sa Ecotourism Joint Stock Company	-	75,000,000
Redwood Investment Joint Stock Company	-	75,000,000
	417,455,988,763	271,179,188,471

38 RELATED PARTY DISCLOSURES (continued)**(a) Related party transactions (continued)**

		For six-month period ended 30 June	
		2018	2017
		VND	VND
(ii)	<i>Transfer of real estate from subsidiaries</i>		
	Gia Phu Real Estate Company Limited	29,171,086,377	-
	Nova Phuc Nguyen Real Estate Company Limited	3,780,925,653	75,846,777,912
	Nova Festival Corporation	2,301,129,408	177,623,033,698
	Nova Rivergate Company Limited	763,707,328	21,666,793,571
		<u>36,016,848,766</u>	<u>275,136,605,181</u>
(iii)	<i>Lendings</i>		
	Khai Hung Real Estate Company Limited	-	72,000,000,000
	Nova An Phu Company Limited	-	28,300,000,000
	Nova Saigon Royal Real Estate Investment Joint Stock Company	-	8,500,000,000
		<u>-</u>	<u>109,800,000,000</u>
(iv)	<i>Loan collection</i>		
	Nova Phuc Nguyen Real Estate Company Limited	50,511,600,222	85,608,399,778
	Khai Hung Real Estate Company Limited	36,700,000,000	5,200,000,000
	Nova Saigon Royal Real Estate Investment Joint Stock Company	8,500,000,000	-
	No Va Land Investment Joint Stock Company	-	49,677,512,000
		<u>95,711,600,222</u>	<u>140,485,911,778</u>
(v)	<i>Disbursement for business co-operation</i>		
	Nova Richstar Joint Stock Company	244,000,000,000	-
	Binh An Investment and Development Real Estate Joint Stock Company	-	125,500,000,000
	The 21st Century International Development Company Limited	-	103,000,000,000
		<u>244,000,000,000</u>	<u>228,500,000,000</u>
vi)	<i>Borrowings</i>		
	Thai Binh Real Estate Trading Joint Stock Company	208,600,000,000	-
	The 21st Century International Development Company Limited	-	280,000,000,000
	Nova Rivergate Company Limited	-	124,000,000,000
		<u>208,600,000,000</u>	<u>404,000,000,000</u>

38 RELATED PARTY DISCLOSURES (continued)**(a) Related party transactions (continued)**

		For six-month period ended 30 June	
		2018	2017
		VND	VND
(vi)	Repayments of borrowings		
	Phuong Dong Building Joint Stock Company	140,000,000,000	-
	Nova Sasco Company Limited	78,000,000,000	67,500,000,000
	Thai Binh Real Estate Trading Joint Stock Company	47,000,000,000	-
	Nova Sagel Company Limited	12,000,000,000	-
	The 21st Century International Development Company Limited	3,500,000,000	-
	Nova Lexington Real Estate Joint Stock Company	-	84,000,000,000
	Phuoc Long Investment and Development Company Limited	-	259,000,000,000
	Nova Festival Corporation	11,000,000,000	19,000,000,000
		<u>291,500,000,000</u>	<u>429,500,000,000</u>
(vii)	Interest income		
	Nova Saigon Royal Investment Limited Company	25,814,535,158	26,738,154,267
	Nova Sasco Company Limited	7,215,661,111	29,575,148,611
	Nova Nam A Company Limited	2,535,803,561	24,049,860,879
	Khai Hung Real Estate Company Limited	5,727,677,349	12,718,828,501
	Mega Housing Joint Stock Company	-	6,395,812,983
	Nova An Phu Company Limited	-	5,598,370,196
	Nova Phuc Nguyen Real Estate Company Limited	1,350,904,686	6,630,303,838
	Sai Gon Electronics and Industrial Service Joint Stock Company	2,379,536,608	1,964,755,000
	No Va Land Investment Joint Stock Company	-	955,295,181
	Nova Rivergate Company Limited	-	565,564,666
		<u>45,024,118,473</u>	<u>115,192,094,121</u>

38 RELATED PARTY DISCLOSURES (continued)**(a) Related party transactions (continued)**

		For six-month period ended 30 June	
		2018	2017
		VND	VND
(viii) Interest expense			
Nova Rivergate Company Limited	18,150,310,857	18,540,401,068	
The 21st Century International Development Company Limited	26,874,021,310	7,871,111,112	
Phuong Dong Building Joint Stock Company	5,946,716,477	5,951,280,000	
Nova Sasco Company Limited	512,876,712	6,821,583,333	
Phuoc Long Investment and Development Company Limited	-	7,016,608,335	
Nova Festival Corporation	5,343,147,812	1,342,084,694	
Gia Phu Real Estate Company Limited	3,818,356,165	-	
Thai Binh Real Estate Trading Joint Stock Company	2,359,753,425	-	
Nova Sagel Company Limited	41,666,667	301,666,667	
Nova Lexington Real Estate Joint Stock Company	-	365,863,426	
Nova Phu Sa Joint Stock Company	-	138,263,891	
Binh An Investment and Development Real Estate Joint Stock Company	-	3,889,724,999	
	<u>63,046,849,425</u>	<u>52,238,587,525</u>	
(ix) Compensation of key management			
Gross salaries and other benefits	<u>12,991,209,922</u>	<u>24,824,072,417</u>	
(b) Period/year end balances with related parties			
	30.6.2018	31.12.2017	
	VND	VND	
i) Short-term trade accounts receivable (Note 5)			
Diamond Properties Joint Stock Company	<u>40,024,130,644</u>	<u>40,024,130,644</u>	

38 RELATED PARTY DISCLOSURES (continued)**(b) Period/year end balances with related parties (continued)**

	30.6.2018 VND	31.12.2017 VND
ii) Short-term Lendings (Note 7)		
Khai Hung Real Estate Company Limited	93,540,000,000	130,240,000,000
Saigon Electronics and Industrial Service Joint Stock Company	43,420,000,000	43,420,000,000
Nova Saigon Royal Investment Limited Company	-	8,500,000,000
Nova Phuc Nguyen Real Estate Investment and Development Company Limited	-	50,511,600,222
	<u>136,960,000,000</u>	<u>232,671,600,222</u>
iii) Other short-term receivables (Note 8(a))		
Nova Saigon Royal Real Estate Investment Company Limited	309,949,403,070	570,584,867,912
Nova Sasco Company Limited	-	344,623,883,334
Ben Thanh Housing Service and Development Joint Stock Company	39,076,206,892	39,827,872,410
Khai Hung Real Estate Company Limited	475,138,697,609	27,189,285,260
Saigon Electronics and Industrial Service Joint Stock Company	25,792,590,603	23,907,772,634
No Va Land Investment Joint Stock Company	-	76,890,000,000
Nova Phuc Nguyen Real Estate Investment and Development Company Limited	-	11,541,315,321
	<u>849,956,898,174</u>	<u>1,094,564,796,871</u>
iv) Other long-term receivables (Note 8(b))		
Nova Nam A Company Limited	-	176,916,527,546
Ben Thanh Housing Development and Service Joint Stock Company	5,667,539,055	1,398,776,000
	<u>5,667,539,055</u>	<u>178,315,303,546</u>
v) Short-term payables (Note 16)		
Ben Thanh Housing Development and Service Joint Stock Company	<u>364,884,305</u>	<u>-</u>
vi) Other short-term payables (Note 21(a))		
Gia Duc Real Estate Company Limited	<u>-</u>	<u>695,750,000,000</u>

38 RELATED PARTY DISCLOSURES (continued)**(b) Period/year end balances with related parties (continued)**

	30.6.2018 VND	31.12.2017 VND
vii) Other long-term payables (Note 21(b))		
Nova Richstar Joint Stock Company	-	244,000,000,000
viii) Short-term accrued expenses (Note 19)		
Nova Rivergate Company Limited	81,595,485,775	63,445,174,918
Phuong Dong Building Joint Stock Company	26,399,446,888	20,452,730,411
The 21st Century International Development Company Limited	45,341,983,259	18,467,981,949
Nova Sasco Company Limited	-	256,438,356
No Va Festival Corporation	8,884,671,515	3,541,523,703
Nova Sagel Company Limited	-	1,172,777,780
Gia Phu Real Estate Company Limited	6,455,342,466	2,636,986,301
Ben Thanh Housing Service and Development Joint Stock Company	-	124,900,350
	168,676,929,903	110,098,493,768
ix) Short-term borrowings (Note 22(a))		
Nova Rivergate Company Limited	656,364,832,600	656,364,832,600
The 21st Century International Development Company Limited	487,000,000,000	490,500,000,000
Phuong Dong Buildings Joint Stock Company	187,600,000,000	327,600,000,000
Thai Binh Real Estate Trading Joint Stock Company	161,600,000,000	-
Gia Phu Real Estate Company Limited	140,000,000,000	140,000,000,000
Nova Festival Corporation	93,987,842,770	104,987,842,770
Nova Sasco Company Limited	-	78,000,000,000
Nova Sagel Company Limited	-	12,000,000,000
	1,726,552,675,370	1,809,452,675,370
x) Short-term unearned revenue		
Nova Property Management Company Limited	1,368,604,973	1,369,094,618
xi) Long-term unearned revenue		
Nova Property Management Company Limited	65,064,157,058	65,749,720,031

39 COMMITMENTS UNDER OPERATING LEASES

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

	30.6.2018 VND	31.12.2017 VND
Within one year	49,590,826,796	50,293,359,874
Between one and five years	63,893,145,180	18,558,118,260
Over five years	261,961,895,238	-
Total minimum payments	<u>375,445,867,214</u>	<u>68,849,478,134</u>

40 CAPITAL COMMITMENTS

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

	30.6.2018 VND	31.12.2017 VND
Construction costs of projects	<u>121,444,900,377</u>	<u>199,089,741,792</u>

41 COMPARATIVE FIGURES

Certain immaterial comparative figures have been reclassified to conform to the current period's presentation.

The separate interim financial statements were approved by Board of Management on 14 August 2018.


Do Phuong Thuy
Preparer


Tran Thi Thanh Van
Chief Accountant


Bui Xuan Huy
General Director

