

# GROWTH IN CHANGE



*Growth in change*

ANNUAL  
REPORT  
2015

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# GROWTH IN CHANGE



## CHAIRMAN'S MESSAGE



CONSOLIDATED PROFIT BEFORE TAX WAS

**205.4** BILLION VND  
ACHIEVING **158%**  
OF THE PLAN

### TO HONORABLE SHAREHOLDERS, INVESTORS AND CUSTOMERS,

Thanks to the relatively positive advantages of Vietnam's economy in 2015, the automobile market had a high growth, the real estate market and finance continued to be on the way of recovery ... However, the security and politics situation of the region and the world was so complicated which had a great impact on the Vietnam's economy in general and the business activities of companies in particular.

2015 was also the year that Savico changed its senior personnel in positions of management, operating and control and it was also the first year of implementing the strategic plan for period 2015 - 2020. In this context, the Board of Management actively focused and tried to inherit and promote all activities as well as took advantage of every opportunity to continue to develop, increase the network and the efficiency of the core business and services; Liquidated, reorganized the business activities with no prospect; Cut down the ineffective investments in real estate and finance;

Improved the forecast and risk prevention work; Tightly

controlled the capital, cash flow and fulfilled the revenue and profit assigned by the General Meeting of Shareholders. By the end of 2015, the total consolidated revenue of Savico was 9,898.4 billion VND achieving 116% of the plan, the consolidated profit before tax was 205.4 billion VND achieving 158% of the plan and the consolidated profit after tax was 163.3 billion VND achieving 163% of the plan.

The above achievement was thanks to the trust, support and sharing of our valued shareholders, investors, and customers; The support and consulting of the members of the Board of Management, Board of Supervisors ...; The striving and determination of the Board of Directors, leaders, managers and staff of Savico together with the care and support of the unions and the close and timely direction of the government leaders of management agencies. On behalf of the Board of Management of Savico, I would like to express our deep gratitude to all!

Dear Honorable Shareholders,  
Investors and Customers,

It is forecasted that the Vietnam's economy in 2016 continues to develop at a high level when the GDP growth rate is expected to be 7%, the inflation is controlled at a low level, the exchange rate is controlled in such a flexible and reasonable way; the automobile market shall grow, but due to the influence of the special consumption tax policy applied from 01 January 2016 as well as the import duty reduction policy for the roadmap to ASEAN economic integration, the growth rate is forecasted not to be as much as of 2015, the real estate market shall continue to recover thanks to the improved economic conditions. However, Vietnam shall officially integrate into the region and the world in 2016 through some signed free trade agreements, in which the significant one is the Trans-Pacific Partnership (TPP), the business environment shall be more complex with more fierce competition ... So, the Board of Management proposes the following orientations:

- \* Continue to develop, expand the network, and diversify the products, quality and efficiency of the business and service network of the trading service service according to the orientation and strategy of period 2015 - 2020 approved by the General Meeting of Shareholders.
- \* For the real estate sector, it is necessary to quickly take advantage of the market opportunities for developing new projects, accelerating the implementation of key projects to create the business platform for sustainable development of Savico and the system.

- \* Improve the financial management role to each company and the system; improve the links with strategic banks to ensure and timely meet the capital requirement with optimum conditions for the business and investment activities of the companies in the system.
- \* Improve the role, capacity and the control and risk prevention activities at the companies; Rearrange the representatives, adjust and perfect the relevant regulations to meet the objectives, management and operating requirements of the companies and the system.
- \* Coordinate the recruitment, training and development of human resources; perfect the training objectives, the personnel development roadmap; establish a system of policies to create momentum for employees to develop the capacity, attract and maintain employees, timely meet the development requirement of the system. Accelerate the implementation of corporate culture, improve the internal cohesion, and coordinate with the member companies.
- \* Establish Savico brand development policy. Strengthening relationships with investors, partners with suitable business strategy to achieve the sustainable development for goals SAVICO system.

The new context shall bring many new opportunities as well as many challenges to the development of Savico's system. But I believe that try having a carefully prepared business plan for 2016 as well as our efforts, determination Savico's system; the trust and support of our valued shareholders, investors, and customers; the care and support of the unions and the close and timely direction, and the support from the leaders of management agencies, Savico shall definitely overcome the challenges, successfully fulfill objectives and mission for 2016, maintaining the sustainable development and increasing value of shareholders, investors, customers and society.

Best regards,

FOR BOARD OF THE BOM

**Nguyen Binh Minh**  
CHAIRMAN

# GENERAL INFORMATION

## Company's information

Company's name : SAIGON GENERAL SERVICE CORPORATION  
 Transaction name : SAVICO  
 Securities code : SVC  
 Head office : 68 Nam Ky Khoi Nghia, district 1, Ho Chi Minh City  
 Tel : (84-8) 3821 3913  
 Fax : (84-8) 3821 3553  
 Website : www.savico.com.vn  
 Email : savico@savico.com.vn



# VISION - MISSION - CORE VALUES

## VISION

To become the leading investment corporation specializing in services in Vietnam, integration into regional as well as international business networks.

## MISSION

The leading service provider with all business operations to meet the customer needs.

“Customer satisfaction is our happiness”

## CORE VALUES

**Transparency:** In transactions, actions and relationships

**Respect:** Shareholders, Investors, Customers, Partners...

**Responsibility:** complying with the Law, actively contributing to the Community.

**Creation:** Always looking for opportunities, self-innovating to increase reputation and business efficiency

**Solidarity:** Consensus to overcome challenges; Self-renewal, actively seeking opportunities, creating success.

## BUSINESS ACTIVITIES AND LOCALITIES

THE BUSINESS ACTIVITIES OF THE COMPANY FOCUS ON 03 SECTORS: TRADING & SERVICE, REAL ESTATE SERVICE, AND FINANCIAL SERVICE.

### 01

#### TRADING & SERVICE

The dealer system is organized to directly distribute cars, motorbikes from domestic and foreign manufacturers; repair and maintenance of cars, motorbikes and enclosed services of Toyota, Ford, Volvo, Chevrolet, Hyundai, Honda, Yamaha, Suzuki, Hino, Fuso...

### 02

#### REAL ESTATE SERVICE

The real estate system is developed to support the Service and Trade sector; real estate trading, warehouse, office and trade center lease; investment and development of real estate projects with the orientation of trading office buildings, apartments, villas and high class resorts.

### 03

#### FINANCIAL SERVICE

It focuses on supporting the Service and Trade sector and Real Estate Service; investing in subsidiaries, associates and in stocks of other companies operating mainly in the Service and Trade; seeking and trading short term stocks of listed companies when necessary.

#### Business Localities

Savico operates throughout the country from the North to the South:

- \* In the Northern region: it focuses on Hanoi, Hai Duong and Nam Dinh.
- \* In the Central - Highlands region: it focuses on Da Nang, Binh Dinh and Gia Lai.
- \* In Ho Chi Minh City and the Southeast region: it focuses on Ho Chi Minh City, Binh Duong, Binh Thuan and Tay Ninh.
- \* In Mekong Delta region: it focuses on Can Tho, Vinh Long and An Giang.



## FORMATION AND DEVELOPMENT



*At this time, the Company operated under the model of State-owned Enterprise (1982 to 2004)*

Saigon General Service Corporation (Savico), formerly known as the State-owned Enterprise was established on 01 September 1982 with the name of District 1 Service Company.

In 1986, the Company's name was changed from District 1 Service Company to Saigon General Service Company with the transaction name of Savico.

In 1990, the company was the pioneer specializing in trading automobile and motorbike sector service, tourism, transport service - taxi ... creating a foundation for the development of future Trading and Service system.

From 1998 to 2004, apart from the development of the real estate projects and investment in key sectors, complement and consolidate the operations, the company gradually changed its operation to investment company model, establishing and developing the dealer system of automobiles, motorbikes of prestigious brands such as Toyota, Ford, Chevrolet, ...

*At this time, the Company operated under the model of Joint Stock Company (from 2005 until now)*

Saigon General Service Co. (SAVICO) was formally transformed into Joint Stock Company and put into operation on 04 January 2005.

On 21 December 2006, Savico officially listed its shares on the Hanoi stock exchange shares (HNX) with the stock code of SVC.

On 01 June 2009, Savico's stock was listed at Ho Chi Minh City Stock Exchange (HOSE) with the stock code of SVC.

The Company increased its chartered capital from 128.73 billion VND to 249.96 billion VND to meet the development requirement as well as implement the restructuring of the organization apparatus, restructuring of the assets / Resources, development of human resources to be suitable to the development scale of each stage of the Company.

From 2014 until now, along with the continuous implementation of restructuring assets / resources, the Company gradually arranges the organization apparatus in such a streamlined and professional way. At the same time, the team of capable, dedicated and dynamic young leaders is trained and transferred ...

The Company focuses on the investment in Trading and Service. By the end of 2015, the Company's system had total 27 automobile dealers. Apart from the traditional system, the Company has officially expanded into commercial vehicles, and imported and distributed of luxury cars segment - beginning with the exclusive distribution of Volvo passenger cars in Vietnam market.

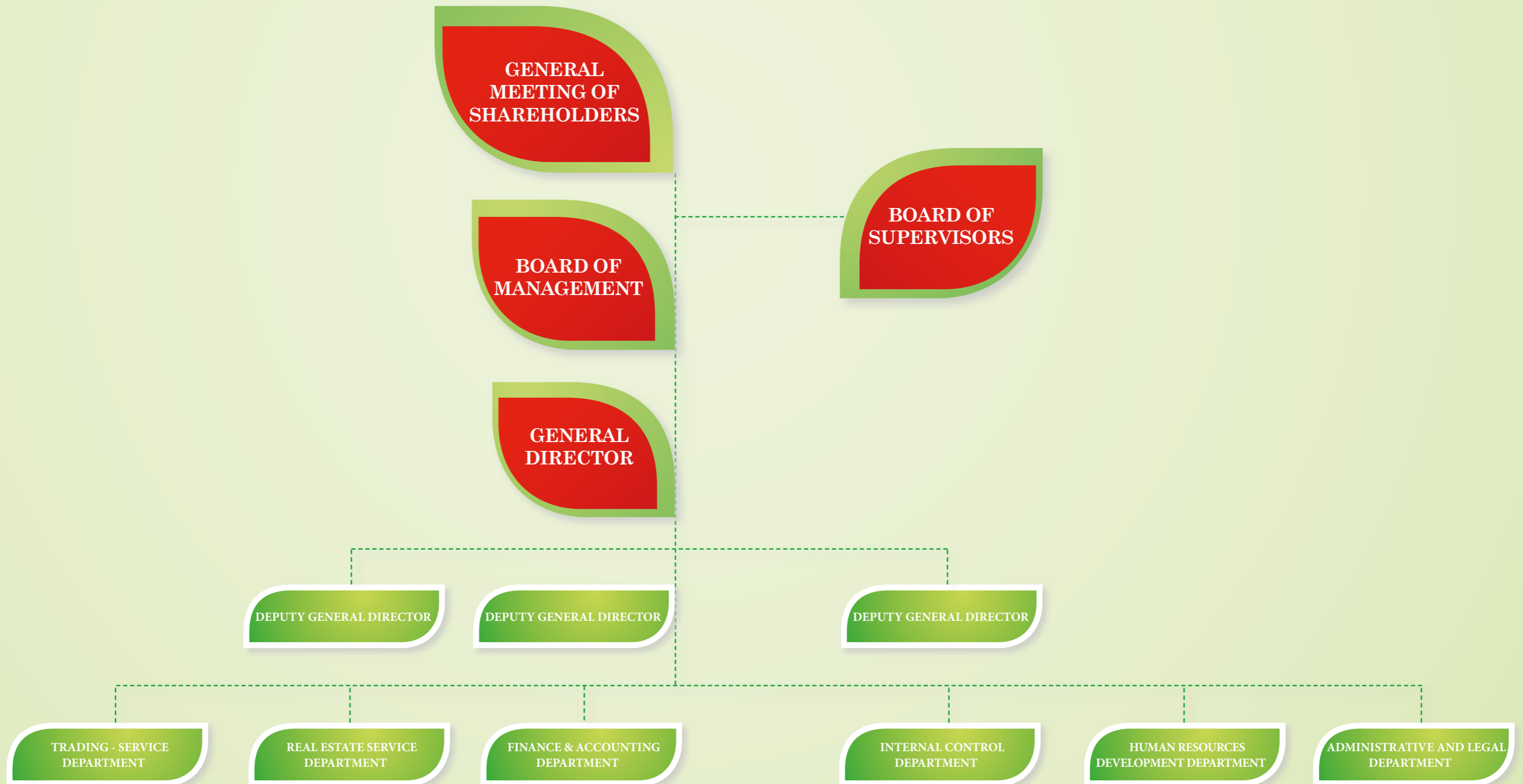
## MANAGEMENT MODEL, BUSINESS ORGANIZATION AND MANAGEMENT APPARATUS

Savico develops under the model of investment company (holding company), invests in trading-service, real estate service and financial service; contributes capital and participates in the paralleled management with subsidiaries for business development. Assigns the targets and plans for member companies, controls the operation to ensure the investment efficiency,

and supports the member companies in market expansion, trains and develops human resources, increases the collaboration, coordination of the operations between the member companies, improves the competitiveness of Savico's system. The vertical governance model "dedicated to create the advantage" and regional management, "combine to create the effectiveness".



# ORGANIZATION CHART



## SUBSIDIARIES AND ASSOCIATES

NO.	COMPANY'S NAME	ADDRESS	PRINCIPLE ACTIVITY	CHARTERED CAPITAL (31/12/2015) MILLION VND	CONTRIBUTED RATE OF SAVICO
<b>SUBSIDIARIES</b>					
1	Da Nang Son Tra Corporation	Bai Trem, Son Tra district, Da Nang City	Development of Mercure Son Tra Resort at Bai Trem, Hoang Sa street, Tho Quang ward, Son Tra district, Da Nang City	84,000	98.00%
2	Savico Hanoi Corporation	7-9 Nguyen Van Linh, Gia Thuy ward, Long Bien district, Hanoi City	Operating business center, providing hotel service; civil construction, industrial project; agent and consignment; import and export activities; trading and maintaining automobile; providing engine rental, transportation and car parking service.	80,000	70.00%
<b>Subordinated companies</b>					
	Savico Mega Mall Trade Center	7 - 9 Nguyen Van Linh, Gia Thuy ward, Long Bien district, Hanoi City Tel: (84.4) 62 668 855 www.savicomegamall.com			
	Toyota Long Bien Co., Ltd.	7 - 9 Nguyen Van Linh, Gia Thuy ward, Long Bien district, Hanoi City Tel: (84.4) 62 777 999 Fax: (84.4) 62 777 998 Hotline: 0973.778.669 Email: toyotalongbien.hn@gmail.vn www.toyotalongbien.org			
	Toyota Hai Duong Co., Ltd.	No. 1 Ngo Quyen street, Cam Thuong ward, Hai Duong City Tel: (84.320) 3555 999 - Fax: (84.320) 3555 997 Hotline: 090.345.9775			
3	Toyota Giai Phong Joint Venture Company	807 Giai Phong, Hoang Mai district, Hanoi City	Trading TOYOTA cars and spare parts, supplying maintenance services.	18,088	51.00%
	Toyota Giai Phong	807 Giai Phong, Hoang Mai district, Hanoi City Tel: 04 3664 0124 - Fax: 04 36640127 Hotline: 0903.259.295 www.toyotagiaiphong.com.vn www.toyotagiaiphong.vn			
	Toyota Phap Van	Hoang Liet ward, Hoang Mai district, Hanoi City Tel: (84.4) 3642 5588 - Fax: (84.4) 3642 5599 Hotline: 098 999 7879 www.toyota-phapvan.com			

NO.	COMPANY'S NAME	ADDRESS	PRINCIPLE ACTIVITY	CHARTERED CAPITAL (31/12/2015) MILLION VND	CONTRIBUTED RATE OF SAVICO
<b>SUBSIDIARIES</b>					
4	Saigon Automobile Service Joint Stock Company (Saigon Ford)	61A Cao Thang, ward 3, district 3, Ho Chi Minh City	Trading FORD cars and spare parts, supplying maintenance service.	64,000	52.05%
<b>Subordinated companies</b>					
	Ben Thanh Ford	831 Truong Chinh, Tay Thanh ward, Tan Phu district, Ho Chi Minh City Tel: (84.8) 3815.7979 Fax: (84.8) 3815.8989 Hotline (service): 0908 061 061 Hotline (sales): 0938 191 191 Email: info@benthanhford.com.vn www.benthanhford.com.vn			
	Saigon Ford - Cao Thang	61A Cao Thang, ward 3, district 3, Ho Chi Minh City Te: (84.8) 3818 1458 - Fax: (84.8) 3818 1466 Hotline (service): 090 746 8686 Hotline (sales): 093.878.3139 Email: saigonford@saigonford.com.vn www.saigonford.savico.com.vn www.saigonford.com.vn			
	Saigon Ford - Pho Quang	Center for trading second hand automobile and repairing automobile's body 104 Pho Quang, ward 2, Tan Binh district Tel: (84.8) 3844.2947/ 3844.2948 Fax: (84.8) 3844 2896 Hotline: 093 811 0139 Email: phoquang@saigonford.com.vn			
	Saigon Automax	72 Tran Dinh Xu, district 1, Ho Chi Minh City Tel: (84.8) 3838 9508 - Fax: (84.8) 3838 9521 Web: www.mazdabenthanh.com.vn			
	Saigon Automax	295 Ben Chuong Duong, district 1, Ho Chi Minh City Tel: (84.8) 3920 4393 - Fax: (84.8) 3920 4394 www.saigonautomax.bonbanh.com			
	Boutique 6A Tran Hung Dao	Tel: (84.) 3915 3244 - Fax: (84.8) 3915 3243 Hotline:093 898 0139 Email: saigonford@saigonford.com.vn			
	Saigon Can Tho Auto Joint Stock Company	Block 11C Vo Nguyen Giap, Phu Thu ward, Cai Rang district, Can Tho City Tel: (84.710) 3730 720 / 3730 719 - Fax: (84.710) 3.730.716 Hotline: 0902 357 558 Email: cantho@saigonford.com.vn www.canthoford.vn			



## SUBSIDIARIES AND ASSOCIATES

NO.	COMPANY'S NAME	ADDRESS	PRINCIPLE ACTIVITY	CHARTERED CAPITAL (31/12/2015) MILLION VND	CONTRIBUTED RATE OF SAVICO
<b>SUBSIDIARIES</b>					
5	Toyota Can Tho Limited Company	K2-0, Vo Nguyen Giap, Thanh Thuan area, Phu Thu ward, Cai Rang district, Can Tho City	Trading TOYOTA cars and spare parts, supplying maintenance services.	49,626	51.00%
6	Savico Da Nang Corporation	66 Vo Van Tan, Thanh Khe district, Da Nang City	Trading real estate; leasing office and workshops; consulting, mediating real estate; trading automobile, other motor vehicles and spare parts; supplying the maintenance and repair service; supplying transport service.	30,000	70.00%
<b>Subordinated companies</b>					
	Auto Song Han Joint Stock Company (Hyundai Song Han)	86 Duy Tan, Hoa Thuan Tay ward, Hai Chau district, Da Nang City Tel: (84.511) 378 3555 - Fax: (84.511) 378 3883 Hotline: 0914 303 555 / 0511 3 783 888 www.hyundaisonghan.com.vn			
	Hyundai Gia Lai	278 Le Duan, Pleiku City, Gia Lai province Tel: 059.3862255 - Fax : 059.3862266. Hotline: 059.3735888			
	Dana Joint Stock Company - Danaford	56 Dien Bien Phu, Thanh Khe district, Da Nang City Tel: 0511. 364 6555 - Fax : 0511. 364 6746 Hotline (rescue): 0905 444 888 - Email: danaford@danaford.com.vn Web: www.danaford.com.vn Hotline (sales): 0905 105 888 Hotline (service): 0914 061 731 Customer care service: 0905 444 838			
	Dana Ford Binh Dinh	73 Tay Son, Qui Nhon City, Binh Dinh province Tel: 056. 3546 555 - Fax : 056. 3546 488 Hotline : 0905 631 666 - Email: dongpq@danaford.com.vn			
	Dana Ford Gia Lai	284 Le Duan, Thanh Loi ward, Pleiku City, Gia Lai province Tel: (84-059) 3535555 - Fax : (84-059) 3551777			
7	Nam Song Hau Automobile Joint Stock Company (Honda Can Tho)	Block E1-1 Vo Nguyen Giap street, Thanh Loi area, Phu Thu ward, Cai Rang district, Can Tho City	Trading HONDA cars and spare parts, supplying maintenance services.	50,000	93.00%

NO.	COMPANY'S NAME	ADDRESS	PRINCIPLE ACTIVITY	CHARTERED CAPITAL (31/12/2015) MILLION VND	CONTRIBUTED RATE OF SAVICO
<b>SUBSIDIARIES</b>					
8	Vinh Thinh Auto Joint Stock Company (Hino Vinh Thinh)	55/5 Binh Giao quarter, Thuan Giao ward, Binh Duong province	Trading HINO truck and spare parts, supplying maintenance, repairing and transportation action services.	20,000	90.00%
9	Saigon Star Corporation	510 National Highway 13, Hiep Binh Phuoc ward, Thu Duc district, Ho Chi Minh City	Trading SUZUKI, HONDA and VEAM automobile and motorbike and spare parts, supplying maintenance services.	15,000	59.62%
<b>Subordinated companies</b>					
	Outlet	778 Kha Van Can, Thu Duc district Tel: (84.8) 3897 9022			
	Outlet	379 Quang Trung, Go Vap district Tel: (08) 22464364 - Fax: (08) 62579143			
	Saigon Phuong Nam Co., Ltd.	510 National Highway 13, Hiep Binh Phuoc ward, Thu Duc district. Tel: (08) 3727 3438 - Fax: (08) 37273133			
	Saigon Vien Dong Co., Ltd.	673 Huynh Tan Phat, Tan Thuan Dong ward, district 7, Ho Chi Minh City Tel: 08 37733893 - Fax: 08 37733902			
10	Saigon Cuu Long Automobile Corporation (Chevrolet Can Tho)	274 of 30/4 street, Hung Loi ward, Ninh Kieu district, Can Tho City	Trading GM cars and spare parts, supplying maintenance and transportation services.	12,000	84.17%
11	Saigon Service Trading Co., Ltd. (Yamaha Can Tho)	164-166C of 3/2 street, Hung Loi ward, Ninh Kieu district, Can Tho City	Trading YAMAHA motorbikes and spare parts, supplying maintenance services.	7,660	88.12%
<b>Subordinated companies</b>					
	Outlet	164 - 166C of 3/2 street, Hung Loi ward, Ninh Kieu district, Can Tho City Tel: (84.710) 3780 164 - Fax: (84.710) 3780 166			
	Outlet	Kiosk 15-17-19-21 Western Cultural Park, No. 45 CMT8 street, An Thoi ward, Binh Thuy district, Can Tho City Tel: (84.710) 3783 979 - (84.710) 3783 839			

## SUBSIDIARIES AND ASSOCIATES

NO.	COMPANY'S NAME	ADDRESS	PRINCIPLE ACTIVITY	CHARTERED CAPITAL (31/12/2015) MILLION VND	CONTRIBUTED RATE OF SAVICO
	Outlet	291 An Nhon hamlet, Trung Thanh commune, Vung Liem district, Vinh Long province			
	Service and Spare Parts Center	164/1B, 3/2 Street, Hung Loi ward, Ninh Kieu district, Can Tho City Tel: (84.710) 3782 982			
12	OtoS Joint Stock Company (OtoS)	66 - 68 Nam Ky Khoi Nghia, Nguyen Thai Binh ward, district 1, Ho Chi Minh City	Supplying e-commerce service; advertisement service; Trading cars and spare parts; supplying maintenance and repairing service; supplying software and services related to information technology.	6,900	77.07%
<b>ASSOCIATES</b>					
1	ComfortDelgro Savico Taxi Co., Ltd.	384A/2 Kha Van Can, Hiep Binh Chanh ward, Thu Duc district, Ho Chi Minh City	Providing the transportation and maintenance services.	79,315	40.03%
2	Toyota East Saigon Joint Stock Company	507 Hanoi Highway, An Phu ward, district 1, Ho Chi Minh City	Trading TOYOTA cars and spare parts, supplying maintenance services.	58,500	35.16%
<b>Subordinated companies</b>					
	Toyota Dong Saigon	Address: 507 Hanoi Highway, An Phu ward, district 1, Ho Chi Minh City Tel: (08) 3 8989 242 - Fax: (08) 3 8989 243 Hotline: 19006428 Email: tesc@toyotasaigon.com			
	Go Vap branch	Address: 18 Phan Van Tri, ward 7, Go Vap district, Ho Chi Minh City Tel: (08) 3 989 6636 - Fax: (08) 3 989 6637 Hotline: 19006438 Email: tesc@toyotasaigon.com			
	Nguyen Van Luong branch	Address: 63A Nguyen Van Luong, ward 10, Go Vap district, Ho Chi Minh City Tel: (08) 3 9212 808 - Fax: (08) 3 9212 809 Hotline: 0918335050 Email: tesc@toyotasaigon.com			

NO.	COMPANY'S NAME	ADDRESS	PRINCIPLE ACTIVITY	CHARTERED CAPITAL (31/12/2015) MILLION VND	CONTRIBUTED RATE OF SAVICO
<b>ASSOCIATES</b>					
	Toyota Binh Thuan Co., Ltd.	Address: Ben Loi - Lai An Residential area, Thang Thuan hamlet, Ham Thang commune, Ham Thuan Bac district, Binh Thuan province Tel: (062) 3739 212 - Fax: (062) 3739 210 Hotline: 0901662828 Email: tesc@toyotasaigon.com			
3	Toyota Ly Thuong Kiet Co., Ltd.	188 Le Trong Tan, Tay Thanh ward, Tan Phu district, Ho Chi Minh City	Trading TOYOTA automobile and spare parts, supplying maintenance services.	60,000	20%
	Branch 1	151A Ly Thuong Kiet, ward 6, Tan Binh district, Ho Chi Minh City Tel: 083.971.3838 - Fax: 083.971.3209			
	Branch 2	188 Le Trong Tan, Tay Thanh ward, Tan Phu district, Ho Chi Minh City Tel: 083.816.3636 - Fax: 083.816.33.66			
4	South West Star Automobile Joint Stock Company (Hyundai Tay Do)	91 CMT8 street, An Thoi ward, Binh Thuy district, Can Tho City	Trading HYUNDAI cars and spare parts, supplying maintenance services.	25,000	40%
5	Binh Duong New City Automobile Joint Stock Company (Binh Duong Ford)	Block C13 Hung Vuong street, complex area, Hoa Phu ward, Thu Dau Mot City, Binh Duong province	Trading FORD cars and spare parts, supplying maintenance services.	30,000	27.50%

## DEVELOPMENT ORIENTATION



### MAIN OBJECTIVES

#### Period of 2016-2017:

Complete the restructuring of the whole system. Consolidate and improve the competitiveness, management experience and develop the service for strong development to Savico, gradually aim at the regional markets; improve the operation efficiency, enhance the capitalization scale, increase the liquidity of the Company's stocks to meet the requirements of shareholders and investors.

- Implement the restructuring of

the automobile sector, expand and develop the dealers in potential areas, well prepare the development resources

- Consolidate and develop motorbike dealers after the restructuring process.
- Establish the strategic alliances with reliable partners.
- Develop the system of trade centers, office for lease, create a stable and sustainable income.

#### Period of 2018-2020:

Create a great change in revenue growth and efficiency, confirm the

professionalism in investment activities, and improve the brand's reputation in the domestic, regional and international markets

Objective to 2020: The consolidated revenue of the whole system reaches at least 15,000 billion VND, profit before tax reaches at least 250 billion VND, profit after tax reaches at least 200 billion VND, in which profit of Shareholders of the holding company reaches at least 130 billion VND.

### MEDIUM AND LONG TERM DEVELOPMENT STRATEGY

#### Trading - Service:

##### Automobile sector:

- Develop the automobile service sector and the services increasing the utility to customers; The gross profit from the services is enough to offset 100% of the operation expenses of the service department and corporate management expenses.
- Focus on improving the investment efficiency with Return on equity (ROE) of 15% - 17% / year.

##### Motorbike sector:

- Focus on improving the competitive

capacity, create foundation for Savico motorbike system with major brands such as Honda, Yamaha ...

- Develop the motorbike service sector and the services increasing the utility to customers; By 2018, the gross profit from the services is enough to offset 100% of the total operation expenses of the company
- Focus on improving the investment efficiency with the Return on equity (ROE) in 2016 of 5% - 10%; For the period of 2017 - 2020, it shall be 12% - 15% / year.

#### Real Estate Service:

Invest in real estate assets, potential land areas, create the added value for the real estate and realize the profit when necessary.

The main products of the company:

- Trade Center (showrooms, shopping mall, wedding restaurant / convention, ...)
- Office for lease (including buildings, premises, small and medium buildings).
- Serviced apartment - Hotels
- For the housing products, Savico shall consider for investment depending on each project.

#### Objectives to 2020:

- Become a prestigious real estate investor in Vietnam.
- The annual profit margin is at least from the average level of the economy.
- The real estate sector becomes a main business line of the Company, bringing back 50% of the stable profit structure to the company annually.
- Integrate into the region when suitable.

### SUSTAINABLE DEVELOPMENT OBJECTIVES

Implement the completed business development strategy with the direction of combining the economic efficiency of the company, the interests of shareholders and partners with a commitment to comply, suitably use, protect, maintain and improve the human resources, the natural environment as well as participate in sharing, contribution to the community and society.



## RISKS

Savico always focuses and constantly improves the effectiveness of the management aiming at the sustainable development. For the risk management, the leaders of Savico always have a special attention; Apart from the risk management established under the strategy and business plan, Savico organizes an internal control department to review, warn the risks during the time of operation. The risk management is increasingly complete; it improves the awareness and establishes the risk management culture of the whole system, from the leadership level to all staff, which makes the corporate governance orientation to be more transparent and efficient.

In 2015, Savico changed its senior personnel in the Board of Directors and Board of Management and it was also the first year of implementing the business development strategy for period 2015 - 2020; Besides, Savico's business activities of Service & Trade sector with key products like automobile, motorbike and the real estate service was identified to have many opportunities as well as challenges. Then, Savico has identified some main risks that it should focus on to have the right solution as follows:

### MACROECONOMICS

The macroeconomic management policy of the Government like taxes, charges, fees, credit, interest rates and exchange rates; regulation of the development of the automobile sector ... has a direct and strong impact on the main products of Savico system.

For this risk, right from the early of 2015, Savico held a Business Plan Conference to the whole system to identify the market, business orientation for the companies; Discussed the specific solutions to solve the difficulties to the system and each company. During the time of operation of last year, Savico improved the analysis, evaluation and forecast of the changes related to the business lines to improve the self-motivation in taking advantage of opportunities, timely dealing with risks. The Company had timely solutions to solve these difficulties and impacts from the construction schedule and infrastructure development of the Government to the business activities, project development activities of the Company.

### SUPPLIERS' POLICY

The main business activities of Savico are mainly dealers distributing to domestic automobile and motorbike manufacturers and assembly companies so it may suffer from the influences from the suppliers on the market share, market area, dealer development, sales policy, payment, inventory ... To manage this risk, apart from the improvement of the market forecast, suitable reservation of inventory, the Company needs to connect information with the suppliers to take full advantage of the business development network and increase the operation efficiency at the companies. In 2015, Savico launched some dealers in Binh Dinh, Gia Lai, Binh Thuan, Binh Duong, Can Tho and Ho Chi Minh City; Expanded the

business to commercial and luxury vehicles segment.

### HUMAN RESOURCES

The development of human resources is focused on and improved to prepare for the new projects to be implemented in 2015 and the following years. The big risk for this issue is the selection of human resources policies to attract, motivate human resources, the planning, training, appointment and evaluation of staff in such a way to be suitable to the development strategy of the Company in the coming time. Concerning this issue, the company has well implemented the preparation and implementation of steps in the staff planning, the trust evaluation and creation of the consensus from the system. Then, Savico has chosen a team of skillful, young and enthusiastic staff for the construction and development of Savico.

For resources for project development, the Company has selected experienced staff and focused on the training work from the professional skill to practical experience to the staff of the companies in the system.

Besides, Savico determines that human resources is the central factor, deciding the Company's success; The company focuses on the harmony between the interests of the company and shareholders and the interests of the employees to attract talents and encourage adherence, contribution of the employees to the development, increase of profits to the company. In



2015, the Regulation on salary was updated and adjusted; the process of personnel planning, training, evaluation and appointment was more and more standardized and implemented in the whole system; the rights of the employees, welfare and reward policy, was always linked to the responsibility and the contribution to the operation of the Company.

### FINANCE

Savico always actively seeks and implements the financial solutions for the whole system to support the member companies and promote the general strength from the system; Savico has gradually solved the difficulties and obstacles, continued to support the companies in the system, especially the newly established companies to access the stable capital financing with low cost.

The specific financial risks of the Company include credit risks (cash, receivables), liquidity risk (fulfillment of financial obligations) and market risk (interest rate, exchange rate).

#### For the Company:

Improve the financial management efficiency; then, the Company has completed the Financial Management Regulation - strictly controlled the use of capital, revenue and expenditure, liabilities management in accordance with the Regulation;

dividend withdrawal as scheduled; good management of the cash flow; reasonable restructuring of debts to reduce the borrowing interest; and well support about capital for the business activities of the Company.

Strengthen the financial evaluation work for investment projects and analyze the business and operation efficiency at the companies through the periodical inspection - review of contributed companies as the basis for the increase in contributed capital, withdraw the investment capital, or activities related to M&A work. Complete the target for evaluating the safety - sustainability of finance to contributed companies to be close to the actual situation and the characteristics of the business lines.

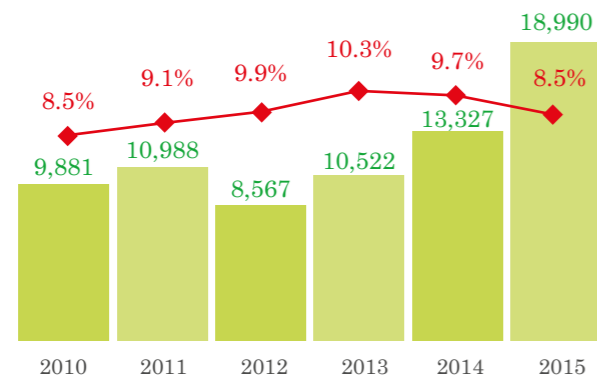
#### For the companies in the system:

Apart from the right use of capital, strict control of costs, the debt and inventory management work is continued to be focused, the effective use of the payment and sales policies, and the support from the Suppliers has contributed to the improvement of the efficiency at the companies in 2015.

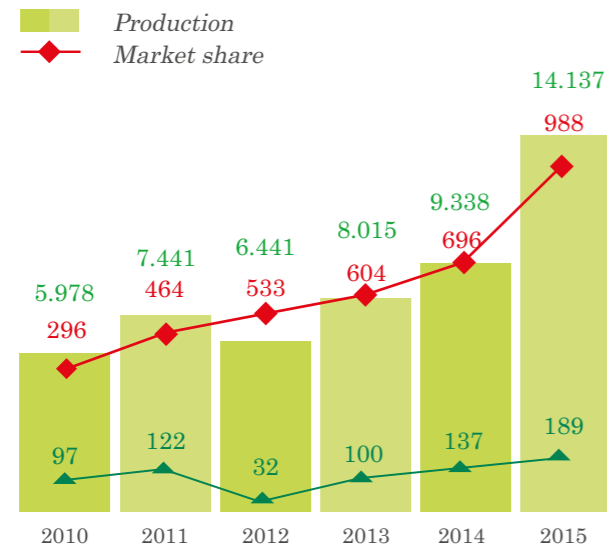
When the quantity and operation scale of the companies in the system increase, the best prevention of risk is to establish, monitor the implementation and continuously standardize the processes, regulations, standard norms for widely applying in the system.



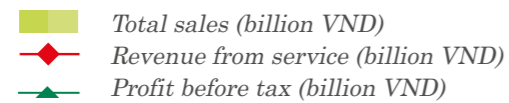
# OPERATION SITUATION OF THE YEAR



Sale volume of VAMA (%)



SAVICO's automobile chart.



## 1. Business highlights

The Board of Directors of the Company and the staff of the whole system continued to focus on evaluating the monthly operation and business situation, took full advantage of the opportunities from the market, controlled the costs and established the solutions to improve the business efficiency.

### Result:

\* The consolidated revenue in 2015 was 9,898 billion VND, exceeding 16% of the plan, an increase of 25% compared to the same period. That the increase in the revenue was thanks to the increase in the consumption of cars of the whole system compared to 2014 and the revenue from real estate projects.

\* The consolidated profit before tax was 205.4 billion VND, exceeding 58% of the plan, an increase of 73% compared to the same period. The noticeable factor was the development of the network of automobile dealers to take full advantage of the opportunities from the market, contributing to the maintenance of the automobile market share of the whole system.

## TRADING & SERVICE

### Automobile system:

\* In the context that Vietnam's automobile market continued to have many favorable changes, the market grew in all segments, the sold quantity of cars of the whole system of Savico in 2015 was 18,990, an increase of 32.4 % compared to that of 2014. This showed that Savico had the right direction to

take full advantage of the market opportunities, focused on the development of the dealer system.

\* The market share in 2015 of Savico automobile system in Vietnam Automobile Manufacturers' Association (VAMA) accounted for 8.5%, which was lower than that of the same period.

\* The consolidated revenue of Savico automobile system in 2015 grew 33% compared to that of 2014.

\* The whole Savico automobile system focused on the development of the service activities as the foundation to stabilize and improve the investment efficiency, maintain the growth speed of service revenue in 2015 with the increase of 26.5% compared to that of 2014, the service activities in some companies had strong growth, reaching over 30%.

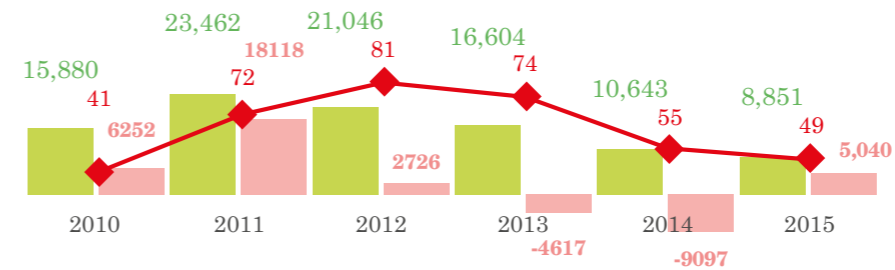
\* The market had many advantages, the management and administration work was well controlled, the whole Savico automobile system had good growth in profit before tax, an increase of 35.7% compared to that of

2014; Return on equity (ROE) of 2015 was 19%, achieving the set objective.

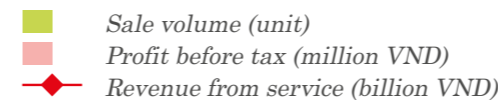
### Motorbike system:

\* After completing the restructuring work, the operation efficiency of the motorbike system had strong growth compared to the same period. The sold quantity of motorbikes of the whole system of Savico in 2014 increased 3% compared to that of 2014. The service revenue of major brands like Yamaha, Honda continued to grow strongly, reaching over 20% compared to the same period. On the other hand, the cost management was well completed, contributing to make the profit of the whole system increase nearly 3 times compared to the same period.

\* Continue to implement the motorbike system restructuring, the focus is to determine and evaluate the development of Suzuki brand and gradually restructure the system of Suzuki outlets. Consolidate the system and develop Yamaha, Honda brands and other promising brands.



SAVICO's motobikes chart



THE CONSOLIDATED PROFIT BEFORE TAX WAS **205** billion VND EXCEEDING 58% COMPARED TO PLAN

**Other Trading and Service**

\* Comfort DelGro Savico Taxi Company: Maintain the stable business activities after moving to the new location in Thu Duc. The ratio of taxis occupied remained above 90%, the taxi business operation had many improvements in the quality of customer service. However, the Company still faced many difficulties in attracting and recruiting drivers to enhance the business efficiency, and it also faced the great competition from the development of Uber.

\* Savico MegaMall Trade Center (SMM): The business activity in 2015 developed in such a positive direction; The occupancy rate was stable, the expenses were tightly controlled, especially the marketing expenses, the interest expenses strongly reduced compared to that of 2014, their increasing business efficiency.

\* Auto S Joint Stock Company has been put into operation for 1 year with the aim of helping the trading, transaction and use of automobile to be easier, more convenient and reliable through the internet. The operating ratio of 2015 grew as planned, and the number of customers steadily increased month after month. However, Auto S should improve the quality team of personnel and take full advantage of the resources from the companies in the system to improve their performance efficiency.



**REAL ESTATE SERVICE**

\* Focus on withdrawing money investment from the projects. 115-117 Ho Tung Mau, National Highway 13 ...; Transfer of Savico Da Nang Trade Center building to Savico Da Nang to focus on development and management; construction completion of 277-279 Ly Tu Trong and put into operation in 2016.

\* Office and retail for lease: Continue to maintain the stable occupancy, 100% occupancy at retail space with rent adjustment in line with market condition.

\* Looking for investors for Mercure Son Tra project, preparing for ground breaking at 66-68 Nam Ky Khoi Nghia project in 2016.

**FINANCE SERVICE**

\* In 2015, the Company continued to seek opportunities to withdraw from the inefficient investments.

\* In 2015, with drawal cash from 3 business sectors reached more than 340 billion VND. Financy and guarantee for the companies in the system was 74 billion VND, the guarantee was 20 billion VND, and the re-guarantee was about 12 million US dollars and 2 billion VND. Interest expenses continued to be at low rate (5-6% / year for short term interest rate).



## ORGANIZATION AND PERSONNEL

### The changes in the Board of Directors:

- \* Mr. MAI VIET HA was appointed as General Director and the legal representative of the Company (since 19/1/2015).
- \* Mr. NGUYEN BINH MINH resigned from the General Director of SAVICO (since 19/1/2015). He is currently the Chairman of SAVICO and the General Director of Ben Thanh Group - the major shareholder of SAVICO.
- \* Mr. TA PHUOC DAT resigned from the Deputy General Director (since 19/1/2015).
- \* Mr. NGUYEN CONG BINH was appointed as Deputy General Director (since 4/4/2015).

### HUMAN RESOURCES

The total number of personnel of the whole system of Savico by the end of 2015 was 2,616 people, excluding 350 taxi drivers. In which, employees with professional skill from college or higher accounted for 70.41%. In 2015, the companies additionally recruited 107 employees with professional skill, technology and experience meeting the job's requirements. The new employees arranged for working in the sale and technical service sectors accounted for 69%. The recruitment objective was for the sales and service department to increase the revenue and develop and expand the service.

YEAR	2009	2010	2011	2012	2013	2014	2015	
TOTAL EMPLOYEES	1,662	1,915	2,156	2,348	2,508	2,509	2,616	
Sex	Female	304	391	446	494	503	515	581
	Male	1,358	1,524	1,710	1,854	2,005	1,994	2,035
Age	From 18 to 30	479	1,132	1,132	1,280	1,231	1,251	1,308
	From 31 to 45	287	804	804	836	1,013	1,008	1,059
	From 46 to 60	135	220	220	232	264	250	249
Qualification	University and higher	494	535	627	784	786	820	1,053
	College and vocational school	296	461	521	588	610	636	789
	High school	698	735	806	830	1,011	962	522
	Secondary school	174	184	202	146	101	91	252



### HUMAN RESOURCES POLICY

The company focused on building staff with positive working attitude, discipline compliance, team working awareness, and dedication to create the highest value of dedication to work. Building and developing the human resources meeting the business activity requirements according to the business lines and strategy of the company, constantly upgrading employees according to the new trend and development requirement.

The company created a friendly and cooperative working environment for each individual to best promote their capacity, promoted the collective intelligence, oriented for employees to have long term career development and engagement to the Company.

The companies in the system positively changed the management

mechanism to promote and improve the business activity efficiency and establish the solidarity spirit in the staff, created favorable conditions for staff to contribute the value to the development of the company.

The company encouraged all staff to emulate the improvement initiative, each person innovated to continuously develop for the better trend, improved the qualification, management ability and leadership capacity to meet the current requirements and improve according to the development requirement of the Company.

Each employee must try to practice, constantly improve themselves, share and help their colleagues to develop and promote the individual role and respect and adhere to the development orientation of the collective, increase the value to the Company, customers, partners, community and society.



# BOARD OF MANAGEMENT



01

Mr. NGUYEN BINH MINH  
Chairman



02

Mr. MAI VIET HA  
Member



03

Mr. DOAN VAN QUANG  
Member



04

Mr. NGUYEN CONG BINH  
Member



05

Ms. NGUYEN VIET HOA  
Member



06

Mr. LUONG QUANG HIEN  
Member



07

Mr. NGUYEN DUC TRONG  
Member



## BOARD OF DIRECTORS - CHIEF ACCOUNTANT



01

01

Mr. MAI VIET HA  
General Director

02

Mr. DOAN VAN QUANG  
Deputy General Director



02



03

03

Ms. NGUYEN THU NGA  
Deputy General Director

04

Mr. NGUYEN CONG BINH  
Deputy General Director



04



05

05

Mr. NGO VAN DANH  
Chief Accountant

# BOARD OF SUPERVISORS



01

01

Mr. NGUYEN TRUONG BAO KHANH  
Head of the Board



02

02

Mr. NGUYEN THAI HOA  
Member



03

03

Mr. TRAN HUY DUNG  
Member



# PROJECT INVESTMENT AND IMPLEMENTATION

## Trading & Service



COMPANY	IMPLEMENTATION SITUATION
<b>TOYOTA COMPANIES</b>	
3S Toyota Binh Thuan	Opened on 29/10/2015
3S Toyota Ly Thuong Kiet	The M & A was completed in 7/2015
<b>FORD COMPANIES</b>	
3S Binh Duong Ford	Opened on 22/1/2015
3S Pho Quang Ford	Completed the upgrade and opened on 22/1/2015
<b>HYUNDAI COMPANIES</b>	
3S Hyundai Gia Lai	Opened on 14/3/2015
3S Hyundai Sao Tay Nam	The M & A was completed in 9/2015
<b>OTHER COMPANIES</b>	
3S Chevrolet Can Tho	The construction was completed in 12/2014, it opened on 5/2/2015
3S Hino Vinh Thinh	Opened on 26/12/2015
3S Honda Can Tho	To be opened in 4/2016
3S Fuso Northwest Saigon	To be opened in 4/2016
3S Volvo Bac Au	To be opened in 9/2016

**Real Estate Service:**  
 Complete the transfer and cash withdrawal at project 115-117 Ho Tung Mau and project on National Highway 13

**Project 66-68 Nam Ky Khoi Nghia:**  
 The Company's Board of Directors has approved the investment and construction policy of the office building which shall be commenced in 2016.

**Mercure Son Tra project:**  
 Prepare the investment plan and find cooperation partners for deployment

**Project 104 Pho Quang:**  
 This project is cooperated with Novaland and Saigon Ford, the housing investment project has been approved and the land handover procedure has been completed.

**Project 277-279 Ly Tu Trong:**  
 It is in the process of completion, it is expected to be completed and put into operation in 4/2016.



## SUBSIDIARIES, ASSOCIATES

Report on the assets, resources and profit of subsidiaries and associates in 2015 (Unit: VND):

		TOTAL ASSETS	TOTAL LIABILITIES	OWNER'S EQUITY	PROFIT AFTER TAX
<b>SUBSIDIARIES</b>					
1	Da Nang Son Tra Investment Joint Stock Company	84,460,982,643	1,836,453,446	82,624,529,197	(1,015,428,107)
2	Savico Hanoi Joint Stock Company	745,762,011,775	620,551,789,373	101,788,407,219	35,368,074,824
3	Toyota Giai Phong Joint Venture Company	202,607,499,897	94,199,696,758	108,407,803,139	24,606,821,022
4	Saigon Auto Service Joint Stock Company	404,030,479,582	290,373,627,131	97,231,105,970	21,470,265,907
5	Toyota Can Tho Auto Co., Ltd.	163,984,958,829	78,365,747,874	85,619,210,955	22,240,030,271
6	Savico Da Nang Joint Stock Company	235,422,138,935	184,718,797,787	50,703,341,148	10,440,269,876
7	Nam Song Hau Auto Joint Stock Company	37,923,356,800	173,356,800	37,750,000,000	-
8	Vinh Thinh Auto Joint Stock Company	54,006,641,269	34,786,137,720	19,220,503,549	(779,496,451)
9	Saigon Star Joint Stock Company	64,950,209,370	43,963,062,316	20,987,147,054	5,554,315,787
10	Northwest Saigon Auto Joint Stock Company	20,959,334,445	5,869,508,979	15,089,825,466	(210,174,534)
11	Saigon Cuu Long Auto Joint Stock Company	29,007,073,536	16,859,738,643	12,147,334,893	684,900,079
12	Saigon Trading & Service Co., Ltd.	24,507,300,105	14,072,954,764	10,434,345,341	1,701,345,613
13	OtoS Joint Stock Company	2,193,100,575	189,439,414	2,003,661,161	(3,707,613,376)
<b>ASSOCIATES</b>					
1	Comfort Delgro Savico Taxi Co., Ltd.	92,648,243,863	9,065,421,704	83,582,822,159	6,976,246,639
2	Toyota Dong Saigon Joint Stock Company	437,030,507,290	283,891,066,975	153,139,440,315	22,914,663,107
3	Toyota Ly Thuong Kiet Co., Ltd.	192,364,454,444	117,417,504,020	74,946,950,424	14,946,307,600
4	Sao Tay Nam Auto Joint Stock Company	150,548,138,286	125,465,752,575	25,082,385,711	1,032,385,711
5	Binh Duong New City Auto Joint Stock Company	90,340,423,544	61,849,399,927	28,491,023,617	(1,560,481,586)

## FINANCIAL HIGHLIGHTS

### a) Key Financial Information

	Unit: Million VND		
	YEAR 2014	YEAR 2015	% UP/DOWN
Total assets	2,638,603	2,757,662	4.5%
Net revenue	7,930,242	9,889,942	24.7%
Net operating profit	100,389	167,816	67.2%
Results from other activities	18,259	37,571	105.8%
Profit before tax	118,648	205,387	73.1%
Profit after tax	87,781	163,276	86.0%
Income attributable to equity holders of the company	51,808	103,861	100.5%
Dividend	12%	Expected to be 14%	

### b) Financial Ratios

	YEAR 2014	YEAR 2015	NOTE
<b>1, Liquidity Ratios</b>			
+ Current liquidity ratio	0.88	1.07	Improved
+ Quick liquidity ratio	0.52	0.57	Improved
<b>2, Leverage Ratios</b>			
+ Liability / Total assets	0.63	0.62	Improved
+ Liability / Owner's equity	2.21	2.10	Improved
+ Debt ratio to assets ratio	0.31	0.29	Improved
<b>3, Activity ratios</b>			
+ Net sales / Total assets	3.01	3.59	Improved
<b>4, Profitability Ratios</b>			
+ Profit after tax (*) / Net sales	0.7%	1.1%	Improved
+ Profit after tax / Owner's equity	6.9%	12.8%	Improved
+ Profit after tax / Total assets	2.0%	3.8%	Improved
+ Profit from Business Activities / Net revenue	1.2%	1.6%	Improved

Note: (\*) : Profit after tax attributable to Equity holders of the Company

## INFORMATION ON STOCKS AND SHAREHOLDERS

### Shareholders structure (according to the list as of 04/03/2016)

NO.	SHAREHOLDERS	NUMBER OF SHARES	(% OF SHARE CAPITAL	SHAREHOLDERS		
				NUMBER OF SHAREHOLDERS	INSTITUTIONAL	INDIVIDUAL
1	State shareholders	10,192,823	40.78%	1	1	0
2	Board of Directors, Board of Management, Board of Supervisors, Chief Accountant	108,484	0.43%	12	0	12
3	Domestic shareholders	6,375,952	25.51%	1,685	54	1,631
4	Foreign shareholders	8,298,248	33.20%	63	17	46
5	Treasury stocks	20,066	0.08%	1	1	0
	Total	24,995,573	100%	1,762	73	1,689

### List of major shareholders (According to the list as of 04/03/2016)

NO.	SHAREHOLDER	ADDRESS	NUMBER OF SHARES	(%)
1	Ben Thanh Group	27 Nguyen Trung Truc, district 1, Ho Chi Minh City	10,192,823	40.78%
2	Jom Silkkitie Investment Fund	Puna Vuorenkatu 2A A 00120 Helsinki, Finland.	2,370,000	9.48%
3	Finansia Syrus Securities Public Company Limited	999/9 The Offices@Central Word, 18th Floor, Rama I Road, Pathumwan Sub-District, Pathumwan District, Bangkok Metropolis	2,071,810	8.29%

### Ownership statistics of internal persons:

NO.	FULL NAME	POSITION	NUMBER OF SHARES	(%)
1	Nguyen Binh Minh	Chairman	67,900	0.27%
2	Mai Viet Ha	Member of BOD and General Director	7,800	0.03%
3	Nguyen Viet Hoa	Member of BOD	-	0.00%
4	Nguyen Cong Binh	Member of BOD and Deputy General Director	156	0.00%
5	Doan Van Quang	Member of BOD and Deputy General Director	30,023	0.12%
6	Luong Quang Hien	Member of BOD	-	0.00%
7	Nguyen Duc Trong	Member of BOD	-	0.00%

NO.	FULL NAME	POSITION	NUMBER OF SHARES	(%)
8	Nguyen Truong Bao Khanh	Head of the Board of Supervisors	-	0.00%
9	Nguyen Thai Hoa	Member of the Board of Supervisors	-	0.00%
10	Tran Huy Dung	Member of the Board of Supervisors	-	0.00%
11	Nguyen Thu Nga	Deputy General Director	2,605	0.01%
12	Ngo Van Danh	Chief Accountant	-	0.00%

The close price and transaction volume in 2015:

\* The change of investment capital of owners: in 2015, the Company did not increase / decrease the chartered capital.

\* Treasury stock transaction: in 2015, the Company did not transact the treasury stocks.



### Information on stocks:

Statistics of stocks in 2015:

STATISTICS ON STOCKS IN 2015	UNIT	FIGURES
Price as of 31 December 2014	VND / share	15,000
Price as of 31 December 2015	VND / share	41,400
Highest price in year	VND / share	43,200
Lowest price in year	VND / share	15,500
Total transaction volume	Share	37,943,610
Average transaction volume / session	CP/ session	152,998
Listed shares	Share	24,995,573
Outstanding shares	Share	24,975,507
Market capitalization (31 December 2015)	Billion VND	1,034.8
Total book value of Company (31 December 2015)	Billion VND	808.6
EPS (2015)	VND / share	3,569
P/E (31 December 2015)	Time	11.60
P/B (31 December 2015)	Time	1.28
Foreign shareholders (31 December 2015)	%	33.33%
State shareholders (31 December 2015)	%	40.78%

## ENVIRONMENT AND SOCIETY

### MANAGEMENT OF RAW MATERIALS

Raw materials used for the operation of Savico and other companies in the system - mainly automobile and motorbike companies are managed and used in such a reasonable manner based on the strict processes of raw materials management, regulations on the consumption of raw materials. Because the raw materials are disposable and they cannot be recycled, we focus on the investment in modern machine and equipment system with closed process, the wastes and water treatment systems at the source. Almost all automobile companies commit to synchronously apply the environment quality management according to ISO 14001.

At the holding company, the raw materials are mainly used for the daily consumption demand including fuel, cleaning tools, and stationery.

The gasoline fuel saving solution focuses on the regulation on fuel consumption rate of each vehicle, use of vehicle as stipulated, implementation of periodical inspection and maintenance as stipulated to avoid fuel consumption.

The cleaning tool and stationery saving solution focuses on the usage rate, usage awareness of staff. For

stationery, the Company carries out storing documents in electronic form instead of hard copy.

### CONSUMPTION OF POWER, WATER

Being a service company, we promote the suitable and economical use of power and water through our separate standards and norms.

For the holding company, we highly appreciate and give the appropriate reward to the topic about improvement report related to administrative office, power and water saving solution. The saving solution of the Company focuses on raising the awareness, self-consciousness of the staff in the use; use of power and water saving equipment, regular inspection and immediate solution of incidents like:

#### Power saving:

Turn off all electrical equipment when not in use, turn off lights at places employees going out, leaving, just turn on the necessary lights.

Use compact lights instead of bulbs, fluorescent lights.

Replace air conditioner with power saving function when it is too old or damaged, use moderate temperature, if it is too hot, additional use of electric fans, close room when working, turn

off the air conditioner when there are few people in the room, encourage employees to finish the work during the working hours, carry out periodic maintenance to the air conditioner to improve the operation performance.

Set the computer's monitor turns off after 15 minutes of inactivity.

#### Water saving:

Turn off the tap when not in use, avoid turning on the tap while doing other works.

Regularly check the operation status of the water system, immediately solve any leakage.

Use the tap with sufficient flow, the sanitation equipment with suitable flush mode to save water.

Keep the office clean to save water and sanitation costs ...

The statistics of the water and power consumption at the holding company and other companies with head offices at the Holding company in 2014 and 2015 is as follows:

NO.	NORMS	UNIT	2014		2015	
			TOTAL	AVERAGE / EMPLOYEE	TOTAL	AVERAGE / EMPLOYEE
1	Power consumption	Kwh	163,088	1,690	164,077	1,601
2	Water consumption	m3	1,710	17.7	1,250	12.2



The statistics show that the application of innovation topic in power and water saving initially has positive results. The company shall continue to implement these solutions to save the costs and reduce the pressure of the power and water supply system, contributing to preserve and protect the natural resources.

### COMPLIANCE WITH LAW ON ENVIRONMENTAL PROTECTION

Savico and the companies in the system always focus on the compliance with law on environmental protection.

For the environmental protection policy, especially the automobile and motorbike companies in Savico

system always aim to reduce the burden of environmental pollution through the strict control of environmental pollution from the companies' activities:

- Staff are always popularized to comply with the environment regulations applied in the Company as well as their awareness of the importance of sustainable development right at the first days of working at the company.

- Reduce the wastes through the suitable use of raw materials.

- Classify, thoroughly collect the wastes at source, store the wastes as stipulated by the local

regulations, Vietnam Environment Law and only transfer to functional companies as stipulated for collection, transport and treatment.

- The operating companies apply the policies to upgrade and improve the environmental management system in accordance with the regulations of law and policy with global standards of suppliers. The newly established companies must both carry out the deployment of the project and apply the environment quality management system, focusing on the investment in the modern machine and equipment with closed process, wastes and water treatment systems at source.

**POLICIES RELATING TO EMPLOYEES**

**The number of employees, the average salary of employees.**

The Company applies the salary, bonus and benefits policy associated with the business performance, professional capacity, volume and quality of work of each employee, commensurating with the effort, responsibility and working performance; it ensures that income of the staff is competitive with other companies with the same business lines and region. The total of average salary fund of the whole system in 2015 was 25 billion VND / month, the average income reached 9.5 million VND / person / month.

Savico and other companies in the system fully implement the policies and regulations according to the Labor Law and Collective Labor Agreement such as social insurance, health insurance, unemployment insurance, equip of uniform and personal protective equipment, meal, travel, periodical health check, personal accident insurance, sickness allowance, wedding gifts ... implement of the reward policy on the Lunar New Year holiday, Liberation day 30/4, National day 2/9, the anniversary of company's establishment depending on the business results.

**The labor policy ensuring the health, safety and welfare of employees.**

In 2015, Savico organized the team building training program to create condition for exchanging between staff of the companies. Organize to take out health insurance to staff. Organized the weekly physical training program for the staff.

The cultural activities, sports activities, family festival, professional knowledge

club, ... were always maintained and improved, creating condition for all employees in Savico system to meet and exchange, learn and share experiences.

Organize the reward and honor of 21 Savico typical businessmen; 08 staff received the award of skill contest held by the suppliers in 2015; 13 companies / departments were suggested to the superior to be awarded the title of outstanding labor collective.

In the solutions relating to the employees, the Company piloted and applied 5S culture at the Company's office. 5S solves the psychological problem, improves the working condition and the working environment in the collective and perfect the working environment. 5S is a simple, easy to understand, easy to implement improvement method, its implementation cost is cheap but it is very effective in the mobilization of human resources and improves the performance, quality and efficiency and reduces the waste. 5S includes:

**SEIRI** - Sort: Sort and remove the unnecessary items from the workplace.

**SEITON** - Systematize: Systematize the necessary items in an optimal order to be easy to use.

**SEISO** - Sweep: Keep the workplace clean so that there is no dirt on the floor, machine and equipment

**SEIKETSU** - Sanitize: Keep the workplace convenient and efficient by regularly repeating 3S.

**SHITSUKE** - Self-discipline: Train people to have awareness and habit of implementing 5S at the workplace.

**Training to employees:**

In 2015, Savico enhanced the

development planning of internal human resources and team of successors, implemented the potential staff development program, from 2013 until now, there have been 181 personnel appointed to the positions of middle managers and senior leaders.

About the training of employees, Savico completed the training course of Advanced CEO for 35 staff with leadership development planning; 39 staff were sent to attend the short term refresher courses; The companies in the system also applied the upgrade training policy to 714 employees, in which, the companies sent for training under the suppliers' program accounted for 72.3% of total staff sent for training, including courses about selling skills and technology (general repair, body, painting, service consulting).

Savico and companies in the system continue to focus on investing in the development of skillful human resources, training of senior and middle administrators to meet the business strategy development demand of Savico and other companies in the system.

**STATEMENTS RELATED TO RESPONSIBILITY TO LOCAL COMMUNITY**

Responsibility to society and the community here is first of all the responsibility and obligation to the workforce in the Company's system.

At the same time, Savico and its staff constantly raise the awareness, responsibility to the community and society through the activities following the policies of the Party and Government:

- Every year, staff of the whole system contributes a sum of money equivalent to the salary of 02 working days to the social fund of Ben Thanh Corporation to take care employees with difficult condition, support employees suffering from incurable illness, help employees' children to go to school and people in remote areas with lots of difficulties.
- The company also actively participates in the blood donation program, contributes to the advocacy programs for social activities,

charitable activities and fund for the poor, disaster prevention fund, storm and flood fund.

- Contribute to build charity houses of families under preferential treatment policy, care people under preferential treatment policy, the Vietnamese heroic mothers.
- Contribute to the local authorities to care for the family with difficult circumstances on Lunar New Year, the volunteer programs like visiting and giving gifts to the children in difficult circumstances, ...

The total sum of money contributed by Savico to the union activities and social activities in 2015 was 1.35 billion VND.

These activities are considered to be very practical and meaningful, it is not only the contribution to the society to build a prosperous society, a rich, beautiful, and strong Vietnam; but also the motivation for Savico to constantly try and improve for the stable and sustainable development.

**THE AWARDS RECEIVED IN 2015 OF SAVICO SYSTEM**

NO.	AWARD	ORGANIZATION UNIT	AWARD WINNER
1	Top 500 Vietnamese Biggest Companies	Vietnam Report Vietnamnet Newspaper	Savico (Top 50) Saigon Ford, Toyota Dong Saigon
2	Vietnam Golden Star	Vietnam Young Entrepreneurs Association Union Vietnam Youth	Savico, Saigon Ford, Toyota Dong Saigon, Toyota Long Bien, Dana Ford, Toyota Can Tho
3	Typical Enter price in Ho Chi Minh City	HCMC Union of Business Association	Savico, Saigon Ford, Ben Thanh Ford, Toyota East Saigon
4	Best Annual Report in 2015	Ho Chi Minh Stock Exchange Investment and Securities Newspaper	Savico (Top 50)





**GENERAL  
DIRECTOR'S REPORT**

ASSOCIATION OF  
STRATEGIC PARTNERS,  
CREATION OF  
RESONANCE STRENGTH



# GENERAL DIRECTOR'S REPORT

## 1. EVALUATION OF THE PRODUCTION AND BUSINESS OPERATION RESULTS

The socio-economic situation of 2015 continued to recover with positive signs: (1) strong economic growth, (2) intensive international integration with important FTAs, (3) Suitable and flexible finance and currency policy. Specifically, GDP grew 6.68%, the biggest growth during the last 5 years, the inflation was controlled below 5%. The FDI capital had a stable growth, the export activity was positive. The interest rate remained at low rate ... significantly contributing to the promotion of the production and business operation of the companies,

creating favorable conditions for the activities of the Company.

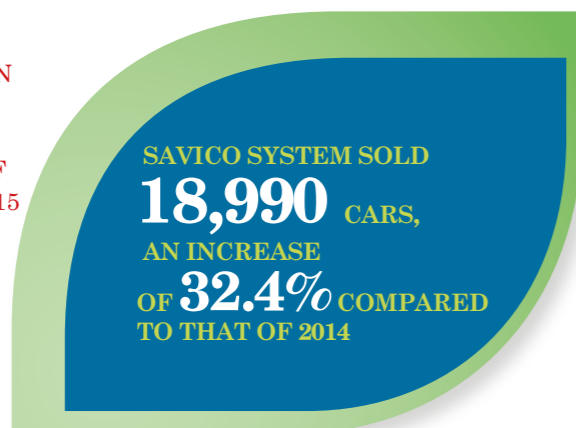
Along with such favorable conditions, the automobile market had a strong growth compared to the same period; The real estate and finance markets had many positive improvements, the credit had strong growth, the access to the capital source was more favorable ...

Thanks to the forecast of such situation, right from the beginning of the year, the Company focused on implementing many positive solutions, improved the forecast work, seized the market opportunity; At the same time, continued to implement the control of capital, cash flow, and



## THE IMPLEMENTATION RESULT OF THE RESOLUTION OF THE GENERAL MEETING OF SHAREHOLDERS IN 2015

The business norms



CONSOLIDATED FINANCIAL STATEMENTS	UNIT	PLAN OF 2015	PERFORMANCE OF 2015	PERFORMANCE / PLAN (%)	PERFORMANCE compared to 2014 (%)
Revenue from goods sale and service supply	Million VND	8,500,000	9,898,431	116%	125%
Profit before tax	Million VND	130,000	205,386	158%	173%
Profit after tax	Million VND	100,000	163,276	163%	186%
Income of shareholders at Holding Company	Million VND	60,000	103,861	173%	200%
Dividend	%	12%	expected 14%	117%	117%

risk prevention, regularly evaluated the business situation to increase the efficiency at the member companies.

## Trading - Service

### Automobile system

In the context Automobile market has many advantages, Savico and the companies strengthened the forecast work, took initiative in ordering and controlling the inventory, promoted the development of types of service, expanded the dealer system, so the automobile system achieved good results like:

### The sale volume - revenue from goods sale and service supply

The whole system of Savico sold 18,990 cars, an increase of 32.4% compared to that of 2014; About the market share, Savico accounted for 8.5% of market share in VAMA, a decrease of 0.7% compared to the same period. In which, it accounted for 12.3% of market share to passenger cars segment in VAMA, a slight decrease compared to 12.7% of the same period.

The consolidated revenue from goods sale and service supply was 9,362 billion VND, an increase of 33% compared to the same period. Most automobile brands maintained the high growth rate compared to the previous years. Besides, the service activities also achieved good results: revenue from service, spare parts and accessories of the whole system was 889 billion VND, an increase of 26.5% compared to the same period.

The consolidated profit before tax of the whole system about automobile system (excluding allocation costs) was 126.8 billion VND, an increase of 35.7% compared to the same period.

### Network development:

Realizing the potential to commercial vehicles market, Savico quickly grasped the opportunity and launched 3S Hino



Vinh Thinh dealer in Binh Duong, built 3S Fuso Tay Bas Saigon dealer in Ho Chi Minh City, and continued to upgrade and expand the passenger cars network: 3S Binh Duong Ford, 3S Pho Quang Ford, 3S Chevrolet Can Tho, 3S Hyundai Gia Lai, 3S Toyota Binh Thuan, and carried out the acquisition and merger of Toyota Ly Thuong Kiet dealer in Ho Chi Minh City, Hyundai Tay Do in Can Tho.

Besides, the Company contributed capital to establish the exclusive distributor of Volvo luxury car in Vietnam; Carried out the construction and development of Honda Auto dealer in Can Tho.

### Motorbike system

After finishing the restructuring work, the operation efficiency of the motorbike companies had a strong growth compared to the same period. Namely:

- The sale volume of motorbikes at Savico was 8,787, an increase of 3% compared to the same period.

- Revenue from goods sale and service supply was 311 billion, an increase of 3% compared to the same period, the noticeable factor is that revenue from service, spare parts and accessories continued to strongly grow.

- The consolidated profit before tax was 5.3 billion VND, an increase of nearly 3 times compared to the same period.

### Other Trading & Service

#### Comfort DelGro Savico Taxi Company

With the competition from Uber and other taxi companies, Comfort Delgro Savico Taxi had to liquidate some old cars for investment in new ones, tried to maintain the development rate of over 90%, so it brought back the profit of nearly 7 billion VND.

#### Auto S Joint Stock Company:

Specializing in e-commerce: focused on the development, improvement of services, consulting information, automotive articles to best support customers. The performance indicators were improved according to the set plan and objective.

#### Melisa Wedding & Conference Center:

Management Board of the Center had positive policies to perfect the staff, the operation processes, improve the service quality, so the business operation was gradually stable, the number of customers ordering party increased month after month, it is expected to be effective in 2016.

**Savico MegaMall Trade Center (SMM):** The business operation continued to develop in a positive way, the average development rate was over 92%, the effectiveness in 2015 was 15.6 billion VND, this was the second year achieving the effectiveness and starting to gain accumulated interest.

#### Real Estate Service

The revenue in 2015 was over 234 billion VND, profit before tax and allocation costs were 84 billion VND, an increase of 14% compared to the same period. In which:

**Office and retail for lease:** Continue to maintain the stable occupancy, 100% occupancy at retail space with rent adjustment with market condition;

**Projects:** The highlights of the Real Estate was that the legal procedures were finished, and the transfer was also finished, capital from some projects was recovered like: Project 115-117 Ho Tung Mau, National Highway 13, a part of Hiep Binh Phuoc project - Tam Binh ... Besides, the company also implemented:

**Project 277-279 Ly Tu Trong:**

It is in the process of completing aluminum and glass item, the front of the building and the interior decoration, it is expected to be completed and put into operation in April 2016.

**Project Mercure Son Tra:**

Prepare the investment plans and seek cooperation partners for implementation.

**Project 66-68 Nam Ky Khoi Nghia:**

The Company's Board of Management has approved the investment policy for the construction of the office building and the project management board is finishing the business investment plans to submit to the Board of Management for approval.



**Project 104 Pho Quang:**

This project is cooperated with Novaland and Saigon Ford, the housing investment project has been approved and the land handover procedure is being implemented.

Support the construction investment management and legal procedures to implement the project of Hino Binh Duong, Honda Can Tho ... Support to find premise to develop the automobile network system...

#### Finance Service

With the objective of assets and resources restructuring, meeting the cash flow for the business and investment activities, the Company has recovered over 340 billion VND from the real estate projects and the financial investment lists, contributing to the reduction of interest expenses, reduction of the financing pressure, ensuring the business and investment capital and increasing the business efficiency of the whole Company.

Continue to confirm the role of Holding Company in the work of financial support, short term capital control as well as the use of financial leverage of the companies in the system. Strengthen the inspection and evaluation of the investment

effectiveness of each sector, especially, continue to review the use of loans, avoid the improper investment leading to any waste.

#### Evaluation of the business operation of 2015

The company has completed exceeding the plan and targets assigned by the General Meeting of Shareholders, this is the significant effort of the Board of Management, the Board of Directors, representatives, managers and employees who have united, shared and well utilized the market opportunity.

#### The highlights:

##### Trading & Service:

- The cars sale volume, revenue and profit were recognized at the highest rate at the present time.
- The work of forecast, analysis, and evaluation of the market continued to be strengthened together with the collection and analysis of market data, inspection, supervision of the inventory, expenses for each department, company was flexible, synchronous, connected and shared information, organized the workshops to contribute to improve the management work at each company and the whole system.
- The automobile network was strongly expanded, upgraded,

acquired and developed with 8 automobile dealers in 2015, increasing the total number of automobile dealers of the whole system to 27 dealers.

- The positive implementation of the restructuring work of motorbike system contributes to increase the efficiency of the companies. Besides, the effectiveness of other Trading - Service is improved contributing to improve the efficiency of the Company.

#### Real Estate Service

- The successful implementation of several key projects significantly contributed to the balance of the cash flow and the capital structure of the Company.
- Focus on strengthening and increasing the operation of the assets being developed; Maintain the maximum occupancy and timely adjust the lease price according to the market.
- Self-train and increase the management and operating at big trade centers and carry out the business effectively.
- Effectively support with the Trading - Service in finding space and management of the investment and construction of projects.

#### The limitations:

##### Evaluation of the financial situation according to the separate financial statements

The situation of assets, resources, debts of period 2011 - 2015 (Unit: billion VND):

	31/12/2011	31/12/2012	31/12/2013	31/12/2014	31/12/2015
<b>Total assets</b>	<b>1,521.0</b>	<b>1,393.0</b>	<b>1,482.3</b>	<b>1,292.3</b>	<b>1,134.6</b>
Current assets	206,8	106,3	187,5	135,8	219,9
<b>Total liability</b>	<b>870,8</b>	<b>738,3</b>	<b>823,3</b>	<b>629,5</b>	<b>463,5</b>
Current liability	460,1	352,9	461,2	362,7	293,3
Total debts	429,4	214,5	252,3	113,5	50,7
<b>Total owner's equity</b>	<b>650,2</b>	<b>654,7</b>	<b>659,0</b>	<b>662,8</b>	<b>671,1</b>

Some financial indicative ratios norms for period 2011 - 2015:

	2011	2012	2013	2014	2015
<b>Equity on asset</b>	<b>42.7%</b>	<b>47.0%</b>	<b>44.5%</b>	<b>51.3%</b>	<b>59.1%</b>
Debt leverage	39.8%	24.7%	27.7%	14.6%	7.0%
<b>ROA</b>	<b>2.4%</b>	<b>3.7%</b>	<b>2.5%</b>	<b>3.0%</b>	<b>4.2%</b>
<b>ROE</b>	<b>5.6%</b>	<b>8.3%</b>	<b>5.4%</b>	<b>6.2%</b>	<b>7.6%</b>

- The market share of automobile in the whole system is reducing because:

\* Savico is not distributing to Thaco while Thaco had a strong growth in 2015 and it is the leading company with 38.5% of market share of VAMA, an increase of 90% compared to the same period.

\* The commercial vehicles segment accounts for the highest market share with 45%, the strongest growth with 72% compared to the same period, Savico has just started distributing commercial vehicles; Besides, the commercial vehicles segment has a strong growth, Savico has not participated in the distribution of deluxe vehicles.

\* The network development speed is still slow, the current capital and human resources have not met the quick expansion demand of the system.

\* There is difficulty about premise, there is not a tight link with other companies in the area / region to take advantage of the system's strength in finding investment opportunities and development of new dealers.

The network development is still slow and unequal between the regions, especially in the Central region and the North.

- The development effectiveness of the real estate sector is not high; the implementation schedule of the projects is still slow compared to the set objectives.

- The financial resources of the whole system have not been promoted.

## 2. FINANCIAL SITUATION

SAVICO has suffered from the rather difficult business operations in the years 2011 - 2013 with profit tending to decline, increased debt with increased interest rate, with the presence of bad assets with bad liquidity ...

To firmly stand and continue to develop in the constantly changing business environment, the Company has synchronously implemented the assets restructuring, the capital at the holding company and the companies in the whole system to increase the efficiency of capital and assets use as well as ensure the financial safety.

The business operation of the company is identified as an investment company, the company pays special attention to the efficiency norms of capital and assets use as well as the norms of the capital safety and the balance of the term between the financing capital and the investment assets.

The Company identifies that to achieve the safety, ROA and ROE indicators must be at least 5.5% and 10.8% and gradually increase to the levels corresponding to 6.5% and 14%; The equity on assets (owner's equity / total assets) must be at least 45% and gradually increase to 65%; the debt leverage ratio (total debt / (owner's equity + debt)) must reduce to below 30%.

Implementing the objective management, the Company gradually cuts the assets to increase the use efficiency, and reduce the debts to enhance the safety and proactiveness in business operations.

By the end of 2015, ROA and ROE indicators of the Company have positive improvements. However, these ratios have not reached the set minimum objective and the Company is still carrying out the activities about assets restructuring, investments to improve the operation efficiency.

As at 31 December 2015, the Company did not borrow net debt (debt to 31 December 2015 was 50.7 billion VND, which was lower than the cash of 59.6 billion VND); The equity on assets reached 59%, exceeding the minimum of the set target of 45%.

In addition to the positive impact of the trend of reducing the loan interest rate in the market, thanks to the reasonable structure, the interest expenses of the Company has been strongly reduced from 76.5 billion VND in 2011 to 5 billion VND in 2015.

Because of not borrowing the net debt and borrowing in foreign currency,

the difference in interest rate and the change of the exchange rate do not affect the business operation results of the Company. Currently, the financial situation at the holding company is relatively safe and suitable for the Company to be ready to grasp the opportunities, develop the business operations.

The implementation of the restructuring of assets / resources, increase of the self-financing ability, decrease of debt and interest rate as well as the improvement of the efficiency of assets and resources use synchronously implemented in SAVICO's system has a relatively positive effectiveness.

Although the quantity and scale of operation of the companies in the Company's system continuously increase, the total debt of the system according to the consolidated financial statements still decrease, contributing to the reduction of the consolidated interest expenses of the

#### Evaluation of the financial situation according to the consolidated financial statements

The situation of assets, resources and debts of period 2011 - 2015:

	31/12/2011	31/12/2012	31/12/2013	31/12/2014	31/12/2015
<b>Total assets</b>	<b>2.724,6</b>	<b>2.724,6</b>	<b>2.805,8</b>	<b>2.638,6</b>	<b>2.757,7</b>
Current assets	718.9	718.9	904.4	850.2	1.277,7
<b>Total liabilities</b>	<b>1.828,1</b>	<b>1.822,2</b>	<b>1.888,3</b>	<b>1.667,2</b>	<b>1.696,5</b>
Current liabilities	934.3	908,8	1.080,3	969.3	1.198,8
Total debts	948.1	1.004,2	980.5	810.2	790.1
<b>Total owner's equity (*)</b>	<b>741.0</b>	<b>733.0</b>	<b>741.6</b>	<b>754.6</b>	<b>808.6</b>

Note: (\*) The owner's equity excludes the benefits of the minority shareholders

Some financial indicative ratios for period 2011 - 2015:

	2011	2012	2013	2014	2015
<b>Equity on assets ratio</b>	<b>27.2%</b>	<b>26.9%</b>	<b>26.4%</b>	<b>28.6%</b>	<b>29.3%</b>
Debt leverage ratio	56.1%	57.8%	56.9%	51.8%	49.4%
<b>ROA</b>	<b>1.8%</b>	<b>1.6%</b>	<b>1.5%</b>	<b>1.9%</b>	<b>3.8%</b>
<b>ROE</b>	<b>6.1%</b>	<b>6.1%</b>	<b>5.6%</b>	<b>6.9%</b>	<b>13.3%</b>
<b>Revenue on assets ratio</b>	<b>2.26</b>	<b>1.99</b>	<b>2.35</b>	<b>3.01</b>	<b>3.59</b>

system from the peak of 150.2 billion VND in 2012 to 52.9 billion VND in 2015. The Company also implements the synchronous solutions to improve the norms about the operation capacity, thereby, the norms about the use efficiency of assets and capital have a positive change.

Though the total debt according to the consolidated figure of SAVICO to 31 December 2015 reduces below 50% of the total capital (owner's equity + debt), it is still high. With the current average debt, when there is any change of 1% of the interest rate in the market, the interest expenses of the Company shall change nearly 8 billion VND, accounting for 3.8% of profit before tax according to the consolidated statements of the Company in 2015.

Currently, the company does not borrow any foreign currency loan, but from 2016, the import and distribution activity begins to be developed, the Company shall soon pay attention to the exchange rate risk.

With the constant increase in quantity and the scale of the companies in the system, the Company especially emphasizes the importance of financial management activity of the whole system.

The company continues to implement the synchronous solutions in the whole system to improve the use efficiency of capital and assets including the continuity to restructure the assets, issuance of standardized processes about financial management; money and goods management; standard norm system related to inventory, receivables, payables, and cost norms.

#### 3. IMPROVEMENTS ON THE ORGANIZATION STRUCTURE, POLICY AND MANAGEMENT:

In 2015, the company continued to improve the organization structure,

improve the internal management regulations, and strengthen the effective management work according to objectives ... contributing to increase the productivity and operation efficiency ...

#### 4. THE DEVELOPMENT PLAN FOR THE FUTURE

##### Judgment of the social and economic situation in 2016

The macroeconomics in 2016 of Vietnam is judged to have many advantages and challenges. GDP growth rate is forecasted to increase about 7%, the inflation is stable with the rate of less than 5%, the interest rate shall slightly increase again, the credit shall grow; However, the macroeconomic change in the world along with the sustainable growth, it mainly relies on region with foreign investment capital, the public debt highly increases, the foreign exchange reserve reduces, the sustainable budget shall greatly influence the economic growth objective of Vietnam in 2016.

**Trading & Service:** The automobile market is forecasted to continue to grow when the manufacturers expect that the production shall increase about 10% compared to that of 2015. However, the supply to increase, the highly competitive pressure between the brands and the dealers, the gross margin from the sale tends to decrease. Besides, it is necessary to pay attention to the impact of the tax policy: the new way for calculating the special consumption tax, the change in the calculation of the tax rate of the special consumption tax expected to be applied from 01 July 2016 can significantly affect to the automobile market. The motorbike market is forecasted to continue to be stable.



**Real Estate Service:** Thanks to the wave of investment from FDI Companies and the impact of FTAs, the real estate market shall continue to recover in all segments. However, it is necessary to pay attention to the hot growth of the market which shall make the support credit policies to be more closely controlled.

**Financial Service:** the interest rate tends to slightly increase. Credit growth is expected to be higher than in year of 2015.

**Objective, orientation and solution for implementing the plan of 2016**

**Orientation, objective, and plan of 2016**

- Regularly evaluate the strategy implementation of period 2015-2020 of the Company and the sectors. At the same time, implement and complete the targets and plans of 2016:

CONSOLIDATED FINANCIAL STATEMENTS	UNIT	PERFORMANCE compared to PERFORMANCE OF PLAN OF 2016		
		PERFORMANCE OF 2015	PLAN OF 2016	PERFORMANCE OF 2015 (%)
Revenue	Million VND	9,898,431	11,000,000	111.1%
Profit before tax	Million VND	205,386	200,000	97.4%
Profit after tax	Million VND	163,276	160,000	98.0%
Income attributable to equity holder of the Company	Million VND	103,861	100,000	96.3%
Divided	%/chartered capital	expected 14%	12%	85.7%

- Develop 7 automobile dealers in 2016. Continue to gather the resources to ensure the development of the service & trade system in parallel with the search for new opportunities for the development of the Real Estate Service, create the core foundation for the sustainable development of the Company.
- Focus on developing projects of 66-68 Nam Ky Khoi Nghia and Mercure Son Tra.
- Focus on the recruitment, training, and attraction qualified human resources to meet the development requirements of the system, besides, continue to improve the income and benefit policy for the employees to be suitable to the business strategy of the Company in the integration trend.
- Strengthen the cooperation and investment with strategic partners and investors who are interested in the business operation and prospect of the Company.

Promote the implementation of corporate culture, strengthen the internal cohesion, and ensure the sustainable development of the system for the new period.

**Solution for implementation**

**Trading & Service:**

- Regularly monitor the situation and change the automobile and motorbike market and the macro policies affecting the Company's operations. Well implement the forecast, judgment of the market, analysis of competitors, closely monitor the market change and have the timely solutions and risk management.
- Establish, share the database of market research in the regions, areas; Coordinate with the companies through the programs and specialized workshops as well as the association plans with the companies in the same region in developing new dealers.



- Link with partners in and out of the company / system, strengthen to find land banking and retails space prepare for the development of the project, expand the dealer system, and focus on taking advantage of development opportunities in the Central and the North.
- Coordinate, attract and train qualified and experienced human resources, prepare resources to meet the development requirements in the coming time. Establish the competitive income and welfare policies.
- Continue to well control the costs, establish the plan for long term cash flow, and research the internal links and partners, strategic banks to strengthen the financial strength of the whole system.

Continue to restructure the motorbike outlets with ineffective operation right in the first half of 2016, expand the companies with development prospect ... Support other companies facing the difficulty in capital, personnel training and cost control.

**Real Estate Service:**

Select investment segment suitable to the capacity, build investment operation roadmap suitable to each stage of development according to the business strategy 2015-2020. Search for new investment opportunities in 2016.

Coordinate with the Trading & Service system in finding showrooms, supporting legal procedures and managing the construction of investment projects.

**Financial Service**

Establish plans for capitalization suitable to the Company's objectives, research the association with the strategic banks to ensure the stable operation capital with preferential interest rate in the whole system.

Establish the monthly cash flow plan, allocate the capital to ensure the financing for the operation of the Company.

**Management work**

Continue to improve the general forecast work, update the policies that affect the business operation of the sectors and effectively advise the business operation of the Company.

Enhance the role and operation capacity of the Internal Control Department, controller at the companies, associate with the companies; carry out practical training for the experts at the Office of the Company to meet the objectives of Company management.

Focus on recruiting and training the human resources according to the development request of the whole system. Besides, enhance the search for new investment opportunities based on the core business operation of the Company.

**5. THE EVALUATION REPORT RELATED TO THE RESPONSIBILITY TO THE ENVIRONMENT AND SOCIETY OF THE COMPANY**

**Evaluation related to the responsibility to the environment**

The company has complied with the implementation of the regulations of the law related to the environmental issues.

At the office of the Company, the innovation and improvement topic about saving energy, power, water, raw materials and stationery is recognized and applied by all employees.

The companies in the system also implement the strict control of the environmental pollution problems related to their operations. Especially, the newly established Companies are

encouraged to invest in the modern system of machine and equipment with closed process, wastes and water treatment systems right at the beginning.

**Evaluation related to the employee issues:**

The care of the material and spiritual life of the employees at the Company is always paid attention to properly to the contributions that the employees bring to the Company.

The competition activities well implementing the business tasks, the good employee movement, mobilization of employees to participate in the innovation and improvement topics to improve the labor productivity and business efficiency are positively responded by the employees.

Collective labor agreement is seriously implemented. The dialogue program between the Company and the employees has many attempts and is initially implemented, creating the consensus between the employer and the employee.

**Evaluation related to the Company's responsibilities to the local community:**

Responsibility for compliance with the law, contribution to the community and society is one of the 5 criteria about the core values of the Company.

The Company has many practical activities showing the responsibility to the community and society. The expenditure for implementing the operation program is from the operation performance of the Company, from the bonus reward and welfare fund and from the contribution from employees in the whole system of the company.

**BOARD OF  
DIRECTORS' EVALUATION**

EXPANSION OF  
THE PRODUCT  
LINES AND MARKET  
SEGMENT

## BOARD OF MANAGEMENT'S REPORT

SAVICO IMPLEMENTS EXCEEDING THE ABOUT REVENUE AND PROFIT TARGETS ASSIGNED BY THE GENERAL MEETING OF SHAREHOLDERS IN 2015.

### 1. BOARD OF MANAGEMENT'S REPORT ON THE COMPANY'S OPERATION

2015 is the year that Savico changed its senior personnel in positions of management, operating and control and it is also the first year of implementing the strategic plan for period 2015 - 2020.

In such context, the Board of Management of Savico actively focused and tried to inherit and promote all activities as well as took advantage of every opportunity to continue to develop, increase the network and the efficiency of the core business network

and services; Liquidated, reorganized the business activities with no prospect; cut down the ineffective investments in real estate and finance; enhance the forecast work, risk prevention; tight control of resources and cash flow.

#### The implementation result of the targets assigned by the General Meeting of Shareholders:

Ending 2015, Savico implements exceeding the targets about revenue and profit assigned by the General Meeting of Shareholders with the specific results as follows:

CONSOLIDATED FINANCIAL STATEMENTS	UNIT	PLAN OF 2015	PERFORMANCE OF 2015	PERFORMANCE compared to PLAN (%)	PERFORMANCE compared to 2014 (%)
Revenue	Million VND	8,500,000	9,898,431	116%	125%
Profit before tax	Million VND	130,000	205,386	158%	173%
Profit after tax	Million VND	100,000	163,276	163%	186%
Income attributable to equity holders of the Company	Million VND	60,000	103,861	173%	200%
Dividend	%	12%	expected 14%	117%	117%

#### Trading & Service:

- Most of the automobile companies maintained the good growth about business and service, especially the big brands such as Toyota, Ford so there was a positive impact on the general efficiency of the whole system; The ROE reached 19% which was higher than the same period of last year.

- Motorbike system: the profit of the whole system had a positive growth, the gross profit on each motorbike

maintained at high level, the sale and service had good growth.

- Other trading - service: The business activity maintained the stability and growth, contributing to increase the general efficiency of the whole system.

#### Real Estate Service:

- Complete the legal work and recover cash from some key projects, and carried out the investment and improvement work of some other

key projects.

- Continue to maintain the stable development efficiency to office and retail;

- Closely cooperate with the trading & service sector in the development and management of the project investment and construction.

#### Finance Service:

- Carry out the inspection and control of the investment use efficiency of

each company, each field, evaluate the operation norms and financial norms, recover the cash flow from the companies, real estate projects and list of investment, partially cut the debts at the banks.

- Support capital to companies in the system, re-guarantee the companies in accessing the business capital.

Apart from the above mentioned results, there are still some limitations need to be solved:

- The automobile market share of Savico system tends to decline due to the fact of not taking full advantage of the opportunities for investment in the commercial vehicle segment. Not creating the tight links with the companies in the area / region to take advantage of the strength of the system in finding the investment opportunity, the development of new dealers is not even in the regions. The schedule of some projects is still slow.

- Despite of the growth strategy, the implementation plan for the real estate sector in the period 2015 - 2020 is not completed.

- The work to attract personnel is limited; the evaluation, training, planning and development of human resources have not timely met the quick development demand of Savico well as the whole system.

- The inspection, control, evaluation, analysis of the efficiency and forecast at the companies are carried out actively and closely meeting the management and administration requirements but sometimes the implementation schedule is still slow.

### 2. THE EVALUATION OF THE BOARD OF MANAGEMENT ON THE OPERATION OF THE BOARD OF DIRECTORS OF THE COMPANY

In 2015, the Board of Management regularly directed, supported and supervised the operation of the Board of Directors and other managers. So the Board of Management realizes that:

- The Board of Directors and the representatives at the companies in the system regularly made detailed reports, fully updated the implementation schedule as well as the difficulties and problems arising during the time of implementing the business plan. Then, the Board of Management, the Board of Directors and the legal representatives of the companies in the system discussed, talked directly or in writing for the Board of Management to have timely and effective directions and solutions.

- The Board of Directors and the representatives at the Companies in the system flexibly and synchronously cooperated and implemented to the companies the evaluation of the business and operation situation, market forecast, timely information sharing on the monthly, quarterly basis; controlled the costs and established the solutions to improve the business effectiveness.

- The Board of Directors and the representatives at the Companies also carried out the collection of dividend from the companies, capitalized and completed the legal issues of the real estate projects so the cash flows were recovered, ensuring the balance to the business activity.

- The Board of Directors directed and assigned the Internal Control Department to regularly and unexpectedly check the operations, finance and accounting work, and the compliance at Savico and the companies in the system. Then, they can analyze, evaluate the risk and

propose specific solutions to prevent risks, meet the requirements of management and operating of the Board of Management and the Board of Directors.

- The Board of Directors took the initiative in establishing the KPI system for applying in 2016 to improve the operation efficiency, labor productivity and business results.

- The financial activities were gradually implemented in a reasonable, economical, and effective way when the Board of Directors thoroughly applied the Regulation on financial management in all activities of Savico.

- The Board of Directors also directed the departments to fully provide and make detailed reports on the information as required by the Board of Supervisors for the Board of Supervisors to check, supervise according to the assigned functions and tasks. The contributed opinions of the Board of Supervisors are recorded and noted by the Board of Directors for their operation activities.

- In the first half of 2015, the Board of Directors did not actively coordinate with the representatives to supervise, speed up the implementation of the investment and construction of automobile dealers leading to the fact that the implementation schedule of some project was still slow. However, this issued was solved from mid-2015.

- The Board of Directors has not established, proposed many policies, programs to attract the human resources to timely meet the quick development requirements of Savico as well as the whole system.

### 3. THE PLANS AND ORIENTATIONS OF THE BOARD OF MANAGEMENT

It is forecasted that the Vietnam's economy in 2016 continues to develop at a high level when the GDP is estimated to be about 7%, the inflation is controlled at a low level, the exchange rate is controlled in such a flexible and reasonable way; the automobile market shall grow, but due to the influence on the special consumption tax policy applied from 01 January 2016 as well as the import duty reduction policy for the roadmap to ASEAN economic integration, the growth rate is forecasted not to be as much as of 2015, the real estate market shall continue to recover thanks to the improved economic conditions. However, Vietnam shall officially integrate into the region and the world in 2016 through some signed free trade agreements, in which the significant one is the Trans-Pacific Partnership (TPP), the business environment shall be more complex with more fierce competition ... So, the Board of Management proposes the following orientations:

- Continue to develop, expand the network, and diversify the

products, quality and efficiency of the business and service network of the trading - service according to the orientation and strategy of period 2015 - 2020 approved by the General Meeting of Shareholders in 2015.

- For the real estate service, it is necessary to quickly take advantage of the market opportunities for developing new projects, accelerating the implementation of focal projects to create the core foundation for sustainable development of Savico and the system.

- Improve the financial management role to each company and the system; improve the links with strategic banks to ensure and timely meet the capital's source with optimum conditions for the business and investment activities of the companies in the system.

- Improve the role, capacity and the control and risk prevention activities at the companies; Rearrange the representatives, adjust and perfect the relevant regulations to meet the objectives, management and operating

requirements of the companies and the system.

- Coordinate the recruitment, training and development of human resources; establish the training objectives, the personnel development roadmap; establish a system of policies to create momentum for employees to develop the capacity, attract and maintain employees, timely meet the development requirements of the system. Accelerate the implementation of corporate culture, improve the internal cohesion, and coordinate with the member companies to build Savico brand development policy. Improve the cooperation relationship with investors, partners with suitable business strategy with Savico, ensure the sustainable development of the system for the new period.

From the above orientations, the Board of Management agrees on the norms and plans for 2016 proposed by the Board of Directors and submitted to the General Meeting of Shareholders in 2016 for consideration and approval as follows:

#### PLAN OF 2016 compared to

CONSOLIDATED FINANCIAL STATEMENTS	UNIT	PERFORMANCE OF 2015	PLAN OF 2016	PERFORMANCE OF 2015 (%)
Revenue	Million VND	9.898.431	11.000.000	111,1%
Profit before tax	Million VND	205.386	200.000	97,4%
Profit after tax	Million VND	163.276	160.000	98,0%
Income attributable to equity holders of the Company	Million VND	103.861	100.000	96,3%
Dividend	%/ chartered capital	Dự kiến 14%	12%	85,7%

## CORPORATE GOVERNANCE

### 1. INTRODUCTION ON THE MEMBERS OF THE BOARD OF MANAGEMENT, BOARD OF DIRECTORS, BOARD OF SUPERVISORS OF THE COMPANY:

#### Board of Management

##### 1. Mr. NGUYEN BINH MINH

Position: Chairman

Date of birth: 13 January 1972

Place of birth: Hanoi

Permanent residence: 150/1 Ung Van Khiem, ward 25, Binh Thanh dist, HCM City

Qualification:

Bachelor of Business Management

Positions held at other economic organizations:

- General Director of Ben Thanh Corporation

- Chairman of Savico Da Nang

- Chairman of Savico Hanoi

- Vice Chairman of Savico Hanoi

- Vice Chairman of Toyota Dong Saigon

- Vice Chairman of Toyota Dong Saigon Joint Stock Company

##### 2. Mr. MAI VIET HA

Position: Member of BOM and General Director

Date of birth: 18 February 1973

Place of birth: Hung Yen

Permanent residence: Block A 4-6 Khanh Hoi tenement building, 360C Ben Van Don, ward 1, dist 4, HCM City

Qualification: MA of Business Management

Positions held at other economic organizations:

- Chairman of Toyota Can Tho Co., Ltd.

- Vice Chairman Toyota Giai Phong Joint Venture Company

- Member of BOM of Saigon Automobile service Joint Stock Company

- Member of BOM of Savico Da Nang Corporation

- Member of BOM of Toyota Ly Thuong Kiet Co., Ltd.

##### 3. Mr. DOAN VAN QUANG

Position: Member of BOM and Deputy General Director

Date of birth: 20 October 1971

Place of birth: Binh Dinh

Permanent residence: 326/16 Phan Dinh Phung, Phu Nhuan dist, HCM City

Qualification: Bachelor of Economics

Positions held at other economic organizations:

- Chairman of Saigon Star Corporation.

- Chairman of Saigon Service & Trading Co., Ltd.

- Chairman of Vinh Thinh Automobile Joint Stock Company.

- Chairman of Saigon Northwest Automobile Joint Stock Company.

##### 4. Mr. NGUYEN CONG BINH

Position: Member of BOM and Deputy General Director

Date of birth: 31 March 1978

Place of birth: Ho Chi Minh City

Permanent residence: 327 Block C, Nguyen Thien Thuat Tenement Building, ward 1, dist 3, HCM City

Qualification: Bachelor of Economics

Positions held at other economic organizations:

- Chairman of Da Nang Son Tra Corporation.

- Chairman of Saigon Cuu Long Automobile Corporation

- Head of Supervisors of Savico Hanoi Corporation.

- Head of Supervisors of Toyota East Saigon Joint Stock Company

##### 5. Ms. NGUYEN VIET HOA

Position: Member of BOM

Date of birth: 12 May 1975

Place of birth: Thanh Hoa

Permanent residence: 32/107 Bui Dinh Tuy, ward 12, Binh Thanh dist, HCM City

Qualification: AM of Accounting and Auditing

Positions held at other economic organizations:

- Deputy General Director of Ben Thanh Group

##### 6. Mr. LUONG QUANG HIEN

Position: Member of BOM

Date of birth: 25 November 1967

Place of birth: Da Nang

Permanent residence: 93 road no. 37, Tan Quy ward, dist 7, HCM City

Qualification: MA of Business Management

Positions held at other economic organizations: None

##### 7. Mr. NGUYEN DUC TRONG

Position: Member of BOM

Date of birth: 16 December 1972

Place of birth: Da Lat, Lam Dong

Permanent residence: 28 road no. 5, Him Lam Residential Area, Tan Hung, Dist 7, HCM City

Qualification: MA of Business Management

Positions held at other economic organizations:

- Finance Consulting Director of Ho Chi Minh City Securities Joint Stock Company

**Board of Directors****- Chief Accountant:****1. Mr. MAI VIET HA****2. Mr. DOAN VAN QUANG****3. Ms. NGUYEN THU NGA***Position: Deputy General Director*

Date of birth: 02 October 1974

Place of birth: Nam Dinh

Permanent residence: 51 My Van, quarter 6, dist 7, HCM City

Qualification: Bachelor of Economics  
Positions held at other economic organizations: None**4. Mr. NGUYEN CONG BINH****5. Mr. NGO VAN DANH***Position: Chief Accountant*

Date of birth: 27 December 1975

Place of birth: Saigon

Permanent residence: 159/74/52 Tran Van Dang, dist 3, HCM City

Qualification: Bachelor of Finance - Accounting

Positions held at other economic organizations:

- Head of the Board of Supervisors of Viet Thai Electric Cable Corporation.

**Board of Supervisors:****1. Mr. NGUYEN TRUONG BAO KHANH***Position: Head of the Board of Supervisors*

Date of birth: 27 October 1986

Place of birth: Ho Chi Minh City

Permanent residence: 146D Hong Bang, ward 12, dist 5, HCM City

Qualification: MA of Finance

Positions held at other economic organizations:

- Head of Finance &amp; Planning Department of Tan Thuan Industrial Promotion Co., Ltd.

**2. Mr. NGUYEN THAI HOA**

Position: Member of the Board of Supervisors

Date of birth: 08 June 1980

Place of birth: Ho Chi Minh City

Permanent residence: 10/5 Quarter 7, Huynh Tan Phat, Nha Be town, Nha Be dist, HCM City

Qualification: Bachelor of Economics, Bachelor of Law - Economic Major.

Positions held at other economic organizations:

- Member of the Board of Supervisors of Saigon Automobile service Joint Stock Company

- Head of the Board of Supervisors of Savico Da Nang Corporation

- Supervisor of ComfortDelGro Savico Taxi Co., Ltd

**3. Mr. TRAN HUY DUNG***Position: Member of the Board of Supervisors*

Date of birth: 01 November 1986

Place of birth: Ha Tinh

Permanent residence: 467/8/7A, quarter 16, Tan Son street, ward 12, Go Vap dist, HCM City

Qualification: Bachelor of Economics

- Auditing Major.

Positions held at other economic organizations:

- Head of the Board of Supervisors of Binh Duong New City Automobile Service Joint Stock Company.

- Member of the Board of Supervisors of Toyota East Saigon Joint Stock Company.

- Member of the Board of Supervisors of Savico Hanoi Corporation.

- Member of the Board of Supervisors of Toyota Long Bien Co., Ltd.

**2. OPERATION OF THE BOARD OF MANAGEMENT**

- The Board of Management held 06 meetings and held opinion poll from the members of the Board of Directors in writing (41 times), then they issued 78 decisions and 37 notices related to the business activities of the company, namely:

- \* 18 decisions on the trading & service;
- \* 12 decisions related to the real estate service;
- \* 9 decisions related to the financial service;
- \* 27 decisions on human resources;
- \* 12 decisions on other issues;
- \* 37 notices on the direction on the contents related to the operation of Savico.

- Through the periodical and extraordinary meetings or when there is written document asking for opinions from the Board of Directors and the representatives at the companies, the Board of Management frankly exchanged and questioned the operations of the Board of Management and the Managers in the implementation of the objectives, strategies and business plans approved by the General Meeting of Shareholders. The directions, conclusions were soon

issued for the Board of Directors and other managers to timely implement, and the supervision of the schedule and report of the performance results were also conducted regularly and continuously.

- The members of the Board of Supervisors were invited to attend the meetings of the Board of Management including the Board of Directors and other Managers. This is an opportunity for the Board of Management, Board of Directors, and Board of Supervisors to exchange, discuss thoroughly and openly the related issues. The contributed opinions and proposals of the members attending the meeting were to find solutions for timely, appropriate and effective management and operating.

- The Board of Management also closely cooperated with the Board of Supervisors to check and closely supervise the business situation, the compliance with the regulations of law, the Charter and other regulations related to the management and operating of Savico and other companies in the system. So the business operation of the system was maintained stably, safely and efficiently.

- The remuneration and operating costs of the Board of Management and the Board of Supervisors were maintained economically and suitably.

- The operations of some subcommittees of the Board of Management were not positive so they did not well promote the role in advising the Board of Management as well as support for the Board of Directors.

The operations of the independent members of the Board of Management:

- The independent members of the Board of Management of the Company positively expressed their role in the meetings of the Board of Management as well as through the opinion collection of members of the Board of Management for approval of the important decisions of the Company.

- During the periodical meetings of the Board of Management, the independent members fully attended or they authorized other members if they were so busy that they could not attend the meetings. In which: 1 member fully attended 5/5 periodic meetings, 1 member attended 3/5 periodic meetings and they authorized 2/5 periodic meetings.





**Information on the contents of the Decisions of the Board of Directors in 2015:**

NO.	DECISION NO.	DATE	CONTENT
1	Trading - Service		
-	15/QĐ-HĐQT-SVC	26/03/2015	Decision on the approval of the transfer price of the contributed capital of Savico at Dong Do Thanh Co., Ltd.
-	15A/QĐ-HĐQT-SVC	31/03/2015	Decision on the adjustment to increase charter capital of OTOS Joint Stock Company.
-	33/QĐ-HĐQT-SVC 67/QĐ-HĐQT-SVC 72/QĐ-HĐQT-SVC	24/04/2015 02/11/2015 30/11/2015	Decision on the establishment of Nam Song Hau Joint Stock Company, adjustment of the investment plan according to standard 5S in Can Tho and adjustment of the capital contribution rate of Savico.
-	36/QĐ-HĐQT-SVC 39/QĐ-HĐQT-SVC	21/05/2015 08/06/2015	Decision on the establishment of Vinh Thinh Automobile Joint Stock Company.
-	38/QĐ-HĐQT-SVC 75/QĐ-HĐQT-SVC	01/06/2015 25/12/2015	Decision on the establishment of Northwest Saigon Automobile Joint Stock Company and approval of the investment plan of Fuso 3S dealer of Northwest Saigon Automobile Joint Stock Company.
-	42/QĐ-HĐQT-SVC	10/06/2015	Decision on the contribution of capital for investment in Toyota Ly Thuong Kiet Co., Ltd.
-	43/QĐ-HĐQT-SVC	23/06/2015	Decision on the agreement on the capital withdrawal of Saigon Ford at Saigon Housing Investment Joint Stock Company.
-	58/QĐ-HĐQT-SVC	12/08/2015	Decision on the establishment of Sao Tay Nam Automobile Joint Stock Company.
-	64/QĐ-HĐQT-SVC	22/09/2015	Decision on the establishment of the branch of Savico in Can Tho City.
-	69/QĐ-HĐQT-SVC	06/11/2015	Decision on the establishment of Bac Au Automobile Joint Stock Company.
-	74/QĐ-HĐQT-SVC	21/12/2015	Decision on approval of the loan guarantee for Saigon Trading and Service Co., Ltd. at Indovina Bank - Ben Thanh branch.
-	76/QĐ-HĐQT-SVC	28/12/2015	Decision on the establishment of branch of Savico at Kiosque Tan Dinh - Tan Dinh Market.
-	77/QĐ-HĐQT-SVC	28/12/2015	Decision on the establishment of branch of Savico at stall 1394 - Ben Thanh Market.
-	78/QĐ-HĐQT-SVC	28/12/2015	Decision on the establishment of branch of Savico at Kiosque no. 2, West Door - Ben Thanh Market.
2	Service - Real Estate		
-	01/QĐ-HĐQT-SVC	08/01/2015	Decision on the transfer of Savico Da Nang trade center building.
-	02/QĐ-HĐQT-SVC	10/01/2015	Decision on the approval of the investment cooperation plan to project 66-68 Nam Ky Khoi Nghia street, District 1, Ho Chi Minh City.
-	12/QĐ-HĐQT-SVC	26/03/2015	Decision on the transfer of land use right at National Highway 13, Hiep Binh Phuoc ward, Thu Duc district, Ho Chi Minh City.

NO.	DECISION NO.	DATE	CONTENT
-	13/QĐ-HĐQT-SVC	26/03/2015	Decision on the support of Phu My Company after the transfer of land use right at National Highway 13, Hiep Binh Phuoc ward, Thu Duc district, Ho Chi Minh City.
-	18/QĐ-HĐQT-SVC	26/03/2015	Decision on receiving the transfer of land use right for developing the project in Can Tho.
-	32/QĐ-HĐQT-SVC	24/04/2015	Decision on the approval of the adjustment of engineering design document, cost estimates and bidding plan for package of completion of project 277-279 Ly Tu Trong street, district 1.
-	37/QĐ-HĐQT-SVC	01/06/2015	Decision on the approval of the adjustment of the cooperation value at project 104 Pho Quang street, ward 2, Tan Binh district, Ho Chi Minh City.
-	40/QĐ-HĐQT-SVC	09/06/2015	Decision on re-guarantee of medium term loan for Tan Binh Export Goods Production and Trading Joint Stock Company.
-	41/QĐ-HĐQT-SVC	10/06/2015	Decision on the approval of the lift price offering result for project 277-279 Ly Tu Trong street, district 1, Ho Chi Minh City.
-	55/QĐ-HĐQT-SVC	29/07/2015	Decision on the selection of the successful company to the package of completion of the M&E system for project 277-279 Ly Tu Trong street, district 1, Ho Chi Minh City.
-	70/QĐ-HĐQT-SVC	06/11/2015	Decision on the approval of the price offering result of auto lift and generator for project 277-279 Ly Tu Trong street, district 1, Ho Chi Minh City.
-	71/QĐ-HĐQT-SVC	30/11/2015	Decision on the approval of the price offering result of substation for project 277-279 Ly Tu Trong street, district 1, Ho Chi Minh City.
3	Finance		
-	06/QĐ-HĐQT-SVC	19/01/2015	Decision on the issuance of the Regulation on financial management of Savico.
-	14/QĐ-HĐQT-SVC	26/03/2015	Decision on the settlement before due date to the loan of 85 billion VND at Indovina Bank.
-	34/QĐ-HĐQT-SVC	13/05/2015	Decision on the loan guarantee for Toyota Giai Phong Joint Venture Company.
-	35/QĐ-HĐQT-SVC	13/05/2015	Decision on the loan guarantee for Toyota Can Tho Co., Ltd.
-	53/QĐ-HĐQT-SVC	15/07/2015	Decision on the approval of the selection of audit company for the fiscal year 2015.
-	56/QĐ-HĐQT-SVC	29/07/2015	Decision on the acquisition of shares of Mr. Nguyen Dinh Ngon at Saigon Star Joint Stock Company.
-	61/QĐ-HĐQT-SVC	21/08/2015	Decision on borrowing at Vietcombank Ho Chi Minh City Branch.
-	62/QĐ-HĐQT-SVC	21/08/2015	Decision on financing Melisa Wedding and Conference Center.
-	63/QĐ-HĐQT-SVC	07/09/2015	Decision on the approval of the 2014 dividend payment.
-	66/QĐ-HĐQT-SVC	23/10/2015	Decision on borrowing at Eximbank, District 4.

NO.	DECISION NO.	DATE	CONTENT
<b>4</b>	<b>Human Resources</b>		
-	03/QĐ-HĐQT-SVC	19/01/2015	Decision on the dismissal from the Deputy General Director to Mr. Ta Phuoc Dat.
-	04/QĐ-HĐQT-SVC	19/01/2015	Decision on the dismissal from the Managing General Director and Legal Representative to Mr. Nguyen Binh Minh.
-	05/QĐ-HĐQT-SVC	19/01/2015	Decision on the appointment of Managing General Director to Mr. Mai Viet Ha.
-	07/QĐ-HĐQT-SVC	19/01/2015	Decision on the change of legal representative from Mr. Nguyen Binh Minh to Mr. Mai Viet Ha.
-	16/QĐ-HĐQT-SVC	04/04/2015	Decision on the appointment of Deputy General Director to Mr. Nguyen Cong Binh.
-	20/QĐ-HĐQT-SVC	10/04/2015	Decision on the change of the capital representative of Savico at Toyota Dong Saigon Joint Stock Company.
-	21/QĐ-HĐQT-SVC	10/04/2015	Decision on the change of the capital representative of Savico at Saigon Star Joint Stock Company.
-	22/QĐ-HĐQT-SVC	10/04/2015	Decision on the dismissal from the capital representative of Savico at Dong Do Thanh Co., Ltd.
-	23/QĐ-HĐQT-SVC	20/04/2015	Decision on the change of the capital representative of Savico at Ben Thanh Auto Joint Stock Company.
-	24/QĐ-HĐQT-SVC	24/04/2015	Decision on the change of the capital representative of Savico at Savico Hanoi Joint Stock Company.
-	25/QĐ-HĐQT-SVC	24/04/2015	Decision on the change of the capital representative of Savico at Savico Da Nang Joint Stock Company.
-	26/QĐ-HĐQT-SVC	24/04/2015	Decision on the re-appointment of the Managing General Director to Mr. Mai Viet Ha.
-	27/QĐ-HĐQT-SVC	24/04/2015	Decision on the re-appointment of the Deputy General Director to Mr. Vo Hien.
-	28/QĐ-HĐQT-SVC	24/04/2015	Decision on the re-appointment of the Deputy General Director to Mr. Nguyen Cong Binh.
-	29/QĐ-HĐQT-SVC	24/04/2015	Decision on the re-appointment of the Deputy General Director to Mr. Doan Van Quang.
-	30/QĐ-HĐQT-SVC	24/04/2015	Decision on the re-appointment of the Deputy General Director to Mr. Ms. Nguyen Thu Nga.
-	31/QĐ-HĐQT-SVC	24/04/2015	Decision on the re-appointment of the Chief Accountant to Mr. Ngo Van Danh.
-	44/QĐ-HĐQT-SVC	23/06/2015	Decision on the change of the capital representative of Savico at Da Nang Son Tra Investment Joint Stock Company.
-	45/QĐ-HĐQT-SVC	23/06/2015	Decision on the change of the capital representative of Savico at OTOS Joint Stock Company.
-	46/QĐ-HĐQT-SVC	23/06/2015	Decision on the change of the capital representative of Savico at Binh Duong New City Auto Service Joint Stock Company.

NO.	DECISION NO.	DATE	CONTENT
-	47/QĐ-HĐQT-SVC	23/06/2015	Decision on the change of the capital representative of Savico at Saigon Cuu Long Auto Joint Stock Company.
-	48/QĐ-HĐQT-SVC	23/06/2015	Decision on the change of the capital representative of Savico at Toyota Can Tho Co., Ltd.
-	49/QĐ-HĐQT-SVC	23/06/2015	Decision on the change of the capital representative of Savico at Saigon Auto Service Joint Stock Company.
-	50/QĐ-HĐQT-SVC	23/06/2015	Decision on the change of the capital representative of Savico at Toyota Giai Phong Co., Ltd.
-	51/QĐ-HĐQT-SVC	23/06/2015	Decision on the change of the capital representative of Savico at Savico Mekong Trading & Service Co., Ltd.
-	52/QĐ-HĐQT-SVC	23/06/2015	Decision on the change of the capital representative of Savico at Viet Thai Joint Stock Company.
-	54/QĐ-HĐQT-SVC	23/06/2015	Decision on the change of the capital representative of Savico at Comfort Delgro Savico Taxi Co., Ltd.
-	73/QĐ-HĐQT-SVC	09/12/2015	Decision on the dismissal from the Deputy General Director of Savico to Mr. Vo Hien.
<b>5</b>	<b>Khác</b>		
-	03A/QĐ-HĐQT-SVC	19/01/2015	Decision on the liquidation of labor contract to Mr. Ta Phuoc Dat.
-	04A/QĐ-HĐQT-SVC	19/01/2015	Decision on the liquidation of labor contract to Mr. Nguyen Binh Minh.
-	08/QĐ-HĐQT-SVC	06/02/2015	Decision on the approval of the final registration date for the Annual General Meeting of Shareholders in 2015.
-	09/QĐ-HĐQT-SVC	25/02/2015	Decision on the ranking salary to Senior Managers - Mr. Mai Viet Ha.
-	10/QĐ-HĐQT-SVC	04/03/2015	Decision on the approval of the dissolution of Savico branch in Da Nang.
-	11/QĐ-HĐQT-SVC	16/03/2015	Decision on the dissolution of Savico Mekong Trading and Service Co., Ltd.
-	17/QĐ-HĐQT-SVC	04/04/2015	Decision on the approval the salary plan of 2015.
-	19/QĐ-HĐQT-SVC	10/04/2015	Decision on the approval of the ranking salary to Senior Managers.
-	57/QĐ-HĐQT-SVC	29/07/2015	Decision on the procurement and liquidation of assets.
-	59/QĐ-HĐQT-SVC	13/08/2015	Decision on the increase of the ranking salary to Senior Managers.
-	60/QĐ-HĐQT-SVC	21/08/2015	Decision on the issuance of regulation on salary and bonus of Savico.
-	65/QĐ-HĐQT-SVC	16/10/2015	Decision on the approval of quittance policy for completing the dissolution procedures of Savico Mekong Trading and Service Co., Ltd.

**Training on corporate governance:**

All members of the Board of Management of the Company are qualified in business management, finance or accounting and auditing. In 2015, the members of the Board of Management participating in the direct operation of the company, depending on their direct task, participated in the courses about advanced CEO, takeover and anti-takeover specialized M&A, intensive training on the financial control capacity and the access to the international finance held by domestic and foreign reputable organizations or workshops held by State Securities Commission of Vietnam.

**3. BOARD OF SUPERVISORS**

The Board of Supervisors of Term III (2015 - 2020) has held 04 meetings with the full participation of all members, with the following specific content:

- Elect Head of the Board of Supervisors and assign work to the members of the Board of Supervisors.
- Approve the report on reviewing the 6-month and annual business operations of the Company in 2015.
- Approve the report of the Board of Supervisors submitted at the Annual General Meeting of Shareholders in 2016.

**The supervision activities of the Board of Supervisors to the Board of Management and Board of Directors:**

The Board of Supervisors attended all meetings of the Board of Management to catch up with the situation of business operation of the Company.

The Board of Supervisors inspected and supervised the 6-month and annual financial situation and business operation in 2015 of Savico. Namely:

- Supervise the implementation of the resolutions of the General Meeting of Shareholders in 2015 on the distribution of dividend, issuance of the resolution, ...
- Supervise and give opinion on the implementation of the objectives of production and business activities to achieve the revenue and profit plan.
- Supervise the financial investment; consult the Board of Management for the investment to bring back the highest profit margin with the least risk.
- Supervise the business operation of the real estate of the holding company, ensuring the compliance with law and the Company's charter.
- Examine the 6-month and annual financial statements to evaluate the truthfulness and fairness of the financial data in accordance with the accounting standards, regulations and the current financial policies of Vietnam.
- Control the compliance with the regulations on the information disclosure of the Company as stipulated by law.
- Review and evaluate the key transactions between the Company and related parties.

**Comment and evaluation:**

- The Board of Management fully implemented the resolutions of the General Meeting of Shareholders, the operation of the Board of Management complied with the Charter, Corporate Governance Regulation and the law. The Board of Directors of the Company has been implementing the decisions of the Board of Management.
- By the continuous and regular activities, the Board Supervisors found no abnormal signs in the production and business activities, project investment and financial activities of the Company in 2015.

**The evaluation of the coordination of activities between the Board of Supervisors and the Board of Management, Board of Directors and the functional Departments of the Company.**

The Board of Supervisors was cooperated and created favorable condition by the Board of Management, Board of Directors and Officers of the functional Departments of the Company for updating the operation situation of the Company, collecting information and documents for the inspection and supervision.

**4. THE TRANSACTIONS, REMUNERATION AND BENEFITS OF THE BOARD OF MANAGEMENT, BOARD OF DIRECTORS AND BOARD OF SUPERVISORS**

Total remuneration and business allowances were as follows:

	2015 VND	2014 VND	2013 VND
Board of Management	1,620,000,000	2,744,680,000	2,626,500,000
Board of Directors	1,962,000,000	1,305,400,000	790,000,000
Board of Supervisors	356,020,000	112,500,000	112,500,000
	3,938,020,000	4,162,580,000	3,529,000,000

Stock transaction of the internal shareholders: none.

Contracts or transactions with internal shareholders: none.

**The implementation of regulations on corporate governance:**

The company fully implemented the regulations of the Law on the corporate governance in 2015 and conducted reviewing the arising issues as stipulated by the new regulations of the law to submit to the Board of Management, the General Meeting of Shareholders for amendment and supplement in 2016 to be suitable to the regulations.





FINANCIAL STATEMENTS

GROWTH IN  
CHANGE

## SEPARATE FINANCIAL STATEMENTS

## CORPORATE INFORMATION

**Decision No.**

3448/QĐ-UB	9 July 2004
3449/QĐ-UB	9 July 2004

These decisions were issued by the Ho Chi Minh City People's Committee.

**Business Licence**

4103002955	15 December 2004
------------	------------------

The Company's business licence has been amended several times, the most recent of which is by business licence No. 0301154821 dated 26 January 2015. The business licence was issued by Ho Chi Minh City Planning and Investment Department.

**Board of Management**

Mr. Nguyen Binh Minh	Chairman (from 24 April 2015)
Mr. Nguyen Vinh Tho	Chairman (until 24 April 2015)
Mr. Nguyen Binh Minh	Vice Chairman (until 24 April 2015)
Mr. Mai Viet Ha	Member (from 24 April 2015)
Ms. Nguyen Viet Hoa	Member (from 24 April 2015)
Mr. Doan Van Quang	Member (from 24 April 2015)
Mr. Nguyen Cong Binh	Member (from 24 April 2015)
Mr. Nguyen Duc Trong	Member (from 24 April 2015)
Mr. Luong Quang Hien	Member
Mr. Ta Phuoc Dat	Member (until 24 April 2015)
Mr. Vo Hien	Member (until 24 April 2015)
Mr. Te Tri Dung	Member (until 24 April 2015)
Mr. Le Hung	Member (until 24 April 2015)

**Board of Directors**

Mr. Mai Viet Ha	General Director (from 19 January 2015)
Mr. Nguyen Binh Minh	General Director (until 19 January 2015)
Mr. Vo Hien	Deputy General Director (until 1 January 2016)
Mr. Doan Van Quang	Deputy General Director
Ms. Nguyen Thu Nga	Deputy General Director
Mr. Nguyen Cong Binh	Deputy General Director (from 4 April 2015)
Mr. Ta Phuoc Dat	Deputy General Director (until 19 January 2015)
Mr. Mai Viet Ha	Deputy General Director (until 19 January 2015)

**Supervisory Board**

Mr. Nguyen Truong Bao Khanh	Head of the Board (from 24 April 2015)
Ms. Nguyen Viet Hoa	Head of the Board (until 4 April 2015)
Mr. Nguyen Thai Hoa	Member
Mr. Tran Huy Dung	Member (from 24 April 2015)
Mr. Nguyen Cong Binh	Member (until 4 April 2015)

**Registered Office**

68 Nam Ky Khoi Nghia Street District 1,  
Ho Chi Minh City Vietnam

**Auditors**

KPMG Limited Vietnam

## STATEMENT OF THE BOARD OF DIRECTORS

The Board of Directors of Saigon General Service Corporation ("the Company") presents this statement and the accompanying separate financial statements of the Company for the year ended 31 December 2015.

The Board of Directors is responsible for the preparation and fair presentation of the separate financial statements in accordance with the Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting. In the opinion of the Board of Directors:

- the separate financial statements set out on pages 6 to 66 give a true and fair view of the separate financial position of the Company as at 31 December 2015, and of the separate results of operations and the separate cash flows of the Company for the year then ended in accordance with the Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting; and
- at the date of this statement, there are no reasons to believe that the Company will not be able to pay its debts as and when they fall due.

The Board of Directors has, on the date of this statement, authorised the accompanying separate financial statements for issue.

On behalf of the Board of Directors



**Mai Viet Ha**  
General Director

Ho Chi Minh City, 21 March 2016

## INDEPENDENT AUDITOR'S REPORT

### To the Shareholders Saigon General Service Corporation

We have audited the accompanying separate financial statements of Saigon General Service Corporation ("the Company"), which comprise the separate balance sheet as at 31 December 2015, the separate statements of income and cash flows for the year then ended and the explanatory notes thereto which were authorised for issue by the Company's Board of Directors on 21 March 2016, as set out on pages 6 to 66.

### MANAGEMENT'S RESPONSIBILITY

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

### AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these separate 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 separate financial statements are free of material misstatement.

### KPMG Limited's Branch in Ho Chi Minh City

Vietnam  
Audit Report No.: 15-01-378



**Lam Thi Ngoc Hao**  
Practicing Auditor Registration  
Certificate No. 0866-2013-007-1  
Deputy General Director

Ho Chi Minh City, 21 March 2016



KPMG Limited Branch DT: +84 (8) 3821 9266  
Tầng 10, tòa nhà Sun Wah, Fax: +84 (8) 3821 9267  
115 Nguyễn Huệ, Q.1, kpmg.com.vn  
TP.HCM, Việt Nam.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the separate financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the separate financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the 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 Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Company's Board of Directors, as well as evaluating the overall presentation of the separate financial statements.

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

### AUDITOR'S OPINION

In our opinion, the separate financial statements give a true and fair view, in all material respects, of the separate financial position of Saigon General Service Corporation as at 31 December 2015 and of its separate results of operations and its separate cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting.

**Nguyen Anh Tuan**  
Practicing Auditor Registration  
Certificate No. 0436-2013-007-1

## SEPARATE BALANCE SHEET

as at 31 December 2015  
Form B 01 – DN

	CODE	NOTE	31/12/2015 VND	1/1/2015 VND RECLASSIFIED
<b>ASSETS</b>				
<b>Current assets</b> <b>(100 = 110 + 120 + 130 + 140 + 150)</b>	<b>100</b>		<b>219,927,843,281</b>	<b>135,846,105,916</b>
<b>Cash and cash equivalents</b>	<b>110</b>	6	<b>59,633,992,414</b>	<b>46,270,712,230</b>
Cash	111		4,633,992,414	7,270,712,230
Cash equivalents	112		55,000,000,000	39,000,000,000
<b>Short-term financial investments</b>	<b>120</b>	<b>7(a)</b>	<b>39,752,240,593</b>	<b>47,805,076,136</b>
Trading securities	121		55,598,086,912	63,588,156,490
Allowance for diminution in the value of trading securities	122		(15,845,846,319)	(15,783,080,354)
<b>Accounts receivable – short-term</b>	<b>130</b>		<b>42,839,359,050</b>	<b>20,223,309,364</b>
Accounts receivable from customers	131	8	1,293,473,970	3,164,580,493
Prepayments to suppliers	132		1,429,441,506	1,758,913,006
Other receivables	136	9(a)	40,116,443,574	15,299,815,865
<b>Inventories</b>	<b>140</b>	<b>10</b>	<b>77,468,908,522</b>	<b>20,774,995,892</b>
Inventories	141		99,444,483,183	20,774,995,892
Allowance for inventories	149		(21,975,574,661)	-
<b>Other current assets</b>	<b>150</b>		<b>233,342,702</b>	<b>772,012,294</b>
Deductible value added tax	152		233,342,702	427,059,160
Taxes receivable from State Treasury	153		-	344,953,134
<b>Long-term assets</b> <b>(200 = 210 + 220 + 230 + 240 + 250 + 260)</b>	<b>200</b>		<b>914,662,797,104</b>	<b>1,156,471,166,539</b>
<b>Accounts receivable – long-term</b>	<b>210</b>		<b>189,244,305,575</b>	<b>195,852,497,359</b>
Loans receivable – long-term	215		72,000,000,000	77,000,000,000
Other long-term receivables	216	9(b)	119,074,812,815	118,852,497,359
Allowance for doubtful long-term debts	219		(1,830,507,240)	-
<b>Fixed assets</b>	<b>220</b>		<b>54,097,975,075</b>	<b>52,855,113,734</b>
Tangible fixed assets	221	11	4,756,213,171	3,059,124,031
Cost	222		13,500,067,407	11,501,897,061
Accumulated depreciation	223		(8,743,854,236)	(8,442,773,030)
Intangible fixed assets	227	12	49,341,761,904	49,795,989,703
Cost	228		54,721,011,809	54,371,011,809
Accumulated amortisation	229		(5,379,249,905)	(4,575,022,106)

The accompanying notes are an integral part of these separate financial statements

## SEPARATE BALANCE SHEET (Cont)

as at 31 December 2015  
Form B 01 – DN

	CODE	NOTE	31/12/2015 VND	1/1/2015 VND RECLASSIFIED
<b>Investment property</b>	<b>230</b>	<b>13</b>	<b>170,916,009,617</b>	<b>172,665,657,525</b>
Cost	231		218,141,983,365	225,388,783,099
Accumulated depreciation	232		(47,225,973,748)	(52,723,125,574)
<b>Long-term work in progress</b>	<b>240</b>		<b>77,531,507,069</b>	<b>344,021,953,708</b>
Construction in progress	242	14	77,531,507,069	344,021,953,708
<b>Long-term financial investments</b>	<b>250</b>	<b>7(b)</b>	<b>420,969,009,769</b>	<b>388,492,332,645</b>
Investments in subsidiaries	251		328,022,971,814	260,884,906,814
Investments in associates	252		97,958,709,000	57,358,709,000
Equity investments in other entities	253		1,000,000,000	82,850,000,000
Allowance for diminution in the value of long-term financial investments	254		(6,012,671,045)	(12,601,283,169)
<b>Other long-term assets</b>	<b>260</b>		<b>1,903,989,999</b>	<b>2,583,611,568</b>
Deferred tax assets	262		1,903,989,999	2,583,611,568
<b>TOTAL ASSETS (270 = 100 + 200)</b>	<b>270</b>		<b>1,134,590,640,385</b>	<b>1,292,317,272,455</b>
<b>RESOURCES</b>				
<b>LIABILITIES (300 = 310 + 330)</b>	<b>300</b>		<b>463,521,721,326</b>	<b>629,546,778,991</b>
<b>Current liabilities</b>	<b>310</b>		<b>293,338,606,240</b>	<b>364,050,078,788</b>
Accounts payable to suppliers	311	15	2,711,069,757	6,798,914,377
Advances from customers	312		6,547,215,183	10,549,668,850
Taxes payable to State Treasury	313	16	12,435,385,001	12,703,917,195
Payables to employees	314		18,248,557,067	25,728,914,439
Accrued expenses	315	17	11,346,547,839	9,473,933,109
Unearned revenue – short-term	318	18(a)	1,243,818,186	1,393,350,004
Other payables – short-term	319	19(a)	185,973,949,211	274,300,048,742
Short-term borrowings	320	20(a)	44,614,321,142	18,123,418,970
Bonus and welfare fund	322	21	10,217,742,854	4,977,913,102
<b>Long-term liabilities</b>	<b>330</b>		<b>170,183,115,086</b>	<b>265,496,700,203</b>
Long-term unearned revenue	336	18(b)	50,833,333,300	52,053,333,304

The accompanying notes are an integral part of these separate financial statements

	CODE	NOTE	31/12/2015 VND	1/1/2015 VND RECLASSIFIED
Other payables – long-term	337	19(b)	113,226,399,896	118,097,470,509
Long-term borrowings	338	20(b)	6,123,381,890	95,345,896,390
<b>EQUITY (400 = 410)</b>	<b>400</b>		<b>671,068,919,059</b>	<b>662,770,493,464</b>
<b>Owners' equity</b>	<b>410</b>	<b>22</b>	<b>671,068,919,059</b>	<b>662,770,493,464</b>
Share capital	411	23	249,955,730,000	249,955,730,000
Capital surplus	412	22	317,064,858,303	317,064,858,303
Treasury shares	415	22	(690,474,358)	(690,474,358)
Investment and development fund	418	25	24,938,303,806	24,938,303,806
Retained profits	421		79,800,501,308	71,502,075,713
<b>TOTAL RESOURCES (440 = 300 + 400)</b>	<b>440</b>		<b>1,134,590,640,385</b>	<b>1,292,317,272,455</b>

Prepared by: 21 March 2016

Approved by:



**Ngo Van Danh**  
Chief Accountant



**Mai Viet Ha**  
General Director

The accompanying notes are an integral part of these separate financial statements

## SEPARATE STATEMENT INCOME

for the year ended 31 December 2015  
Form B 02 – DN

	CODE	NOTE	2015 VND	2014 VND
<b>Revenue from sales of goods and provision of services</b>	<b>01</b>	<b>27</b>	<b>248,150,585,519</b>	<b>283,707,766,113</b>
<b>Revenue deductions</b>	<b>02</b>	<b>27</b>	<b>(322,700,000)</b>	<b>(861,272,047)</b>
<b>Net revenue (10 = 01 + 02)</b>	<b>10</b>	<b>27</b>	<b>247,827,885,519</b>	<b>282,846,494,066</b>
<b>Cost of sales</b>	<b>11</b>	<b>28</b>	<b>(283,459,238,678)</b>	<b>(215,013,653,650)</b>
<b>Gross (loss)/profit (20 = 10 + 11)</b>	<b>20</b>		<b>(35,631,353,159)</b>	<b>67,832,840,416</b>
Financial income	21	29	137,137,991,312	36,739,031,854
Financial expenses	22	30	(2,183,102,042)	(10,797,466,902)
<i>In which: Interest expense</i>	23		(5,035,345,267)	(14,569,056,931)
Selling expenses	25		(1,611,560,737)	(783,063,447)
General and administration expenses	26	31	(34,603,210,084)	(32,407,885,388)
<b>Net operating profit (30 = 20 + 21 + 22 + 25 + 26)</b>	<b>30</b>		<b>63,108,765,290</b>	<b>60,583,456,533</b>
Other income	31	32	1,261,651,527	7,313,550,426
Other expenses	32	33	(2,605,817,506)	(16,771,711,295)
<b>Results of other activities (40 = 31 + 32)</b>	<b>40</b>		<b>(1,344,165,979)</b>	<b>(9,458,160,869)</b>
<b>Accounting profit before tax (50 = 30 + 40)</b>	<b>50</b>		<b>61,764,599,311</b>	<b>51,125,295,664</b>
<b>Income tax expense – current</b>	<b>51</b>	<b>35</b>	<b>(10,095,554,219)</b>	<b>(10,176,710,311)</b>
<b>Income tax expense – deferred</b>	<b>52</b>	<b>35</b>	<b>(679,621,569)</b>	<b>-</b>
<b>Net profit after tax (60 = 50 + 51 + 52)</b>	<b>60</b>		<b>50,989,423,523</b>	<b>40,948,585,353</b>

21 March 2016

Prepared by:



**Ngô Văn Danh**  
Chief Accountant

Approved by:



**Mai Việt Hà**  
General Director

*Các thuyết minh đính kèm là bộ phận hợp thành của báo cáo tài chính riêng này*

## SEPARATE STATEMENT OF CASH FLOWS (Indirect method)

for the year ended 31 December 2015  
Form B 03 – DN

	CODE	NOTE	2015 VND	2014 VND
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Profit before tax</b>	<b>01</b>		<b>61,764,599,311</b>	<b>51,125,295,664</b>
<b>Adjustments for</b>				
Depreciation and amortisation	02		7,363,371,972	7,876,540,047
Allowances and provisions	03		18,747,469,777	(10,658,967,151)
(Gains)/losses on disposals of investments in subsidiaries and associates	05		(106,131,884,900)	8,650,300,263
Gains on disposal of fixed assets	05		(416,183,787)	-
Losses on written off of construction in progress	05		-	245,616,673
Dividends and interest income	05		(20,228,433,201)	(26,736,132,379)
Interest expense	06		5,035,345,267	14,569,056,931
<b>Operating (loss)/profit before changes in working capital</b>	<b>08</b>		<b>(33,865,715,561)</b>	<b>45,071,710,048</b>
Change in receivables	09		11,755,354,450	91,626,846,383
Change in inventories	10		221,147,580,546	190,717,371,198
Change in payables and other liabilities	11		14,492,823,599	(45,569,926,962)
Change in trading securities	13		8,052,835,543	(5,131,774,775)
			<b>221,582,878,577</b>	<b>276,714,225,892</b>
Interest paid	14		(6,385,829,344)	(27,088,824,296)
Income tax paid	15		(2,510,178,944)	(12,023,671,308)
Other payments for operating activities	17		(7,480,559,776)	(5,469,712,934)
<b>Net cash flows from operating activities</b>	<b>20</b>		<b>205,206,310,513</b>	<b>232,132,017,354</b>

*Các thuyết minh đính kèm là bộ phận hợp thành của báo cáo tài chính riêng này*



## SEPARATE STATEMENT OF CASH FLOWS (Indirect method) (Cont)

for the year ended 31 December 2015  
Form B 03 – DN

	CODE	NOTE	2015 VND	2014 VND
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Payments for additions to fixed assets and other long-term assets	21		(39,738,487,135)	(29,842,656,698)
Proceeds from disposals of investments	22		33,812,900,000	6,040,500,000
Proceeds from disposals of fixed assets	22		610,123,183	1,474,011,286
Payments for investments in other entities	25		(114,668,065,000)	(46,627,938,449)
Collections of investments in associates	26		-	734,199,983
Receipts of dividends and interest income	27		20,418,433,201	27,176,384,367
<b>Net cash flows from investing activities</b>	<b>30</b>		<b>(99,565,095,751)</b>	<b>(41,045,499,511)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Proceeds from borrowings	33		38,926,159,782	203,340,105,439
Payments to settle loan principals	34		(101,657,772,110)	(342,186,157,171)
Payments of dividends	36		(29,546,322,250)	(30,485,248,830)
<b>Net cash flows from financing activities</b>	<b>40</b>		<b>(92,277,934,578)</b>	<b>(169,331,300,562)</b>
<b>Net cash flows during the year (50 = 20 + 30 + 40)</b>	<b>50</b>		<b>13,363,280,184</b>	<b>21,755,217,281</b>
<b>Net cash flows during the year</b>	<b>60</b>		<b>46,270,712,230</b>	<b>24,515,494,949</b>
<b>Cash and cash equivalents at the end of the year (70 = 50 + 60)</b>	<b>70</b>	<b>6</b>	<b>59,633,992,414</b>	<b>46,270,712,230</b>

21 March 2016

Prepared by:



**Ngo Van Danh**  
Chief Accountant

Approved by:



**Mai Viet Ha**  
General Director

The accompanying notes are an integral part of these separate financial statements

## CONSOLIDATED FINANCIAL STATEMENTS

## CORPORATE INFORMATION

Decision No.	
3448/QĐ-UB	9 July 2004
3449/QĐ-UB	9 July 2004

These decisions were issued by the  
Ho Chi Minh City People's Committee.

Business Licence	
4103002955	15 December 2004

The Company's business licence has been amended several times, the most recent of which is by business licence No. 0301154821 dated 26 January 2015. The business licence was issued by Ho Chi Minh City Planning and Investment Department.

Board of Management	
Mr. Nguyen Binh Minh	Chairman (from 24 April 2015)
Mr. Nguyen Vinh Tho	Chairman (until 24 April 2015)
Mr. Nguyen Binh Minh	Vice Chairman (until 24 April 2015)
Mr. Mai Viet Ha	Member (from 24 April 2015)
Ms. Nguyen Viet Hoa	Member (from 24 April 2015)
Mr. Doan Van Quang	Member (from 24 April 2015)
Mr. Nguyen Cong Binh	Member (from 24 April 2015)
Mr. Nguyen Duc Trong	Member (from 24 April 2015)
Mr. Luong Quang Hien	Member
Mr. Ta Phuoc Dat	Member (until 24 April 2015)
Mr. Vo Hien	Member (until 24 April 2015)
Mr. Te Tri Dung	Member (until 24 April 2015)
Mr. Le Hung	Member (until 24 April 2015)

Board of Directors	
Mr. Mai Viet Ha	General Director (from 19 January 2015)
Mr. Nguyen Binh Minh	General Director (until 19 January 2015)
Mr. Vo Hien	Deputy General Director (until 1 January 2016)
Mr. Doan Van Quang	Deputy General Director
Ms. Nguyen Thu Nga	Deputy General Director
Mr. Nguyen Cong Binh	Deputy General Director (from 4 April 2015)
Mr. Ta Phuoc Dat	Deputy General Director (until 19 January 2015)
Mr. Mai Viet Ha	Deputy General Director (until 19 January 2015)

Supervisory Board	
Mr. Nguyen Truong Bao Khanh	Head of the Board (from 24 April 2015)
Ms. Nguyen Viet Hoa	Head of the Board (until 4 April 2015)
Mr. Nguyen Thai Hoa	Member
Mr. Tran Huy Dung	Member (from 24 April 2015)
Mr. Nguyen Cong Binh	Member (until 4 April 2015)

Registered Office
68 Nam Ky Khoi Nghia Street District 1, Ho Chi Minh City Vietnam

Auditors
KPMG Limited Vietnam

## STATEMENT OF THE BOARD OF DIRECTORS

The Board of Directors of Saigon General Service Corporation and its subsidiaries (together referred to as “the Group”) presents this statement and the accompanying consolidated financial statements of the Company for the year ended 31 December 2015.

The Board of Directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting. In the opinion of the Board of Directors:

- (a) the consolidated financial statements set out on pages 6 to 66 give a true and fair view of the consolidated financial position of the Group as at 31 December 2015, and of the consolidated results of operations and the consolidated cash flows of the Group for the year then ended in accordance with the Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting; and;
- (b) at the date of this statement, there are no reasons to believe that the Group will not be able to pay its debts as and when they fall due.

The Board of Directors has, on the date of this statement, authorised the accompanying consolidated financial statements for issue.

On behalf of the Board of Directors



**Mai Viet Ha**  
General Director

Ho Chi Minh City, 21 March 2016

## INDEPENDENT AUDITOR'S REPORT

### To the Shareholders Saigon General Service Corporation

We have audited the accompanying consolidated financial statements of Saigon General Service Corporation (“the Company”) and its subsidiaries (together referred to as “the Group”), which comprise the consolidated balance sheet as at 31 December 2015, the consolidated statements of income and cash flows for the year then ended and the explanatory notes thereto which were authorised for issue by the Company’s Board of Directors on 21 March 2016, as set out on pages 6 to 66.

### MANAGEMENT’S RESPONSIBILITY

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

### AUDITOR’S 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 of material misstatement.

### KPMG Limited’s Branch in Ho Chi Minh City

Vietnam  
Audit Report No.: 15-01-378



**Lam Thi Ngoc Hao**  
Practicing Auditor Registration  
Certificate No. 0866-2013-007-1  
Deputy General Director

Ho Chi Minh City, 21 March 2016



KPMG Limited Branch DT: +84 (8) 3821 9266  
Tầng 10, tòa nhà Sun Wah, Fax: +84 (8) 3821 9267  
115 Nguyễn Huệ, Q.1, kpmg.com.vn  
TP.HCM, Việt Nam.

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 auditor’s judgement, 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 auditor considers internal control relevant to the Company’s preparation and fair presentation of the 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 Company’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Company’s Board of Directors, 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 audit opinion.

### AUDITOR’S OPINION

In our opinion, the consolidated financial statements give a true and fair view, in all material respects, of the consolidated financial position of Saigon General Service Corporation and its subsidiaries as at 31 December 2015 and of its consolidated results of operations and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting.

**Nguyen Anh Tuan**  
Practicing Auditor Registration  
Certificate No. 0436-2013-007-1

## CONSOLIDATED BALANCE SHEET

as at 31 December 2015  
Form B 01 – DN/HN

	CODE	NOTE	31/12/2015 VND	1/1/2015 VND RECLASSIFIED
<b>ASSETS</b>				
<b>Current assets</b> (100 = 110 + 120 + 130 + 140 + 150)	<b>100</b>		<b>1,277,683,802,876</b>	<b>850,167,915,033</b>
<b>Cash and cash equivalents</b>	<b>110</b>	<b>6</b>	<b>211,789,394,100</b>	<b>179,855,579,173</b>
Cash	111		135,693,237,362	136,264,039,173
Cash equivalents	112		76,096,156,738	43,591,540,000
<b>Short-term financial investments</b>	<b>120</b>		<b>39,754,293,136</b>	<b>53,807,128,679</b>
Trading securities	121	7(a)	55,600,139,455	63,590,209,033
Allowance for diminution in the value of trading securities	122	7(a)	(15,845,846,319)	(15,783,080,354)
Held-to-maturity investments	123	7(b)	-	6,000,000,000
<b>Accounts receivable</b>	<b>130</b>		<b>391,869,489,960</b>	<b>252,047,571,197</b>
Accounts receivable from customers	131	8	273,016,789,004	180,495,663,976
Prepayments to suppliers	132		34,395,145,470	22,341,293,910
Other receivables	136	9(a)	84,473,591,250	49,659,459,745
Allowance for doubtful debts	137		(16,035,764)	(448,846,434)
<b>Inventories</b>	<b>140</b>	<b>10</b>	<b>592,017,667,159</b>	<b>345,562,579,432</b>
Inventories	141		616,585,098,578	349,052,523,101
Allowance for inventories	149		(24,567,431,419)	(3,489,943,669)
<b>Other current assets</b>	<b>150</b>		<b>42,252,958,521</b>	<b>18,895,056,552</b>
Short-term prepaid expenses	151	15(a)	7,661,316,420	6,400,386,877
Deductible value added tax	152		34,395,624,809	11,377,987,969
Taxes receivable from State Treasury	153		196,017,292	1,116,681,706
<b>Long-term assets</b> (200 = 210 + 220 + 230 + 240 + 250 + 260)	<b>200</b>		<b>1,479,978,165,646</b>	<b>1,788,434,821,014</b>
<b>Accounts receivable – long-term</b>	<b>210</b>		<b>128,241,637,820</b>	<b>148,290,818,840</b>
Other long-term receivables	216	9(b)	135,072,145,060	148,290,818,840
Allowance for doubtful long-term debts	219		(6,830,507,240)	-

The accompanying notes are an part of these consolidated financial statements

	CODE	NOTE	31/12/2015 VND	1/1/2015 VND RECLASSIFIED
<b>Fixed assets</b>	<b>220</b>		<b>268,210,319,574</b>	<b>232,554,006,538</b>
Tangible fixed assets	221	11	197,561,190,843	181,834,605,708
Cost	222		302,939,415,215	272,433,479,303
Accumulated depreciation	223		(105,378,224,372)	(90,598,873,595)
Intangible fixed assets	227	12	70,649,128,731	50,719,400,830
Cost	228		81,596,155,250	60,558,856,159
Accumulated amortisation	229		(10,947,026,519)	(9,839,455,329)
<b>Investment property</b>	<b>230</b>	<b>13</b>	<b>737,700,368,141</b>	<b>748,333,861,693</b>
Cost	231		869,383,089,931	860,824,567,718
Accumulated depreciation	232		(131,682,721,790)	(112,490,706,025)
<b>Long-term work in progress</b>	<b>240</b>		<b>171,438,939,997</b>	<b>434,645,996,921</b>
Construction in progress	242	14	171,438,939,997	434,645,996,921
<b>Long-term financial investments</b>	<b>250</b>		<b>158,140,355,873</b>	<b>184,058,758,726</b>
Investments in associates	252	7(c)	152,825,091,873	98,866,042,688
Equity investments in other entities	253	7(c)	5,315,264,000	83,865,264,000
Allowance for diminution in the value of long-term financial investments	254	7(c)	-	(3,372,547,962)
Held-to-maturity investments	255	7(b)	-	4,700,000,000
<b>Other long-term assets</b>	<b>260</b>		<b>16,246,544,241</b>	<b>40,551,378,296</b>
Long-term prepaid expenses	261	15(b)	13,655,519,772	36,783,542,803
Deferred tax assets	262	37(a)	2,591,024,469	3,767,835,493
<b>TOTAL ASSETS (270 = 100 + 200)</b>	<b>270</b>		<b>2,757,661,968,522</b>	<b>2,638,602,736,047</b>

	CODE	NOTE	31/12/2015 VND	1/1/2015 VND RECLASSIFIED
<b>RESOURCES</b>				
<b>LIABILITIES (300 = 310 + 330)</b>	<b>300</b>		<b>1,696,529,323,438</b>	<b>1,667,197,994,009</b>
<b>Current liabilities</b>	<b>310</b>		<b>1,198,826,079,547</b>	<b>985,614,326,359</b>
Accounts payable to suppliers	311	16	170,719,356,565	96,568,059,294
Advances from customers	312		136,207,745,909	57,139,531,631
Taxes payable to State Treasury	313	17	36,544,421,691	33,652,596,327

The accompanying notes are an part of these consolidated financial statements

## CONSOLIDATED BALANCE SHEET (Cont)

as at 31 December 2015  
Form B 01 – DN/HN

	CODE	NOTE	31/12/2015 VND	1/1/2015 VND RECLASSIFIED
Payables to employees	314		67,574,953,756	65,789,300,868
Accrued expenses	315	18	38,730,282,536	27,002,005,743
Unearned revenue – short-term	318	19(a)	19,005,530,415	23,286,943,422
Other payables – short-term	319	20(a)	172,521,100,305	260,150,829,400
Short-term borrowings	320	21(a)	541,683,661,130	413,133,029,920
Bonus and welfare fund	322	22	15,839,027,240	8,892,029,754
<b>Long-term liabilities</b>	<b>330</b>		<b>497,703,243,891</b>	<b>681,583,667,650</b>
Long-term unearned revenue	336	19(b)	96,786,400,000	111,200,382,133
Other payables – long-term	337	20(b)	152,512,486,762	173,309,910,091
Long-term borrowings	338	21(b)	248,404,357,129	397,073,375,426
<b>EQUITY (400 = 410)</b>	<b>400</b>		<b>1,061,132,645,084</b>	<b>971,404,742,038</b>
<b>Owners' equity</b>	<b>410</b>	<b>23</b>	<b>1,061,132,645,084</b>	<b>971,404,742,038</b>
Share capital	411	24	249,955,730,000	249,955,730,000
Capital surplus	412	23	317,064,858,303	317,064,858,303
Treasury shares	415	23	(690,474,358)	(690,474,358)
Foreign exchange differences	417	23	-	5,093,483,305
Investment and development fund	418	26	43,550,163,077	40,681,624,825
Retained profits	421		198,727,250,046	142,498,081,774
Non-controlling interest	429		252,525,118,016	216,801,438,189
<b>TOTAL RESOURCES (440 = 300 + 400)</b>	<b>440</b>		<b>2,757,661,968,522</b>	<b>2,638,602,736,047</b>

21 March 2016

Prepared by:



**Ngo Van Danh**  
Chief Accountant

Approved by:



**Mai Viet Ha**  
General Director

The accompanying notes are an part of these consolidated financial statements

## CONSOLIDATED STATEMENT OF INCOME

for the year ended 31 December 2015  
Form B 02 – DN/HN

	CODE	NOTE	2015 VND	2014 VND RECLASSIFIED
<b>Revenue from sales of goods and provision of services</b>	<b>01</b>	<b>28</b>	<b>9,898,430,954,668</b>	<b>7,939,698,170,623</b>
<b>Revenue deductions</b>	<b>02</b>	<b>28</b>	<b>(8,488,551,696)</b>	<b>(9,456,390,759)</b>
<b>Net revenue (10 = 01 + 02)</b>	<b>10</b>	<b>28</b>	<b>9,889,942,402,972</b>	<b>7,930,241,779,864</b>
<b>Cost of sales</b>	<b>11</b>	<b>29</b>	<b>(9,398,256,118,814)</b>	<b>(7,429,963,163,553)</b>
<b>Gross profit (20 = 10 + 11)</b>	<b>20</b>		<b>491,686,284,158</b>	<b>500,278,616,311</b>
Financial income	21	30	131,313,611,859	11,387,456,520
Financial expenses	22	31	(54,132,416,925)	(67,564,894,871)
<i>In which: Interest expense</i>	23		(52,929,724,175)	(64,142,222,565)
Share of profit in associates	24	7(c)	13,971,199,185	8,751,205,868
Selling expenses	25	32	(233,222,725,452)	(187,250,220,059)
General and administration expenses	26	33	(181,799,948,240)	(165,213,173,009)
<b>Net operating profit (30 = 20 + 21 + 22 + 24 + 25 + 26)</b>	<b>30</b>		<b>167,816,004,585</b>	<b>100,388,990,760</b>
Other income	31	34	44,053,625,861	51,237,208,578
Other expenses	32	35	(6,482,931,382)	(32,978,275,834)
<b>Results of other activities (40 = 31 + 32)</b>	<b>40</b>		<b>37,570,694,479</b>	<b>18,258,932,744</b>
<b>Accounting profit before tax (50 = 30 + 40)</b>	<b>50</b>		<b>205,386,699,064</b>	<b>118,647,923,504</b>
<b>Income tax expense – current</b>	<b>51</b>	<b>37(b)</b>	<b>(40,962,972,756)</b>	<b>(31,908,297,424)</b>
<b>Income tax (benefit)/expense – deferred</b>	<b>52</b>	<b>37(b)</b>	<b>(1,147,250,746)</b>	<b>1,041,391,181</b>
<b>Net profit after tax (60 = 50 + 51 + 52)</b>	<b>60</b>		<b>163,276,475,562</b>	<b>87,781,017,261</b>
<b>Attributable to:</b>				
Equity holders of the Company	61		103,861,038,432	51,807,692,432
Non-controlling interest	62		59,415,437,130	35,973,324,829
<b>Basic earnings per share</b>	<b>70</b>	<b>38</b>	<b>3,569</b>	<b>2,074</b>

Prepared by:



**Ngo Van Danh**  
Chief Accountant

21 March 2016

Approved by:



**Mai Viet Ha**  
General Director

The accompanying notes are an part of these consolidated financial statements

## CONSOLIDATED STATEMENT OF CASH FLOWS (indirect method)

for the year ended 31 December 2015  
Form B 03 – DN/HN

	CODE	NOTE	2015 VND	2014 VND RECLASSIFIED
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Profit before tax</b>	<b>01</b>		<b>205,386,699,064</b>	<b>118,647,923,504</b>
<b>Adjustments for</b>				
Depreciation and amortisation	02		50,344,224,149	46,268,640,090
Allowances and provisions	03		24,327,190,105	(1,694,187,478)
Losses/(gains) on disposals of fixed assets	05		3,386,630,109	(2,481,039,874)
Gain on disposal of investments in a subsidiary	05		(4,266,034,971)	-
Gains on disposal of other long-term investments	05		(110,235,368,205)	(664,950,000)
Losses on disposals of investments in associates	05		-	2,694,669,694
Losses on written off construction in progress	05		-	245,616,673
Dividends and interest income	05		(10,067,082,253)	(5,392,421,309)
Income from associates	05		(13,971,199,185)	(8,751,205,868)
Interest expense	06		52,929,724,175	64,142,222,565
<b>Operating profit before changes in working capital</b>	<b>08</b>		<b>197,834,782,988</b>	<b>213,015,267,997</b>
Change in receivables and other current assets	09		(160,476,732,231)	84,195,221,794
Change in inventories	10		11,886,374,627	192,664,732,756
Change in payables and other liabilities	11		213,076,128,815	(59,650,523,725)
Change in prepaid expenses	12		(218,209,528)	7,183,348,182
Change in trading securities	13		7,990,069,578	(1,634,020,490)
			<b>270,092,414,249</b>	<b>435,774,026,514</b>
Interest paid	14		(53,658,708,530)	(67,733,019,851)
Corporate income tax paid	15		(32,099,925,042)	(31,054,179,708)
Other payments for operating activities	17		(9,831,646,219)	(8,263,611,866)
<b>Net cash flows from operating activities</b>	<b>20</b>		<b>174,502,134,458</b>	<b>328,723,215,089</b>

The accompanying notes are an part of these consolidated financial statements

	CODE	NOTE	2015 VND	2014 VND RECLASSIFIED
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Payments for additions to fixed assets	21		(124.820.974.062)	(123.164.262.896)
Proceeds from disposals of tangible fixed assets	22		10.663.750.136	10.094.569.908
Net proceeds from disposal of investments in a subsidiary, net of cash disposed		39	(280.685.507)	-
Proceeds from disposals of other long-term investments			28.422.900.000	907.500.000
Payments for investments in other entities	25		(46.100.000.000)	(23.624.031.482)
Payments of short-term investments			-	(10.700.000.000)
Collection of investments in an associate			-	734.199.983
Receipts of dividends and interest income	27		11.879.232.253	5.392.421.309
Receipts in other non-current assets			(2.604.313.701)	(2.392.449.000)
<b>Net cash flows from investing activities</b>	<b>30</b>		<b>(122.840.090.881)</b>	<b>(142.752.052.178)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Proceeds from borrowings	33		4.135.769.213.612	3.870.681.841.050
Payments to settle loan principals	34		(4.105.552.773.699)	(4.039.649.274.822)
Proceeds from equity issued by subsidiaries to non-controlling interest			4.644.400.000	29.098.000.000
Payments for financial lease liabilities	35		-	(1.326.047.264)
Payments of dividends to equity holders of the Company	36		(29.546.322.250)	(30.485.248.830)
Payments of dividends by subsidiaries to non-controlling interest	36		(25.042.746.313)	(21.592.647.531)
<b>Net cash flows from financing activities</b>	<b>40</b>		<b>(19.728.228.650)</b>	<b>(193.273.377.397)</b>
<b>Net cash flows during the year (50 = 20 + 30 + 40)</b>	<b>50</b>		<b>31.933.814.927</b>	<b>(7.302.214.486)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>60</b>		<b>179.855.579.173</b>	<b>187.157.793.659</b>
<b>Cash and cash equivalents at the end of the year (70 = 50 + 60)</b>	<b>70</b>	<b>6</b>	<b>211.789.394.100</b>	<b>179.855.579.173</b>

Prepared by:

21 March 2016



**Ngo Van Danh**  
Chief Accountant

Approved by:



**Mai Viet Ha**  
General Director

The accompanying notes are an part of these consolidated financial statements

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 December 2015  
Form B 09 – DN/HN

These notes form an integral part of, and should be read in conjunction with, the accompanying consolidated financial statements.

### 1. REPORTING ENTITY

#### (a) Ownership structure

Saigon General Service Corporation (“the Company”) was incorporated as a joint-stock company under Decision No. 3448/QĐ-UB issued by the Ho Chi Minh City People’s Committee on 9 July 2004 and amended by Decision No. 3449/QĐ-UB on the same day.

The consolidated financial statements of the Group for the year ended 31 December 2015 comprise the Company and its subsidiaries (together referred to as “the Group”) and the Group’s interest in associates.

#### (b) Principals activities

The principal activities of the Group are:

- Services and trading: trading, distribution, repair and maintenance of cars, motorbikes and spare parts of Toyota, Ford, GM, Suzuki, Hyundai, SYM, Yamaha; trading jewelries, construction materials; providing bar and restaurant services;

- Real estate: trading real estate, land use rights; leasing warehouses, office, commercial centres; investing, developing real estate projects such as office buildings, apartments, villas and high-class resorts;

- Financial services: investing in subsidiaries, associates and in shares of other entities operating in trading and services, real estate and infrastructures.

The Company’s shares are listed on the Ho Chi Minh Stock Exchange.

#### (c) Normal operating cycle

The normal operating cycle of the Group is generally within 12 months.

#### (d) Group structure

As at 31 December 2015, the Group had 1,847 employees (1 January 2015: 1,810 employees).

As at 31 December 2015, the Group had 13 subsidiaries and 6 associates (1 January 2015: 12 subsidiaries and 4 associates) as follow:

#### Subsidiaries

NO.	NAME	PRINCIPAL ACTIVITY	ADDRESS	PERCENTAGE OF ECONOMIC INTERESTS AT	
				31/12/2015	1/1/2015
1	Saigon Automobile Service Joint Stock Company (SAIGON FORD)	Trading FORD cars and spare parts, providing maintenance services.	61A Cao Thang Street, Ward 3, District 3, Ho Chi Minh City, Vietnam	52.05%	52.05%
2	Toyota Giai Phong Joint Venture Company (TGP)	Trading TOYOTA cars and spare parts, providing maintenance services.	807 Giai Phong Street, Giap Bat Ward, Hoang Mai District, Hanoi City, Vietnam	51%	51%
3	Saigon Service Trading Limited Company (YAMAHA Can Tho)	Trading YAMAHA motorbikes and spare parts, providing maintenance services.	164 – 166C, 3/2 Street, Hung Loi Ward, Ninh Kieu District, Can Tho City, Vietnam	88.12%	88.12%
4	Saigon Star Corporation (*)	Trading SUZUKI, HONDA, VEAM and YAMAHA automobile and motorbikes and spare parts, providing maintenance services.	510 National Highway 13, Hiep Binh Phuoc Ward, Thu Duc District, Ho Chi Minh City, Vietnam	59.62%	55%

NO.	NAME	PRINCIPAL ACTIVITY	ADDRESS	PERCENTAGE OF ECONOMIC INTERESTS AT	
				31/12/2015	1/1/2015
5	Savico Hanoi Corporation	Operating business centre, providing hotel services; civil construction, industrial projects; agents and consignment; import and export activities; trading and maintaining automobile; providing engine rental, transportation and car parking services.	7-9 Nguyen Van Linh Street, Long Bien Ward, Ha Noi City, Vietnam	70%	70%
6	Toyota Can Tho Company Limited	Trading TOYOTA cars and spare parts, providing maintenance services.	K2-0, Vo Nguyen Giap Street, Thanh Thuan Area, Phu Thu Ward, Cai Rang District, Can Tho City, Vietnam	51%	51%
7	Savico Da Nang Corporation	Trading real estate; providing workshops and office rental services; providing consulting and real estate brokerage services; trading automobile and spare parts; providing maintenance and repairing service; providing transportation services.	66 Vo Van Tan Street, Chinh Gian Ward, Thanh Khe District, Da Nang City, Vietnam	70%	70%
8	OtoS Joint Stock Company (otos.vn)	Providing e-commerce services; advertising services; trading cars and spare parts; providing maintenance and repairing services; providing software publishment and other services related to information technology.	68 Nam Ky Khoi Nghia Street, Nguyen Thai Binh Ward, District 1, Ho Chi Minh City, Vietnam	77.07%	77.07%
9	Da Nang Son Tra Corporation	Trading real estate; providing hotel and travel services; operating restaurant, providing food and beverages; providing transportation and civil construction services.	Bai Trem, Hoang Sa Street, Tho Quang Ward, Son Tra District, Da Nang City, Vietnam	98%	98%
10	Saigon Cuu Long Automobile Corporation	Trading GM cars and spare parts; providing maintenance and transportation services.	274 30/4 Street, Hung Loi Ward, Ninh Kiêu District, Can Tho City, Vietnam	84.17%	84.17%
11	Saigon North West Automobile Joint Stock Company (*)	Trading FUSO truck and spare parts; providing maintenance, repairing and transportation services.	68 Nam Ky Khoi Nghia Street, Nguyen Thai Binh Ward, District 1, Ho Chi Minh City, Vietnam	80%	-
12	Vinh Thinh Automobile Joint Stock Company (*)	Trading HINO truck and spare parts; providing maintenance, repairing and transportation services.	5/5 Binh Giao Area, Thuan Giao Ward, Thuận An Town, Binh Duong Province, Vietnam	90%	-

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONT)

for the year ended 31 December 2015  
Form B 09 – DN/HN

NO.	NAME	PRINCIPAL ACTIVITY	ADDRESS	PERCENTAGE OF ECONOMIC INTERESTS AT	
				31/12/2015	1/1/2015
13	Nam Song Hau Automobile Joint Stock Company (*)	Trading HONDA cars and spare parts; providing maintenance, repairing and transportation services.	Block E1-1, Vo Nguyen Giap Street, Thanh Loi Area, Phu Thu Ward, Cai Rang District, Can Tho City, Vietnam	93%	-
14	Savico-Mekong General Trade Service Limited Company (**)	Trading automobile, motorbikes and spare parts; providing maintenance and repairing services.	55-55B Cach Mang Thang Tam Street, An Hoa Ward, Ninh Kieu District, Can Tho City, Vietnam	-	51%
15	East City Co., Ltd. (**)	Trading GM cars and spare parts, providing maintenance services.	03 Quoc Huong Street, Thao Dien Ward, District 2, Ho Chi Minh City, Vietnam	-	55%

### Associates

NO.	NAME	PRINCIPAL ACTIVITY	ADDRESS	PERCENTAGE OF ECONOMIC INTERESTS AT	
				31/12/2015	1/1/2015
1	Ben Thanh Savico General Trading & Services Co., Ltd.	Trading SYM motorbikes and spare parts, providing maintenance services.	17-19 Tran Hung Dao, District 1, Ho Chi Minh City, Vietnam	37.33%	37.33%
2	ComfortDelgro Savico Taxi Company	Providing the transportation and maintenance services.	384A Kha Van Can, Hiep Binh Chanh Ward, Thu Duc District, Ho Chi Minh City, Vietnam	40.03%	40.03%
3	Toyota East Saigon Joint Stock Company (TESC)	Trading TOYOTA cars and spare parts, providing maintenance services.	507 Ha Noi Highway, District 2, Ho Chi Minh City, Vietnam	35.16%	35.16%
4	Binh Duong New City Automobile Service Joint Stock Company	Trading FORD cars and spare parts, providing maintenance services.	C13, Nguyen Hue Street, Lien Hop Area, Hoa Phu Ward, Thu Dau Mot City, Binh Duong Province, Vietnam	27.5%	27.5%
5	South West Star Automobile Joint Stock Company (*)	Trading HYUNDAI cars and spare parts; providing maintenance, repairing and transportation services.	91 Cach Mang Thang Tam Street, An Thoi Ward, Binh Thuy District, Can Tho City, Vietnam	40%	-

NO.	NAME	PRINCIPAL ACTIVITY	ADDRESS	PERCENTAGE OF ECONOMIC INTERESTS AT	
				31/12/2015	1/1/2015
6	Toyota Ly Thuong Kiet Limited (*)	Trading TOYOTA cars and spare parts, providing maintenance services, non-life insurance agency.	188 Le Trong Tan, Tay Thanh Ward, Tan Phu District, Ho Chi Minh City, Vietnam	20%	-

(\*) During the year, the Company contributed additionally 4.62%, 80%, 90% and 93% capital of the subsidiaries – Saigon Star Corporation, Saigon North West Automobile Joint Stock Company, Vinh Thinh Automobile Joint Stock Company and Nam Song Hau Automobile Joint Stock Company, respectively and contributed 40% and 51% capital of the associates – South West Star Automobile Joint Stock Company and Toyota Ly Thuong Kiet Limited, respectively.

(\*\*) During the year, the Company disposed a subsidiary – East City Co., Ltd (Note 39) and liquidated a subsidiary – Savico-Mekong General Trade Service Limited Company.

### 2. BASIS OF PREPARATION

#### (a) Statement of compliance

The consolidated financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting.

#### (b) Basis of measurement

The consolidated financial statements, except for the consolidated statement of cash flows, are prepared on the accrual basis using the historical cost concept. The consolidated statement of cash flows is prepared using the indirect method.

#### (c) Annual accounting period

The annual accounting period of the Group is from 1 January to 31 December.

#### (d) Accounting and presentation currency

The Group's accounting currency is Vietnam Dong ("VND"), which is also the currency used for financial statement presentation purpose.

### 3. ADOPTION OF NEW GUIDANCE ON ACCOUNTING SYSTEM FOR ENTERPRISES

On 22 December 2014, the Ministry of Finance issued Circular

No.200/2014/TT-BTC providing guidance on the Vietnamese Accounting System for enterprises ("Circular 200"). Circular 200 replaces previous guidance on the Vietnamese Accounting System for enterprises under Decision No. 15/2006-QD/BTC dated 20 March 2006 and Circular No. 244/2009/TT-BTC dated 31 December 2009. Circular 200 is effective after 45 days from the signing date and applicable for annual accounting periods beginning on or after 1 January 2015.

On the same date of 22 December 2014, the Ministry of Finance also issued Circular No.202/2014/TT-BTC providing guidance on preparation and presentation of consolidated financial statements ("Circular 202"). Circular 202 replaces previous guidance on preparation and presentation of consolidated financial statements provided in Part XIII of Circular No. 161/2007/TT-BTC dated 31 December 2007 of the Ministry of Finance. Circular 202 is also effective after 45 days from the signing date and applicable for annual accounting periods beginning on or after 1 January 2015.

The Group has adopted the applicable requirements of Circular 200 and Circular 202 from 1 January 2015 on a prospective basis. The significant changes to the Group's accounting policies and the effects on the consolidated financial statements, if any, are disclosed in the following notes to the consolidated financial statements.

- Basis of consolidation (Note 4(a));
- Recognition of foreign exchange differences (Note 4(b));
- Earnings per share (Note 4(u)).

The Circulars also brought changes in presentation of certain items in the consolidated balance sheet and the consolidated statement of cash flows. Corresponding figures have been reclassified to conform to the current period presentation. Details of reclassification of corresponding figures are disclosed in Note 41 to these consolidated financial statements.

### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following significant accounting policies have been adopted by the Group in the preparation of these consolidated financial statements.

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### (a) Basis of consolidation

#### (i) Subsidiaries

Subsidiaries are entities controlled by the Group. The financial statements of the subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

#### (ii) Non-controlling interests

Non-controlling interests ("NCI") are measured at their proportionate share of the acquiree's identifiable net assets at date of acquisition.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as transactions with owners. The difference between the change in the Group's share of net assets of the subsidiary and any consideration paid or received is recorded directly in retained profits under equity.

#### (iii) Loss of control

When the Group loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognized in the consolidated income statement. Any interest retained in the former subsidiary when control is lost is stated at the carrying amount of the retained investment in the separate financial statements adjusted for appropriate shares of changes in equity of the investee since the acquisition date, if significant influence in the investee is maintained, or otherwise stated at cost.

#### (iv) Associates (equity accounted investees)

Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies. Associates are accounted for using the equity method (equity accounted investees). The consolidated financial statements include the Group's share of the income and expenses of the associates, after adjustments to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases. When the Group's share of losses exceeds its interest in an associate, the carrying amount of that interest (including any long-term investments) is reduced to nil and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the associate.

#### (v) Transactions eliminated on consolidation

Intra-group balances, and any unrealised income and

expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains and losses arising from transactions with associates are eliminated against the investments to the extent of the Group's interest in the investees.

### (b) Foreign currency transactions

Transactions in currencies other than VND during the year have been translated into VND at actual rates of exchange ruling at the transaction dates. The actual rates of exchange applied to account for foreign currency transaction are determined as follows:

- Exchange rate applied to buying or selling foreign currency is the exchange rate stipulated in the currency exchange contract between the Company or its subsidiaries and the bank.
- Exchange rate applied to recognise trade and other receivables is the foreign currency buying rate at the transaction date quoted by the bank through which the Company or its subsidiaries receive(s) money from the customer or counterparty.
- Exchange rate applied to recognise trade and other payables is the foreign currency selling rate at the transaction date quoted by the bank through which the Company or its subsidiaries intend(s) to make payment for the liability.
- For asset acquisitions or expenses that are settled with immediate payment, the exchange rate applied is the foreign currency buying rate at the transaction date quoted by the bank through which the Company or its subsidiaries make(s) payment.

Monetary assets and liabilities denominated in currencies other than VND are translated into VND at actual rates of exchange ruling at the balance sheet date. The actual rates of exchange applied to retranslate monetary items denominated in foreign currency at reporting date are determined as follows:

- For monetary assets (cash and receivables): the foreign currency buying rate at the reporting date quoted by the commercial bank where the Company or its subsidiaries most frequently conducts transactions. Cash at banks and bank deposits are retranslated using the foreign currency buying rate of the bank where the Company or its subsidiaries deposits the money or maintains those bank accounts.
- For monetary liabilities (payables and borrowings): the

foreign currency selling rate at reporting date quoted by the commercial bank where the Company or its subsidiaries most frequently conducts transactions.

All foreign exchange differences are recorded in the consolidated statement of income.

### (c) Cash and cash equivalents

Cash comprises cash balances and call deposits. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value, and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

### (d) Investments

#### (i) Trading securities

Trading securities are those held by the Group for trading purpose i.e. purchased for resale with the aim of making profits. Trading securities are initially recognised at cost which include purchase price plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at cost less allowance for diminution in value. An allowance is made for diminution in value of trading securities if market price of the securities item falls below its carrying amount. The allowance is reversed if the market price subsequently increases after the allowance was recognised. An allowance is reversed only to the extent that the securities' carrying amount does not exceed the carrying amount that has been determined if no allowance had been recognised.

#### (ii) Held to maturity investments

Held to maturity investments are those that the Group's management has intention and ability to hold until maturity. Held to maturity investments include term deposits at bank, bonds, redeemable preference shares which the issuers are required to repurchase at a certain date and granting loans held to maturity. These investments are stated at costs less allowance for impairment.

#### (iii) Investments in equity instruments of other entities

Investments in equity instruments of other entities are initially recognised at cost which include purchase price plus any directly attributable transaction costs. Subsequent to initial recognition, these investments are stated at cost less allowance for diminution in value. An allowance is made for diminution in investment values if the investee has suffered a loss, except where such a loss was anticipated by the Group's management before making the investment. The allowance is

reversed if the investee subsequently made a profit that offsets the previous loss for which the allowance had been made. An allowance is reversed only to the extent that the investment's carrying amount does not exceed the carrying amount that has been determined if no allowance had been recognised.

### (e) Accounts receivable

Trade and other receivables are stated at cost less allowance for doubtful debts.

### (f) Inventories

Inventories consist of residential projects, cars, motorbikes and spare parts.

Inventories are stated at the lower of cost and net realisable value. Cost is determined on a specific identification basis for real estate, cars, motorbikes and weighted average basis for spare parts and includes all costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price of inventory items, less the estimated costs of completion and selling expenses.

Cost of work in progress includes land use rights and land development costs.

The Group applies the perpetual method of accounting for inventories.

### (g) Tangible fixed assets

#### (i) Cost

Tangible fixed assets are stated at cost less accumulated depreciation. The initial cost of a tangible fixed asset comprises its purchase price, including import duties, non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition for its intended use. Expenditure incurred after tangible fixed assets have been put into operation, such as repair, maintenance and overhaul cost, is charged to the consolidated statement of income in the period in which the cost is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of tangible fixed assets beyond their originally assessed standard of performance, the expenditure is capitalised as an additional cost of tangible fixed assets.

#### (ii) Depreciation

Depreciation is computed on a straight-line basis over the estimated useful lives of tangible fixed assets. The estimated useful



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lives are as follows:

- buildings 6 – 42 years
- machinery and equipment 4 – 8 years
- office equipment 2 – 10 years
- motor vehicles 5 – 6 years
- others 3 – 5 years

### (h) Intangible fixed assets

#### (i) Land use rights

Land use rights comprise:

- those granted by the State for which land use payments are collected;
- those acquired in a legitimate transfer; and
- rights to use leased land obtained before the effective date of Land Law (2003) for which payments have been made in advance for more than 5 years and supported by land use right certificate issued by competent authority.

Land use rights with indefinite period of use are stated at cost. Land use rights with definite period of use are stated at cost less accumulated amortisation. The initial cost of land use rights comprises its purchase price and any directly attributable costs incurred in conjunction with securing the land use rights. Amortisation is computed on a straight-line basis over 20 to 50 years.

#### (ii) Software

Cost of acquiring new software, which is not an integral part of the related hardware, is capitalised and treated as an intangible asset. Software cost is amortised on a straight-line basis over 3 to 4 years.

### (i) Investment property

#### (i) Investment property held to earn rental

Cost

Investment property held to earn rental is stated at cost less accumulated depreciation. The initial cost of an investment property held to earn rental comprises its purchase price, cost of land use rights and any directly attributable expenditure of bringing the property to the condition necessary for it to be capable of operating in the manner intended by management. Expenditure incurred after investment property held to earn rental has been put into operation, such as repairs and maintenance, is charged to the consolidated statement of income in the year in which the expenditure is incurred. In

situations where it can be clearly demonstrated that the expenditure has resulted in future economic benefits in excess of the originally assessed standard of performance of the existing investment property held to earn rental, the expenditure is capitalised as an additional cost of the investment property.

Depreciation

Land use rights with indefinite period of use are not amortised. Land use rights with definite period of use are stated at cost less accumulated depreciation. Depreciation is computed on a straight-line basis over the estimated useful lives of investment property. The estimated useful lives are as follows:

- land use rights 18 – 50 years
- buildings 5 – 36 years

#### (ii) Investment property held for capital appreciation

Prior to 1 January 2015, investment property held for capital appreciation was accounted for in the same way as that applied to investment property held to earn rental. Effective from 1 January 2015, as a result of the adoption of Circular 200, depreciation of investment property held for capital appreciation has ceased. The carrying amount of an investment property item held for capital appreciation is reduced when there is evidence that its market price falls below its carrying amount and the loss can be measured reliably. Any reduction in value of investment property held for capital appreciation is charged to cost of sales.

#### (j) Construction in progress

Projects that are being constructed or developed for future mixed use as fixed assets, investment properties and property for sale (inventories) are classified as construction in progress and stated at cost, until construction or development is completed or costs can be measured reliably for the properties, at which time they are reclassified and subsequently accounted for as fixed assets, investment property or inventories. Fixed assets, investment property and inventories are stated at cost of initial recognition. Subsequently, they are recognised as described in respective notes.

All costs directly associated with the purchase and development of a project, costs incurred in conjunction with securing the leasehold land use rights, and all subsequent capital expenditures for the development qualifying as acquisition costs are capitalised.

Borrowing costs are capitalised if they are directly attributable to the acquisition, construction or production of a qualifying asset. Capitalisation of borrowing costs commences when the activities to prepare the asset are in progress and expenditures and borrowing costs are being incurred. Capitalisation of borrowing costs may continue until the assets are substantially ready for their intended use. The capitalisation rate is arrived at by reference to the actual rate payable on borrowings for development purposes or, with regard to that part of the development cost financed out of general funds, to the average rate.

### (k) Long-term prepaid expenses

#### (i) Prepaid land costs

Prepaid land costs comprise prepaid land lease rentals, including those for which the Group obtained land use rights certificate but are not qualified as intangible fixed assets under Circular No. 45/2013/TT-BTC dated 25 April 2013 of the Ministry of Finance providing guidance on management, use and depreciation of fixed assets, and other costs incurred in conjunction with securing the use of leased land. These costs are recognised in the consolidated statement of income on a straight-line basis over the term of the lease of 8 years.

#### (ii) Tools and supplies

Tools and supplies held for use by the Group in the normal course of business whose costs of individual items are less than VND30 million and therefore not qualified for recognition as fixed assets under prevailing regulation. Cost of tools and supplies are amortised on a straight-line basis over a period ranging from 2 to 3 years.

### (l) Trade and other payables

Trade and other payables are stated at their cost.

### (m) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

### (n) Share capital

#### (i) Ordinary shares

Incremental costs directly attributable to the issue of shares, net of tax effects, are recognized as a deduction from share premium.

#### (ii) Repurchase and reissue of ordinary shares (treasury shares)

When shares recognized as equity are repurchased, the amount of the consideration paid, which includes directly attributable costs, net of tax effects, is recognized as a reduction from equity. Repurchased shares are classified as treasury shares under equity. When treasury shares are sold for reissue subsequently, cost of the reissued shares is determined on a weighted average basis. Any difference between the amount received and the cost of the shares reissued is presented within share premium.

### (o) Equity funds

Allocations are made to equity funds from retained profits each year based on percentage decided by the shareholders in their annual ordinary general meeting.

Under Circular 200, financial reserve is no longer used. Outstanding balance of this reserve is transferred to the investment and development fund. Utilisation of the above reserve funds requires approval of the shareholders.

### (p) Taxation

Income tax on the consolidated profit or loss for the year comprises current and deferred tax. Income tax is recognised in the consolidated statement of income except to the extent that it relates to items recognised directly to equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amounts of assets and liabilities using tax rates enacted or substantively enacted at the balance sheet date.

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A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

### (q) Revenue

#### (i) Sales of real estate

Revenue from transfer of land use right and sale of standard-designed houses which do not require significant customisation for each customer is recognised in the consolidated statement of income when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due. The transfer of significant risks and rewards is determined to be at the time of sale or completion of the property, whichever is later.

#### (ii) Sales of merchandise goods

Revenue from the sale of merchandise goods is recognised in the consolidated statement of income when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due or the possible return of goods. Revenue on sales of goods is recognised at the net amount after deducting sales discounts stated on the invoice.

#### (iii) Services rendered

Services mainly consist of repair and maintenance for cars and motorbikes.

Revenue from services rendered is recognised in the consolidated statement of income in proportion to the stage of completion of the transaction at the balance sheet date. The stage of completion is assessed by reference to surveys of work performed. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due.

#### (iv) Rental income

Rental income from leased property is recognised in the consolidated statement of income on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income.

### (r) Financial income

#### (i) Interest income

Interest income is recognised on a time proportion basis with reference to the principal outstanding and the applicable interest rate.

#### (ii) Revenue from security trading

Revenue from security trading activities is recognised in the consolidated statement of income when significant risks and rewards of ownership have been transferred to the buyer. Significant risks and rewards of ownership have been transferred upon the completion of trading transaction (for listed securities) or the completion of the agreement on transfer of assets (for non-listed securities).

#### (iii) Dividend income

Dividends income is recognised when the right to receive dividends is established.

### (s) Operating lease payments

Payments made under operating leases are recognised in the consolidated statement of income on a straight-line basis over the term of the lease. Lease incentives received are recognised in the consolidated statement of income as an integral part of the total lease expense.

### (t) Borrowing costs

Borrowing costs are recognised as an expense in the year in which they are incurred, except where the borrowing costs relate to borrowings in respect of the construction of qualifying assets, in which case the borrowing costs incurred during the period of construction are capitalised as part of the cost of the assets concerned.

### (u) Earnings per share

The Group presents basic earnings per share (EPS) for its ordinary shares which is calculated by dividing the profit or loss attributable to the ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the period. The Group does not have any potentially dilutive ordinary shares.

Prior to 1 January 2015, the profit or loss attributable to the ordinary shareholders of the Company included amounts appropriated to bonus and welfare fund and Board of Management and Supervisory Board fee fund, if any. Effective from 1 January 2015, the profit or loss attributable to the ordinary shareholders of the Company is determined after deducting any amounts appropriated to bonus and welfare fund and Board of Management and Supervisory Board fee fund. This change in accounting policy has been applied prospectively. As a result, basic earnings per share

for the year ended 31 December 2015 had decreased by VND590.

### (v) Segment reporting

A segment is a distinguishable component of the Group that is engaged either in providing related products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments. The Group's primary format for segment reporting is based on business segment. The Group operates in Vietnam, a single geographical segment.

### (w) Related parties

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

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### 5. SEGMENT REPORTING

For the year ended:

	Services and trading		Investment property services		Financial services		Total
	2015 VND	2014 VND	2015 VND	2014 VND	2015 VND	2014 VND	
Segment revenue	9,522,163,333,850	7,561,303,976,857	367,779,069,122	368,937,803,007	-	-	9,889,942,402,972
Segment other income	41,528,665,325	41,189,305,213	114,408,860,771	177,562,097,793	6,811,587,049	3,597,275,690	162,749,113,145
Direct and attributable cost of sales to segments	(9,057,807,373,899)	(7,189,418,469,165)	(340,448,744,915)	(240,544,694,388)	-	-	(9,398,256,118,814)
Direct and attributable other expenses to segments	(399,980,872,766)	(332,682,787,935)	(67,329,066,480)	(108,436,284,328)	(1,861,951,371)	(1,878,258,410)	(469,171,890,617)
Segment profit during the year	105,903,752,510	80,392,024,970	74,410,118,498	377,130,340,84	4,949,635,678	1,719,017,280	185,263,506,686
Un-allocated income							26,589,323,760
Un-allocated expenses							(6,466,131,382)
Income tax							(42,110,223,502)
							163,276,475,562

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	Services and trading		Investment property services		Financial services		Total
	31/12/2015 VND	1/1/2015 VND	31/12/2015 VND	1/1/2015 VND	31/12/2015 VND	1/1/2015 VND	
<b>Assets</b>							
Current assets	1,054,513,812,558	720,206,967,182	182,443,804,366	82,415,443,355	40,726,185,952	47,545,504,496	1,277,683,802,876
Non-current assets	272,872,297,366	278,601,352,634	1,205,201,878,281	1,505,050,368,887	-	1,015,264,000	1,478,074,175,647
Un-allocated assets	-	-	-	-	-	-	1,903,989,999
	1,327,386,109,924	998,808,319,816	1,387,645,682,647	1,587,465,812,242	40,726,185,952	48,560,768,496	2,757,661,968,522
<b>Liabilities</b>							
Current liabilities	852,706,501,149	567,218,156,266	346,119,578,398	404,632,278,407	-	13,763,891,686	1,198,826,079,547
Non-current liabilities	2,363,244,775	129,280,877,121	495,339,999,116	547,996,656,143	-	4,306,134,386	497,703,243,891
	855,069,745,924	696,499,033,387	841,459,577,514	952,628,934,550	-	18,070,026,072	1,696,529,323,438
							1,667,197,994,009
							985,614,326,359
							681,583,667,650
							1,667,197,994,009
							46,268,640,090
							(1,694,187,478)
							123,164,262,896

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### 6. CASH AND CASH EQUIVALENTS

	31/12/2015 VND	1/1/2015 VND
Cash on hand	10,979,173,552	7,258,329,191
Cash in banks	124,714,063,810	129,005,709,982
Cash equivalents	76,096,156,738	43,591,540,000
	211,789,394,100	179,855,579,173

Cash equivalent at 31 December 2015 included VND482 million (1 January 2015: VND2,542 million) pledged with banks as security for loans granted to the Group.

### 7. INVESTMENTS

#### (a) Trading securities

	31/12/2015	1/1/2015
	QUANTITY	QUANTITY
	CARRYING AMOUNT VND	CARRYING AMOUNT VND
	FAIR VALUE VND	FAIR VALUE VND
	ALLOWANCE FOR DIMINUTION IN VALUE VND	ALLOWANCE FOR DIMINUTION IN VALUE VND
Short-term financial investments in:		
Listed shares		
• Ben Thanh Trading and Service Joint Stock Company	39,159 694,914,918 1,640,762,100	- 6,920,902,000
• Viet Thai Joint Stock Company	650,760 8,042,676,000 10,086,780,000	- 10,347,084,000
• Tien Len Steel Corporation Joint Stock Company	518,983 3,946,111,619 2,127,830,300	- 2,576,817,000
• The Southern Fertilizer Joint Stock Company	8,300 114,384,375 117,030,000	- (106,203,490)
Non-listed shares		
• Pacific Construction Investment and Commercial Joint Stock Company	500,000 14,000,000,000 5,000,000,000 (**)	5,000,000,000 (**)
• Ben Thanh Non Nuoc Joint Stock Company	90,000 9,000,000,000 - (*)	- (*)
• Toan Cau Insurance Company	180,000 6,300,000,000 1,260,000,000 (**)	1,260,000,000 (**)
• Ho Chi Minh City Electric Power Trading Investment Corporation	1,350,000 13,500,000,000 - (*)	- (*)
• Hai Phong Securities Joint Stock Company	812 2,052,543 - (*)	- (*)
• Ben Thanh Long Hai Joint Stock Company	- - -	5,135,623,136 (**)
	55,600,139,455	63,590,209,033
	(15,845,846,319)	(15,783,080,354)

(\*) At the reporting date, fair value of these investments was not available. These investees are making profit, therefore the management believe no provision to be made.

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(\*\*) Management's estimation of the fair value of these investees based on their performances.

Movements in the allowance for diminution in value of trading securities during the year were as follows:

	2015 VND	2014 VND
Opening balance	15,783,080,354	19,280,834,639
Increase in allowance during the year	1,727,092,829	-
Written back	(1,664,326,864)	(3,497,754,285)
Closing balance	15,845,846,319	15,783,080,354

### (b) Held-to-maturity investments

	31/12/2015		1/1/2015	
	CARRYING AMOUNT VND	FAIR VALUE VND	CARRYING AMOUNT VND	FAIR VALUE VND
Held-to-maturity investments – short-term				
• term deposits	-	-	6,000,000,000	6,000,000,000
Held-to-maturity investments – long-term				
• term deposits	-	-	4,700,000,000	4,700,000,000

### (c) Equity investments in other entities

	% OF EQUITY OWNED	% OF VOTING RIGHTS	CARRYING AMOUNT VND	FAIR VALUE VND	ALLOWANCE FOR DIMINUTION IN VALUE VND
<b>31 December 2015</b>					
<b>Equity investments in:</b>					
<b>Associates</b>					
• Ben Thanh Savico General Trading & Services Co., Ltd.	37.33%	37.33%	70,072,710	(*)	-
• ComfortDelgro Savico Taxi Company	40.03%	40.03%	33,458,203,711	(*)	-
• Toyota East Saigon Joint Stock Company (TESC)	35.16%	35.16%	53,843,827,214	(*)	-
• Binh Duong New City Automobile Service Joint Stock Company (a)	27.50%	27.50%	13,625,820,140	(*)	-
• Dana Joint Stock Company (DANA FORD)	28.19%	28.19%	9,352,545,577	(*)	-
• South West Star Automobile Joint Stock Company (b)	40.00%	40.00%	10,412,954,285	(*)	-
• Toyota Ly Thuong Kiet Limited (c)	51.00%	51.00%	32,061,668,236	(*)	-
			<b>152,825,091,873</b>		-
<b>Others</b>					
• Other long-term investments			5,315,264,000	(*)	-
					<b>158,140,355,873</b>
<b>1 January 2015</b>					
			<b>RECLASSIFIED</b>		<b>RECLASSIFIED</b>
<b>Equity investments in:</b>					
<b>Associates</b>					
• Ben Thanh Savico General Trading & Services Co., Ltd.	37.33%	37.33%	70,072,710	(*)	-
• ComfortDelgro Savico Taxi Company	40.03%	40.03%	30,680,975,476	(*)	-
• Toyota East Saigon Joint Stock Company (TESC)	35.16%	35.16%	47,679,461,182	(*)	-
• Binh Duong New City Automobile Service Joint Stock Company	31.71%	35.41%	12,983,670,429	(*)	-
• Dana Joint Stock Company (DANA FORD)	28.19%	28.19%	7,451,862,891	(*)	-
			98,866,042,688		-
<b>Others</b>					
• SAVICO-VINALAND CO., LTD. (d)			82,850,000,000	(*)	(3,372,547,962)
• Other long-term investments			1,015,264,000	(*)	-
			83,865,264,000		(3,372,547,962)
			182,731,306,688		(3,372,547,962)

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(\*) At the reporting date, fair value of these investments was not available.

- During the year, the Group contributed additionally VND1,200 million to capital of Binh Duong New City Automobile Service Joint Stock Company.
- On 12 August 2015, the Board of Management resolved to establish South West Star Automobile Joint Stock Company with the authorised legal capital of VND25 billion in which 40% of authorised legal capital is contributed by the Group. At the reporting date, the Group has fully contributed the capital.
- On 10 June 2015, the Board of Management resolved to contribute VND31 billion to Toyota Ly Thuong Kiet Limited equal to 51% of contributed capital. At the reporting date, the Group has fully contributed the capital. The Group accounts this investment as an investment in associate due to the Group has significant influence, but not control, over the financial and operating activities of Toyota Ly Thuong Kiet Limited.
- On 20 October 2015, the Board of Management resolved to dispose Savico-Vinaland Co, Ltd., the other investment to Vinaland Investment Limited. The Group signed a capital assignment agreement with Vinaland Investment Limited whereby the Group transferred all rights and the obligation arising from its shares in Savico-Vinaland Co., Ltd. to Vinaland Investment Limited.

Movements of investments in associates were as follows:

	2015 VND	2014 VND
Balance at the beginning of the year	98,866,042,688	87,569,378,997
New investments	41,800,000,000	13,050,000,000
Share of net profit in associates (net of income tax)	13,971,199,185	8,751,205,868
Dividends from associates	(1,812,150,000)	(7,075,672,500)
Disposals of associates	-	(8,909,369,677)
Deemed acquisition of an associate	-	6,040,500,000
Partial collection of investment in an associate	-	(560,000,000)
	152,825,091,873	98,866,042,688

Movements in the allowance for diminution in value of long-term financial investments during the year were as follows:

	2015 VND	2014 VND
Opening balance	3,372,547,962	2,938,834,011
Increase in allowance during the year	-	433,713,951
Allowance utilised during the year	(3,372,547,962)	-
Closing balance	-	3,372,547,962

Summary of balance sheets and statements of income of associates are as follows:

	TOTAL ASSETS 31/12/2015 VND	TOTAL LIABILITIES 31/12/2015 VND	OWNERS' EQUITY 31/12/2015 VND	NET PROFIT/ (LOSS) AFTER TAX 31/12/2015 VND
Ben Thanh Savico General Trading & Services Co., Ltd.	187.885.642	-	187.885.642	-
ComfortDelgro Savico Taxi Company	92.648.243.863	9.065.421.704	83.582.822.159	6.976.246.639
Toyota East Saigon Joint Stock Company (TESC)	437.030.507.290	283.891.066.975	153.139.440.315	22.914.663.107
Binh Duong New City Automobile Service Joint Stock Company	90.340.423.544	61.849.399.927	28.491.023.617	(1.560.481.586)
Dana Joint Stock Company (DANA FORD)	52.278.376.687	29.930.008.677	22.348.368.010	9.219.847.743
South West Star Automobile Joint Stock Company	150.548.138.286	125.465.752.575	25.082.385.711	1.032.385.711
Toyota Ly Thuong Kiet Limited	192.364.454.444	117.417.504.020	74.946.950.424	14.946.307.600
	TOTAL ASSETS 1/1/2015 VND	TOTAL LIABILITIES 1/1/2015 VND	OWNERS' EQUITY 1/1/2015 VND	NET PROFIT/ (LOSS) AFTER TAX 2014 VND
Ben Thanh Savico General Trading & Services Co., Ltd.	187.885.642	-	187.885.642	(2.513.599.335)
ComfortDelgro Savico Taxi Company	85.898.446.146	9.253.491.173	76.644.954.973	(2.970.051.056)
Toyota East Saigon Joint Stock Company (TESC)	363.349.307.806	227.742.194.090	135.607.113.716	26.269.432.736
Binh Duong New City Automobile Service Joint Stock Company	39.365.661.078	14.632.971.369	24.732.689.709	(187.310.291)
Dana Joint Stock Company (DANA FORD)	44.220.768.810	26.149.427.017	18.071.341.793	8.304.750.163

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### 8. ACCOUNTS RECEIVABLE FROM CUSTOMERS

Accounts receivable from customers detailed by significant customers

	31/12/2015 VND	1/1/2015 VND
Customers in relation to sales of merchandised goods	263,039,291,317	174,762,022,082
Customers in relation to rental income	4,290,319,052	3,691,373,860
Customers in relation to sales of real estate	453,540,087	1,025,000,000
Other customers	5,233,638,548	1,017,268,034
	273,016,789,004	180,495,663,976

### 9. OTHER RECEIVABLES

#### (a) Other short-term receivables

	31/12/2015 VND	1/1/2015 VND
		RECLASSIFIED
Receivable from disposal of other investment	29,245,050,000	-
Deposits for trading used cars on behalf of customers	25,451,621,967	20,299,528,603
Advances to employees	7,887,176,981	13,027,045,326
Short-term deposits	1,138,694,958	2,412,362,000
Others	20,751,047,344	13,920,523,816
	84,473,591,250	49,659,459,745

#### (b) Other long-term receivables

	31/12/2015 VND	1/1/2015 VND
		RECLASSIFIED
Receivables in business cooperation contracts	113,406,731,568	115,786,376,112
Long-term deposits	10,337,346,792	23,158,821,481
Others	11,328,066,700	9,345,621,247
	135,072,145,060	148,290,818,840

### 10. INVENTORIES

	31/12/2015		1/1/2015	
	CARRYING AMOUNT	ALLOWANCE	CARRYING AMOUNT	ALLOWANCE
	VND	VND	VND	VND
Goods in transit	7,961,388,308	-	15,553,222,728	-
Materials and spare parts	6,497,681,003	(2,591,856,758)	28,669,192,334	(3,489,943,669)
Work in progress	102,283,416,147	(21,975,574,661)	23,017,854,422	-
Finished goods	168,314,803	-	213,035,173	-
Merchandise inventories	499,674,298,317	-	280,997,400,262	-
Goods on consignment	-	-	601,818,182	-
	616,585,098,578	(24,567,431,419)	349,052,523,101	(3,489,943,669)

Movements in the allowance for inventories during the year were as follows:

	2015 VND	2014 VND
Opening balance	3,489,943,669	2,564,496,168
Increase in allowance during the year	22,316,728,886	943,161,465
Written back	(1,112,858,045)	-
Allowance utilised during the year	-	(17,713,964)
Decrease in allowance through disposal of investments in a subsidiary	(126,383,091)	-
Closing balance	24,567,431,419	3,489,943,669

At 31 December 2015 inventories with carrying value of VND 212,301 million (1 January 2015: VND 165,003 million) were pledged with banks as security for loans granted to the Group.

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### 11. TANGIBLE FIXED ASSETS

	BUILDINGS	MACHINERY AND EQUIPMENT	OFFICE EQUIPMENT	MOTOR VEHICLES	OTHERS	TOTAL
	VND	VND	VND	VND	VND	VND
<b>Cost</b>						
Opening balance	174,135,207,080	43,764,931,282	12,550,592,079	32,717,623,032	9,265,125,830	272,433,479,303
Additions	13,851,862,165	3,720,360,998	3,056,741,731	28,170,178,592	130,060,000	48,929,203,486
Transfers from construction in progress	12,885,763,474	753,829,989	-	270,602,092	656,097,273	14,566,292,828
Disposals	-	-	-	(18,580,776,762)	-	(18,580,776,762)
Written off	(3,662,176,731)	(312,092,389)	-	-	-	(3,974,269,120)
Decrease through disposal of investments in a subsidiary (Note 39)	-	(2,757,313,063)	(5,280,483,547)	(2,396,717,910)	-	(10,434,514,520)
Closing balance	197,210,655,988	45,169,716,817	10,326,850,263	40,180,909,044	10,051,283,103	302,939,415,215
<b>Accumulated depreciation</b>						
Opening balance	44,544,980,220	23,419,094,108	8,984,679,177	9,806,608,655	3,843,511,435	90,598,873,595
Charge for the year	16,815,251,397	5,829,591,899	882,752,915	5,030,031,825	1,282,612,041	29,840,240,077
Disposals	-	-	-	(4,724,335,913)	-	(4,724,335,913)
Written off	(3,662,176,731)	(312,092,389)	-	-	-	(3,974,269,120)
Decrease through disposal of investments in a subsidiary (Note 39)	-	(1,511,396,121)	(4,103,556,114)	(747,332,032)	-	(6,362,284,267)
Closing balance	57,698,054,886	27,425,197,497	5,763,875,978	9,364,972,535	5,126,123,476	105,378,224,372
<b>Net book value</b>						
Opening balance	129,590,226,860	20,345,837,174	3,565,912,902	22,911,014,377	5,421,614,395	181,834,605,708
Closing balance	139,512,601,102	17,744,519,320	4,562,974,285	30,815,936,509	4,925,159,627	197,561,190,843

Included in the cost of tangible fixed assets were assets costing VND24,489 million which were fully depreciated as of 31 December 2015 (1 January 2015: VND22,906 million), but which are still in active use.

At 31 December 2015 tangible fixed assets with carrying value of VND54,672 million (1 January 2015: VND40,872 million) were pledged with banks as security for loans granted to the Group.

### 12. INTANGIBLE FIXED ASSETS

	INDEFINITE LIVED LAND USE RIGHTS	DEFINITE LIVED LAND USE RIGHTS	SOFTWARE	TOTAL
	VND	VND	VND	VND
<b>Cost</b>				
Opening balance	14,634,054,300	43,773,551,509	2,151,250,350	60,558,856,159
Additions	20,697,299,091	-	380,000,000	21,077,299,091
Decrease through disposal of investments in a subsidiary (Note 39)	-	-	(40,000,000)	(40,000,000)
Closing balance	35,331,353,391	43,773,551,509	2,491,250,350	81,596,155,250
<b>Accumulated amortisation</b>				
Opening balance	-	7,846,557,168	1,992,898,161	9,839,455,329
Charge for the year	-	1,021,268,280	121,003,059	1,142,271,339
Decrease through disposal of investments in a subsidiary (Note 39)	-	-	(34,700,149)	(34,700,149)
Closing balance	-	8,867,825,448	2,079,201,071	10,947,026,519
<b>Net book value</b>				
Opening balance	14,634,054,300	35,926,994,341	158,352,189	50,719,400,830
Closing balance	35,331,353,391	34,905,726,061	412,049,279	70,649,128,731

Included in the cost of intangible fixed assets were assets costing VND1,815 million which were fully depreciated as of 31 December 2015 (1 January 2015: VND1,785 million), but which are still in active use.

At 31 December 2015 intangible fixed assets with carrying value of VND27,259 million (1 January 2015: VND27,899 million) were pledged with banks as security for loans granted to the Group.



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### 13. INVESTMENT PROPERTY

	31/12/2015 VND	1/1/2015 VND
Investment property held to earn rental (a)	737,700,368,141	741,550,060,270
Investment property held for capital appreciation (b)	-	6,783,801,423
	737,700,368,141	748,333,861,693

#### (a) Investment property held to earn rental

	LAND USE RIGHTS VND	BUILDINGS VND	TOTAL VND
<b>Cost</b>			
Opening balance	133,201,140,041	720,839,626,254	854,040,766,295
Additions	-	15,705,960,000	15,705,960,000
Disposals	-	(363,636,364)	(363,636,364)
Reclassification	(7,187,537,591)	7,187,537,591	-
Closing balance	126,013,602,450	743,369,487,481	869,383,089,931
<b>Accumulated depreciation</b>			
Opening balance	18,501,166,485	93,989,539,540	112,490,706,025
Charge for the year	1,323,899,208	18,037,813,525	19,361,712,733
Disposals	-	(169,696,968)	(169,696,968)
Reclassification	(10,542,127,563)	10,542,127,563	-
Closing balance	9,282,938,130	122,399,783,660	131,682,721,790
<b>Net book value</b>			
Opening balance	114,699,973,556	626,850,086,714	741,550,060,270
Closing balance	116,730,664,320	620,969,703,821	737,700,368,141

Included in the cost of investment properties held to earn rental were assets costing VND19,702 million which were fully depreciated as of 31 December 2015 (1 January 2015: VND12,746 million), but which are still in active use.

At 31 December 2015 investment properties held to earn rental with carrying value of VND675,102 million (1 January 2015: VND671,154 million) were pledged with banks as security for loans granted to the Group.

The fair value of investment properties held to earn rental has not been determined as there were no recent market transactions for similar properties in the same location as the Group's investment properties held to earn rental and there is no active market for such properties.

#### (b) Investment property held for capital appreciation

	LAND USE RIGHTS VND
Opening balance	6,783,801,423
Transfers to inventories	(6,783,801,423)
Closing balance	-

The fair value of investment properties held for capital appreciation has not been determined as there were no recent market transactions for similar properties in the same location as the Group's investment properties held for capital appreciation and there is no active market for such properties.

### 14. CONSTRUCTION IN PROGRESS

	2015 VND	2014 VND
Opening balance	434,645,996,921	616,786,347,775
Additions during the year	39,747,170,349	36,764,597,374
Transfers to inventories	(288,387,934,445)	(211,875,530,132)
Transfers to investment property	-	(6,783,801,423)
Transfers to tangible fixed assets	(14,566,292,828)	-
Written off	-	(245,616,673)
Closing balance	171,438,939,997	434,645,996,921

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Major constructions in progress were as follows:

	31/12/2015 VND	1/1/2015 VND
Mecure Son Tra, Da Nang Project	84,351,999,406	83,794,011,286
104 Pho Quang Project	37,958,276,918	34,878,168,629
277 – 279 Ly Tu Trong Office Building Project	28,197,102,382	18,228,025,937
66 – 68 Nam Ky Khoi Nghia Project	11,134,809,686	11,110,328,757
Ho Tram, Xuyen Moc Project	241,318,083	240,556,083
Nam Song Hau's showroom construction	6,980,649,897	-
Vinh Thinh's showroom construction	2,574,783,625	-
Highway 13 Project	-	205,001,515,814
South Cam Le, Da Nang Project	-	74,563,358,488
Garage renovation for Toyota Phap Van, a branch of Toyota Giai Phong Joint Venture Company (TGP)	-	3,654,200,366
Huyn dai Gia Lai Branch (a branch of Savico Da Nang Corporation) Project	-	3,175,831,561
	171,438,939,997	434,645,996,921

At 31 December 2015 no construction in progress (1 January 2015: VND46,040 million) was pledged with banks as security for loans granted to the Group.

During the year, borrowings costs capitalised into construction in progress amounted to VND639 million (2014: VND8,930 million).

### 15. PREPAID EXPENSES

#### (a) Short-term prepaid expenses

	31/12/2015 VND	1/1/2015 VND
Office and house rental	122,880,667	151,809,091
Tools and supplies	2,576,014,331	1,608,851,601
Renovation expenses	-	611,856,700
Others	4,962,421,422	4,027,869,485
	7,661,316,420	6,400,386,877

#### (b) Long-term prepaid expenses

	31/12/2015 VND	1/1/2015 VND
Tools and supplies	4,535,010,817	2,671,477,178
Prepaid land costs	4,616,946,843	12,733,960,616
Renovation expenses	1,339,258,823	14,781,713,089
Others	3,164,303,289	6,596,391,920
	13,655,519,772	36,783,542,803

### 16. ACCOUNTS PAYABLE TO SUPPLIERS

Accounts payable to suppliers detailed by significant suppliers

	31/12/2015		1/1/2015	
	COST VND	AMOUNT WITH- IN PAYMENT CAPACITY VND	COST VND	AMOUNT WITH- IN PAYMENT CAPACITY VND
Hyundai Thanh Cong Auto Viet Nam Joint Stock Company	97,723,180,000	97,723,180,000	18,016,390,800	18,016,390,800
Ford Vietnam Limited Company	13,026,629,433	13,026,629,433	14,281,386,897	14,281,386,897
Suppliers in relation to Toyota brand	4,279,108,598	4,279,108,598	11,042,032,530	11,042,032,530
Other suppliers	55,690,438,534	55,690,438,534	53,228,249,067	53,228,249,067
	170,719,356,565	170,719,356,565	96,568,059,294	96,568,059,294

### 17. TAXES PAYABLE TO STATE TREASURY

	1/1/2015 VND	INCURRED VND	NET OFF/PAID VND	31/12/2015 VND
Taxes				
Value added tax	5,625,774,566	999,722,467,084	(999,215,614,716)	6,132,626,934
Corporate income tax	8,313,503,872	40,962,972,756	(32,099,925,042)	17,176,551,586
Personal income tax	4,582,896,487	10,383,612,022	(12,860,912,675)	2,105,595,834
Other obligations				

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Land rental	7,019,278,077	12,732,173,718	(9,738,385,784)	10,013,066,011
Other obligations	8,111,143,325	117,949,776	(7,112,511,775)	1,116,581,326
	33,652,596,327	1,063,919,175,356	(1,061,027,349,992)	36,544,421,691

### 18. ACCRUED EXPENSES

	31/12/2015 VND	1/1/2015 VND
Interest on borrowings	428,742,983	519,068,474
Rental fees	2,978,427,840	254,143,228
Salary and related expenses	4,738,044,256	4,676,937,820
Professional service fees	9,521,168,523	9,783,046,548
Accruals for operating expenses	4,221,382,710	3,810,076,095
Others	16,842,516,224	7,958,733,578
	38,730,282,536	27,002,005,743

### 19. UNEARNED REVENUE

#### (a) Unearned revenue – short-term

	31/12/2015 VND	1/1/2015 VND
		RECLASSIFIED
Warranty and customer care services	12,227,716,018	16,181,576,011
Buildings rental revenue received in advance	101,358,497	260,677,306
Portion of long-term unearned revenue to be realised within 12 months	6,676,455,900	6,844,690,105
	19,005,530,415	23,286,943,422

#### (b) Unearned revenue – long-term

	31/12/2015 VND	1/1/2015 VND
		RECLASSIFIED
Buildings rental revenue received in advance	103,462,855,900	109,040,272,238
Land rental revenue	-	9,004,800,000
Amount to be realised within 12 months	(6,676,455,900)	(6,844,690,105)
Amount to be realised after 12 months	96,786,400,000	111,200,382,133

### 20. OTHER PAYABLES

#### (a) Other payables – short-term

	31/12/2015 VND	1/1/2015 VND
		RECLASSIFIED
Dividends payable	1,782,554,795	6,974,401,435
Instalment contribution received from customers in relation to Tam Binh Residential Project	63,874,447,722	59,101,838,270
Payable to a partner in a real estate project (a)	85,950,625,357	40,235,200,000
Payable to a customer	5,856,400,000	5,856,400,000
Payable to Vinaland Investments Limited	-	130,323,934,900
Payables to other contract partners in respect of Phan Van Tri Project	-	1,130,055,440
Borrowings from third parties	-	1,800,000,000
Insurance premium collected on behalf of insurance agencies	2,966,568,874	3,117,487,977
Others	12,090,503,557	11,611,511,378
	172,521,100,305	260,150,829,400

a. Payable to a partner in a real estate project represented the advance from this party under the Cooperation Agreement dated 10 July 2014 on a project at 104 Pho Quang.

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### (b) Other payables – long-term

	31/12/2015 VND	1/1/2015 VND
Long-term deposits received	57,997,149,952	45,977,607,041
Shared profit from associate to a third party	2,265,585,765	-
Other long-term payables (*)	92,249,751,045	127,332,303,050
Amount due after 12 months	152,512,486,762	173,309,910,091

(\*) Other long-term payables, were interest free, represented amounts contributed by business corporation contract partners for participation in the Group's property projects as follows:

	31/12/2015 VND	1/1/2015 VND
Binh An Project	24,239,513,834	22,042,917,434
Highway 13 Project	-	25,098,400,000
227-229 Ly Tu Trong Office Building Project	56,672,384,699	47,714,227,225
104 Pho Quang Project	-	10,000,000,000
Phan Van Tri Project	-	14,882,586,965
Land rental payable to land lessor	11,337,852,512	7,594,171,426
	92,249,751,045	127,332,303,050

## 21. BORROWINGS

### (a) Short-term borrowings

	MOVEMENTS DURING THE YEAR				31/12/2015	
	1/1/2015 AMOUNT WITHIN CARRYING AMOUNT VND	REPAYMENT CAPACITY VND	ADDITIONS VND	DECREASES VND	CARRYING AMOUNT VND	REPAYMENT CAPACITY VND
Short-term borrowings	362,787,833,920	362,787,833,920	4,114,908,202,255	4,021,743,679,968	455,952,356,207	455,952,356,207
Current portion of long-term borrowings	50,345,196,000	50,345,196,000	101,231,304,923	65,845,196,000	85,731,304,923	85,731,304,923
	413,133,029,920	413,133,029,920	4,216,139,507,178	4,087,588,875,968	541,683,661,130	541,683,661,130

Terms and conditions of outstanding short-term borrowings were as follows:

	CURREN CY	ANNUAL INTEREST RATE	31/12/2015 VND	1/1/2015 VND
ANZ Bank Vietnam Limited	VND	5.8% - 9.0%	33,966,226,000	57,820,414,750
Vietnam Export Import Commercial Joint Stock Bank (Eximbank)	VND	6.0% - 7.5%	9,381,682,000	11,888,570,248
HSBC Bank (Vietnam) Ltd.	VND	6.5% - 13.0%	26,490,454,000	58,994,493,100
Indovina Bank (Vietnam) Ltd.	VND	6.0% - 13.0%	44,895,071,000	57,837,558,750
Military Commercial Joint Stock Bank (MB Bank)	VND	5.0% - 7.2%	56,127,063,667	8,199,290,000
Mizuho Bank, Ltd.	VND	4.5%	5,000,000,000	5,000,000,000
Saigon Thuong Tin Commercial Joint Stock Bank (Sacombank)	VND	7.0% - 7.5%	5,419,225,000	6,676,290,000
Sumitomo Mitsui Banking Corporation (SMBC)	VND	2.7% - 4.5%	20,000,000,000	34,000,000,000
Vietnam Technological and Commercial Joint Stock Bank (Techcombank)	VND	8.0%	5,304,390,000	879,240,000
The Bank of Tokyo Mitsubishi UFJ, Ltd.	VND	2.2% - 5.4%	73,000,000,000	21,000,000,000
Joint Stock Commercial Bank for Foreign Trade of Vietnam (Vietcombank)	VND	4.4% - 8.0%	107,653,965,142	57,966,359,722
Loan from an individual	VND	7.5%	350,000,000	890,000,000
Tien Phong Commercial Joint Stock Bank	VND	7.9% - 9.2%	19,653,018,000	-
Vietnam Thuong Tin Commercial Joint Stock Bank (Vietbank)	VND	5.8% - 6.0%	2,947,975,000	-
Vietnam Joint Stock Commercial Bank For Industry and Trade (Vietinbank)	VND	6.0%	31,221,284,398	-
Vietnam International Commercial Joint Stock Bank (VIB)	VND	5.5% - 6.0%	12,413,132,000	-
Vietnam Prosperity Joint Stock Commercial Bank (VPBank)	VND	7.0%	2,128,870,000	-
Bao Viet Commercial Joint Stock Bank	VND	7.0%	-	1,090,000,000
Ho Chi Minh City Development Joint Stock Commercial Bank (HD Bank)	VND	7.5%	-	6,121,938,000
Military Commercial Joint Stock Bank (MB Bank)	VND	6.0% - 8.5%	-	15,027,159,350
Viet Capital Commercial Joint Stock Bank	VND	8.0%	-	19,396,520,000
			455,952,356,207	362,787,833,920

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Included in short-term borrowings were VND255,349 million (1 January 2015: VND68,725 million) unsecured and VND200,603 million (1 January 2015: VND294,063 million) secured by the following assets:

	31/12/2015 VND	1/1/2015 VND
		<b>ĐÃ PHÂN LOẠI LẠI</b>
Cash equivalents	482,090,000	2,541,540,000
Held-to-maturity investments – short-term	-	5,718,022,800
Inventories	165,690,179,522	148,251,615,423
Investment properties	46,376,734,200	33,419,410,703
Held-to-maturity investments – long-term	-	4,700,000,000
Tangible fixed assets	12,519,934,171	-
	225,068,937,893	194,630,588,926

### (b) Long-term borrowings

	31/12/2015 VND	1/1/2015 VND
Long-term borrowings	334,135,662,052	447,418,571,426
Repayable within twelve months	(85,731,304,923)	(50,345,196,000)
Repayable after twelve months	248,404,357,129	397,073,375,426

Terms and conditions of outstanding long-term borrowings were as follows:

	CURREN CY	ANNUAL INTEREST RATE	YEAR OF MATURITY	31/12/2015 VND	1/1/2015 VND
Vietnam Joint Stock Commercial Bank For Industry and Trade (Vietinbank)	VND	9,8%	2020	210,000,000,000	288,400,000,000
Vietnam Prosperity Joint Stock Commercial Bank (VPBank)	VND	9,6%	2016	30,000,000,000	30,000,000,000
Vietnam Export Import Commercial Joint Stock Bank (Eximbank)	VND	10,5%	2022	15,092,391,678	14,212,391,678
Joint Stock Commercial Bank for Foreign Trade of Vietnam (Vietcombank)	VND	9,6%	2017	5,367,117,890	15,550,000,000
Joint Stock Commercial Bank for Foreign Trade of Vietnam (Vietcombank)	VND	9,8%	2017	36,800,000,000	1,170,000,000
The Bank of Tokyo Mitsubishi UFJ, Ltd.	VND	5,0%	2016	3,917,140,795	12,100,100,795
Vietnam Export Import Commercial Joint Stock Bank (Eximbank)	VND	9,0%	2017	10,326,000,000	8,052,853,890
Military Commercial Joint Stock Bank (MB Bank)	VND	9,5%	2018	4,721,762,539	3,427,629,732
Joint Stock Commercial Bank for Foreign Trade of Vietnam (Vietcombank)	VND	11,0%	2019	5,400,000,000	11,799,566,831
HD Bank	VND	8,0%	2020	570,000,000	-
Ocean Bank	VND	9,5%	2018	641,249,150	-
Military Commercial Joint Stock Bank	VND	9% - 10%	2025	11,300,000,000	-
Indovina Bank Limited	VND	8,0%	2017	-	49,652,778,500
Viet Capital Commercial Joint Stock Bank	VND	10,9%	2022	-	12,656,250,000
Viet Capital Commercial Joint Stock Bank	VND	11,0%	2017	-	397,000,000
				334,135,662,052	447,418,571,426
Amount repayable within 12 months				(85,731,304,923)	(50,345,196,000)
Amount repayable after 12 months				248,404,357,129	397,073,375,426

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Included in long-term borrowings were VND15,787 million of unsecured borrowings (1 January 2015: VND12,100 million) and VND318,349 million of borrowings (1 January 2015: VND435,319 million) secured by the following assets:

	31/12/2015 VND	1/1/2015 VND
Inventories	75,654,574,661	16,751,846,290
Tangible fixed assets	42,152,119,613	40,872,396,466
Intangible fixed assets	27,259,175,600	27,899,312,792
Construction in progress	-	46,039,831,209
Investment properties	628,725,717,599	637,734,352,845
	773,791,587,473	769,297,739,602

### 22. BONUS AND WELFARE FUND

Movements in bonus and welfare fund during the year were as follows:

	2015 VND	2014 VND
Opening balance	8,892,027,107	6,525,093,179
Appropriation from retained profits	14,410,568,261	8,603,572,264
Utilisation during the year	(7,463,568,128)	(6,236,635,689)
Closing balance	15,839,027,240	8,892,029,754

### 23. CHANGES IN OWNERS' EQUITY

	SHARE CAPITAL VND	CAPITAL SURPLUS VND	TREASURY SHARES VND	FOREIGN EXCHANGE DIFFERENCES VND	INVESTMENT AND DEVELOP- MENT FUND VND	RETAINED PROFITS VND	NON-CON- TROLLING INTEREST VND	TOTAL VND
<b>Balance at 1 January 2014</b>	249,955,730,000	317,064,858,303	(690,474,358)	5,093,483,305	37,644,799,843	132,541,353,029	175,871,734,703	917,481,484,825
Net profit for the year	-	-	-	-	51,807,692,432	35,973,324,829	-	87,781,017,261
Capital contribution by non-controlling interest	-	-	-	-	-	29,098,000,000	-	29,098,000,000
Appropriation to equity fund	-	-	-	-	(3,036,824,982)	-	-	-
Appropriation to bonus and welfare fund	-	-	-	-	(6,644,987,627)	(1,958,584,637)	-	(8,603,572,264)
Dividends	-	-	-	-	(29,970,608,400)	(21,592,647,531)	-	(51,563,255,931)
Appropriation to Board of Management and Supervisory Board fee fund	-	-	-	-	(2,026,976,177)	-	-	(2,026,976,177)
Other decreases	-	-	-	-	(171,566,501)	(590,389,175)	-	(761,955,676)
<b>Balance at 1 January 2015</b>	249,955,730,000	317,064,858,303	(690,474,358)	5,093,483,305	40,681,624,825	142,498,081,774	216,801,438,189	971,404,742,038
Net profit for the year	-	-	-	-	103,861,038,432	59,415,437,130	-	163,276,475,562
Capital contribution by non-controlling interest	-	-	-	-	-	4,644,400,000	-	4,644,400,000
Appropriation to equity funds	-	-	-	-	(2,868,538,252)	-	-	-
Appropriation to bonus and welfare fund (Note 22)	-	-	-	-	(12,347,900,190)	(2,062,668,071)	-	(14,410,568,261)
Dividends (Note 26)	-	-	-	-	(29,970,608,400)	(19,426,613,523)	-	(49,397,221,923)
Appropriation to Board of Management and Supervisory Board fee fund	-	-	-	-	(2,368,078,091)	-	-	(2,368,078,091)
Decrease through disposal of investments in a subsidiary	-	-	-	-	-	(6,179,925,933)	-	(6,179,925,933)
Transfer to statement of income upon liquidation of investee	-	-	-	-	(5,093,483,305)	-	-	(5,093,483,305)
Other decreases	-	-	-	-	(76,745,227)	(666,949,776)	-	(743,695,003)
<b>Balance at 31 December 2015</b>	249,955,730,000	317,064,858,303	(690,474,358)	-	43,550,163,077	198,727,250,046	252,525,118,016	1,061,132,645,084

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### 24. SHARE CAPITAL

The Company's authorised and issued share capital are:

	31/12/2015		1/1/2015	
	NUMBER OF SHARES	VND	NUMBER OF SHARES	VND
Authorised share capital	24,995,573	249,955,730,000	24,995,573	249,955,730,000
Issued ordinary shares	24,995,573	249,955,730,000	24,995,573	249,955,730,000
Treasury ordinary shares	(20,066)	(690,474,358)	(20,066)	(690,474,358)
Ordinary shares currently in circulation	24,975,507	249,265,255,642	24,975,507	249,265,255,642

All ordinary shares have a par value of VND10,000. Each share is entitled to one vote at meetings of the Company. Shareholders are entitled to receive dividends as declared from time to time. All ordinary shares are ranked equally with regard to the Company's residual assets. In respect of shares bought back by the Company, all rights are suspended until those shares are reissued.

There were no movements in share capital during the year.

### 25. DIVIDENDS

The General Meeting of Shareholders of the Company on 24 April 2015 resolved to distribute dividends of 2014 amounting to VND29,971 million (2014: VND29,971 million), which is equal to 12% of par value of shares in circulation at that time.

### 26. INVESTMENT AND DEVELOPMENT FUND

Investment and development fund was appropriated from retained profits in accordance with the resolution of General Meeting of Shareholders. This fund was established for the purpose of future business expansion. When the fund is utilised for business expansion, the amount utilised is transferred to Share capital.

### 27. OFF BALANCE SHEET ITEMS

#### (a) Leases

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

	31/12/2015 VND	1/1/2015 VND
Within one year	38,189,029,513	47,257,649,291
From two to five years	91,466,269,340	138,391,280,524
Over five years	84,559,426,596	201,071,134,598
	214,214,725,449	386,720,064,413

#### (b) Goods held for third parties

	31/12/2015 VND	1/1/2015 VND
Goods held for third parties	72,864,258,185	92,299,543,053

### 28. REVENUE FROM SALES OF GOODS AND PROVISION OF SERVICES

Total revenue represented the gross value of goods sold and services rendered exclusive of value added tax.

Net revenue comprised of:

	2015 VND	2014 VND
Total revenue		
• Sales of real estate	160,720,455,551	226,145,504,359
• Sales of merchandise goods	9,163,412,511,709	7,091,192,063,245
• Services rendered	396,526,056,092	479,568,304,371
• Rental income	177,771,931,316	142,792,298,648
	9,898,430,954,668	7,939,698,170,623
Less revenue deductions	(8,488,551,696)	(9,456,390,759)
Net revenue	9,889,942,402,972	7,930,241,779,864

### 29. COST OF SALES

	2015 VND	2014 VND
Carrying value of real estate sold	228,353,697,207	191,174,063,841
Merchandise goods sold	8,789,898,918,614	6,860,892,974,256
Services rendered	339,437,919,419	352,712,079,232
Depreciation charge of investment property	19,361,712,733	24,240,884,759
Allowance for inventories	21,203,870,841	943,161,465
	9,398,256,118,814	7,429,963,163,553

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### 30. FINANCIAL INCOME

	2015 VND	2014 VND
Interest income from deposits	4,175,994,254	1,995,628,109
Income from security trading	3,669,527,293	220,282,490
Gains on disposals of investments in a subsidiary (Note 39)	4,266,034,971	-
Income from disposal of other long-term investment	110,235,368,205	664,950,000
Dividends	5,891,087,999	3,396,793,200
Foreign exchange gains	497,368,874	1,046,570,370
Other financial income	2,578,230,263	4,063,232,351
	131,313,611,859	11,387,456,520

### 31. FINANCIAL EXPENSES

	2015 VND	2014 VND
Interest expense	52,929,724,175	64,142,222,565
Losses from security trading	125,875,773	1,563,492,000
Losses from disposals of investments in associates	-	2,694,669,694
Security trading expenses	19,988,704	52,570,644
Foreign exchange losses	1,819,722,064	807,784,082
Reversal of allowance for short-term and long-term financial investments	(3,309,781,997)	(3,064,040,334)
Other financial expenses	2,546,888,206	1,368,196,220
	54,132,416,925	67,564,894,871

### 32. SELLING EXPENSES

	2015 VND	2014 VND
Staff costs	126,063,098,928	96,620,729,847
Outside service expenses	45,583,185,042	42,540,992,082
Tools and supplies	14,474,461,907	6,533,851,322
Others	47,101,979,575	41,554,646,808
	233,222,725,452	187,250,220,059

### 33. GENERAL AND ADMINISTRATION EXPENSES

	2015 VND	2014 VND
Staff costs	81,601,173,089	69,058,953,537
Outside service expenses	44,278,908,790	41,583,869,890
Others	55,919,866,361	54,570,349,582
	181,799,948,240	165,213,173,009

### 34. OTHER INCOME

	2015 VND	2014 VND
Gains from disposals of tangible fixed assets	-	2,481,039,874
Proceeds from disposals of long-term prepayments	-	4,421,964,161
Deduction in payables granted by suppliers	14,638,517,320	19,147,172,105
Commission received from other parties	17,328,561,301	9,150,518,363
Compensation received from customers for cancellation of contracts	44,140,800	7,106,437,840
Compensation received from a party for cancellation of agreement	91,600,000	7,000,000,000
Others	11,950,806,440	1,930,076,235
	44,053,625,861	51,237,208,578



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### 35. OTHER EXPENSES

	2015 VND	2014 VND
Losses from dispose fixed assets	3,386,630,109	-
Compensation paid to a customer for cancellation of agreement	16,800,000	-
Additional payments to State Treasury	-	16,924,009,460
Carrying value of tools and equipment disposed	-	5,988,045,049
Others	3,079,501,273	10,066,221,325
	6,482,931,382	32,978,275,834

### 36. TRADING AND BUSINESS COSTS BY ELEMENT

	2015 VND	2014 VND
Cost of real estate sold	227,754,580,150	191,174,063,841
Cost of merchandise goods	8,908,915,740,327	6,918,360,213,959
Labour costs and staff costs	294,501,928,008	245,333,725,996
Depreciation and amortisation	50,344,224,149	46,268,640,090
Outside services	158,786,646,421	160,800,619,922
Other expenses	174,608,441,286	94,569,179,940

### 37. INCOME TAX

#### (a) Recognised in the balance sheet

	31/12/2015 VND	1/1/2015 VND
Deferred tax assets		
Accrued expenses	2,018,933,373	2,722,698,294
Tax losses carry-forwards	572,091,096	1,045,137,199
	2,591,024,469	3,767,835,493

#### (b) Recognised in the statement of income

	2015 VND	2014 VND
<b>Current tax expense</b>		
Current year	41,559,649,442	30,300,444,363
(Over)/under provision in prior years	(596,676,686)	1,607,853,061
	40,962,972,756	31,908,297,424
<b>Deferred tax expense / (benefit)</b>		
Origination and reversal of temporary differences	674,204,643	3,746,018
Benefit of tax losses recognised	473,046,103	(1,045,137,199)
	1,147,250,746	(1,041,391,181)
Income tax expense	42,110,223,502	30,866,906,243

#### (c) Reconciliation of effective tax rate

	2015 VND	2014 VND
Profit before tax	205,386,699,064	118,647,923,504
Tax at income rate applicable to the Company	45,185,073,794	26,102,543,171
Non-deductible expenses	1,291,593,875	5,461,590,348
Non-taxable income	(4,461,966,934)	(4,034,210,242)
Deferred tax assets not recognised	3,234,839,232	3,888,475,754
Tax losses utilised	(3,339,185,904)	(2,949,322,078)
Deferred tax assets not recognised on reversal of allowance for diminution in the value of investments in subsidiaries and associates	707,534,116	789,976,229
Effect of different tax rate in a subsidiary	89,012,009	-
(Over)/under provision in prior years	(596,676,686)	1,607,853,061
	42,110,223,502	30,866,906,243

Deferred tax assets have not been recognised by certain subsidiaries in respect of their tax losses because it is not probable that future taxable profit will be available against which the subsidiaries can utilise the benefits therefrom.

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### (d) Applicable tax rates

Under the terms of Income Tax Law the Company and most of its subsidiaries have an obligation to pay the government income tax at the rate of 22% of taxable profits.

Pursuant to Circular No. 141/2013/TT-BTC issued by the Ministry of Finance on 16 October 2013, Savico Da Nang Corporation – a subsidiary is entitled to a 5% reduction from current income tax rate (i.e. 20%) effective from 1 July 2013 for enterprises with a total revenue of the preceding year less than VND20 billion.

On 19 June 2013, the National Assembly approved the Law on amendments and supplements to a number of articles of the Corporate Income Tax Law. Accordingly, the highest income tax rate shall be reduced from 25% to 22% for 2015, and to 20% from 2016 onwards.

### 38. BASIC EARNINGS PER SHARE

The calculation of basic earnings per share for the for the year ended 31 December 2015 was based on the profit attributable to ordinary shareholders, effective from 1 January 2015, after deducting the amounts appropriated to bonus and welfare fund and Board of Management and Supervisory Board fee fund and a weighted average number of ordinary shares outstanding, calculated as follows:

#### (i) Net profit attributable to ordinary shareholders

	2015 VND	2014 VND
Net profit attributable to ordinary shareholders of Saigon General Service Corporation	103,861,038,432	51,807,692,432
Appropriation to bonus and welfare fund (Note 23) (*)	(12,347,900,190)	-
Appropriation to Board of Management and Supervisory Board fee fund (*)	(2,368,078,091)	-
	89,145,060,151	51,807,692,432

#### (ii) Weighted average number of ordinary shares

	2015 NUMBER OF SHARES	2014 NUMBER OF SHARES
Weighted average number of ordinary shares	24,975,507	24,975,507

As of 31 December 2015, the Group did not have potentially dilutive ordinary shares.

(\*) Prior to 1 January 2015, the profit or loss attributable to the ordinary shareholders of the Company included amounts appropriated to bonus and welfare fund and Board of Management and Supervisory Board fee fund, if any. Effective from 1 January 2015, the profit or loss attributable to the ordinary shareholders of the Company is determined after deducting any amounts appropriated to bonus and welfare fund and Board of Management and Supervisory Board fee fund. This change in accounting policy has been applied prospectively. As a result, basic earnings per share for the year ended 31 December 2015 had decreased by VND590.

### 39. SIGNIFICANT TRANSACTIONS WITH RELATED PARTIES

#### Identity of related parties

The Group has controlled related party relationships with its subsidiaries and has related relationship with its associates, and with its key management personnel.

#### Disposal of investments in a subsidiary

As at 26 March 2015, the Group disposed investments in a subsidiary – East City Co., Ltd. The Group signed a capital assignment agreement with Mr. Le Chien Thang (the General Director of this subsidiary) whereby the Company transferred all rights and the obligation arising from its contributed capital in East City Co., Ltd. to Mr. Le Chien Thang since 26 March 2015.

The disposal had the following effect on the Group's consolidated financial statements at the disposal date:

	AT DISPOSAL DATE VND
Cash and cash equivalents	7,870,685,507
Held-to-maturity investments – short-term	6,000,000,000
Accounts receivable from customers	21,527,227,805
Inventories	15,626,402,673
Short-term prepaid expenses	198,132,665
Other current assets	6,673,069,216
Tangible fixed assets – net	4,072,230,253
Intangible fixed assets – net	5,299,851
Held-to-maturity investments – long-term	4,700,000,000
Long-term prepaid expenses	21,887,170,351
Deferred tax assets	29,560,278
Other long-term assets	15,822,987,481
Short-term borrowings	(39,152,677,000)
Other current liabilities	(13,947,932,033)
Long-term borrowings	(11,182,150,000)
Other long-term liabilities	(30,626,116,085)
Non-controlling interest	(6,179,925,933)

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Net identifiable assets and liabilities disposed	3,323,965,029
Gains from disposal of investments in a subsidiary (Note 30)	4,266,034,971
Consideration received	7,590,000,000
Less: Cash and cash equivalents disposed	7,870,685,507
Net cash and cash equivalents outflow from the disposal	(280,685,507)

### Transactions with key management personnel

Total remuneration and business allowances to key management personnel were as follows:

	2015 VND	2014 VND
Board of Management	1,620,000,000	2,744,680,000
Board of Directors	1,962,000,000	1,305,400,000
Supervisory Board	356,020,000	112,500,000
	3,938,020,000	4,162,580,000

### Other related party transactions

During the period, there were the following significant transactions with other related parties:

RELATED PARTY	RELATIONSHIP	NATURE OF TRANSACTION	2015 VND	2014 VND
Toyota East Saigon Joint Stock Company (TESC)	Associate	Purchases of fixed assets	2,130,880,878	1,129,090,909
		Dividends	-	5,142,712,500
		Other financial expenses	-	12,750,000
		Loan granted to associate	-	20,000,000,000
ConfortDelgro Taxi Savico Company	Associate	Rental and other related expenses charged to associate	-	2,482,487,393
Ben Thanh Savico General Trading & Services Co., Ltd.	Associate	Commission received from associate	-	464,528,000
		Purchase of equipment	-	260,000,000
Toyota Ly Thuong Kiet Limited	Associate	Sales of cars	27,072,754,546	-
		Purchase of cars	38,616,763,635	-

### 40. NON-CASH INVESTING ACTIVITY

	2015 VND	2014 VND
Net off proceed from disposal investments with advance received from Vinaland Investments Limited in previous years	130,323,934,900	-

### 41. CORRESPONDING FIGURES

As described in Note 3, the Group adopted prospectively Circular 200 and Circular 202 from 1 January 2015. As a result, the presentation of certain financial statement captions have been changed. Certain corresponding figures as at 1 January 2015 have been reclassified to conform to the requirements of Circular 200 and Circular 202 in respect of financial statement presentation. A comparison of the amounts previously reported and as reclassified is as follows:

#### (a) Consolidated balance sheet

	1/1/2015 VND (AS RECLASSIFIED)	1/1/2015 VND (AS PREVIOUSLY REPORTED)
Trading securities	63,590,209,033	-
Short-term investments	-	69,590,209,033
Held-to-maturity investments – short-term	6,000,000,000	-
Other receivables	49,659,459,745	39,537,358,660
Other current assets	-	10,122,101,085
Other long-term receivables	148,290,818,840	9,345,621,247
Fixed assets	232,554,006,538	667,200,003,459
Long-term work in progress	434,645,996,921	-
Other long-term investments	-	204,351,640,112
Equity investments in other entities	83,865,264,000	-
Held-to-maturity investments – long-term	4,700,000,000	-
Other long-term assets	-	23,158,821,481
Other payables – short-term	260,150,829,400	267,082,846,811
Unearned revenue – short-term	23,286,943,422	-
Long-term unearned revenue	111,200,382,133	127,555,308,144
Investment and development fund	40,681,624,825	20,579,438,084
Financial reserve	-	20,102,186,741

**(b) Consolidated statement of income**

	1/1/2015 VND (AS RECLASSIFIED)	1/1/2015 VND (AS PREVIOUSLY REPORTED)
Other income	51,237,208,578	58,850,738,612
Other expenses	(32,978,275,834)	(40,591,805,868)

**(c) Consolidated statement of cash flow**

	1/1/2015 VND (AS RECLASSIFIED)	1/1/2015 VND (AS PREVIOUSLY REPORTED)
Net losses on trading securities	-	1.343.209.510
Change in trading securities	(1.634.020.490)	-
Proceeds from disposals of investments in securities	-	7.598.355.000
Payments for investments in other entities	(23.624.031.482)	(44.899.616.482)
Payments of short-term investments	(10.700.000.000)	-

21 March 2016

Prepared by:

Approved by:



**Ngo Van Danh**  
Chief Accountant



**Mai Viet Ha**  
General Director



CÔNG TY CỔ PHẦN DỊCH VỤ  
TỔNG HỢP SÀI GÒN

68 Nam Kỳ Khởi Nghĩa, Quận 1, Tp. Hồ Chí Minh  
Tel: (84-8) 3821 3913  
Fax: (84-8) 3821 3553 / 3821 5992  
Email: [savico@savico.com.vn](mailto:savico@savico.com.vn)  
[www.savico.com.vn](http://www.savico.com.vn)