



**DUC LONG GIA LAI GROUP
JOINT STOCK COMPANY**
Consolidated financial statements
For the year ended 31/12/2016

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REPORT OF THE MANAGEMENT

The Management of Duc Long Gia Lai Group Joint Stock Company presents this report together with the audited consolidated financial statements of Duc Long Gia Lai Group Joint Stock Company and its subsidiaries (together, the "Group") for the year ended 31/12/2016.

Overview

Duc Long Gia Lai Group Joint Stock Company (the "Company") is established under Business Registration Certificate (now being Enterprise Registration Certificate) No. 5900415863 dated 13/06/2007 by the Planning and Investment Department of Gia Lai Province. Since the establishment date, the Enterprise Registration Certificate has been amended 28 times and the nearest amendment was made on 10/03/2017. The Company is an independent accounting entity, operating in accordance with the Enterprise Law, its Charter and other relevant regulations.

The Company was approved to list its common shares on Ho Chi Minh City Stock Exchange under Listing Permit No. 114/QD-SGDHCM dated 14/06/2010 by Ho Chi Minh City Stock Exchange under securities code DLG. The official trading date was 22/06/2010.

Charter capital as per Enterprise Registration Certificate dated 10/03/2017: VND2,850,578,150,000.

Share capital as at 31/12/2016: VND2,301,443,420,000.

In the financial year ended 31/12/2016, there were 12 subsidiaries and 3 associates as follows:

Subsidiaries

1. Duc Long Gia Lai Afforestation and Industrial plants JSC
2. Duc Long Gia Lai Security Service JSC
3. Duc Long Dak Nong BOT and BT JSC
4. Duc Long Gia Lai BOT and BT JSC
5. Duc Long Da Nang JSC
6. Duc Long Gia Lai Agriculture Co., Ltd
7. Mass Noble Investments Limited
8. Tan Thuong Energy JSC
9. Duc Long Gia Lai Investment and Development of Public Project Service JSC (control ceased on 31/03/2016)
10. Duc Long Gia Lai Investment and Construction JSC (control ceased on 30/04/2016)
11. Duc Long Gia Lai Transport Construction JSC (dissolved on 12/04/2016)
12. Duc Long Gia Lai Education Sports and Travel JSC (dissolved on 20/04/2016)

Associates

1. Gia Lai Transport Consulting and Construction JSC
2. Tay Nguyen Materials Supply Co., Ltd
3. Duc Long Tay Nguyen JSC

REPORT OF THE MANAGEMENT (cont'd)

Head office

- Address: 02 Dang Tran Con Street, Tra Ba Ward, Pleiku City, Gia Lai Province, Vietnam
- Tel: (84) 059.3748.367
- Fax: (84) 059.3747.366
- Email: duclonggiaigroup@gmail.com; duclong@duclonggroup.com
- Website: www.duclonggroup.com

Principal activities

- Manufacture of furniture (Detail: Manufacture of wooden furniture and other furniture);
- Rubber tree plantation;
- Afforestation and tending of forest;
- Construction of other civil engineering projects;
- Transport via bus;
- Other food serving activities;
- Mining of iron ores;
- Other mining and quarrying n.e.c;
- Construction of roads and railways (Detail: Construction of roads; Investment in construction of transport projects (in BOT form));
- Leasing of other machinery, equipment and tangible goods (Detail: Leasing of machinery, equipment; Leasing of office);
- Operation of sports facilities (Detail: Selling tickets of sports games);
- Activities of sports clubs;
- Wholesale of other machinery and equipment n.e.c (Detail: Wholesale of specialized machinery, equipment and accessories for road and bridge, civil and industrial sectors);
- Other accommodation (Detail: Hotels; Short-stay villa or apartment activities; Short stay guesthouse activities);
- Freight transport by road;
- Activities of asset holding company;
- Mining of other non-ferrous metal ores;
- Mining of chemical and fertilizer minerals;
- Other sports activities;
- Advertising;
- Wholesale of automobile and other motorized vehicles;
- Cutting, shaping and finishing of stones (Detail: Production of ashlar, cutting and shaping of stones according to construction requirements; Processing minerals);
- Management consultancy activities;
- Manufacture of other products from rubber (Detail: Processing latex crumb rubber);

REPORT OF THE MANAGEMENT (cont'd)

- Educational support services;
- Lower secondary and upper secondary education;
- Primary education;
- Wholesale of other products n.e.c (Detail: Purchase and sale of latex crumb rubber; purchase and sale of fertilizers; Wholesale of asphalt, asphalt concrete, concrete cement);
- Manufacture of rubber tyres and tubes; retreading and recycling of rubber tyres;
- Real estate activities with own or leased property;
- Wholesale of construction materials, installation supplies (Detail: Purchase and sale of wood with legal origin; Wholesale of stone, sand, gravel, cement);
- Service activities incidental to land and rail transportation (Detail: Service activities incidental to land transportation);
- Activities auxiliary to finance n.e.c (Detail: Investment consultancy activities);
- Fund management activities (Detail: General fund management);
- Exploitation of stone, sand, gravel, clay (not operating at head office);
- Wholesale of metals and metal ores (Detail: Wholesale of iron, steel, copper, lead, zinc and non-ferrous metals in primary form and semi-finished product form);
- Manufacture of electronic components (Detail: Manufacture and processing of electronic components);
- Wholesale of electronic and telecommunications equipment and supplies;
- Wholesale of farm, forestry raw materials (except wood, bamboo) and live animals (Detail: Wholesale of farm produce (except rubber latex); wholesale of cattle and buffaloes);
- Renting and leasing of motorized vehicles;
- Growing of coffee tree;
- Growing of tea tree;
- Growing of pepper tree;
- Manufacture of other food products n.e.c. (Detail: Processing of tea, coffee);
- Research and experimental development on natural sciences and engineering;
- Wholesale of food (Detail: Trading, import-export of tea, coffee).

Employees

As at 31/12/2016, the Company had 67 employees including 12 managing officers.

Members of the Board of Directors, Supervisory Board, Management and Chief Accountant during the year and up to the reporting date are as follows:

Board of Directors

- | | | |
|-------------------------|----------|----------------------------|
| • Mr. Bui Phap | Chairman | Re-appointed on 14/04/2012 |
| • Mr. Nguyen Dinh Trac | Member | Re-appointed on 14/04/2012 |
| • Mr. Pham Anh Hung | Member | Appointed on 25/05/2013 |
| • Mr. Nguyen Trung Kien | Member | Appointed on 25/05/2013 |

REPORT OF THE MANAGEMENT (cont'd)

- Mr. Doan Nguyen Tieu Member Appointed on 27/11/2014
- Mr. Do Thanh Member Re-appointed on 14/04/2012
Resigned on 16/04/2016
- Mr. Nguyen Ho Nam Member Appointed on 27/11/2014
Resigned on 16/04/2016
- Mr. Nguyen Dang Hai Member Appointed on 27/11/2014
Resigned on 16/04/2016

Supervisory Board

- Mr. Tran Cao Chau Head of Supervisory Board Appointed on 25/04/2016
- Ms. Phan Thi Ngoc Anh Head of Supervisory Board Appointed on 25/04/2015
Resigned on 25/04/2016
- Member Appointed on 25/04/2016
- Mr. Nguyen Van Nguyen Member Appointed on 25/05/2013
- Mr. Le Ngoc Minh Member Appointed on 25/04/2015
Resigned on 16/04/2016

Management and Chief Accountant

- Mr. Pham Anh Hung General Director Appointed on 01/01/2014
- Mr. Phan Xuan Vien Vice General Director Appointed on 01/07/2007
- Mr. Pham Minh Viet Vice General Director Appointed on 01/10/2010
- Mr. Nguyen Tien Dung Vice General Director Appointed on 06/03/2009
Resigned on 28/02/2017
- Mr. Do Thanh Vice General Director Appointed on 01/07/2007
Resigned on 16/11/2016
- Ms. Vu Thi Hai Chief Accountant Appointed on 09/07/2013

Independent auditor

These consolidated financial statements were audited by AAC Auditing and Accounting Company Ltd (Head office: Lot 78-80, April 30th Street, Hai Chau District, Danang City; Tel: (84) 236.3655886; Fax: (84) 236.3655887; Website: www.aac.com.vn; Email: aac@dng.vnn.vn).

Statement of the Management's responsibility with respect to the consolidated financial statements

The Management of the Company is responsible for preparation and fair presentation of these consolidated financial statements on the basis of:

- Complying with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and other relevant regulations;
- Selecting suitable accounting policies and then applying them consistently;

REPORT OF THE MANAGEMENT (cont'd)

- Making judgments and estimates that are reasonable and prudent;
- Preparing the consolidated financial statements on the going concern basis;
- Responsibility for such internal control as the Management determines is necessary to enable the preparation and presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Members of the Company's Management hereby confirm that the accompanying consolidated financial statements including the consolidated balance sheet, the consolidated income statement, the consolidated statement of cash flows and notes to the consolidated financial statements give a true and fair view of the financial position of the Company as at 31/12/ 2016 and the results of its operations and its cash flows for the year then ended in accordance with the prevailing Vietnamese Accounting Standards and Vietnamese Corporate Accounting System and statutory requirements relevant to the preparation and presentation of consolidated financial statements.



On behalf of the Management

Phạm Anh Hưng

General Director

Gia Lai Province, 31 March 2017



Head office

Lot 78-80 April 30th St., Hai Chau District, Danang City

Tel: 84.511.3655886; Fax: 84.511.3655887

Email: aac@dng.vnn.vn

Website: <http://www.aac.com.vn>

Branch in Ho Chi Minh City

47-49 Hoang Sa St. (4th floor Hoang Dan Building)

District 1, Ho Chi Minh City

Tel: 84.8.39102235; Fax: 84.8.39102349

Email: aac.hcm@aac.com.vn

No. 643/2017/BCKT-AAC

INDEPENDENT AUDITORS' REPORT

**To: The Shareholders, Board of Directors and Management
Duc Long Gia Lai Group Joint Stock Company**

We have audited the accompanying consolidated financial statements of Duc Long Gia Lai Group Joint Stock Company (the "Company") and its subsidiaries (together, the "Group") as prepared on 30/03/2017 and set out on pages 8 to 66, which comprise the consolidated balance sheet as at 31/12/2016, the consolidated income statement, consolidated statement of cash flows, and notes to the consolidated financial statements for the year then ended.

The Management's Responsibility

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

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Group's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Basic for Qualified Opinion

As presented in item (*) of Note 15, regarding the BOT project on upgrading and expanding section Km1610 - Bridge 110 (Km 1667 + 570) ("the Project") of Ho Chi Minh Road, main construction items had been completed and put into use on 26/10/2015. So far, the Company has not adjusted the value of the Project according to conclusions of the Inspectorate of the Ministry of Transport and the State Audit, but recognized the value of this Project at actual costs incurred from completed construction items instead. As at 31/12/2016, assets formed from the Project were recorded in the accompanying financial statements at cost of VND 1,232,799,487,702 and are depreciated in proportion to annual revenue over payback period of 20 years, 4 months and 2 days (which was regulated in Build-Operate-Transfer Contract No. 12699/ HD.BOT-BGTVT dated 25/11/2013 between the Company and the Ministry of Transport). Accordingly, the value and payback period of this Project may be subject to changes depending on results of official approval of the Ministry of Transport.

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the consolidated financial statements present fairly, in all material respects, the financial position of the Group as at 31/12/2016, and its financial performance and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to preparation and presentation of consolidated financial statements.

AAG Auditing and Accounting Co., Ltd.



Lâm Quang Tu – Deputy General Director

*Audit Practicing Registration Certificate
No. 1031-2013-010-1*

Danang City, 31 March 2017

Dang Xuan Loc – Auditor

*Audit Practicing Registration Certificate
No. 1324-2013-010-1*

CONSOLIDATED BALANCE SHEET

As at 31/12/2016

Form B 01-DN/HN

Issued under Circular No. 202/2014/TT - BTC
dated 22/12/2014 by the Ministry of Finance

ASSETS		Code	Note	31/12/2016 VND	01/01/2016 VND
A.	CURRENT ASSETS	100		3,084,461,835,360	3,135,385,580,757
I.	Cash and cash equivalents	110	5	96,808,960,822	220,107,949,123
1.	Cash	111		55,799,705,616	96,121,254,089
2.	Cash equivalents	112		41,009,255,206	123,986,695,034
II.	Short-term financial investments	120		580,094,590,556	837,264,666,667
1.	Trading securities	121	6	264,000,000,000	264,000,000,000
2.	Held-to-maturity investments	123	7.a	316,094,590,556	573,264,666,667
III.	Short-term receivables	130		1,990,008,870,087	1,523,713,012,610
1.	Short-term trade receivables	131	8	601,506,674,812	421,320,582,095
2.	Short-term prepayments to suppliers	132	9	249,464,982,797	196,979,291,054
3.	Short-term loan receivables	135	10.a	900,157,764,619	701,001,957,372
4.	Other short-term receivables	136	11.a	253,259,588,778	217,129,586,506
5.	Provision for doubtful debts	137	12	(14,380,140,919)	(12,727,607,230)
6.	Shortage of assets awaiting resolution	139		-	9,202,813
IV.	Inventories	140	13	413,496,716,240	535,383,509,352
1.	Inventories	141		430,989,454,152	555,758,377,420
2.	Provision for obsolete inventories	149		(17,492,737,912)	(20,374,868,068)
V.	Other current assets	150		4,052,697,655	18,916,443,005
1.	Short-term prepaid expenses	151	14.a	374,285,506	1,201,639,542
2.	Deductible VAT	152		3,677,359,715	17,209,941,556
3.	Taxes and amounts recoverable from State	153	23	1,052,434	504,861,907
B.	LONG-TERM ASSETS	200		3,926,506,138,248	3,680,221,906,917
I.	Long-term receivables	210		248,386,304,573	182,708,702,723
1.	Long-term loan receivables	215	10.b	225,647,099,300	157,343,713,318
2.	Other long-term receivables	216	11.b	22,739,205,273	25,364,989,405
II.	Fixed assets	220		2,589,835,115,240	2,536,676,671,940
1.	Tangible fixed assets	221	15	2,505,050,232,608	2,472,217,311,059
	- Cost	222		2,947,624,020,324	2,837,238,847,437
	- Accumulated depreciation	223		(442,573,787,716)	(365,021,536,378)
2.	Intangible fixed assets	227	16	84,784,882,632	64,459,360,881
	- Cost	228		196,761,729,819	166,169,051,175
	- Accumulated amortization	229		(111,976,847,187)	(101,709,690,294)
III.	Investment properties	230	17	108,216,516,657	108,928,078,646
	- Cost	231		124,210,456,151	121,311,884,456
	- Accumulated depreciation	232		(15,993,939,494)	(12,383,805,810)
IV.	Long-term assets in progress	240		603,458,413,186	460,347,766,841
1.	Long-term work in process	241		-	-
2.	Construction in progress	242	18	603,458,413,186	460,347,766,841
V.	Long-term financial investments	250		56,466,429,083	41,337,243,414
1.	Investments in joint ventures, associates	252	7.b	26,615,469,977	26,450,981,778
2.	Equity investments in other entities	253	7.c	32,225,730,632	15,751,500,000
3.	Provision for long-term investments	254	7.c	(2,374,771,526)	(2,265,238,364)
4.	Held-to-maturity investments	255		-	1,400,000,000
VI.	Other long-term assets	260		320,143,359,509	350,223,443,353
1.	Long-term prepaid expenses	261	14.b	39,418,056,499	41,474,594,822
2.	Deferred income tax assets	262	19	17,638,601,978	18,164,978,676
3.	Goodwill	269	20	263,086,701,032	290,583,869,855
	TOTAL ASSETS	270		7,010,967,973,608	6,815,607,487,674

CONSOLIDATED BALANCE SHEET (cont'd)

As at 31/12/2016

RESOURCES	Code	Note	31/12/2016 VND	01/01/2016 VND
C. LIABILITIES	300		4,352,285,176,840	4,659,167,400,422
I. Current liabilities	310		1,470,506,504,376	1,201,278,547,823
1. Short-term trade payables	311	21	411,726,186,278	609,145,972,928
2. Short-term advances from customers	312	22	87,537,482,335	40,826,783,914
3. Taxes and amounts payable to the State	313	23	72,177,785,538	51,611,529,683
4. Payables to employees	314		26,744,859,163	24,575,230,736
5. Short-term accrued expenses	315	24	67,566,339,431	44,274,125,874
6. Short-term unearned revenue	318	25	585,354,550	496,919,698
7. Other short-term payables	319	26.a	109,573,887,271	113,132,159,636
8. Short-term loan and finance lease liabilities	320	27.a	695,132,641,618	317,745,315,095
9. Reward and welfare fund	322		(538,031,808)	(529,489,741)
II. Long-term liabilities	330		2,881,778,672,464	3,457,888,852,599
1. Other long-term payables	337	26.b	7,746,335,250	74,595,230,845
2. Long-term loan and finance lease liabilities	338	27.b	2,867,395,107,764	2,915,632,941,375
3. Convertible bonds	339		-	438,110,772,258
4. Deferred income tax liabilities	341	28	4,660,288,530	2,629,387,586
5. Provision for long-term payables	342	29	1,976,940,920	26,920,520,535
D. OWNERS' EQUITY	400		2,658,682,796,768	2,156,440,087,252
I. Equity	410		2,658,682,796,768	2,156,440,087,252
1. Share capital	411	30	2,301,443,420,000	1,691,861,170,000
- Common shares with voting rights	411a		2,301,443,420,000	1,691,861,170,000
- Preferred shares	411b		-	-
2. Share premium	412	30	50,512,788,328	49,928,104,500
3. Option to convert bonds	413	30	-	94,188,783,378
4. Other owners' equity	414	30	-	8,977,680,000
5. Foreign exchange differences	417	30	12,540,175,048	10,031,813,727
6. Development investment fund	418	30	6,196,436,959	11,134,542,824
7. Undistributed profit	421	30	130,005,849,689	133,480,076,884
- Undistributed profit up to prior year-end	421a		65,230,076,884	45,188,069,925
- Undistributed profit of current year	421b		64,775,772,805	88,292,006,959
8. Non-controlling interests	429		157,984,126,744	156,837,915,939
II. Budget sources and other funds	430		-	-
TOTAL RESOURCES	430		7,010,967,973,608	6,815,607,487,674



Pham Anh Hung
General Director

Gia Lai Province, 30 March 2017

Vu Thi Hai
Chief Accountant

Nguyen Thi Phuong Thuy
Preparer

CONSOLIDATED INCOME STATEMENT
For the year ended 31/12/2016

Form B 02-DN/HN
Issued under Circular No. 202/2014/TT - BTC
dated 22/12/2014 by the Ministry of Finance

ITEMS	Code	Note	Year 2016 VND	Year 2015 VND
1. Revenue from sales and service provision	01	32	2,490,622,091,974	1,645,084,969,683
2. Less: deductions	02		13,340,460,925	7,369,879,408
3. Net revenue from sales and service provision	10		2,477,281,631,049	1,637,715,090,275
4. Cost of goods sold	11	33	2,004,465,067,580	1,481,048,765,115
5. Gross profit from sales and service provision	20		472,816,563,469	156,666,325,160
6. Financial income	21	34	87,908,305,215	104,493,457,068
7. Financial expenses	22	35	309,517,738,879	159,455,236,286
<i>Including: interest expenses</i>	23		295,657,059,415	162,207,084,144
8. Shares of profit/(loss) of joint ventures, associates	24		164,488,199	204,492,177
9. Selling expenses	25	36.a	18,970,902,120	14,521,100,051
10. General and administration expenses	26	36.b	131,360,007,832	64,186,030,221
11. Operating profit	30		101,040,708,052	23,201,907,847
12. Other income	31	37	2,916,680,824	64,029,845,334
13. Other expenses	32	38	8,236,708,535	4,422,348,561
14. Other profit	40		(5,320,027,711)	59,607,496,773
15. Accounting profit before tax	50		95,720,680,341	82,809,404,620
16. Current corporate income tax expense	51	39	27,390,691,416	7,073,815,733
17. Deferred corporate income tax expense	52		2,602,736,346	(5,325,788,529)
18. Profit after tax	60		65,727,252,579	81,061,377,416
18.1. Profit after tax attributable to shareholder of the parent	61		60,218,634,770	82,680,971,121
18.2. Profit after tax attributable to non-controlling interests	62		5,508,617,809	(1,619,593,705)
19. Basic earnings per share	70	40	287	506
20. Diluted earnings per share	71	40	287	506



Pham Anh Hung
General Director

Gia Lai Province, 30 March 2017

Vu Thi Hai
Chief Accountant

Nguyen Thi Phuong Thuy
Preparer

STATEMENT OF CASH FLOWS
For the year ended 31/12/2016

Form B 03-DN/HN
Issued under Circular No. 202/2014/TT - BTC
dated 22/12/2014 by the Ministry of Finance

ITEMS	Code	Note	Year 2016 VND	Year 2015 VND
I. Cash flows from operating activities				
1. Profit before tax	01		95,720,680,341	82,809,404,620
2. Adjustments for				
- Depreciation of fixed assets	02	15,16,17,20	137,150,122,302	(13,653,806,767)
- Provisions	03		(25,056,336,312)	516,761,952
- Foreign exchange gain/loss from revaluation of foreign currency balances	04	34	(107,439,589)	(1,135,421)
- Profits/(losses) from investing activities	05	34,35,37,38	(72,920,139,016)	(104,302,257,013)
- Interest expense	06	35	295,657,059,415	162,207,084,144
3. Operating profit before changes in working capital	08		430,443,947,141	127,576,051,515
- Increase/(Decrease) in receivables	09		(200,717,744,529)	(52,505,789,139)
- Decrease/(Increase) in inventories	10		99,091,546,660	14,091,662,642
- Increase/(Decrease) in payables (excluding loan interest and corporate income tax payable)	11		12,861,824,883	144,447,432,135
- Decrease/(Increase) in prepaid expenses	12		2,491,217,956	459,148,443
- Decrease/(Increase) in trading securities	13		-	(211,831,833,772)
- Interest paid	14	24,26,35	(306,640,649,710)	(97,399,626,110)
- Corporate income tax paid	15	23	(10,727,818,300)	(15,864,741,825)
- Other cash payments for operating activities	17		(1,589,082,000)	(1,641,210,000)
Net cash provided by operating activities	20		25,213,242,101	(92,668,906,111)
II. Cash flows from investing activities				
1. Purchases of fixed assets and other long-term assets	21		(534,568,184,108)	(1,302,556,066,334)
2. Disposals of fixed assets and other long-term assets	22		5,655,125,450	127,537,335
3. Cash paid for loans, acquisition of debt instruments	23		(1,475,339,387,918)	(2,063,030,289,499)
4. Recovery of loans, sales of debt instruments	24		1,412,975,787,760	1,644,570,192,228
5. Cash paid for capital contribution in other entities	25		-	13,603,782,108
6. Recovery of capital contribution in other entities	26		18,938,457,726	130,645,248,370
7. Proceeds from loans interest, dividends, shared profit	27	11,34	47,808,000,444	51,452,286,399
Net cash used in operating activities	30		(524,530,200,646)	(1,525,187,309,393)
III. Cash flows from financing activities				
1. Proceeds from share issuance, capital contribution	31		18,487,700,000	148,188,783,378
2. Proceeds from borrowings	33		1,055,136,525,335	2,953,204,463,589
3. Repayments of borrowings	34		(696,664,526,413)	(1,370,264,135,087)
4. Dividends, profit paid to shareholders	36	26, 30.d	(942,035,074)	-
Net cash provided by financing activities	40		376,017,663,848	1,731,129,111,880
Net cash flows for the period	50		(123,299,294,697)	113,272,896,376
Cash and cash equivalents at beginning of the period	60	5	220,107,949,123	106,621,225,448
Impact of exchange rate fluctuations	61		306,396	213,827,299
Cash and cash equivalents at end of the period	70	5	96,808,960,822	220,107,949,123



Pham Anh Hung
General Director

Gia Lai Province, 30 March 2017

Vu Thi Hai
Chief Accountant

Nguyen Thi Phuong Thuy
Preparer

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(These notes form an integral part of and should be read in conjunction with the financial statements)

1. Nature of operations

1.1. Overview

Duc Long Gia Lai Group Joint Stock Company (the "Company") is established under Business Registration Certificate (now being Enterprise Registration Certificate) No. 5900415863 dated 13/06/2007 by the Planning and Investment Department of Gia Lai Province. Since the establishment date, the Enterprise Registration Certificate has been amended 28 times and the nearest amendment was made on 10/03/2017. The Company is an independent accounting entity, operating in accordance with the Enterprise Law, its Charter and other relevant regulations.

The Company was approved to list its common shares on Ho Chi Minh City Stock Exchange under Listing Permit No. 114/QD-SGDHCM dated 14/06/2010 by Ho Chi Minh City Stock Exchange under securities code DLG. The official trading date was 22/06/2010.

1.2. Principal scope of business: *Manufacture of finished products from wood, agricultural products (corn, soybean...), exploitation of stones, commercial trading, construction and service business (leasing of assets, hotel,...).*

1.3. Operating activities

- Manufacture of furniture (Detail: Manufacture of wooden furniture and other furniture);
- Rubber tree plantation;
- Afforestation and tending of forest;
- Construction of other civil engineering projects;
- Transport via bus;
- Other food serving activities;
- Mining of iron ores;
- Other mining and quarrying n.e.c;
- Construction of roads and railways (Detail: Construction of roads; Investment in construction of transport projects (in BOT form));
- Leasing of other machinery, equipment and tangible goods (Detail: Leasing of machinery, equipment; Leasing of office);
- Operation of sports facilities (Detail: Selling tickets of sports games);
- Activities of sports clubs;
- Wholesale of other machinery and equipment n.e.c (Detail: Wholesale of specialized machinery, equipment and accessories for road and bridge, civil and industrial sectors);
- Other accommodation (Detail: Hotels; Short-stay villa or apartment activities; Short stay guesthouse activities);
- Freight transport by road;
- Activities of asset holding company;
- Mining of other non-ferrous metal ores;
- Mining of chemical and fertilizer minerals;
- Other sports activities;

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- Advertising;
- Wholesale of automobile and other motorized vehicles;
- Cutting, shaping and finishing of stones (Detail: Production of ashlar, cutting and shaping of stones according to construction requirements; Processing minerals);
- Management consultancy activities;
- Manufacture of other products from rubber (Detail: Processing latex crumb rubber);
- Educational support services;
- Lower secondary and upper secondary education;
- Primary education;
- Wholesale of other products n.e.c (Detail: Purchase and sale of latex crumb rubber; purchase and sale of fertilizers; Wholesale of asphalt, asphalt concrete, concrete cement);
- Manufacture of rubber tyres and tubes; retreading and recycling of rubber tyres;
- Real estate activities with own or leased property;
- Wholesale of construction materials, installation supplies (Detail: Purchase and sale of wood with legal origin; Wholesale of stone, sand, gravel, cement);
- Service activities incidental to land and rail transportation (Detail: Service activities incidental to land transportation);
- Activities auxiliary to finance n.e.c (Detail: Investment consultancy activities);
- Fund management activities (Detail: General fund management);
- Exploitation of stone, sand, gravel, clay (not operating at head office);
- Wholesale of metals and metal ores (Detail: Wholesale of iron, steel, copper, lead, zinc and non-ferrous metals in primary form and semi-finished product form);
- Manufacture of electronic components (Detail: Manufacture and processing of electronic components);
- Wholesale of electronic and telecommunications equipment and supplies;
- Wholesale of farm, forestry raw materials (except wood, bamboo) and live animals (Detail: Wholesale of farm produce (except rubber latex); wholesale of cattle and buffaloes);
- Renting and leasing of motorized vehicles;
- Growing of coffee tree;
- Growing of tea tree;
- Growing of pepper tree;
- Manufacture of other food products n.e.c. (Detail: Processing of tea, coffee);
- Research and experimental development on natural sciences and engineering;
- Wholesale of food (Detail: Trading, import-export of tea, coffee).

1.4. Group structure

These consolidated financial statements were prepared for the Company and its 12 subsidiaries (together, the "Group"). All subsidiaries were consolidated in the financial statements. Besides, no subsidiaries were eliminated from the consolidation.

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Information on the restructuring of the Group:

- In the year, the Company divested its capital from 02 subsidiaries and dissolved 02 subsidiaries, namely:
 - ✓ Duc Long Gia Lai Transport Construction JSC (dissolved on 12/04/2016);
 - ✓ Duc Long Gia Lai Education Sports and Travel JSC (dissolved on 20/04/2016).
 - ✓ Duc Long Gia Lai Investment and Construction JSC (control ceased on 30/04/2016);
 - ✓ Duc Long Gia Lai Investment and Development of Public Project Service JSC (control ceased on 31/03/2016);

List of consolidated subsidiaries (12 companies)

1. Duc Long Gia Lai Afforestation and Industrial plants JSC

- Head office: 43 Ly Nam De, Tra Ba Ward, Pleiku City, Gia Lai Province.
- Principal activities: Planting rubber tree; Planting other perennial trees; Post-harvest crop activities; Support services to forestry; Exploiting timber from planted forest; Afforestation and tending of forest; Seed processing for propagation.
- Charter capital: VND47,000,000,000.
- % of ownership: 96.81%.
- % of voting rights: 96.81%.
- Operation status: Operating.

2. Duc Long Gia Lai Security Service JSC

- Head office: 73A Nguyen Trong Tuyen Street, Ward 15, Phu Nhuan District, Ho Chi Minh City.
- Principal activities: Security service business.
- Charter capital: VND3,400,000,000.
- % of ownership: 48%.
- % of voting rights: 52%.
- Operation status: Operating.

3. Duc Long Dak Nong BOT and BT JSC

- Head office: Group 9, Nghia Thanh Ward, Gia Nghia Town, Dak Nong Province.
- Principal activities: Mining of iron ores; Mining non-ferrous metal ores; Mining of precious metals ores; Exploitation of stone, sand, gravel, clay; Other mining and quarrying n.e.c; Manufacture of non-metallic mineral products n.e.c; Manufacture of basic iron and steel; Casting of metals; Manufacture of other fabricated metal products; metalworking service activities; Investment in construction of traffic projects (in BOT and BT forms); Construction of buildings; Construction of roads and railways; Construction of utility projects; Construction of other civil engineering projects; Demolition of construction projects and site preparation; Installation of electric system, water supply and drainage system and other construction installation activities; Finishing of construction projects; Other specialized construction activities; Wholesale of machinery, equipment and machine spare parts; Other specialized wholesale; Freight transport by road; Warehousing and storage in other warehouse; Service

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activities incidental to land transportation; Cargo handling; Leasing of other machinery, equipment and tangible goods.

- Charter capital: VND250,000,000,000.
- % of ownership: 70.06%.
- % of voting rights: 70.06%.
- Operation status: Operating.

4. *Duc Long Gia Lai BOT and BT JSC*

- Head office: 782 Hung Vuong Street, Chu Se Town, Chu Se District, Gia Lai Province.
- Principal activities: Investment in construction of traffic projects, Mining of iron ores; Mining non-ferrous metal ores; Exploitation of stone, sand, gravel, clay and kaolin; Other mining and quarrying n.e.c; Manufacture of non-metallic mineral products n.e.c; Manufacture of basic iron and steel, Casting of metals; Manufacture of other fabricated metal products; metalworking service activities; Construction of buildings, Construction of roads; Construction of utility projects, Construction of other civil engineering projects; Demolition of construction projects and site preparation; Installation of electric system, water supply and drainage system and other construction installation activities; Finishing of construction projects, Other specialized construction activities; Wholesale of machinery, equipment and machine spare parts; Other specialized wholesale; Freight transport by road; Warehousing and storage in other warehouse; Service activities incidental to land transportation, Cargo handling; Leasing of other machinery, equipment and tangible goods.
- Charter capital: VND270,000,000,000.
- % of ownership: 73.49%.
- % of voting rights: 60%.
- Operation status: Operating.

5. *Duc Long Da Nang JSC*

- Head office: 47 Be Van Dan Street, Thanh Khe District, Danang City.
- Principal activities: Service activities incidental to land transportation; Transport of passengers on fixed routes; Freight transport, Investment in construction of car terminals, parking lots; Food and drink catering services; Dealing in hotel services, rest house; Entertainment and recreation services (not trading bar, karaoke); Service of car terminals, parking lots; Construction of civil, traffic, utility, technical projects; Demolition of construction projects and site preparation; Installation of electric system, water supply and drainage, heating and air-conditioning systems; Finishing of construction projects; Purchase and sale of steel and iron; Leasing of construction machinery and equipment; Trading petrol in National Road 1A, Hoa Phuoc Commune, Hoa Vang District, Danang City.
- Charter capital: VND25,000,000,000.
- % of ownership: 100%.
- % of voting rights: 85%.
- Operation status: Operating.

6. *Duc Long Gia Lai Agriculture Co., Ltd*

- Head office: 211 Phu Ha Village, IaBlu Commune, Chu Puh District, Gia Lai Province.

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- Principal activities: Cultivation of corn and other grain-bearing food plants; Cultivation of starchy tuber plants; Cultivation of sugar cane; Growing of oil seeds; Growing of oleaginous fruits; Rubber tree plantation; Raising of cattle and buffaloes; Wholesale of agricultural raw materials (except wood, bamboo) and live animals (Detail: Wholesale of agricultural products (except rubber latex); Wholesale of cattle and buffaloes); Support activities for crop production; Support activities for animal production; Other specialized wholesale n.e.c (Detail: Purchase and sale of latex crumb rubber, purchase and sale of fertilizers); Activities of asset holding company.
- Charter capital: VND360,500,000,000.
- % of ownership: 99.80%.
- % of voting rights: 99.86%.
- Operation status: Operating.

7. Tan Thuong Energy JSC

- Head office: 18 Ha Huy Tap Street, Ward 3, Da Lat City, Lam Dong Province.
- Principal activities: Construction of other civil engineering projects (Investment in construction of large, medium and small-scaled hydropower projects; Construction of hydraulic works; Construction of industrial work coverings); Construction of public projects (Construction of hydraulic works, dams, irrigation systems); Electric power generation, transmission and distribution; Installation of industrial machinery and equipment (Manufacturing, installing hydro-mechanical equipment; Manufacturing, installing hydropower equipment); Site preparation (Grouting, treatment and processing of foundation of construction works).
- Charter capital: VND155,000,000,000.
- % of ownership: 86.90%
- % of voting rights: 88%.
- Operation status: In investment phase.

8. Mass Noble Investments Limited

- Head office: P.O. Box 957, Offshore Incorporations Centre, Road Town, Tortola, British Virgin Islands.
- Principal activities: designing, manufacturing and trading of home comfort, personal care, home security and energy saving products for customers in the United States and Europe
- Charter capital: VND320,062,401,456.
- % of ownership: 97.73%.
- % of voting rights: 97.73%.
- Operation status: Operating.

9. Duc Long Gia Lai Transport Construction JSC

- Head office: 30 Hung Vuong Street, Chu Se Town, Gia Lai Province.
- Principal activities: Exploitation of stone, sand, gravel, clay and kaolin; Manufacture of non-metallic mineral products n.e.c; Manufacture of basic iron and steel; Machining, treatment and coating of metals; Construction of buildings; Construction of roads; Construction of utility projects; Construction of other civil engineering projects; Demolition of construction projects; Site preparation; Installation of electric system, water supply and drainage, heating and air-

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conditioning systems; Finishing of construction projects; Other specialized construction activities; Purchase and sale of other machinery, equipment and machine spare parts; Wholesale of construction materials, installation supplies; Freight transport by road; Warehousing and storage in other warehouse; Service activities incidental to land transportation; Cargo handling; Investment in construction of traffic projects (in BOT and BT forms).

- Charter capital: VND50,000,000,000.
- % of ownership: 100%.
- % of voting rights: 51%.
- Operation status: Dissolved on 12/04/2016.

10. Duc Long Gia Lai Education Sports and Travel JSC

- Head office: 43 Ly Nam De, Tra Ba Ward, Pleiku City, Gia Lai Province.
- Principal activities: Lower secondary and upper secondary education; Primary education; Sport and entertainment education; Educational support services; Operation of sports facilities; Activities of sports clubs; Travel agency; Purchase and sale of fabrics, ready-made clothing, footwear; Wholesale of other household products; Wholesale of computer, computer peripheral equipment and software; Other sports activities.
- Charter capital: VND65,000,000,000.
- % of voting rights: 55%.
- Operation status: Dissolved on 20/04/2016

11. Duc Long Gia Lai Investment and Development of Public Project Service JSC (control ceased on 31/03/2016)

- Head office: 43 Ly Nam De, Tra Ba Ward, Pleiku City, Gia Lai Province.
- Principal activities: Service activities incidental to land transportation; Transport of passengers by bus; Transport of passengers on fixed routes; Freight transport; Investment in construction of car terminals in cities and provinces over the country; Other food serving activities; Agency of engine lubricants and cleansing substances; Short-term accommodation activities; Non-specialized wholesale trade; Other amusement and recreation activities n.e.c; Service of car terminals, parking lots; Leasing of office; agency of petroleum, oil and products thereof; Passenger transportation under contract; Repair of machines, equipment; Repair and maintenance of transport means; Warehousing and storage in other warehouse.
- Charter capital: VND31,420,260,000.
- % of ownership: 54.67%.
- % of voting rights: 54.67%.
- Operation status: Operating.

12. Duc Long Gia Lai Investment and Construction JSC (control ceased on 30/04/2016)

- Head office: 43 Ly Nam De, Tra Ba Ward, Pleiku City, Gia Lai Province.
- Principal activities: Construction of hydraulic projects, hydropower projects, water supply projects, waste water treatment projects, environment projects, traffic projects, infrastructure projects, electricity lines and transformer stations up to 35KV; Installation of hydraulic projects, hydropower projects, water supply projects, waste water treatment projects, environment projects, traffic projects, infrastructure projects, electricity lines and transformer

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stations up to 35KV; Production, making of electric, electronic, mechanical materials and equipment, communication equipment, specialized automation equipment for hydraulic projects, hydropower projects, water supply projects, waste water treatment projects, environment projects; Purchase and sale of electric, electronic, mechanical materials and equipment, communication equipment, specialized automation equipment for hydraulic projects, hydropower projects, water supply projects, waste water treatment projects, environment projects; Advertising; Production and trading of construction materials, furniture; Installation, maintenance, repair services of goods traded by the Company; Investment, management of civil, industrial, traffic, hydraulic and hydropower projects; Construction of buildings; Construction of roads; Construction of utility projects; Construction of other engineering projects; Construction of hydraulic and hydropower projects; Demolition of construction project; Site preparation; Installation of electric systems; Installation of water supply and drainage, heating and air-conditioning systems; Finishing of construction projects; Leasing of construction machinery, equipment; Supply, installation of electromechanical and hydro-mechanical equipment, civil and industrial projects, hydropower plant.

- Charter capital: VND2,000,000,000.
- % of ownership: 94.12%.
- % of voting rights: 51%.
- Operation status: Operating.

Associates reflected in the consolidated financial statements under equity method are as follows (3 companies):

1. Gia Lai Transport Consulting and Construction JSC

- Head office: 53 Quang Trung Street, Pleiku City, Gia Lai Province.
- Principal activities: Consultancy on investment and construction of traffic, urban infrastructure projects; Geographical, geological, hydrographical surveys; Preparing project feasibility, pre-feasibility, investment report; Technical design, construction drawings, total cost estimate, cost estimation; Preparation and evaluation of bid documents; Verification of project documents, design, cost estimate prepared by other entities; Supervision of construction technique, project management; Testing construction materials and examining construction quality; Project construction and installation; Design of small-scaled hydropower and hydraulic projects; Consultancy on construction of civil and industrial project.
- Charter capital: VND2,961,000,000. Of which the Company owns: 20.00%.
- % of voting rights: 20.00%.
- Operation status: Operating.

2. Tay Nguyen Materials Supply Co., Ltd

- Head office: 02 Dang Tran Con Street, Tra Ba Ward, Pleiku City, Gia Lai Province.
- Principal activities: Wholesale of construction materials, installation supplies (Detail: Purchase and sale of wood with legal origin; Purchase and sale of construction materials, materials for interior and exterior decoration); Wholesale of metals and metal ores (Detail: Purchase and sale of metals); Exploitation of stone, sand, gravel, clay; Cutting, shaping and finishing of stones; Mining of other non-ferrous metal ores; Support activities for other mining and quarrying; Mining of iron ores.
- Charter capital: VND60,000,000,000. Of which the Company owns: 33.33%.

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- % of voting rights: 33.33%.
- Operation status: Operating.

3. *Duc Long Tay Nguyen JSC*

- Head office: 117-119-121 Tran Phu Street, Dien Hong Ward, Pleiku City, Gia Lai Province.
- Principal activities: Manufacture of iron, steel and basic iron; Afforestation and tending of forest; Rubber tree plantation; Mining of other non-ferrous metal ores; Mining of iron ores; Exploitation of stone, sand, gravel, clay; Raising of cattle and buffaloes; Production of cement, lime and plaster; Casting of iron and steel; Cutting, shaping and finishing of stones; Manufacture of basic precious and other nonferrous metals; Casting of nonferrous metals; Raising of goats and sheep; Raising of pigs.
- Charter capital: VND15,000,000,000.
- % of voting rights: 40.00%.
- Operation status: Up to 31/12/2016, the Company has not yet come into operation.

2. **Accounting time period and currency unit used in accounting**

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

Consolidated financial statements and accounting transactions are expressed and recorded in Vietnamese Dong (VND).

3. **Applied accounting standards and system**

The Group adopts the Vietnamese Corporate Accounting System, which was issued under Circular No. 200/2014/TT-BTC dated 22/12/2014 and Vietnamese Accounting Standards promulgated by the Ministry of Finance. These consolidated financial statements are prepared in accordance with the provisions of Circular No. 202/2014/TT-BTC dated 22/12/2014 guiding the preparation and presentation of consolidated financial statements.

4. **Summary of significant accounting policies**

4.1 *Principles and methods of preparing consolidated financial statements*

4.1.1 *Basis of consolidation*

The Group's consolidated financial statements comprise the financial statements of the Company and its subsidiaries.

Subsidiaries are entities controlled by the Group. Control is achieved where the Group has the power to govern the financial and operating policies of an investee entity so as to obtain benefits from its activities. The financial statements of subsidiaries are consolidated from the effective date of control up to the date of cease to control.

The financial statements of the subsidiaries are prepared for the same year as the parent company, using consistent accounting policies. Adjustments are made for any differences in accounting policies that may exist to ensure consistency between the subsidiaries and the company.

Capital divestment of the Company from a subsidiary that does not result in a loss of control is accounted for as transactions with owners. If the capital divestment results in a loss of control, any resulting gain or loss is recognized in the consolidated income statement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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Transactions eliminated on consolidation

Intra-group balances, transactions and any unrealised income and expenses arising from intra-group transactions are eliminated in preparing the consolidated financial statements.

4.1.2 Business combinations

Assets, liabilities and contingent liabilities in a subsidiary are measured at fair value at the date of the subsidiary acquisition. Any excess of the cost of acquisition over the fair values of the identifiable net assets acquired is recognised as goodwill. Any deficiency of the cost of acquisition below the fair values of the identifiable net assets acquired is credited to profit and loss in the period of acquisition.

4.1.3 Recognition of non-controlling interests

Non-controlling interests represent the portion of net assets in subsidiaries not held by the Group and are presented within equity in the consolidated balance sheet, separately from parent shareholders' equity. Non-controlling interests in the net assets of consolidated subsidiaries include: non-controlling interests at the acquisition date which are determined according to the fair value of net assets of subsidiaries at the acquisition date; non-controlling interests' share of changes in equity as from the acquisition date up to the beginning of the reporting period and non-controlling interests in the fluctuations of total equity arising during the period. Losses in subsidiaries are respectively attributed to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Non-controlling interests represent the portion of profit or loss of subsidiaries not held by the Group, are determined based on the ratio of non-controlling interests and profit after corporate income tax of subsidiaries and are presented separately in the consolidated income statement.

4.2 Exchange rate difference

Transactions denominated in currencies other than VND are translated into VND using the actual exchange rate announced by the commercial bank where the Group anticipates to conduct transactions on the date of the transactions.

At the balance sheet date, monetary items denominated in currencies other than VND which are classified as assets are revaluated using the purchasing exchange rate and monetary items denominated in currencies other than VND which are classified as liabilities are revaluated using the selling exchange rate of the commercial bank where the Group regularly conducts transactions at the time of the financial statements. For foreign currency deposited in bank, the exchange rate upon revaluation is the purchase exchange rate of the bank where the Group opens foreign currency accounts.

Exchange rate differences are treated in accordance with the provisions of Vietnamese Accounting Standards No. 10 "Impacts of exchange rate fluctuations". Accordingly, foreign exchange differences arising during the year and exchange rate differences resulting from revaluating the closing balances of monetary items denominated in foreign currencies are recorded in the income statement of the fiscal year.

4.3 Cash and cash equivalents

Cash includes cash on hand, cash at bank and cash in transit.

All short-term investments which are collectible or mature of 3 months or less as from purchasing date, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value at reporting date shall be recognized as cash equivalents.

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4.4 Financial investments***Trading securities***

Trading securities are securities and other financial instruments (commercial papers, term contract, exchange contract,...) which are held for business purposes.

Trading securities are recorded at cost, comprising: buying prices plus (+) buying costs (if any) such as brokerage, transactions, information provision, taxes, bank's fees and charges. The dividends, profits received for the period before the investment date shall be recorded as a decrease in value of investment.

After initial recognition, trading securities are determined at cost less provision for decline in value of trading securities. At the end of the fiscal year, if the market prices of trading securities devalue against their cost, the provisions for devaluation shall be made.

Held-to-maturity investments

Held-to-maturity investments are term deposits (including treasury bills, promissory notes), bonds, preferred shares which the issuer is required to re-buy them at a certain time in the future and held-to-maturity loans to earn profits periodically and other held-to-maturity investments.

Held-to-maturity investments are recorded at book value upon revaluation. Provision for loss of held-to-maturity investments shall be recorded as a decrease directly in the book value of investments.

In case where held-to-maturity investments are monetary items denominated in foreign currencies, they are revaluated using the buying rate of the commercial bank where the Group regularly conducts transactions at the time of the financial statements.

Loans

Loans receivable are recorded in the financial statements at cost less provision for doubtful debts.

Provision for doubtful debts represents the amounts of expected lost value of loans at the balance sheet date, which have been overdue for 6 months or which have not been overdue but the debtor is in the state of insolvency, winding up, missing or running away. Provision is made as guided by Circular No. 228/2009/TT-BTC dated 7/12/2009 of the Ministry of Finance.

Investments in associates

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the associate but not control or joint control over those policies. An entity is considered as an associate if the Company holds (directly or indirectly) from 20% to under 50% voting shares of the entity.

The financial statements of the associates are prepared for the same year as the Company, using consistent accounting policies. Adjustments are made for any differences in accounting policies that may exist to ensure consistency between the associates and the Company.

Investments in associates are accounted for using the equity method. Accordingly, investments in joint ventures, associates are initially recorded at cost and the carrying amount is increased or decreased corresponding to the Company's portion of net assets of the investees after the date of acquisition. When the Company's equity in losses of an associate equals or exceeds the carrying amount of an investment, the carrying amount of that investment is reduced to nil and the recognition of further losses is discontinued except to the extent that the Company has an obligation to pay on behalf of the associate. The Company's portion of business result of the

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investee is recognized in the income statement of the Company. Amounts shared from the investees are accounted for as a decrease in the carrying amount of the investments.

Long-term equity investments in other companies

Long-term equity investments in other companies are investments which the Group has no power to control or joint control, no significant influence over the investees.

Long-term equity investments in other companies are stated at cost less provision for diminution in value. Dividends and profits received in money or non-monetary asset for the period before the investment date shall be recorded as a decrease in value of investment.

Provision

Provision for long-term equity investments in other companies is made as follows:

- If an investment in listed shares or the fair value of the investment is determined reliably, the provision shall be made based on the market value of the shares.
- If the market value of the shares is not identifiable, the provision shall be made based on the loss reported in the financial statements of the investee.

With regards to the investees who are required to prepare the consolidated financial statements, the provision is made based on the consolidated financial statements. For other cases, the provision is made based on the financial statements of the investees.

4.5 Receivables

Receivables includes: trade receivables and other receivables:

- Trade receivables are trade-related amounts arising from trading activities between the Group and its customers.
- Other receivables include non-trade amounts which are not related to trading activities, intra-company transactions.

Receivables are recorded at cost less provision for doubtful debts. Provision for doubtful debts represents the amounts of outstanding receivables at the balance sheet date, which have been overdue for 6 months or which have not been overdue but the debtor is in the state of insolvency, winding up, missing or running away... Provision is made as guided by Circular No. 228/2009/TT-BTC dated 7/12/2009 of the Ministry of Finance.

4.6 Inventories

Inventories are stated at the lower of cost and net realizable value.

Cost of inventories is calculated using the weighted average method and accounted for using the perpetual method with value determined as follows:

- Materials, tools, instruments: Cost comprises costs of purchase, costs of conversion and any directly attributable costs of bringing the inventories to their present location and condition.
- Work in process: Cost comprises costs of direct raw materials, costs of construction machines, cost of direct labor and overheads collected for each product, project.
- Finished products: Cost comprises cost of direct materials and labour plus attributable overhead based on the normal level of activities.

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Net realizable value is the estimated selling price less the estimated costs of completing the products and the estimated costs needed for their consumption.

Provision for decline in value of inventories is made when the net realizable value of inventories is less than cost. The provision is made in accordance with Circular No. 228/2009/TT-BTC dated 7/12/2009 by the Ministry of Finance.

4.7 Tangible fixed assets

Cost

Tangible fixed assets are stated at cost less accumulated depreciation.

The cost of tangible assets comprises their purchase price and all the costs incurred by the Group to acquire those assets as of the time of putting such assets into the ready-for-use state. The costs incurred after the initial recognition of tangible fixed asset shall be recorded as increase in their historical cost if these costs are certain to augment future economic benefits obtained from the use of those assets. Those incurred costs which fail to meet this requirement must be recognized as production and business expenses in the period.

Depreciation

Depreciation of tangible fixed assets is calculated on a straight-line basis over their estimated useful lives. The depreciation period is in conformity with Circular No. 45/2013/TT-BTC dated 25 April 2013 by the Ministry of Finance. In particular, fixed assets formed from BOT project are depreciated in accordance with Official Letter No. 6092/BTC-TCDN dated 06/05/2016 of the Ministry of Finance on "Depreciation in proportion to revenue for fixed assets formed from BOT project". Details are as follows:

<u>Kinds of asset</u>	<u>Depreciation period (years)</u>
Buildings, architectures	5 – 50
Machinery, equipment	4 – 20
Motor vehicles	4 – 10
Office equipment	4 – 7
Other assets (BOT Project)	In proportion to revenue

4.8 Intangible fixed assets

Cost

Intangible fixed assets are stated at cost less accumulated amortization.

The cost of intangible fixed assets comprises all the costs incurred by the Group to acquire those assets as of the time of putting such assets into the ready-for-use state.

Land use rights

Intangible fixed assets are land use rights including:

- The land use right allocated by the State with land use fee or receiving the transfer of legal land use right (including term and non-term land use right).
- The prepaid land rent (has been paid for the leasing time or paid in advance for many years but the remaining land lease term paid is at least five years) for the land rent contract before the effective

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date of the Land Act 2013 and being granted with certificate of land use right by the competent authority.

The cost of land use right includes all the costs directly attributable to the putting of land into the ready-for-use state.

Amortization

Intangible fixed assets being land use rights with indefinite term are not amortized. For land use rights with definite term, the amortization period is the period in which the Group is allowed to use the land.

Other intangible fixed assets are amortized in accordance with the straight-line method based on their cost and estimated useful lives. Amortization period is in conformity with Circular No. 45/2013/TT-BTC dated 25/4/2013 by the Ministry of Finance.

<u>Kind of asset</u>	<u>Amortization period (years)</u>
Accounting software	7
Development costs	4
Exploitation right of Dak Wei Quarry	17
Business relationship with counterparty	10

4.9 Investment property

Investment property held to be leased out under an operating lease is stated at cost less accumulated depreciation. Investment property held for capital appreciation is reflected at net of book value and impairment losses.

The depreciation policy of investment property held to be leased out under an operating lease is performed consistently with the depreciation policy of the same kind of fixed assets of the Group. Accordingly, depreciation of investment property held to be leased out under an operating lease is calculated on a straight-line basis over their estimated useful lives. The depreciation period is in conformity with Circular No. 45/2013/TT-BTC dated 25/4/2013 by the Ministry of Finance. Details are as follows:

<u>Kind of asset</u>	<u>Depreciation period (years)</u>
Buildings, architectures	8 – 50

4.10 Deferred corporate income tax

Deferred income tax is determined for temporary differences at the balance sheet date between the tax base of assets and liability and their carrying amount for financial reporting purpose. Deferred income tax liabilities are recognized for all temporary differences except temporary differences arising from the initial recognition of an asset or liability in a transaction which, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred income tax liabilities are recognized for all taxable temporary differences while deferred income tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized. Book values of deferred corporate income tax assets are considered at the balance sheet dates and will be reduced to the rates that ensure enough taxable income against which the benefits from a part of or all of the deferred income tax assets can be used. Unrecognized deferred income tax assets are reassessed at each balance sheet date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

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Deferred income tax is measured at the tax rates that are expected to apply for the year in which the asset is realized or the liability is settled, based on tax rates that have been enacted or substantively enacted at the balance sheet date.

Deferred income tax assets and deferred income tax liabilities are offset if taxable temporary differences and deductible temporary differences relate to the same taxable entity and are finalized with the same taxation authority.

4.11 Prepaid expenses

Prepaid expenses are reported as short-term or long-term prepaid expenses. These are expenditures that have been incurred but related to the operations of many accounting periods. The Group's primary prepayments are as follows:

- Cost of tools and instruments being put into use are amortized in accordance with the straight-line method for a period ranging from 1 year to 3 years;
- Costs of compensation for site clearance of the leased land are amortized in accordance with the straight-line method over the term of the lease specified in contract;
- Insurance premium is amortized over the term of the insurance contract;
- Other prepaid expenses: the Group selects appropriate method and criteria of allocation over the period in which economic benefits are expected to be received based on the nature and extent of the prepaid expenses.

4.12 Payables

Payables include: trade payables and other payables:

- Trade payables are trade-related amounts, arising from trading activities between the Group and its suppliers;
- Other payables are non-trade amounts, which are not related to trading activities, intra-company transactions.

Payables are recognized at cost and reported as short-term and long-term payables based on the remaining terms at the balance sheet date.

Payables are monitored according to their creditors, principal terms, remaining terms and currencies.

4.13 Loans and finance lease liabilities

Loans and finance lease liabilities are recorded at cost and classified into current and non-current liabilities based on the remaining terms at the balance sheet date.

The Group monitors loans and finance lease liabilities according to their creditors, loan agreements, principal terms, remaining terms and currencies.

Borrowing costs

Borrowing costs comprise interest and other costs that the Group incurs in connection with the borrowing of funds. Borrowing costs are recognized as an expense in the period in which they are incurred, except to the extent that they qualify the conditions to be capitalized in accordance with Accounting Standard "Borrowing costs".

Borrowing costs associated with a particular borrowing for the purpose of obtaining a qualifying asset shall be capitalized as part of the cost of that asset. For general borrowing funds, the borrowing costs eligible for capitalization in the period shall be determined according to the capitalization rate, which is

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the weighted average of the borrowing costs applicable to the borrowings of the Group that are outstanding during the period.

Capitalization of borrowing costs shall be suspended during extended periods in which it suspends active development of a qualifying asset, except to the extent that the suspension is necessary. Capitalization shall be ceased when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

4.14 Accrued expenses

Accruals are recognized for amount to be paid in the future for goods and services received, whether or not billed to the Group. The Group's primary accrued expenses are:

- Accrued interest expenses which are determined according to the agreed interest rate of each loan agreement, loan period and principal.
- Construction expenses which are determined according to the completed portion confirmed by suppliers but for which financial invoices have not been issued up to the balance sheet date yet.

4.15 Provision for payables

Provision for payables is a present obligation (legal or constructive) of the Group as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. A provision is recognized when a reliable estimate can be made on the amount of the obligation.

4.16 Unearned revenue

Unearned revenue of the Group is the amount received in advance for one or many accounting periods for services rendered to customers that are amortized over the period for which the Group has received the payment in advance.

4.17 Convertible bonds

Convertible bonds are recognized separately into value of the debt component (principal debt) and capital component in the financial statements. Principal debt of convertible bonds is recorded a liabilities; component of capital (stock options) of convertible bonds is recorded an owner's equity. Accordingly, the amount classified as liability is measured at amortized cost (net of transaction costs) until it is extinguished on conversion or redemption.

At the time of initial record, the value of the principal of convertible bonds is determined by discounting the nominal value of future payments (including principal and interest of bonds) about the present value under interest rate of similar bonds in the market without the right to convert into shares and subtracting the cost of issuing convertible bonds. After issuance of convertible bonds, cost of issuing convertible bonds is gradually allocated in accordance with bond life under the straight line method.

The value of the capital component of convertible bonds is defined as the difference between the total amounts collected from issuance of convertible bonds and the value of the debt component of the convertible bond at the time of release.

In fact, due to failure to determine the interest rate of similar bonds, the Company used common loan interest rates in the market at the time of the issuance of bonds (11% per annum) to determine the present value of future payments.

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4.18 Owners' equity

Owners' contributed capital represents the amount of capital actually contributed by shareholders.

Share premium

Share premium reflects the difference between the issue price and par value of the shares issued, costs directly related to the issuance of shares; difference between the re-issue price and book value, costs directly related to the re-issuance of treasury shares; the capital component of convertible bonds as they fall due.

Bond conversion option

Bond conversion option is defined as the difference between the total amounts collected from issuance of convertible bonds and the value of the debt component of the immature convertible bonds.

Profit distribution

Profit after corporate income tax is available for appropriation to funds and shareholders as provided for in the Company's Charter or Decision of the Shareholders' General Meeting.

The dividends to be paid to the shareholders shall not exceed the undistributed profit after tax and with consideration of non-monetary items in undistributed post-tax profits that may affect cash flow and ability to pay dividends.

4.19 Recognition of revenue and other income

- Revenue from construction contracts is recognized as follows:
 - ✓ In the case where it is stipulated in the contract that contractors make payments upon the work's progress, revenue and expenses are recorded for completed portion when the contract outcome is estimated reliably.
 - ✓ In the case where the contract stipulates that contractors make payment upon the work volume, revenue and expenses are recognized for the completed portion confirmed by the customer when the contract outcome is measured reliably.
- Revenue from sales and service provision is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:
 - ✓ Revenue from the sale of goods is recognized in the income statement when the significant risks and rewards of ownership have been transferred to the buyer and there are no significant uncertainties regarding recovery of the consideration due or the likely return of goods.
 - ✓ Revenue from service provision is recognized when the services have been rendered. In case that the services are to be provided in many accounting periods, the determination of revenue in each period is done on the basis of the service completion rate as of the balance sheet date.
- Revenue from financing activities is recognized when revenue is determined with relative certainty and it is possible to obtain economic benefits from the transactions.
 - ✓ Interests are recognized on the basis of the actual term and interest rates.
 - ✓ Dividends and profits shared are recognized when the Group has the rights to receive dividends or profit from the capital contribution. Stock dividends are not recognized as financial revenue. Dividends received in the period before investment date shall be recorded as a decrease in value of investment.

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- Other income is the income derived out of the Group's scope of business and recognized when it can be measured reliably and it is probable that the economic benefits associated with the transaction will flow to the Group.

4.20 Revenue deductions

Revenue deductions include trade discounts, sales rebates and sales returns.

In case where revenue is recognized in during the year but the corresponding revenue deductions arise after the balance sheet date, revenue shall be decreased in accordance with the following principles:

- If the corresponding deductions arise before the date of releasing the financial statements, they shall be charged against revenue of the reporting year;
- If the corresponding revenue deductions arise after the date of releasing the financial statements, they shall be charged against revenue of the next reporting year.

4.21 Cost of goods sold

Cost of products, goods sold and services rendered shall be recognized in the incurred period in accordance with the matching principle and conservatism.

Costs of inventories and services rendered which are incurred in excess of the ordinary level are shall be charged out to cost of goods sold in the period, not to the production cost of goods and services.

4.22 Financial expenses

Financial expenses reflect expenses or losses related to financial investment activities: interest expense, interest on installment purchase, expenses and loss on liquidating, transferring investments; provision for diminution in value of trading securities, provision for loss from investment in other entities, loss from sale of foreign currency, foreign exchange loss and expenses of other investing activities.

4.23 Selling expenses, administrative expenses

Selling expenses recognized in the period are expenses actually incurred in process of selling products, goods, rendering services.

Administrative expenses recognized are expenses actually incurred related to the overall administration of enterprises.

4.24 Current corporate income tax expense, deferred corporate income tax expense

Corporate income tax expenses in the period include current income tax and deferred income tax.

Current income tax is the tax amount computed based on the taxable income in the period at the tax rates ruling at the balance sheet date. The difference between taxable income and accounting profit is due to the adjustments of temporary differences between tax and accounting figures as well as those of non-taxable or non-deductible income and expenses.

Deferred income tax is determined for temporary differences at the balance sheet date between the tax base of assets and liability and their carrying amount for financial reporting purpose.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(These notes form an integral part of and should be read in conjunction with the financial statements)

4.25 Financial instruments

Initial recognition

Financial assets

A financial asset is recognized initially at cost plus transaction costs directly attributable to the acquisition of the asset. The Group's financial assets include cash on hand, short-term deposits, trade receivables, loan receivables, other receivables and financial investments.

Financial liabilities

A financial liability is recognized initially at cost plus transaction costs directly attributable to the issuance of such liability. The Group's financial liabilities include loans, trade payables, accrued expenses and other payables.

Subsequent measurement

Currently, there has been no requirement for subsequent measurement of financial instruments.

4.26 Tax policies

- Value Added Tax (VAT):
 - ✓ Fertilizer trading activities, agricultural activities: not subject to VAT;
 - ✓ Construction and installation activities, sales of stones, wood,...: applicable tax rate is 10%;
 - ✓ Other products are subject to prevailing tax rates.
- Corporate Income Tax (CIT): the Company and its subsidiaries in Vietnam are subject to tax rate of 20%.

CIT policies for the overseas subsidiaries are applicable as follows:

- ✓ The companies which are incorporated under the International Business Companies Act of the British Virgin Islands are exempted from payment of the British Virgin Islands income taxes.
 - ✓ Hong Kong profits tax has been provided at the rate of 16.5% on the estimated assessable profit of the Group's subsidiaries arising in or derived from Hong Kong for the year.
 - ✓ Enterprise income tax is provided on the profit of the Group's subsidiaries in the PRC at the rate of 25% in accordance with the Income Tax Law of China for Enterprises with Foreign Investment and Foreign Enterprises.
 - ✓ For Group's subsidiaries in Korea, the rate of 10% is applicable to profit up to KRW200 million, and the rate of 20% is applicable to profit in excess of KRW200 million in accordance with Korean Corporate Income Tax Law.
- Other taxes and charges are fulfilled in accordance with the prevailing regulations.

4.27 Related parties

Parties are considered to be related if one party has the ability to (directly or indirectly) control the other party or exercise significant influence over the other party in making financial or operational decisions.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(These notes form an integral part of and should be read in conjunction with the financial statements)

Currency: VND

5. Cash and cash equivalents

	31/12/2016	01/01/2016
Cash	19,013,580,060	21,484,472,095
Cash in bank	36,786,125,556	74,636,781,994
Term deposits (within 3 months)	41,009,255,206	123,986,695,034
- BIDV - Gia Lai Branch (*)	30,000,000,000	113,499,000,000
- Vietcombank - Gia Lai Branch (**)	11,009,255,206	10,487,695,034
Total	96,808,960,822	220,107,949,123

(*) This amount is mortgaged as security for the short-term loan at BIDV - Gia Lai Branch.

(**) This amount is mortgaged as security for the short-term loan at Vietcombank - Gia Lai Branch.

6. Trading securities

	31/12/2016		01/01/2016	
	Cost	Provision	Cost	Provision
Trading securities	264,000,000,000	-	264,000,000,000	-
- Duc Long Gia Lai Mineral Exploitation and Processing JSC	264,000,000,000	-	264,000,000,000	-
Total	264,000,000,000	-	264,000,000,000	-

According to the Meeting Minutes of the Board of Directors No. 24/BB-HDQT-DLGL dated 25/09/2015 about investing capital in Duc Long Gia Lai Mineral Exploitation and Processing JSC and authorizing the representative of Duc Long Gia Lai Group JSC to manage the capital, the shares of this company are purchased for the purpose of re-sale in the near future (under 12 months). Currently, the Company is seeking for a counterparty to transfer this investment amount.

Since the shares of Duc Long Gia Lai Mineral Exploitation and Processing JSC have not been listed on any stock exchange yet, the Group is unable to determine the fair value of this investment at the balance sheet date. Therefore, this investment is recorded at cost and no provision is made for it.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)*(These notes form an integral part of and should be read in conjunction with the financial statements)*

7. Financial investments
a. Held-to-maturity investments

	31/12/2016		01/01/2016	
	Cost	Book value	Cost	Book value
Depositist with remaining term within 12 months	316,094,590,556	316,094,590,556	573,264,666,667	573,264,666,667
- Vietcombank - Gia Lai Branch (*)	14,094,590,556	14,094,590,556	13,264,666,667	13,264,666,667
- VPBank	302,000,000,000	302,000,000,000	560,000,000,000	560,000,000,000
Total	316,094,590,556	316,094,590,556	573,264,666,667	573,264,666,667

(*) This amount is pledged as security for the short-term loan at Vietcombank - Gia Lai Branch.

As at 31/12/2016, The Group's held-to-maturity investments solely include term deposits in banks. The Management assesses that there are no impairments in the value of these investments.

b. Investments in associates, joint ventures

	31/12/2016		01/01/2016	
	% of capital	Number of shares	Value of investment under equity method	Value of investment under equity method
Gia Lai Transport Consulting and Construction JSC (12)	20.0%	5,922	6,788,303,744	6,676,306,812
Tay Nguyen Materials Supply Co., Ltd	33.3%		19,827,166,233	19,774,674,966
Total			26,615,469,977	26,450,981,778

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)*(These notes form an integral part of and should be read in conjunction with the financial statements)***c. Equity investments in other entities**

		31/12/2016				01/01/2016			
	Operation status	% of capital	Number of shares	Cost	Provision	Fair value	Cost	Provision	Fair value
Tay Binh Tay Son Security Service JSC (i3)	Operating	18.70%	56,000	5,600,000,000	-	-	5,600,000,000	-	-
Nam Nguyen Construction Investment JSC	Operating		96,800	968,000,000	(968,000,000)	-	968,000,000	(968,000,000)	-
DLGL Investment & Development of Public Project Service JSC (i1)	Operating	11.29%	1,717,768	8,200,000,000	-	22,502,760,800	-	-	-
Duc Sang Gia Lai Minerals Exploiting Co., Ltd (i2)	Operating	9.70%		1,200,000,000	-	-	1,200,000,000	-	-
DLGL Electric Power Investment and Development JSC	Operating	2.88%	350,350	3,503,500,000	(399,648,516)	-	3,503,500,000	(471,079,169)	-
Duc Long Bao Loc Public Service JSC	Operating	7.20%	48,000	480,000,000	(480,000,000)	-	480,000,000	(480,000,000)	-
DLGL Real Estate Trading & Investment JSC	Operating	4.00%	400,000	4,000,000,000	(527,123,010)	-	4,000,000,000	(346,159,195)	-
Duc Long Gia Lai Investment and Construction JSC (i2)	Operating	8.17%	817,000	8,274,230,632	-	-	-	-	-
Total				32,225,730,632	(2,374,771,526)	22,502,760,800	15,751,500,000	(2,265,238,364)	-

(i1) The fair value of the investment in Duc Long Gia Lai Investment and Development of Public Project Service JSC was determined based on the trading price of DL1 shares on Hanoi Stock Exchange on 31/12/2016. There was no basis to determine the fair value of the other investments.

(i2) These companies earned profit in the year, hence equity was preserved. Therefore, these investments are recorded at cost and no provisions are made for them.

(i3) Up to the date of preparing these financial statements, the Group has not received the financial statements for the year ended 31/12/2016 of Tay Binh Tay Son Security Service JSC. Besides, the shares of Tay Binh Tay Son Security Service JSC have not been listed yet and the Group has no reliable sources of reference data regarding market prices of these shares as at 31/12/2016. Therefore, this investment is recorded at cost and no provision is made for it.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)
(These notes form an integral part of and should be read in conjunction with the financial statements)

8. Short-term trade receivables

	31/12/2016	01/01/2016
Tay Nguyen Materials Supply Co., Ltd	68,337,488,136	121,246,059,976
Bamboo Capital JSC	17,254,758,400	47,920,083,400
Whirlpool Overseas Manufacturing, S.a.r.l	28,151,749,858	23,682,903,337
Lithonia Lighting, A Division	23,016,912,458	-
Tay Nguyen Stone Processing Mining Industry JSC	55,998,877,380	17,543,755,480
Road & Bridge Constructinon, Hydraulics, Import-Export, Daohuensong Group & Lao Investment Development One Member Co., Ltd	136,947,625,974	-
Azad International (HK) Ltd.	17,530,353,915	19,515,031,401
Caradon MK Electric Ltd (Sub CAA)	56,628,496,566	62,492,698,111
Van Gia Long Investment - Construction Corporation	32,692,007,652	-
Others	164,948,404,474	128,920,050,390
Total	<u>601,506,674,812</u>	<u>421,320,582,095</u>

In which: Receivables from customers who are related parties

	Relationship	31/12/2016	01/01/2016
Tay Nguyen Materials Supply Co., Ltd	Associate	68,337,488,136	121,246,059,976
Duc Sang Gia Lai Minerals Exploiting Co., Ltd	Investee	5,493,480,133	4,910,777,407
Duc Long Bao Loc Public Service JSC	Investee	10,383,029,454	8,983,810,042
Others	Investee	227,691,200	139,838,066
Total		<u>84,441,688,923</u>	<u>135,280,485,491</u>

9. Short-term prepayments to suppliers

	31/12/2016	01/01/2016
Tay Nguyen Stone Processing Mining Industry JSC	109,057,170,728	95,519,648,768
Cu Bong 1 Farm One Member Co., Ltd	75,100,000,000	-
Others	65,307,812,069	101,459,642,286
Total	<u>249,464,982,797</u>	<u>196,979,291,054</u>

In which: Prepayments to suppliers who are related parties

	Relationship	31/12/2016	01/01/2016
Nam Nguyen Construction Investment JSC	Investee	11,177,846,159	11,127,846,159
Duc Sang Gia Lai Minerals Exploiting Co., Ltd	Investee	7,432,390,621	6,704,486,043
DLGL Investment and Development of Public Project Service JSC	Investee	67,000,000	-
Total		<u>18,677,236,780</u>	<u>17,832,332,202</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)*(These notes form an integral part of and should be read in conjunction with the financial statements)***10. Loan receivables****a. Short term**

	31/12/2016	01/01/2016
Short-term loan receivables	778,922,126,752	617,719,231,990
- Saigon International JSC (i1)	312,295,127,000	408,490,727,000
- Mr. Nguyen Thanh Lam (i2)	345,255,255,829	184,238,582,345
- NHHTC Construction Investment & Travel PE (i3)	7,972,371,581	6,972,000,000
- Duc Long Gia Lai Wood Processing JSC (i4)	9,309,361,807	-
- Tay Nguyen Minerals and Metallurgy JSC (i5)	16,332,137,994	12,017,853,104
- DLGL Real Estate Investment and Trading JSC (i6)	6,000,069,541	6,000,069,541
- Quang Phu I Highland Farm One Member Co., Ltd (i7)	8,637,280,000	-
- Others (i8)	73,120,523,000	-
Short-term borrowing receivables (i9)	121,235,637,867	83,282,725,382
- Mr. Do Thanh Nhan	20,000,000,000	-
- Mr. Nguyen Tuan Vu	39,500,000,000	-
- Mr. Dang Cong Binh	15,000,000,000	-
- Mr. Nguyen Dinh Thien	16,050,000,000	-
- Ms. Ho Thi My Trinh	27,000,000,000	-
- Others	3,685,637,867	83,282,725,382
Total	900,157,764,619	701,001,957,372

- (i1) Granting loan to Saigon International JSC with term of 12 months and interest rate of 6% per annum under Contract No. 09/HDVV-DLGL dated 01/07/2014 and Contract Appendix No. 02/PLHDVV dated 20/12/2015. Loan term lasts 1 year from 01/01/2016 to 31/12/2016.
- (i2) Granting capital loan to Mr. Nguyen Thanh Lam with term of 12 months and interest rate of 6% per annum under Contract No. 01/2016/HDVV-DLGL dated 01/04/2016.
- (i3) Granting loan to NHHTC Construction Investment and Travel Private Enterprise with term of 60 months and interest rate of 1.5%/month under Contract No. 10/HDCMT/2012 dated 07/07/2012. The total loan amount is VND7,972,371,581 and will fall due in full as at 31/12/2017.
- (i4) Granting loan to Duc Long Gia Lai Wood Processing JSC under Contract No. 01/MV/2016 dated 01/01/2016. The loan term is 18 months as from 01/01/2016 to 30/06/2017 with interest rate of 0.5% per annum.
- (i5) Granting loan to Tay Nguyen Minerals and Metallurgy JSC with term of 12 months as from the signing date and interest rate of 0.5% per annum under Borrowing Contract dated 08/01/2016.
- (i6) Granting loan to Duc Long Gia Lai Real Estate Investment and Trading JSC with term of 20 months (from 01/01/2016 to 31/08/2017) and interest rate of 0.5% per annum under Contract dated 01/01/2016.
- (i7) Giving loan to Quang Phu I Highland Farm One Member Co., Ltd under Contract No. 02/HD-HTV dated 01/04/2016 and Appendix No. 01 dated 31/12/2016. The loan facility is VND20,000,000,000 with term of 21 months as from the signing date and interest rate of 6% per annum.
- (i8) Granting loans to individuals under specific loan contracts; loan term is determined in each indebtedness time and not more than 12 months; interest rate is 6% per annum.
- (i9) Lending corporate counterparties following Announcement No. 22b/TB-TGD dated 20/01/2015; lending individuals under specific borrowing contracts. Lending period is determined in each indebtedness time and not more than 12 months.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)
(These notes form an integral part of and should be read in conjunction with the financial statements)

b. Long term

	31/12/2016	01/01/2016
Long-term loan receivables	225,647,099,300	157,343,713,318
- Viet Gia Phat One Member Co., Ltd (*)	65,441,054,300	65,441,054,300
- Duc Long Dung Quat Co., Ltd	-	90,902,287,437
- NHHTC Construction Investment and Travel PE	-	1,000,371,581
- Mr. Nguyen Tan Tien (**)	140,956,045,000	-
- Duc Long Gia Lai Wood Processing JSC (***)	19,250,000,000	-
Total	225,647,099,300	157,343,713,318

(*) Granting loan to Viet Gia Phat One Member Co., Ltd under Capital Loan Contract No. 01/2012/HDVV-CTTR dated 17/01/2012 and Appendix dated 02/10/2013. The time for repayment of loan principal is from 30/06/2015 to 30/12/2020. Interest rate is calculated based on the loan interest rate of Sacombank Ho Chi Minh City at each time. The initial loan amount is VND149,175,000,000.

(**) Granting loan to Mr. Nguyen Tan Tien under Loan Contract No. 02/2016/HDVV-DLGL dated 05/04/2016; loan term is 18 months (from 05/04/2016 to 05/10/2017) with interest rate of 9.5% per annum. Appendix No. 01/PLHD dated 10/10/2016 extended the time for repayment of loan principal to 31/01/2018.

(***) Granting loan to Duc Long Gia Lai Wood Processing JSC under Contract No. 01/VV/2016 dated 20/09/2016 with loan term from 20/09/2016 to 20/09/2026 and interest rate of 10.2% per annum. The loan amount is VND20,000,000,000, of which the principal amount which will fall due as at 31/12/2017 is VND750,000,000.

c. Loans receivable from related parties

	Relationship	31/12/2016	01/01/2016
Loans receivable		-	90,902,287,437
Duc Long Dung Quat Co., Ltd	Having same big shareholder with significant influence	-	90,902,287,437
Borrowings receivable		6,253,812,441	9,620,063,657
DLGL Real Estate Investment and Trading JSC	Investee	6,000,069,541	6,000,069,541
Duc Long Electric Power Investment & Development JSC	Investee	-	2,219,749,685
Duc Long Dung Quat Co., Ltd	Having same big shareholder with significant influence	-	1,400,244,431
Others		253,742,900	-
Total		6,253,812,441	100,522,351,094

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)
(These notes form an integral part of and should be read in conjunction with the financial statements)

11. Other receivables

a. Short term

	31/12/2016		01/01/2016	
	Amount	Provision	Amount	Provision
Interest on term deposits	10,858,231,638	-	10,440,318,191	-
Loan interest receivables				
- Duc Sang Gia Lai Minerals Exploiting Co., Ltd	1,635,037,883	-	2,010,037,883	-
- NHHTC Construction Investment and Travel PE	974,653,388	(974,653,388)	974,653,388	(759,366,355)
- Duc Long Dung Quat Co., Ltd	-	-	16,185,312,138	-
- Saigon International JSC	46,610,648,101	-	25,365,478,587	-
- Mr. Nguyen Tan Tien	8,871,577,178	-	-	-
- Mr. Nguyen Thanh Lam	18,705,064,735	-	4,526,495,063	-
- Viet Gia Phat One Member Co., Ltd (loan interest)	12,845,635,237	-	10,350,596,717	-
- Others	775,658,805	-	96,833,335	-
Advances	19,617,726,429	(67,479,236)	18,838,282,308	(67,479,236)
Saigon International Investment JSC (*)	100,000,000,000	-	100,000,000,000	-
Deposits, collaterals	5,935,663,536	-	6,814,309,696	-
Social insurance, health insurance receivables	39,735,779	-	-	-
Other receivables	26,389,956,069	(1,557,012,357)	21,527,269,200	(1,307,578,912)
Total	253,259,588,778	(2,599,144,981)	217,129,586,506	(2,134,424,503)

(*) Duc Long Gia Lai Agriculture Co., Ltd (subsidiary) contributed capital with Saigon International Investment JSC to seek, receive the transfer of agricultural projects which are operating or invested in progress with an area of 3,500 ha in the Central Highland provinces under Investment Cooperation Contract No. 15/DLGL-HTDT dated 5/11/2014. Accordingly, after searching and receiving the project transfer successfully, the actual amount of capital contribution of each company will be converted into equity capital at the corresponding ratio in the companies owning specific project. Cooperation duration is 150 days from 01/12/2014 until 05/05/2015 and is extended to 02/05/2016 in accordance with Appendix No. 02/DLGL – HTDT dated 02/05/2016.

b. Long term

	31/12/2016		01/01/2016	
	Amount	Provision	Amount	Provision
- Viet Gia Phat One Member Co., Ltd (loan interest)	22,739,205,273	-	25,364,989,405	-
Total	22,739,205,273	-	25,364,989,405	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)
(These notes form an integral part of and should be read in conjunction with the financial statements)

c. Other receivables from related parties

	Relationship	31/12/2016	01/01/2016
Duc Sang Gia Lai Minerals Exploiting Co., Ltd	Investee	1,635,037,883	2,010,037,883
Duc Long Dung Quat Co., Ltd	Having same big shareholder with significant influence	-	16,185,312,138
Total		1,635,037,883	18,195,350,021

12. Provision for doubtful debts

	31/12/2016	01/01/2016
Provision for short-term receivables overdue		
- From 3 years and over	10,328,906,486	6,197,733,770
- From 2 years to under 3 years	2,135,519,073	3,983,785,358
- From 1 year to under 2 years	1,616,915,360	2,244,480,102
- From over 6 months to under 1 year	298,800,000	301,608,000
Total	14,380,140,919	12,727,607,230

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)*(These notes form an integral part of and should be read in conjunction with the financial statements)***Of which: bad debts**

	31/12/2016		Overdue time	Remark
	Cost	Recoverable amount (*)		
Trade receivables	5,698,989,619	467,399,009		
- Nam Thuan Co., Ltd	533,661,700	-	Over 3 years	Filing lawsuit
- Others	5,165,327,919	467,399,009	From 1-3 years	Outstanding for long time and hardly recoverable
Prepayments to suppliers	3,035,913,627	274,750,299		
- Kien Phat Design Consulting Co., Ltd	1,490,000,000	-	Over 3 years	Not executing contract
- Others	1,545,913,627	274,750,299	Over 3 years	Not executing contract
Advances	67,479,236	-		
- Nguyen Van Hoa	67,479,236	-	Over 3 years	Being deducted from monthly salary
Loan receivables	5,976,000,000	2,290,800,000		
- NHHTC Construction Investment and Travel Private Enterprise	5,976,000,000	2,290,800,000	From 6 months to over 3 years	Filing lawsuit
Other receivables	2,831,641,763	196,934,018		
- NHHTC Construction Investment and Travel Private Enterprise	974,653,388	-	Over 3 years	Filing lawsuit
- Pham Trung	656,446,732	196,934,018	From 2-3 years	Left the job, hardly recoverable
- Bui Tinh	212,744,976	-	Over 3 years	Left the job, hardly recoverable
- Vo Chau Hoang	490,630,823	-	Over 3 years	Left the job, hardly recoverable
- Le The Ky	199,500,000	-	Over 3 years	Left the job, hardly recoverable
- Others	297,665,844	-	Over 3 years	Not recovered yet
Total	17,610,024,245	3,229,883,326		

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)*(These notes form an integral part of and should be read in conjunction with the financial statements)*

01/01/2016				
	Cost	Recoverable amount (*)	Overdue time	Remark
Trade receivables	6,467,605,933	371,183,017		
- Nam Thuan Co., Ltd	533,661,700	-	Over 3 years	Filing lawsuit
- VACHETTI GIUSEPPE S.P.A	636,431,769	-	Over 3 years	No longer having transactions
- Others	5,297,512,464	371,183,017	From 6 months to over 3 years	Outstanding for long time and hardly recoverable
Prepayments to suppliers	2,707,495,109	3,568,300		
- Kien Phat Design Consulting Co., Ltd	1,490,000,000	-	Over 3 years	Not executing contract
- Others	1,217,495,109	3,568,300	From 2 years to over 3 years	Not executing contract
Advances	67,479,236	-		
- Nguyen Van Hoa	67,479,236	-	Over 3 years	Being deducted from monthly salary
Loan receivables	3,984,000,000	2,191,200,000		
- NHHTC Construction Investment and Travel Private Enterprise	3,984,000,000	2,191,200,000	From 6 months to 2 years	Filing lawsuit
Other receivables	2,937,158,162	870,179,893		
- NHHTC Construction Investment and Travel Private Enterprise	974,653,388	215,254,033	From 2 years to over 3 years	Filing lawsuit
- Pham Trung	656,446,732	328,223,366	From 1-2 years	Left the job, hardly recoverable
- Vo Chau Hoang	490,630,823	187,189,246	From 1-3 years	Left the job, hardly recoverable
- Le The Ky	199,500,000	-	Over 3 years	Left the job, hardly recoverable
- Others	615,927,219	139,513,248	From 2 years to over 3 years	Not recovered yet
Total	16,163,738,440	3,436,131,210		

(*) The Company evaluates the recoverable amount based on provision made in accordance with provisions of Circular No. 228/2009/TT-BTC dated 07/12/2009.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)
(These notes form an integral part of and should be read in conjunction with the financial statements)

13. Inventories

	31/12/2016		01/01/2016	
	Cost	Provision	Cost	Provision
Materials	48,626,321,710	(13,105,082,624)	50,366,614,359	(16,378,075,728)
Tools, instruments	1,679,181	-	5,518,999	-
Work in process	105,200,955,901	(418,036,488)	147,832,179,424	(1,112,586,362)
Finished products	30,057,968,006	(3,969,618,800)	29,981,681,905	(2,884,205,978)
Finished investment property	36,157,690,567	-	62,798,142,842	-
Merchandise goods	210,944,838,787	-	264,774,239,891	-
Total	430,989,454,152	(17,492,737,912)	555,758,377,420	(20,374,868,068)

- All finished investment property (VND36,157,690,567) has been pledged, mortgaged as security for the loans in the Bank for Investment and Development of Vietnam - Gia Lai Branch.

14. Prepaid expenses

a. Short term

	31/12/2016	01/01/2016
Tools, instruments pending amortization	68,082,612	557,631,085
Insurance fee	18,509,583	196,080,173
Other prepaid expenses	287,693,311	447,928,284
Total	374,285,506	1,201,639,542

b. Long term

	31/12/2016	01/01/2016
Tools, instruments pending amortization	520,433,640	1,176,961,260
Compensation, site clearance costs	407,745,415	661,090,894
Lease of land and buildings (*)	37,712,987,528	38,677,217,667
Other long-term prepaid expenses	776,889,916	959,325,001
Total	39,418,056,499	41,474,594,822

(*) This is the prepaid lease payment for the use of land and buildings in the People's Republic of China and is amortized over the lease period of 50 years on a straight-line basis.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)*(These notes form an integral part of and should be read in conjunction with the financial statements)***15. Tangible fixed assets**

	Buildings, architectures	Machinery, equipment	Motor vehicles	Office equipment	Other fixed assets (*)	Total
Cost						
Beginning balance	184,546,794,975	291,324,474,637	39,386,274,304	27,226,044,190	2,294,755,259,331	2,837,238,847,437
Reclassification	(6,727,572,756)	20,700,173,523	-	(13,972,600,767)	-	-
New purchases	16,165,439,117	5,587,475,230	832,742,703	2,058,649,395	-	24,644,306,445
Self-construction	27,916,313,979	-	-	-	109,773,679,636	137,689,993,615
Difference due to conversion	220,911,084	3,327,462,911	42,467,700	83,166,198	-	3,674,007,893
Sale, disposals	-	12,713,241,363	994,545,455	10,667,100	658,491,855	14,376,945,773
Decrease from consolidation	26,656,379,673	-	9,845,574,494	67,400,000	1,778,263,431	38,347,617,598
Decrease due to loss of control in subsidiaries	2,898,571,695	-	-	-	-	2,898,571,695
Ending balance	192,566,935,031	308,226,344,938	29,421,364,758	15,317,191,916	2,402,092,183,681	2,947,624,020,324
Depreciation						
Beginning balance	50,334,680,923	263,181,287,176	23,096,350,757	8,093,587,177	20,315,630,345	365,021,536,378
Reclassification	-	-	-	-	-	-
Charge for the year	8,607,627,803	16,293,918,699	2,759,146,922	1,028,394,930	68,740,118,154	97,429,206,508
Difference due to conversion	249,211,695	3,070,840,420	38,097,373	103,946,036	-	3,462,095,524
Sale, disposals	-	8,250,079,290	262,447,000	3,995,838	118,625,369	8,635,147,497
Decrease from consolidation	8,226,560,137	-	5,123,410,980	67,400,000	-	13,417,371,117
Decrease due to loss of control in subsidiaries	1,286,532,080	-	-	-	-	1,286,532,080
Ending balance	49,678,428,204	274,295,967,005	20,507,737,072	9,154,532,305	88,937,123,130	442,573,787,716
Net book value						
Beginning balance	134,212,114,052	28,143,187,461	16,289,923,547	19,132,457,013	2,274,439,628,986	2,472,217,311,059
Ending balance	142,888,506,827	33,930,377,933	8,913,627,686	6,162,659,611	2,313,155,060,551	2,505,050,232,608

- As at 31/12/2016, tangible fixed assets with a carrying value of VND2,491,812,473,626 have been pledged and mortgaged as security for loans.
 - Cost of tangible fixed assets fully amortized but still in active use at 31/12/2016 is VND165,032,216,082.
- (*) For fixed assets formed from BOT Project of upgrading and expanding section Km1610 - Bridge 110 (Km 1667 + 570) of Ho Chi Minh Road:
- Main construction work items of the Project were completed and put into use on 26/10/2015. Currently, the Company continues to build a number of additional items and auxiliary items.
 - On 20/04/2016, the Inspectorate of the Ministry of Transport made conclusion on the inspection and proposed to reduce some expenses of the Project. Accordingly, the value of finished work items of the Project up to 31/12/2015 is temporarily calculated at VND1,174.870 billion (excluding provisions).
 - On 10/11/2016, the State Audit issued Document No. 502/KTNN-TH on the Audit Report of the Project. Accordingly, the auditors made an extra reduction in some expenses and temporarily determined the value of finished items of the Project up to 30/6/2016 at VND1,157.064 billion.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

(These notes form an integral part of and should be read in conjunction with the financial statements)

The Company considers that the above conclusions demonstrate the temporary value instead of the final approved value; hence the value of finished work items has not been adjusted. The cost of finished work items up to 31/12/2016 is reflected in the financial statements at the actual arising cost of VND1,232,799,487,702 and is depreciated in proportion to annual revenue over the payback period of 20 years, months and 2 days as regulated in Build-Operate-Transfer Contract No. 12699/HD.BOT-BGTVT dated 25/11/2013. Currently, the Company has been urgently completing the dossiers of finalization of the value of construction work, and shall have the report on settlement of investment capital of the Project audited for submitting it to the Ministry of Transport for consideration and approval on the finalized value of the Project.

16. Intangible fixed assets

	Land use rights	Exploitation right of Dak Wei Quarry	Website	Computer software	Development costs	Business relationship with counterparty	Total
Cost							
Beginning balance	53,536,754,270	617,689,701	34,760,000	523,214,792	111,456,632,412	-	166,169,051,175
Increase in the period	-	-	-	80,000,000	11,065,147,161	32,397,712,500	43,542,859,661
Difference due to conversion	-	-	-	-	1,470,406,483	595,587,500	2,065,993,983
Decrease from consolidation	14,846,040,000	-	-	170,135,000	-	-	15,016,175,000
Ending balance	38,690,714,270	617,689,701	34,760,000	433,079,792	123,992,186,056	32,993,300,000	196,761,729,819
Amortization							
Beginning balance	44,969,375	68,926,109	8,207,219	351,341,166	101,236,246,425	-	101,709,690,294
Charge for the period	21,585,300	36,334,680	11,586,672	35,492,635	7,303,431,825	1,619,885,625	9,028,316,737
Increase from consolidation	-	-	-	-	-	-	-
Difference due to conversion	-	-	-	-	1,285,071,750	29,779,375	1,314,851,125
Decrease from consolidation	-	-	-	76,010,969	-	-	76,010,969
Decrease in the period	-	-	-	-	-	-	-
Ending balance	66,554,675	105,260,789	19,793,891	310,822,832	109,824,750,000	1,649,665,000	111,976,847,187
Net book value							
Beginning balance	53,491,784,895	548,763,592	26,552,781	171,873,626	10,220,385,987	-	64,459,360,881
Ending balance	38,624,159,595	512,428,912	14,966,109	122,256,960	14,167,436,056	31,343,635,000	84,784,882,632

- As at 31/12/2016, intangible fixed assets with a carrying value of VND37,722,191,270 have been pledged and mortgaged as security for loans.
- Cost of intangible fixed assets fully amortized but still in active use at 31/12/2016 is VND251,370,792.
- Development costs are those that directly relate to the development of a number home comfort, personal care, home security and energy savings products that will be commercially produced. These costs are expected to be reasonably recoverable.
- Intangible fixed assets "Business relationship with counterparty" arose in 2016 when the Company bought electronic business sector from Korea. The value of this asset at acquisition date was \$1,450,000 (equivalent to HK\$11,237,500). This intangible fixed asset is amortized over the estimated useful life of 10 years.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)*(These notes form an integral part of and should be read in conjunction with the financial statements)***17. Investment property**

	Land use rights (*)	Buildings, architectures	Total
Cost			
Beginning balance	66,720,417,973	54,591,466,483	121,311,884,456
Increase due to loss of control	-	2,898,571,695	2,898,571,695
Decrease in the period	-	-	-
Ending balance	66,720,417,973	57,490,038,178	124,210,456,151
Depreciation			
Beginning balance	-	12,383,805,810	12,383,805,810
Increase due to loss of control	-	1,286,532,080	1,286,532,080
Charge for the year	-	2,323,601,604	2,323,601,604
Decrease in the period	-	-	-
Ending balance	-	15,993,939,494	15,993,939,494
Net book value			
Beginning balance	66,720,417,973	42,207,660,673	108,928,078,646
Ending balance	66,720,417,973	41,496,098,684	108,216,516,657

- As at 31/12/2016, investment properties with a carrying value of VND108,216,516,657 have been pledged as security for loans.

(*) Land use right at 97/2 Nguyen Huu Canh, Ward 12, Binh Thanh District, Ho Chi Minh City with cost of VND66,720,417,973; land area is 582.7 m2, use duration: long term, use purpose: for lease. This land use right is mortgaged at the Bank for Investment and Development of Vietnam - Gia Lai Branch.

18. Construction in progress

	31/12/2016	01/01/2016
Constructions	603,458,413,186	460,347,766,841
- Rubber tree plantation project in IaTiem	13,130,600,675	12,862,866,305
- Rubber tree plantation project in IaBlu (948 ha)	156,737,763,942	152,666,035,634
- Dong Nai 6 Hydropower Plant Project (*)	11,709,800,729	11,709,800,729
- Head office of Duc Long Gia Lai Group JSC	156,776,931,622	109,617,235,333
- My Khe Hotel Project	451,262,866	451,262,866
- Rubber 980-ha forest plantation Chu Puh (980 ha)	188,371,955,034	166,941,664,801
- Gabro Krong nang Quarry, Krong pa- Gia Lai Province - 9.3	-	325,578,104
- Gabrodiorit stone quarry in IaGrai Commune	-	1,061,251,741
- Cow breeding projects	28,987,614,731	4,102,047,831
- Tan Thuong Hydropower Factory Project (*)	46,613,409,169	-
- Duc Long Dak Nong Hotel Project	318,181,818	-
- Other constructions	360,892,600	610,023,497
Total	603,458,413,186	460,347,766,841

- Value of the constructions in progress which have been pledged, mortgaged as security for loans as at 31/12/2016 is VND501,886,650,598.

(*) At present, Dong Nai 6 Hydropower Plant Project has been eliminated from the master plan of the

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

(These notes form an integral part of and should be read in conjunction with the financial statements)

Ministry of Industry and Trade. However, in December 2014, the Group submitted a report asking for continuous investment. Up to now, the Group is still waiting for response from the competent authority.

19. Deferred income tax assets

	31/12/2016	01/01/2016
Deferred income tax assets in relation to deductible temporary difference	14,892,372,986	16,711,882,026
Deferred income tax assets in relation to unused taxable losses	2,746,228,992	1,453,096,650
Deferred income tax assets	<u>17,638,601,978</u>	<u>18,164,978,676</u>

20. Goodwill

	Year 2016	Year 2015
Beginning balance	290,583,869,855	-
Increase from consolidation	-	295,205,416,464
Charge for the year	30,244,394,034	13,809,124,552
Effects due to conversion of financial statements	2,747,225,211	9,187,577,943
Ending balance	<u>263,086,701,032</u>	<u>290,583,869,855</u>

21. Short-term trade payables

	31/12/2016	01/01/2016
Hoang Tien Construction Investment JSC	89,599,709,741	110,811,241,933
Tay Nguyen Materials Supply Co., Ltd	2,248,670,000	30,191,090,000
Nghia Thanh Construction Co., Ltd	23,317,960,600	25,572,714,632
Kim Lan Investment and Construction JSC	8,736,481,937	23,316,270,937
Hung Fai Industrial Technology Ltd	28,510,896,028	-
Lilama 45.3 JSC	21,656,329,000	-
Binh Dinh Construction Co., Ltd	34,056,318,866	-
Others	203,599,820,106	419,254,655,426
Others	<u>411,726,186,278</u>	<u>609,145,972,928</u>

In which: Payables to suppliers who are related parties:

	Relationship	31/12/2016	01/01/2016
Duc Long Gia Lai Investment and Construction JSC	Investee	1,020,745,524	573,339,182
Tay Nguyen Materials Supply Co., Ltd	Associate	2,248,670,000	30,191,090,000
Total		<u>3,269,415,524</u>	<u>30,764,429,182</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

(These notes form an integral part of and should be read in conjunction with the financial statements)

22. Short-term advances from customers

	31/12/2016	01/01/2016
Duc Long Electric Power Investment & Development JSC	5,696,695,298	34,092,783,000
Ba Dinh Construction Consultant and Investment JSC	12,180,800,000	-
Duc Long Dung Quat Co., Ltd	41,250,000,000	-
Others	28,409,987,037	6,734,000,914
Total	87,537,482,335	40,826,783,914

In which: Advances from customers who are related parties:

	Relationship	31/12/2016	01/01/2016
DLGL Investment and Development of Public Project Service JSC	Investee	3,301,779,388	-
Duc Long Electric Power Investment & Development JSC	Investee	5,696,695,298	34,092,783,000
Duc Long Dung Quat Co., Ltd	Having same big shareholder with significant influence	41,250,000,000	-
Total		50,248,474,686	34,092,783,000

23. Taxes and amounts payable to the State Budget

	Beginning balance		Amount to be paid in the year	Amount actually paid in the year	Change due to consolidation	Effects of conversion	Ending balance	
	Receivable	Payable					Receivable	Payable
Value added tax	-	1,450,479,392	13,555,883,533	10,504,450,680	(198,234,316)	-	-	4,303,677,929
Corporate income tax	30,459,473	48,755,619,686	27,390,691,416	10,727,818,300	(642,696,204)	525,223,100	-	65,270,560,225
Personal income tax	-	172,838,068	63,197,634	148,385,727	-	-	-	87,649,975
Natural resource tax	-	117,175,324	315,562,728	263,109,502	-	-	-	169,628,550
Land tax, land rental	472,350,000	405,321,160	3,059,318,548	874,440,772	-	-	-	2,117,848,936
Other taxes	2,052,434	62,611,403	184,595,000	62,123,280	-	-	1,052,434	184,083,123
Fees and charges	-	647,484,650	401,445,107	1,004,592,957	-	-	-	44,336,800
Total	504,861,907	51,611,529,683	44,970,693,966	23,584,921,218	(840,930,520)	525,223,100	1,052,434	72,177,785,538

The Group's tax reports would be subject to examination of tax authorities. The tax amounts reported in these financial statements could be changed under decision by the tax authorities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

(These notes form an integral part of and should be read in conjunction with the financial statements)

24. Short-term accrued expenses

	31/12/2016	01/01/2016
Accrued expenses of construction projects	18,093,197,655	6,308,464,637
Accrued interest payable	10,333,476,514	9,832,973,691
Office expenses	6,023,224,934	8,140,258,755
Audit fee	2,685,008,700	5,705,361,699
Other accrued expenses	30,431,431,628	14,287,067,092
Total	67,566,339,431	44,274,125,874

25. Short-term unearned revenue

	31/12/2016	01/01/2016
Revenue from leasing of space	114,545,458	142,128,789
Revenue from road tolls received in advance	470,809,092	354,790,909
Total	585,354,550	496,919,698

26. Other payables

a. Short term

	31/12/2016	01/01/2016
Trade union fees	103,209,183	7,575,682
Statutory insurances	617,624,290	673,727,040
Interest on convertible bonds payable	1,443,858,450	1,445,184,450
Loan interest payable	94,414,763,983	74,608,231,551
Dividends payable	148,747,837	919,944,792
Short-term received deposits, collaterals	12,518,842,024	14,892,728,340
Other payables	326,841,504	20,584,767,781
- Indochina Gateway Co., Ltd	-	6,923,655,000
- Other payables	326,841,504	13,661,112,781
Total	109,573,887,271	113,132,159,636

b. Long term

	31/12/2016	01/01/2016
Long-term received deposits, collaterals	-	300,000,000
Loan interest payable	7,746,335,250	74,295,230,845
Total	7,746,335,250	74,595,230,845

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)*(These notes form an integral part of and should be read in conjunction with the financial statements)*

	Beginning balance	Increase in the year	Decrease in the year	Increase/Decrease due to consolidation	Effects of conversion of financial statements	Ending balance
27. Loans and finance lease liabilities						
a. Short term						
Short-term loans						
- VietinBank - Gia Lai Branch	197,639,052,181	722,269,587,354	495,939,534,208	-	(722,030,410)	423,247,074,917
- BIDV - Gia Lai Branch	32,963,000,000	81,447,000,000	72,010,000,000	-	-	42,400,000,000
- Vietcombank - Gia Lai Branch	13,080,215,393	396,169,355,571	123,618,447,582	-	-	285,631,123,382
- Eximbank - Tan Son Nhat Branch	38,500,000,000	95,200,000,000	73,700,000,000	-	-	60,000,000,000
- Standard Chartered Bank (HK) Ltd - USD	4,000,000,000	-	4,000,000,000	-	-	-
- Standard Chartered Bank (HK) Ltd - HKD	23,224,000,000	1,543,731,180	23,366,109,570	-	(137,174,490)	1,264,447,120
- Duc Long Gia Lai Investment and Construction JSC	84,891,836,788	51,113,113,503	135,420,094,371	-	(584,855,920)	-
- Duc Long Electric Power Investment & Development JSC	-	69,646,387,100	53,231,791,000	-	-	16,414,596,100
- Others	980,000,000	24,500,000,000	7,862,091,685	-	-	16,637,908,315
Borrowings	1,228,161,100	56,366,000,000	56,659,127,805	11,133,020,132	-	12,068,053,427
- Duc Long Electric Power Investment & Development JSC	-	-	-	11,133,020,132	-	11,133,020,132
- Others	1,228,161,100	56,366,000,000	56,659,127,805	-	-	935,033,295
Current portion of long-term loans	118,498,501,814	152,640,127,128	144,065,864,400	(832,500,000)	-	126,240,264,542
- VietinBank - Gia Lai Branch	8,000,000,000	47,000,000,000	23,000,000,000	-	-	32,000,000,000
- BIDV - Gia Lai Branch	80,200,000,000	64,213,508,000	103,213,508,000	-	-	41,200,000,000
- Sacombank - Gia Lai Branch	3,741,675,200	6,600,035,200	3,727,336,400	-	-	6,614,374,000
- Sacombank - Ho Chi Minh Branch	24,799,306,614	33,479,063,928	12,500,000,000	-	-	45,778,370,542
- HD Bank - Dak Lak Branch	120,000,000	120,000,000	120,000,000	-	-	120,000,000
- National Citizen Bank (Head Office)	1,487,520,000	527,520,000	767,520,000	(720,000,000)	-	527,520,000
- Techcombank - Gia Lai Branch	150,000,000	-	37,500,000	(112,500,000)	-	-
- Mr. Nguyen Thanh Lam	-	700,000,000	700,000,000	-	-	-
Current portion of issued bonds	379,600,000	133,202,748,732	5,100,000	-	-	133,577,248,732
Total	317,745,315,095	1,064,478,463,214	696,669,626,413	10,300,520,132	(722,030,410)	695,132,641,618

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)*(These notes form an integral part of and should be read in conjunction with the financial statements)***b. Long term**

	Beginning balance	Increase in the year	Decrease in the year	Increase/Decrease due to consolidation	Effects of conversion of financial statements	Ending balance
Long-term loans	2,540,908,657,721	276,500,937,981	144,065,864,400	(41,792,900,000)	-	2,631,550,831,302
- VietinBank - Gia Lai Branch (i1)	926,769,000,000	74,190,403,555	23,000,000,000	-	-	977,959,403,555
- BIDV - Gia Lai Branch (i2)	1,297,752,606,392	196,427,974,426	103,213,508,000	(38,250,400,000)	-	1,352,716,672,818
- Sacombank - Gia Lai Branch (i3)	61,399,795,200	5,882,560,000	3,727,336,400	-	-	63,555,018,800
- Sacombank - Ho Chi Minh Branch (i4)	247,993,066,129	-	12,500,000,000	-	-	235,493,066,129
- National Citizen Bank - Head Office (i5)	5,634,190,000	-	767,520,000	(3,280,000,000)	-	1,586,670,000
- HD Bank - Dak Lak Branch (i6)	360,000,000	-	120,000,000	-	-	240,000,000
- Mr. Nguyen Thanh Lam	700,000,000	-	700,000,000	-	-	-
- Techcombank - Gia Lai Branch	300,000,000	-	37,500,000	(262,500,000)	-	-
Issued bonds	493,602,385,468	2,102,404,268	43,000,000	-	-	495,661,789,736
Total	3,034,511,043,189	278,603,342,249	144,108,864,400	(41,792,900,000)	-	3,127,212,621,038
<i>In which:</i>						
- Long-term loans repayable within 1 year	118,498,501,814	-	-	-	-	126,240,264,542
- Current portion of finance lease liabilities	-	-	-	-	-	-
- Current portion of issued bonds	379,600,000	-	-	-	-	133,577,248,732
Long-term loans and finance lease liabilities	2,915,632,941,375					2,867,395,107,764

(i.1) Long-term loans from Vietinbank - Gia Lai Branch as follows:

- Long-term Credit Contract No. 220/HDTD dated 19/07/2010 and amendment and supplement document dated 20/06/2014 with the loan period of 10 years as from the first drawdown date. The grace period is 2 years, loan facility is VND89,000,000,000. The interest rate is applied under the floating interest rate (the floating interest rate = base interest rates + margin of 4% per year). The loan is used for the purpose of paying costs of implementing the investment project to build inter-provincial bus terminal in the South of Danang. This loan is secured by the value of use rights of land and assets attached to land formed in the future.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

(These notes form an integral part of and should be read in conjunction with the financial statements)

- Credit Contract No. 45/HDTD dated 26/02/2011 and amendment and supplement document dated 29/05/2014 with the loan facility of VND997,000,000. The interest rate is applied in accordance with the adjusted interest rate. Loan period is 13.5 years as from the first drawdown date. Borrowing purpose: paying costs of implementing the investment project to upgrade and extend National Road 14A - section from Km 817 to 887 in BOT form. The grace period is 4.5 years as from the first drawdown date (from 03/06/2011 to 03/12/2015). The entire loan amount (including, but not limited to: principal, interest, overdue interest, other fees...) arising from this Contract is secured by assets formed in the future including property rights arising from BOT Contract No. 01/HDBOT dated 01/09/2010 and attached appendices signed by and between the People's Committee of Dak Nong Province and Duc Long Dak Nong BOT & BT Joint stock Company; the entire right to exploit and collect tolls at toll stations of section from Km 817 to 887 of National Road 14 Dak Nong Province; other assets formed from investment incentives under BOT contract.

(i.2) Borrowings from BIDV - Gia Lai Branch are as follows:

- Long Medium-term Credit Contract No. 01/2008/HDTD dated 16/05/2008 with the term of 60 years from the first drawdown date. Loan facility is VND55,000,000,000. Interest rate is floating rate: equivalent to 12-month saving interest rate announced by BIDV - Gia Lai Branch plus bank charge of 4% per year, but the minimum interest rate after adjustment may not be lower than the interest rate applicable at the time of borrowing and not lower than the FTP interest rate during the same period + 2%. The loan is for the purpose of funding Duc Long Tower Gia Lai Project. The loan is secured by assets formed from using this loan. According to Amendment and Supplement Document of Credit Contract No. 57/2013/BSHD dated 16/10/2013, the loan period is adjusted to 168 months, from 14/08/2008 to 14/08/2022. The interest rate is fixed at 12% per year until the end of 25/12/2013; from 26/12/2013 onwards, the interest rate equals to 168-month FTP interest rate announced by the Bank at each period plus bank charge of 3% per year and will be adjusted monthly on the 26th day but the adjusted interest rate shall not be lower than the interest rate applicable at the time of borrowing.
- Long-term Credit Contract No. 02/2009/HD dated 30/12/2009 and amendment and supplement document No. 01/2012/HD dated 16/01/2012 with the loan period of 144 months as from the first drawdown date. Grace period is 72 months. Loan amount is VND96,000,000,000. Interest rate is floating rate: equivalent to 12-month saving interest rate announced by BIDV - Gia Lai Branch plus bank charge of 4.2% per year in accordance with the regulations of the State Bank of Vietnam and BIDV in the given period. The loan is for the purpose of funding the Project of planting rubber trees in 744 ha out of 948.5 ha of rubber in IaBlu Commune, Chu Se District, Gia Lai Province. The loan is secured by assets formed from using this loan.
- Long-term Credit Contract No. 01/2012/HD dated 30/06/2012 and amendment and supplement document No. 56/2013/BSHD dated 16/10/2013 with the loan period of 168 months from 30/06/2012 to 30/06/2026. Loan amount is VND62,800,000,000. The interest rate is fixed at 12% per year until the end of 25/12/2013; from 26/12/2013 onwards, the interest rate equals to 168-month FTP interest rate announced by the Bank at each period plus bank charge of 2.5% per year and will be adjusted monthly on the 26th day but the adjusted interest rate shall not be lower than the interest rate applicable at the time of giving the loan. Overdue interest rate is 150% of due interest rate. The loan is for the purpose of restructuring the enterprise finance in order to redress the financial imbalance for Duc Long Tower Gia Lai Project. The loan is secured by assets formed from using this loan.
- Long-term Credit Contract No. 02/2013/HD dated 01/10/2013 with the term of 76 months from the date of signing the credit contract to 31/12/2019. Loan amount is VND58,200,000,000. Interest rate is fixed at 12.5% per year until the end of 25/12/2013; from 26/12/2013 onwards, the interest rate equals to 76-month FTP interest rate announced by the Bank at each period plus bank charge of 3.0% per year and will be adjusted monthly on the 26th day but the adjusted interest rate shall not be lower than the interest rate applicable at the time of borrowing. Overdue interest rate equals to 120% in-term interest rate. The loan is for the purpose of funding the Project of mining and processing lead and zinc ores in Chu Mo Commune, Iapa District, Gia Lai Province. The loan is secured by assets formed from

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

(These notes form an integral part of and should be read in conjunction with the financial statements)

using this loan.

- Borrowing Contract No. 01/2011/HD dated 14/10/2011. Borrowing purpose: Investing in the Project of planting 980.4 ha of rubber trees. Loan facility: VND130,862,000,000. Borrowing term: 120 months as from the first drawdown date, interest rate: as agreed. Time for repayment of principal: starting from 2019. The loan is secured by assets formed from using this loan.

(i.3) Borrowings from Sacombank – Gia Lai Branch are as follows:

- Credit Contract No. LD 1029900097 dated 26/10/2010 with the borrowing term of 108 months, the grace period is 24 months as from the first drawdown date (30/01/2011). Loan amount is VND40,000,000,000. The interest rate applied for the 1st drawdown is 1.3% per month. For other following disbursements, the interest rate is specified by Sacombank at the time of disbursement. The time to receive the loan is based on the execution progress. The loan is for the purpose of investing in the project to build Duc Long Gia Lai Group Operation Center. This loan is secured by the entire value of buildings, architectures and assets attached to land formed from the loan under the Company's ownership right in the future. According to Amendment Agreement No. 01-LD 1029900097 dated 14/01/2014, the borrowing term is adjusted to 14/12/2023 (maturity date is 14/12/2023) and the 1st grace time is on 26/06/2015.
- Credit Contract No. LD 1401400008 dated 14/01/2014 with the borrowing term of 120 months, the grace period is 12 months as from the first drawdown date. Loan amount is VND44,957,100,000. The interest rate applied for the 1st drawdown is 1.0% per month. For other following disbursements, the interest rate is specified by Sacombank at the time of disbursement. The time to receive the loan is based on the execution progress. The loan is for the purpose of investing in the project to build Duc Long Gia Lai Group Operation Center. This loan is secured by the entire value of buildings, architectures and assets attached to land formed from the loan.

(i.4) Borrowing from Sacombank – Ho Chi Minh Branch under Credit Contract No. LD 1134100059 dated 05/01/2012 with the borrowing term of 36 months as from the first drawdown date. Loan amount is VND248,000,000,000. The interest rate applicable for the first 3 months is 20% per year (applicable to the first drawdown). From the 4th month onwards, interest rate for the outstanding loan shall be adjusted every 3 months in accordance with the interest rate determined by Sacombank at the time of adjustment in line with the regulations on interest rate of the State Bank. The time to receive the loan is based on the execution progress. The loan is for the purpose of paying costs of planting 1,834.5 hectare of rubber in IaBlu Commune, Chu Puh District, Gia Lai Province. This loan is secured by the entire income generated from latex, seeds, trunk of the above-mentioned rubber trees, the right to quarry bazar stones for manufacturing construction materials, the right to quarry granite stones in Nghia Hung Commune. According to Amendment Agreement No. 03/LD1134100059 dated 25/06/2013, the borrowing term is adjusted to 31/12/2020 (maturity date is 31/12/2020) and the 1st grace time is on 30/06/2016.

(i.5) Long-term borrowings from National Citizen Commercial Joint Stock Bank – Main Transaction Office:

- Credit Contract No. 079/14/HDTD/101-63 dated 08/10/2014 with the borrowing term of 60 months as from the first drawdown date. The amount of loan is VND780,000,000. The interest rate as from the first drawdown date is 9.5% per year. During the effective period of the contract, the interest rate will be adjusted in the following cases: after every 12 months as from the first drawdown date or when the interest rate goes up as a result of changes in the regulations related to the borrowing interest rate of Vietnam law. Borrowing purpose: purchasing brand new 7-seat Toyota Fortuner V. The loan is secured by the asset formed from using the loan.
- Credit Contract No. 015/15/HDTD/101-63 dated 05/02/2015 with the borrowing term of 60 months as from the first drawdown date. The amount of loan is VND500,000,000. The interest rate as from the first drawdown date is 9.5% per year. Overdue interest rate is 150% of due interest rate. Borrowing purpose: purchasing brand new 5-seat Ford Ranger XLT. The loan is secured by the asset formed from

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

(These notes form an integral part of and should be read in conjunction with the financial statements)

using the loan.

- Credit Contract No. 096/15/HDTD/101-63 dated 22/06/2015 with the borrowing term of 60 months as from the first drawdown date. The amount of loan is VND500,000,000. The interest rate as from the first drawdown date is 9.5% per year. Overdue interest rate is 150% of due interest rate. Borrowing purpose: purchasing brand new 5-seat Ford Ranger XLT. The loan is secured by the asset formed from using the loan.
- Credit Contract No. 080/HDTD/101-63 dated 08/10/2014 with the borrowing term of 6 years as from the first drawdown date (08/10/2014). The interest rate effective at the time of signing the credit contract is 9.5% per year and after that will be adjusted after every 12 months as from the first drawdown date or when the interest rate goes up as a result of changes in the regulations related to the borrowing interest rate of Vietnam law. Borrowing purpose: purchasing brand new 5-seat Toyota Camry 2.5G. The loan is secured by the asset formed from using the loan.

(i.6) Borrowing from HD Bank - Dak Lak Branch under Credit Contract No. 0282/13/HDTD-TH dated 25/10/2013 with the loan facility of VND600,000,000 which is secured by the asset formed from the loan. Interest rate is applied in accordance with the adjusted interest rate. The borrowing term is 60 months as from the first drawdown date. Borrowing purpose: buying Toyota Fortuner 2.5G.

c. Loans and finance lease liabilities to who are related parties

	Relationship	31/12/2016	01/01/2016
Loans and borrowings		33,052,501,415	-
	<i>Investee</i>	16,414,593,100	-
<i>Duc Long Gia Lai Investment and Construction JSC</i>			
<i>Duc Long Electric Power Investment & Development JSC</i>	<i>Investee</i>	16,637,908,315	-
Total		33,052,501,415	-

d. Issued bonds

	31/12/2016				Interest rate
	Cost of bonds	Total costs of issuance	Accumulated amortization of issuance costs	Ending value of bonds	
Issued bonds by par value					
- 5-year term bonds	366,000,000,000	6,518,829,294	2,603,370,299	362,084,541,005	11%/year in the 1st year and floating from the 2nd year onwards
- 3-year term bonds	134,000,000,000	2,386,675,206	1,589,423,937	133,202,748,731	11%/year in the 1st year and floating from the 2nd year onwards
- Bonds payable due to not being converted	374,500,000	-	-	374,500,000	13%/year
Total	500,374,500,000	8,905,504,500	4,192,794,236	495,661,789,736	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

(These notes form an integral part of and should be read in conjunction with the financial statements)

	01/01/2016				Interest rate
	Cost of bonds	Total costs of issuance	Accumulated amortization of issuance costs	Ending value of bonds	
Issued bonds by par value					
- 5-year term bonds	366,000,000,000	6,491,086,494	1,298,217,299	360,807,130,805	11%/year in the 1st year and floating from the 2nd year onwards
- 3-year term bonds	134,000,000,000	2,376,518,006	792,172,669	132,415,654,663	11%/year in the 1st year and floating from the 2nd year onwards
- Bonds payable due to not being converted	379,600,000	-	-	379,600,000	13%/year
Total	500,379,600,000	8,867,604,500	2,090,389,968	493,602,385,468	

28. Deferred income tax liabilities

	31/12/2016	01/01/2016
Deferred income tax liabilities derived from taxable temporary difference	4,660,288,530	2,629,387,586
Total	4,660,288,530	2,629,387,586

29. Provision for long-term payables

	31/12/2016	01/01/2016
Provision for restructuring (*)	1,976,940,920	26,920,520,535
Total	1,976,940,920	26,920,520,535

(*) This is the provision arising at the subsidiary (Mass Noble Investments Limited). Upon the closing of acquisition of Mass Noble by Duc Long Gia Lai Group JSC, it is agreed to undergo the business restructuring exercise to streamline the assembly lines and business reorganization to improve the operating efficiency and effectiveness, so as to increase the synergy value to the shareholders in the coming 12-24 months.

The overall restructuring plan mainly covers the major parts:

- First phase: Re-organise the production line by streamline the task to increase the automatic operation by minimising the extra temporary or spare factory staff;
- Second phase: Re-structure the organisation and its function, such as, closure of R&D department to Vietnam, or relocation to Vietnam;

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

(These notes form an integral part of and should be read in conjunction with the financial statements)

- Third phase 3: Increase the automation productivity and reallocate the high-level labour work to Vietnam. Hence, a number of staff are expected to be reallocated their productivity or under redundancy.

The Management has estimated the anticipated cost to the corporate restructuring plan, including the staff redundancy and compensation. Long-term provision for restructuring is made at 15/07/2015.

At 31/12/2016, the Company re-assessed the long-term provision, based upon the current condition of the Company and the updated business situation. Certain adjustments have been taken into account whereas the Company has stable sales orders with continuing growth from the customers. The scale of restructuring plan is planned to be reduced to the feasible level to maintain its quality and efficiency of the operation, such as, staff redundancy was scaled down.

Therefore, Mass Noble Management reduces the estimated restructuring cost. A reversal of long term provision HK\$8.6 million is made at 31/12/2016.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)*(These notes form an integral part of and should be read in conjunction with the financial statements)***30. Owners' equity****a. Statement of changes in owners' equity**

	Share capital	Share premium	Option of convertible bonds	Other owners' equity	Exchange rate difference	Development investment fund	Undistributed profit after tax
As at 01/01/2015	1,492,535,080,000	819,082,000	-	-	-	11,134,542,824	54,165,749,925
Increase in the period	199,326,090,000	49,831,522,500	94,188,783,378	8,977,680,000	10,031,813,727	-	82,680,971,121
Decrease in the period	-	722,500,000	-	-	-	-	3,366,644,162
As at 31/12/2015	1,691,861,170,000	49,928,104,500	94,188,783,378	8,977,680,000	10,031,813,727	11,134,542,824	133,480,076,884
As at 01/01/2016	1,691,861,170,000	49,928,104,500	94,188,783,378	8,977,680,000	10,031,813,727	11,134,542,824	133,480,076,884
Increase in the period	609,582,250,000 (*)	44,639,233,828	-	-	2,508,361,321	-	64,775,772,805
Decrease in the period	-	44,054,550,000	94,188,783,378	8,977,680,000	-	4,938,105,865	68,250,000,000
As at 31/12/2016	2,301,443,420,000	50,512,788,328	-	-	12,540,175,048	6,196,436,959	130,005,849,689

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

(These notes form an integral part of and should be read in conjunction with the financial statements)

(*) In 2016, there was an increase VND609,582,250,000 in share capital as a result of following reasons:

- Paying 2015 share dividends: VND65,750,000,000
- Issuing bonus shares from share premium to existing shareholders: VND43,832,250,000
- Converting convertible bonds to contributed capital: VND500 billion. The plan of using the capital from bond conversion is to supplement capital for projects, namely, Dairy & Beef Cows Raising and Development Project (VND300 billion), Hydropower and Energy Project (VND150 billion) and addition to working capital (VND50 billion). The situation of capital use as at 31/12/2016 is as follows:

Items	Total investment capital	Used capital	Unused capital
Dairy & Beef Cows Raising and Development Project	300,000,000,000	155,133,744,945	144,866,255,055
Hydropower and Energy Project	150,000,000,000	49,489,694,169	100,510,305,831
Addition to working capital	50,000,000,000	50,000,000,000	-
Total	500,000,000,000	254,623,439,114	245,376,560,886

b. Capital transactions with the owners and dividend payment/profit appropriation

	Year 2016	Year 2015
- Share capital		
- Beginning balance	1,691,861,170,000	1,492,535,080,000
- Increase in the year	609,582,250,000	199,326,090,000
- Decrease in the year	-	-
- Ending balance	2,301,443,420,000	1,691,861,170,000
Dividend paid	-	-

c. Shares

	31/12/2016 Shares	01/01/2016 Shares
Number of shares authorized to be issued	219,186,117	169,186,117
Number of shares issued publicly	230,144,342	169,186,117
- Common shares	230,144,342	169,186,117
- Preferred shares (classified as owners' equity)	-	-
Number of shares bought back (treasury shares)	-	-
- Common shares	-	-
- Preferred shares (classified as owners' equity)	-	-
Number of outstanding shares	230,144,342	169,186,117
- Common shares	230,144,342	169,186,117
- Preferred shares (classified as owners' equity)	-	-
Par value of outstanding shares: VND10,000 each		

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

(These notes form an integral part of and should be read in conjunction with the financial statements)

d. Undistributed profit

	Year 2016	Year 2015
Profit brought forward	133,480,076,884	54,165,749,925
Increase/Decrease in profit after tax	4,557,138,035	(3,366,644,162)
Profit after CIT	60,218,634,770	82,680,971,121
Profit distribution	68,250,000,000	-
Appropriation of prior year profit	68,250,000,000	-
- <i>Reward and welfare fund</i>	2,500,000,000	-
- <i>Share dividends</i>	65,750,000,000	-
Appropriation of current year profit	-	-
Undistributed profit	<u>130,005,849,689</u>	<u>133,480,076,884</u>

31. Off balance sheet item

	31/12/2016	01/01/2016
Foreign currencies		
- <i>USD</i>	999,411.89	190,938.27
- <i>EUR</i>	1,817.54	1,828.00
- <i>RMB</i>	170,643.11	983,931.00
- <i>KRW</i>	39,285,225.00	-
Written-off bad debts	1,064,648,999	-
- <i>Vachetti Giuseppe S.P.A</i>	636,431,769	-
- <i>Others</i>	428,217,230	-

32. Revenue from sales and service provision

	Year 2016	Year 2015
Sales revenue	1,877,775,050,297	1,491,665,438,693
- <i>Sales of merchandises (stones)</i>	238,371,242,962	786,962,746,199
- <i>Sales of electronic components</i>	1,106,517,019,963	-
- <i>Sales of wood and wooden products</i>	16,435,758,491	104,907,782,055
- <i>Sales of fertilizers</i>	495,417,104,700	278,590,832,931
- <i>Sales of stones</i>	2,970,394,181	10,836,122,274
- <i>Sales of farm produce</i>	18,063,530,000	310,367,955,234
Service revenue	349,080,006,622	93,775,758,262
- <i>Leasing assets</i>	6,005,854,087	7,576,339,395
- <i>Rendering services</i>	25,134,776,202	28,231,434,463
- <i>BOT toll stations</i>	312,475,227,286	37,079,922,728
- <i>Bus and bus terminal services</i>	5,464,149,047	20,888,061,676
Revenue from construction contracts	263,767,035,055	59,643,772,728
- <i>Construction revenue recognized in the year</i>	263,767,035,055	59,643,772,728
Total	<u>2,490,622,091,974</u>	<u>1,645,084,969,683</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)
(These notes form an integral part of and should be read in conjunction with the financial statements)

33. Cost of sales

	Year 2016	Year 2015
Cost of sales	1,726,968,718,077	1,366,111,525,201
- Cost of merchandises sold (stones)	236,082,495,590	698,882,716,493
- Cost of electronic components sold	965,802,191,958	-
- Cost of wood and wooden products sold	14,595,877,742	98,485,794,229
- Cost of fertilizers sold	490,403,927,389	275,138,338,021
- Cost of stones sold	2,387,240,398	5,143,459,624
- Cost of farm produce sold	17,696,985,000	288,461,216,834
Cost of service rendered	124,589,058,037	59,455,715,684
- Cost of leasing assets	4,643,979,394	6,311,887,162
- Cost of services rendered	21,573,488,503	21,684,340,568
- Cost of BOT toll stations	96,261,379,026	20,808,715,965
- Cost of bus and bus terminal service rendered	2,110,211,114	10,650,771,989
Cost of construction works	155,964,825,403	54,453,058,158
Provision for decline in value of inventories	(3,057,533,937)	1,028,466,072
Total	2,004,465,067,580	1,481,048,765,115

34. Financial income

	Year 2016	Year 2015
Loan interest, deposit interest	85,960,246,068	80,512,956,065
Dividends, profit received	207,270,000	177,660,000
Foreign exchange gains from payment	1,612,723,258	122,082,976
Foreign exchange gains from revaluation of foreign currency balances	107,439,589	1,135,421
Gains on disposals of investments	20,626,300	23,679,622,606
Total	87,908,305,215	104,493,457,068

35. Financial expenses

	Year 2016	Year 2015
Interest expenses	229,527,476,955	76,133,805,207
Bond interest	63,963,289,303	83,946,777,858
Provision for diminution in long-term investments	109,533,162	(2,803,458,944)
Losses on disposal of investments	-	51,611,086
Foreign exchange losses on payment	289,361,266	-
Bond issue fee	2,166,293,157	2,126,501,079
Loss on losing control of subsidiaries	13,461,785,036	-
Total	309,517,738,879	159,455,236,286

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

(These notes form an integral part of and should be read in conjunction with the financial statements)

36. Selling expenses and administrative expenses

a. Selling expenses

	Year 2016	Year 2015
Commission expenses	2,521,274,593	3,124,242,260
Labor costs	351,726,097	793,075,585
Depreciation and amortization	97,623,510	142,517,884
Transportation expenses	13,424,476,158	6,495,626,956
Others	2,575,801,762	3,965,637,366
Total	18,970,902,120	14,521,100,051

b. Administrative expenses

	Year 2016	Year 2015
Material costs	353,978,041	-
Labor costs	53,196,632,508	26,219,832,557
Depreciation and amortization	5,164,817,987	5,235,533,819
Provison for doubtful debts	2,857,464,463	2,291,754,824
Amortization of goodwill	30,244,394,034	13,809,124,552
Expenses converal	-	(8,178,766,720)
Others	39,542,720,799	24,808,551,189
Total	131,360,007,832	64,186,030,221

37. Other income

	Year 2016	Year 2015
Sales of calenders	10,279,999	9,189,091
Unclaimed dividends of previous years	771,087,955	-
Gains from sales, disposals of fixed assets	632,149,510	-
Gains from bargain-purchase of subsidiary	-	63,650,351,496
Discount on mining license fee	580,787,010	-
Other income	922,376,350	370,304,747
Total	2,916,680,824	64,029,845,334

38. Other expenses

	Year 2016	Year 2015
Residual value, expenses on disposal of fixed assets	602,856,025	220,862,749
Penalties, tax arrears (*)	5,718,892,643	217,060,222
Unqualified expenses	1,781,171,891	2,223,999,152
Other expenses	133,787,976	1,760,426,438
Total	8,236,708,535	4,422,348,561

(*) This amount includes penalties for delay in tax payment and tax arrears which were calculated and paid by the Company.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)
(These notes form an integral part of and should be read in conjunction with the financial statements)

39. Basic, diluted earnings per share

	Year 2016	Year 2015
Profit after tax attributable to shareholder of the parent company	60,218,634,770	82,680,971,121
Adjustments increasing or decreasing profit after tax	-	(2,500,000,000)
- Increases	-	-
- Decreases (appropriation to reward and welfare fund)	-	2,500,000,000
Profit or loss attributable to common shareholders	60,218,634,770	80,180,971,121
Weighted average number of common shares outstanding	210,092,397	158,482,579
Number of common shares expected to be released more		
Basic, diluted earnings per share	287	506

40. Production and business expenses by elements

	Year 2016	Year 2015
Materials expenses	723,165,564,014	276,105,300,986
Labor costs	307,696,534,669	167,329,641,572
Depreciation and amortization	106,905,728,268	45,374,998,120
Externally hired services	205,554,648,866	93,429,604,851
Other cash expenses	54,816,809,737	28,010,659,799
Total	1,398,139,285,554	610,250,205,328

41. Financial instruments

a. Capital risk management

The Group manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to shareholders through the optimization of the debt and equity balance.

b. Financial risk management

Financial risk includes market risk (comprising exchange rate risk, interest rate risk and commodity risk), credit risk and liquidity risk.

Market risk management: The Group's activities expose it primarily to the financial risks of changes in exchange rates, interest rates and commodity prices.

Exchange rate risk management

Since the Group undertakes goods sale and purchase transactions in foreign currencies, it is exposed to risk of exchange rate fluctuations. The Group has hedged risks related to exchange rate fluctuations by maintaining appropriate debt structure in VND and foreign currencies, optimizing the time for settlement of debts, selecting the appropriate time to purchase and make payment in foreign currencies, projecting future exchange rates and optimizing the utilization of existing funds to balance the exchange rate risk and liquidity risk.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)
(These notes form an integral part of and should be read in conjunction with the financial statements)

The carrying amounts of foreign currency financial instruments are as follows:

	31/12/2016	01/01/2016
Financial assets		
Cash		
- USD	999,411.89	190,938.63
- EUR	1,817.54	1,827.91
- RMB	170,643.11	983,931.36
- KRW		-
Trade receivables		
- USD	9,314,757.97	7,192,068.40
- KRW	51,021,140,567.25	-
Short-term prepayments to suppliers		
- USD	15,583.87	-
- RMB	31,340.00	-
- KRW	6,059,639.00	-
Other receivables		
- CNY	-	481,958.00
- RMB	671,910.20	313,243.65
- USD	107,827.30	633,532.39
- KRW	303,662,857.00	-
Financial liabilities		
Short-term trade payables		
- CNY		8,754,647.00
- KRW	263,085,534.91	-
- USD	336,545.49	680,763.00
- GBP	3,396.02	4,721.00
- EUR	1,472.21	3,693.00
Other short-term payables		
- USD	496,419.27	811,078.53
- EUR	-	159.00
Short-term loans		8,000,000.00
- USD	-	3,773,264.00

Interest rate risk management

The Group's interest rate risks mainly derive from loans which are arranged. To minimize these risks, the Group has estimated the impact of borrowing costs to its periodic business results as well as making analysis and projection to select appropriate time to repay the loans. The Management acknowledges that uncontrollable risks arising from fluctuations of interest rates are insignificant.

Commodity risk management

The Group implements the policy of diversifying supply sources of materials and goods through setting up business relationship with many suppliers to search for those who offer the most reasonable prices. Furthermore, the Group regularly maintains its relationship with traditional suppliers who have good reputation in market to ensure the stability of the input for its production and business activities.

Credit risk management

Credit risk refers to the risk that a customer or counterparty will default on its contractual obligations resulting in financial loss to the Group. Particularly, the risk related to receivables from construction

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)

(These notes form an integral part of and should be read in conjunction with the financial statements)

activities, BOT projects is quite high due to the general impact of the current difficulties in capital construction investment; the risk related to receivables from the sale of goods with the regular customers is at controllable level. To manage this risk the Group has appropriate credit policies and regular monitors to assess the level of credit risk in order to take measures to restrict credit risk at the lowest level.

Liquidity risk management

The purpose of liquidity risk management is to ensure the availability of funds to meet present and future financial obligations. Liquidity is also managed by ensuring that the excess of maturing liabilities over maturing assets in any period is kept to manageable levels relative to the amount of funds that the Group believes can generate within that period. The Group's policy is to regularly monitor current and expected liquidity requirements to ensure that the Group maintains sufficient reserves of cash, borrowings and capital committed to be contributed by owners to meet its liquidity requirements in the short and longer term.

The Group's aggregate financial liabilities are categorized in accordance with their maturity as follows:

	<i>Currency: VND</i>		
31/12/2016	Within 1 year	Over 1 year	Total
Trade payables	411,726,186,278	-	411,726,186,278
Accrued expenses	67,566,339,431	-	67,566,339,431
Loans and finance lease liabilities	695,132,641,618	2,867,395,107,764	3,562,527,749,382
Other payables	108,853,053,798	7,746,335,250	116,599,389,048
Total	<u>1,283,278,221,125</u>	<u>2,875,141,443,014</u>	<u>4,158,419,664,139</u>
01/01/2016	Within 1 year	Over 1 year	Total
Trade payables	609,145,972,928	-	609,145,972,928
Accrued expenses	44,274,125,874	-	44,274,125,874
Loans and finance lease liabilities	317,745,315,095	2,915,632,941,375	3,233,378,256,470
Other payables	112,450,856,914	74,595,230,845	187,046,087,759
Total	<u>1,083,616,270,811</u>	<u>2,990,228,172,220</u>	<u>4,073,844,443,031</u>

The Management assesses that the Group is not exposed to any short-term liquidity risks and believes it can generate sufficient resources to meet its maturing obligations.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)*(These notes form an integral part of and should be read in conjunction with the financial statements)*

The Company's available financial assets are drawn up on a net asset basis as follows:

	<i>Currency: VND</i>		
31/12/2016	Within 1 year	Over 1 year	Total
Cash and cash equivalents	96,808,960,822	-	96,808,960,822
Trading securities	264,000,000,000	-	264,000,000,000
Held-to-maturity investments	316,094,590,556	-	316,094,590,556
Trade receivables	596,275,084,202	-	596,275,084,202
Loan receivables	896,472,564,619	225,647,099,300	1,122,119,663,919
Other receivables	232,084,849,992	22,739,205,273	254,824,055,265
Equity investments in other entities	-	29,850,959,106	29,850,959,106
Total	<u>2,401,736,050,191</u>	<u>278,237,263,679</u>	<u>2,679,973,313,870</u>
01/01/2016	Within 1 year	Over 1 year	Total
Cash and cash equivalents	220,107,949,123	-	220,107,949,123
Trading securities	264,000,000,000	-	264,000,000,000
Held-to-maturity investments	573,264,666,667	1,400,000,000	574,664,666,667
Trade receivables	415,224,159,179	-	415,224,159,179
Loan receivables	699,209,157,372	157,343,713,318	856,552,870,690
Other receivables	96,224,325,929	25,364,989,405	121,589,315,334
Equity investments in other entities	-	13,486,261,636	13,486,261,636
Total	<u>2,268,030,258,270</u>	<u>197,594,964,359</u>	<u>2,465,625,222,629</u>

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)

(These notes form part of and should be read in conjunction with the accompanying financial statements)

43. Segment report

According to Vietnamese Accounting Standard No. 28 and relevant guidelines, the Group is required to have segment reporting. Accordingly, a business segment is a distinguishable component of the Group that is engaged in providing related products or service (business segment) or providing goods or services in a specific economic environment (segment by geographical area) and that is subject to risks and returns that are different from those of other business segment. The Management assesses that significant decisions made by the Company depend mostly on the provision of the Company's lines of the products and services. Hence, the Company presents segment report by business sectors.

Segment report according to business segments:

Segment report for the year ended 31/12/2016

Items	Sale of merchandise, electronic components	Sales of wood, wooden products, rubber and agricultural products	Trading fertilizers	Construction works and toll stations	Bus and bus terminal services	Stone exploitation	Other services: leasing of assets, hotels,...	Total	Currency: VND
Net revenue from sales and service provision to outside	1,331,547,802,000	34,499,288,491	495,417,104,700	576,242,262,341	5,464,149,047	2,970,394,181	31,140,630,289	2,477,281,631,049	
Segment cost of sales	1,198,827,153,611	32,292,862,742	490,403,927,389	252,226,204,429	2,110,211,114	2,387,240,398	26,217,467,897	2,004,465,067,580	
Operating profit	132,720,648,389	2,206,425,749	5,013,177,311	324,016,057,912	3,353,937,933	583,153,783	4,923,162,392	472,816,563,469	
Segment assets as at 31/12/2016	1,658,177,704,455	2,236,977,678,753	35,338,122,923	2,745,802,520,039	499,854,255	1,977,709,418	278,281,139,122	6,957,054,728,965	
Unallocated assets								53,913,244,643	
Total assets	533,543,729,846	1,281,343,965,145	1,500,001	2,387,753,900,281	179,304,338	316,100,000	121,069,610,551	4,324,208,110,162	
Segment liabilities as at 31/12/2016								28,077,066,678	
Unallocated liabilities								4,352,285,176,840	
Total liabilities									
Depreciation and allocated expenses									
- Depreciation	26,435,589,819	6,762,094,144	401,777,832	67,818,492,950	-	-	7,363,170,104	108,781,124,849	
- Allocated expenses - Acct. 142,242	1,531,033,315	241,456,959	171,129,982	1,858,089,904	7,500,510	-	374,382,985	4,183,593,655	
Unallocated depreciation and allocated expenses									

NOTES TO THE FINANCIAL STATEMENTS (Cont'd)*(These notes form part of and should be read in conjunction with the accompanying financial statements)***Segment report for the year ended 31/12/2015**

Items	Sale of merchandise, electronic components	Sales of wood, wooden products, rubber and agricultural products	Trading fertilizers	Construction works and toll stations	Bus and bus terminal services	Stone exploitation	Other services: leasing of assets, hotels,...	Currency: VND	
								Total	Total
Net revenue from sales and service provision to outside	711,398,310,044	415,275,737,289	278,590,832,931	96,723,695,456	20,888,061,676	79,030,679,021	35,807,773,858	1,637,715,090,275	
Segment cost of sales	632,329,821,196	386,947,011,063	275,138,338,021	75,261,774,123	10,650,771,989	72,724,820,993	27,996,227,730	1,481,048,765,115	
Profit from operating activities	79,068,488,848	28,328,726,226	3,452,494,910	21,461,921,333	10,237,289,687	6,305,858,028	7,811,546,128	156,666,325,160	
Segment assets as at 31/12/2015	876,815,851,279	2,452,449,491,686	53,940,931,185	2,906,077,515,930	43,429,333,896	40,746,344,860	362,785,577,651	6,736,245,046,487	
Unallocated assets							79,362,441,187	6,815,607,487,674	
Total assets									
Segment liabilities as at 31/12/2015	435,535,828,280	1,749,567,422,836	31,458,682,730	2,356,357,883,861	4,326,864,238	-	70,000,616,250	4,647,247,298,195	
Unallocated liabilities							11,920,102,227	4,659,167,400,422	
Total liabilities									
Depreciation and allocated expenses	11,514,546,679	5,111,268,807	377,570,557	21,511,479,884	5,048,051,809	761,015,412	5,517,019,616	49,840,952,764	
- Depreciation	11,332,132,747	4,617,099,034	377,570,557	21,125,647,022	3,937,456,263	678,393,630	5,169,444,710	47,237,743,963	
- Allocated expenses - Acct. 142.242	182,413,932	494,169,773	-	385,832,862	1,110,595,546	82,621,782	347,574,906	2,603,208,801	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)
(These notes form an integral part of and should be read in conjunction with the financial statements)

43. Information on related parties

a. Related parties

List of related parties	Relationship
Duc Long Tay Nguyen JSC	Associate
Tay Nguyen Materials Supply Co., Ltd	Associate
Gia Lai Transport Consulting and Construction JSC	Associate
Tay Binh Tay Son Security Service JSC	Investee
Nam Nguyen Construction Investment JSC	Investee
Duc Sang Gia Lai Minerals Exploiting Co., Ltd	Investee
Duc Long Electric Power Investment & Development JSC	Investee
Duc Long Bao Loc Public Service JSC	Investee
DLGL Real Estate Investment and Trading JSC	Investee
Duc Long Gia Lai Investment and Development of Public Project Service JSC	Investee
Duc Long Gia Lai Investment and Construction JSC	Investee
Duc Long Dung Quat Co., Ltd	Having same big shareholder with significant influence

b. Significant transactions with related parties

	Transaction	Year 2016	Year 2015
Revenue from sales and service provision			
DLGL Investment and Development of Public Project Service JSC	Leasing assets	1,040,280,000	544,560,000
Tay Nguyen Materials Supply Co., Ltd	Sales of merchandises, finised products	342,569,226,600	397,932,471,400
Duc Long Gia Lai Investment and Construction JSC	Sales of merchandises, finised products	1,093,225,545	-
Duc Sang Gia Lai Minerals Exploiting Co., Ltd	Sales of merchandises, finised products	2,046,889,169	5,340,000,000
Duc Long Bao Loc Public Service JSC	Leasing assets	3,561,890,376	3,997,190,376
Duc Long Electric Power Investment & Development JSC	Construction	29,397,740,000	16,496,011,818
Purchases, services received			
DLGL Investment and Development of Public Project Service JSC	Leasing assets	512,727,276	336,727,268
Duc Long Gia Lai Investment and Construction JSC	Head Office construction	2,142,910,364	11,193,413,303
Duc Sang Gia Lai Minerals Exploiting Co., Ltd	Factory construction	4,367,635,455	1,411,828,182
	Purchases of stones	-	10,243,841,715
Others transactions			
Duc Long Dung Quat Co., Ltd	Collected loan interest	2,942,745,248	7,630,118,110
Gia Lai Transport Consulting and Construction JSC	Received dividend	207,270,000	177,660,000
DLGL Real Estate Investment and Trading JSC	Collected loan interest	30,500,354	-
Duc Long Electric Power Investment & Development JSC	Collected loan interest	31,013,958	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (cont'd)
(These notes form an integral part of and should be read in conjunction with the financial statements)

44. Events after the balance sheet date

There have been no significant events occurring after the balance sheet date which would require adjustments or disclosures to be made in the financial statements.

45. Corresponding figures

Corresponding figures were taken from the consolidated financial statements for the year ended 31/12/2015 which had been audited by AAC.



Pham Anh Hung
General Director
Gia Lai Province, 30 March 2017

Vu Thi Hai
Chief Accountant

Nguyen Thi Phuong Thuy
Preparer

